

Healthy Investment Financial Adviser Terms of Business

1. Scope

- 1.1 These Terms of Business set out the conditions upon which The Rechabite Friendly Society Limited, trading as Healthy Investment (“the Society”) accepts business from an authorised Intermediary.

“Business” means all Contracts of Long-term Insurance and Specified Investments as both those terms are defined in the Regulated Activities Order 2001.

- 1.2 The Society reserves the right, at its discretion, not to accept business from an Intermediary. The Society will not accept business from an Intermediary who ceases to be authorised by the Financial Conduct Authority to carry out the regulated activity of advising.
- 1.3 The Intermediary is the agent of the client in relation to all aspects of the Business except insofar as is necessary to give effect to the personal responsibilities of the Intermediary to the Society as set out herein.
- 1.4 The Intermediary undertakes to the Society that no business will be submitted to the Society as a consequence of the activities of another person which contravene Section 19 of the Financial Services and Markets Act 2000 (“the Act”).
- 1.5 These Terms of Business will be governed and construed in accordance with the laws of the England and Wales.

2. Agreed adviser remuneration

- 2.1 We will facilitate the payment of adviser charges and consultancy fees that you have agreed with your client and in accordance only with the written instructions of the client.
- 2.2 We reserve the right to contact the client directly about the original or any subsequent charging instruction in order to confirm or validate the charge, that an ongoing service is being received or for any other reason.
- 2.3 Adviser fees, where applicable, will be deducted from the client’s investment or for regular premium endowment policies collected with the client’s direct debit, subject to the principles, rules and guidance of the regulator.
- 2.4 If there are insufficient monies in the client’s investment we will not make any withdrawal in respect of the fees you have agreed. The Society is not responsible for the non payment of adviser charges due to you.
- 2.5 We may amend or stop collection of adviser charges on receipt of an instruction, in whatever form the Society determines, from a client or adviser.

- 2.6 In the event of the client exercising their right to cancel after any initial charge deduction has been made the client will receive back their investment net.
- 2.7 Charges facilitated will be paid to the Intermediary or their Network 14 days from the date of acceptance, by transfer to the nominated bank account.

3. Commission

- 3.1 The Society will make payment of commission to authorised advisers in respect of business submitted and accepted by the Society which has been concluded on a non-advised basis. All matters relating to the payment of commission by the Society to the Intermediary shall be governed by the Rules as set down by the Financial Conduct Authority from time to time ("FCA Rules"). The Society may request confirmation from the Intermediary or client that no advice has been given prior to payment of commission.
- 3.2 The Society will also credit or pay commission on Business submitted to the Society by another Intermediary and accepted by the Society where that other Intermediary has relinquished his right to the commission in respect of that Business in favour of the Intermediary and no other person has any valid claim to such commission.
- 3.3 The amount of such commission shall be calculated according to the rates currently in force shown in the Schedule attached. The Society reserves the right, on giving notice to the Intermediary, to alter these rates.
- 3.4 In the event of the Intermediary ceasing to be authorised, pursuant to Section 19 of the Act or where he or the client notifies the Society that he is no longer to be the agent of the client, the Society reserves the right to cease paying commission.
- 3.5 The Society's statement of account shall be the prime record of commission due to the Intermediary.
- 3.6 Commission will be paid to the Intermediary or their Network 14 days from the date of acceptance, by transfer to the nominated bank account.
- 3.7 Commission will be subject to clawback in accordance with the following scale:

Year 1: 100% clawback
Year 2: 50% clawback
Year 3 onwards: No clawback

Clawback of commission is also applied on partial withdrawals from our Investment Bond and our Single Premium ISA above the 5% annual withdrawal allowance using the above scales.

Ethical Child Trust Fund
Year 1: 100% clawback (single premiums only)
Year 2 onwards: No clawback

3.8 Where commission in respect of premiums paid remains payable in respect of advice given prior to implementation of the Retail Distribution Review the Society will only continue to pay commission providing no further advice has been given to the client and may require a declaration from the adviser or client that no further advice has been given.

4. Documentation

4.1 The Intermediary must pass on immediately without amendment any documentation which is either supplied by the Society for the benefit of or completion by the client, or provided by the client in relation to the contract.

4.2 The Intermediary will clearly communicate the identity of the Society to the customer.

4.3 The Society reserves the right to send communications direct to the client.

4.4 The Intermediary must produce to the Society on demand such records, books and accounts as the Society may reasonably require in connection with Business effected with the Society.

4.5 Evidence of the identity of all third parties introduced by the Intermediary will have been obtained and recorded under procedures maintained by the Intermediary in accordance with the provisions of the European Council Directive 91/308/EEC, the UK Money Laundering Regulations in force at the time (1993 SI No. 1933), the guidance Notes for Insurance and Retail Investment products (and all Directives, Regulations and Guidance Notes issued in substitution thereof or in amendment or addition thereto) and any requirements of the Society from time to time notified to the Intermediary.

4.6 The Intermediary will identify the third parties and will, without detracting from the obligations referred to above, forward to the Society with the documents for the transaction such duly completed form relating to verification of their identity (the "Verification Form"), as the Society shall require from time to time. The Intermediary acknowledges that, for the purposes of paragraph 3.5 above, the Society will rely upon the information provided by the intermediary on the Verification Form.

4.7 The Intermediary will agree to indemnify and keep indemnified the Society from and against all costs, claims, demands, liabilities, expenses, damages or losses (including without limitation any direct or indirect consequential losses, lost profit and loss of reputation, and all interest, penalties and legal and other professional costs and expenses) arising out of or in connection with the intermediary's negligence, default or breach of these Terms.

5 Payment of premiums through the Intermediary

5.1 If the Intermediary undertakes to the client to pass monies to the Society, he must do so promptly.

5.2 The Intermediary may not collect monies on behalf of the Society.

6. Variation

6.1 The Society reserves the right to vary the Terms of Business contained in this letter subject to one month's notice being given to the Intermediary except in the circumstances where changes in regulatory rules or relevant legislation are required to take effect earlier than that date, in which event notice of variation will be given as soon as reasonably practicable. Such variation will not affect contracts in force or proposals for contracts received by the Society before variation to the Terms of Business takes effect.

7. Termination of Agreement

7.1 The Society reserves the right to terminate this agreement without notice in appropriate circumstances where it comes to the attention of the Society that the Intermediary fails to satisfy Rules of the Financial Conduct Authority or may be in contravention of The Act.

Signed on behalf of Healthy Investment

Mr Peter Green
Chief Executive

Signed on behalf of _____

Name
Designation

Agency Ref No's: _____

In order for commission payments to be made direct to your Bank please supply the following information:

Name of Bank: _____

Branch: _____

Account Name: _____

Sort Code: _____ Account No. _____

Healthy Investment

2 The Old Court House, Tenterden Street, Bury, Greater Manchester, BL9 0AL

Tel. No. 0161 762 5790 **Fax. No.** 0161 764 3557

E-mail enquiries@healthyinvestment.co.uk

Web Site www.healthyinvestment.co.uk

Healthy Investment is the trading name of the Rechabite Friendly Society Limited, an incorporated Society within the meaning of the Friendly Societies Act 1992 Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. Financial Services Register no. 109994

ADV 03 01 02/17

**Healthy Investment
Financial Adviser Terms of Business**

**Schedule 1
Commission paid on non-advised sales
With effect from 1 February 2017**

Tax Exempt Savings Plans Standard Savings Plan	25% of first years premiums
Guaranteed Anniversary Bonus Bond	3.0% of investment
ISA	3.0% of initial and regular investments
Ethical Child Trust Fund	3.0% of investment 0.5% of fund value after 1 year

Healthy Investment

2 The Old Court House, Tenterden Street, Bury, Greater Manchester, BL9 0AL

Tel. No. 0161 762 5790 **Fax. No.** 0161 764 3557

E-mail enquiries@healthyinvestment.co.uk

Web Site www.healthyinvestment.co.uk

Healthy Investment is the trading name of the Rechabite Friendly Society Limited, an incorporated Society within the meaning of the Friendly Societies Act 1992 Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. Financial Services Register no. 109994

ADV 03 01 02/17