

The Alexander Beard Group PLC t/a Alexander Beard (I.O.M.)

Schedule I - Conditions

The following conditions are imposed in respect of the regulated activities undertaken.

- I. The licenceholder is permitted to conduct the following regulated activities:-
- Class 2 – investment business – sub-classes (3) and (7);
 - (a) For the purpose of activities undertaken under Class 2 sub-class (3) the licenceholder is only permitted to –
 - (i) arrange deals on an execution-only or advisory basis relating to long term insurance;
 - (ii) arrange deals on an execution-only or advisory basis relating to units or shares in –

collective investment schemes that are Authorised schemes in accordance with the Collective Investment Schemes Act 2008 (or comparable collective investment schemes authorised or approved in another jurisdiction suitable for a retail investor);
 - (iii) arrange deals on an execution-only or advisory basis in unfettered life policy, pension and long term insurance contracts only where the underlying investments are –

collective investment schemes that are Authorised schemes in accordance with the Collective Investment Schemes Act 2008 (or comparable collective investment schemes authorised or approved in another jurisdiction suitable for a retail investor).
 - (b) For the purpose of activities undertaken under Class 2 sub-class (7) the licenceholder is only permitted to –
 - (i) advise on long term insurance;
 - (ii) advise on units or shares in –

collective investment schemes that are Authorised schemes in accordance with the Collective Investment Schemes Act 2008 (or comparable collective investment schemes authorised or approved in another jurisdiction suitable for a retail investor);

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- (iii) advise on unfettered life policy, pension and long term insurance contracts only where the underlying investments are –

collective investment schemes that are Authorised schemes in accordance with the Collective Investment Schemes Act 2008 (or comparable collective investment schemes authorised or approved in another jurisdiction suitable for a retail investor).

2. The licenceholder is not permitted to hold client money or client assets.
3. The licenceholder shall comply with the rules laid down by the UK Financial Services Authority in respect of financial resources, financial returns, financial records and audit.

_____ Chief Executive

7th January 2010

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Schedule 2 - Exceptions and Modifications

Pursuant to section 7(3)(b) of the Financial Services Act 2008, the Rule Book applies with the following exceptions and modification -

Exceptions

Part 2 – Financial Resources and Reporting

- (a) Rules 2.3 to 2.11 inclusive
- (b) Rule 2.19 – Contents of annual financial return
- (c) Rule 2.31 – Solvency
- (d) Rules 2.33 to 2.35 inclusive

Part 5 – Audit

- (a) Rule 5.13 – Appointment of Auditors
- (b) Rule 5.19 – Application
- (c) Rule 5.20 – Content of audit report

Part 8 – Risk Management and Internal Control

- (a) Rule 8.18 (3)(e) - Compliance Officer resident in the Isle of Man
- (b) Rule 8.21 (1)(a) (iii) – Isle of Man resident officer

Modification

Part 8 – Risk Management and Internal Controls

- (a) Rule 8.54 – Professional Indemnity Insurance

Paragraph (3)(b) is modified to read:

- (b) “3 times the annual turnover of the branch operation at the previous year end date”

_____ Chief Executive

7th January 2010