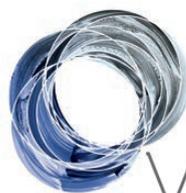




TERMS & CONDITIONS
AND POLICY SUMMARIES



VERMEER
PARTNERS



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TERMS AND CONDITIONS

1. DEFINITIONS & CONSTRUCTION

In these Terms and the Service Agreement(s) the following capitalised terms shall have the meanings set out below, unless such terms are otherwise defined in such agreements or the context otherwise requires:

Advisor Charge means a fee charged to you by a third party who has provided you with regulated financial advice and which you have expressly instructed us to pay out of your assets;

Applicable Law means, in relation to Vermeer Partners and each of its Associates: any applicable laws, rules, regulations and codes of practice of government authorities, tax authorities and regulatory bodies and rules, regulations and codes of practice of any relevant exchange, market, clearing house or settlement system;

Application Form means the account opening documentation or other document(s) signed by you when setting up your account with Vermeer Partners and/or any other group company previously providing this service to you along with any client questionnaire you have completed for the purpose of providing suitability information whether completed as part of the account opening form or in a separate document;

Assets include investments, property, rights, entitlement, and interest in such investments or property, and unless the context otherwise requires, cash;

Associate means:

- (a) any undertaking which is the direct or indirect holding company or subsidiary of Vermeer Partners or direct or indirect subsidiary of such holding company;
- (b) anybody corporate at least one-fifth of the issued equity share capital of which is beneficially owned by Vermeer Partners or an Associate;
- (c) any other person whose business or domestic relationship with Vermeer Partners or its Associate, or with the partners, directors, managers or employees of Vermeer Partners, or its Associate, places the person in a position to exercise significant influence over Vermeer Partners which might reasonably be expected to give rise to a conflict of interest in dealings with third parties;

Business Day means a day (other than a Saturday or Sunday) on which banks are open for general business (including foreign exchange and foreign currency deposits) in London;

Cash includes monies in any currency;

Charges means any fee, commission, or other charge levied by or through Vermeer Partners for the provision of services but excludes items levied by other parties for example taxes and market charges;

Client Agreement means the completed and signed account Application Form provided to us by you, together with these Terms, the Risk Notice, Schedule of Charges and any relevant schedule including any Service Agreement(s);

Commercial Settlement System means: as defined in the FCA Rules, a system commercially available to firms that are members or participants of the system, a purpose of which is to facilitate the settlement of transactions using money and/or assets held on one or more settlement accounts;

Custody Agreement means the Service Agreement between Pershing (or such other custodian as may be appointed by us from time to time) and you which forms part of these Terms and under which Vermeer Partners provides safe custody of your assets and money;

Distance Marketing Regulations means the Financial Services (Distance Marketing) Regulations 2004;

FCA means Financial Conduct Authority of the United Kingdom or any successor body. The FCA's address is: 12 Endeavour Square, London E20 1JN and its telephone number is 0800 111 6768 (freephone) or 0300 500 8082 from the UK, or +44 207 066 1000 from abroad;

FCA Rules means the rules and guidance as set out in the FCA's Handbook of Rules and Guidance;

FISA means a Flexible Individual Savings Account operated under the Individual Savings Accounts Regulations as amended;

FSCS means the Financial Services Compensation Scheme;

FSMA means the Financial Services and Markets Act 2000;

Funds means collective investment of many investors including regulated Collective Investment Schemes (**CIS**), unregulated collective investment schemes (**UCIS**) and Undertakings for Collective Investments in Transferable Securities (**UCITS**);

HMRC means HM Revenue and Customs, the UK's tax authority;

ISA means an Individual Savings Account operated under the Individual Savings Accounts Regulations as amended;

JISA means a Junior Individual Savings Account operated under the Individual Savings Accounts Regulations as amended;

Management Fee means the annual fee charged for a portfolio managed account;

Nominated Bank Account means an account at an authorised bank held in the same name as your account

held with Pershing and which our records show has been designated by you as the bank account to which payments from your Pershing account(s) should be made;

Nominated Telephone Number means the telephone number(s) which our records show has been designated by you as the number(s) on which we will contact you;

Non-Nominated Bank Account means any bank account which is not your Nominated Bank Account;

Non-Associate means any other company or entity which is not an Associate;

PCI means Pershing (Channel Islands) Ltd, with its registered office at 5 St Andrew's Place, St Helier, Jersey, Channel Islands, JE4 9RB;

Person includes natural persons and incorporated and unincorporated bodies;

PSL or Pershing means Pershing Securities Limited, with its registered office at Royal Liver Building, Pier Head, Liverpool, Merseyside L3 1LL;

Retail Investment Product means any product falling within the definition of such products contained in the FCA Rules;

Schedule of Charges means the document which sets out the Charges we will apply to your account(s) and transactions with us;

Securities includes stocks, shares, bonds, debentures, debenture stock, loan stock, certificates of deposit, instruments of indebtedness, fund interests, partnership interests, units in unit trusts, warrants, instruments representing securities or rights in securities, shares in an Open Ended Investment Company, other collective investment schemes (including unregulated collective investment schemes), non-mainstream pooled investments, retail investment products, transactions in foreign exchange and without limitation any other types of securities;

Services Agreement(s) means any of the following agreements in place between you and us regarding:

- (a) Discretionary Portfolio Management;
- (b) Advisory Portfolio Management;
- (c) Advisory Stockbroking;
- (d) Execution Only Stockbroking; and
- (e) ISA/JISA/FISA Investments.

Sub-Custodian means a bank or financial institution providing custody services in respect of a particular market or jurisdiction, on behalf of another custodian;

Subscription Day the day on which shares/units are issued;

Terms means these Terms and Conditions;

Understanding Risk and Reward means the document of the same name which is provided by us to you and is also available on request;

Vermeer Investment Management Limited means the company registered in England and Wales with company number 09081916 and its registered address is 130 Jermyn Street, London SW1Y 4UR;

Vermeer Partners is a trading name of Vermeer Investment Management Limited; and

Website means, unless otherwise indicated, <http://vermeerllp.com> or any other site that may replace that site.

In these Terms:

- (a) References to statutes and any other laws, rules, or regulations shall be to such statutes, laws, rules, or regulations as modified, amended, restated, or replaced from time to time.
- (b) References to sections and clauses are to the sections and clauses of these Terms.
- (c) Headings are included for convenience only and shall not affect the interpretation of these Terms.

These Terms are available in English only.

All communications between you and us must be in English and we reserve the right not to act on any communication, information, instruction or any other matter that is not in English.

2. PURPOSE OF THESE TERMS

Our legal relationship is governed by these Terms which constitute the legal agreement between Vermeer Investment Management Limited, trading as Vermeer Partners (**Vermeer Partners, we, us, or our**) and the account holder(s) as named on the completed Application Form (**you or the Client**).

The Terms apply to all services offered by Vermeer Partners and include: the Risk Notice, the Application Form, the Schedule of Charges and any applicable Service Agreement(s) we may provide to you in relation to the following particular services:

Discretionary Portfolio Management

Advisory Portfolio Management

Advisory Stockbroking

Execution Only Stockbroking

ISA/JISA/FISA Investments

together the **Client Agreement**.

We will not provide you with custody or client money services ourselves, but we will exercise due skill care and attention in the selection, appointment and monitoring of your custodian. These Terms are also in respect of the agreement which we have entered into on your behalf with (a) Pershing Securities Limited (**PSL or Pershing**) in respect of your on-shore assets and/or (b) Pershing (Channel Islands) Ltd (**PCI**) in respect of your off-shore assets, and in which PSL and/or PCI have agreed to act as your custodian, and provide dealing, settlement, custody, nominee and associated services to you. By entering into this Client Agreement, you also enter into a contract with PSL and/or PCI directly. Unless otherwise stated, reference in these terms to PSL or **Pershing** will include PCI.

These Terms are legally binding and will take effect upon the provision by us of any service covered by these Terms or any Services Agreement(s), or upon your assent to these terms, whichever is earlier (the **Effective Date**).

These Terms replace any previous terms on the same subject matter (without prejudice to any Services Agreement(s) in place between you and us) with effect twenty (20) Business Days from the date of receipt.

If you are a partnership, or otherwise comprise more than one person, your liabilities under these Terms shall be joint and several. In the event of bankruptcy, winding up, or dissolution of any one or more of such persons, then (but without prejudice to the above or our rights in respect of such person and his successors) the rights and liabilities of that person shall be held by those person or persons surviving in respect of whom these Terms shall continue in full force and effect.

We will provide services to you in accordance with these Terms and Applicable Law. In the event of any conflict between these Terms and any Applicable Law, the Applicable Law shall prevail.

We may change these Terms, including the Schedule of Charges, on prior notice to you as set out in section 40.

You should also note that our Order Execution Policy and summary Conflicts Policy and Privacy Policy, all referred to later in these terms, contain important information.

3. CANCELLATION RIGHTS

If you enter into the Client Agreement you may cancel within fourteen (14 days) of your receipt of these Terms (the Cancellation Period) by serving notice on us before the expiry of the Cancellation Period by post to: Vermeer Investment Management Limited, 130 Jermyn Street, London, SW1Y 4UR.

Additional cancellation rights may apply to specific products or services delivered under certain conditions as notified to you at the time.

On receipt of your request to cancel your account we will instruct the return to you of all stock and any monies, less sums in respect of transactions already contracted, within thirty (30) days of receipt of your request to cancel. If your stock has been transferred into Pershing custody, the normal transfer out charges will apply. We will not refund any Adviser Charge which we have facilitated on your behalf and we will not facilitate any further Adviser Charges following your notice to cancel.

If you do not exercise the right to cancel as set out in this section 3 within the Cancellation Period, the Client Agreement will remain in full force and effect until terminated in accordance with section 37 (Termination).

Cancellation of the Client Agreement will be without prejudice to the completion of transactions already initiated, which we will complete expeditiously.

Cancellation will not affect accrued rights, obligations, existing commitments or any contractual provision intended to survive termination of the Client Agreement and will be without penalty. You will pay our Charges pro rata to the date of cancellation and any additional expenses reasonably incurred by us in cancelling the Client Agreement and will bear any losses necessarily realised in settling or concluding outstanding obligations.

4. REGULATORY STATUS & CLIENT CATEGORISATION

Vermeer Investment Management Limited is authorised and regulated by the FCA with FCA register number 710280. Please refer to the FCA's website (<https://register.fca.org.uk/>) for confirmation of our regulatory status. The address of Vermeer Investment Management Limited is 130 Jermyn Street, London, SW1Y 4UR.

For the purposes of these Terms, we will treat you as a "retail client" as defined in the FCA Rules.

Should you wish to be treated as a "professional client" or "elective professional client" and you meet the requirements set out in the FCA Rules, you will need to request this change in writing and we will assess your eligibility to do so.

We are not obliged to accept any such request, however where we do so, we will require that you enter terms of business for a professional client and provide you with written notice of the protections lost as a result of being categorised as a professional client.

5. YOUR RESPONSIBILITIES

In order to provide services to you, we must have sufficient information about you, not least to assess the suitability of our services and products.

You undertake to inform us promptly in writing of any material and relevant changes to your financial circumstances,

investment objectives and attitude to risk, and of any change to the personal details about you that we hold that are necessary for the efficient and effective administration of your account, and in accordance with our obligation to maintain up to date information, in particular: (i) your name; (ii) permanent residential address; (iii) country of tax residency; (iv) Nominated Bank Account details; and (v) telephone number. The obligation is on you to inform us of any changes to directors, trustees, or authorised signatories (to the extent applicable).

Further, you undertake on the commencement of the Client Agreement and throughout its duration that:

- (a) you have full power and capacity to enter into the Client Agreement and each transaction entered into pursuant to the Client Agreement and will perform your valid and legally binding obligations which are enforceable against you in accordance with the Terms except for the effect of laws relating to or affecting creditors' rights generally and applicable general equitable principles; and
- (b) you own any cash and other assets held to Vermeer Partners' order, free of any other interest such as a charge, lien, security or other encumbrance or restriction as to title or transferability and will not create or permit the existence of any such interest except with Vermeer Partners' prior written consent or in its favour, or except as is imposed by operation of law or court of competent jurisdiction.

6. JOINT ACCOUNTS

The holders of joint accounts will be treated as beneficial joint tenants unless all the account holders notify us in writing that they wish to hold the account as tenants in common and receive acknowledgement from us.

Your obligations and liabilities as set out in these Terms shall, in the case of two or more persons as client, be joint and several obligations of each person. Unless we receive written instructions specifically to the contrary from all holders of a joint account, we shall be entitled to act in accordance with the instructions of any one such person. We reserve the right to verify instructions with all joint account holders where we, in our absolute discretion, believe this action to be appropriate. We accept no responsibility for any delays which may occur as a result of taking such action.

7. ACCOUNT OPENING, REACTIVATION & TERMINATION

Prior to providing any services to you, we are required to obtain, verify, and maintain sufficient information to satisfy ourselves as to the identity, nationality, residency, and tax residency of all account applicants and, where applicable, authorised signatories and controlling persons, as well as the source of your wealth and the source of funds for investment. We require these formalities to be completed at account opening or on reactivation of an account which has been inactive for six (6) months or more. In addition, you will be contacted periodically to ensure that our records are complete and up to date.

We reserve the right to refuse to open an account, to freeze, or terminate any account:

- (a) where we have been unable or prevented from completing the account opening or reactivation process within a period of four (4) weeks;
- (b) which has remained inactive (no transactions have occurred, or the only transactions have been corporate actions or receipt/ payment of income) for a period of six (6) months;
- (c) in the unlikely event of a change in Applicable Law or our regulatory permissions which means that we are no longer permitted to offer the service(s) under the Client Agreement to you; or
- (d) where you have failed to provide information and/or documentation which we are required to obtain from you in order to comply with our anti-money laundering obligations whether initially or on an ongoing basis.

We reserve the right to levy additional Charges on a time spent basis if we are required to freeze and monitor an account in default of any of the above requirements.

8. FROZEN ACCOUNTS

Where your account has been frozen, we will (to the extent not restricted by Applicable Law):

- (a) action instructions to sell stock but will keep the proceeds on deposit;
- (b) collect dividends and interest on your behalf and place the proceeds on deposit;
- (c) exercise any rights on your behalf where we have the authority to do so; and
- (d) continue to provide investment management on a discretionary portfolio.

Where your account has been frozen, we will NOT:

- (a) action any instructions to purchase stock; or
- (b) action any instruction to transfer any monies or assets.

9. SUITABILITY & APPROPRIATENESS

Prior to providing any advised or managed service or product to you, we are required to obtain and maintain detailed information about your financial circumstances, attitude to risk and ability to bear losses, investment objectives and knowledge and experience relevant to investing. It is your responsibility to inform us promptly of any changes in the above information. If you decline to provide this information to us, or to confirm its continued accuracy when requested, we may be unable to provide or continue to provide advised or managed services to you.

Prior to providing any non-advised or non-managed services or products to you, we may be required to assess only your knowledge and experience in the investment field relevant to the type of service or product to be provided. If you decline to provide this information to us, or to confirm its continued

accuracy when requested, we may be unable to provide or continue to provide services to you.

For advisory clients we will provide information regarding the suitability of transactions specifying the advice provided and how that advice meets your preference objectives.

Where the transaction is concluded by means of a distance communication which prevents the prior delivery of information regarding the suitability of the transaction(s), you agree that we may provide this information after the transaction has been concluded.

We have not provided and will not provide you with tax or legal advice and we recommend that you obtain your own independent tax and legal advice tailored to your individual circumstances.

10. DELEGATION & USE OF AGENTS

We may, at any time, delegate all or any of our functions under the Client Agreement to an Associate or another third party, by way of sub-delegation.

We will act in good faith and with reasonable skill and care in our choice and use of any delegate or third-party service provider.

Where we delegate any of our functions to an Associate, we shall be liable for the acts of that Associate as if they were our own in accordance with these Terms.

11. INSTRUCTIONS

You may give us instructions in writing or verbally (including by email and telephone).

If instructions are received by us by telephone or in writing, we may ask you to confirm such instructions. We may (but shall not be obliged to) perform additional verification checks, including calling you on a Nominated Telephone Number to confirm the instruction regardless of the medium in which it was received. You may be asked to provide the answers to security questions related to your account in order to verify your identity. We will not be liable for any loss caused by a delay in acting on your instructions while we undertake appropriate verification measures.

If we need clarification in relation to your instructions, or if we do not receive the instructions during normal business hours or in reasonably sufficient time for us to act on them, you agree that there may be a reasonable delay in us acting on your instructions.

Notwithstanding the above and in the absence of any other written agreement between you and us, we shall be entitled to act on any instruction which we reasonably believe to have been given, or purporting to have been

given by you or any person authorised on your behalf, without enquiring as to the genuineness, authority, or identity of the person giving or purporting to give such instructions.

Where you have provided us with a list of authorised signatories, we shall be entitled to assume that all signatories are properly authorised by you and that their authority shall remain in full force and effect until we are informed in writing by you to the contrary. Where we have acted on the instructions of a person whom we reasonably believe to have been authorised by you, you agree to be bound by our actions. Where you do not provide us with an authorised signatory list or other instructions as to authority over your account(s) we will assume that the signatories to the form which was signed to open the account are authorised to provide instructions on a sole basis. Unless we receive written instructions specifically to the contrary, we shall be entitled to act in accordance with the instructions of any one such person.

You must ensure that any instructions given to us are clear and intelligible. If you do not provide such instructions promptly, clearly, and in an intelligible form, we may, at our reasonable discretion, take such steps at your cost as we consider reasonably necessary or desirable for your protection.

We shall be entitled to refuse to accept instructions unless we are required to do so by any Applicable Law. In particular, we may refuse to act on any instruction where we reasonably believe that:

- (a) to do so might breach Applicable Law or any of our other legal duties; or
- (b) to do so would damage our reputation; or
- (c) you may be unable to settle any relevant transaction by the settlement time; or
- (d) the instruction is unclear, incomplete or not given by you or on your behalf; or
- (e) we consider that you do not meet or have not provided sufficient evidence or confirmation that you meet the eligibility criteria for investing in the security, whether arising from restrictions imposed by Applicable Law, product providers or for any other reason.

If we decline to accept instructions or to enter into a proposed transaction, we shall not be obliged to give a reason. Where not restricted by Applicable Law or other duty applicable to us we shall take reasonable steps to promptly notify you if we are unable to act on the instruction for any reason (but failure to notify you will not affect our liability to you).

Once we have received your instructions to buy or sell securities, you will not have the right to cancel those instructions after the deal has been placed with the market or already executed.

Where securities or investments held by you are the subject of a corporate event such as a take-over offer, rights issue, capital reorganisation or any similar event or benefit, you will provide us with clear and specific instructions in respect of the corporate event and we shall not be liable in any way for the outcome of any situation where you have failed to give clear and specific instructions in good time or where you have failed to provide funds, documents, or any other thing required by us in the carrying out of such instructions.

12. PAYMENTS

Unless otherwise agreed, payments to you will be made electronically to your Nominated Bank Account. You shall keep us informed at all times of the details of a Nominated Bank Account.

Where you require payment to a Non-Nominated Bank Account, we may levy an additional charge for this payment, and you may be required to provide additional information so that we may comply with our legal and regulatory obligations. We reserve the right to refuse to make such payments and we accept no responsibility or liability for any delay in effecting or refusing such payments.

13. DEALING

Vermeer Partners will execute trades as your agent. When effecting transactions for you, Vermeer Partners will seek to achieve the best possible result for you in accordance with:

- (a) the applicable requirements of the FCA Rules; and
- (b) Vermeer Partners' Order Execution Policy, a copy of which will be given to you and is available on our Website; or
- (c) reasonable, specific instructions from you on how a transaction for you should be carried out.

Subject to any specific instructions given by you, you agree that whenever you place an order with us, we shall be entitled at our absolute discretion and without reference to you, to select the venue for executing your order. In order to give effect to your dealing instructions, we may instruct a broker selected by us in our discretion. We undertake to use reasonable care and skill in the appointment and supervision of any other broker and to make available to you and take such action on your behalf as you may reasonably request in relation to any rights Vermeer Partners have against such broker.

Where you do not hold cash in your account at the time of placing an order, we reserve the right to execute the trade with extended settlement which may result in you receiving a price which may be worse than that available for standard settlement. Trades with extended settlement will be executed to achieve the best available result for you on those terms.

We are entitled to carry out all transactions in accordance with the Applicable Law. We will be entitled to take or not take any reasonable action we consider fit in order to ensure compliance with the Applicable Law and all such actions so taken will be binding upon you.

We do not accept "good till cancelled orders". If a limit order placed by you is not complete by the end of the day, we will cancel this order unless specifically instructed to keep it open. The maximum period for which we will keep an order open is four (4) Business Days after the end of the day on which the order was placed with us; after which we will cancel the order without further reference to you.

Where you wish to sell securities held by you in certificated form, we must receive the certificates along with the duly completed stock transfer form before we will place the trade. By prior agreement only, and at our absolute discretion, we may accept a sale instruction without the certificate and duly completed stock transfer form however you will be liable for any costs arising from a delay in the receipt of such documents or any deficiency in the documents identified after receipt;

We may at our discretion and subject to the FCA Rules aggregate your orders with those of our other clients. We will allocate the proceeds of such orders (including partially-filled orders) among the participating clients in a manner which they believe to be fair and equitable and in accordance with their order allocation policy and the FCA Rules. If the combined order is not executed at the same price, we may average the prices and give you the average price. This will be the price shown on any contract note. Aggregation of orders in this way may, on some occasions, operate to your advantage, but may on other occasions operate to your disadvantage.

Where we are unable or consider it not in your best interests to execute your order at once or in a single transaction, we may execute it over such period as they deem appropriate in accordance with our Order Execution Policy and they may report to you an average price for a series of transactions so executed instead of the actual price of each transaction.

We shall take reasonable steps to promptly notify you if they accept a dealing instruction and there is any material difficulty in executing that instruction.

Selling securities that you do not possess ("uncovered" short selling) can be illegal and we do not accept instructions to short sell in such circumstances. We may close short positions arising from undeclared short sales and you will be liable for any losses or costs incurred as a result of us closing a short position including any costs incurred where a buy-in has occurred. For the avoidance of doubt, we do not lend stock.

Certain securities have eligibility requirements which mean that they are not available to all our clients. We will take steps to assess your eligibility and in certain cases may be unable to accept orders in such securities.

Where you ask us to participate in an offer of new securities on your behalf, we shall do so on a best endeavours basis. In certain circumstances we may be unable to apply for securities on your behalf.

You shall have the right to inspect copies of contract notes, statements or electronic recording media relating to your transactions, although we reserve the right to charge for such service. Such records will be maintained for a period of six (6) years from the end of our relationship.

14. TRANSACTIONS IN GREY MARKETS

We may, on your express instructions, deal for you in:

- (a) investments for which application has been made for listing on a Stock Exchange or for admission to dealing on an Investment Exchange, where the investment's listing or admission has not yet taken place; and/or
- (b) investments whose listing on a Stock Exchange are suspended or whose listing has been discontinued within the previous six (6) months, or which are subject to an announcement of an Investment Exchange recognised by the UK, suspending or prohibiting investments.

You should note that there may not be sufficient published information concerning such investments on which to base a decision about purchasing or selling them.

15. RESTRICTIONS ON PROMOTION

Securities classified as Non-Mainstream Pooled Investments (NMPI) or as Unregulated Collective Investment Schemes (UCIS) or Collective Investment Schemes (CIS) are subject to restrictions on their promotion to retail clients. In accordance with Applicable Law we may require additional information and declarations from you prior to providing you with any information or promotion in respect of such products and in some cases may not be permitted to provide this to you by the Applicable Law.

Where our regulatory bodies place restrictions on the promotion or other activities in relation to specific investments or types of investment, and particular types of client, we may not be able to offer you services in respect of those investments.

We reserve the right to obtain additional information from you in order to assess the suitability or appropriateness of any product or service you have requested or which we might promote to you.

16. FOREIGN EXCHANGE (FX) TRANSACTIONS & CURRENCY FORWARDS

If you deal in investments priced in foreign currencies, and you require an FX transaction in connection with the purchase or sale of the investments concerned, we will execute the FX transaction on your behalf. Foreign exchange rates and charges are available on request.

It is our policy not to permit currency forward transactions.

We will enter into FX transactions on your behalf as agent.

17. FUNDS

For all services except Discretionary Portfolio Management, you are responsible for understanding the key information about any Fund you intend to purchase whether or not such purchase is advised by us and, where required by Applicable Law, we will make such information available to you in the prescribed form.

When dealing in Funds on your behalf, fund administrators may require detailed due diligence procedures to be completed prior to permitting subscription or redemption. We shall endeavour to complete such procedures without recourse to you but on occasion, we may have to request additional information from you in order to affect your subscription or redemption instructions. We accept no liability for delays in subscribing to or redeeming monies from Funds where such delays are caused by the practices of fund administrators.

In order to invest in Funds, and certain other products (eg Venture Capital Trusts (VCTs)), payment may be required in advance of the Subscription Day. Some Funds (eg hedge funds) may be unable to provide a final price and number of shares/units until a number of weeks after the Subscription Day. We will endeavour to provide full contract details as soon as the information is available.

18. SETTLEMENT & MARGIN

You are obliged to make available cleared funds to settle purchases on or before the settlement date. If you are selling investments, you are required to deliver the investments being sold at least on the Business Day prior to the settlement date.

You shall also pay and/or deliver any cash or other assets on or before the due date as required: (i) to maintain or supplement any deposit or margin required by any exchange, clearing house or broker or agreed between you and us in respect of any transaction entered into between you and us or by us for you under these Terms; and (ii) to meet any other call for funds made under the terms of any investment made for you or agreed between you and us against foreign exchange fluctuations.

All transactions are undertaken with the object of actual settlement. We, and any broker used by us, reserve the right not to settle transactions or accounts unless and until all necessary documents or money have been received.

Proceeds from sales of Funds will be provided to you by the close of business on the day following receipt of settlement proceeds from the relevant fund manager.

You will be liable for any costs incurred by us, howsoever arising, as a result of any failure by you to observe your settlement obligations.

Please note that should you fail to comply with your settlement obligations we may exercise all or any of the rights we reserve in Section 35 (Events of Default).

In certain markets including the UK, the standard settlement period is such that you may not receive any contract note sent to you by post prior to the date on which your obligations fall due.

If you receive a dividend in respect of shares that you have sold the dividend will be claimed from you to be passed to the purchaser, and such claims must be settled in cash. If you have elected to receive scrip dividends and subsequently receive a scrip dividend to which you are not entitled, you will be responsible for making good any shortfall in cash arising from selling the scrip to settle the market claim in cash.

19. NON-STANDARD SETTLEMENT

It is our general policy not to accept trades with non-standard settlement and we will be under no obligation to agree to deal for you at a non-standard settlement. However, where we agree to do so, our execution price may not match the price you would receive had we dealt for you with a standard settlement date. However, we will deal in accordance with our Order Execution Policy at the best price available for the agreed non-standard settlement date.

20. CUSTODY

Unless you instruct us otherwise, custody services will be provided by Pershing in accordance with the terms of the Custody Agreement - the Custodian's Terms of Business in Appendix 4.

To the extent that you do not use Pershing's custody services, you agree that you will ensure that any third-party custodian is obliged to comply with any instructions given by us in carrying out our obligations under any agreement in place between you and us. In order to ensure the effective provision of our services under these Terms, you shall ensure that any third-party providing settlement and safe custody services shall:

- (a) accept and act in accordance with all instructions received from us;
- (b) provide us with:
 - (i) copies of all information which the third party provides to you at the same time as they provide that information to you; and
 - (ii) such other information as we may reasonably require from time to time;
- (c) collect and remit our Charges to us (including having an agreement with us to provide for the collection and remittance of our Charges); and

- (d) comply with such other requirements as we may reasonably require and notify to you and them.

Under current regulatory permission Vermeer Partners are unable to provide safe custody of physical share certificates except where the investment has been sold and we are in temporary possession as part of the settlement process.

21. CONFLICTS OF INTEREST

We maintain a summary Conflicts of Interest Policy which is available on our Website.

Your attention is drawn to the fact that when we effect a transaction for you, we, an Associate, or some other person connected with us, may have an interest, relationship or arrangement that is material in relation to the transaction or investment concerned.

The following are some examples of the type of interest, relationship or arrangement that could be involved:

- (a) an Associate being the financial adviser or broker to the company whose securities you are buying or selling, or acting for that company in any take-over bid by or for it;
- (b) an Associate sponsoring or underwriting a new issue or a rights issue or similar transaction involving the investment (or a related investment) that you are buying or selling;
- (c) an Associate having a holding or a dealing position in the investment concerned;
- (d) acting as the manager; and
- (e) investment adviser or custodian of a collective investment scheme in whose units you are dealing or advised to deal.

22. DISCLOSURE OF BENEFICIAL OWNERSHIP DETAILS

We may be requested to divulge to a company, company registrar or secretary, duly appointed representative, or any competent authority the name and address of the beneficial owner of an investment held by Pershing as custodian.

We will not disclose this information, if we have reason to believe the request is spurious. Our policy is not to disclose such information until such time as a written or recorded telephone authority to do so has been received from the beneficial owner. If such information is not provided in compliance with such a request, a company may impose certain restrictions including the withholding of dividends or other rights or otherwise disenfranchising the shareholder.

Notwithstanding our stated policy above we shall be entitled to disclose your information without liability to the extent required to comply with the Applicable Law pursuant to which such a request is made.

23. DISCLOSURE OF MATERIAL INTERESTS

Except for assets held under a discretionary portfolio management mandate and then only to the extent it is relevant to such assets, it is your responsibility under the Disclosure Guidance and Transparency Rules, as set out by the FCA, to disclose holdings of 3% of the issued share capital (and each 1% thereafter) in a UK publicly listed company (“plc”) to the company in whose shares you have the holding.

In addition, if you effect a transaction in a security of a company subject to the Takeover Code it is your responsibility to disclose transactions where your holding is above 1% of the issued share capital. Should the Takeover Panel query a transaction involving your account with us directly, we will disclose the applicable details and will arrange for any official announcements to be made. Please note that similar requirements exist under the laws of other countries and you will be required to comply with the disclosure requirements of the relevant country.

24. TELEPHONE RECORDINGS

We will record telephone conversations, without the use of any warning, in order to assist with our monitoring and compliance procedures, and to avoid misunderstandings. Such records will be accepted by you as evidence of your orders, instructions, or any other conversation which is relevant to those orders or instructions, or the ongoing provision of our services. We may use recordings and/or transcripts thereof for any purpose which we deem desirable, to the extent permitted by Applicable Law.

25. EUROPEAN UNION SAVINGS DIRECTIVE (“EUSD”) & THE FOREIGN ACCOUNT TAX COMPLIANCE ACT (“FATCA”)

Under the EUSD, Vermeer Partners is required to report to HMRC information relating to individuals resident in an EU Member State who receive savings income in the form of interest payments, unless such residents have a valid exemption. This disclosure is a legal requirement and will happen automatically without further notification to you. If you have any detailed questions, we strongly recommend that you discuss the structure of your portfolio with your personal tax adviser. If you have a valid exemption, Vermeer Partners reserves the right to seek additional supporting documentation regarding your status.

Under FATCA, Vermeer Partners is required to report to HMRC information relating to a United States (US) Person, who receives savings income in the form of income and capital gains, unless such persons have a valid exemption. The term “US Person” means a US citizen or resident individual, a partnership or corporation organised in the US, a trust, if (i) a court within the US would have authority under applicable law to render orders or judgements concerning substantially all issues regarding administration

of the trust, and (ii) one or more US persons have the authority to control all substantial decisions of the trust, or an estate of a decedent that is a citizen or resident of the US.

26. OVERSEAS JURISDICTIONS

Our services will not be available in countries where they are prohibited by local law and we will not be responsible for the consequences of you using our services in such a territory. Further information on where we operate can be obtained from us on request.

27. FEES, COMMISSIONS, CHARGES & TAXES

The amounts due to us from you for the provision of services by Vermeer Partners will be calculated in accordance with the Schedule of Charges for the relevant Service(s) or as otherwise disclosed to you in writing.

We will give you at least twenty-eight (28) days’ notice in writing of any changes to the fees levied by Vermeer Partners.

Where we charge you on a time/cost basis, you may request, prior to any work being carried out by us, an estimate of how much in total you might be charged. You may also issue instructions that a given amount should not be exceeded without first consulting you. More than one type of fee may be payable for each recommendation.

Where you agree or request that we undertake work where our fee is levied on your purchase of the product that we advise or recommend, and then decide not to proceed with our recommendations, we reserve the right to invoice you for the time spent working for you.

In addition to the amounts due to us for the provision of our services, you will be responsible for payment of:

- (a) any stamp and other duties, taxes of whatsoever nature, impositions and fiscal charges (in each case wherever in the world imposed), brokerage clearing and settlement fees, transfer fees, registration fees and all other liabilities, charges, costs and expenses payable or incurred by us on your behalf; and
- (b) any applicable VAT or similar charge.

We may from time to time invest on your behalf in inhouse products that carry a separate charge. If and when doing so we will invest in the lowest fee class available and either reduce the management fee charged on your assets to account for the separate inhouse product charge or waive the inhouse product charge.

Unless otherwise agreed, the management charge is levied on the total value of the portfolio assets, excluding the income cash balance, on a quarterly basis in arrears. VAT is applied in addition to these fees.

28. COMMISSIONS

Where permitted under Applicable Law we may on occasions share our fees and commissions with our agents, Associates or an intermediary, introducer or agent for a third party. Details of any of our fees and commissions shared will be disclosed separately to you in advance.

Where permitted by Applicable Law, we may receive fees and commissions from others for investments acquired from or through them in respect of services provided by us to you. Before entering into any new such arrangement, we shall disclose this to you and take the necessary steps to ensure that there is no added layer of costs or disadvantage to you.

29. ADVISOR CHARGES

Where instructed by you, and in accordance with Applicable Law, we will facilitate the payment of any Advisor Charge upon completion of the relevant agreement between the Advisor and Vermeer Partners. If you change advisor or otherwise wish to cancel this payment, please provide us with thirty (30) days' notice in writing.

Vermeer Partners do not facilitate payments to a service provider not directly linked to the investments held within the portfolio. Non-Investment Services should be settled directly by the client. If such services are to be settled from the investment held by Vermeer Partners, then the value shall be remitted to the client bank account held on record.

Vermeer Partners' charges, where permitted under Applicable Law and where (if required) you have given express instructions to facilitate such payment, can be deducted from any monies held by you at Vermeer Partners.

30. PAYMENTS & INTEREST

All payments due to us by you must be made in full in immediately available monies to the account we specify without any withholding or deduction.

Our fees, where permitted under Applicable Law and where (if required) you have given express instructions to facilitate such payment, can be deducted from your investment funds.

If you do not have sufficient monies in one currency but you have monies available in another currency, we reserve the right to use the other currency to clear any shortfall, using the prevailing exchange rate offered by Pershing.

In any case of monies becoming due to you, howsoever arising, we, whilst acting as agent for you shall not be liable to account to you for those monies in advance of their receipt or as otherwise agreed. The balance of your account with Vermeer Partners will only reflect cleared funds.

As referred to in the Pershing terms of business, money held with Pershing may earn interest at a rate determined by the relevant bank or credit institution. Pershing apply a money management fee. If the money management fee is higher than the relevant interest rate referred to above, then an appropriate charge in the form of debit interest may be charged.

31. DECEASED ACCOUNTS

If we receive notice of your death, we will continue to rely on these Terms however the portfolio will be managed on an Execution Only basis and at a fee rate of 0.3% of AUM. Access to the account will be frozen until such time as a grant of probate (or equivalent) has been received unless otherwise agreed with us. Notice of death will be accepted if received in any form that we consider valid in our absolute discretion. Where we have reasonable grounds to believe that you have died, it may be necessary to disclose information about your account prior to receipt of formal notice of death and we will have no liability to you or your estate in such circumstances.

Your obligations under these Terms or any agreement, arrangement or understanding between us will not be terminated by your death and such obligations shall be binding on your executors, successors and assigns.

This section 31 will not apply if your account is held jointly with a surviving account holder as beneficial joint tenants.

Where your account is held jointly with a surviving account holder (as tenants in common) this section will apply to your proportion of the account. The portion attributable to the surviving account holder will be transferred to a new account in their own name.

32. POWER OF ATTORNEY

Where you appoint or have appointed a power of attorney or authorised another party to exercise authority over your account, we are entitled to rely on instructions and information given by the attorney or authorised person as if they were given by you.

33. AGENT AS PRINCIPAL

Where you are an agent or otherwise acting on behalf of or for the benefit of any other person (the Principal) then, even if you disclose that fact and/or identify that person to us, we will (save to the extent provided in this section below) treat you alone as our client for all purposes relating to these Terms, and (subject to Applicable Law) we shall not owe any contractual, regulatory or other obligations to the Principal.

You, as agent for your Principal and on your own behalf, retain full responsibility for making all investment decisions with respect to any Principal.

You agree and warrant that if you are party to a transaction entered into and executed pursuant to these Terms as agent for, or on behalf of, a Principal, then:

- (a) in doing so, you are expressly authorised by, or otherwise acting within the scope of the authority you have received from your Principal;
- (b) your Principal is duly organised and validly existing under the laws of its jurisdiction of incorporation or organisation;
- (c) your Principal has full power, authority, and legal capacity to perform all obligations contemplated by these Terms;
- (d) when performing the transactions and activities contemplated by these Terms, you will procure that your Principal complies with all Applicable Law;
- (e) any information which you provide or have provided to us in respect of your or your Principal's financial position, attitude to risk, knowledge and experience of investing, domicile or any other information required by us in accordance with Applicable Law or necessary for the proper performance of our obligations, is accurate and not misleading in any material respect. We are entitled to rely on such information provided by you in the discharge of our obligations relating to suitability and appropriateness;
- (f) you will procure the performance by your Principal of all obligations and liabilities arising under or by virtue of the Terms or any transaction or other investment business carried out hereunder; and
- (g) you are now and will be at all material times in the future in compliance with Applicable Law, rules and regulations concerning the detection of financial crime, prevention of terrorism, and anti-money laundering.

You agree, as agent for each Principal and on your own behalf, to notify us immediately if any two or more Principal accounts relate to the same Principal. We shall, subject to these Terms, administer Principal accounts which we reasonably believe relate to two different Principals separately.

We shall be entitled to set off any amount at any time owing to us from another account of yours. We can set off amounts owed to us by you against other accounts of yours which are in credit; and against any security, guarantee or indemnity given to us by you, or in respect of your account, for any purpose.

Where we exercise any right of set-off, security, or lien against a Principal of yours, we will only do so in respect of liabilities due to us by that Principal. We will not use the assets of your Principal in any way whatsoever to meet the liabilities due to us from you, or a different Principal of yours.

Where you are acting as trustee of a trust, the value of any claims made against you as principal under these Terms shall be limited to the value of the net assets of the trust at the time of making the claim.

If any Principal of yours commits an event of default under section 35 (Events of Default), you agree to:

- (a) promptly disclose the address and identity of such Principal; and
- (b) take all reasonable steps to assist us in rectifying such failure including instituting legal proceedings against any Principal.

34. LIABILITY

You are responsible for making sure that we do not suffer by reason of acting for you. You agree to make good and reimburse (indemnify) us and each of our directors and employees and agents ("Indemnified Persons"), after the deduction of any applicable taxes, for and against any liabilities, reasonable costs and expenses (including legal costs) which are caused by;

- (a) us providing services to you;
- (b) material breach by you of the Client Agreement;

You will not be responsible for indemnifying us to the extent that the loss, liability or cost is caused by the direct result of our own breach of contract, negligence, wilful default, or fraud.

Further, we shall not be liable for any loss, liability, or cost suffered or incurred by you, howsoever caused in providing our services except to the extent that the loss, liability or cost is caused by the reasonably foreseeable and direct result of our own breach of contract, negligence, wilful default, or fraud. In such cases, our liability shall be limited to the replacement of securities or monies (including interest) lost or foregone as a direct result of our action or failure to act.

Without limiting the above:

- (a) in accordance with Applicable Law neither you, us nor any third party who acts on our behalf in providing a service to you (whether or not an Associate) nor our or any Associate's directors, officers, employees, agents or representatives shall be liable to you for any loss of business, profits, goodwill, data, or any other indirect losses which happen as a side effect of the main loss or damage and which are not foreseeable by you and us as a result of a breach of the obligations under this Client Agreement (howsoever caused, whether by negligence or otherwise);
- (b) to the fullest extent permitted by Applicable Law, we shall not be liable for any loss, liability, or cost which you may suffer or incur directly or indirectly as a result of the fraud, negligence, insolvency or default or any act or omission of any party (including, without limitation, any broker, bank, agent, custodian, investment exchange, depository or clearing house) which we have taken reasonable care in appointing and which may act on our behalf or on our instructions (or fail to do so) in connection with the provision of our services to you under these Terms;

- (c) we shall not be liable for any losses you may suffer directly or indirectly because of anything beyond our reasonable control to prevent, including, without limitation, war, insurrection, riots, civil or military conflict, sabotage, acts of terrorism, labour unrest, strike, lock-out, fire, water damage, acts of God, accident, explosion, mechanical breakdown, computer or system failure, failure of equipment, failure or malfunction of communications or media or interruption of power supplies, any change of law, currency restrictions, devaluations and exchange rate fluctuations, changes to the Euro or membership of the single European currency or any other effect of the Eurozone crisis, market conditions affecting the execution or settlement of transactions or the value of assets, or the failure of a relevant exchange, counterparty, clearing house, broker, banker and/or custodian to perform for any reason (Force Majeure).
- (d) Nothing in the Client Agreement shall prevent us from carrying out our duties in compliance with the Applicable Law. Nor shall we be in breach of any of the provisions of the Client Agreement where such provisions are or appear to be inconsistent with our compliance with Applicable Law. Nothing in these Terms will exclude or limit any mandatory duty or liability of Vermeer Partners under Applicable Law.

35. EVENTS OF DEFAULT

An event of default occurs if:

- (a) you fail to make any payment due to us or to deliver any securities due to us (or agents used by us) or to perform any other obligation owed to us;
- (b) you fail to comply with any Applicable Law;
- (c) you become unable to pay your debts as they fall due, become insolvent, bankrupt, or become the subject of any insolvency, bankruptcy or administration proceedings (under any Applicable Law);
- (d) a winding-up resolution is passed or a winding-up or administration order is made in respect of you or a receiver, liquidator, administrator or similar official is appointed in respect of you or any of your property (under any Applicable Law); or you commit a material breach of these Terms or any Service Agreement(s).

Upon an event of default we shall be entitled, without prior notice to you, to take either or both of the following actions:

- (a) terminate our agreement with immediate effect and treat any or all outstanding transactions between you and us or our Associates as having been cancelled or terminated; and
- (b) notwithstanding our rights under section 37 (Termination), close out, replace or reverse any transaction, enter into any other transaction or take, or refrain from taking, such other action at such time or times and in such manner as, at our

sole discretion, we consider necessary or appropriate to cover, reduce or eliminate our or our Associates' loss or liability under or in respect of any contracts, positions or commitments.

36. REMEDIES

Without prejudice to, and in addition to, any other rights or remedies we may have, whether under these Terms or any other agreement in place between you and us, or otherwise where permitted to do so in accordance with Applicable Law:

- (a) We shall have the right at any time to set-off any funds due to you in or towards satisfaction of any liabilities owed by you to us, whether absolute or contingent, or due or to become due;
- (b) We may keep hold of all or some of your monies, securities, and/or other assets until you have paid all the charges and liabilities you owe us and/or any Associate, even if the unpaid charges or liabilities do not relate to those monies, securities and/or other assets, including without limitation in the event of your failure to make a payment or to deliver any assets due to us (or agents used by us) or any Associate when due. If you have not paid any amount owing within three (3) days after the due settlement date, we shall also have the right to sell any securities or other assets in our control and to apply the proceeds and any of your cash in our control in or towards satisfaction of such liability;
- (c) In the event of your failure to make any payment due to us by the due settlement date we shall additionally have the right to charge interest on the overdue amount at the rate of 0.5% base rate then ruling for sterling and 1% over cost of funds for foreign currencies. We reserve the right to pass on, and you shall be liable to us for, any additional charges levied on us by third parties in relation to such overdue amount; and
- (d) If there is an event of default as set out in section 35 (Events of Default), we reserve the right, at your cost and expense and without any liability for any loss or damage arising therefrom, to:
 - (e) sell or realise all or some of your assets held by us or which we are entitled to receive for you. We can only do this after giving you thirty (30) days' written notice that we intend to do so. If we do sell or realise any of your assets, and the proceeds from the sale are greater than the amount you owe us, we will pay you any excess amount after taking off the cost of selling the goods; and/or
 - (f) purchase investments, to make delivery on your behalf, to cancel, close, reduce or hedge any outstanding transactions or positions in order to recover any unpaid charges.

We may not give advance notice to you if we consider that it is necessary or appropriate to act quickly to reduce your indebtedness, in which case we will contact you promptly after we have sold or realised any investment to explain what action we have taken. Any proceeds arising from such

actions or disposals may be applied to reduce or discharge your liabilities or indebtedness to Vermeer Partners and/or any Associate.

We reserve the right after notifying you to refer a debt which you are unable or unwilling to pay to a debt collection agency to recover our funds and any costs incurred to recover a debt including legal costs; or to sell the debt to another party.

The exercise of any right or remedy under these Terms will not preclude us from exercising that right or remedy again (or in full if it was previously only exercised in part) or from exercising any other right or remedy we have under these Terms, or any other agreement in place between you and us, or otherwise. Our rights and remedies under these Terms are not exclusive of any provided by law or otherwise.

37. TERMINATION

You are entitled to terminate these arrangements by giving us thirty (30) days' written notice (the "**Termination Notice**"), however you should note that, although no penalty will be payable by you to us, you will remain liable to meet all obligations which may accrue under transactions initiated prior to the date of receipt by us of your notice and which are to be completed thereafter; and any legal rights or obligations which have already arisen or which relate to our services. You will further be liable to pay us the amount outstanding at the date of termination in respect of all interest and Charges. See the Schedule of Charges for additional Charges which apply for effecting the transfer of your portfolio.

We may terminate these arrangements by giving you thirty (30) days' written notice (also "Termination Notice") and your obligations in such an instance will be as above.

Immediately following either party serving a Termination Notice, you will promptly provide to us written instructions for the transfer of any assets and monies you hold in custody. Where we have not received such instructions within thirty (30) days of giving the Termination Notice, we reserve the right to return Assets to you in certificated form and to send you a cheque for any monies held or otherwise remit the proceeds to you. These will be sent to you at the address we hold on record for you as your correspondence address. Transfer out charges will continue to apply.

No transfer of Assets or monies may be effected unless we have complete and up to date information and documentation which meets our obligations under The Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 (MLR 2017). We will aim to notify you within fourteen (14) days of the Termination Notice if any additional information is required, by writing to the address we hold on record for you as correspondence address and any address on the Termination Notice if different.

Where you have not provided transfer instructions within thirty (30) days of giving the Termination Notice and it is not possible to return Assets to you in certificated form, we will continue to hold any residual Assets under the terms of our Custody Agreement and our usual charges will apply.

38. CONFIDENTIALITY & DATA PROTECTION

Neither Vermeer Partners nor any Associate owes any duty to disclose to you any fact, matter, or thing which comes to the notice of Vermeer Partners or any Associate or any of their respective employees, directors, or agents in the course of rendering similar service to others, or in the event that such disclosure would be a breach of confidence or duty to any other person.

Vermeer Partners shall keep information concerning you confidential, save that you permit Vermeer Partners to:

- (a) hold and process by computer or otherwise any information we have about you in our possession in order to: (i) administer and operate your account, to provide any service to you, and to monitor and analyse the conduct of your account; and (ii) provide you with information concerning products and services which may be of interest to you (including those supplied by third parties), by post, email and telephone, where you have specifically instructed us to do so;
- (b) disclose to any person with whom Vermeer Partners enters into contractual relations in relation to provision of our services, including the conduct of initial and ongoing processes required to comply with anti-money laundering and counter terrorist financing laws to which we are subject, such information about you which we consider is reasonably required by the person requesting the same;
- (c) disclose information about you to our advisers and agents. For example, please note that we may use credit reference agencies or other third parties for credit assessment purposes or to carry out processes required to comply with anti-money laundering laws and counter terrorist financing laws to which we are subject;
- (d) disclose information about you to our group companies and/or any third-party subcontractor(s) in order to enable them to perform all or some of the services on our behalf and/or assess the way in which those services are provided; and
- (e) disclose any information where such disclosure is properly required or permitted by Applicable Law.

You agree that we may transfer such information to any country, including jurisdictions outside the European Economic Area where the data protection laws are not as comprehensive as those that apply within the UK.

If we suspect that you have given false or inaccurate information, we may record and retain such suspicion together with any other relevant information.

If we receive false or inaccurate information, and we identify or reasonably suspect any fraud or other illegal activities, then we will pass details to fraud prevention agencies and/or other relevant agencies to prevent fraud, money laundering and other illegal activities.

We may check all personal information you give us with fraud prevention agencies and other organisations, and we may obtain information about you from credit reference agencies to verify your identity. A record of such enquiries may be left on your files with such third-party organisations and agencies and also held by us.

39. ASSIGNMENT

The obligations under these Terms bind, and the rights will be enforceable by the parties and their respective successors and those to whom we make an assignment of the Client Agreement.

We may, at any time, assign or transfer any of our rights and/or obligations under this Client Agreement and all or any of the functions under this Client Agreement to a third party, provided that we have given you at least ten (10) Business Days' written notice to that effect.

We may carry out a transfer of all or any of your and our rights, powers, obligations and liabilities in relation to our services and products under the Client Agreement without your further or specific consent in relation to our compliance with any legal or regulatory requirement.

Otherwise, we may carry out a transfer of all or any of your and our rights, powers, obligations and liabilities in relation to our services and products under the Client Agreement without your further or specific consent, provided that we reasonably consider that the transfer will not materially prejudice your rights under these terms and conditions. If you object to any assignment we make, other than pursuant to a legal or regulatory requirement, you may terminate the Client Agreement with immediate effect by providing us with notice in writing. We will not make a charge for transferring any investments we hold for you if you terminate under this paragraph.

You may not transfer or assign any of your rights and obligations under these Terms or any transaction or contract entered into pursuant to these Terms without our prior written consent which we will not unreasonably withhold.

40. AMENDMENT

Any amendment to these Terms or the Services Agreement(s) will be notified to you in writing. Such changes will become effective on the date to be specified in the notice which will be not less than fourteen (14) days after the notice is sent to you (please refer to section 43 (Service of Documents)).

For certain valid reasons, we may give you immediate notice of a change so we can:

- (a) reflect any significant changes in Applicable Law;
- (b) protect us or you against fraud by any person;
- (c) change our contact details;
- (d) put right errors in these Terms or other parts of the Client Agreement;
- (e) deal with changes in tax rates;
- (f) reflect other reasonable cost increases or reductions associated with providing our services to you;
- (g) make any improvement in a service provided to you or introduce a new service or service provider;
- (h) reflect changes in technology, the systems we use to run our business and/or market practice; or
- (i) make the Client Agreement more favourable to you.

If you wish to initiate any amendment to these arrangements, then you must convey your requirement to us in writing. Such amendment will be conditional upon our agreement and will become effective upon our written confirmation to you. No amendment will affect any outstanding order or transaction or any legal rights or obligations which may have previously arisen.

41. COMPLAINTS

We take complaints very seriously and have established procedures in accordance with the FCA's requirements for complaint consideration and handling to ensure that complaints are dealt with fairly and promptly.

Our complaints policy, which is prepared in compliance with the relevant rules, is available to you on our Website. If you wish to make a complaint about our services under these Terms or the Services Agreement(s), you should contact us by telephone at +44 (0)20 7123 5200, or via our Contact page on our Website, or in writing, by post or email, at the details given below:

By email: complaints@vermeerllp.com

By post: Vermeer Investment Management Limited, Attention: Compliance, 130 Jermyn Street, London, SW1Y 4UR.

To help us investigate and resolve the complaint as quickly as possible, you should provide us with full details of the circumstances giving rise to the complaint.

The matter will be investigated and a written response, including details of the Financial Ombudsman Service to whom the matter can be referred should the complaint not be resolved to your satisfaction, will be provided to you within the period of time set out in our complaints policy.

As an eligible complainant, if we do not provide you with a final response with eight (8) weeks from the date we receive your complaint, or if you do not agree or are otherwise dissatisfied with the outcome of our response, you have the right to refer your complaint to the Financial Ombudsman Service, which is an independent dispute resolution service.

The Financial Ombudsman Service (**FOS**) address is:

The Financial Ombudsman Service
Exchange Tower
London
E14 9SR

Please check the FOS website (<http://www.financial-ombudsman.org.uk>) to determine whether you are an eligible complainant.

42. COMPENSATION SCHEME

Vermeer Partners is covered by the UK Financial Services Compensation Scheme (**FSCS**). The FSCS provides compensation in certain circumstances for clients of authorised financial services firms if we are in default. The FSCS may provide compensation should we be unable to meet our obligations but is not available to every investor. Compensation is typically paid out because a firm has ceased trading and/or is insolvent.

The actual level of compensation paid depends upon the basis of each claim, but a client's entitlement to compensation from the scheme will depend on the type of investment made and the circumstances of the claim. The FSCS only pays compensation for financial loss.

Compensation limits are per person, per firm and per claim category and are on the FSCS website at www.fscs.org.uk, along with additional information about compensation arrangements or you can call the FSCS on 0800 678 1100.

We will provide, on your request, information concerning the conditions governing compensation and the formalities which must be completed to obtain compensation.

Note: services provided by PCI are regulated by the Jersey Financial Services Commission (**JFSC**) and as such PCI is not covered by the FSCS. The JFSC does not operate a similar compensation scheme.

43. SERVICE OF DOCUMENTS

Any letter or other document shall be deemed to have been duly served upon you if it is sent by email or post to (or left at) your last notified address. Documents sent by post shall be deemed to have been served on the second (2) Business Day following that on which the envelope containing the same was posted for clients resident in the UK and on the fifth (5) Business Day following that on which the envelope containing the same was posted for clients resident outside the UK.

Documents sent by email shall be deemed to have been duly served upon you on the day on which they are sent, although emails sent after 5.00 pm on a Business Day will be deemed to have been sent on the following Business Day. Proof that the email was sent to your email address will be sufficient to prove receipt.

44. GENERAL

Third Party Rights - A person who is not a party to any Services Agreement(s) of which these Terms form part has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of such Agreement (including any of these Terms).

Waiver - No act, omission to act, or forbearance by Vermeer Partners or any of their respective employees, or agents shall be, or be deemed to be, a waiver by Vermeer Partners of any rights against you.

Severability - If any provision of these Terms and the Service Agreement(s) is or becomes illegal, invalid or unenforceable in any respect under the law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions of these Terms and the Service Agreement(s) nor the legality, validity or enforceability of such provision under the law of any other jurisdiction shall be affected or impaired.

Law & Jurisdiction - These Terms and the Services Agreement(s) are to be governed by and interpreted in accordance with the laws of England and Wales. The parties irrevocably agree that the Courts of England and Wales shall have exclusive jurisdiction to settle any dispute arising out of or in connection with these Terms or the Services Agreement(s).

APPENDIX 1

ORDER EXECUTION ARRANGEMENTS WITH PSL

The FCA Rules require us to put in place arrangements to enable us to deliver best execution and to provide summary information to our clients about the steps we take to obtain the best possible result for you when transmitting your orders to other entities for execution.

We place all our client orders with Pershing Securities Limited (**PSL**). PSL has a dealing function which is part of its regulated businesses. PSL owe Vermeer Partners a duty of best execution on all the orders passed to each of their dealing function by Vermeer Partners.

Vermeer Partners has conducted due diligence and reviewed alternative execution providers. We have assessed that PSL has arrangements that enable us to obtain the best possible results for our clients when placing orders for you.

We have assessed the best possible result in terms of the total consideration, representing the price of the financial Instrument and the costs related to execution of the order, which must include all expenses incurred by clients which are directly related to the execution of the order, including execution venue fees, clearing and settlement fees and any other fees paid to third parties involved in the execution of the order.

We have also assessed PSL's execution arrangements to ensure that where other execution factors (speed, likelihood of execution and settlement, the size and nature of the order, market impact and any other implicit transaction costs) are instrumental in delivering the best possible result in term of the total consideration, these factors will take precedence over the factors of immediate price and cost consideration.

Please see our execution policy for further information on how PSL executes our orders. This information is available on our website at www.vermeerllp.com.

Execution Venues

A list of execution venues that may be used are included in Appendix 1 of our Order Execution Policy which is kept on our website at www.vermeerllp.com. These include regulated markets (such as London Stock Exchange) plus multilateral trading facilities (**MTF**), Organised Trading Facilities (**OTF**) and the retail service provider network (**RSP**).

We may deem it appropriate or advantageous to execute your order outside a regulated market, MTF or OTF even where the Investment concerned is trading on a regulated market, MTF or OTF. For example, this may be:

- (a) on an 'over the counter' (**OTC**) basis with a market participant;
- (b) by crossing your order with that of another opposing client ('agency cross'); or
- (c) by executing your order with a 'systematic internaliser' (a firm which trades on its own books) or other liquidity provider.

Specific Client Instructions

You should be aware that any specific instructions from you may prevent us from taking steps that have been designed and implemented in the execution policy to obtain the best possible result for the execution of those orders.

Monitoring & Reviewing

We will review and monitor compliance with our Order Execution Policy on at least an annual basis. Utilising the expertise of our qualified Investment Managers we are alert to the prices achieved by PSL.

You may request that we demonstrate that we have carried out your Orders in accordance with our Order Execution Policy. We will also publish annually further details of how we have met our best execution obligations during the preceding year. This will include publishing summary details on an annual basis, for each class of financial instruments, the top five investment firms in terms of trading volumes and information on the quality of execution obtained.

APPENDIX 2

PRIVACY POLICY SUMMARY

We are committed to protecting and respecting your privacy.

In the course of providing our services to you, we may collect, record, store, adapt, transfer or otherwise process your personal data and we act as a data controller of your personal data when doing so.

This summary sets out the basis on which any personal data we collect from you, or that you provide to us, or which is provided to us by a third party acting for you or on your behalf, will be processed by us.

Please see our Privacy Policy and our Cookie Policy on our website at www.vermeerllp.com for further information on how we process your personal data. We may update our Privacy Policy and this summary from time to time and will notify you if we make any material amendments. This summary, the Privacy Policy or Cookie Policy do not form part of the Client Agreement.

Please read the following to understand our views and practices regarding your personal data and how we will treat it. We use different methods to collect data from you including our direct interactions in the course of providing services to you as well as technical information from, for example, analytics providers or third party and publicly available sources.

Personal data, or personal information, means any information about an individual from which that person can be identified. It does not include data where the identity has been removed (anonymous data).

We may collect, use, store and transfer different kinds of personal data about you which we have grouped together follows:

Contact Data may include your billing address, correspondence address, email address and telephone numbers.

Financial Data may include your bank account and payment details.

Identity Data may include your first name, maiden name, last name, username or similar identifier, marital status, title, date of birth and gender.

Transaction Data may include details about payments to and from you and other details of products and services you have purchased from us.

“Special categories” of particularly sensitive personal information require higher levels of protection. We need to have further justification for collecting, storing and using this type of personal information. We may process special categories of personal information in limited circumstances, with your explicit written consent and in those cases it may be in conjunction with our legal obligations or exercise rights in connection with providing services to you.

Less commonly, we may process this type of information where it is needed in relation to legal claims or where it is needed to protect your interests (or someone else’s interests) and you are not capable of giving your consent, or where you have already made the information public. We may also process such information in the course of legitimate business activities with the appropriate safeguards.

We will only use your personal data when and how the laws permit us. Most commonly this will be for the following purposes:

- (a) processing necessary to enable us, including **Pershing Securities Limited (PSL)** and **Pershing (Channel Islands) Ltd (PCI)** on our behalf, to provide the services (please note that we may not be able to provide you with such services if you withhold your personal data)
- (b) account administration
- (c) credit enquiries or assessments
- (d) to fight money laundering and terrorist financing, and investigate or prevent fraud or any other illegal activity
- (e) for compliance with regulatory requirements and foreign laws

In doing so, the lawful bases for our processing may include: (i) our legitimate interests; (ii) that the processing is necessary to perform a contract we have with you; or (iii) that the processing is necessary to comply with our legal obligations.

Where we process your personal data on the basis of your consent, and where you withdraw that consent, such withdrawal will not affect the lawfulness of any processing conducted on the relevant personal data prior to your withdrawal of consent.

We may use your Identity and Contact data, to form a view on what we think you may want or need, or what may be of interest to you. This is how we decide which products, services and offers may be relevant for you.

We may contact you from time to time to make you aware of investment opportunities, social events and other related services. All of these information updates will originate from within Vermeer Partners.

We may share your personal data with any of our affiliated companies, regulatory bodies having competent jurisdiction over us, including tax authorities, auditors and tax advisers, exchanges, other third party data processors and to a prospective buyer or seller in the context of a transaction involving the sale of, or transfer of assets from, PSL, PCI or us.

We may transfer personal data to a variety of third-party data processors, (for example: PSL or PCI), for the purpose of eliciting a necessary service from these third-party organisations (not for commercial gain, nor for direct marketing).

We are required to conduct a credit check against you and supply your personal data to credit reference agencies (CRAs), as listed on our website. This will give us information about you, such as your financial history. We do this to confirm your identity and to identify any criteria that may be related to an increased security risk.

CRAs act as separate data controllers when using information that we pass to them. The CRAs that we use are listed on our website where you can also find out further information about the way in which they use and share your personal data.

Please see our Privacy Policy and our Cookie Policy on our website www.vermeerllp.com for further information on how we handle transfers of personal data from the EEA or the UK.

Personal data shall be processed by us as long as necessary for a permitted purpose. In accordance with legal requirements, we, PSL, and PCI may retain your records, for a period of up to ten (10) years following the termination of any relationship between us. This period may be extended by force of law, regulatory requirement or agreement amongst us.

You have rights in relation to your own personal data as follows:

- (a) to request access a copy of your personal data;
- (b) to request correction of your personal data;
- (c) to request erasure of your personal data;
- (d) to object to the processing of personal data;
- (e) to request restrictions on processing of the personal data;
- (f) to request the transfer of your personal data to a third party; and
- (g) to withdraw any consent you may have given us in respect of your personal data and its use by us.

Please see our Privacy Policy on our website for more explanation as to your rights.

You may contact our Data Protection Manager as follows:

Email: gdpr@vermeerllp.com
Address: 130 Jermyn Street, London, SW1Y 4UR
Telephone: 020 7123 5200

We fully intend for your personal data to be managed responsibly. In the event that you wish to make a complaint, you are advised to first address the complaint to us by contacting our Data Protection Manager as indicated above. If the complaint is not resolved to your satisfaction, you may lodge a complaint with the Information Commissioner's Office (<https://ico.org.uk/make-a-complaint/>).

APPENDIX 3

RISK WARNING NOTICE

It is important to be aware of the following risks:

Investment Risk

Any investment involves a degree of risk and some investments are riskier than others. The value of an investment will depend on fluctuations in financial markets. The value and the income from investments can fall as well as rise and there is the risk that you may get back less than you invested. Past performance is also not a reliable indicator of future results.

The nature and extent of investment risk varies with, and is not limited to, the type of investment made, the terms of the investment, how the asset is traded, the location and domicile of the issuer, the investment's size in the portfolio, its complexity and whether any leverage is used.

Liquidity Risk

The liquidity of an investment is the ease with which it can be bought or sold. Certain types of investment may have lower liquidity than others and the level of liquidity may change over time. When liquidity is low, you may not be able to sell the investment at a reasonable price or in some cases at any price.

Currency Risk

If the investment is priced in a currency other than the portfolio's base currency, a FX transaction in connection with the purchase or sale usually occurs. This means that returns on such investments may differ significantly when converted back to the portfolio's base currency.

Market Risk

An investment made overseas will be subject to the risks inherent in the overseas market. These risks may include, and are not limited to, those emanating from regulatory change or government restrictions. In some cases, the risks will be made greater due to foreign exchange movements.

Price volatility in certain markets can be extreme. The financial markets that the investment trades in may experience dramatic swings in prices during short time periods. Generally, less developed markets are less liquid, lack the transparency, efficiency, market infrastructure and regulatory demands of more developed financial markets.

Credit Risk

The risk the issuer of a debt security will default by being unable to pay the interest or principal payments.

Interest Rate Risk

In most situations, when interest rates change, the value of fixed interest securities will also change. It is important to be aware that when interest rates rise the value of fixed interest securities will fall.

Regulatory & Legal Risk

The investment could be exposed to some form of regulatory or legal risk that could provide favourable or unfavourable returns. Tax changes may also affect the returns to investors. Such risks are difficult to predict and will depend on various political and economic factors. This risk can be elevated in less developed markets due to less government monitoring and regulatory practices.

Operational & Business Risk

This is the risk associated with the potential breakdown of internal systems and controls and the implications this has on financial products. Business risk is high in companies with weak management teams and is sometimes difficult to monitor externally.

APPENDIX 4

YOUR CUSTODIAN'S TERMS OF BUSINESS

("The Terms of Business")

These Terms of Business have been prepared by Pershing Securities Ltd ("PSL") and Pershing (Channel Islands) Ltd ("PCI") and cover the terms under which they will provide their services to you.

1. Relationship between you, us and Pershing

1.1. To help us provide our services to you we have entered into contracts with PSL and PCI under which PSL and PCI provide **clearing and settlement, safe custody** and other associated services to you ("the Pershing Contracts") in order to settle the investment transactions we execute or arrange for you and to hold the related investments and cash. When we consider it necessary or desirable in connection with our services to you, we may agree with PSL that it will also provide other services, such as investment dealing services, under the Pershing Contracts. The Pershing Contracts covers both us and you as one of our clients. Please note that any terms set out in bold in these Terms of Business are described further in the Glossary which is set out in Annex 1 to these Terms of Business.

1.2. PSL is a company registered in England, company number 2474912. It is a wholly owned subsidiary of The Bank of New York Mellon Corporation. Its registered office is at Royal Liver Building, Pier Head, Liverpool, Merseyside L3 1LL. PSL is authorised and regulated by the Financial Conduct Authority ("FCA") which is located at 12 Endeavour Square, London E20 1JN. PSL is also a member of the London Stock Exchange ("LSE"). PCI is a company registered in Jersey, company number 107773. It is a wholly owned subsidiary of The Bank of New York Mellon Corporation. Its registered office is at 5 St Andrew's Place, St Helier, Jersey, Channel Islands, JE4 9RB. PCI is regulated by the Jersey Financial Services Commission (the "JFSC") for the conduct of investment business. Unless otherwise stated, reference will be made to PSL with respect to the services provided by PCI (where PCI acts as your Custodian instead of, or in addition to, PSL). Where PCI is your Custodian reference to the FCA and FCA Rules should be taken to be reference to the JFSC and JFSC Rules.

1.3. So that you can understand your rights and obligations in relation to the Pershing Contracts, the main terms of the Pershing Contracts which affect you are summarised below. If you have any questions about the Pershing Contracts or these Terms of Business you should contact us to discuss this as soon as possible, and before you accept the Terms of Business or instruct us to act for you. As with any agreement or contract, you should also take any independent legal, financial or other advice which you think you need before accepting these terms.

- 1.4. By accepting these Terms of Business, you agree that:
- 1.4.1 we are authorised to enter into the Pershing Contracts on your behalf, acting as your agent;
 - 1.4.2 there is a contract between you and us and also between you and PSL. As a result of that contract, you will be bound by the Agreement and the Pershing Contracts;
 - 1.4.3 we may give instructions to PSL on your behalf as allowed by the Agreement and the Pershing Contracts and may provide information about you to PSL in connection with such instructions. When PSL receives such instructions or information from us, PSL is entitled to rely on them without making any further checks or enquiries; and
 - 1.4.4 PSL is authorised to hold cash and investments on your behalf and can transfer such cash or investments from your account to meet your settlement or other obligations to PSL.
- 1.5. When you read these terms, it is important you understand that you will be a client of ours, and you will also become a client of PSL for settlement and safe custody purposes.
- 1.6. We retain responsibility (including responsibility for complying with any related regulatory requirements) and PSL shall not have any responsibility for the following matters:
- 1.6.1 our own operations;
 - 1.6.2 the opening of an account for you;
 - 1.6.3 the supervision and operation of your account for you;
 - 1.6.4 our ongoing relationship with you;
 - 1.6.5 making all necessary anti-money-laundering compliance checks;
 - 1.6.6 explaining to you the types of investments covered and any risks relating to investments, investment transactions or any investment strategy to be pursued on your behalf;
 - 1.6.7 accepting and executing orders for investment transactions, following your instructions or within the mandate given by you;
 - 1.6.8 any required assessment of the suitability or appropriateness of transactions and investments for you or, where permitted and necessary, warning you of any possible inappropriateness of an investment;
 - 1.6.9 providing any investment advice to you or taking investment management decisions on your behalf;
 - 1.6.10 reviewing your accounts for market abuse, insider trading and compliance with FCA Rules and any other applicable legal and regulatory requirements to which we or you may be subject; and
 - 1.6.11 giving instructions to PSL which are proper, accurate and in accordance with any instructions or mandate you give us.

- 1.7 It is important that you understand that PSL is not responsible to you for the matters for which we are responsible. In particular, PSL will not provide investment advice nor will it offer any opinion regarding the suitability or appropriateness for you of any particular transaction or order. When it provides settlement and clearing or safe custody services, executes transactions or provides other services to you, PSL does so relying on the instructions and information we provide and is only responsible for following those instructions.
- 1.8 As a part of its offering, Pershing shall provide a Stocks and Shares ISA (including a Flexible Stocks and Shares ISA) for which Pershing will act as the ISA Manager. If you wish to use this ISA then you should read the terms and conditions set out in Annex 4.
- 1.9 As a part of its offering, Pershing shall provide a Junior Stocks and Shares ISA for which Pershing will act as the ISA Manager. If you wish to use this JISA then you should read the terms and conditions set out in Annex 5.
- 1.10 In order to receive the Junior Stocks and Shares ISA services you must:
- 1.10.1 be under 18 years of age, and (i) born on or after 3rd January 2011; or (ii) born before 3rd January 2011, but not hold a Child Trust Funds Account;
 - 1.10.2 procure that your Registered Contact return to us a copy of the application form and terms relating to the services;
 - 1.10.3 not be a citizen or resident of the United States for the purposes of the United States IRS Code or be designated at any time as having a substantial presence in the United States or act on behalf of any such person, including as trustee or agent or in partnership with such a person; and
 - 1.10.4 satisfy, together with your Registered Contact, our anti-money laundering and know your customer requirements.

2. Client Classification and the roles and obligations of people acting together or for one another

- 2.1 For the purposes of the rules of the Financial Conduct Authority ("FCA Rules"), you will be classified as either a retail client, professional client or an eligible counterparty. PSL will rely on information received from us in relation to your status and will adopt the same client classification for you. There is no similar classification under JFSC Rules. We will notify you in writing if there is any change to this position.
- 2.2 If you hold an account jointly or otherwise hold assets jointly, with any other person, then you and any such other person(s) shall have **joint and several liability** to PSL. Examples of situations where such **joint and several liability** may arise are as follows:

- 2.2.1 *Joint account holders:* As well as joint account holders being jointly and severally liable in the way described above, any payment or accounting made by PSL to any one or more of those account holders will be treated as made to all of them.
- 2.2.2 *Trustees:* As well as the trustees of any trust being jointly and severally liable to PSL in the way described above, PSL will treat the trustees as its client and not any beneficiary of the trust. Any payment or accounting made by PSL to any one or more of the trustees will be treated as made to all of them.
- 2.2.3 *Partners:* If a partnership is PSL's client then each partner will be personally, jointly and severally liable to PSL in the manner described above. Any payment or accounting made by PSL to any one or more of the partners will be treated as made to all of them.
- 2.2.4 *Agents:* If you are an agent acting on behalf of someone else (whether or not that person (the "Principal"), has been identified to PSL as the person for whom you act) you will be treated as PSL's client under the FCA Rules and you will also be fully liable to PSL under these terms as if you were acting for yourself. You and your Principal will be jointly and severally liable in the manner described above.

3. Your Accounts with PSL

- 3.1 PSL will open and maintain accounts on its books in your name in order to provide its services to you. When PSL receives any cash and investments from you, or on your behalf, then it will record them in your accounts.
- 3.2 PSL will have the right at its absolute discretion to stop providing services under these terms and close any accounts it holds and maintains in your name which may occur, for example (but not limited to):
- 3.2.1 if PSL is obliged to stop providing services under any applicable law or regulation (such as anti-money laundering provisions);
 - 3.2.2 if PSL is not able to provide the services effectively or providing the services would materially adversely affect PSL's operation;
 - 3.2.3 where we are in material breach of the terms of the Pershing Contracts, and we fail to rectify the position (including where there is a failure (whether by you or by us) to fulfil the obligations of payment or delivery of securities with respect to transactions for your account);
 - 3.2.4 if providing the services to you or to us in relation to your account will have a materially adverse effect on PSL's reputation; or

- 3.2.5 if your liabilities in relation to your account, and amounts owing by you to PSL, exceed or are likely to exceed the value of the cash and investments PSL holds for you.

We will notify you if PSL chooses to exercise this discretion and the reasons for its decision unless we or PSL are prevented from doing so by some legal or regulatory constraint.

- 3.3 You may at any time when there are no outstanding obligations owed by you to PSL, give notice in writing to us to stop receiving services from PSL and close your accounts with PSL.
- 3.4 If either you or PSL decide to close your accounts with PSL you will need to give instructions on the future custody of your investments so that PSL can transfer your money and investments (after deducting amounts owed to it) to your new custodian.

4. Communication & Instructions

- 4.1 PSL will only accept instructions for your accounts from us and not directly from you.
- 4.2 PSL may rely on and act on any instructions which PSL in good faith believes were given by us. Such instructions can only be cancelled or changed if we give written notice to PSL sufficiently in advance to enable PSL to prevent the processing of the instructions. If PSL seeks instructions from us and we do not respond within a reasonable time, then PSL may take such action as it considers appropriate on the relevant matter. PSL is not responsible or liable to you for any delays or inaccuracies in the transmission of instructions or other information (or any resulting action or failure to act) where that delay or inaccuracy is as a result of factors outside the reasonable control of PSL. This means that if the delay or inaccuracy is not PSL's fault, then you cannot obtain redress from PSL.
- 4.3 There may be circumstances where PSL refuses to accept any order or other instruction for your account. For example, PSL may do so for any of the reasons set out in paragraphs 05 above or where:
- 4.3.1 the transactions falls outside the dealing criteria that PSL applies;
- 4.3.2 PSL cannot carry out the instruction because it cannot access a market; or
- 4.3.3 we or PSL do not have the necessary FCA permission to deal in a particular investment.

We will inform you if PSL refuses to accept an instruction and the reasons for its decision unless we or PSL are prevented from doing so because of any legal or regulatory constraint.

- 4.4 If you have any questions or concerns relating to your account with PSL, you should tell us and we will deal with PSL on your behalf. You should not contact PSL directly.
- 4.5 All communications whether written, spoken, electronic or in any other form between you, us and/or PSL shall be in English.

5. Dealing

- 5.1 Normally we will be responsible for executing any order or transaction on your behalf. This means that PSL will not owe you a duty of best execution under the FCA Rules or otherwise when it carries out transactions executed by us on your behalf. We shall be responsible for ensuring best execution and for any decision to aggregate transactions for you with those of other people.
- 5.2 We may sometimes agree with PSL that it is to execute transactions for your account when we transmit orders to it. If we do this, we have agreed that, rather than you, we will be PSL's client for the purposes of the FCA Rules. In order for PSL to provide **dealing** services for your account, you need to ensure that:
- 5.2.1 where you are buying investments, there is sufficient cash in your account; and
- 5.2.2 where you are selling investments, documents of title or transfer forms that are required are delivered to PSL, in either case, prior to the execution of the transaction by PSL.
- 5.3 PSL will provide **dealing** or **execution** services on the following basis (please note that this service is not available from PCI):
- 5.3.1 execution by PSL will be subject to the FCA Rules and the rules of any investment exchange or other trading facility on which the transaction is executed;
- 5.3.2 PSL will treat the instructions we give them as binding on you. Any express instruction from us to PSL on your behalf concerning order execution will override PSL's order execution policy and will remain binding on you;
- 5.3.3 PSL will execute such orders in accordance with PSL's order execution policy as amended from time to time and provided to us;
- 5.3.4 PSL may combine your orders with orders for its other clients or PSL's own orders. PSL will only do this if it considers that it is unlikely to work to the overall disadvantage of you or any of its clients involved. However, it is possible that aggregating orders in this way may sometimes operate to your advantage and sometimes to your disadvantage by giving you a higher or lower price than might have been the case if your order had been placed individually; and
- 5.3.5 once PSL executes any transaction on your behalf, PSL will, unless you previously instructed us otherwise, either send us a contract note or provide us with the information we require in order to produce a contract note, or as otherwise agreed between PSL and us in accordance with FCA Rules. It is very important that you check the detail of all contract notes you receive, and

notify us (and not PSL directly) immediately if there is any error or if you have any question about them, because the contract note will be considered a conclusive and final record of any detail contained in it, unless we notify PSL of an error within one (1) working day after receipt by you and in any event no later than the settlement date for the transaction concerned.

6. Settlement of Transactions

6.1 When transactions are undertaken on your behalf, they will be due for settlement in accordance with market requirements and the relevant contract note or advice. These settlement terms will vary dependent upon the market and securities dealt in. The contract note will specify the settlement date.

As stated above, it is your responsibility to ensure that PSL receives the necessary investments, documents or cash (as the case may be) in order for PSL to settle the transaction on your behalf. PSL must receive any cash in cleared funds in sufficient time prior to the settlement date in order that it can make the necessary payment.

6.2 You hereby undertake that any cash or investments held by or transferred to PSL by you will be free from any right of a third party to make claims against that money or those investments. In particular, it is your obligation to make sure that no other person will be entitled to:

6.2.1 security rights over them, such as a **security interest**, a mortgage or a charge;

6.2.2 any right to withhold or retain them, such as a Lien;

6.2.3 any other rights to have any of the cash or investments paid or transferred to them or to prevent any transfer of such cash or investments from going ahead; or

6.2.4 any right to be paid all or any of the proceeds of a transaction;

so that settlement on your transaction can take place.

6.3 In order to settle transactions on your behalf, PSL will need to deal with the other party to the transaction (the "counterparty"). If a transaction has to be settled through a CCP or CSD the specific provisions set out in Annexes 2 and 3 shall apply.

6.4 You agree that you will not have any rights to cash or investments which are due to be received by you following a transaction until we have performed our obligations in relation to that transaction and PSL has been able to settle that transaction on your behalf. Similarly, PSL has no obligation to account to us for any such cash or investments until we have performed our obligations and the transaction has been settled. Until that has happened, PSL is entitled, without giving us and/or you any further notice, to sell or otherwise dispose of any such investments and apply the proceeds or any cash it receives in relation to the transaction in order to discharge or reduce any of your obligations in relation to the transaction.

6.5 PSL is not obliged to credit any cash or investments it receives to your account until it has received them in irrevocable and unconditional settlement of the relevant transaction without the sender being able to reverse the settlement or require redelivery. If for any reason PSL does credit cash or investments to your account earlier than this and PSL reasonably considers that irrevocable and unconditional settlement is unlikely to take place then PSL will be entitled to reverse the entry and require us or you to give back or redeliver the cash or investments or their equivalent.

6.6 In some cases, transactions will be subject to **netting**. You agree, in respect of any transaction which is subject to netting, to discharging the settlement obligations on a net basis in accordance with the rules of the relevant CCP, CSD or agreement with the counterparty. You acknowledge that if net settlement takes place then PSL will only be obliged to account to you for any investments or cash in connection with the transaction on a net basis.

6.7 If a transaction is undertaken on your behalf on non-UK markets, the specific provisions set out in Annex 3 shall apply.

6.8 Transactions executed on your behalf may settle in the books of a CCP, CSD or other body or custodian combined with transactions for the account of other clients of ours. If this happens then PSL will allocate between our clients the cash or investments received by it or on its behalf as a result of the settlements in accordance with the client trades we have notified to it. If PSL receives cash or investments for trades that were intended to settle at the same time (but which, for whatever reason, do not do so), then PSL will allocate that cash or investments received by it on the following basis:

6.8.1 in accordance with any priority for settlements determined by PSL prior to the transactions taking place;

6.8.2 if transactions have the same priority, then the allocation will be in order of time, by reference to the intended settlement date of the transaction which we specified to PSL, so that the earliest in time will settle first in each case;

6.8.3 where transactions have the same priority and intended settlement date, then the allocation will be by value so that the larger or largest trade by value (not by number of units or size) will be settled first in each case;

6.8.4 where these allocations are necessary, they will also be subject to the operation of the relevant CCP, CSD, custodian or other entity. Such operations may include a netting rule or practice, automatic splitting of unsettled transactions or other automatic aggregation, splitting or allocation.

6.9 **Time shall be of the essence** with respect to any payment, delivery or other obligation of yours to PSL.

7. Client Money

- 7.1 Money held by PSL for your account, will be held in compliance with the FCA Client Asset Rules when these apply to the money. This means, amongst other things, that PSL will hold your money in a client money bank account which is an account kept separate from PSL's own funds.
- 7.2 When considering where that client money bank account should be, PSL will exercise due skill, care and diligence and will periodically review the adequacy and appropriateness of any bank or credit institution where your money is deposited and of the arrangements for holding your money (such as which banks or credit institutions are used, the amount of client money deposited with the bank or credit institution and any use of fixed term deposits for client money). These requirements will not apply where your money is held with a central bank of a country. It is important to note that PSL is not responsible for any acts, omissions or default of a credit institution or bank chosen by it but only for taking care in its choice and monitoring.
- 7.3 When PSL holds your money in a client money account it may be pooled with money belonging to other clients of PSL. Where funds are pooled in this way, you will not have a claim for the specific sum in a specific account. Your claim would be against the client money pool in general and if there is a deficiency in the pool you would share pro rata in that loss. Such a deficiency is likely to arise if a relevant bank or credit institution with which client money is deposited by PSL becomes insolvent or otherwise defaults on its obligations to pay out money when due.
- 7.4 If PSL holds money which is not immediately required to settle an investment transaction, such money will be held in accordance with the provisions of this clause 7. Money may earn interest at a rate determined by the relevant bank or credit institution. However, the amount of any interest on money that would be credited to your account and made available to you (subject to clauses 11 and 12.3), will be determined by us, and will be as notified by us to you from time to time. Any interest will be calculated on a daily basis and credited to your account every six (6) months. We may decide not to credit your account if the amount falls below a threshold amount notified to you by us. Unless we notify you otherwise, you will be entitled to interest at the central bank base rate for Sterling, US Dollars, and the Euro, and the applicable local agent credit rate for other currencies, less a money management fee charged by PSL for managing the balance of client money on your account. If the money management fee is higher than the relevant interest rate referred to above then an appropriate charge in the form of debit interest may be charged for that balance as notified to you by us.

- 7.5 If we, or PSL, are unable to contact you (for example if you move and fail to update your address with us), so that we are unable to deliver money held for your account to you, or you fail to respond to our communications requesting any instructions from you concerning such money, with the result that any of your money held by PSL is unclaimed, PSL may transfer such money to a pooled client unclaimed money account subject always to PSL undertaking to make good any valid claim by you. The money held in the client unclaimed money account will be held by PSL in compliance with the FCA Rules and by PCI in accordance with the JFSC Rules.
- 7.6 Sometimes we or PSL will undertake a transaction for you which requires your money or investments to be passed to a **Relevant Party** in order to meet the obligations under that transaction or as **Margin or Collateral**. When a **Relevant Party** is involved then any money or investments passed to the **Relevant Party** may be at risk in the event of its insolvency. By accepting these terms, you acknowledge that this is the case.
- 7.7 Please refer to the provisions of Annex 3 which will apply if your money is held by a credit institution or bank outside the UK or EEA.
- 7.8 PSL may use a bank which is affiliated to PSL to hold client money on your behalf subject always to any specific FCA Rules concerning the use of such affiliated bank.
- 7.9 Money held by PSL in pooled client money accounts as set out in this clause 7, may (in part) be deposited (where permitted under FCA Rules) into a fixed term deposit. Money held in fixed term deposits cannot be withdrawn by PSL until the fixed term expires. This means that the part of the client money pool (as described in clause 7.3 above) which is held in fixed term deposits would not be available for immediate (or next day) withdrawal by you and the return of such client money would be delayed until the fixed term expires. In addition, PSL would not be able to move client money held in a fixed term deposit until the expiry of such fixed term and therefore would not be able to mitigate the risk of any default or insolvency of the relevant bank or credit institution and the possible creation of a deficiency in the client money pool (resulting in a loss as described in clause 7.3) which may arise during such fixed term. By accepting these Terms of Business you acknowledge you are aware of and accept the risks set out in this clause 7.9.

8. Custody and administration of your investments

- 8.1 Subject to clause 8.2, where PSL holds investments for your account it will register those investments in the name of a **nominee company** controlled by PSL or by a member of PSL's group.
- 8.2 In some situations, for example where the rules of a particular market or **CSD** require, PSL will register your investments in the name of an **Eligible Custodian**.

PSL will not usually register investments in your name but if it is required to do so, you shall remain responsible for the consequences of any such registration.

- 8.3 If your investments are held overseas the provisions of Annex 3 shall also apply.
- 8.4 When your investments (including any money held for your account) are held by a depository or an **Eligible Custodian**, such depository or **Eligible Custodian** may have rights against your investments, arising out the operation of local law, local regulatory rules, or market practice which may include:
 - 8.4.1 security rights over them including but not limited to a **security interest, a mortgage or charge**;
 - 8.4.2 rights to withhold or retain them, such as by way of a Lien;
 - 8.4.3 other rights to have the asset paid or transferred to them or to prevent a transaction involving such asset from going ahead; and/or
 - 8.4.4 rights to be paid any or all of the proceeds of a transaction involving the asset.

PSL has agreed with the **Eligible Custodians** that such rights as set out in this clause 8.4 are limited to those in respect of debts arising (i) out of properly incurred charges and liabilities arising from the safekeeping, administration and provision of services (including the settlement of transactions as set out in clause 6) with respect to the investments held by the **Eligible Custodian**; or (ii) under the rules of a **CSD, CCP** or local settlement system.

- 8.5 PSL shall keep a record of your entitlement to your investments in situations where PSL or an **Eligible Custodian** (or a **nominee company**) have registered or recorded your investment in a combined account or pooled in some other way with investments belonging to other clients of ourselves, of PSL or of the **Eligible Custodian**. In such a situation you should note the following effects and by accepting these Terms of Business you expressly acknowledge and accept these risks:

- 8.5.1 your individual entitlements may not be identifiable by separate certificates, physical documents or equivalent electronic entries on the register;
- 8.5.2 In the course of settlement of transactions from the omnibus account (due to the nature of such holding and the operation of settlements into and from an omnibus account) circumstances could arise whereby your assets as held in the pool are used to satisfy the transaction of another client whose assets are also held in the omnibus account. You should note that **Pershing** has in place systems and controls to reduce the occurrence of such events and to mitigate the risk to you from such circumstances as required under FCA Rules;

- 8.5.3 if there is an irreconcilable shortfall following any loss by or default of, PSL or the **Eligible Custodian** (or a **nominee company**) then you may not receive your full entitlement and may share in any shortfall on a pro-rated basis with any other investors;

- 8.5.4 sometimes PSL will receive investments or money on behalf of more than one client in connection with pooled holdings (for instance in a bonus or rights issue or takeover). In such circumstances PSL may, in accordance with FCA Rules, allocate such investments between clients on whatever basis it considers fair and reasonable in accordance with its allocation policy in force at the time;

- 8.5.5 if a share issue or other corporate event favoured the small investor (as defined by the issuer making the issue or creating the corporate event) your actual allocation may be less than it would be if your investments were registered in your own name; and

- 8.5.6 sometimes amounts or investments may arise which would not have arisen if the investments had been registered in your own name. You may not be entitled to any such additional amounts.

- 8.6 Any instructions you wish to give about the administration of investments held by PSL should be given to us in writing for us to send to PSL. We will not accept instructions from anyone but you and will not send instructions to other people on your behalf unless in either case you have previously provided us with a copy of a valid power of attorney authorising us, or the relevant person, to send such instructions.

- 8.7 PSL will inform us of any rights issues, takeover offers, capital reorganisations, conversion or subscription rights (collectively "corporate actions") that affect or relate to investments held on your behalf by PSL or an **Eligible Custodian**. It will do so as soon as reasonably practicable after receiving notice of those events. We will, in turn, inform you (unless otherwise agreed between you and us).

- 8.8 You should contact us and not PSL if you need any advice in connection with any corporate actions. PSL is not responsible for taking decisions in relation to any corporate actions and will require instructions from you or us on matters such as:

- 8.8.1 exercising conversion and subscription rights;
- 8.8.2 dealing with takeovers or other offers or capital reorganisations;
- 8.8.3 exercising voting rights (where PSL exercises such rights on your behalf).

- 8.9 If any notification is given to you pursuant to clause 8.7 from PSL, you must ensure that you provide instructions to us, for onward transmission to PSL in sufficient time to ensure that PSL is able to act upon such instructions. The instructions given, their consequences, and the consequences of failing to give us instructions, will be entirely your responsibility.

Neither we nor PSL is obliged to do more than give one notification on the relevant matter.

- 8.10 PSL will be responsible for claiming and receiving dividends, interest payments and other entitlements automatically arising in respect of the investments held for your account.
- 8.11 Sometimes PSL or an **Eligible Custodian** who is holding your investments may receive dividends, interest and other rights or payments after local withholding or similar taxes or other deductions are made from those sums. You accept that PSL or any **Eligible Custodian** may, if it is required to do so to comply with legal or regulatory requirements, withhold or deduct tax or other amounts including any costs incurred by PSL or the **Eligible Custodian** from any such payments. If you are eligible to reclaim any such withholdings or deductions then this will be your responsibility and not ours, PSL's or an **Eligible Custodian's**, to do so.
- 8.12 PSL will arrange for you to receive safe custody statement in the form and frequency required under FCA Rules (or for PCI under JFSC Rules) showing the investments and cash balances it holds for you, reported on a trade date basis (or on such other basis as stated in the statement itself). The frequency of such statements is determined by FCA Rules (and for PCI JFSC Rules). PSL and PCI may each provide such statement to you via appropriate on line or electronic means and provided we or PSL (and PCI) notified you of the availability of such statement, it shall be your responsibility to access and review such statement.
- 8.13 In some circumstances PSL may refuse to hold any investment or investments for you. This may occur in any of the circumstances outlined in clause 3.2 of these terms or if the investment concerned is of a kind for which PSL does not have facilities, or arrangements with appropriate **Eligible Custodians**, to hold or if holding the investment would expose PSL to liabilities. We will notify you if PSL chooses to exercise this discretion unless legal or regulatory constraints prevent such disclosure.
- 8.14 PSL will not loan your investments or use them to raise finance.

9. Consequences of Default

- 9.1 In the unlikely event that we fail to meet our obligations, then you will be responsible for paying cash or delivering investments (as relevant) when due to meet any settlement obligations. In such circumstances it is important that you respond promptly and **Time shall be of the essence** with respect to your obligations to make delivery or payment. If we and subsequently you then fail to meet such settlement obligations as set out in these Terms of Business then you should be aware that there will be certain consequences as a result of such failure, as further described in the remainder of this clause 9.
- 9.2 In such circumstances, you will not have a right to title or interest in any cash or investments received for

your account. PSL will have no obligation to deliver or account to you for any such cash or investments and PSL will be entitled to retain any such cash or investments until such time that you have met your obligations.

- 9.3 PSL may, without providing any advance notice, use any cash, or sell any securities, held or received for your account and use the proceeds (after deducting any costs in doing so) to eliminate or reduce any unpaid obligations owed to PSL. Any surplus remaining after discharging the obligations owed to PSL will be paid to you. If the cash and proceeds of disposals do not cover all the obligations owed to PSL, you will still owe PSL the balance.
- 9.4 PSL may, among other things, and without giving you further notice:
- 9.4.1 enter into any other transaction (including those with the effect of closing-out a position, or reversing or cancelling a transaction previously entered into);
- 9.4.2 take or refrain from taking further action which it considers would, or could, reduce or eliminate any liability under any transaction undertaken for you. PSL may take similar action where it reasonably considers that you have not, or are unlikely to perform your obligations under these terms.
- 9.5 Where PSL exercises its rights to use your cash or dispose of your investments under clause 9.3 above, it will have no further obligation to you (and neither you nor we will have any right to require PSL to account to you, or to anyone else, for any investments or cash received when the relevant transaction is settled).
- 9.6 You agree that PSL may **set off** transfer or apply (without further notice to you) any obligations or monies owed by PSL to you in order to satisfy in whole or in part any debt or obligation or sum that is due from you to PSL. This applies even if the obligations are in different currencies and includes the payment of any fees or charges due to PSL and any amounts due under your indemnity obligations to ensure PSL does not lose money as a result of your default under these terms or the services it provides you with.
- 9.7 In exercising its rights under these Terms of Business PSL may convert currencies and carry out FX transactions with you or on your behalf at such rates and in a manner that PSL may in its discretion determine. In such circumstances, PSL shall be acting on its own behalf and not executing your orders. It shall therefore not be liable to you for the result obtained, nor for its choice of which investments are to be sold.
- 9.8 The provisions in this clause 9 will continue to apply even if we or PSL stop providing services to you, so long as any obligations for your account remain outstanding. They apply in addition to any other right PSL has, and they will not be affected by any failure by PSL or anyone else to fully enforce their contractual rights, whether as to payment, time, performance or otherwise.

10. Limits on PSL's Liability to you and Indemnities you give to PSL

- 10.1 The liability of PSL (and where relevant its directors, employees or agents) to you for any loss or damage which you suffer in connection with these terms shall be limited to circumstances where any such loss or damage has arisen directly as a result of negligence, fraud or wilful default or a breach of the FCA Rules by PSL (or where relevant, its directors, employees or agents). In any event, PSL will not be liable to you for any indirect or consequential losses (howsoever arising). PSL will also not be liable for any loss that is a loss of profit or for any losses that arise from any damage to your reputation nor (where you are a business) for any loss of business.
- 10.2 This means that PSL will only be liable for losses that arise as a result of its negligence, fraud or wilful default and then only, for any losses which:
- 10.2.1 arise naturally from a breach by PSL of its obligations; and
 - 10.2.2 which were reasonably foreseeable to PSL at the time these terms are entered into, and in advance of any breach occurring in the proper performance of PSL's duties.
- 10.3 It is important that you understand that you are responsible for making sure that PSL does not suffer by reason of acting for you. You agree to make good and reimburse (indemnify) PSL and each of its directors and employees and agents ("Indemnified Persons"), after the deduction of any applicable taxes, for and against any liabilities, reasonable costs and expenses (including legal costs) and all duties and taxes (other than PSL's corporation tax) which are caused by;
- 10.3.1 PSL providing its services to you;
 - 10.3.2 material breach by you of any of these Terms of Business;
 - 10.3.3 default or failure by us and/or you to make a delivery of investments or payment when due; or
 - 10.3.4 any challenge to the validity of, or requirement for proof or ownership, or in respect of any fraud or forgery in relation to any investments delivered to PSL by you or us on your behalf, or in relation to any document of transfer regarding such investments. This will include any electronic instruction or information, which appears to transfer such investments.
- 10.4 You will not be liable to indemnify PSL under this clause 10 and PSL will have no right or claim against you or us if any consequences to PSL are caused by its own negligence, wilful default, fraud or any breach of the FCA Rules.
- 10.5 PSL has no liability to you or us for failure to provide any of the services under these terms if that failure is caused wholly or partly by events beyond PSL's

reasonable control, taking reasonable measures expected of a prudent provider of services under both the Pershing Contracts and these Terms of Business. This includes (but is not limited to) any failure of any third-party communication, settlement, computer or accounting system or equipment, any failure or interruption in the supply of data from a Data Provider, any political crisis or terrorist action, suspension or limitation of trading by any exchange or clearing house or any fire, pandemics, flood or other natural disaster. In any of these (or other similar) circumstances any or all of PSL's obligations will be suspended until the state of affairs giving rise to the failure of PSL is remedied.

- 10.6 The provisions in this clause 10 will continue to apply even if we or PSL stop providing services to you. They apply in addition to any other right of indemnity or claim of any Indemnified Person whether or not under these terms, and they will not be affected by any failure by PSL or anyone else to fully enforce their contractual rights, whether as to payment, time, performance or otherwise.

11. Charges

- 11.1 The fees and charges payable by you in relation to the services provided by PSL (in particular, the money management fee), and any taxes payable through PSL, will be set out in our charging schedule as notified to you from time to time. PSL can either pay these out of the assets and money it holds for you for your account or by way of set off as described at clause 9 above or require you to pay them directly to PSL or to PSL through us. You may also be liable for other taxes or charges which are not payable through PSL.

12 PSL's Conflicts of Interest

- 12.1 PSL, its associated group companies (associates) or nominees may provide services or enter transactions under these Terms of Business in circumstances in which PSL or its associates have a material interest. This interest could be direct or indirect and PSL or its associates could also have a relationship with someone else, which may involve a conflict of interest or potential conflict of interest with you. Examples where such actual or potential conflicts may happen include situations where PSL or any of its associates:
- 12.1.1 is, or is acting on behalf of, the counterparty to a transaction that is executed by PSL (whether or not involving a fee or commission or increased or reduced price offered or received by PSL or its associates);
 - 12.1.2 has a long or short position in the relevant investment; or

- 12.1.3 is otherwise connected to the issuer of the investment to which any instructions relate.
- 12.2 PSL may receive payments from fund managers if PSL provides services to those fund managers through the PSL Nexus Funds Trading Platform. Any payments of this kind are calculated by reference to the value of the assets that PSL holds in custody for its clients.
- 12.3 PSL may place money held for your account with a bank or other financial institution (in accordance with the FCA Rules) and retain some or all of the earned interest from that bank or financial institution.
- 12.4 A summary of PSL's conflicts policy (including further disclosure concerning the payments PSL may receive from fund managers) is published on PSL's website at www.pershing.co.uk under the heading of "compliance disclosures" (a hard copy is available on request from us).
- 12.5 You acknowledge that neither PSL nor any of its associates is required to disclose or account to you for any profit made as a result of acting in any manner described above.

13. Data Protection & Confidentiality of Information

- 13.1 PSL may store, use or otherwise process personal information about you which is provided by us on your behalf. The purposes for which it can store, use or process such personal information are providing investment and other services under these Terms, administering your account and other purposes closely related to those activities. This includes (but is not limited to) using information for the purposes for credit and anti-money laundering enquiries or assessments. In the UK and Jersey respectively, PSL and PCI operate and have made all the appropriate notifications in accordance with applicable data protection legislation.
- 13.2 Any information that we and PSL hold about you is confidential to you and will only be used in connection with providing services under these Terms of Business (as may be set out in more detail in PSL's published privacy policy as referred to in clause 17). Information of a confidential nature will be treated as such provided that such information is not already in the public domain. PSL will only disclose your information to third parties in the following circumstances:
 - 13.2.1 if required by law or if requested by any regulatory authority or exchange having control or jurisdiction over you, us or PSL (or any associate of us or PSL);
 - 13.2.2 to investigate or to prevent fraud, market abuse or other illegal activity;
 - 13.2.3 in connection with the provision or services to you by us or PSL;

- 13.2.4 for purposes closely related to the provision of the services or the administration of your account including without limitation for the purposes of credit enquiries or assessments;
- 13.2.5 if it is in public interest to disclose such information; or
- 13.2.6 at your request or with your consent.
- 13.3 The restrictions on the use of confidential information described above are subject at all times to a general proviso that PSL may disclose your information, solely for the provision of the services under these Terms of Business, to certain permitted third parties including members of its own group (associates) and its professional advisors (including accountants and lawyers) who are subject to confidentiality codes.
- 13.4 PSL will not sell, rent or trade your personal information to any third party for marketing purposes.
- 13.5 You should note that by signing or otherwise accepting these Terms of Business you agree that PSL is allowed to send your information internationally including to countries outside the EEA such as the United States of America. Some countries where your information is sent will offer different levels of protection in relation to personal information, not all of which will be as high as the UK. PSL will however, always take steps to ensure that your information is used by third parties only in accordance with PSL's policy.
- 13.6 You are entitled to a copy of any information PSL holds about you. In the first instance, you should direct any such requests to us and we will pass your request on to PSL. You should let us know if you think any information PSL holds about you is inaccurate and we will ask PSL to correct it.

14. Complaints

- 14.1 If you have a complaint you should notify us in the first instance. If however, your complaint concerns an aspect of the service provided to you by PSL or PCI and you also wish to copy your complaint to PSL or PCI directly copies should be sent either to:
 - 14.1.1 The Compliance Officer
Pershing Securities Limited
One Canada Square
London
E14 5AL
 - Or
 - 14.1.2 Pershing (Channel Islands) Limited
5 St Andrews Place,
St Helier,
Channel Islands
Jersey JE4 9RB
Attention: The Compliance Officer

14.2 Where you make a complaint both we and PSL will endeavour to resolve your complaint as quickly as possible but in any event we will acknowledge receipt of your complaint within three (3) business days. The acknowledgement sent will include a full copy of our or PSL's internal complaints handling procedure. We aim to resolve your complaint within four (4) weeks of receipt. Where this is not possible we will contact you to explain why resolution will take longer than four (4) weeks and indicate when we anticipate being able to resolve your complaint. Upon resolution of your complaint we or PSL will send you a final response letter, which sets out the nature of our response of any proposed resolution, and any appropriate remedy. If for any reason you are not satisfied with our or PSL's final response, or we have failed to resolve your complaint within eight (8) weeks of receipt, you may be entitled to refer your complaint to the Financial Ombudsman Service (where your complaint relates to PSL) or to the Channel Islands Financial Ombudsman (where it relates to PCI). A leaflet detailing the procedure is provided in our or PSL's (or PCI's) final response.

15. Investor Compensation

15.1 PSL is covered by the UK's Financial Services Compensation Scheme ("FSCS"). Compensation may be available from the FSCS if PSL cannot meet its obligations to you. Your possible entitlement to compensation will depend upon the type of business and the circumstances of the claim. Most types of investment businesses are covered for £50,000 per person per firm. Further information about compensation arrangements is available from the FSCS www.fscs.org.uk. Such compensation is not available in Jersey (for PCI).

16. Amendment

16.1 PSL reserves the rights to alter these Terms of Business at any time. It will only do so after giving prior written notice to us in reasonable time for you to consider the impact of those changes, unless it is impractical in the circumstances to give such notice.

17. Provision of information via a website

17.1 PSL may provide the following information to you via their website www.pershing.co.uk (under the "disclosures" section). Such information may be amended from time to time by PSL:

- 17.1.1 General disclosures of information about PSL, its services and disclosures relating to such Services in general;
- 17.1.2 Information concerning the safekeeping of investments and money held by PSL or any of its appointed **Eligible Custodians**;

- 17.1.3 Information on costs and charges;
- 17.1.4 Information relating PSL's order execution policy, order handling and conflicts of interest;
- 17.1.5 PSL's privacy policy covering the processing of any personal data under the relevant data protection legislation; and
- 17.1.6 Disclosures and policies containing general information in relation to the Services provided by PSL to you which PSL is required to publish or which is addressed to the generality of its clients (excluding amendments to these terms and conditions)

18. General

- 18.1 PSL's obligations to you are limited to those set out in these terms. PSL shall in particular not owe any wider duties of a fiduciary nature to you.
- 18.2 No third party shall be entitled to enforce these terms in any circumstances.
- 18.3 Any failure by PSL (whether on an ongoing basis or not) to insist upon strict compliance with any of these terms is not deemed to amount to PSL giving up or waiving any of any of its rights or remedies under them. The rights and remedies conferred on PSL will be cumulative and the exercise or waiver of any part of them will not stop or inhibit the exercising by PSL of any other additional rights and remedies.
- 18.4 These terms, where they apply to the relationship between you and PSL, are governed by English Law and you irrevocably agree to submit, for the benefit of PSL, to the non-exclusive jurisdiction of the Courts of England. Where the terms cover your relationship with PCI, the applicable law would be the law of Jersey, Channel Islands and you irrevocably agree to submit, for the benefit of PCI, to the non-exclusive jurisdiction of the Courts of Jersey.

ANNEX 1

GLOSSARY

Business Days	For the purposes of these Terms of Business only, means any day on which the London Stock Exchange is open for trading and which is not a public holiday in Jersey (with respect to services provided by PCI).
CCP	This stands for central counterparty, which is typically an institution that acts as an intermediary between two market participants. The seller of a security sells to the central counterparty. The central counterparty simultaneously sells to the buyer. This means that if one party defaults then the central counterparty will absorb the loss. This reduces the amount of counterparty risk that market participants are exposed to. Certain markets that PSL trades in on your behalf will involve a CCP and such transactions will be subject to the rules of the CCP.
Charge	A charge does not involve a transfer of ownership but gives a degree of control to a third party over any dealing or disposal of the asset.
Clearing and Settlement Services	The process by which, once an investment has been bought or sold on your behalf, the money is transferred from the buyer to the seller and the investments or the title to the investments is transferred from the seller to the buyer.
CSD	This stands for central securities depository which is a financial institution that custodies securities and provides securities settlement services to one or more markets. When settling a transaction on your behalf PSL may have to settle such transaction through a central securities depository or other securities settlement system and the transactions will be subject to the rules of the CSD.
Dealing or Execution Services	The buying or selling of investments on your behalf.
Eligible Custodian	This refers to a third-party custodian (or its nominee company) who PSL selects under the FCA Rules to register your investments with.
JFSC Rules	The Financial Services (Jersey) Law 1998, the Codes of Practice for Investment Business issued by the JFSC, the Financial Services (Investment Business (Client Assets)) (Jersey) Order 2001, the Policy Statement and Guidance Notes on Outsourcing issued by the JFSC and any other applicable Jersey laws and regulations.
Joint and Several Liability	If joint and several liability applies, the effect is that both you and the other person(s) separately promise to meet all obligations under these terms in respect of the account either (1) jointly with the other person(s); and (2) individually.

Lien	A Lien allows the person holding the asset to withhold or retain such asset pending the satisfaction of your obligations to them.
Margin or Collateral	This is where your money or investments are passed to a Relevant Party in order to provide security against the performance of obligations.
Mortgage	A mortgage transfers the ownership of an asset to a third party on the condition that it will be re-transferred on the discharge of the obligations owed to that third party.
Netting	Netting is the process under which PSL and/or the counterparty, CCP, CSD or other body concerned with settling a transaction are entitled to reduce their obligations to each other by setting off their obligations to deliver cash or securities to one another. This will give a single amount owing to one party from the other rather than a two-way payment. This single amount will then be paid or delivered to the relevant party.
Nominee Company	A nominee company is one which is used solely for holding investments separately and which does not carry on any other business.
Relevant Party	This includes (but is not limited to) an exchange, clearing house, intermediate broker, settlement agent or a counterparty dealt with directly (over the counter) outside any exchange. The Relevant Party may be located in the UK or elsewhere.
Safe Custody Services	The safekeeping and administration of any investments held by PSL or its nominee company on your behalf.
Security Interest	A "security interest" as defined in the Security Interests (Jersey) Law 2012.
Set-Off	This may arise where both you and PSL owe sums to each other. In such circumstances PSL may deduct any sums owed to it by you from any sums that are owed by PSL to you so as to either eliminate or reduce PSL's liability to you.
Time shall be of the Essence	This term is relevant to you where we have failed to meet our obligations to PSL on your behalf and means in relation to any payment, delivery or other obligation you have to PSL (which remains outstanding) that PSL shall be entitled to terminate these terms and, if appropriate, claim damages from you if you fail to perform your obligation in accordance with the time specified. It is intended to ensure that the relevant deadlines are strictly complied with.

ANNEX 2

CCP & CSD TRANSACTIONS

1. Settlement of CCP & CSD Transactions

1.1 In order to settle transactions on your behalf, PSL will need to deal with the other party to the transaction (the “counterparty”) and sometimes transactions will be settled through a central counterparty (“CCP”) or a central securities depository or other securities settlement system (“CSD”) or other depository transfer agent or similar body. When PSL deals with these parties, it does so as your agent, in good faith and on the basis that:

- 1.1.1 PSL is not responsible for any default or failure of the CCP, CSD or other counterparty or of any depository or agent of those entities; and
- 1.1.2 the delivery of any securities or payment to you as a result of the transaction is entirely your risk and not that of PSL.

1.2 In some cases, transactions will be subject to **netting**. You agree, in respect of any transaction which is subject to **netting**, to discharging the settlement obligations on a net basis in accordance with the rules of the relevant **CCP** or **CSD**. You acknowledge that if net settlement takes place then PSL will only be obliged to account to you for any investments or cash in connection with the transaction on a net basis.

1.3. We and you acknowledge and agree that:

- 1.3.1 PSL does not owe any duty to us, you or any other person to verify the appropriateness, adequacy or effectiveness of the rules, requirements and procedures of any market or **CCP**; or in relation to any exercise or non-exercise by the market or the **CCP** of its rights or powers under such rules, requirements and procedures; and
- 1.3.2 PSL shall have no liability for any loss or damage suffered or incurred by us or you by reason of PSL taking or failing to take any action, where such action or failure to take action is authorised, permitted or required by a market or a **CCP** or is otherwise deemed necessary by PSL under the rules, requirements and procedures of the market or the **CCP**.

2. Limits on PSL’s liability to you and indemnities you give to PSL

2.1 If any net settlement takes place then PSL’s only obligation to account to you will be to account for the net investments and/or cash received by it from any relevant **CCP**, **CSD**, or their respective agents, corresponding to the transactions relevant to the net settlement entered into on your behalf. In addition, you agree that PSL shall have no liability to you in connection with the exercise by any **CCP**, **CSD**, or their respective agents of their powers under any Power of Attorney or equivalent right or power in respect of any settlement account operated by or on behalf of PSL in connection with the settlement of any transaction.

ANNEX 3

OVERSEAS INVESTMENTS

1. Settlement of Transactions

If a transaction is undertaken on your behalf on non-UK markets, it will be subject to the rules of the relevant overseas exchange, clearing system and/or depository and to any terms of any foreign agent or custodian employed by PSL. These rules and terms may include, but are not limited to, such persons having the right to reverse a transaction (including reversing the delivery or re-delivery of any investment and any payment) even after it has been settled. In view of the number of markets and counterparties which may be used it is not possible to outline all of the potential rules and obligations that may apply in such cases.

2. Client Money

If your money is held by a credit institution or bank outside the UK or EEA or your money or investments are passed to a third party then it is important you understand that the legal and regulatory regime applying to that credit institution, bank or other third party will be different from that of the UK or the EEA. This means, amongst other things, that the rights and protections you have under the FCA Rules will not be available in respect of those banks or credit institutions or third parties. Other rules and regulations may apply to them under local law but your rights and obligations are likely to differ, particularly if such party is in default.

3. Custody & Administration of Your Investments

3.1 Whether or not they are registered or recorded in the name of PSL, or an **Eligible Custodian**, investments belonging to you which are held abroad may be subject to different settlement, legal and regulatory requirements from those applying in the UK or the EEA. Your rights may therefore also differ. In particular, such investments, by their nature may require, in order to effect settlement of your transaction, that the investment is held in a country that may not impose specific regulation covering the safekeeping of investments. Subject to PSL, satisfying itself that the arrangements for the holding of your investment in such market by the **Eligible Custodian** it appointed are adequate (based on the due diligence referred to in clause 3.2 of this Annex 3), PSL will deposit such investment with such **Eligible Custodian** notwithstanding the risks outlined in this Annex 3.

3.2 PSL will exercise due skill, care and diligence in the selection, appointment and periodic review of any **Eligible Custodian** it appoints (including the regulatory rules applicable to such **Eligible Custodian**) and the arrangements for the holding and safekeeping of your investments. It is important that you understand PSL is not responsible for anything done or not done, or any default of an **Eligible Custodian** unless that default is caused by the negligence, fraud or wilful default on the part of PSL or any of its nominee companies. Although PSL will seek to make sure that adequate arrangements are made to look after your ownership rights in any investments (especially in the event of its own insolvency) you should understand that your investments may be at risk if an **Eligible Custodian** becomes insolvent.

3.3 Overseas investments may be registered or recorded in the name of PSL or in the name of an **Eligible Custodian**. Your acceptance of these terms indicates your consent to the possibility of registration in such manner. However, any such registration in one of these ways will only be done after PSL has taken reasonable steps to determine that it is in your best interests to do so or that it is not feasible to do otherwise because of the nature of the applicable law and market practice in the jurisdiction where the transaction occurs. Registration in this way means that your investments may not be kept separate from other investments belonging to PSL or the relevant **Eligible Custodian**. Your protection may therefore be less, as if the person in whose name your investment is recorded defaults on its obligations, your investment may not be separately identifiable as yours. Accordingly, it may be subject to other third-party claims including claims by the general creditors of the defaulting person.

ANNEX 4

TERMS AND CONDITIONS FOR ISA ACCOUNTS

The terms of business set out in this section (the “additional terms of business”) only apply if you have applied to open a Pershing ISA (including a Pershing Flexible ISA unless otherwise stated). Please note that these additional terms of business apply in addition to the Terms of Business. Should any terms within this Annex 5 conflict with the Terms of Business, this Annex 5 shall prevail.

1. Applications & Subscriptions

- 1.1 Your application for a Pershing ISA can only be accepted after completion and submission of a Pershing **Stocks and Shares ISA** Application Form. PSL reserves the right to refuse any application.
- 1.2 Investment in a Pershing ISA may be only in the form of a cash subscription, **Share Exchange** or approved **HMRC** profit sharing or SAYE scheme. The Pershing ISA is a **Stocks and Shares ISA**.
- 1.3 Investment in an ISA is subject to any minimum investment threshold notified to you by us and the **annual subscription limit** as determined by **HMRC**.
- 1.4 You may only invest your own cash in an ISA. An ISA cannot be held in joint names and cannot be transferred to another person.
- 1.5 PSL may disclose to **HMRC** or to any other regulatory body any information concerning your Pershing ISA from time to time.
- 1.6 PSL will notify you if your Pershing ISA has or will become void as a result of any failure to satisfy the **ISA Regulations**. A breach of the **ISA Regulations** may result in the ISA being declared void and no longer qualifying for tax relief. Tax credits may have to be repaid and, where appropriate, all the interest credited in respect of cash on deposit will be subject to a deduction of tax at the appropriate rate. **Pershing** will not be liable to you in circumstances where your ISA has become void as a result of any failure outside of its control, including but not limited to a failure by you or your financial adviser, to satisfy the **ISA Regulations**.

2. Dividends & Benefits in your ISA

- 2.1 Dividends will be paid in cash, unless indicated otherwise, by you on the application form.
- 2.2 PSL will automatically add the shares arising from any bonus or capitalisations to your **ISA** provided that they are **Qualifying Investments**.
- 2.3 Where investments arising from rights issues, takeovers or mergers, or other corporate events, are not **Qualifying Investments**, PSL is required by the **ISA Regulations** to either sell the investments within thirty (30) days of the date on which they ceased to be **Qualifying Investments** (in which case the proceeds can remain within your ISA or to transfer the investments to you to be held outside of your ISA. You will be liable for any applicable withdrawal

charges or dealing costs or any other costs. In the event that all investments within the ISA cease to be **Qualifying Investments**, PSL reserves the right to apply any associated transaction fees as set out in the information about fees and charges we provided to you. PSL will use reasonable endeavours to seek instructions from us in this regard before taking any action.

- 2.4 You must ensure that cleared funds are available in your ISA to meet forthcoming instalments for nil paid rights or other investments with future or contingent obligations to make payments (to the extent PSL will permit these to be held in your ISA), without exceeding the Annual Subscription Limit. PSL will notify you in advance of instalments payable and, in the absence of instructions or further subscription, PSL reserves the right, in accordance with Clause 10 of the Terms of Business, to withdraw the shares from your ISA or sell sufficient of the shares to meet your obligations. PSL will charge a fee in respect of any such sale at the rate set out in the information about fees and charges we provided to you, or as otherwise notified to you in writing, from time to time.
- 2.5 PSL will make arrangements to enable you to vote and to attend shareholders’, securities holders’ or unit holders’ meetings and receive a copy of the annual report and accounts of every company or other concern in respect of **Qualifying Investments** held in your ISA if you so wish. You must, however, give PSL (through us) sufficient notice of your wishes in order to enable PSL to make the arrangements. A charge will be made for this service as shown in the information about fees and charges we provide to you from time to time. Voting arrangements are subject in all cases to PSL receiving notification of any vote, an instruction from us in good time and to the company, or other entity supervising such vote, accepting a vote form PSL. In addition to the circumstance set out in the Terms of Business, Pershing may refuse any instruction to vote in the event that Pershing believes such vote might cause PSL to incur risks to its reputation.

3. Dealing in your ISA

- 3.1 Investments within your ISA are restricted to **Qualifying Investments**.
- 3.2 You must be and remain at all times the beneficial owner of the **Qualifying Investments** in your ISA.
- 3.3 The legal title to the **Qualifying Investments** held in your ISA will be registered in the name of PSL’s nominee company.
- 3.4 The **Qualifying Investments** in your ISA must not be used as security for a loan.
- 3.5 PSL will send you a valuation statement on a regular basis in accordance with the FCA Rules on client reporting.

The value of any shares held will be calculated using the mid-market closing price as supplied by its data provider at the close of business on the date of the calculation. PSL does not accept any responsibility for this price, other than to accurately reproduce the price supplied to it by its data supplier.

4. Withdrawal or transfer of investments held in your ISA

- 4.1 You may withdraw, or transfer to another ISA manager, all of the investments held in your ISA for the current tax year, or all or part of previous years ISAs and any proceeds arising from those investments at any time by giving your Adviser instructions in writing. PSL will give effect to your instructions within the time stipulated by you which may not be less than thirty (30) days, following receipt from your Adviser. If you wish to withdraw your investments and request a paper certificate, it may occasionally take longer due to circumstances outside PSL's control (for example, paper certificates are issued by the relevant Registrar and the time taken for the issue of certificates may vary depending on the volume being issued at the time of request. For some types of investments, such as residual stocks, it may take several months.)
- 4.2 If you wish to receive the proceeds of a sale of **Qualifying Investments**, you must give us duly signed notice in writing and, following receipt by PSL of an instruction to this effect from us, a payment will be sent to you as soon as practicable after settlement has completed. PSL may make a charge each time you withdraw an investment from your ISA. Please refer to the Fees and Commission Schedule. No charge will be made for cash withdrawals from your ISA.
- 4.3 Withdrawals cannot be made in favour of any person other than you.
- 4.4 All **Qualifying Investments** that PSL sells on your behalf will be withdrawn from PSL's nominee company for delivery to the appropriate counterparty. No charge will be made for such withdrawals.

Additional terms for withdrawals and transfers in relation to a Pershing Flexible ISA

- 4.5 Where you have made a cash withdrawal from your Pershing Flexible ISA, whether this is from interest, dividends or sale proceeds, under the ISA Regulations, PSL will accept a repayment into your Pershing Flexible ISA of all or part of the withdrawals amount (Flexible ISA allowance), subject to the following provisions:
- 4.5.1 the repayment is made within the same tax year as the withdrawal;
- 4.5.2 the repayment is made into the same ISA as it was withdrawn from;

- 4.5.3 any payment received from you is deemed to be a replacement first of the amount withdrawn, before any additional payment can be viewed as new subscription;
- 4.5.4 any payment received from you which exceeds the amount previously withdrawn in that tax year will be viewed as new subscription and will be subject to normal ISA subscription rules;
- 4.5.5 where you have subscribed to a Pershing Flexible ISA in the current tax year, any withdrawal of cash is deemed to be first made out of the current year's subscription. Your subscription balance will therefore be reduced accordingly. However, even where your full subscription is withdrawn and not repaid into your Pershing Flexible ISA, you will still have made a current year subscription to a Pershing Flexible ISA and cannot subscribe to a different Stocks and Shares ISA in that tax year;
- 4.5.6 withdrawals of stock, for example certificate re-registrations, will not create a Flexible ISA allowance.

- 4.6 The transfer of all or part of your Pershing Flexible ISA to another ISA manager will not create an additional Flexible ISA allowance.
- 4.7 Where you have made a cash withdrawal from your Pershing Flexible ISA during the tax year and subsequently transfer that ISA to another ISA manager, the Flexible ISA allowance will not be transferred, that is, you will not be able to repay the withdrawal amount to your new ISA manager.
- 4.8 You may not make Additional Permitted Subscriptions into a Pershing Flexible ISA.

5. Termination of your ISA and Cancellation Rights

- 5.1 If you terminate the arrangement set out in these additional Terms of Business, you can either request transfer of the ISA including any **Qualifying Investments** to another ISA manager (or request that any cash balance is paid to you) subject to paragraph 4 above or the sale of the **Qualifying Investments** held in your ISA and remittance of the proceeds to you together with any other cash held within the ISA. Any outstanding fees and charges must be paid by you and will be deducted from any cash held. Where an ISA is transferred to another ISA manager, any dividends that are received after the transfer of shares will be processed in accordance with the account arrangements with regard to income unless you notify PSL in writing.

- 5.2 If PSL terminates the arrangements set out in these additional Terms of Business, PSL will give you at least thirty (30) day's notice in writing and will explain its reasons for doing so. This notice period will not apply, however, if your ISA has or will become void.
- 5.3 Should you die, the exemptions from tax will continue until the earlier of (i) the closure of the ISA; (ii) the completion of the administration of your estate; and (iii) the third anniversary of your death. No further subscriptions may be made into the ISA following your death. Where any investments remain in your ISA at the third anniversary of your death, PSL will transfer them to your general investment account. If otherwise instructed, PSL will dispose of the investment(s) held in your ISA and remit the proceeds to your personal representatives upon receipt of a certified copy of either a Grant of Probate or Letters of Administration.
- 5.4 If you wish to close your ISA and you notify us within fourteen (14) days of the opening day of the account, or within fourteen (14) days of the day you receive these Terms and Conditions, whichever is the later, the agreement between PSL and you as set out in this Annex 5 will be cancelled. The balance on your account and any gross interest earned will be repaid to you. Subject to **HMRC** conditions, you will still be able to open an ISA with another ISA manager or us and your full **annual subscription limits** will remain. (**HMRC** conditions, as at 1st November 2009, currently require an ISA to be cancelled within thirty (30) 30 days of account opening in order to retain full **annual subscription limits**.)

ANNEX 5

SUPPLEMENTAL TERMS AND CONDITIONS FOR JUNIOR ISAS

Definitions & Interpretation

In these Supplemental Terms and Conditions, unless otherwise stated, capitalised words shall have the same meaning as in the Pershing Terms and Conditions. In addition:

Application form shall mean the application form to be completed and signed for Junior ISA subscription, administration and redemption purposes.

Child Trust Funds Account shall mean a Child Trust Funds Account as defined by the Child Trust Funds Act 2004 (as amended).

Eligible Child shall mean a child who is under 18 years of age, and: (a) (i) is born on or after 3rd January 2011; or (ii) is born before 3rd January 2011, and does not have a Child Trust Funds Account; and (b) at the time when the application to open a Junior ISA application is made, the child is: (i) resident and ordinarily resident in the UK; (ii) a person who has general earnings from overseas Crown employment subject to UK tax within the meaning given by section 28 of the Income Tax (Earnings and Pensions) Act 2003; (iii) married to, or in a civil partnership with, a person mentioned in paragraph (ii); or (iv) a dependant of a person mentioned in paragraph (ii).

ISA Regulations shall mean the Individual Savings Account Regulations 1998 (as amended from time to time and including any guidance or interpretation given thereon).

Junior ISA shall mean a Pershing stocks and shares Junior ISA which conforms to the ISA Regulations provisions pertaining to stocks and shares Junior ISAs for the benefit of an Eligible Child. Note that **Pershing** does not currently offer a cash junior ISA.

Overall Subscription Amount shall mean the maximum amount(s) that may be applied to a Junior ISA in any tax year as specified in the ISA Regulations.

Registered Contact shall mean a person who is over 16, unless they are suffering from mental disorder and either has parental responsibility in relation to the Eligible Child or is the Eligible Child themselves who is over 16 years of age and has taken on management of the Account by making an application to Pershing for “registered contact” status and has received such approval.

Supplemental Terms & Conditions shall mean these Junior ISA supplemental terms and conditions.

Void shall mean a Junior ISA that is void in accordance with ISA Regulations and/ or HMRC instructions.

1. GENERAL

1.1 Pershing’s Junior ISAs and all applications relating to them are governed by the Pershing Terms and Conditions, these Supplemental Terms and Conditions and the ISA Regulations.

1.2 The Supplemental Terms and Conditions set out in this agreement provide details of additional terms and features, and explain how the Pershing Terms and Conditions are varied in their application to our Junior ISAs. Should the terms of the Pershing Terms and Conditions and these Supplemental Terms and Conditions conflict, then the latter shall prevail. Also, should the Pershing Terms and Conditions and/or the Supplemental Terms and Conditions conflict with the terms of the ISA Regulations, then the terms of the ISA Regulations shall prevail.

1.3 Where under the Pershing Terms and Conditions mention is made to ISAs, then this shall include Junior ISAs unless the contrary is indicated in the text below.

1.4 The parties agree that Pershing may accept payments from any third parties without satisfying itself that those funds are owned by the Registered Contact or the Eligible Child.

1.5 The Junior ISA remains the property of the Eligible Child. Any assignment of, or agreement to assign, investments under a Junior ISA, and any charge on or agreement to charge any such investments is Void.

2. THE JUNIOR ISA

Who can apply for a Junior ISA?

2.1 An application for a Junior ISA can be made either: (i) by a person who at the time of the application is over the age of 16, provided they act in the capacity of a Registered Contact for the benefit of an Eligible Child and the application which is being made is for the benefit of that Eligible Child; or (ii) by an Eligible Child as a Registered Contact for their own benefit and at the time of making the application the Eligible Child has attained 16 years of age.

When can we refuse to accept an application for a Junior ISA?

2.2 Pershing is within its rights to refuse to accept an application for a Junior ISA if:

2.2.1 the application is unsigned, undated or deemed by Pershing to in any way be incomplete;

2.2.2 in Pershing’s reasonable opinion, Pershing believes that any of the information or documentation presented in relation to the applicant is untrue or incorrect; or

2.2.3 Pershing believes that any of the eligibility requirements for qualification in relation to a Junior ISA as set by the HMRC and the ISA Regulations have not been satisfied.

What is the effect of Pershing accepting your application for a Junior ISA?

- 2.3 In the event that Pershing accepts an application for a Junior ISA, then the account will be regulated by the ISA Regulations and no benefit may be taken nor any payment made except in accordance with the ISA Regulations. All communication will be with the Registered Contact only.
- 2.4 The operation of the Junior ISA will be governed by the Pershing Terms and Conditions as modified by these Supplemental Terms and Conditions and the ISA Regulations.

3. INSTRUCTIONS

Who can give instructions to us concerning a Junior ISA?

- 3.1 Pershing shall only accept instructions from a Registered Contact concerning the operation of a Junior ISA.

4. REGISTERED CONTACT

In which circumstances can a change be made to the details of a Registered Contact?

- 4.1 Unless any of the provisions contained within paragraph 2.2 apply, with the consent of the existing Registered Contact, and in accordance with the ISA Regulations, Pershing agrees to consider an application in standard form for a change of the identity of the Registered Contact.
- 4.2 Unless any of the provisions contained within paragraph 2.2 apply, without receiving the consent of the Registered Contact and in accordance with the ISA Regulations as prescribed, Pershing shall consider an application in standard form to change the details of a Registered Contact in respect of a Junior ISA in circumstances where either by sight of suitable documentation or from any other evidence Pershing holds, Pershing is satisfied as to:
- 4.2.1 the death of the Registered Contact;
 - 4.2.2 the incapacity of the Registered Contact;
 - 4.2.3 the Registered Contact not being in contact with Pershing for a twelve (12) month period and an item of post having been returned undelivered;
 - 4.2.4 a court order being made bringing to end the status of the existing individual being a person with parental responsibility for the child;
 - 4.2.5 a court appointing a guardian or special guardian of the child;
 - 4.2.6 a court making an order that the person who is the existing Registered Contact cease to act as such;
 - 4.2.7 a new Registered Contact adopting the child; or
 - 4.2.8 the fact that the applicant is the Eligible Child themselves, and that the child is making the application to become the Registered Contact after reaching 16 years of age, but has not attained the age of 18, and does not suffer from any mental disorder as outlined in the ISA Regulations.

In which circumstances will the authority of the Registered Contact cease?

- 4.3 In any case, the authority of the Registered Contact shall cease on the earlier of the following events:
- 4.3.1 the Eligible Child becoming a Registered Contact in accordance with paragraph 4.2.8 above;
 - 4.3.2 the Eligible Child reaching 18 years of age, in which event the Account will no longer remain a Junior ISA and all investments held within the Account will revert to being held within an "adult" tax free ISA wrapper and become subject only to the Pershing Terms and Conditions, the ISA Regulations and Pershing standard ISA charges; or
 - 4.3.3 Pershing becomes aware of the fact that the Registered Contact ceases to have parental responsibility in which event all further instructions from such Registered Contact will be declined until an application is received for a change of Registered Contact in accordance with paragraph 4.2 above. In the meantime, Pershing shall not be responsible for any investment or other losses arising as a result.

5. JUNIOR ISA SUBSCRIPTIONS

- 5.1 Any subscriptions made to the Junior ISA are a gift to the Eligible Child.
- 5.2 Whilst the Eligible Child is alive, any person may make a subscription to a Junior ISA provided the subscription is by a cash payment method and the overall amount subscribed does not exceed the Overall Subscription Amount.
- 5.3 No subscription may be made to a Junior ISA once the Eligible Child has reached eighteen years of age.
- 5.4 Only one Junior ISA may be held for the entire period during which a child remains an Eligible Child. The subscriptions will always be applied to the same Junior ISA regardless of the tax year in which the subscription is received.
- 5.5 If Pershing receives information that there is a more recent Junior ISA held by an Eligible Child than the Junior ISA with us, then Pershing shall deal with this in accordance with the ISA Regulations.
- 5.6 If Pershing receives a subscription which exceeds the Overall Subscription Amount then that amount cannot be applied to the Junior ISA with Pershing, and Pershing will return that proportion of the cash received to the person who paid those funds to Pershing. If monies in excess of the Overall Subscription Amount are discovered to have already entered the Junior ISA, then such funds will be dealt with in accordance with the ISA Regulations.

6. WHAT CAN YOU INVEST IN WITH A JUNIOR ISA?

- 6.1 Investments available for investment with an ISA may also be held in a Junior ISA. Cash may only be held in a Junior ISA for the purpose of investing in qualifying Investments.

7. CLOSING A JUNIOR ISA AND WITHDRAWAL INSTRUCTIONS

- 7.1 You may not give Pershing instructions to close a Junior ISA or make withdrawals from it except where:

- 7.1.1 the Eligible Child has become terminally ill (see paragraph 7.2 below);
- 7.1.2 the Eligible Child has died (see paragraph 7.3 below);
- 7.1.3 the Eligible Child has reached the age of 18, and agrees (see paragraph 7.4 to 7.7 below);
- 7.1.4 a transfer is being made of the Junior ISA investments to another ISA manager (see paragraph 7.8 to 7.10 below);
- 7.1.5 on direction from the HMRC where the Junior ISA is Void (see paragraph 7.11 below); or
- 7.1.6 when subscriptions are small and then cease resulting in account charges bringing the account to a nil balance (see paragraph 7.12 below).

(i) Withdrawals on terminal illness of the Eligible Child:

- 7.2 Where the Eligible Child is terminally ill, subject to the definitions and conditions of the ISA Regulations, the Junior ISA will be closed upon receipt of evidence prescribed under the ISA Regulations and the proceeds shall be paid to the Registered Contact. In this event, no withdrawals can be made from a Junior ISA unless the Registered Contact has made a claim to HMRC to be allowed access to the investments held in the Junior ISA, and we have received a valid approval from HMRC. On withdrawal of funds the Account may be closed.

(ii) Closing an account on the death of Eligible Child:

- 7.3 If Pershing receives notice of the death of the Eligible Child, then this is first verified on sight of appropriate documentation, and then due payment will be made to the legal personal representatives of the Eligible Child. Pershing will write to the personal representatives of the Eligible Child and offer the choice of selling or stock transfer following receipt of appropriate documentation after which the Account shall be closed.

(iii) Closing an Account on the event of the Eligible Child turning 18:

- 7.4 When an Eligible Child reaches the age of 18 then the relevant Junior ISA will be transferred to an equivalent ISA.

- 7.5 The replacement ISA will be established for the beneficiary in their own right, and subject only to Pershing ISA Terms and Conditions (including charges to be paid in respect of it), and the ISA Regulations. On withdrawal of funds the Account will be closed.

- 7.6 Any Registered Contact will no longer be entitled to give us instructions in relation to the replacement ISA, unless the Account owner has authorised Pershing to accept any such instructions.

- 7.7 The holding will be automatically transferred to an adult ISA on the day of the Eligible Child's 18th birthday, but there is no obligation to return an ISA application form to facilitate this. An ISA application is only required when the investor wishes to add further subscriptions (to the new 'adult' ISA). No subscriptions may be made to the replacement ISA, nor instructions acted upon by Pershing in relation to that Account until such time as the Account holder has completed the relevant application form in accordance with the Pershing ISA Terms and Conditions.

(iv) Transferring a Junior ISA:

- 7.8 Transfers may be made between account providers for Junior ISAs or investments, in whole or in part from one type of Junior ISA to another, for example, from cash to stocks & shares and vice versa. Pershing shall permit the partial transfer in and out of a Junior ISA, as long as any current year subscriptions are transferred in full.

- 7.9 An account may be transferred even if at the time of transfer the child is no longer eligible for a Junior ISA or no longer resident in the UK. All transfers will be carried out in accordance with the ISA Regulations.

- 7.10 Previous years' Junior ISA subscriptions can be transferred in whole or in part. The current year's Junior ISA subscriptions must be transferred in full. These rights must be exercised in accordance with the ISA Regulations limit on each Eligible Child having only one of each type of junior ISA at any time. Pershing will close a Junior ISA which after transfer has a nil account balance.

(v) Repairing an invalid or void Junior ISA:

- 7.11 An invalid Junior ISA will be repaired in all circumstances immediately by Pershing on it becoming aware of any invalidity, except where the child is not eligible or has another valid Junior ISA of the same type, in which case it must be Voided. Pershing will never Void a Junior ISA except where instructed to do so by the HMRC and will treat all Void Junior ISA's in accordance with the ISA Regulations. Pershing will notify the Registered Contact in such circumstances.

(vi) Closing due to Nil Balance

7.12 A nil balance will arise in the following circumstances:

- a) a Junior ISA has been opened and a small initial investment has been made, but contributions then stop and agreed charges then bring the balance down to nil;
- b) a terminal illness claim has been accepted and the Registered Contact has withdrawn the funds held in the Junior ISA; or
- c) where all of the investments in a Junior ISA have been transferred. In any case Pershing may close the remaining nil balance account.

8. ADMINISTRATION

8.1 The Junior ISA investments will be held in the beneficial ownership of the Eligible Child.

8.2 Contract notes, statements of account, valuations and reports applicable to the Junior ISA shall be issued to the Registered Contact.

8.3 In the event that any person or organisation other than the Eligible Child or Registered Contact makes a subscription to the Junior ISA, it is the responsibility of the Registered Contact to advise such donor that its subscription is a gift to the Eligible Child and cannot be recovered.

8.4 Pershing will be under no obligation to record the identity of a donor to a Junior ISA, or to advise the Registered Contact of this fact.

8.5 Pershing may refuse to accept any subscription in circumstances where (i) Pershing reasonably believes that acceptance may result in the Junior ISA (or any part of it) becoming Void under the ISA Regulations or (ii) Pershing is prevented from doing so by Applicable Law (for example, in relation to anti-money laundering requirements).

8.6 Except for cash deposits, National Savings products and certain insurance policies (see below), the title to the Junior ISA investments will be registered:

- (i) in the name of Pershing;
- (ii) in the name of the Pershing nominee; or
- (iii) jointly in one of one of them and the child or Registered Contact.

8.7 Where a share certificate or other document evidencing title to a Junior ISA investment is issued, it will be held by Pershing or as Pershing may direct.

8.8 Where insurance policies are with an insurer that is also a Junior ISA provider, the title to the policies shall be vested in the Registered Contact and the policy document or other document showing title to the insurance policy shall be held by the Registered Contact.

8.9 Pershing will arrange, if the Registered Contact elects, for the Registered Contact to receive a copy of the annual report and accounts issued by every company or other concern in respect of shares. (A separate charge may be levied for this service).

8.10 Pershing will arrange, if the Registered Contact elects, for the Registered Contact:
(i) to attend shareholders', securities holders' or unit holders' meetings;
(ii) to vote; and
(iii) to receive, in addition to the annual report and accounts, any other information issued to shareholders, securities holders or unit holders.

8.11 Pershing will satisfy itself that any person to whom the Registered Contact delegates any of its functions or responsibilities under the terms agreed with the Registered Contact is competent to carry out those functions and responsibilities.

8.12 Where the applicant for the Junior ISA is between the ages of 16-18 (whether they are the child who will hold the account, or an individual applying for the account for an Eligible Child) any management agreement for the Account has legal effect as if the Account applicant was 18 years old or over.

ADDITIONAL CLAUSES

ALTERNATIVE CLAUSES TO COVER THE BELOW ISSUES

Agent as Client

If you are an agent acting on behalf of someone else (whether or not that person (the “Principal”), has been identified to PSL as the person for whom you act) you will be treated as PSL’s client under the FCA Rules and you will also be fully liable to PSL under these terms as if you were acting for yourself. You and your Principal will be jointly and severally liable in the manner described above. In addition, you represent warrant and undertake to us and PSL on a continuing basis that:

- (a) You have full power and authority to instruct us on these terms;
 - (b) You have no reason to believe that any such underlying client will not be able to meet any settlement or other payment obligation under these terms;
 - (c) At the time you instruct us to undertake a transaction for such underlying client there are sufficient funds or assets under your authority to permit settlement and you will not subsequently execute transactions which could result in insufficient funds or assets being available;
 - (d) To your knowledge any transaction undertaken for any such underlying client will be its valid and binding obligation enforceable against it in accordance with its terms subject to bankruptcy and other applicable laws;
 - (e) You have no reason to consider that any such underlying client is or is likely to become insolvent;
 - (f) You have obtained and recorded evidence of the identity of any such underlying client or any underlying principal of such person in accordance with applicable laws and regulations (including without limitation anti money laundering regulations); and
 - (g) You will provide to us and PSL such information and written confirmations in relation to any such underlying client as we or PSL reasonably require to comply with all applicable laws and regulations.
- (b) We are not aware of any reason why the cash or assets of the Trust which are the subject of our management (as described above) could not be used to meet such obligations.
 - (c) We will not effect any transaction for the account of the Trust if we have any reason to believe that the Trustees of the Trust will not be willing or able to meet their obligations in respect of such transaction and will notify PSL as soon as reasonably practicable if we have any reason to believe that the Trustees will not be willing or able to meet their obligations in respect of any transaction; and
 - (d) We believe on reasonable enquiry and on reasonable ground that the Trustees of the Trust will have all requisite power and legal capacity to enter into any such transaction and to perform their obligations under these terms.

In your capacity as Trustees of the Trust you acknowledge and agree with PSL that:

- (a) You will supply us with all relevant information of which you are aware in relation to the matters covered by our above warranties and you will not do anything to cause us to be in breach of our obligations as set out above;
- (b) Any payment or accounting made by PSL to any one or more of the trustees will be treated as made to all of them;
- (c) If you (or where you are more than one person any of you) become aware that any warranty given to PSL above has become untrue you will notify PSL and us in writing as soon as reasonably practicable on becoming so aware; and
- (d) Your aggregate liability to us PSL and any other person under these terms shall be limited to the net value of the asset from time to time under your control in your capacity as the Trustees of the Trust save that this limitation shall not apply in respect of any liability to PSL for any breach of your obligations to PSL under this sub-clause.

Trustee as Client

Where you are acting as a Trustee on behalf a trust (the “Trust”), as well as being jointly and severally liable to PSL in the way described above, PSL will treat the trustees as its client and not any beneficiary of the Trust. We shall warrant to PSL that:

- (a) We will only cause PSL to be obliged to settle any transaction where we have full management control and full authority to instruct use of sufficient of the assets or cash of the Trust to meet any obligation incurred by PSL on behalf of the Trust and that we have full authority to direct the custodian, if any, of the underlying customer’s assets and cash to meet any obligations so incurred and that we have sufficient authority and consents to perform our obligations under these terms.



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