



**FINANCIAL**

# Financial Adviser Agreement for a Member of the Network

NAME OF ADVISER

NAME OF MEMBER FIRM

NETWORK

DATE

<b>FINANCIAL LTD</b>
<b>2012</b>

## Financial Ltd. New Member Authorisations & Approvals

Unit 1, Andoversford Business Park,  
Andoversford, Cheltenham,  
Gloucestershire. GL54 4LB.

Telephone +44 (0) 1242 820 738  
Fax +44 (0) 1242 820 282  
Website [www.financial.ltd.uk/](http://www.financial.ltd.uk/)

Authorised & regulated by The Financial Services Authority. FSA no. 188153. Registered in England and Wales, registered office as above. Registration no. 4153343

**PARTIES**

(1)	FINANCIAL LTD (Co. No 4153343) registered office: Unit 1, Andoversford Business Park, Andoversford, Cheltenham, Gloucestershire, GL54 4LB.	(the Company)
(2)	Mr/Mrs/Miss/Ms : (address from which business is conducted) Address :	(the Adviser)
(3)	Mr/Mrs/Miss/Ms : (address from which business is conducted) Address :	(the Member)
(4)		(the Guarantors)

**BACKGROUND**

- A. The Member is an Appointed Representative of the Company. The Adviser is an employee or self employed contractor to the Member. This agreement is to provide a direct contract between the Company and the Adviser on the terms hereof.
- B. The terms of employment or contract for services between the Member and the Adviser and remuneration (and other clauses) are the subject of separate agreement between those parties.

# 1.0 Definitions

1.1 In this Agreement where the context so admits, the following expressions shall have the following meanings:-

- “ACT”** means the Financial Services and Markets Act 2000 and any Act amending it or in substitution of it.
- “APPLICATIONS”** means applications for any Contracts.
- “APPOINTED REPRESENTATIVE”** means a person, firm, corporation or limited liability partnership authorised by the Company to act as an appointed representative within the meaning of Section 39 of the Act.
- “APPROVED INSTITUTION”** means any Institution which the Company shall notify to the Member from time to time as being an Approved Institution for the purposes of this Agreement.
- “APPROVED PERSON”** means a person authorised by the Company in accordance with Section 59 of the Act and who is engaged under a contract of or for service by the Member to carry on Investment Business.
- “BUSINESS”** means the financial services business for which the Company is authorised by the FSA.
- “CHARGES”** means all charges due from the Member to the Company in accordance with

	the Company's current Membership Charges as revised from time to time.
<b>“CLIENT”</b>	means the same as defined in the Rules.
<b>“CLIENT MONEY”</b>	means money belonging to a Client as defined by the Rules.
<b>“COMPANY INTRANET”</b>	means the webpages on the Company's web based services showing rules, regulations, information and charges applicable to Members.
<b>“COMPLIANCE MANUAL”</b>	means the manuals for compliance by the Member with Regulatory Requirements as issued by the Company and as altered from time to time.
<b>“CUSTOMER”</b>	means the same as defined in the Rules.
<b>“CONTRACT(S)”</b>	means any financial, general insurance or mortgage related product or such other financial products and services of any other nature in which the Company may be authorised to conduct business.
<b>“FEES AND COMMISSION”</b>	means all fees and commission due and payable to the Member in respect of the Services, whether by an Institution or by a Client, in accordance with the terms of this Agreement and Commission shall mean commission paid by an Institution.
<b>“FSA”</b>	means The Financial Services Authority or any successor regulatory body succeeding to all or any of the responsibilities of the FSA.
<b>“INSTITUTION”</b>	means any assurance or insurance company, life offices broker, unit trust manager, stock broker, finance house, financial institution or any other similar institution, firm or company.
<b>“INVESTMENT(S)”</b>	means those investments set out in Part III of the Financial Services and Markets Act (Regulated Activities) Order 2001.
<b>“INVESTMENT BUSINESS”</b>	means carrying out any of the activities specified in Part II of the Financial Services and Markets Act (Regulated Activities) Order 2001.
<b>“MEMBERSHIP CHARGES”</b>	means the schedule of charges made by the Company to the Member as varied from time to time and shown on the Company Intranet.
<b>“PHOSSIL”</b>	means the computer based information system connecting the Company and the Member.
<b>“REGULATORY FEES”</b>	means fees and charges raised by the FSA, Financial Services Compensation Scheme and Financial Ombudsman or such other bodies as may replace them.
<b>“REGULATORY REQUIREMENTS”</b>	means the requirements imposed by the Act, the Rules and the legislation and the rules and regulations of the FSA, Financial Services Compensation Scheme, Data Protection Registrar, Consumer Credit Act and any other body or act of Parliament which regulates the insurance, investment, banking, credit, data protection, mortgage or financial industry or their products by way of voluntary code or mandate.
<b>“RULES”</b>	means the rules and regulations of the FSA as amended or replaced from time to time and the rules promulgated by the Company in its Compliance Manual and any other document or instruction issued by the Company to the Members as to the conduct of Business by the Member.
<b>“SERVICES”</b>	means those services specified in Schedule 1 to this Agreement to be provided by the Member.
<b>“TERM”</b>	means the period from the date of this Agreement to the date of its termination.

- 1.2 Words and phrases defined in the Rules shall have the same meaning in this Agreement unless the context otherwise requires. In the event of any conflict between the Rules and provisions of this Agreement, the Rules shall prevail.
- 1.3 All references to a statute shall be construed as including references to any statutory modification consolidation or re-enactment (whether before or after the date of this Agreement) for the time being in force.
- 1.4 The headings in this Agreement are for ease of reference only and shall not affect its construction or interpretation.
- 1.5 For the purposes of this agreement Client shall be deemed to include Customer.
- 1.6 In the event of any conflict or ambiguity between this Agreement and any requirement of the Rules then the Rules shall take precedence.

## 2.0 The Appointment And Regulation

The Company hereby appoints the Adviser as an Approved Person of the Company to provide the Services. The Adviser may not act as an Approved Person for any other principal.

## 3.0 Obligations of the Adviser

3.1 The Adviser hereby undertakes that in providing the Services he shall:

- 3.1.1 observe and perform and comply with all the Rules and the lawful directions and instructions issued by the Company and the rules, procedures and requirements prescribed by the Company from time to time including any variation, modification or substitution thereof,
- 3.1.2 conduct himself and do all things to the best of his ability, skill and judgment and generally act in such a lawful and professional manner as will maintain and increase the business and further the interests of the Member and the Company,
- 3.1.3 comply and ensure that he complies with all Regulatory Requirements,
- 3.1.4 complete and keep up to date Client files to which the Company shall have access at all reasonable times. In addition, the Company shall be entitled to immediate access to all documents and other records including computer records relating to any Client introduced by the Adviser to the Company through the Member. The Adviser hereby authorises the Company and its officers or authorised representatives to enter any premises of the Adviser for the purpose of inspecting and taking copies of such files, documents and records and to take any other steps necessary to satisfy the Company that the Adviser has at all times complied with all obligations under this Agreement,
- 3.1.5 fully comply with the conditions of any policy of insurance applicable to the Company and as notified by the Company to the Member from time to time,
- 3.1.6 provide the Company with the same rights for its auditor and actuary as provided by for by clause 4.1.4 and Section 341 of the Act,
- 3.1.7 maintain adequate financial resources to remain solvent at all times and shall provide the Company with evidence of such to the Company's satisfaction,
- 3.1.8 cooperate with the Company (including after termination of this Agreement) in dealing with any complaint by a Client or other review of business done by the Adviser whether such review be by way of an internal review by the Company or FSA instigated.

3.2 **THE ADVISER HEREBY UNDERTAKES THAT HE SHALL NOT:**

- 3.2.1 at any time during the Term without the consent in writing of the Company pledge or engage the credit of the Company or enter into or purport to enter into any contract on behalf of the Company other than the ordinary engagements incidental or related to

the arrangement of Client Contracts in accordance with the terms of this Agreement,

**3.2.2** issue or use any correspondence, business cards or other literature issued under the name of the Member or Adviser that has not been pre-approved in writing by the Company,

**3.2.3** publish, issue, write or circulate any advertisement, advertising matter, financial promotion letters or emails, electronic messages or other documents of a similar nature relating to the Company or otherwise connected with the business of the Company or write, send or furnish any communication or information to any person or persons whomsoever relating to the business of the Company unless the Company has given prior written approval to the Member or Adviser of the intended display, dissemination or communication of such material or information about the Company,

**3.2.4** hold any Client Money and agrees to return to the Client any Client Money received by it,

**3.2.5** appoint sub-agents or introducers without the prior written consent of the Company. The Company may, in its absolute discretion, require the Introducer to enter into a separate agreement with the Company.

**3.3** The Adviser shall give immediate notice to the Company if any of the following events occur in relation to the Adviser:-

**3.3.1** a conviction of himself for any offence involving fraud or other dishonesty,

**3.3.2** a conviction for any offence under Regulatory Requirements including the Companies Act 2006,

**3.3.3** a disqualification direction under Section 56 of the Act,

**3.3.4** any breach or suspected breach of the Rules by him,

**3.3.5** any circumstances which may give rise to a claim of any nature being made against the Company or the Adviser.

**3.4** The Adviser warrants to the Company that:-

**3.4.1** all information provided in his application to be an Approved Person prior to the date of this Agreement is true, accurate and complete when given and remains so at the date of this Agreement,

**3.4.2** he is not in breach of any Regulatory Requirements,

**3.4.3** he is solvent and fit and proper to act as an Approved Person,

**3.4.4** he is not a member of any other network or an Approved Person for or any other form of agent for any other principal.

**3.5** The Adviser hereby undertakes upon becoming aware to inform immediately the Company in writing, if any of the information provided to the Company prior to or at any time during this Agreement becomes untrue, inaccurate, incomplete and/or out of date.

## 4.0 Contract Restrictions

**4.1** The Company shall have absolute discretion to restrict the type of advice and/or type of Applications which may be submitted by the Adviser to Approved Institutions. In particular (but without prejudice to the generality of the foregoing) the Company shall be entitled to specify or limit the Investments to which any such proposed Client Contract may relate. The Adviser shall at all times abide by any such restrictions as notified to him from time to time by the Member or by the Company.

**4.2** Under no circumstances during the Term shall the Adviser procure or endeavor to procure Clients to enter into Investment Contracts with institutions that are not Approved Institutions without the prior written consent of the Member and the Company.

## 5.0 Payment of Fees and Commission

**5.1** In consideration of the Adviser undertaking the Services the Company shall pay to the Member the Fees and Commission received by

the Company from Institutions or Clients.

- 5.2** The Company shall have the right to instruct an Institution to make a payment direct to the Company in order to with-hold all or a proportion of Commission payable to the Member to offset against future or existing clawback by an Institution, compensation payments to clients or any payments due under the AR Agreement. The amount withheld shall be at the discretion of the Company.
- 5.3** If any Institution reclaims Commission received by the Company (i.e. clawback), the Company shall repay sums equal to that demanded to the Institution. The Adviser hereby undertakes, subject to clause 5.4, to repay the amount demanded, to the Company within 30 days of the Company providing written notice of the amount.
- 5.4** In the event that an Institution reclaims Commission, the Company shall first seek to deduct such repayment from the amount which was first withheld in respect of that Contract when it was incepted. Thereafter the Company may make a demand of the Adviser under clause 5.3.
- 5.5** Any late payments by the Adviser shall attract interest at a daily rate of 4% above the base rate from time to time of HSBC Bank Plc.

## 6.0 Indemnity

- 6.1** The Adviser shall indemnify and keep indemnified the Company (without limit) against any liability, claims, loss, damage, penalties or fines, costs and expenditure incurred in respect of, arising out of or otherwise connected with any failure by the Adviser to observe any of his obligations contained in this Agreement and against liability, claim, loss, damage cost or expenditure incurred in respect of, arising out of or otherwise connected with any act, representation, omission, misrepresentation, negligence, dishonesty, misconduct or fraud by or of the Adviser or in respect of any breach of the terms of this Agreement or non compliance with the terms hereof and such indemnity shall continue notwithstanding the termination of this Agreement for any reason.
- 6.2** Further to clause 6.1 the Adviser shall indemnify the Company in respect of any uninsured amount of which cannot be reclaimed under the Company's policy of insurance or indeed the whole amount of any liability where the Adviser has vitiated such policy or this Agreement.

## 7.0 Property

In the event that the Adviser fails to account for or to return any Company property for which he is accountable and without prejudice to any other right of the Company, the Adviser hereby authorises the Company either to retain the value of such Company property out of any sums due to the Member from the Company or to enter the premises of the Adviser to recover such property.

## 8.0 Termination

- 8.1** This Agreement may be terminated by the Company immediately if the Adviser:
  - 8.1.1** is in breach of any term of this Agreement which the Company considers material or the Company has reasonable grounds to suspect that the Adviser has committed what the Company considers to be a material breach,
  - 8.1.2** commits a breach of or contravenes the Regulatory Requirements,
  - 8.1.3** on the happening of any of the events set out in Clause 3.3 of this Agreement,
  - 8.1.4** becomes or threatens or appears to be insolvent,
  - 8.1.5** brings himself or the Member or the Company into disrepute with the public, Clients or the FSA,
  - 8.1.6** ceases to be an employee or self employed contractor of the Member.

- 8.2** Without prejudice to any of the provisions of Clause 8.1, the Company may at any time and for any reason (in its discretion) during the Term require the Adviser (and the Adviser shall be so bound) to cease and suspend all or any part of his Business immediately for either a specified or indefinite period of time.
- 8.3** Following termination of this Agreement:-
- 8.3.1** the Adviser shall assist the Company in any way as may be required at any time and from time to time in notifying any Clients that he no longer represents the Company,
  - 8.3.2** the Adviser shall transfer within 30 days to the Company all original records, client files, electronic data and property concerning Business carried out on behalf of the Company, provided that the Company will allow the Adviser to copy such files,
  - 8.3.3** the Adviser shall immediately cease using any proprietary marks, logos or trading names of the Company Compliance Manuals and any other documents and will destroy all unused stationary.
- 8.4** In the event of notice of or immediate termination of this Agreement (by any manner) any amounts then owing by the Adviser to the Company shall immediately become due and payable to the Company without any delay or any further demands. Without prejudice to any other rights, at its absolute discretion the Company shall be entitled to set off the amount of such sums due (whether under this Agreement or otherwise) against any sum due to the Member on behalf of the Adviser.
- 8.5** The following clauses shall be deemed to survive termination of this Agreement, howsoever arising: 3.1.4, 3.1.5, 3.1.6, 3.1.8, 3.5, 5.2, 5.4, 5.5, 6. 8.3, 8.4, 9.3, 10 and 11.

## 9.0 Data Protection and Confidentiality

- 9.1** The Company is registered under the Data Protection Act 1998 ("DPA"). It is understood that the Company will keep personal and financial information with regard to the Adviser's circumstances on file (electronic and/or paper based) as required.
- 9.2** The parties each undertake to the other to comply with their obligations under the DPA and the Adviser shall fully indemnify the Company against any claims, demands, costs and/or expenses arising as a result of a breach thereof.
- 9.3** The parties shall at all times including after termination keep confidential any information relating to the business, Clients or prospective clients, investments or finances of the other party save where disclosure is necessary under Regulatory Requirements.
- 9.4** The Adviser shall only be entitled during the term of this Agreement to use any logos, trademarks or trade names of the Company which the Company specifically authorises to the Member.

## 10.0 Guarantee

- 10.1** In consideration of the Company agreeing to enter into this Agreement with the Adviser (which it will not do without the covenant of the Guarantors), the Guarantors hereby jointly and severally guarantee to the Company that the Adviser will observe and perform all the obligations of the Adviser under this Agreement and that the Guarantors will fully and effectually indemnify and keep indemnified the Company against any liabilities, losses, penalties, fines, costs and expenses arising from any act and/or omissions of the Adviser under this Agreement.
- 10.2** The Guarantors shall not be released from any liability under this clause by reason of:-
- 10.2.1** any forbearance granting of time or other indulgence on the part of the Company,
  - 10.2.2** any variation of this Agreement, whether or not made with the consent of the Company,
  - 10.2.3** the termination of this Agreement for any reason.

**10.3** The Guarantors shall jointly and severally make payment forthwith to the Company on demand notwithstanding that the Member or Adviser has a demand of it which may still be outstanding to the Company.

**10.4** The Company shall be under no obligation to provide to the Guarantors a breakdown of the sums due from the Member or Adviser and it shall be sufficient for the Company to show the sum as due.

## 11.0 Non competition

**11.1** After termination the Adviser shall not for a period of 12 months:

**11.1.1** solicit or approach with a view to enticing them away from the Company any employee or director of the Company (or any person in the same group of companies).

**11.1.2** to entice away from the Company any other Member of or adviser in the network of Members.

## 12.0 Notices

Notices under this Agreement shall be in writing and sent by first class prepaid post or facsimile or email to the Adviser or the managing director of Company as appropriate and shall be deemed delivered in the case of post 48 hours (Saturdays and Sundays excepted) after posting or on receipt by facsimile.

## 13.0 General

**13.1** No failure or delay in exercising any right or remedy under this Agreement shall constitute a waiver thereof.

**13.2** This agreement is governed by and shall be interpreted in accordance with English Law and the parties agree to submit to the exclusive jurisdiction of the English Courts.

**13.3** No variation shall be effective unless in writing.

**13.4** The parties do not intend this Agreement shall be enforceable by any third party as provided for by the Contracts (Rights of Third Parties Act 1999).

## 14.0 Restrictions on the Adviser

**14.1** The Adviser agrees not to carry on any Investment Business other than the Business. All other activities shall be carried out through a separate legal entity to that of the Adviser.

**SIGNED by for and on behalf of  
FINANCIAL LTD**

Director  
Signature  
In the presence of  
Witness  
Occupation  
Address  
Signature


**SIGNED by for and on behalf of  
THE ADVISER**

\* Director   \* Sole Trader   \* Partner

Name  
Signature  
In the presence of  
Witness  
Occupation  
Address  
Signature


**SIGNED by the GUARANTORS**

Guarantor  
Occupation  
Address  
Signature


**SIGNED by the GUARANTORS**

Guarantor  
Occupation  
Address  
Signature


# SCHEDULE 1

## Functions to be provided by the Adviser

The regulated provision of advice and execution of transactions in investments, pensions, general insurance and mortgages in accordance with this agreement.

# Statement of Assets and Liabilities

	<b>ASSETS</b>		<b>LIABILITIES</b>
House		Mortgage	
2 <sup>nd</sup> House		2 <sup>nd</sup> Mortgage	
3 <sup>rd</sup> House		3 <sup>rd</sup> Mortgage	
Land		Secured Debt	
Shares		Overdraft	
Cash		Credit Cards	
Pension		Unsecured loan	
Cars		Car Loan	
Investment Income per annum X 10 for capitalised value		Private Debt	
Other		Other	
<b>TOTAL (A)</b>		<b>TOTAL (B)</b>	
<b>NET ASSETS (A-B)</b>			

Signed by Adviser

# Reference Details

To allow us to make a judgement on your suitability for a responsible position within an organisation regulated by the Financial Services Authority, please provide the contact details of references from your previous employers over the last 5 years and 2 character references. Please tick the box at the bottom to consent to us to obtain a reference.

## EMPLOYMENT REFERENCE 1

Name	
Company	
Position	
Period of Employment	
Address	
Email	
Telephone	

## EMPLOYMENT REFERENCE 2

Name	
Company	
Position	
Period of Employment	
Address	
Email	
Telephone	

## EMPLOYMENT REFERENCE 3

Name	
Company	
Position	
Period of Employment	
Address	
Email	
Telephone	

## CHARACTER REFERENCE 1

Name	
Relationship	
Address	
Email	
Telephone	

## CHARACTER REFERENCE 2

Name	
Relationship	
Address	
Email	
Telephone	

# Contact Details

## FINANCIAL ADVISER

Name	
Address	
Tel	
Fax	
D.O.B	
N.I Number	
FSA No	

# Document Checklist

To ensure that your application is valid and complete, please make the following checks by ticking each box that is relevant to your application. It will help us to make sure that we have received the supporting documents you have supplied and to keep a record of them while they are in our possession.

## Financial Adviser Application

1. FINANCIAL ADVISER AGREEMENT
2. STATEMENT OF ASSETS & LIABILITIES
3. REFERENCE DETAILS
4. CONTACT DETAILS
5. DOCUMENT CHECKLIST

  
  
  
  

## Supporting Documents

6. PROOF OF ID – PASSPORT / DRIVING LICENCE
7. CERTIFICATES OF QUALIFICATIONS
8. 6 MONTHS PERSONAL BANK STATEMENTS
9. 3 YEARS P60'S

  
  
  

Finally, please make sure that your application is addressed exactly as shown below.

FINANCIAL LTD  
New Member Authorisations & Approvals  
Unit 1  
Andoversford Business Park  
Andoversford  
Cheltenham  
Gloucestershire  
GL54 4LB