

- 9. Commissions** – On some (but not all) business, we receive commission in line with standard industry practice. Commission is paid to cover administrative, general operating expenses and to ensure that our business is profitable and financially stable. In accordance with FSA guidelines all commission payable to us, on life and pension investments and other products where commission disclosure is mandatory, will be disclosed prior to the making of the investment. Upon request, we will disclose commission on other products as applicable. There are many products where no commission is earned. If we receive commission or other form of benefit from the issuer of a security i.e. a stockbroker or from another intermediary, we will inform you. However, we will not tell you its amount unless you ask us to do so.
- 10. Fees** – If fees are appropriate, our charges will be levied on the basis of time spent on your affairs by directors and staff, at a rate appropriate to their grade and as amended from time to time or a fixed fee may be charged depending on the circumstances. The basis of our charges will be confirmed in writing. Unless otherwise agreed, the standard terms for payment of fees will be 14 days from receipt of our Invoice, beyond which, we reserve the right to charge interest at 1% per month.
- 11. Review** – When we have arranged any investments for which you have given instructions, we will not give you any further advice unless you request it, but we will be glad to advise you at any time you ask us to. There may be a charge for this service.
- 12. UK Money Laundering Regulations** – We are obliged to conform with the UK Money Laundering Regulations and also adhere to the guidance notes from the Joint Money Laundering Steering Group, which require financial institutions to verify the identity and place of residence of each investor. We will also request that you inform us how any monies being invested were obtained/accumulated. This process may require sight of certain documentation. If you provide false or inaccurate information and we suspect fraud or money laundering, we will record this. We will not forward any applications or money to third parties/product providers until our verification requirements have been met. We take no responsibility for any delay in investing where money laundering verification is outstanding. In circumstances where sufficient verification is not received in a timely manner after we have received completed applications, the application(s) and any monies may be returned to you uninvested.
- 13. Data Protection** – Information provided by you may be held, processed, disclosed and used by ourselves, professional advisers and any associated companies in servicing our relationship with you. However, strict confidentiality will be maintained at all times. It is understood that, unless you notify us otherwise, you agree to the storage, use and disclosure of such information. This information may be disclosed to third party product providers in the course of providing our analysis and servicing of our relationship with you. No information will be passed to another party without your prior consent unless we are legally obliged to do so. You also agree that for the purposes described above, your data may be transferred to countries outside the European Economic Area (EEA). We may use and analyse your data, including the nature of your transactions, to provide you with information by post, telephone, fax or email to service and update you, as well as informing you of new investment opportunities. If you would prefer to be excluded from these services, please write to us at 53 Smith Street Warwick CV34 4HU.
- 14. What to do if you have a complaint** – If you wish to register a complaint, please contact our Customer Service Manager in writing at 53 Smith Street Warwick CV34 4HU, or by telephone on 01926 405883. We will acknowledge the issue and send you a copy of our internal complaints procedure. The matter will be investigated in line with our procedures and our findings reported to you. If you cannot settle your complaint with us, you may be entitled to refer it to the Financial Ombudsman Service.
- 15. Client Money – WE DO NOT HANDLE CLIENTS' MONEY.** We never accept a cheque made out to us (unless it is settlement of charges for which we have sent you a bill) nor handle cash.
- 16. Safeguards** – For your protection, Bateman Asset Management Ltd is licensed by the Office of Fair Trading under the Consumer Credit Act, registered under the Data Protection Act and authorised and regulated by the Financial Services Authority.
- 17. Compensation and Professional Indemnity** – We are covered by the Financial Services Compensation Scheme. You may be entitled to compensation from the Scheme if we cannot meet our obligations. This depends on the type of business and the circumstances of the claim. Most types of investment business are covered for 100% of the first £30,000 and 90% of the next £20,000, so the maximum compensation is £48,000. Further information about compensation arrangements is available from the Financial Services Compensation Scheme. (Customer Services - 020 7892 7300). In addition to the scheme we are also insured for negligence by any member of staff.

These Terms of Business exclude any rights which may be conferred upon third parties by the Contracts (Third Party Rights) Act 1999. These Terms of Business are governed by and shall be construed in accordance with English Law and the parties shall submit to the exclusive jurisdiction of the English Courts.

TERMS OF BUSINESS



- 1. Introduction** – The Financial Services and Markets Act 2000, which has replaced the Financial Services Act 1986, requires that we explain the main aspects of the way we operate and how this affects you, the client. This Terms of Business Letter will be effective from the date of receipt but may be amended by us following any initial interview intended to ascertain your current financial situation, objectives and attitude to financial risk. Any such amended Terms of Business Letter will be sent to you within 10 working days of that interview. However, irrespective of any amendments arising from such interviews, we reserve the right to amend the terms of this letter without your consent, but we will give at least 10 business days notice before conducting relevant business, unless we consider it to be impracticable to do so under the circumstances existent at that time.
- 2. Our Status** – Bateman Asset Management Ltd is authorised and regulated by the Financial Services Authority. Our FSA number is **462900**. Our permitted business includes advising on and arranging, general insurance and investments. You can check this on the FSA's Register by visiting the FSA's website www.fsa.gov.uk/register/ or by contacting the FSA on 0845 606 1234.
- 3. Services** – We are authorised to provide mortgage, general insurance and investment advice and arrange and effect a wide range of financial services and these are broadly summarised as: Collective Investments (e.g. Unit Trusts, Investment Trusts and OEICs), ISAs, PEPs, Life Assurance, Pensions, Bank and Building Society Investments and TESSAs. If you make a valid claim in respect of these general insurance and investments that we have arranged and we are unable to meet our liabilities in full, you may be entitled to redress from the Financial Services Compensation Scheme (see later).

In order to provide our clients with the maximum protection under the rules of the Financial Services Authority, It is our intention to categorise all clients as "Retail Clients" from outset. We provide our services on this basis as it offers the highest level of regulatory protection to you. Following our discussions, it may however be appropriate, based upon your experience and understanding of the service being provided, for you to be categorised as a Professional Client. If this becomes applicable, we will discuss this area with you in more detail and if acceptable issue an amended Terms of Business for your agreement. Professional Clients or Eligible Counterparty may not have necessarily have rights under the Financial Ombudsman Service or the Compensation Scheme.

- 4. Investment Objectives** – When making a detailed investment recommendation, we will confirm your investment objectives and any restrictions on the types of investment in which you wish to invest and make every effort to ensure that recommendations are suitable for your individual circumstances in our suitability letter or report.
- 5. Records** – We will, if required by the client or his agent, supply copies of contract notes, vouchers and copies of entries in books, records and computerised records relating to the client. We will apply an administration charge for this service. We undertake to maintain such records for a period of at least six years from the date of each transaction for the client.
- 6. Personal Interests** – We undertake not to transact for the client, business in which we or one of our other customers or any director/partner/employee has a known interest, or we become aware that these interests conflict with yours, unless that interest is first disclosed in writing and your consent obtained.
- 7. Instructions** – Normally, we ask clients to give instructions in writing by completing the relevant application form and signing the appropriate declaration. Where you have a right to cancel your purchase, you will be given notice of this in writing by the product provider. You will be informed of any taxes or costs that may exist other than our fees, the period for which any illustrations are valid and of the minimum duration of the mortgage contract. Our authority to act on a client's behalf in accordance with these Terms of Business can terminated an any time by either side in writing, without prior notice and without penalty. This will be effective from the date the notification is received. However, if transactions already initiated remain outstanding, the notification will only be effected once these have been completed.
- 8. Investments** – As intermediaries, we never own the investments you buy or transact through us. All investments will be registered in the name(s) of the client(s) unless otherwise agreed in writing. We will forward to you all documents showing ownership of your investments as soon as it is practical after we receive them. Where a number of documents relating to a series of transactions are involved, we may retain each document until the series is completed and then forward them to you. In some cases, the documentation will be sent to you direct from the product provider.

Where we provide advice on a non-packaged product, such as an Enterprise Investment Scheme (EIS) or Venture Capital Trust (VCT), you will not have post sale cancellation rights. However, you will have a period of at least seven days from the date you sign the application to withdraw from the agreement.