
TERMS OF BUSINESS AGREEMENT

EMPLOYEE BENEFITS
MADE TO MEASURE



LARK

INTRODUCTION

The Financial Services and Markets Act 2000 (FSMA) requires that we explain the main aspects of the way we operate, and how this affects you, the client. This Terms of Business Agreement will be effective from the date you request services from us, or submit an application via us to effect a contract. We reserve the right to amend this without your consent but we will give at least 10 business days notice before conducting relevant business, unless we consider it impractical to do so under the circumstances existent at that time. These are our standard terms of business upon which we intend to rely. For your own benefit and protection you should read these terms carefully. If you do not understand any point please ask for further information.

OUR STATUS

Lark Life & Pensions Limited is authorised and regulated by the Financial Services Authority (FSA). Our FSA number is 173304. Our permitted business includes advising on and arranging investments and general insurance (e.g. pure protection) contracts. You can check this on the FSA register website www.fsa.gov.uk/register/ or by contacting the FSA on 0845 606 1234.

SERVICES

Our primary service is the provision of Pension and Protection broking and related advice, to businesses and individuals, and the administration of such arrangements.

We do not provide a holistic financial planning service, advice on tax mitigation plans nor do we arrange or advise on non-pension related investments. We are not investment managers. Since we do not offer a holistic planning service you will need to satisfy yourself that the level of cover being arranged meets your requirements.

Our Pension service will include the establishment and running of group pension arrangements, as well as pre-retirement planning and advice on the available pension options at and after retirement for individuals. Our Protection service for Corporate clients will include advice on group arrangements for employees (e.g., Life, Income Protection, and Critical Illness) and also advice in connection with protection of the business via; Key-Person cover, Share Purchase, and Partnership Protection. For Individual customers we will arrange appropriate Protection products including Life cover, Income Protection, and Critical Illness to meet your requirements, but you will need to satisfy yourself that the level of cover is appropriate.

We will review the whole of the market in making our recommendation to you. If our service differs to this, for

example if we offer products from a limited number of providers, or a single provider, we will inform you of this.

Where we provide advice to you we will ensure that it is suitable in light of your objectives, which our adviser will ascertain based on information provided by you. We will explain the main aspects of our recommendation, including any associated risks and costs involved. Where advice is not provided, we will not ascertain your objectives or give advice as to the merits of the transaction, but we may provide you with information and you will need to make your own choice about whether to proceed.

CLIENT CATEGORISATION

You will be categorised as a Consumer unless you are a Professional Client or a Market Counterparty. By being categorised as a Consumer you will be provided with the highest level of regulatory protection. If you are to be categorised as a Professional client or Market Counterparty we will inform you and confirm to you your right to change your categorisation and the implications of this.

RECORDS

We will, if required by you or your agent, supply copies of paper or computerised records relating to you. We may apply an administration charge for this service. We undertake to maintain such records for a period of at least six years (or indefinitely if in relation to a pension transfer, pension opt-out or Free-Standing

AVC) from the date you cease to be a client of Lark Life & Pensions Limited.

CONFLICTS OF INTEREST

We undertake not to transact business for you 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 to you and your written consent is obtained.

INSTRUCTIONS

Normally we ask clients to give instructions in writing, usually by completing the relevant application form and signing the appropriate declaration. Where exceptionally such instructions are initially given verbally, you will immediately confirm them in writing.

We are obligated not to act on any instructions where we believe that the transaction concerned would not be suitable for you. In such cases we shall immediately notify you in writing (letter or facsimile) of the reason for this. No action shall then be taken unless you confirm the instruction in writing.

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 the investments as soon as 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.

Once you have submitted an application for an investment, you may have a right to cancel your purchase, and you will be given notice of this where applicable.

CLAIMS

You must tell Lark as soon as reasonably possible of any event which may result in a claim under any insurance arranged by Lark and of all material facts relating to the event Lark will advise insurers in accordance with the circumstances notified by You. You will be required to give all necessary information and assistance required by insurers in order to deal with Your claim. Failure to advise Lark promptly and fully may result in insurers refusing to pay Your claim.

LANGUAGE OF COMMUNICATIONS

All communications between You and Lark including all communication of terms and conditions will be in English unless otherwise agreed in writing.

ELECTRONIC COMMUNICATIONS

Both parties may communicate with each other using electronic mail and attachments. Both parties accept the inherent risks of using such means of communication. Electronic mail will be considered to have been received by the other party when actively acknowledged by them. Both parties are responsible for checking that messages received are complete and both agree that in the event of a dispute neither will dispute the legal evidential standing of an electronic document. Any agreement reached using electronic mail will be binding on both parties.

TELEPHONE COMMUNICATIONS

Both parties may communicate by telephone but it is agreed that no instructions that require action will be left on any messaging service since neither party can guarantee that they will be received or actioned.

BRIBERY ACT 2010

Lark fully complies with the Bribery Act 2010, and will not accept any form of payment, gift or service, the intention of which could be considered to result in the improper performance of our obligations to You. If we reasonably believe that You have attempted to offer a bribe we will terminate our agreement with You.

SANCTIONS

Every business in the UK is subject to the provisions of Government sanctions and is therefore prohibited from dealing with 'embargoed' entities, for example certain foreign states or 'terrorist' organisations. However, where your insurer is based in the United States of America, or has an American owner, then the provisions of their insurance policies are also subject to US Government sanctions as set out by the 'Office of Foreign Assets Control' of the US Government. US sanctions are not necessarily the same as UK or EU sanctions, and any breach by you of any US sanctions would entitle insurers to avoid claims in relation to any dealing with 'embargoed entities'. If you have any concerns about this you are advised to familiarise yourself with US sanctions by visiting the Office of Foreign Assets Control pages on www.treasury.gov.

REMUNERATION

Normally our remuneration will be from commission payable from product providers. However, we may instead prefer our remuneration to be by way of a fee, and this will be individually negotiated with you. We confirm that you will not incur a liability to pay a fee until we reach agreement with you in this regard. 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 2.5% per month.

We will provide you with information about the commissions we will receive from the product provider with which the transaction is completed, so far as is relevant to a transaction entered into on your behalf and as required by FSA rules, prior to the contract being effected.

We will be entitled to retain all earned commission or agreed fees in respect of services provided including for contracts that are cancelled after inception.

REVIEW

Once we have arranged a contract for you we will not give you any further advice unless you request it, or as otherwise agreed in writing. We will be glad to advise you at any time you ask us to, however there may be a charge for this service.

UK MONEY LAUNDERING REGULATIONS

We are obliged to comply with the UK Money Laundering Regulations 2003, and also adhere to the guidance notes issued by the Joint Money Laundering Steering Group and Senior Management responsibilities as determined by the FSA. These require financial institutions to have in place procedures for the verification of the identity and place of residence of each client, as well as the source of the relevant funds.

This process may require sight of certain documentation, and where identity cannot be verified satisfactorily, we may not proceed further with the transaction or the business relationship. We will not forward any applications or money to third parties or product providers until our verification requirements have been met, and we take no responsibility for any delay in investing where money-laundering verification is outstanding.

DATA PROTECTION

Information provided by you may be held, processed, disclosed and used by us, our 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 that 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 for the purposes described above that your personal data may be transmitted outside the European Economic Area where this is necessary for the provision of services to you.

We may use and analyse your data, including the nature of your transactions, to provide you with information by post, telephone, fax or e-mail, in providing our service to you and informing you of opportunities that may be of interest to you. If you would prefer to be excluded from these services, please write to us at the address below.

WHAT TO DO IF YOU HAVE A COMPLAINT

It is always Lark's intention to provide you with a quality service. However should you have cause to complain please write to the Compliance Officer;

Lark Life & Pensions Limited, Ibex House,
42-47 Minories, London, EC3N 1DY

020 7543 2800

Your complaint will be acknowledged as soon as possible advising who will be handling the complaint. We undertake to

investigate your complaint promptly and fairly, and we will issue a detailed response to you when our investigations have been concluded. If our response is delayed we will provide you with regular updates. If you cannot settle your complaint with us, or we have not provided you with a response within eight weeks of us receiving your complaint, you may be entitled to refer it to the Financial Ombudsman Service. A full copy of our complaints procedure is available on request.

You acknowledge and agree that You shall only be entitled to make a claim against Lark, and not against any individual employee of Lark.

CLIENT MONEY

WE DO NOT HANDLE CLIENT'S MONEY. We are unable to accept a cheque made out to us (unless it is settlement of charges for which we have sent you an invoice) or handle cash.

TERMINATION

Our authority to act on your behalf in accordance with these Terms of Business may be terminated at any time by either party without prior notice and without penalty. This will become effective from the date the notification is received, but not so as to prejudice transactions already initiated, unless otherwise agreed in writing. Any fees

incurred to the date of termination will become payable immediately.

COMPENSATION AND PROFESSIONAL LIABILITY

We are covered by the Financial Services Compensation Scheme (FSCS). 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 £50,000. Insurance advising and arranging is covered for 90% of the claim, without any upper limit. Further information is available from the FSCS via its website: www.fscs.org.uk, or telephone 020 7892 7300. We also have in place professional indemnity insurance at least equivalent to the minimum requirements set by the FSA.

GOVERNING LAW

This Agreement is governed by and construed in accordance with the laws of England and Wales. If there is a dispute, it will be subject to the jurisdiction of the courts of England and Wales.

No other person has any rights under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Agreement other than other member companies of Lark Group Limited.
