

Terms of Business for Authorised Intermediaries (Investment Business)

1. Definitions and Interpretation

1.1 In these Terms of Business unless the context otherwise requires the following expressions shall have the following meanings:

'WCSI' means Walker Crips Structured Investments, a trading name of Walker Crips Stockbrokers Limited ('WCSB') Finsbury Tower, 103-105 Bunhill Row London EC1Y 8LZ.

'Act' means the Financial Services and Markets Act 2000.

'Business' means the business of carrying on regulated activities under the Act.

'COBS' means those parts of the FSA Handbook known as COBS, ICOB and MCOB, and any other rules, principles and guidance on the conduct of Business contained in the FSA Handbook from time to time.

'FSA' means the Financial Services Authority.

'FSA Handbook' means FSA's Handbook of rules and guidance as amended from time to time.

'Intermediary' means the Intermediary (whether a company, a partnership or a sole trader) to whom these Terms of Business apply.

'ISA' means an Individual Savings Account managed by WCSI or another WCSI Associated Company.

'WCSB Associated Company' means any body corporate in the same group (as defined in section 421 of the Act) as WCSB from time to time.

'Product' means any specified investment (as defined for the purposes of the FSA Handbook) or any commoditised investment service (such as an ISA) provided by or through WCSB or any WCSB Associated Company and marketed by the Intermediary under these Terms.

'Settlement Date' means in relation to a Product, the date stated on the confirmation note, initial statement or Terms of Business (or as otherwise advised by WCSB or the relevant WCSB Associated Company) on which payment of the initial premium, subscription or other contribution is due.

'Share' is as defined for the purposes of COBS.

1.2 Any reference to a statute, regulation or rule shall include reference to any such statute, regulation or rule as amended, re-enacted or replaced from time to time. Any reference to gender includes each other gender as appropriate.

2. Authorisation and Classification

2.1 Each of WCSI and the Intermediary is authorised by the FSA to carry on regulated activities in the United Kingdom.

2.2 WCSI will treat the investor as its client and will treat all clients as

retail clients.

2.3 The Intermediary shall confirm to WCSI in writing or as otherwise required, that the Intermediary has all authorisations, registrations and consents that it needs to carry out any Business conducted under these Terms of Business, in and from the jurisdiction where the Intermediary conducts its business.

2.4 Should the authorisation or the scope of authorisation of the Intermediary be restricted, suspended or revoked in any way, the Intermediary undertakes to notify WCSI immediately in writing of the occurrence of and details surrounding that event.

3. Application and Scope

3.1 These Terms of Business set out the conditions upon which WCSI accepts business from the Intermediary and supersede any previous Terms of Business issued to the Intermediary.

3.2 These Terms of Business are the only terms on which WCSI will transact business with the Intermediary. They are legally binding and (subject to any variations which may be agreed between the parties in writing in accordance with Clause 12), they apply to any dealings in Products, which the Intermediary may carry out with or through WCSI on or after the date on which the Intermediary signs these Terms of Business.

3.3 WCSI reserves the right in any circumstances and at its absolute discretion, not to accept Business from the Intermediary. The Intermediary shall be informed promptly if this discretion is exercised. WCSI will not accept Business from the Intermediary if it ceases to be an authorised person under the Act.

3.4 These Terms of Business constitute the entire agreement between the parties relating to the matters and transactions contemplated by them. Neither party has relied upon any representations other than those made by the other party and expressly set out in these Terms of Business.

3.5 The Intermediary shall comply with all statutes, statutory instruments, orders, regulations and codes of practice, which may apply to its business and in particular observe strictly the requirements, rules and regulations of the Act and the FSA.

4. Agency

4.1 The Intermediary shall be the agent of its underlying customer in its dealings in relation to Business under these Terms of Business. The Intermediary has no authority whatsoever to bind or to act or hold itself out as the agent or representative of WCSI or of any WCSI Associated Company. In particular the Intermediary has no authority to collect or hold premiums, subscriptions or contributions on behalf of WCSI or to advertise any of WCSB's products other than in the normal course of its business as an agent of the customer. An Intermediary may only submit an application for a Relevant Product to WCSI electronically after having obtained the customer's consent.

5. Adviser Remuneration
- 5.1 All matters relating to the payment of adviser remuneration by WCSI to the Intermediary shall be governed by these Terms of Business as amended from time to time, together with the rules of the FSA, in particular RDR, to the extent that such rules are applicable.
- 5.2 WCSI will not pay any commission to an intermediary in respect of an advised transaction. Remuneration will only be paid to the intermediary in the form of an adviser charge as authorised by the client.
- 5.3 The amount of remuneration paid to the intermediary will be agreed between the client and the intermediary.
- 5.4 WCSI will be notified on the application form whether the remuneration will be settled between the client and intermediary, or WCSI will pay the intermediary on the client's behalf.
- 5.5 The application form signed by both the client and the intermediary will become the principal record of the amount of remuneration agreed upon.
- 5.6 If a client exercises a statutory or other right to cancel an Investment, any remuneration to be rebated will be agreed between the intermediary and the client.
- 5.7 The Intermediary shall repay to WCSI any remuneration received by the Intermediary in error.
- 5.8 WCSI may deduct any amount due to be repaid to WCSI from any amount due to the Intermediary.
- 5.9 The amount of Indemnity Remuneration which is repayable under the previous paragraphs will be a sum equal to the unearned portion of the Indemnity Remuneration.
- 5.10 WCSI may, at its discretion, cease paying remuneration to the Intermediary:
- (i) If the Intermediary ceases to be authorised under the Act;
 - (ii) if the Intermediary ceases to have the appropriate permissions from the FSA to carry on the Business provided for here under; or
 - (iii) in respect of any person for whom the Intermediary has ceased to be the agent.
- 5.11 WCSI reserve the right to reclaim remuneration from the Intermediary in circumstances where an ISA on which remuneration has been paid to the Intermediary is subsequently voided under Treasury Regulations, or by an insurer due to non disclosure.
- 5.12 WCSI's statement of account (which may be contained in writing, disk, tape, direct on-line communication or any other method of communication agreed between WCSI and the Intermediary) shall be the primary record of remuneration due to the Intermediary and shall be final and binding except in the case of manifest error.
- 5.13 Remuneration will be paid to the Intermediary using BACS or other internationally accepted means of payment at a frequency to be agreed between the Intermediary and WCSI. WCSI shall not make any payments to the Intermediary until the balance on the Intermediary's remuneration account exceeds £50 or other currency equivalent. Sums below this figure will be held on the Statement of Account and paid at the next opportunity when aggregate remuneration for that period exceeds £50 or other currency equivalent.
- 5.14 Where applicable, if a client exercises any right of cancellation under COBS or if the Relevant Product is voided through non disclosure, no remuneration will be payable and any remuneration (excluding VAT where applicable) already paid by WCSI in respect of the relevant transaction shall immediately be repaid.
- 5.15 Either party (the "owed party") may at any time apply and set off any amounts owed by the other party (the "owing party") against any amounts from time to time owed (by way of remuneration or otherwise) to the owing party by the owed party.
- 5.16 The Intermediary shall be responsible for ensuring that its advisers are paid their share of such remuneration and shall remain liable for any refund of that remuneration that may become payable.
- 5.17 WCSI reserve the right to charge the Intermediary interest on debts that have been outstanding for more than 12 weeks. The rate that will be applied is the Bank of England Base Rate plus 2%. This will be charged from week 13 onwards until such time as the debt has either been repaid by the Intermediary or offset against other remuneration payable in accordance with Clause 5.8.
6. Documentation
- 6.1 The Intermediary shall not invite or assist a customer to purchase a Product unless and until the Intermediary has offered and provided to the customer, all disclosures, warnings and other information required to be provided or offered in accordance with COBS.
- 6.2 The Intermediary must pass on to its customer immediately upon receipt without amendment, any documentation that is supplied by WCSI for the benefit of or for completion by the customer.
- 6.3 The Intermediary must show its FSA authorisation number, where applicable, and the status of its customer as required on each proposal or application for a relevant piece of Business.
- 6.4 WCSI reserves the right to send communications direct to the customer in respect of existing or prospective business being transacted with that customer, although it will not normally do so save where WCSI is under a duty to do so or at the specific request of the customer. WCSI shall not send communications to customers of the Intermediary in respect of any other products which the customer does not hold with WCSI or which its business partners offer, unless it has first obtained the customer's express consent to do so.
- 6.5 The Intermediary must maintain and keep up to date and shall produce to WCSI, on request, such records, books and accounts as WCSI may reasonably require in connection with Business effected with WCSI under these Terms of Business in order to enable it to comply with any requirement of the Act or the FSA, provided always that WCSI shall reimburse the Intermediary's reasonable costs incurred in producing such records.
- 6.6 The Intermediary will not:
- (i) issue any circular, advertisement, leaflet or other promotional material on an application form or document relating to WCSI or WCSI's business unless the document in question has been supplied by or approved in writing by WCSI;
 - (ii) alter, or omit to transmit any information, supplied by WCSI for onward transmission to the underlying customer, or supplied by the customer for transmission to WCSI;
 - (iii) except as otherwise provided hereunder make any written or oral statements or representations which could in any way bind WCSI.
7. Cancellation
- 7.1 WCSI reserves the absolute discretion to elect to send a cancellation notice, if applicable, to the Intermediary's client.
8. Money Laundering
- 8.1 The Intermediary undertakes to comply with all statutory and other requirements relating to money laundering, including the Drug Trafficking Act 1994, the Prevention of Terrorism Act 1989, the Proceeds of Crime Act 2002, the Money Laundering Regulations 2007 (as amended from time to time), the Guidance Notes for the Financial Sector of the Joint Money Laundering Steering Group (JMLSG), and any applicable rules of the FSA (Financial Action Task Force included), as amended from time to time (collectively the Money Laundering Requirements").
- 8.2 Where a customer agreement, terms of business letter or similar arrangement exists that constitutes a business relationship between the Intermediary and its client, the Intermediary undertakes full responsibility for verifying the identity of its client and the maintenance of records with supporting evidence and methods used to verify identity as required under the Money Laundering Requirements in respect of any transaction with WCSI.

- 8.3 Where the Intermediary arranges a transaction or linked transactions in Shares, not covered by arrangements under Clause 8.2 above, the value of which exceed(s) €15,000, or other currency equivalent, the Intermediary also undertakes to fulfil the verification of identity and record keeping requirements as required under the Money Laundering Requirements.
- 8.4 In any dealing in Shares of an execution-only nature or for a total value of under €15,000, or other currency equivalent, the Intermediary undertakes to notify WCSI if verification of identity has not taken place. If at anytime after the €15,000, or other currency equivalent, exemption rule has been used subsequent transactions or linked transactions occur which are in excess of €15,000, or other currency equivalent, then the onus is once again upon the Intermediary to take full documentation as required.
- 8.5 The Intermediary will provide WCSI with a fully completed proforma Confirmation of Verification of Identity Certificate as detailed in the current JMLSG Guidance Notes. This is in respect of all business introduced to WCSI where the Intermediary has carried out standard or enhanced verification checks of the customer's identity.
- 8.6 WCSI may request written confirmation from the Intermediary in cases where the Intermediary has applied the one-off transaction exemption under the JMLSG Guidance Notes.
9. Collection of Premiums and Other Payments for Relevant Products
- 9.1 Unless otherwise agreed with WCSI, payment in respect of any contract effected by or through the Intermediary must be received by WCSB or the relevant WCSB Associated Company in cleared funds no later than the Settlement Date. WCSI or the relevant WCSB Associated Company shall at its absolute discretion be entitled to cancel in whole or in part, without prior notice to the Intermediary or its client, any contract or application in respect of which payment is not made by the Settlement Date. This provision shall not be affected by any requirement to serve a cancellation notice, if applicable, in respect of the transaction in question.
- 9.2 WCSI reserves the right at its absolute discretion to defer giving effect to any order or application until after receipt of cleared funds and shall not be liable for any loss suffered by the client as a result of such deferral.
- 9.3 The Intermediary shall indemnify and keep indemnified WCSI against all losses which WCSI may incur as a result of the failure of the Intermediary or its client to make due payment on the Settlement Date in accordance with these Terms of Business. For the purpose of this paragraph losses shall include, but shall not be limited to, those losses, costs and expenses incurred by virtue of the cancellation or closing out of the transaction by WCSI or any other loss, cost or expense caused to WCSI directly or indirectly by a failure of the Intermediary to comply with Sub Clause 9.1.
- 9.4 In the case of repurchases or cancellations, WCSI will only draw cheques in favour of the customer.
- 10 Indemnity and Liability
- 10.1 Without prejudice to any other indemnity contained in these Terms of Business, the Intermediary shall indemnify and keep WCSI indemnified against all losses, costs, damages, liabilities, charges and claims incurred by WCSI directly or indirectly as a result of:
- (i) any breach by the Intermediary or any of its employees, directors, officers or agents of any of these Terms of Business or in tort; or
 - (ii) any failure by the Intermediary or any of its employees, directors, officers or agents to comply with the provisions of the Act, the Money Laundering Requirements or the rules of the FSA; or
 - (iii) the inaccuracy of any information, statement or instruction made or given to WCSI by the Intermediary or any of its employees, directors, officers or agents pursuant to these Terms of Business, including, without limitation to the foregoing, any incorrect statement about the status of the Intermediary's client under the Cancellation Rules, if applicable.
- 10.2 Without prejudice to the indemnities contained elsewhere in these Terms of Business, the Intermediary shall indemnify and keep WCSB and any WCSB Associated Company indemnified against all losses, costs, damages or claims which WCSI or any WCSI Associated Company may suffer or incur as a result of relying upon any provisions contained in an agreement between the Intermediary and its client.
- 10.3 WCSI will only be liable to the Intermediary for loss arising directly as a result of negligence, fraud or wilful default by it or any of its employees or agents. WCSI shall not be liable for special, indirect, incidental or consequential damages or losses.
- 10.4 Nothing in these Terms of Business shall exclude any liability of WCSI for any matter for which it would be illegal for WCSI to exclude or attempt to exclude its liability or for fraud.
11. Communications
- 11.1 The Intermediary should address all notices and other documents for WCSI to Walker Crips Stockbrokers Limited, Finsbury Tower, 103-105 Bunhill Row, London EC1Y 8LZ. Communications will not be treated as effective until received at the above address.
- 11.2 The Intermediary shall communicate with WCSI in writing, (which includes communicating by facsimile or electronically). WCSI shall not accept or act upon oral instructions from the Intermediary.
- 11.3 Any letter or other document will be deemed to have been fully served upon the Intermediary if it is sent by post or left at the Intermediary's address last notified to WCSI in writing by the Intermediary. Any letter or other document sent by first class post will be deemed to have been served on the business day following that on which the envelope containing the same is posted and in proving such service it will be sufficient to prove that such envelope was properly addressed, stamped and posted.
12. Variation and Assignment
- 12.1 The Terms of Business shall only be varied by agreement of both parties, provided that no variation will affect contracts made prior to the time of the variation, and the requirement for both parties to give consent to such variation shall not apply if such variation is required to give effect to any mandatory legal or regulatory requirement.
- 12.2 The Intermediary shall not be entitled to subcontract or transfer any rights and obligations hereunder without the prior written consent of WCSI, provided always that WCSI shall not unreasonably withhold such consent.
13. Termination
- 13.1 Each party may terminate the agreement constituted by these Terms of Business by giving not less than 28 days written notice to the other party.
- 13.2 WCSI may terminate this agreement with immediate effect:
- (i) If the Intermediary ceases to be authorised under the Act; or
 - (ii) ceases to have permissions from the FSA to carry on the Business provided for hereunder; or
 - (iii) If the Intermediary dies, becomes bankrupt, compound with or assigns his estate or effects for the benefit of creditors, has his goods seized in execution or, in the case of a company, if any resolution or statutory demand or petition for winding up, administration or administrative, receivership or interim order in connection with a proposal to creditors for a voluntary agreement is presented by or against the Intermediary or the Intermediary's assets or the Intermediary ceases to carry on business as a going concern.
- 13.3 Following termination of this agreement the Intermediary will continue to provide any necessary details relating to customers, which WCSI may require to comply with WCSI's obligations under any relevant regulatory rules or requirements, provided always that WCSI shall reimburse the Intermediary's reasonable costs of providing such details.

- 13.4 Without prejudice to Clauses 5 and 7 hereunder, on termination the Intermediary will be entitled to receive all remuneration accrued and due in connection with applications submitted pursuant to these Terms of Business, up to the date of such termination.
- 13.5 Any termination effected shall be without prejudice to any rights of either party already accrued at the date of termination in respect of any obligations of the other party under these Terms of Business.
- 13.6 Termination of these Terms of Business shall not affect the execution and statement of orders, which have been placed with WCSI prior to the notice of termination.
- 13.7 No compensation shall be payable to the Intermediary upon termination of these Terms of Business.
14. Data Protection Act
- 14.1 Where relevant, the Intermediary confirms that it is registered as a data user under the Data Protection Act 1998 ("DPA") and will ensure that its registration details include all persons, purposes and other particulars required to be registered under the DPA in connection with these Terms of Business. The Intermediary will comply with the DPA in transacting business with WCSI under these Terms of Business.
- 14.2 The Intermediary will not send personal data regarding its clients to WCSI by electronic means except where, in its reasonable opinion, it is reasonable to do so with regard to the security of such data.
- 14.3 WCSI reserves the right to register information provided in the Intermediary's application form and other information relating to the Intermediary's Business with WCSI with credit reference agencies and/or other database's supplying or providing information for business analysis.
- 14.4 WCSI reserves the right to search against the Intermediaries with credit reference agencies and/or other databases.
- 14.5 WCSI may use or disclose personal information about the Intermediary that it holds in order to provide agreed services under this agreement and any other agreement between the Intermediary and other WCSB Associated Companies. For the prevention of money laundering, the evaluation of the Intermediary's potential needs and the marketing of financial services products to the Intermediary, WCSI analyses and tracks performance of its business.
15. Trademarks
- 15.1 Save as expressly permitted under clause 6.6.(i) of these Terms of Business, the Intermediary will not produce, publish or distribute any promotional documentation, pamphlets or other materials, or establish any internet sites, containing or otherwise using any trademarks, logos or other intellectual property of which WCSI or any WCSB Associated Company is the registered proprietor unless it shall first have obtained a written license to do so. Details of the licensing procedure are available from WCSI. For the avoidance of doubt, this clause shall not apply in respect of the distribution to the Intermediary's clients of materials supplied by WCSI for this purpose.
16. Compliance
- 16.1 The Intermediary undertakes to WCSI to comply with all applicable laws and regulations to which it may be subject in relation to marketing or advising on Products and, in particular, it will have regard to the restrictions that may be applicable to such activities in the jurisdiction(s) in which the Intermediary conducts such Business. The Intermediary similarly undertakes that it will not knowingly, deliberately or recklessly do anything, which may render WCSI or any WCSI Associated Company in breach of such laws and regulations. The Intermediary further undertakes to procure that all its employees, directors, officers and agents shall comply with these Terms of Business.
- 16.2 The Intermediary shall comply with the requirements of COBS in relation to the disclosure to its retail customers of remuneration received by it.
- 16.3 WCSI shall not be liable for any loss suffered by an Intermediary's client as a result of the Intermediary's failure to provide or delay in providing any documentation or anything else required under these Terms of Business, save to the extent that such loss to the customer or failure of the Intermediary is caused by any act or omission on the part of WCSI.
- 16.4 Any complaint about any aspect of the service received should be made to The Compliance Department.
- Walker Crips Stockbrokers Ltd,
Finsbury Tower,
103-105 Bunhill Row, London, EC1Y 8LZ.
Tel 0203 100 8880.
- If your complaint is not dealt with to your satisfaction, you can complain to the Financial Ombudsman Service, South Quay Plaza, 183 Marsh Wall, London E14 9SR.
17. Severability and Waiver
- 17.1 If any provisions of these Terms of Business shall be held or made invalid by a court decision, statute or rule, or shall be otherwise rendered invalid, the remainder of these Terms of Business shall not be affected. The waiving by one party of any rights arising out of breach of any term of, or failure to meet any obligation under these Terms of Business on the part of the other party shall not operate as a waiver in relation to another or continuing breach of the same term or of another or continuing failure to meet the same obligation by the other party or in relation to a breach of any other provision of, or failure to meet any other obligation under, these Terms of Business by the other party.
18. Third Party Rights
- 18.1 Neither WCSI nor the Intermediary intends any provision of these Terms of Business to be enforceable by any person other than themselves or their permitted successors or assignees; and no terms shall be enforceable by virtue of the Contracts (Rights of Third Parties) Act 1999 by any person other than WCSI and the Intermediary.
19. Jurisdiction
- 19.1 These Terms of Business shall be governed by and construed in accordance with English law and each party agrees to submit to the exclusive jurisdiction of the English Courts as regards any claim or matter arising under, or in connection with these Terms of Business.

Terms of Business for Authorised Intermediaries (Investment Business) - January 2013

1. Company Information

Company Details

Company Full Name	
Company Trading Name (if Different)	
Company Address	
	Telephone
Website	Email

Contact Names

MD/CEO	Compliance
Finance Dept	Other
Authorisation (eg. FSA)	FSA Reference Number
Nature of Business (eg. IFA/Solicitor)	
Are you part of a network? YES / NO	Address

2. Remuneration Payment Details

Bank Name	Bank Address
Account Name	Account Number
Sort Code	Reference (if any)

I/We acknowledge receipt of the 'WCSI' Intermediaries Terms of Business and agree to be bound by the conditions:-

Signed	Name
	Position in Company
	Date DD MM YYYY