



INDEPENDENT ADVISORY SERVICES - TERMS OF BUSINESS

To be read in conjunction with our "*Keyfacts about our services and costs*" document.

- **Independent Advisory Services (IAS) is an independent financial advisor. We provide our clients with advice, inter alia, on life assurance, pensions, unit trust/OEIC and investment trust products. Because we are independent, we can advise you on the products from the whole market.**
- **IAS is authorised and regulated by the Financial Services Authority (FSA) for investment business. Our FSA Register number is 181095.**
- **IAS is bound by the FSA's rules.**
- **The full name and address of the firm is: Independent Advisory Services, Suite 13, Boundary House, Boston Road, London W7 2QE. Tel: 020 8434 3559 or 01206 323854.**

Key Facts

With effect from 1st September 2009, our "Terms of Business" should be read in conjunction with our "key facts" document: "*Keyfacts about our services and costs.*" This document is in a form prescribed by the FSA and is designed to provide clear guidance concerning our firm's business activities, regulatory status and remuneration practices. This document is to be found on our web site and constitutes part of those terms.

Our Services

The scope of the Firm's activities can be split broadly into the following areas:

- Pensions and risk benefit advice for small companies and their employees.
- Pensions and financial planning advice for the self-employed.
- General financial counselling services (e.g. investment/insurance planning for individuals including an ISA/pension advisory service).
- General tax advice.
- Mortgage advice

In the course of these activities, we may advise on and recommend specific life assurance, pension, unit trust, OEIC and investment trust arrangements which are regulated under the Financial Services Act, and provide advice on mortgage finance.

Our dealings with you

Before acting on your behalf, we will take steps to understand all relevant aspects of your personal circumstances including, importantly, your attitude towards risk. We will agree with you in advance the scope and nature of the advice you wish us to provide including the extent of any on-



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going responsibilities you might wish us to undertake on your behalf. This will be confirmed in writing, as will be the basis of our remuneration.

If you make a valid claim against the firm in respect of the investments we arrange for you and we are unable to meet our liabilities in full you may be entitled to redress from the Investors Compensation Scheme; details of the cover provided by the scheme are given in a leaflet which we will send to you at your request.

We offer independent financial advice but occasions can arise where we or one of our other customers will have some form of interest in business which we are transacting for you. If this happens or we become aware that our interests or those of one of our customers conflict with your interests, we will inform you and obtain your consent before we carry out your instructions.

When we have arranged any investments for which you have given instructions, unless agreed with you as part of an on-going arrangement, we will not give you any further advice unless you request it but will be pleased to advise you at any time you ask us to do so, subject to agreement on our costs (see remuneration below).

Termination

Our authority to act on your behalf may be terminated at any time, without penalty, by either of us giving the other written notice to that effect. Such termination will be without prejudice to either party's obligations to complete transactions already initiated on your instructions.

Our Remuneration-Pensions and Investment Advisory Services

The firm offers a service on a remuneration basis agreed in advance. This may be fee-based, commission-based or a mixture of the two. The nature of the financial services industry at present is such that most product providers (e.g. insurance companies/unit trust groups) pay commission to third party independent advisors such as IAS for recommending their particular products. The levels of commission paid, both initial and renewal, are broadly prescribed by the industry and vary from product to product. Initial commission may be used by the firm to offset its fees but can be waived, in whole or part, to provide you with enhanced investment terms in appropriate circumstances (see below).

Investment Commissions

You may require advice which involves the firm recommending you a specific investment product which, if implemented, would give rise to the firm receiving a commission payment from the product provider. Where we regard the standard rates of commission payable to be excessive, relative to the time and expertise involved in providing the advice, we are prepared to negotiate a commission rebate with the product provider, leading to enhanced investment terms for your benefit. Alternatively, should you prefer, we are happy to work on a pure fee basis, agreed in



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advance, in which case we would be able to negotiate preferential “nil commission” investment terms on your behalf.

Occasions will arise where we believe it is in your best interests for us to charge you a fee for our services. Equally, there are times when we will advise you that it is in your best interests for IAS to receive a commission payment from the product provider rather than having to charge you a fee. At other times it may be more appropriate for us to work on a part fee/part commission basis. Our main concern is to ensure that where commission arises, you understand the impact that this has on investment product charges and, where investment advice is being sought, we will discuss the basis of our remuneration with you in advance. Where a fee has been agreed, this will normally be invoiced on completion of the work, unless otherwise agreed and is payable within 14 days of issue.

Renewal Investment Commissions

Renewal investment commissions may be paid in respect of certain investment products. The amount of renewal commission to be received by IAS, if any, will be disclosed to you at the outset and will be used either to defray on-going servicing costs or to discount initial advisory costs. We will discuss with you how we propose to treat renewal commissions, in the light of the prospective amounts involved.

Commissions received by IAS in respect of non-investment business (e.g. risk benefits)

As a matter of practice, because of the nature of the insurance marketplace, the firm does not generally adopt a fee-based approach where we advise individuals on certain non-investment classes of business, e.g. where we are required to advise on appropriate life assurance or disability insurance arrangements. In such circumstances, we seek to provide you with access to competitively priced insurance cover drawn from the marketplace of insurance companies who attract new business from third party intermediaries such as IAS and who pay commission for such new business introductions. Unless otherwise agreed at the outset, we will not charge you for our research efforts in this area nor will we charge you should you decide for whatever reason not to proceed with our recommendations. We will account to you for any commission earned. **We are, however, always prepared to provide you with such advice on a fee basis, should you prefer.**

Transaction Records

We will account to you for transactions effected on your behalf either by means of a contract note, or by providing documents of title or certificates evidencing title.

We will supply on request to you or your appointed agent, contract notes, vouchers and copies of entries in our records relating to your transactions. We undertake to maintain such records for six years from the date of each transaction. We treat all client records as confidential.

Complaints



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Our complaints procedure is as laid down in the rules of our regulatory body, the FSA. If you should have any complaint about the advice you receive or a product you have bought on our recommendation, please write to the Compliance Officer at the firm's address, shown below.

Client Money

Independent Advisory Services does not handle clients' money. We never accept cheques made payable to us (unless it is a cheque in settlement of charges or disbursements for which we have sent you a bill), neither do we handle cash.

Investment Documents

We will register all investments in your name unless otherwise instructed in writing. All documents of title in respect of investments will be forwarded to you by post as soon as possible after we receive them. Where a number of documents relating to a series of transactions are involved, the documents will normally be retained by us until the series is complete.

Data Protection

The firm will not disclose information about you to any person or body outside the firm other than to other companies with whom the firm may be acting as your agent in the course of research prior to making recommendations or carrying out your instructions, as permitted by law, or with your express consent.

Professional Indemnity

The firm maintains professional indemnity insurance cover for the protection of our clients, as laid down by our regulatory body, the Financial Services Authority.