

Capital Reward Questions and Answers

The Simply Biz / Compliance First Capital Reward Scheme is probably the most dynamic and ambitious, ground breaking capital creation project ever launched for Financial Advisers in the UK. The work behind the scenes has been phenomenal however we are now in the final stages and I am delighted to say that we expect to launch the scheme at the end of this month

When will I receive my share allocation in Capital Reward and Capital Reward Plus?

All Simply Biz Member Firms and Client Firms of Compliance First who have completed the Share Allocation form (sent out to you via post on 4th June 2007 and e-mail on 26th July 2007 or on the date that you joined if you joined later) will receive via e-mail a Share Agreement form to complete and return to Simply Biz. This will be sent to you during the week commencing 12th Nov.

Providing we receive the signed Share Agreement form within the 15 day deadline your shares will then be allocated on 30th November 2007.

How will I receive my 'Scheme Agreement' documentation?

You will receive this by e-mail, sent to the e-mail address we have listed as the main contact in your firm. It is vital that this is passed to the principal of the firm if he / she is not the main Simply Biz or Compliance First contact.

What happens if I have not yet indicated to Simply Biz or Compliance First how I would like my shares allocating?

If you have not filled out the 'Share Allocation Form' we are unable to issue you with any shares at this time. If you would still like to receive shares in Capital Reward and Capital Reward Plus then you will need to complete a 'Share Allocation' form and send it back to us prior to 16th November 2007. We will then enter your details into our systems and produce a 'Scheme Agreement' document for you to sign and return. If you have not received a 'Share Allocation' form or have misplaced the one we sent you can apply for another form by e-mailing s.wood@simplybiz.co.uk

What is the 'Scheme Agreement' document?

The 'Scheme Agreement' document is the necessary documentation you need to fill in to accept the shares. We are only able to allocate shares to Sophisticated Investors so you must ensure that you meet the appropriate criteria and are happy to sign to say so.

Do I have to pay for the Shares?

No. We have already done this on your behalf.

How does it work if I have chosen to allocate the shares to multiple recipients?

If the shares are being allocated to more than one individual within your firm then all of the separate share agreements will be sent via e-mail to **ONE** e-mail address. This is the address we have listed as the main contact within your firm. You will need to ensure that **ALL** of the agreements are separately signed and witnessed and sent back to us in **ONE** envelope.

What happens if I want someone else to receive the shares?

The initial share allocations cannot be changed. You can however gift any of your shares by filling in a simple share transfer form. The transfer form can be found on the Simply Biz website under the Capital Rewards section of the 'Community' tab or the client area of the Compliance First Website.. If you intend to do this you must complete this form asap after your shares have been allocated and send it back to Simply Biz FAO The Company Secretary. If you do not do this straight away then you or the recipient may be subject to tax as the companies increase in value.

When does the business my Firm writes start to accumulate points?

The scheme is intended to start during January 2008. After the launch of the scheme you will then be able to accumulate points which will automatically be converted each year into the vesting of shares. The number of participating product providers will increase and possibly change over time. We will keep you up to date with the changes.

How will I know what points I have accumulated and how many shares I vest each year?

Unless you advise us otherwise we will communicate this information to the main contact at your firm via e-mail once a year. This will be based on the firms data. All individual shareholders will need to perform their own calculation to relate this to their own personal circumstances.

Matthew Timmins

**Managing Director
Capital Reward Limited**