

Contract for Directly Regulated Customers

Terms of Supply for Support Services

This Agreement is entered into between:

Bankhall PMS Limited whose registered office is at: Pixham End, Dorking, Surrey RH4 1QA

and

2. You.

Part A Terms and Conditions common to and governing all Services provided to you by us

1. Definitions and Interpretation

1.1 This Agreement is comprised of several distinct parts that reflect the general terms and conditions between the parties (Part A), File Checking Service (Part B), Complaints Handling Service (Part C), Financial Promotions Review (Part D), Compliance Support including Compliance Visits (Part E), Access to Bankhall Online including access to Learning Services and Continuing Professional Development (Part F), Personalised Marketing (Part G), Provision of Research (Part H), Other Professional Services (Part I), Services Supplied under the Restricted Advice propositions (Part J), and and Commissions Reconciliation (Part K).

1.2 In this Agreement the following words and phrases shall have the following meanings unless the context requires otherwise.

'Agreement' means these Terms, our Service Catalogue and the relevant Order Form(s).

'Bankhall Online' means the internet portal owned and run by us that is described in our Service Catalogue.

'Complaint' means any expression whether oral or written from or on behalf of a complainant who has suffered, or may have suffered, a financial loss or material inconvenience as a result of a service which you have provided (or failed to provide). A complaint can be expressed in person, by telephone (orally), email or letter and may arise from a client or potential client.

'Compliance Visits' means any visits offered by us as set out in the Service Catalogue.

'Contract Term' means the period specified in the prevailing Order Form completed by you.

'Distribution Channel' means the distribution and marketing facilities under which as our customer you can seek insurance and other financial services products from Product Providers who offer single-tie, Restricted Advice and whole of market products and services under brands notified to you from time to time .

'Financial Promotion' means an advertisement, communication, invitation or inducement to engage in investment activity that you wish to issue and includes but is not limited to Key Features, Policy Summaries, Flyers, Direct

Marketing Letters, Direct Marketing Letter Applications, Stationery, Brochures, Adverts, Editorials, Webpages.

'Fee' means the fees payable for the ability to make use of the Services, as amended from time to time in accordance with these Terms.

'FOSADR' means the Financial Ombudsman Service Alternative Dispute Resolution system set up pursuant to Part XVI of the Financial Services and Markets Act 2000 and as implemented by the FSA's DISP Rules and/ or any successor scheme to it.

'FSA' means the Financial Services Authority or any successor regulator to it.

'Intellectual Property' means all intellectual property rights of any nature, including without limitation patents, designs, present and future trademarks or copyright, and whether registered or not.

'Material' means all documentation (either in electronic or written form) we provide to you from time to time in the provision of the Services and includes without limitation product research bulletins, user and how-to guides, compliance manuals and procedures, money laundering guidelines, product lists, fact-finds and supplementary questionnaires, terms of business templates, FSA application procedures and other documents and templates as provided by us from time to time.

'Online Learning Services' means access to third party education materials in electronic form and online annual knowledge assessments compiled by us.

'Order Form' means the form(s) of that name which you have submitted to us describing the specific Services or other services which we are contracting to provide to you. Order Forms may be varied and updated from time to time by us. Order Forms for access to Part F governed courses for exam revision, continuing professional development and general learning are web-enabled.

'PMS Online' means the internet portal owned and run by us that is described in our Service Catalogue.

'Product Provider' means any institution (which includes general insurers, wholesale general insurance intermediaries, protection product provider, mortgage lenders and life and pensions product providers) which supplies financial products and which has been appointed by us to offer products and services as part of a Restricted Advice panel or on a whole of market basis.

'Rate Club' means the negotiated and agreed enhanced commissions and exclusive deals with Product Providers.

'Restricted Advice' means either single-tie advice or advice from a restricted panel of Product Providers, but not whole of market advice.

'RMAR' means the return or any successor return similar to it and in purpose to it required by FSA .

'Service Catalogue' means the document of that name that sets out details of the Services we provide from time to time.

'Services' means those services set out in clause 3 below and as described in Parts B to L, in our Service Catalogue and in any Order Form(s).

'Site' means the website at a URL specified by us and notified to you from time to time.

'Terms' means these terms and conditions.

'Turnover' means all revenues generated by you as an adviser firm in any twelve month period, both from regulated and non-regulated classes of financial services business including (but not limited to) initial and trail commissions and introducer fees, and 'Percentage of Turnover' shall be construed accordingly.

'TUPE Regulations' means the Transfer of Undertakings (Protection of Employment) Regulations 2006 as amended from time to time.

'User ID' means your electronic identification advised by us from time to time, including your user names and passwords and also including, where applicable your Unipass Limited OSIS certificate and associated encryption keys.

'We', 'us', 'our' 'ourselves' means Bankhall PMS Limited.

'You', 'your' yourselves' means your company, partnership or other business entity as described in the Order Form.

1.3 The headings in these Terms affect its interpretation and set out the specific Services or branded solutions which you have contracted to receive under this Agreement.

1.4 This Agreement supersedes and terminates all previous agreements for the provision of similar Services executed by you and us. You agree that we have fulfilled all our obligations to you under previous agreements.

1.5 If there is an inconsistency between these Terms an Order Form or the Service Catalogue, the Order Form shall take precedence, followed by the Terms and then the Service Catalogue.

1.6 All definitions and interpretation used in section 18 of this Agreement are derived from and shall be construed in accordance with the Data Protection Act 1998.

2. Scope of Agreement

2.1 The scope of this Agreement extends to the Services specified in the prevailing Order Form(s). We may from time to time add, remove or vary the Services which are available to you. We will inform you about new Services and give you written notice of any changes to existing ones.

2.2. By signing an Order Form, you agree that you will be legally bound to receive the Services set out in that Order Form. Your signature also signifies your intention to be legally bound by the Product Providers' terms of business for those Services for regulatory and other purposes.

2.3 We may be assisting you with your FSA application. If we are, you agree to pay our fees for those Services by cheque, whether or not your application is successful. If you are not successful, we may terminate this Agreement with you immediately.

3. Services

3.1 We have made and will continue to make arrangements for you to seek insurance and other financial services and support services from Product Providers who want to provide insurance and other financial services through our Distribution Channels as well as arrangements which we ourselves offer or have put in place with third party support service providers. Neither we nor any member of our group shall have any liability of any nature whatsoever for any third party products or services arranged for or promoted to you by us.

3.2 We will provide you with Services that are core to the Distribution Channel and optional Services, which you have indicated that you require by signing the applicable Order Form.

3.3 You may add other optional Services to the ones already chosen by you. To access those Services, you must execute a further Order Form.

3.4 The Services are provided to you subject to these Terms and any additional terms set out in the applicable Order Form. Subject to clause 3.5, we will be legally bound to provide any relevant Service to you when we have received your completed Order Form(s).

3.5 We reserve the right to reject any request to carry out part or all of the relevant Service without giving reasons. We will notify you if your request for us to carry out a Service is rejected and you will not be charged for any part of any Service which we have refused to provide.

3.6 We may from time to time make available to you information concerning professional indemnity insurance.

3.7 You may be issued with a User ID so that you can receive certain of the Services via Bankhall Online, PMS Online and any other specified websites and microsities.

3.8 You are responsible for the use you make of the Services by any person using your User ID. You must use adequate security procedures and follow any reasonable instructions we give to you to ensure the confidentiality of your User ID and to prevent any unauthorised person accessing and using the Site and the Services.

3.9 If you know or suspect that an unauthorised person knows your User ID you must promptly notify the helpdesk. We will cancel your existing User ID and allocate you a new User ID.

3.10 In relation to Services selected by you on the Order Form, we shall be entitled to act on instructions or answer queries as part of the Services from all parties employed or engaged by you. In the event you wish us to take instructions or answer queries from only certain individuals acting on your behalf, you should notify us of this and provide details of such individuals in writing.

4. Fees

4.1 In consideration of the supply of the Services to you by us and enabling you to become a part of the Distribution Channel you will pay the Fees set out in the Order Form (plus VAT, if applicable) or as set out in the relevant part of this Agreement. You agree (unless specifically indicated otherwise) to pay the Fees and VAT by direct debit, and to

this end have completed the direct debit mandate on the Order Form in our favour. You agree to pay for the Services whether or not you use them and regardless of whether or not you remain able to use them. Obligations to pay Fees survive termination of this Agreement.

4.2 The relevant Order Form will state whether any element of the Services is a Vatable supply. If the VAT status of any Service changes, we reserve the right to charge the prevailing rate of VAT applied to that Service by giving written notice to you.

4.3 You warrant that if we fail to receive any Fees that you will pay us on demand the Fees plus 5% over the base rate of our bankers plus the VAT within five days of our giving you notice requesting you to do so.

4.4 We also have the right to suspend or cease the supply of the Service to you at any time, at our discretion. If you or we terminate this Agreement, you will still be liable to pay us all the Fees due up to the date of termination. If we have provided Services and the payment profile of the Fees means that we are yet to be paid those amounts, you agree to pay them to us plus VAT immediately and in full on termination of this Agreement.

4.5 You agree that we may receive payments (that may be defined as commission by FSA from time to time) directly from Product Providers in respect of a sale of financial products by you and you pass on your right to receive commission defined as such to us.

4.6 You agree that we may receive data including commission earnings data from Product Providers regarding the business transacted by you through this Distribution Channel.

4.7 You may take a fee or a reduced or nil commission for your sales and advice services to a client or you may suffer clawbacks. If you do, the payments we receive from Product Providers set out at clause 4.5 may be reduced and you agree that we may recover the difference from you in these circumstances.

4.8 If we have to review documents before we provide the relevant Service and they are particularly complex or belong to a different review category, we reserve the right to charge more than the rates quoted. If we intend to do this, we will contact you before carrying out any work in order to notify you of our revised charge. If we are unable to agree a revised charge with you, we will not review that material for you.

4.9 If we find that facts and circumstances are particularly complex whilst providing the Services, we reserve the right to charge more than the rates quoted. If we intend to do this, we will discuss the matter with you and agree a course of action with you.

4.10 Where you have submitted a request for a Service and subsequently wish to cancel part or all of the Services you must notify us immediately in writing. If we have already carried out some or all of the Service at the point at which you notify us of cancellation, we reserve the right to claim our reasonable costs from you for any work that we have already undertaken.

4.11 We may agree to receive Fees due from you by way of payments of commission (as defined in the FSA Handbook) from Product Providers.

5. Intellectual Property Rights

5.1 All rights and interest in all Intellectual Property in all Materials and all concepts, systems, whether written, graphic or otherwise used in the provision of the Services, including any Site, is validly licensed to us or is our property. You gain no ownership of Materials but you are licensed to use the Materials whilst you are contracted to use our Services for your business. After termination of this Agreement, you may continue to store Materials solely for the purpose of demonstrating compliance with the requirements of the FSA

5.2 You may from time to time provide us with Intellectual Property so that we can provide Services to you. You will indemnify us and hold us harmless against any losses, damages, costs (including legal fees) and expenses incurred as a result of any claim that the use of intellectual property you supply infringes the Intellectual Property Rights of a third party ('IPR Claim').

5.3 We will, at your request and own expense, allow you to have the conduct of and/or settle all negotiations and litigation arising from any IPR Claim.

5.4 If any IPR Claim is made we agree that you may at your own expense, either:

(a) procure for us the right to continue using your Intellectual Property; or

(b) modify or replace the infringing part(s) of your Intellectual Property so as to avoid the infringement or alleged infringement.

6. Audit Rights

We acknowledge that you carry out activities that are regulated under the Financial Services and Markets Act 2000 (and any successor or amending legislation). At your expense and cost, we will co-operate with you, your auditors (both internal and external) and the FSA and give them reasonable access to premises and deal with them in an open and co-operative way to ensure that you can demonstrate at any time that the Services are being provided in accordance with the terms of this Agreement and that its provision does not threaten your ability to provide services or affect your regulated status.

7. Provision of Support Services

7.1 We will use reasonable efforts to provide you with help and support in the use of the Services in accordance with our published Service Levels from time to time but these are aspirational targets only and we are not liable to you for failure to meet them.

7.2 You will be provided with a helpdesk telephone number and e-mail address. Your questions to the helpdesk must be relevant to the Services and reasonable. To be eligible to receive help and support all Fees owing to us must have been paid. Helpdesk support does not include visits to your premises.

8. Joining from Sesame Network

If you are joining us from the Sesame network, having been an appointed representative of Sesame Limited pursuant to a network membership agency agreement then you agree that we will have no liability for any outstanding liabilities owed to you by Sesame Limited. In particular, you will have no right of set off against any Fees or other charges due under this Agreement in respect of any sums which may be owed to you by Sesame Limited.

9. Your Obligations, Warranties and TUPE indemnity

9.1 You will ensure that you have suitable systems and resources to receive the Services (including computer resources). We will provide minimum specifications but you must satisfy yourself that the resources you use perform sufficiently well for your purposes.

9.2 You must not use the Services except to support your own intermediary business. You are not allowed to give or transfer Materials to any third parties, including intermediaries who are not your advisers, whether for remuneration or otherwise.

9.3 You must co-operate with us to enable us to provide the Services to you at all times and comply with all reasonable instructions which we give to you relating to the Services.

9.4 You acknowledge that Materials and Services may not be error free and may contain defects. You will rely on your expertise and judgement to ensure that the Services and any output from them are suited to your needs and purposes.

9.5 You will be truthful and accurate in all information you provide to us and in all documentation we help to prepare on your behalf and you will at all times maintain an open and honest relationship with us.

9.6 If you have selected a Service for which we have created a panel of Product Providers to provide you with particular policies, products and services, you may only submit new business applications for policies, products or services to those Product Providers who are on the panel at that time. [You must not, whilst using a Service for which a panel has been created, submit new business applications for any policies, products or services to any other Product Provider.]

9.7 You must provide sales and advice documents, given to you by Product Providers unaltered to customers unless you have the prior consent of the relevant Product Provider to alter them.

9.8 You must remain aware of your FSA obligations. In particular you must make full disclosure of commissions within the guidance given to you from time to time by Product Providers and us.

9.9 You must comply with the Data Protection Act 1998 and/or Isle of Man Data Protection Act 2002 (as appropriate) and inform customers how you use their personal data and to whom you pass or disclose their personal data for further processing. You will at all times comply with the Money Laundering Regulations 1993 and all directives, regulations and guidance notes relating to money laundering as substituted or amended from time to time.

9.10 You must procure professional indemnity insurance compliant with FSA requirements and at all times maintain

professional indemnity insurance cover sufficient to meet your regulatory responsibilities and also your obligations under this Agreement.

9.11 You must repay indemnity commission to Product Providers as it arises and pursuant to each Product Provider's terms of business and if there is a dispute regarding indemnity commission you will permit us to mediate a solution, if that is expedient.

9.12 You must maintain the security of all User IDs, access codes, passwords and other confidential information relating to use of and access to our and Product Providers' systems.

9.13 You cannot delegate your responsibility for FSA compliance even though we may be providing Services to you.

9.14 You must tell us immediately in writing if your advisers change the capacity in which they sell or advise in the Distribution Channel. You must also tell us about variations to your permissions by the FSA and ensure that you are properly disclosing the capacity in which your advisers are operating to ensure that all FSA disclosure criteria are met.

9.15 You shall indemnify us and keep us indemnified from and against all claims, demands, penalties, actions, proceedings, damages, compensation, tribunal orders or awards, fines, costs, expenses, and all other losses and liabilities (including reasonable legal and other professional expenses) as a result of any finding or allegation that (i) the contract of employment of any person has or should have transferred to our employment by operation of the TUPE Regulations as a result of the execution or termination of this Agreement, and/or (ii) we become liable by virtue of the TUPE Regulations for, or in respect of, the dismissal of such person by you; and/or (iii) for any other breach of TUPE Regulations by you. For the avoidance of doubt, where such a person claims that he has or should have transferred to our employment, we shall draw attention of such claim to your attention as soon as is reasonably practicable (if you are not already aware of it) and comply with your reasonable directions as to the dismissal of and/or any other steps to be taken in relation to that person. This clause 9.15 shall survive termination of this Agreement.

9.16 We may provide the Services to your appointed representatives or agents in accordance with your reasonable instructions. Where we do, you shall procure that your appointed representative or agent complies with this Agreement. For the avoidance of doubt, you shall remain fully responsible for the performance of your appointed representative or agents' obligations under the Agreement and you shall be liable for any breach of the Agreement by such appointed representatives or agents. For the avoidance of doubt, our liability under the Agreement will be solely to you and to no other person or entity. You will indemnify us and keep us indemnified (and any member of our group) in full and on demand against any liability suffered by us (or any member of our group) arising directly or indirectly out of or in connection with us providing any of the Services to such appointed representative or agent.

9.17 Where we provide the Services to you remotely, and you are to upload documents and files to our Site (or by

any other means as agreed from time to time) you shall comply with any instructions or procedures set out on the relevant Site from time to time (or as otherwise agreed with us). We may provide alternative methods for delivery of the documents and files or the Services to you including but not limited to fax, e-mail, post or via live access systems or third party providers. In the event that we agree to access files in your back office system in order to provide the Services to you, you shall ensure that we have appropriate access and authority to use the system (including but not limited to obtaining all necessary consents from any third parties).

10. Term and Termination and Consequences of Termination

10.1 This Agreement commences on the date indicated in the prevailing Order Form and runs for the Contract Term. Thereafter it will continue to run until terminated by either party giving the amount of notice specified in the Order Form in writing to the other.

10.2 We may immediately end, suspend or restrict your access to the Services if:

10.2.1 you breach this Agreement and you fail to remedy a remedial breach within 14 days from the date we give you notice requiring you to do this, or your breach is irretrievable;

10.2.2 you breach the Agreement repeatedly;

10.2.3 you have a receiver, manager, administrator, administrative receiver or liquidator appointed or shall pass a resolution for winding up or if a petition is presented to any court for your winding up or if you enter into any composition or arrangement with your creditors or if any proceedings are commenced relating to your insolvency or possible insolvency;

10.2.4 an encumbrancer takes possession of your undertaking or assets (or any part thereof);

10.2.5 you are unable to pay your debts within the meaning of section 123 of the Insolvency Act 1986 (or any statutory re-enactment or modification of it) or you cease or threaten to cease to carry on business or substantially the whole of your business; or

10.2.6 we decide that we must do so to comply with any requirement of law or regulation.

10.3 If we have agreed to charge you for the Services based on the number of advisers (or "registered individuals") within your firm, you may terminate this Agreement before the end of the Contract Period by giving us three months' notice in writing if we issue you with a notice increasing our Fees by more than the rate of the increase in the retail prices index plus 7% in any twelve month period or if we vary other terms of this Agreement manifestly to your detriment. Except in the circumstances specified in this clause, you may only terminate this Agreement in accordance with clause 10.1.

10.4 If we have agreed to charge you for the Services based on a fixed rate specified in the Order Form, you may terminate this Agreement before the end of the Contract Period by giving us three months' notice in writing if we issue you with a notice increasing our Fees by more than the rate of the increase in the retail prices index plus 7% in any twelve month period or if we vary other terms of this

Agreement manifestly to your detriment. Except in the circumstances specified in this clause, you may only terminate this Agreement in accordance with clause 10.1.'

10.5 If we have agreed to charge you for the Services based on a Percentage of your Turnover, your Fees in the first twelve (12) months during which you receive Services from us will be calculated based on your estimated Turnover during that period and you confirm that any estimate which you provide to us in order to calculate those initial Fees will (as far as possible) be true and accurate. You further agree that:

10.5.1 you will provide us with a true and accurate copy of any RMAR that you submit to the FSA whilst you are receiving Services from us. You will ensure that we receive a copy of your RMAR no later than 3 months after it is due for submission to the FSA;

10.5.2 we may increase or decrease your Fees in line with the figures included in your latest RMAR by giving notice to you in accordance with these Terms. However, we will not vary your Fees until the first (or any subsequent) twelve (12) months of your Agreement with us have elapsed;

10.5.3 if we do not receive your completed RMAR within the timescales indicated in clause 10.4.1, we may suspend or restrict any Services being provided to you until such times as we have received and verified your RMAR, or to terminate this Agreement with you, at our entire discretion;

10.5.4 if you have opted to use our Restricted Advice panel of providers, your initial Fees for that Service will be calculated based on your true and accurate estimate of your anticipated levels of protection business in the first twelve (12) months of your Agreement with us, and any Fees charged in any subsequent period will be calculated based on actual levels of business written by you through Restricted Advice agencies in the preceding twelve (12) month period;

10.5.5 in making any initial or subsequent assessment of Fees based on a Percentage of Turnover, we may make such enquiries about you as we consider reasonable, including searching the files of licensed credit reference agencies; and

10.5.6 for the avoidance of doubt, the right to terminate this Agreement in accordance with clause 10.3 is not available to you if your Fees have been agreed based on your firm's Turnover.

10.6 This Agreement will not terminate automatically by reason of you ceasing to be authorised by the FSA to carry on regulated activities or by you becoming an appointed representative of an authorised person.

10.7 This Agreement will terminate automatically if you, being a sole trader, die.

10.8 If we supply Services to you and subsequently you cease to be authorised by the Financial Services Authority and for this reason you are unable to carry on the business for which you required the Services, you will still be required to fulfil your obligations under this Agreement in particular the obligation to pay the Fees set out in the Order Form(s) until this Agreement is terminated even

where you are not able to place business or advise customers.

10.9 On the termination of this Agreement, your licences and rights to use Materials will cease. After termination of this Agreement, you are not allowed to hold or use any Materials.

10.10 Use of Materials outside the terms of or beyond the Contract Term of this Agreement entitles us to claim from you the Fees that you would have paid, had you been fully contracted to us from the date of your termination to the date of your settling our claims in accordance with this clause or the judgment of a court. This clause survives termination of this Agreement.

10.11 We may immediately end, suspend or restrict your access to the Services if you fail consistently to place sufficient volumes of business through the Distribution Channel and this, in our opinion, makes it uneconomic to support you.

11. Warranties, Exclusions and Limitation of Liability

11.1 We will provide the Services with reasonable skill and care.

11.2 All other warranties in respect of the Services are set out in the relevant Parts of the Agreement. Otherwise to the extent permitted by law, we exclude all and any warranties and representations whether statutory or otherwise regarding the Services.

11.3 You alone are responsible for providing advice to your client and for ensuring that your conduct of regulated activities is consistent with the rules and regulations of the regulators. We do not accept any responsibility for any of your acts or omissions.

11.4 The following provisions set out our entire liability to you in contract, tort, restitution or otherwise in connection with our relationship with you or arising out of our provision of the Services:

11.4.1 We accept unlimited responsibility for death or personal injury caused by our negligence (and that of our employees or agents). We also accept unlimited responsibility for losses caused to you by our fraud (and that of employees or agents).

11.4.2 Except as set out above, we will not in any circumstances be liable, whether in contract, tort, restitution or otherwise for loss of profits, loss of contracts, loss of revenue, loss of data, loss of use of equipment or process, loss of anticipated earnings or savings, or wasted management time howsoever arising and whether or not we have been informed of the potential loss or damage arising and whether incurred directly or indirectly or consequentially by you or any other party.

11.4.3 If we do have any liability to you arising out of or in connection with this Agreement, whether in contract, tort, restitution or otherwise, then such liability shall not exceed in total 115% (one hundred and fifteen percent) of the Fees received by us from you in the three months preceding the provision of the Service or the price of the Service, whichever is greater.

11.5 The prices charged by us have been set on the basis of the exclusions and restrictions of liability in clause 11 and

would be higher without those provisions. In the circumstances, you agree that those provisions are reasonable and you will accept risk and/or insure accordingly.

11.6 The provisions of this clause 11 shall continue to apply notwithstanding the termination of this Agreement (howsoever arising).

11.7 You agree that you will have no right of action (whether in contract or otherwise) against us after one year from the date on which we provided the relevant Service to you under this Agreement and Section 14b of the Limitations Act 1980 shall not apply.

12. Third Party Rights

A person who is not a party to this Agreement may not enforce any of its terms under the Contracts (Rights of Third Parties) Act 1999. For the avoidance of doubt, the terms of business that arise between the Product Providers and you are discrete agreements and are subject to their own privacy of contract.

13. Confidentiality

Both you and we will keep the terms of this Agreement confidential and will keep all other aspects of each other's business confidential including in particular, all security procedures. Further, you will not and will procure that your employees, agents and contractors shall not disclose the output of the Services to any third party except to bona fide customers to or with whom you are selling or giving advice or making arrangements for insurance or other financial products.

14. Variation

14.1 We may vary this Agreement and our Fees from time to time. We will give you written notice of any changes in accordance with clause 15. The changes will become effective with effect from the date specified in the notice. You agree to be bound by said notice changes as variations to this Agreement unless you exercise your right of termination in accordance with clause 10.

14.2 If you do not like any proposed change to our Fees, and that change falls outside the parameters set out in clause 10.3, your sole remedy in respect of that change is to terminate this Agreement in accordance with clause 10.1.

14.3 If we have agreed to charge you for the Services based on the number of advisers within your firm and the number of your registered advisers changes whilst this Agreement is in force, you must tell us immediately. If the number has increased, we may increase the Fees payable for any Services then being supplied to you, and if the number has decreased, we may decrease the Fees payable for any Services then being supplied to you.

14.4 If you change your name, email address or any other address or information you provide to us on registration, you must notify us in writing of the new details promptly.

15. Notices

15.1 We will give you any notice under this Agreement by fax, email or post to your last known address. You will be treated as having received our notice by the end of the working day of dispatch of our email or fax to you or on the second business day after we post our notice to you using a postal service.

15.2 You must give any notice under this Agreement by fax, email or post to the address we notify to you from time to time. We will be treated as having received your notice by the end of the working day of dispatch of your email or your fax to us or on the second business day after you post the notice to us.

15.3 You may not exercise any right of set-off, legal or equitable against us. We may, however exercise any such rights against you.

16. Performance

We will try to meet any times or dates for performance of our obligations and any dates we give will be given in good faith as a reasonable estimate, but time is not of the essence for the performance of our obligations.

17. Non-solicitation of employees

Without in any way restricting the right of our employees to change employment, if you solicit an employee of ours to join you or commence an engagement with you whilst this Agreement is in force and for six months after its termination, you will pay to us the cost of employing the said employee for the period of six months prior to his or her cessation of employment with us. You agree, having taken all factors into account, that this is fair and reasonable.

18. Data Protection

18.1 You and we have obligations under data protection and privacy laws and we both agree to observe them. In particular, you will gain explicit consent from your customers to pass their data to us and to Product Providers. You will explain our respective privacy policies to customers to ensure fair and lawful processing. We are data processors of the data passed to us and we will process that data in accordance with your instructions. We have systems and procedures in place to ensure adequate protection of the data and to ensure its safety. We may only use the data outside of your instructions to comply with our legal responsibilities or upon receipt of a legally valid request from your regulator or appropriate authorities.

18.2 If you have access to Services under Part F of this Agreement, you may be using the Client Management section of Adviser Hub. If you elect to use Client Management, you are the Data Controller of the personal data you load into Client Management and the wider Adviser Hub functionality. We act as your data processor in respect of the personal data you load into Client Management and Adviser Hub.

18.3 We will act only in accordance with your instructions in respect of the personal data you load and warrant that we have technical and organisational measures in place to protect personal data and keep it secure and safe from accidental loss, destruction and damage.

18.4 We warrant that we have taken reasonable steps to ensure the reliability of our employees who may have access

to the personal data you load into Client Management and Adviser Hub.

18.5 You acknowledge that we may send the personal data to third parties for them to supply you with quotes and other products and services that may be suitable for you customers and therefore we are not liable for the loss, damage or destruction of personal data you load or any message you send to third parties.

18.6 All original and/or signed documents and files shall be retained by you. We are not responsible for the security of any information sent to us or accessed by us by you unless and until it is actually received by us. Once information is received by us we shall keep such information confidential and it shall be dealt with in accordance with this Agreement, the privacy policy and data protection notice or any other agreements between you and us relating to such matters. You shall remain the Data Controller of all data sent to us.

19. Our Group Arrangements and Assignment

19.1 We may delegate, sub-contract, transfer, outsource or otherwise enter into agreements with other Sesame Bankhall Group Limited companies for those companies to provide certain Services under our Agreement with you. However, Bankhall PMS Limited remains liable to you to the extent set out in this Agreement for fulfilment of any obligations under this Agreement which are performed by another such company.

19.2 Our rights and/or duties under this Agreement may be assigned or transferred to any person. Any transfer or assignment will not be detrimental to you. You may not assign or transfer any of your rights or duties under this Agreement.

20. Waiver

If at any time we do not insist on any of our rights under this Agreement, we may insist upon that right later.

21. Force Majeure

We will not be liable for the unavailability of any part of the Services where that unavailability is caused by circumstances outside our reasonable control.

22. Invalidity

If any part of our Agreement with you is or becomes illegal or invalid or unenforceable, the remaining terms shall not be affected.

23. Entire Agreement

23.1 All terms relating to the Services are contained in this Agreement.

23.2 This Agreement will prevail over any other documents purporting to have legal effect. Except as set out in this Agreement, you may not rely on any representation, warranty, contract or other assurance made by us or on our behalf before the signing of this Agreement and you waive all rights and remedies which (but for this clause) might otherwise be available to you in respect of any such representation, warranty, contract or

other assurance. Nothing in this clause shall limit or exclude either party's liability for fraud.

24. Governing Law

This Agreement is governed by and construed in accordance with English Law and both you and we submit to the exclusive jurisdiction of the English Courts.

Part B File Checking Services

This Part of the Agreement applies when we agree to supply File Checking Services, which includes both On-site and Remote File Review, to you.

25.1 On the condition that you have provided all facts and documentation to us we will use reasonable endeavours to ensure that we check:

25.1.1 the written advice provided to customers by you is appropriate in the circumstances;

25.1.2 the adviser has operated within their regulatory permissions; and

25.1.3 whether the record of written advice appears sufficient to evidence compliance with the regulatory requirements in place at the time of giving the advice.

25.2 If we do not receive the documents required to undertake a full review we will highlight those areas of the advice process on which we have been unable to comment. If we do not receive as a minimum a fact find and suitability report we will be unable to carry out any review. In this situation we will contact you to request further information from you and will carry out or complete the requested review on receipt of that further information.

25.3 We will not provide guidance on matters that fall outside the areas of the FSA handbook.

25.4 We will provide you with written feedback including learning points and any recommended remedial actions. The opinions that we express are based on our knowledge and understanding of these areas. They do not constitute an approval and are not to be taken as confirmation that the FSA or FOS will find your advice compliant.

Part C Complaints Handling Services

This Part of the Agreement applies when we agree to supply Complaint Handling Services to you.

26.1 We will use reasonable endeavours to ensure that the Complaint due for adjudication under the FOSADR by you is checked to ensure that :

26.1.1 data available that has been gathered by you so that that as full a picture of advice and circumstances of the advice and sale, if any, is available; and

26.1.2 is adjudicated in accordance with your complaint handling procedures, FOSADR and the DISP rules contained in the FSA Handbooks;

26.1.3 is fairly upheld or rejected; and

26.1.4 where a complaint is upheld, we will undertake a loss assessment and suggest settlement offers (including data

gathering to support the level of compensation that should be offered).

26.2 If requested to do so, we can review adjudications by the Financial Ombudsman Service (FOS) and provide an opinion as to whether they could be challenged or not. We will provide you with written advice or arguments to present to FOS. We cannot guarantee the success of any challenge.

Part D Financial Promotions Review

This Part of the Agreement applies when we agree to supply Financial Promotions Reviews to you.

27.1 We will use reasonable endeavours to check that Financial Promotions:

27.1.1 are clear, fair and not misleading;

27.1.2 comply with financial promotions and FSA handbook rules; and

27.1.3 are compliant with FSA's Treating Customers Fairly Initiative.

27.2 We will agree a standard checklist with you for approving your Financial Promotions.

27.3 You agree to submit Financial Promotions to us by e-mail and we agree to provide feedback on your Financial Promotions within seven days of receipt.

27.4 We will provide you with written feedback including learning points and any recommended remedial actions. The opinions that we express are based on our knowledge and understanding of these areas; they do not constitute an approval and are not to be taken as confirmation that the FSA or FOS will find your financial promotions compliant.

Part E Compliance Support including Compliance Visits

This Part of the Agreement applies when we agree to supply Compliance Support including Remote Health Checks to you.

28. We will use reasonable endeavours to ensure that:

28.1.1 Compliance Visits are carried out in a timely manner;

28.1.2 after each Compliance Visit, a written report is delivered to you with recommended actions;

28.1.3 the recommended actions in the written report are appropriate in the circumstances including learning points and any recommended remedial actions. The opinions that we express are based on our knowledge and understanding of these areas; they do not constitute an approval and are not to be taken as confirmation that the FSA will find your compliance regime compliant; and

28.1.4 the Materials are (unless otherwise stated) reasonably comprehensive and up-to-date.

28.3 If requested to do so, we can review your compliance regime and provide an assessment as to whether it might

meet FSA expectations. We will provide you with written confirmation of our assessments. We cannot guarantee the FSA will agree with our assessments.

28.4 If you request a Compliance Visit, we will give you a reasonable estimate of the content we can cover during the time allocated. Any estimate will be given to you in good faith however we cannot guarantee the estimate will be met as Compliance Visits are interactive and we may discover facts and circumstances that lengthen the time required for a particular Compliance Visit.

28.5 You may receive Materials via Bankhall Online in which case Part F also applies.

Part F Access to Bankhall Online including Learning Services and Continuing Professional Development

This Part of the Agreement applies when we agree to supply you with access to Online Learning Services and Continuing Professional Development.

29.1 We will use reasonable endeavours to ensure that, subject to paragraph 29.5, we will provide access to Online Learning Services to you and your nominated advisers.

29.2 You may notify us at any time whilst you are receiving Online Learning Services if you wish to give access to more advisers within your firm. We will confirm any changes to you and collect any further Fees payable by you once we have accepted your request.

29.3 You will be required to pay for Online Learning Services that you have access to, irrespective of whether you actually use those Services or not.

29.4 You are responsible for ensuring that your firm's computer systems meet the minimum specifications required to use the Online Learning Services. A list of specifications can be found at www.bankhallonline.com.

29.5 We can terminate your access to the Online Learning Services by one week's notice in writing. If we terminate the Online Learning Services, we shall have no liability to you, except for refunds of monies paid for Services you have not accessed.

29.6 Each year Sesame Bankhall group companies organise continuing professional development for financial advisers, mortgage brokers and insurance brokers. The programme is organised in advance.

29.7 You may purchase access to continuing professional development programme by telephoning us. Prices for these Services will be given to you when you call us. Payment for this Service will be collected through your Direct Debit mandate. Once you have committed to attend, we cannot make any refunds.

29.8 We have the right and can make available to you via Bankhall Online all third party materials made available through the website.

29.9 You are responsible for the use you make of Bankhall Online and the quotes you submit, the proposals you request and offers you receive. The quotes and placement of business you make is via straight through processing to third party websites and internet portals. We are not liable to you

whatsoever in respect of any inability to obtain quotes, place business or otherwise via Bankhall Online.

29.10 Except in relation to breach of clauses 18.3 and 18.4, we are not liable to you whatsoever for any use you make of Adviser Hub; no warranties are given or implied in relation to the use you make of Adviser Hub except those expressly given in respect of it.

29.11 We carry third parties' Intellectual Property on Bankhall Online. We cannot guarantee its accuracy, that it is always right or, if it carries processing capability, that it will always function, be of satisfactory quality or fit for purpose. You should use your own judgement when reviewing the content and using the third party materials on Bankhall Online.

29.12 You warrant that you will not:

- (i) abuse or fraudulently use Bankhall Online and any content we provide;
- (ii) attempt to, or obtain alter or destroy the data files, programs, procedures and / or information on Bankhall Online (unless deleting or amending content you have loaded into Adviser Hub);
- (iii) wilfully or negligently create or introduce viruses, worms, Trojan Horses, cancelbots or other destructive or contaminating devices;
- (iv) carry out invisible processing (including placing cookies, web bugs and other monitoring devices on our computers);
- (v) tamper with routing or domain name services in order to "spoof" other computer networks;
- (vi) attempt to gain or gain access to information of other users who have access to the Services;
- (vii) post any defamatory or offensive (in our reasonable opinion) materials on Bankhall Online; or
- (viii) assist another to perform the acts prohibited by this clause.

Part G Personalised Marketing

This Part of the Agreement applies when we agree to supply Personalised Marketing Services to you.

30.1 If you request this Service from us you must log on to the website which we will notify to you and enter the details and Intellectual Property, including service marks, trade marks and logos of your business.

30.2 From the information you provide we will produce stationery, flyers, leaflets and posters and other promotional materials (including an IDD and other templates) based on the information you have provided.

30.3 We will provide you with electronic versions of the materials we have generated which are then made available for you to print on demand.

Part H Provision of Research

This Part of the Agreement applies when we agree to supply Research Materials and Services to you.

31.1 Subject to clause 9.4, We will use reasonable endeavours to provide you with our Materials and our archives of Materials.

31.2 The Materials are designed to allow you to monitor products and services of Product Providers, supply a contact list for product support and guidance.

31.3 If you have access to research you can call our helpline during normal business hours.

Part I Other Professional Services

This Part of the Agreement applies when we agree to supply other Professional Services to you.

32.1 Other professional services may take the form of training, advice, consultancy and guidance in the use of our Services or the provision of any other service not set out expressly under this Agreement.

32.2 We will agree other professional services with you and we will issue an Order Form setting out the Services and prices to be charged.

Part J Services Supplied under the our Restricted Advice Propositions

This Part of the Agreement applies when you have elected to join Restricted Advice propositions and use our Restricted Advice panels of Product Providers.

33. E-enablement

33.1 You may be required to submit all applications for new business on-line to Product Providers. We may recommend other electronic trading platforms, as well as Bankhall Online, to enable you to submit all new business to be conducted on-line with Product Providers, "e-business". These e-business platforms may be subject to separate terms and conditions, which you may be required to accept before making use of the platform.

33.2 You will use your best endeavours to place e-business and business with the Product Provider(s) supplying products and services under our relevant Restricted Advice proposition but you must do so strictly in accordance with the FSA Handbook and the needs of your customers as their circumstances dictate.

33.3 You agree to recommend e-business products where a suitable product exists for use by the Distribution Channel but you must do so strictly in accordance with the FSA Handbook and the needs of your customers as their circumstances dictate.

34. Product Providers

34.1 We will use reasonable endeavours to ensure that those Product Providers which from time to time are part of our Distribution Channels fulfil certain service standards regarding the way in which they deal with you and the business which you write with them. Adherence to such standards by the Product Provider forms part of the agreement between each Product Provider and us. However, we accept no responsibility for any failure by a Product Provider to comply with the service standard, which has been agreed between that Product Provider and us. Please note that if a service is available electronically and you decide not to take advantage of that there are no service standards available to you.

34.2 During the term of this Agreement we will monitor each Product Provider's compliance with those service standards. If you receive a standard of service from a Product Provider which you believe falls short of the service standards advised to you, you may notify us of the apparent failure whereupon we will discuss with the Product Provider what, if any, remedial action needs to be taken to ensure that the risk of such future failures is reduced.

34.3 Details about our Distribution Channels and our Services will be found on Bankhall Online and other websites that we notify to you from time to time.

35. Exclusivity in Respect of our Restricted Advice Propositions

35.1 You will not enter into any other agreement of a similar nature to this Agreement to receive products and services similar to those provided under the Restricted Advice propositions. Nor will you enter into any agreement the effect of which is to make our continued supply of the Services to you unlawful.

35.2 The Agreements between you and the Product Providers who supply Restricted Advice propositions are discrete agreements that govern the separate legal relationship between you and the Product Providers for the purposes of the financial services regulatory regime. They may be updated from time to time. Each Product Provider has its own procedures and due diligence checks that you must pass. Product Providers will inform you separately if you have passed their due diligence checks and therefore that you are accepted by them to undertake business in the Distribution Channel that we have created for your, Product Providers' and our benefit.

36. Our Restricted Advice Rate Clubs

36.1 If you require access to our Rate Clubs that is provided in connection with our Restricted Advice propositions you agree that in consideration of their provision, we can receive payments from Product Providers pursuant to clauses 4.5.

36.2 If payments made pursuant to clause 36.1 are classed as commissions by the FSA, you pass on the right to receive said commissions to us. The payments we will receive from Product Providers will amount to the difference between the gross and net commissions indicated by us.

Part K: Commission Reconciliation Service

This Part K applies where we agree to supply Commission Reconciliation Services to you.

37.1 You will agree with Product Providers with whom you have agencies to pay commission into a bank account held in our name (the 'Account').

37.2 In the event of any Product Providers reclaiming commission from you ("Clawback"), you are solely responsible for its repayment. We (nor any member of our

group) shall have any liability whatsoever in respect of any Clawback and/or any other repayments to Product Providers or third parties either during the continuance of or after termination of this Agreement.

37.3 We will receive statements of Commissions and Clawbacks that have been deducted from commissions received into the Account. We will aggregate the statements received from Product Providers into one weekly statement for you (which is created electronically available for you to view online).

37.4 If we have agreed to be paid Fees by way of deduction from commission, we will deduct from the commissions that have been received into the Account our Fees for provision of our Services before we send the balance of the monies to your nominated bank account.

37.5 If there are insufficient commissions to pay our Fees, we will contact you and request payment of the Fees . You agree and are required to pay outstanding Fees immediately in full and on demand.

37.6 Where a Product Provider makes available commission information in whatever form, including via an online commission system, then you permit us to have such access to such information we require.

37.7 We will cease to be under any obligation to process commissions from Product Providers for you from the date that you cease to be an Authorised Person, on termination of this Agreement or termination of Part L of this Agreement. After close of business on the date that any of these events occur, Commissions we receive from Product Providers will be returned to them.

37.8 If we make payments to you to which you are not entitled, for any reason whatsoever, you agree to repay them immediately in full and on demand. This clause survives termination of this Agreement.