

JARVIS SECURITIES PLC
(“Jarvis” or “the Company”)

Execution of Heads of Terms

The Company announces today that it has executed a non-binding heads of agreement with a financial services company to launch a new automated wealth management service on behalf of a third party. Jarvis will provide administrative services including account opening, maintenance, trading, and trade settlement.

It is currently intended that the service, which is subject to the execution of a formal agreement, will operate from 2017 and that the arrangement will continue for at least three years. Jarvis will receive a fee based on Assets Under Management, subject to a monthly minimum. Based on forecasts provided to Jarvis, the value of the contract to Jarvis is estimated to be revenue of £277,500 during the first year, increasing to £943,750 per annum by year three. Should the contract continue beyond year three the revenue forecast for year four is £1,675,000. These forecasts are based on the experiences of similar new entrants to the automated wealth management market, and are provided for guidance only. In order to execute the administrative services required Jarvis anticipates its costs will increase by 50% of any revenue earned.

Both parties have agreed to work in good faith to negotiate a final Services Agreement (the “Service Agreement”), and a further announcement will be made when that agreement is executed. Whilst the Directors are confident that a Service Agreement will be executed in due course, there can be no guarantee at this stage that this arrangement will proceed.

Commenting on the Heads of Terms, Andrew Grant, Managing Director of Jarvis said *“This is an excellent prospect for Jarvis. The automated wealth management market presents huge opportunities in the post RDR world, and perfectly complements the administrative service we offer. We see this as a growth area in the future and are pleased to have the opportunity to work with this client. This has the potential to significantly increase Jarvis’ profitability, as well as adding a qualitatively different revenue stream to those we already have.”*

Enquiries:

Jarvis Securities plc 01892 510 515
Andrew Grant
Jolyon Head

WH Ireland Limited 0113 394 6600
Katy Mitchell
Liam Gribben

Notes:

Jarvis Securities plc is the holding company for Jarvis Investment Management Limited (AIM: JIM.L) a stock broking company and outsourced service provider for bespoke tailored financial administration. Jarvis was established in 1984 and is a member of the London Stock Exchange; a broker dealer member of ISDX Markets, authorised and regulated by the Financial Conduct Authority

and an HM Revenue & Customs approved ISA manager. As well as normal retail broking Jarvis provides cost effective and flexible share trading facilities within ISA and SIPP wrappers. Jarvis provides outsourced and partnered financial administration services to a number of third party organisations. These organisations include advisers, stockbrokers, banks and fund managers. Jarvis can tailor its administration processes to the requirements of each organisation and has a strong reputation for flexibility and cost-effectiveness.