



Terms of business
Application form

Name of Firm /Applicant:



Section 1. General Details

Name of Firm/Applicant: Type of Operation:

Trading Experience :

Registered Address:

Correspondence Address (if different):

Telephone Number (inc codes): Fax Number:

E-mail Address: Name of Regulator [if applicable]:

Jurisdiction: Registration Number:

Other Business Memberships:

Section 2. Principals (Authorized Signatory only)

Full Name 1:

Address: E-mail Address:

Telephone Number (inc codes): Fax Number:

Qualifications and Industry Experience:

Full Name 2:

Address: E-mail Address:

Telephone Number (inc codes): Fax Number:

Qualifications and Industry Experience:

Full Name 3:

Address: E-mail Address:

Telephone Number (inc codes): Fax Number:

Qualifications and Industry Experience:

Section 3. Financial Status

Have there been any insolvency proceedings/court orders/judgements/adverse regulatory decisions against you, your company or its personnel? **If YES**, please supply details:

In which territories do you intend to transact business?

Has any company declined to grant or cancelled Terms of Business held by any of the principals of your business? **If YES**, please supply details:

Section 4. Commission Payments

Name of Business Bankers: Period of Relationship:

Full Address of Branch:

Sort Code: Account Number: Account Name:

Account Currency: Supplementary Information:

Notes

1. INDIVIDUAL APPLICATIONS

All new applicants please enclose the following documents (for each applicant) in support of your application: Certified copy of passport or certified copy of National Identity Card detailing each applicant's photograph and signature OR photographic driving license Original of recent utilities bill (returnable on request) showing each applicant's full permanent residential address OR address confirmation from bank.

2. COMPANIES

All new applicants please enclose the following documents in support of your application:

2.1. When operating in a regulated jurisdiction, enclose a copy of relevant licence;

2.2. When operating in a non-regulated jurisdiction, enclose a certified copy of:
a) Certificate of Incorporation
b) Passport(s)

3. You may be required to supply the names of two companies with whom you hold current terms of business and from whom we may obtain a reference.

Note: Certification may be provided by your Hedgestone Financial representative or by a professionally recognised individual, e.g. your bank manager, lawyer, or police officer.

Firm / Applicant Agreement

Dated: _____

Between

Hedgestone Financial, whose registered office is at Mill Mall Tower, 2nd Floor, Wickhams Cay 1 - PO Box 4406 - Road Town, Tortola - British Virgin Islands, (hereinafter referred to as the "Hedgestone Financial"); and

_____ (hereinafter referred to as the "Firm/Applicant").

RECITALS

WHEREAS, Hedgestone Financial is responsible for establishing relationships with third parties for the marketing and distribution of Investment Products; and

WHEREAS, _____ (hereinafter referred to as the "Firm/Applicant") wishes to distribute and sell Investment Products in accordance with the terms of this agreement (the "Agreement").

It is agreed as follows:

1. Definitions and Interpretations

1.1. In this Agreement the following expressions have the following meanings:

"BUSINESS" means the business of distributing and selling the Shares of the Funds to Clients and introducing Clients into the investment products on our platform;

"CLAIM" means any claim, demand, suit, action, or proceedings against the Company and includes any loss, liability, damage, costs or expense (including reasonable legal fees and expenses) incurred the Company as a result of such claim or demand;

"CLIENT" means an individual, company, partnership, corporation or other legal entity whatsoever that applies for or effects or receives advice or information from the Firm/Applicant regarding the Company;

"INVESTMENT PRODUCTS" means the financial assets, such as securities, which the Firm/Applicant may promote, subject to to law or regulations in the country or territory in which the Firm/Applicant is promoting;

"INITIAL COMMISSION" means any commission payable pursuant to the Schedule hereof;

"FIRM/APPLICANT" means an institution or financial adviser who is, where applicable, regulated and licensed for the sale and promotion of Investments in the jurisdiction in which it carries out its obligations under this Agreement or any other relevant jurisdiction, or is able to satisfy the due diligence requirements specified from time to time;

"PROMOTIONAL MATERIALS" means any literature, advertisement, circular, or other publicity material or message, including prospectuses and offering

documents, whether in printed, electronic or any other form, referring to the Investments provided by the Company to the Firm/Applicant for the purposes of this Agreement;

"TRAIL FEES" means any annual fees payable pursuant to the Schedule hereof.

1.2. References to "Clauses" are references to clauses of this Agreement.

1.3. In this Agreement headings are for references only and shall not affect the construction hereof.

1.4. Any reference to a statutory provision shall include such provision as from time to time modified or re-enacted whether before or after the date of this Agreement and any subordinate legislation made under such provision.

1.5. The singular includes the plural and vice versa and a reference to a person includes a corporate body.

2. Terms of Distribution

2.1. With effect from the date hereof and until this Agreement is terminated pursuant to Clause 7, the Firm/Applicant shall promote, market and distribute, on a non-exclusive basis the Investment Products on the terms and conditions herein contained.

2.2. Each of the parties are entering into this Agreement as independent contractors and no relationship of agency, employment or partnership shall be construed by the terms thereof. The Firm/Applicant shall have no authority to act for or represent, or power to enter into any transaction on behalf of, or in any other way bind the Company.

2.3. The Firm/Applicant shall comply with the overall policies and requirements of the Company, as notified by the Company to the Firm/Applicant, and in respect of the Promotional Materials (copies of which the Firm/Applicant hereby acknowledges having received.)

2.4. The Firm/Applicant acknowledges that it shall not issue, use or otherwise disseminate any document other than the Promotional Materials.

The Firm/Applicant acknowledges that it may not assign, sub-contract, delegate or otherwise transfer any of its functions or responsibilities pursuant to this Agreement to a third party without the prior written consent of the Company.

3. Warranties

3.1. The Firm/Applicant warrants and undertakes for the benefit of the Company that:

3.1.1. in the case where the Firm/Applicant is a body corporate, it is duly incorporated and validly existing and in good corporate and regulatory standing under the laws of its jurisdiction of incorporation with the power and authority to own its assets and to conduct the business and operations which it conducts or proposes to conduct;

3.1.2. it is in possession of full power and authority to enter into and perform this Agreement, has taken all necessary corporate or other action to authorise the execution, delivery and performance of this Agreement and has done all things required by all applicable laws and regulations to be taken, fulfilled and done in connection with the execution and performance of this Agreement; and

3.1.3. it is the holder of all approvals, licences, authorisations and consents required in the jurisdictions in which it is established or operates, and is not prevented by any applicable laws, regulations or codes of practice, decree, order or the provisions of its governing documents from conducting the Business;

3.1.4. it shall not purport to act on behalf or represent the Company in any way, or incur any liability or enter into any obligation on behalf of the Company;

3.1.5. it will carry out the Business with all due care and diligence and in accordance with sound commercial principles and the highest standards of professional competence;

3.1.6. it is are of the implications of transacting business in each of the countries and territories in which it intends to transact Business;

3.1.7. it will observe the instructions of the Company, and the terms and conditions relating to the promotion of the Investment Products, whether contained in the Promotional Materials or any other document, or imposed by law or regulations in the country or territory in which the Firm/Applicant is promoting the Shares, or in which any Client is resident or of which such Client is a citizen or national;

3.1.8. it will not misrepresent any matter relating to the Investment Products;

3.1.9. it is not in the process of being wound up, under any form of receivership, administration (judicial or otherwise) or any proceedings analogous or equivalent to the above;

3.1.10. neither it, nor any of its employees, officers, directors or managers (as may be applicable) is currently prevented or suspended under any law or by any authority from giving any financial or investment advice or assistance, or been convicted of any criminal offence other than a road traffic offence;

3.2. The warranties set forth in this Clause shall be deemed to be repeated on each day during the currency of this Agreement.

4. Indemnity

4.1. The Firm/Applicant shall not be liable to the Company for any Claim except where such Claim is attributable directly or indirectly to bad faith, wilful default, fraud or negligence on the part of the Firm/Applicant, in which event the Firm/Applicant shall indemnify and keep indemnified the Company in respect thereof to the full extent of the Claim.

4.2. The indemnity set forth in this Clause shall survive any termination of this Agreement.

5. Confidentiality

5.1. Neither of the parties hereto shall either before or after the termination of the Agreement disclose to any person not authorised by the other party to receive the same, any information relating to such other party or to the affairs of such other party of which the party disclosing the same shall have become possessed during the period of the Agreement and each party shall use all reasonable endeavours to prevent any such disclosure as aforesaid.

5.2. Clause 5.1 shall not prevent the disclosure;

5.2.1. by either party of information:

- a) to its auditors, legal advisers;
- b) where so required by law;
- c) already in the public domain otherwise than due to a breach of this Clause;

5.2.2. by the Administrators in the course of the performance of their functions; and

5.2.3. by the Company to the administrators of the Investment Products, for the purposes of this Agreement.

5.3. The Firm/Applicant acknowledges that the Company shall not be liable for any breach of confidentiality or any interception of communications by a third party or any data corruption or inaccuracy or loss of data or any virus contamination or any failure of delivery as a result of using an electronic form of communication.

5.4. Save as required by law or by any competent court or regulatory body, no party shall make an adverse comment to any other person in relation to any other party.

6. Remuneration

6.1. The Firm/Applicant shall be entitled to be remunerated by the Company by way of Initial Commission, full terms and details of which are set out in the Schedule annexed hereto, which Schedule forms part of this Agreement.

6.2. The Firm/Applicant instructs the Company to pay such proportion of the Initial Commission to which it is entitled under Clause 6.1 as indicated in the application form accompanying this Agreement.

6.3. No Initial Commission shall be paid until the application and all required additional documentation of the Firm/Applicant has been received and approved by the Company.

7. Termination

7.1. This Agreement may be terminated by either party giving fourteen business days notice in writing to the other at any time.

7.2. Notwithstanding Clause 7.1 above, the Company reserves the right in its absolute discretion to terminate this Agreement without giving the notice otherwise required if the Firm/Applicant fails to comply with any of its obligations under this Agreement.

7.3. Furthermore the Company reserves the right in its absolute discretion to terminate this Agreement without giving the notice otherwise required if the Firm/Applicant fails to promote any business in terms of this Agreement within a period of twelve months from the signing of this Agreement.

8. General

8.1. This Agreement embodies the entire understanding between the parties hereto in respect of the subject matter hereof.

8.2. The Company reserves the right to vary or amend any of the provisions of this Agreement by means of fourteen days written notice to the Firm/Applicant.

8.3. The illegality, invalidity or unenforceability of any provision of this Agreement under the laws of any jurisdiction shall not affect its legality, validity or enforceability under the law of any other jurisdiction or the legality, validity or enforceability or any other provision.

9. Notices

9.1. Any notice, demand or other communication required or permitted to be given hereunder shall be in writing and shall be given by being personally delivered or sent by pre-paid registered post or recorded delivery, facsimile transmission or recorded email to the addresses of the parties set out below:

Contact details for the Company:

Address: Mill Mall Tower, 2nd Floor, Wickhams Cay 1
PO Box 4406 - Road Town, Tortola, British Virgin Islands

Email: info@hedgestonefinancial.com

Contact details for the Firm/Applicant:

Address:

Tel:

Fax:

Email:

9.2. Any notice, demand or other communication sent by mail, facsimile, e-mail or delivered personally shall be deemed given when despatched or delivered (as the case may be) and any notice, demand or other communication sent by registered post or recorded delivery shall be deemed given five days after posting. In proving the giving of any notice it shall be sufficient, in the case of a letter that such letter was properly stamped addressed and placed in the post and in the case of a facsimile, that such facsimile was duly despatched to a current facsimile number of the addressee. In the case of an email, a record indicating correct email address and date sent shall be maintained.

9.3. Either party may at any time give notice in writing to the other party that it wishes to change its address for the purpose of this Clause.

10. Governing Law and Jurisdiction

10.1. This Agreement shall be governed by and construed in all respects in accordance with the laws of British Virgin Islands.

10.2. Notwithstanding the provisions of Clause 10.1, this Agreement may be enforced in any courts of competent jurisdiction.

Done in two (2) originals on this ()

Duly authorised for and on behalf of

HEDGESTONE FINANCIAL

Signature:

Signature:

SCHEDULE

1. Initial Commission

The Company currently is ready to pay Initial Commission to Firm/Applicants as follows:

PLAN TYPE	COMMISSION
Unit linked regular premium	
Unit linked single premium	
Portfolio Bond	
External Funds and Structured	

NOTES:
(Only under a professional portfolio plan).

2.3.1. If the Firm/Applicant shall die, become bankrupt, compound with or assign his estate or effects for the benefit of creditors, have his goods seized in execution or, where the Firm/Applicant is a company, if it goes into liquidation, receivership or is subject to an administration order; or

2.3.2. If the Firm/Applicant fails to comply with any of its obligations under this Agreement.

2.4. The statement of account produced by the Company either electronically or manually shall be the conclusive record of Initial Commission due or paid to the Firm/Applicant, or of the refund owed by the Firm/Applicant to the Company, and shall be accepted by the Firm/Applicant save in the case of manifest error. The Company's determination of both Initial Commission payable shall be final.

2.5. Any sum due to be paid by the Firm/Applicant to the Company (for whatever reason) may be deducted by the Company from any amount due from the Company to the Firm/Applicant.

2.6. Initial Commission accrues when the investment sum giving rise to the Initial Commission is invested and Shares allotted, and will normally be payable to the Firm/Applicant in accordance with this Schedule. Any Initial Commission, where applicable, is paid in accordance with the terms agreed to by the Company from time to time.

2.7. Initial Commissions shall be calculated and paid in the currency of the share class into which the subscription is invested.

2. Miscellaneous Provisions Relation to Initial Commission

- 2.1.** No Initial Commission shall be due until the investment sum has been received.
- 2.2.** The Company may defer the payment of Initial Commission until a sum equal to or exceeding the Commission Cheque Threshold is due to the Firm/Applicant.
- 2.3.** The Company reserves the right in its absolute discretion to cease paying Initial Commission to the Firm/Applicant:

Signed by:

[Signature line for Hedgestone Financial]

(for and on behalf of **HEDGESTONE FINANCIAL**)

In the presence of:

[Witness signature line for Hedgestone Financial]

Signed by:

[Signature line for The Firm/Applicant]

(for and on behalf of **THE FIRM/APPLICANT**)

In the presence of:

[Witness signature line for The Firm/Applicant]

On completion of this application form, please send to info@hedgestonefinancial.com