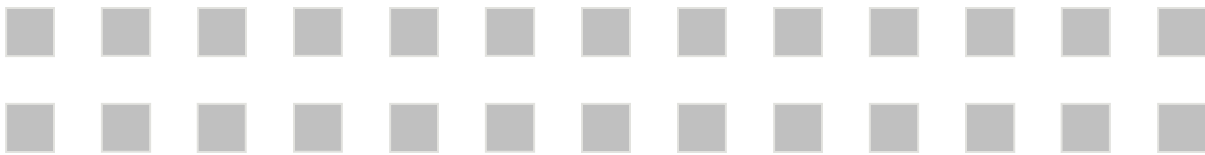


# Terms of Business

Strictly private and confidential



Directors: Cathal O'Connor BA, BAI, MBA, QFA, Sandra O'Connor BA  
Glenbay Financial Services Ltd. is regulated by the Financial Regulator No. 47196  
Glenbay Financial Services Ltd. Registered Office: 155 Beatty Park, Celbridge, Co. Kildare  
W: <http://www.glenbay.com> E: [coconnor@glenbay.com](mailto:coconnor@glenbay.com) T: 01-6279144 F: 01-6335460  
Registered in Ireland No. 375040

## Terms of Business Letter

### Regulatory Status

Glenbay Financial Services Ltd. ("The Company") is regulated by the Financial Regulator as a Multi-Agency Intermediary and Mortgage Intermediary. A copy of the firm's Statements of Authorised Status is attached. The Company is authorised to provide the following services:

- Broad based advice in relation to life assurance products (life assurance, income protection policies, serious illness policies, pensions, PRSAs and savings) as well as investments and mortgages.
- Receive and transmit orders on your behalf for a product(s) to one or more of the producers listed below.

The Company is a member of the Professional Brokers of Ireland (PIBA)

### Consumer Protection

The Company is a member of the Investor Compensation Scheme established under the Investor Compensation Act, 1998. This legislation provides for the establishment of a compensation scheme and to the payment, in certain circumstances, of compensation to clients of Companies covered by the Act. However, you should be aware that a right to compensation will only arise where money or investment instruments held by The Company on your behalf cannot be returned either for the time being or in the foreseeable future and where the client falls within the definition of eligible investor as set out in the Act. In the event that a right to compensation is established, the amount payable is lesser of 90% of your loss which is recognised as being eligible for compensation or €20,000. Your legal rights against The Company are not affected by this scheme.

In addition to the above mentioned compensation, The Company is bonded through its membership of the Professional Brokers of Ireland (PIBA) for €250,000 any one event with an inner limit of €100,000 per client. The Company also holds Professional Indemnity Insurance to the value of €1,500,000.

### Conflict of Interest and Complaints

The Company does not have any "tied" relationships with any institution that would compromise our ability to offer you independent advice and choice. It is the policy of The Company to avoid conflicts of interest when providing business services to its clients. However, where an unavoidable conflict may arise we will advise you in writing before providing any such service. If you have not been advised of any conflict you may assume that none arises.

The Company has written procedures in place for the effective consideration and handling of complaints. This procedure ensures that complaints will be recorded and acknowledged in writing within 14 days. Any complaints that you may have should be addressed to the Compliance Officer, Glenbay Financial Services Ltd., 155 Beatty Park, Celbridge, Co. Kildare. All complaints will be fully investigated and the outcome of the investigation will be communicated to the complainant. In the event of the complainant remaining dissatisfied with The Company's handling of and response to the complaint, contact may be made with the Financial Regulator, Dame Street, Dublin 2.

### Suitability Statement

The suitability of all financial products depends on many factors and The Company undertakes to use its experience and expertise in considering all relevant factors before recommending to any party the purchase of any product. Before purchasing any product you will be advised of such suitability and then given a statement of why, in our opinion, such product is suitable for your needs. All advice given will be based on the understanding of current law and Revenue Commissioner practice. It may be that subsequent changes may effect the validity of recommendations that may have been made and these might need to be reviewed as a result.

### Handling Client's Money

Other than fees due to The Company, The Company will only accept payments by cheque in respect of those classes of business listed below for which it is authorised to advise on and where the premium is in respect of either a renewal of a policy which has been invited by an Insurer or a proposal accepted by an Insurer and provided the payment is made out to that institution.

### Receipts

The Company will issue a receipt for each non-negotiable or negotiable instrument or payment received. This is pursuant to Section 30 of the "Investment Intermediaries Act, 1995". These are issued with your protection in mind and should be stored safely.

### Clients Duty of Disclosure to Insurers and Duty of Utmost Good Faith

The law in the Republic of Ireland deems insurance to be a special class of contract which imposes onerous duties upon prospective Insured's and their agents, who are obliged to act with utmost good faith towards Insurers at all times. In addition they are obliged to disclose to Insurers, before the contract is concluded, all material information that is known to them. This obligation of disclosure extends to those matters of which they ought to be aware in the ordinary course of their business.

If there is any breach of these duties the Insurers will be entitled to cancel the policy of insurance from inception, if the breach induced the making of the contract on the relevant terms, as well as seeking the recovery of all claims already paid under the policy. These duties of utmost good faith and disclosure also apply to the claims process.

In completing a proposal form or claim form or other documentation relating to an insurance policy, the accuracy of all answers, statements and / or information is the Insured's sole responsibility.

### Insurer or Investment Company Security

The Company seeks mortgages, insurance and investment contracts for our clients from Institutions that meet our minimum financial guidelines for usage, unless we receive instructions from our clients to the contrary in writing. However, we cannot and do not guarantee the solvency or continuing solvency of any Institution used and clients should note that the financial position of an Institution could change after a mortgage, insurance cover or investments have been inceptioned.

### Remuneration Policy

The Company is a brokerage which is remunerated by commissions and/or fees. Summary details of our commission receipts will be included in a product disclosure document which you are legally entitled to receive before an application for a product is completed and full details will be provided to you with your contract document.

Fees are charged on a time spent and disbursements basis. Our current basic hourly rate is €250 for Principal and Consultants and €80 for support staff. In determining the rate, any additional charges factors such as specialist skills, complexity, value, risk and urgency will be taken into account. The rate of fees may be increased over time with inflation. Initial commissions received from Product Providers will be used to offset any fees charged. No refund of commissions will be entertained and any excess will be retained on account against the cost of any future work undertaken for you. In the event of a client defaulting on any payment of fees, The Company will, if necessary, exercise its legal rights to recover such monies due. Fees may be charged for advice given irrespective of whether a product purchase is initiated by the client.

If we have arranged for your fee to be offset by commissions derived from a life assurance policy, pension or investment that you subsequently cancel or cease to pay premiums, and in consequence we are obliged to refund commissions paid to us, we reserve the right to charge you a fee to reimburse us for the amount of commission refunded.

You or we may terminate our authority to act on your behalf with immediate effect at any time, but the termination must be communicated in writing and cannot be backdated. The termination will be without prejudice to the completion of any transactions already initiated and you remain responsible for the payment of any fees and expenses incurred up to the date of termination, or to the date of completion of any transactions in progress, whichever is the latter.

### Data Protection

We keep records of our business transactions for at least six years, including personal data defined as sensitive under the Data Protection Act 1998. You have the right to inspect copies of all entries in our books or computerised records relating to transactions with you.

### Governing Law and Business Succession

These Terms of Business shall be governed by and construed in all respects according to the laws of the Republic of Ireland and are valid from 30<sup>th</sup> March 2008 until further notice and will be deemed to cover any successors in business to The Company. This Terms of Business supersedes with immediate effect any others that we may have previously issued by you.

### Acceptance of These Terms

I/We accept and return this Terms of Business confirming my/our agreement to Glenbay Financial Services Ltd. acting as my/our Financial Adviser and I/we also authorise you to hold my/our personal data on file, to contact me/us in writing, by telephone or by email in respect of financial services matters, and to obtain or provide any relevant information in respect of my/our existing policies or investments directly from or to the appropriate data processors, product or investment providers that we hold products with. I/We further authorise you to provide me/us with details of any products which Glenbay Financial Services Ltd. management may deem it in my best interests to be aware of.

_____ Signature of Client (1)	_____ Please print name (and business for whom you are acting for, if relevant)	_____ Date
_____ Signature of Client (2)	_____ Please print name (and business for whom you are acting for, if relevant)	_____ Date
_____ Signed on behalf of Glenbay Financial Services Ltd.		_____ Date

### Product Providers for which Glenbay Financial Services Ltd. holds written Letters of Appointment to act as intermediary

Institutions
Caledonian Life
Canada Life
Eagle Star Life
Friends First Life
Hibernian Life & Pensions
Irish Life Assurance
New Ireland Assurance
Standard Life
PIBA Mortgages