

TERMS OF BUSINESS

INDEPENDENT FINANCIAL ADVICE

Not all financial advisers are independent. Some are confined to advising on the products of one or more providers of financial products and investments. We are independent and we provide financial planning advice which embraces tax and other issues as appropriate; and when recommending products we consider to be in our client's best interest.

COMMENCEMENT DATE

This Terms of Business comes into effect on the date you receive it from us.

OUR FIRM Kester Cunningham John Financial Planning LLP (referred to as "we" or "us" in this document) is an Appointed Representative of PB Financial Planning Ltd, who is authorised and regulated by the Financial Services Authority (FSA). PB Financial Planning Ltd registered office address is Causeway House, 1 Dane Street, Bishops Stortford, Herts CM23 3BT

OUR SERVICES TO YOU

We offer you independent financial advice based solely on the information provided by you, and as we are not tied to any insurance company, we are able to survey the whole market in order to find the most suitable product for you and can advise you on the products of different companies. We will advise and make a recommendation for you after we have assessed your needs. We are authorised to advise on and arrange life assurance cover, pensions and investments in authorised unit trusts, stocks and shares, gilts, personal equity plans, individual savings accounts, broker funds and other investments. These services may include advice on investments relating to, or executing transactions in, units in unregulated collective investment schemes. Where this is the case, the advice will be specifically geared to your personal requirements.

CLASSIFICATION OF CLIENTS

For the purposes of compliance with the requirements of the Financial Services Authority, we treat our business clients as if they were retail clients. This means that we undertake a greater obligation of disclosure and communication of risk than would otherwise be necessary, but it does not necessarily mean that business clients will benefit from the Financial Ombudsman Service.

HOW WE ACT FOR YOU

We prefer our clients to give us instructions in writing to avoid possible disputes. We will, however, accept oral instructions providing they are subsequently confirmed in a letter.

Any advice we give you will normally be in writing, but if given orally will be recorded on your file. Where any recommendation we make, or transaction we undertake for you, results in a right to cancel the policy under certain conditions, we will advise you of these rights. We will also tell you if you do not have a right to cancel the arrangement.

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 other customers, conflict with your interests, we will inform you and obtain your consent before we carry out your instructions.

When we arrange investments for you we will register these in your name unless otherwise agreed in writing. Additionally, we will ensure you receive either a contract note, documents of title, or certificates evidencing title. All such paperwork 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 until the series is completed.

WE DO NOT HANDLE CLIENT MONIES

Crossed cheques for premiums or investment monies can only be made payable directly to the product provider. No premiums or investment monies of any kind should be paid or made payable to anyone else.

DISCRETIONARY PORTFOLIO MANAGEMENT

We may on occasion suggest that responsibility for the management of your investments should be delegated to an external portfolio manager operating on a discretionary basis, that is to say pursuing an agreed objective based on an agreed time span and an agreed level of risk, but not seeking your instructions before making changes to the portfolio. In this situation we will liaise between you and the discretionary manager and will ensure that regular reports are produced, but we will not be responsible for the consequences of any acts or omission on the part of the discretionary manager.

OUR CHARGES

Our Report

Our recommendations to each client are contained in a bespoke Report, for which we agree a fee. The cost will be based on the amount of time taken to do our research and produce the report. This will be based on our hourly rate shown below:

Director	£250 per hour
Financial Services Manager	£100-£175 per hour
Administration Staff	£36-£92 per hour

However, if you instruct us to proceed to implement the Report (subject to any modifications you may request), implementation charges will become payable and the fee for the Report will be waived.

We intend that our report to you will be correct at the date of issue. Our advice to you will be specific to your current circumstances and intentions and therefore will not be suitable for use at a different time, in different circumstances or to achieve other aims or for the use of others. Accordingly, you should only use the advice for the intended purpose, and no other person is entitled to rely on the advice for any purpose.

We warn you that because rules change frequently we do not hold ourselves responsible for any actions taken on the basis of the advice or suggestions contained in our report unless instructions are given by you to us to proceed on your behalf. You should ask us to review any advice already given if a transaction is delayed, or is to be repeated, or if an apparently similar transaction is to be undertaken.

Our Implementation Charges

Before proceeding to implement the recommendations contained in a Report, or any subsequent arrangements, we will agree the amount of our charges with you. These will reflect, among other factors, the complexity of the work, the values involved, the time likely to be taken up and the administrative and other costs incurred.

In the case of single premium investment business, unless we advise you otherwise, the fee will be based on the amount to be invested, on the following scale:

Value	Fee
The first £250,000 will be charged at	3%
The next £250,000 (up to £500,000) charged at	2.5%
The next £250,000 (up to £750,000) charged at	2%
The next £250,000 (up to £1million) charged at	1.5%
After the first £1million	1%

(i.e. the fee for an investment of £300,000 would be calculated as £250,000 at 3% plus £50,000 at 2.5%)

If we may receive commissions from the providers of products which we arrange or from any stockbrokers or external financial advisers with whom we may work, we will disclose the amounts involved and by agreement with you, will apply these to offset our charges and/or to enhance the value of your investments and/or policies

Annual review of investments

When we arrange portfolios of investments, we offer to keep these under review and to provide annual reports and valuations which enable our clients to see the progress of their investments by comparing the initial portfolio with the current portfolio. When submitting these reports we suggest for your consideration any changes which we consider may be desirable in the light of stockmarket or taxation factors, or changes in your personal circumstances, or objectives. However, implementation of any such changes will depend upon our receiving your instructions. Our charge for this service is dependent upon the level of service you require.

Trivial receipts

In accordance with the requirements of the Financial Services Authority we ask you to confirm, by signing our Terms of Business, that we may retain sums of trail or renewal commission which we may receive which are so small, relative to the overall amount of our fees payable by you, that it would be manifestly inappropriate for us to be required to account to you as described above.

VAT

Arranging life, pension and investment products and mortgage loans, and providing advice which is incidental to such arrangements, are VAT exempt services.

DATA PROTECTION & RECORDS

Personal information supplied by you will be used for the purpose of completing transactions on your behalf. It may also be stored on paper or computer records and may be used for statistical purposes by us. Whilst we treat all client records as confidential, details may have to be passed to our regulatory authorities, auditors and consultants operating under strict confidentiality for the purposes of compliance. We may send such data in confidence for processing (or companies acting on our instructions may do so) (including those located outside the European Economic Area).

To ensure that we can offer a complete service it is essential that, at time, we share information and consult with our parents, Price Bailey LLP and PB Financial Planning Ltd. If you do not wish for us to do this, please let us know.

We like to keep clients informed of products and services we offer which may be of interest to them. You have a choice of whether to receive such marketing material from us.

If you do not give us this permission (see the Declaration below) we will not issue unsolicited material. We will not undertake any other form of unsolicited contact with you. 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.

HOW CAN YOU, OR WE, TERMINATE THIS AGREEMENT?

Once we have acted upon your instructions we will not normally give you further advice. However, we may review our record of your investments and policies periodically and write to you to suggest that we arrange a review meeting. You, or we, may terminate our authority to act on your behalf at any time without penalty. Notice of this termination must be given in writing by first class post. It will be deemed to be received 2 business days after being posted. Any business currently being completed will be completed unless we receive your instructions to the contrary. Any fees outstanding at the date of termination will be due within four weeks of the termination date.

COMPLAINTS AND COMPENSATION

You should address any complaints, in writing, to the Compliance Officer at PB Financial Planning Ltd, The Quorum, Barnwell Road, Cambridge CB5 8RE. In the event you are not satisfied with his treatment of your complaint, you can complain to the Financial Ombudsman Bureau. Details of the Ombudsman's address will be supplied to you at that time, or if you request them. Complaints involving financial loss or material inconvenience or material distress may be referred to the Financial Ombudsman Service, complaints which relate to business which is not regulated by the Financial Services Authority may be referred to the The Institute of Chartered Accountants in England & Wales (ICAEW), but the firm reserves the right to reclaim costs and expenses reasonably incurred in defending any complaints to the Ombudsman which are of a frivolous or vexatious nature.

We maintain a Professional Indemnity Insurance for your protection. If you make a valid claim against us in respect of any of the listed investments we arrange for you, and we are unable to meet our liabilities in full, you may be entitled to redress through the Financial Services compensation scheme (FSCS). This depends on the type of business and the circumstances of the claim:

Investment

Most types of investment business are protected for 100% of the first £50,000.

Insurance

Insurance advising and arranging is protected for 90% of the claim, without any upper limit.

KCJFP TOB 04012010

I/We consent to the terms set out in this letter. I/We also consent to the processing and storage of personal information on computer and / or paper files.

Client signature _____

Print name _____

Date _____

Client signature _____

Print name _____

Date _____

We like to take care to keep clients informed of only those products that may be of interest to them. If you do not wish to receive this information in future, please tick :