

## 1 Commencement

1.1 These Terms of Business shall, as regards certain services to be provided by Cornhill Capital Limited (“CCL” or “We”), be binding upon us and upon you and constitute a legal agreement between us (“the Agreement”). The Agreement shall take effect once we have received your signed Terms of Business and completed Application Form. The enclosed Application Form, Jarvis Standard Terms and Conditions (the “Jarvis Agreement”), cover letter and PEP and ISA Terms and Conditions (if applicable) also form part of the Terms of Business and our Agreement with you as regards certain services to be provided by us. These Terms of Business are issued to you in accordance with the FSA’s rules and they set out the basis on which our services are offered to you.

1.2 You can communicate with us by writing to the address below or by telephone on +44 (0)20 710 9610. For the avoidance of doubt communications between us will be in English.

## 2 Regulator and Status Disclosure

2.1 We are authorised and regulated by the Financial Services Authority (“the FSA”) whose address is 25 The North Colonnade, Canary Wharf, London, E14 5HS. Accordingly we are an authorized person as defined by the Financial Services and Markets Act 2000. CCL’s FSA Register number is 449720. Please refer to the FSA’s website, [www.fsa.gov.uk/register](http://www.fsa.gov.uk/register) for confirmation of our address and regulatory status. Terms used in these Terms of Business shall be construed as they are defined in the FSA rules.

2.2 CCL is authorised by the FSA to provide investment advice, and to arrange transactions in investments. We will act on your behalf to arrange transactions and provide investment advice as further described in section 5 below.

2.3 CCL is a member of the London Stock Exchange.

## 3 Investment Objectives

3.1 In order to advise you properly, we must obtain certain information from you about your financial and personal circumstances. Our advice will be provided to you on the basis of the information you have provided in the enclosed Application Form which also forms part of these Terms of Business. We have asked you for this information in order to establish the suitability of any investment advice we may give you. You must notify CCL in the event that this information changes.

3.2 If you wish to discuss your investment objectives and/or your risk profile with us, it is important that you contact us as soon as possible.

## 4 Restrictions

If you do not inform us of any restrictions on the types of investments or markets on which you wish us to advise you, we may recommend to you any investment which falls within any categories set out in section 5 below. However, under the FSA rules we may only recommend to you investments which we have reasonable grounds for believing are suitable for you.

## 5 The Services We Will Provide

5.1 We will provide investment advice and we may also provide you with dealing services in relation to the following investments:

5.1.2 shares in British or foreign companies;

5.1.3 debenture stock, loan stock, bonds, notes, certificates of deposit, commercial paper or other debt instruments, including government, public agency, municipal and corporate issues;

- 5.1.4 warrants to subscribe for investments falling within 5.1.1 and 5.1.2;
- 5.1.5 depositary receipts or other types of instrument relating to investments falling within 5.1.1, 5.1.2 or 5.1.3;
- 5.1.6 unit trusts, mutual funds and similar schemes in the UK or elsewhere;
- 5.1.7 options on investments falling within 5.1.1, 5.1.2 or 5.1.3 above provided that the related transaction has no contingent liability;
- 5.1.8 options on investments falling within 5.1.1, 5.1.2 or 5.1.3 including options on an option;
- 5.1.9 futures on investments falling within 5.1.1, 5.1.2 or 5.1.3;
- 5.1.10 contracts for differences;
- 5.1.11 contractually based investments (excluding life policies);
- 5.1.12 futures and options in commodities.
- 5.1.13 securities which are not quoted on a recognised or designated investment exchange.
- 5.1.14 we will provide the above services (“the Services”) to you in accordance with our usual practices.
- 5.1.15 by way of clarification, we will not act as your investment manager, which means that we do not accept responsibility on a continuing basis for advising on the composition of your account or portfolio of investments held on your behalf by us or any other party. We may provide you with advice, recommendations and research on an unsolicited basis. You agree to receive communications of this nature. If you decide to transact business on the basis of communications received from us, you accept that we have no obligation to advise you on a continuing basis with respect to investments purchased on the basis of our recommendations. You accept that it is your responsibility to contact us if you wish to seek advice on any recommendations we have made. Although we will endeavour to provide advice when you request it, you acknowledge that we are not obliged to do so.

## 6 Provision of Execution and Custody Services

6.1 By entering into these Terms of Business you authorise us as your agent to enter into an agreement with Jarvis Investment Management plc (“Jarvis”) under the terms of which Jarvis provides settlement, safe custody, nominee and associated services. The current terms and conditions of Jarvis which will apply to your agreement with them are summarized below. Jarvis may amend its terms and conditions from time to time by notice in writing to us in our capacity as your agent. Jarvis is authorised and regulated by the Financial Services Authority (“FSA”) and is a member of the London Stock Exchange and LIFFE. Jarvis is entered on the FSA Register, reference number 116413. Jarvis is registered in England, company number 1844601, and has its registered office at 78, Mount Ephraim, Tunbridge Wells, Kent. TN4 8BS;

6.2 we are authorised to enter into the Jarvis Agreement on your behalf as your agent on the terms of the Jarvis Agreement (and such additional terms as we may reasonably determine from time to time subject to our advising you in writing of any material change to such terms). In the event of any conflict between these Terms of Business and the Jarvis Agreement with regard to services provided by Jarvis, the Jarvis Agreement shall prevail;

6.3 acceptance of these terms will constitute the formation of a contract between you and ourselves as regards the services to be provided by us and also between you and Jarvis as regards the services to be provided by them and that you will be bound by the terms of the Jarvis Agreement accordingly;

6.4 we are authorised to give instructions to Jarvis and to agree any subsequent amendments to the Jarvis Agreement on your behalf as your agent; subject to our advising you in writing of any material amendments to the Jarvis Agreement;

6.5 Jarvis is authorised as your agent to transfer cash or investments from your account to meet your settlement or other obligations to Jarvis;

6.6 you will remain a customer of CCL but will also become a client of Jarvis for settlement and custody purposes only. We retain responsibility for compliance and regulatory requirements regarding our own operations and the supervision of your account. In particular, we remain responsible for approving the opening of accounts, money laundering compliance, accepting and executing securities orders, assessing the suitability of transactions, providing any investment advice to you and for our on-going relationship with you. Jarvis neither provides investment advice nor gives advice or offers any opinion regarding the suitability of any transaction or order. You should direct all enquiries regarding your account to CCL

and not to Jarvis. Jarvis will not accept instructions or general queries from you directly. Jarvis reserves the right to refuse to hold any securities on your behalf in its safe custody and nominee service;

6.7 joint account holders and partners will be jointly and severally liable to Jarvis and Jarvis may discharge its obligations to make any payment or account to all such holders by making such payment or account to any one or more of them.

## 7 Custody of Your Investments

7.1 As explained in paragraph 6 above, acceptance of these terms provides authority for Jarvis to hold your investments in safe custody, to transfer securities from your account to meet sales effected for your account, acceptance of offers, or other matters covered by this agreement.

7.2 UK registered securities which Jarvis are holding for you, will be held in either their physical possession, or in uncertificated form, and if so, will normally be registered in the name of Jarvis's nominee company in accordance with the rules of the FSA.

7.3 You consent to the fact that overseas investments may be registered or recorded in the name of an eligible custodian or in the name of Jarvis in one or more jurisdictions outside of the United Kingdom, where, due to legal requirements or the nature of market practice in the jurisdictions concerned, it is in your best interests, or it is not feasible to do otherwise. As a consequence of this, your investments will not be segregated from investments belonging to Jarvis and therefore, your protection may be less should a default occur on the part of the person in whose name the investments belonging to you are so recorded. Investments belonging to you which are held overseas may be subject to different settlement, legal and regulatory requirements than those that apply in the United Kingdom. Jarvis will not be held liable in the event of a default by a custodian. However, Jarvis does not disclaim responsibility for losses arising directly from its own fraud, willful default or negligence.

7.4 Investments registered or recorded in the name of a nominee or custodian (as outlined above) will be pooled with those of one or more of Jarvis's other clients. Accordingly, your individual entitlements may not be identifiable by separate certificates, physical documents or equivalent electronic entries on the register. In the event of an irreconcilable shortfall following any default of the eligible custodian responsible for pooled investments, you may not receive your full entitlement and may share in that shortfall pro-rata. A further effect of pooling can be that following an allocation or share issue that favours the small investor, your allocation may be less than it otherwise would have been, had your investments been registered in your own name.

7.5 You should note that, in extremely restricted circumstances, investments held by Jarvis on your behalf may be registered in your own name, usually where law or market practice dictates, or whether it has been specifically agreed between Jarvis and us that the option for such registration will be provided.

7.6 Jarvis uses a wide range of eligible custodians globally to hold your investments. You should be aware that Jarvis may use another company in the group of companies to which Jarvis belongs as an eligible custodian.

7.7 Please note that your bearer investments may not be held by Jarvis, but by a third party. Such third party will be an eligible custodian in accordance with the rules of the FSA. Jarvis does not accept responsibility, in the absence of its own fraud, negligence or willful default, for the safe custody obligations of any third party, but prudence will be exercised in the selection of such agents.

7.8 Jarvis is responsible for the acts of its nominee to the same extent as for its own acts, including, for the avoidance of doubt, for losses arising from fraud, willful default or negligence.

7.9 Should you instruct us in writing that investments purchased through Jarvis be registered in the name of some other person (which must not be Jarvis or us, or an affiliate of Jarvis or us) whom you specify, the consequences of registration carried out in accordance with your instructions, are entirely your risk. The legitimacy of such registrations also remains your responsibility.

7.10 Your investments are held on a pooled basis, additional amounts may arise that would not otherwise have occurred had such investments been registered in your own name (for example, following certain corporate actions). Consequently, you are not entitled to these additional amounts. Jarvis allocates such shares to an account which we administer and may use them to offset against any debits arising on dividends or other corporate events.

7.11 Some companies provide benefits to shareholders relating to the nature of their business. These benefits will not necessarily be available to you automatically, as your stock will be registered in the name of a nominee company. Should

you wish to receive these additional benefits, let us know and we will make the necessary arrangements with Jarvis on your behalf.

7.12 All instructions regarding the administration of investments held by Jarvis on your behalf should be made in writing, to us, for onward transmission to Jarvis. We do not accept from, or send instructions to third parties, unless a valid power of attorney has been established for this purpose.

7.13 Jarvis will be responsible for claiming and receiving dividends, interest payments and other entitlements accruing. We will be responsible for instructing Jarvis to:

7.13.1 exercise conversion and subscription rights;

7.13.2 deal with takeovers or other offers or capital reorganisations;

7.13.3 exercise voting rights. The consequences of a failure on your part to provide instructions to CCL by the started time once notification has been given are entirely your own responsibility.

7.14 On a monthly basis, Jarvis will provide you with a statement detailing all investments held on your behalf in safe keeping. This statement will also provide details of any cash balance held for you as client money by Jarvis. The value of any stock held as collateral, as identified on the annual statement, is calculated using the mid-market closing price at the close of business on the date of the valuation. Holdings are reported on a trade date basis.

7.15 Any fees or costs payable by you in relation to the safe custody service will be notified to you on our current rate card which accompanies and forms part of these Terms of Business.

## 8 Settlement of Transactions

8.1 All transactions will be due for settlement in accordance with market requirements (as shown on the relevant contract note or advice). You undertake to procure that Jarvis will receive all cash and securities when due with respect to any transaction which it is to settle on your behalf and that all cash or investments held by, or transferred to, Jarvis will be and remain free of any lien, charge or encumbrance. All payments due to Jarvis will be made without set-off, counterclaim or deduction. All cash and investments held or transferred to Jarvis (or its nominees) will be subject to a first fixed charge by way of security for your obligations to Jarvis.

8.2 Jarvis will issue to you or your appointed agent:

8.2.1 promptly following each transaction confirmation in writing of the essential information concerning the transaction showing full details including our remuneration and any remuneration received from any third party (other than another client) in respect of that transaction, and

8.2.2 regular statements of account, which will show the transactions entered into by us together with income and other payments received from or on your behalf during the relevant period.

8.3 If you have been classified as a retail client Jarvis will send to you written confirmation of the execution of the order:

8.3.1 as soon as possible and no later than the first business day (being a day when trading is conducted on the London Stock Exchange) following the execution; or

8.3.2 if Jarvis are waiting for confirmation from a third party no later than the first business day following receipt of the confirmation from the third party.

8.4 Jarvis will on your request to us supply you with information about the status of your order.

8.5 If (a) you have been classified as a retail client; (b) Jarvis carry out a transaction for you in relation to units or shares in a collective investment undertaking; and (c) that transaction is part of a series of regular orders, then Jarvis will either supply the information described in 8.2 above for each transaction or send you a report at least once every six months.

8.6 Where a transaction in a SETS stock is subject to a special condition, for example it has been carried out on non-standard terms, and thereby incurs an additional charge or a difference in price; this will be shown on the contract note.

8.7 It is your responsibility to check the accuracy of the information given in the contract notes, statements and valuations and to notify us or Jarvis immediately if you believe anything to be incorrect.

## 9 Execution of Orders

- 9.1 We will act in good faith in our choice of counterparties when executing transactions on your behalf.
- 9.2 Details of our current execution policy are attached as an Appendix to these Terms (the “Execution Policy Notice”). You hereby confirm that you have read and understood the Execution Policy Notice and that you agree to our Execution Policy which may be amended from time to time by us by way of notification to you.
- 9.3 You agree that in the course of providing our services to you we may trade outside a regulated market or multi-lateral trading facility (a multilateral system which brings together multiple buying and selling interests in financial instruments in accordance with non-discretionary rules which results in a contract).
- 9.4 In effecting transactions on your behalf, subject to clause 9.5 below, we shall act in your best interests and in accordance with our execution policy (as such policy may be amended from time to time).
- 9.5 Specific instructions from you regarding your order may prevent us from following our execution policy in relation to such orders in respect of those elements of the order covered by your instructions.
- 9.6 We may (subject to any specific instructions received from you and subject to the terms of our execution policy) deal on such markets or exchanges and with such counterparties as we think fit. All transactions shall be effected in accordance with the rules and regulations of the relevant market or exchange, and we may take all such steps as may be required or permitted by such rules and regulations and/or by appropriate market practice.
- 9.7 If any counterparty fails to deliver any necessary documents or to complete any transaction, we will take all reasonable steps on your behalf to rectify such failure or obtain compensation in lieu thereof. All resulting reasonable costs and expenses properly incurred by us shall be paid by you.

## 10 Client Limit Orders

- 10.1 You instruct us not to make public client limit orders in respect of shares admitted to trading on a regulated market which are not immediately executed under prevailing market conditions, unless we consider that making such an order public would be in your best interests.
- 10.2 For the avoidance of doubt, client limit order means a specific instruction from you to us to buy or sell a financial instrument at a specified price limit or better, and for a specified size.

## 11 Aggregation of Transactions

CCL may aggregate transactions carried out for you with those of other clients and of our employees and associates and their employees and will allocate such transactions on a fair and reasonable basis in accordance with the requirements on the FSA rules. You recognise that each individual aggregated transaction may operate to your advantage or disadvantage.

## 12 Identified Principal

You alone will be treated as our customer under the FSA rules and you warrant to CCL that you are dealing as principal. You alone will also be treated as Jarvis’s customer under the FSA rules and you warrant to them that you are dealing as principal. You authorise us as your agent to disclose your details and any other information Jarvis may require in order to provide its services to you.

## 13 Payment and Accounting

- 13.1 You will pay all applicable fees, commissions and other charges in accordance with our published rate card in effect at the time the charges are incurred (a copy of our current rate card accompanies and forms part of these Terms of Business). All such charges may be deducted from your account with us.
- 13.2 Any alteration to our charges will be notified to you giving you at least ten business days’ notice of such alteration.
- 13.3 Payment details will be agreed verbally with you and confirmed in writing.
- 13.4 You should be aware that other taxes or costs may exist that are not paid through or imposed by CCL.

13.5 Any charges or other amounts due to us may be deducted from your assets or by set-off or, at our discretion, shall be payable by you in accordance with any relevant contract note or advice.

## 14 Commissions

CCL may share dealing charges with our associated companies or other third parties, or receive remuneration from them in respect of transactions carried out on your behalf. Details of such remuneration or sharing arrangements may be set out in the relevant contract note or confirmation. Where we effect a transaction for you in respect of a packaged product details of our remuneration will be made available on request. We may receive commission payments from packaged product providers based on the total level of business placed by us with those packaged product providers over a given period. Details of the aggregate commission figures received from each packaged product provider can also be made available to you on request. CCL may enter into renewal commission agreements whereby CCL may receive a percentage of certain securities and/or packaged products in respect of business undertaken on your behalf. We may also receive placing or other commission in connection with business undertaken for you and/or on your behalf.

## 15 Client Classification

15.1 We are required to classify you in accordance with the FSA's Conduct of Business rules. Based on the information you have provided to us regarding your experience and understanding of the investments listed in clause 5, we have classified you either as a professional client or as a retail client in respect of designated investment business and ancillary activities carried on between us.

15.2 Your client classification is contained in the attached cover letter which also forms part of these Terms of Business. By signing these Terms of Business you consent to be treated in accordance with your client classification for the purposes of the FSA's Conduct of Business rules and confirm that you understand that if you have been classified as a professional client in circumstances where you could otherwise have been classified as a retail client, you will lose certain protections afforded by the FSA's Conduct of Business rules and certain of these terms shall not apply to you. Further details will be set out in the attached cover letter if such circumstances apply to you.

15.3 We will review your classification to ensure that it remains appropriate to the kind of designated investment business we carry out for you.

15.4 If you have been classified as a professional client you have the right to request to be classified as a retail client. For professional clients our covering letter will set out the protections under the regulatory regime which will not apply to you.

## 16 Instructions

We prefer instructions to be given to us in writing to avoid any possible disputes. However, where instructions are given to us orally by telephone we will record the content, date and time of your call and you acknowledge (save for cases of manifest error) that this record will be final proof of your instructions to us.

## 17 Suitability

Where we are providing advice to you, in accepting responsibility for the merits or suitability of any advice, we do so on the basis that we exercise reasonable diligence, skill and care, in the light of circumstances which are or (using our professional skills) should be known to us at the time.

## 18 Client Money

18.1 CCL does not hold clients' money. We cannot accept a cheque made out to CCL (unless it is a cheque in settlement of our charges) or handle cash.

18.2 Your money will be held by Jarvis as client money, in accordance with the rules of the FSA which among other things, require them to hold your money in a client bank account, established with statutory trust status. Your funds will therefore be segregated from Jarvis's own funds at an approved bank, as defined in the FSA Handbook. The approved bank may hold such money with other clients' money in a pooled account in the name of Jarvis A/C Client. This means

that client money is held as part of a common pool of money, so you do not have a claim against a specific sum in a specific account unless it has been agreed that a specific account will be opened in your name; otherwise your claim is against the client money pool in general and in the event or default on the part of the approved bank which causes an unreconciled shortfall in the monies held in the pooled account you may share proportionately in the shortfall.

18.3 Client money in a foreign currency may be held in the country of origin, or the sterling equivalent protected in a UK bank. Money held in the country of origin will be held by an approved bank or depository, even though in a small number of countries, that bank or depository has failed to acknowledge that clients' funds will be afforded trust status, and as such has not accepted that it has no right of set off or counterclaim against money held in that client account, in respect of any sum owed on any other account of Jarvis. The legal and regulatory regime applying to such an approved bank or depository will be different to that of the United Kingdom. In the event of a default or failure of that foreign bank or depository, your money may be treated differently to the way in which it would be treated if it were held at an account in the United Kingdom and may not be separately identifiable.

18.4 In certain circumstances, Jarvis may hold your money in a bank outside the UK which does not meet the criteria of an approved bank. These circumstances are governed by strict conditions set out by the FSA. Any client money held for you at non-approved banks outside the UK must relate only to the settlement of transactions or the distribution of income. Client money will only be held in such banks because it is not possible to use approved banks due to the applicable law or market practice. In these circumstances, your money will only be held in such banks for as long as it takes to effect the necessary transactions. Such a bank may have failed to acknowledge that clients' funds will be afforded trust status, and as such has not accepted that it has no right of set off or counterclaim against money held in that client account, in respect of any sum owed on any other account of Jarvis. The legal and regulatory regime applying to such a non-approved bank will be different to that of the United Kingdom. In the event of a default or failure of that foreign bank, your money may be treated differently to the way in which it would be treated if it were held at an account in the United Kingdom and may not be separately identifiable.

18.5 "Uninvested money" (i.e. money not immediately required to settle an investment transaction) will attract interest at a rate of 1% below the published HSBC Bank plc Premier Account rate. Interest, of less than £1 will not be distributed.

18.6 We may undertake a transaction for you that involves your money being passed by us or Jarvis to any third party in connection with that transaction, including (but not exclusively) an exchange, clearing house, intermediate broker, settlement agent or OTC counterparty located either in the UK, or in a jurisdiction outside the United Kingdom. In the event of your money being passed to a third party, including (but not exclusively) an intermediate broker, settlement agent or OTC counterparty, outside of the UK, the legal and regulatory regime applying to the intermediate broker, settlement agent, or OTC counterparty may be different to that of the United Kingdom. In the event of a default of that entity, your money may be treated differently to the way it would be treated if it were held in the United Kingdom.

18.7 In certain circumstances, Jarvis may hold client money for you which has been allocated to you but has not been claimed by you. Jarvis will cease to treat as client money any unclaimed balances after a period of six years. However, this will only occur if Jarvis has taken reasonable steps to determine that there has been no movement on the balance during this period (notwithstanding any payments or receipts of charges, interest or similar items).

We or Jarvis will attempt to contact you at your last known address, and you will be given 28 days from the date of notification of the intention to cease to treat the balance as client money to make a claim. You should note that Jarvis undertakes to make good any valid claim against balances that were released from being treated as client money, upon the provision by you of information to evidence the validity of your claim.

## 19 Money Laundering Regulations

We are required to comply with the UK's anti-money laundering legislation and applicable FSA rules and industry codes. These impose a requirement on us to verify your identity and address, and report investment transactions if we are not able to satisfy ourselves properly as to your identity, the source, or the use of the money that you are either investing, transferring or encashing. We are required to have a record of proof of identity and address of all clients. We are required to pay particular attention to client identity and the source of the funds where a large or an 'unusual' transaction, or series of transactions, occurs.

## 20 Conflicts of Interest

20.1 When we give you investment advice or arrange transactions on your behalf, we, any associated company or some other person connected with us, may have an interest, relationship or arrangement that is material in relation to the investment, transaction or service concerned. You agree that we may effect transactions on your behalf and provide services to you notwithstanding such interests and notwithstanding such interests may involve a conflict or potential conflict with our duties to you. Under FSA rules we are required to formulate a conflicts of interest policy and shall ensure that transactions are effected on terms which are not materially less favourable to you than if the conflict or potential conflict had not existed. Any conflicts which we believe we are not able to manage will be disclosed to you.

20.2 When we recommend a transaction to you, we or one of our associated companies could be:

- 20.2.1 dealing as principal for our or its own account by selling the investment concerned to you or buying it from you; or
- 20.2.2 matching your transaction with that of another customer by acting on its own behalf as well as yours; or
- 20.2.3 buying or selling units in a collective investments scheme where we are or an associated company is the trustee, operator or an advisor of the trustee or operator of the scheme; or
- 20.2.4 buying investments where we are, or an associated company is, involved in a new issue, rights issue, take-over or similar transaction concerning the investment;
- 20.2.5 we shall not be liable to account to you for any profit, commission or remuneration made or received from or by reason of such transactions or any connected transactions nor will any of our fees, unless otherwise provided, be abated.

## 21 Security and Default

Jarvis will take a general lien or security interest over your investments held in safe custody. You confirm that in the event of Jarvis not receiving either cash or securities when due, in respect of any transaction which we are to settle or execute, or in the event of you or us not taking all such steps as may be necessary to secure the due and prompt execution and settlement of any such transaction, we or Jarvis may cancel, close out, terminate or reverse all or any contracts and sell, charge, pledge or otherwise dispose of any investment held for you, at whatever price and in whatever manner we or Jarvis see fit in our or its absolute discretion, (without being responsible for any loss or diminution in price), and may enter into any other transaction, or do, or not do anything (including the application of client money to you) which would, or could have the effect of reducing, or eliminating any liability under any transaction, position or commitment undertaken for you. For the avoidance of doubt, any asset held for you can be realised in order to discharge any obligation you have to us or Jarvis, including any investment held in safekeeping by Jarvis, and investments held in the course of settlement. You hereby grant to Jarvis a first fixed charge (with full title guarantee) and a general lien and right of set-off with respect to all cash, investments or other assets of any description paid or delivered (or which are due to be paid or delivered) to Jarvis for your account in settlement of any transaction. You warrant that all such cash, investments or other assets are beneficially owned by you or are paid or delivered to Jarvis with the beneficial owner's consent and free and clear of any charge, lien or encumbrance and that you will not charge, assign or otherwise dispose of or create any interest in such cash, investments or other assets other than in accordance with these terms without Jarvis' prior consent. You agree, at Jarvis' request, to take such action as Jarvis may require to perfect or enforce any security interest referred to above and you hereby irrevocably appoint Jarvis as your attorney to take any such action on your behalf. You acknowledge and agree that if you fail to comply with any of your obligations under these terms, the security interests referred to above shall be enforceable and the powers conferred by Section 101 of the Law of Property Act 1925 (as varied and extended by these terms) shall be exercisable. Section 103 of the Law of Property Act 1925 shall not apply to these terms. In the event that Jarvis does not receive cash or investments when due (as shown in the relevant contract note or advice) or in the event of you not taking all such steps as may be necessary to secure the due and prompt settlement of any such transaction (or if Jarvis reasonably consider that you have not or are unlikely to perform your obligations under these terms), Jarvis may, inter alia, without further notice to you, enforce its security and/or cancel, close out, terminate or reverse all or any contracts or transactions and sell, charge, pledge or otherwise dispose of any investment or other assets held by Jarvis at such time for the purposes of settlement at whatever price and in whatever manner Jarvis, acting in good faith, sees fit in its absolute discretion (without being responsible for any loss or diminution in price) and may enter into any other transaction or do or not do anything which would or could have the effect of reducing or eliminating liability under any

transaction, position or commitment undertaken for you. For the avoidance of doubt, any asset held for you can be realised in order to discharge any obligation you have to Jarvis, including any investments held in safekeeping by Jarvis and any investments held in the course of settlement. Jarvis shall not be liable to you in respect of any choice made by Jarvis in selecting the investments sold. The proceeds of sale (net of costs) will be applied in or towards the discharge of your liabilities and Jarvis will account to you for any balance. In the event that such proceeds are insufficient to cover the whole of your liabilities, you will remain liable to Jarvis for the balance. You hereby authorise Jarvis to set-off, transfer or apply (without prior notice) any indebtedness, liabilities or obligations of Jarvis to you in or towards the satisfaction of any indebtedness, liabilities or obligations or any sum that is due from you to Jarvis in any respect whatsoever (whether or not expressed in the same currency and including, without limitation, any payment of fees or charges due to us or Jarvis and payments pursuant to any indemnity). In exercising any right or remedy pursuant to these terms, Jarvis is authorised to effect such currency conversions and enter into such foreign exchange transactions with, or on behalf of you, at such rates and in such manner as Jarvis may, in its absolute discretion, determine. You acknowledge and accept that in exercising any right or remedy pursuant to these terms Jarvis will be acting on its own behalf rather than executing your orders. Neither Jarvis nor we shall be liable to you in respect of any choice made by Jarvis or us in selecting the investments sold. The proceeds of sale (net of costs) will be applied in or towards the discharge of your liabilities and Jarvis or us will account to you for any balance. In the event that such proceeds are insufficient to cover the whole of your liabilities, you will remain liable for the balance.

## 22 Liability

22.1 CCL does not accept any liability for loss, including loss of profits, costs or expenses suffered by you as a result or in connection with services provided to you unless and to the extent that such losses, costs or expenses are caused directly by our negligence, wilful default or fraud in carrying out the services, or any failure by us to comply with the applicable rules of the FSA or the provisions of the Financial Services and Markets Act 2000. We do not accept liability for any adverse tax consequences which may arise as a result of the purchase, retention or disposal of investments by you.

22.2 We shall not be liable or have any responsibility to you for loss or damage incurred or suffered by you if the provision of the services by us is interrupted, delayed or prevented by circumstances, acts or events beyond our control.

22.3 Nothing in the Agreement shall exclude or limit any liability we or Jarvis may owe you arising under the Financial Services and Markets Act 2000 any regulations made under it or under the FSA rules or any other statutory rights you may have. For further information about your statutory rights contact your local Trading Standards Department or Citizens Advice Bureau.

22.4 We shall not be liable or have any responsibility to you for any loss suffered by you as a result or in connection with the services provided to you by Jarvis.

22.5 Jarvis's liability to you shall be limited in accordance with the terms of the Jarvis Agreement.

22.6 You undertake to indemnify Jarvis and CCL against any liability (including legal costs) which may be incurred arising from the proper provision of services in relation to your account, any breach by you of the provisions of this agreement or the Jarvis Agreement or any failure to make delivery or payment when due.

22.7 You agree and acknowledge that CCL is acting as your agent in respect of the Jarvis Agreement and you shall not elect to take any proceedings or make any claims against CCL in relation to the Jarvis Agreement.

## 23 Tax

23.1 All sums payable by you under these Terms of Business are exclusive of all applicable taxes, which taxes will be payable by you to us at the same time as the sums to which they relate. You will be responsible at all times for payment of all other taxes due and for the making of all claims in relation thereto for filing any and all tax returns and for providing any relevant tax authorities with all necessary information in relation to any services we carry out for you. You acknowledge that neither we nor any associated company is providing tax advice to you.

23.2 You should be aware that other taxes or costs may exist that are not paid through us or imposed by us.

## 24 Complaints

24.1 If you have any complaints about the advice you receive or a product you have bought, in the first instance please write to the following address:

The Compliance Officer  
Cornhill Capital Limited  
7<sup>th</sup> Floor, One Angel Court  
London  
EC2R 7HJ

24.2 We will be able to supply you with a copy of our formal complaints procedure upon request or upon receipt of a complaint.

24.3 If you are dissatisfied with the response you may subsequently complain directly to the Financial Ombudsman Service at South Quay Plaza, 183 Marsh Wall, London E14 9SR, telephone, 0845 080 1800.

24.4 If however, your complaint concerns an aspect of the service provided to you by Jarvis and you wish to copy your complaint to Jarvis directly, copies should be sent to:

The Compliance Officer  
Jarvis Investment Management plc  
78, Mount Ephraim  
Tunbridge Wells  
Kent  
TN4 8BS

24.5 CCL and Jarvis will endeavour to resolve your complaint as quickly as possible, but in any event, will acknowledge receipt of your letter within five business days. The acknowledgement will include a full copy of our or Jarvis' internal complaints handling procedure. Upon resolution of your complaint, we or Jarvis will send you a final response letter, which sets out the nature of that resolution and any applicable remedy. As mentioned above, if for any reason you are dissatisfied with our or Jarvis's final response, please note that you are entitled to refer your complaint to the Financial Ombudsman Service. A leaflet detailing the procedure is provided in our or Jarvis' final response.

## 25 Compensation

25.1 We are a participant in the Financial Services Compensation Scheme. We understand that this offers protection to Retail Clients in respect of all the investment services we are authorised to conduct. This depends on the type of business and the circumstance of the claim. In relation to maximum compensation is £48,000 of the first so claimed. Further information about compensation arrangements is available from the Financial Service Compensation Scheme.

25.2 If you are classified as a Professional Client you may not be entitled to redress from the Financial Services Compensation Scheme.

## 26 Cancellation and Withdrawal

26.1 The provisions contained in this section apply to those clients who are regarded as "consumers" for the purposes of the applicable legislation and FSA rules. This section 26 does not apply to clients who deal in investments for business purposes.

26.2 Where you have entered into this Agreement between CCL by Distance Contract 1, you have the right to cancel the agreement between us within 14 days from the date of commencement of these terms (see section 1). However, you do not have cancellation rights in respect of: (1) transactions that you have entered into with us prior to cancellation, (2) where the transaction has been completed by both parties at your express request or (3) the contract is in relation to services subsequently provided under this Agreement.

26.3 If you enter into our PEP and ISA Terms and Conditions, and your ISA account forms part of a maxi ISA which contains both a stocks and shares and a cash component, in the event that you cancel the last component of the ISA your PEP and ISA Terms and Conditions will be cancelled and may also prevent you from entering into another ISA agreement until the next tax year.

26.4 The right to cancel this Agreement as set out in clause 26.2 cannot apply to any transactions undertaken during the cancellation period, where the prices of the investments concerned can fluctuate within the financial market place and where those fluctuations are outside our control.

26.5 If you do exercise your right to cancel the Agreement you may be required to pay us for any services we have provided in connection with the Agreement prior to the expiry of the cancellation period.

26.6 If you exercise your right to cancel under this section 26, a cancellation notice must be sent by post to the following address:

The Compliance Officer  
Cornhill Capital Limited  
7<sup>th</sup> Floor, One Angel Court  
London  
EC2R 7HJ

26.7 If you do not exercise your right to cancel as set out in 26.1 above, the Agreement remains valid.

## **27 Real Time Communications and Telephone Calls**

Our representatives or employees may call upon you by telephone or visit, or otherwise communicate with you without express invitation. You agree that we may record all telephone conversations between us and that we may use such recordings or transcripts of such as evidence in any dispute between us. Recordings or transcripts made by us may be destroyed according to our normal practice.

## **28 Stabilisation**

Stabilisation is the process whereby the market price of a security is pegged or fixed during the period in which a new issue of securities is sold to the public. You should note that we may effect transactions in securities the price of which may have been influenced by bids or transactions effected for the purpose of stabilising the price of those securities.

## **29 Unregulated Collective Investment Schemes**

The services we provide may include advising on and effecting transactions in units in unregulated collective investment schemes. As these schemes are not established in the United Kingdom, all or most of the protections afforded by the UK's regulatory regime (including the protection of the Financial Services Compensation Scheme) will not apply.

## **30 Credit Reference Agencies**

We may, without obligation, make searches about you at credit reference agencies who will supply credit information as well as information from the electoral register. We may use the results of such searches to verify your identity, to assess your application, or to consider how your account should be operated. This information may also be used for debt tracing and the prevention of money laundering.

## **31 Data Protection**

31.1 By entering into this agreement you will be providing us with personal information within the meaning of the Data Protection Act 1998. You consent to us processing such information for the purposes of performing our obligations under the Agreement and you accept that we may disclose such information to any of our associates for sales and marketing purposes unless we are notified of your objection in writing.

31.2 Jarvis may use, store or otherwise process personal information provided by you or us in connection with the provision of the services for the purposes of providing the services, administering your account or for purposes ancillary thereto, including, without limitation, for the purposes of credit enquiries or assessments.

31.3 The information CCL and Jarvis hold about you is confidential and will not be used for any purpose other than in connection with the provision of the services. Information of a confidential nature will be treated as such provided that

such information is not already in the public domain. Information of a confidential nature will only be disclosed outside the group of companies to which Cornhill Capital and Jarvis belong, in the following circumstances:

- 31.3.1 where required by law or if requested by any regulatory authority or exchange having control or jurisdiction over us or Jarvis (or any respective associate);
- 31.3.2 to investigate or prevent fraud or other illegal activity;
- 31.3.3 to any third party in connection with the provision of services to you by us or Jarvis;
- 31.3.4 for purposes ancillary to the provision of the services or the administration of your account, including, without limitation, for the purposes of credit enquiries or assessments;
- 31.3.5 if it is in the public interest to disclose such information;
- 31.3.6 at your request or with your consent;

31.4 Please be advised that, by signing this agreement, you will be consenting to the transmittal of your data outside of the EU/EEA.

31.5 In accordance with the Data Protection Act 1998, you are entitled, on payment of a fee, to a copy of the information Jarvis and CCL hold about you. In the first instance, you should direct any such request to us. You should let us know if you think any information we hold about you is inaccurate, so that we or Jarvis may correct it.

31.6 In accordance with the Record Retention Statement below, you will not be at liberty to request the destruction or deletion of any record pertaining to yourself unless we or Jarvis are required to do so by force of law or other regulatory requirement.

31.7 In accordance with legal and regulatory requirements, Jarvis will retain your records, for a period of six years following the termination of any relationship between us. This period may be extended by force of law, regulatory requirement or agreement amongst us.

31.8 We nor any of our associates are obliged to disclose to you or take into consideration a disclosure to a customer which would or might be a breach of duty or confidence to any other person.

## **32 Termination**

The Agreement may be terminated by either party giving written notice to the other party and will take effect immediately upon receipt of notice. Termination will not prejudice the completion of transactions already initiated on your behalf, and any commissions or fees accruing to us, or any rights or obligations already arising.

## **33 Governing Law and Jurisdiction**

These Terms of Business are governed by English law. The parties irrevocably submit to the non-exclusive jurisdiction of the English Courts.

## **34 Amendment**

CCL may amend these Terms of Business at any time by giving you not less than ten business days' written notice before such amendments take effect. You are deemed to have consented to any alteration that may be effected to these terms and conditions if we do not receive notification otherwise from you, in writing, within the time that the changes were notified to you and their coming into effect.

## **35 Notice and Communications**

35.1 Notices required to be given under these Terms of Business shall be given in writing.

35.2 These Terms of Business are supplied to you in English and we will communicate with you in English during the course of the Agreement.

## 36 Severability

If any of these terms should become invalid for any reason that shall not affect the rest of these terms which shall remain in force.

By signing these Terms of Business:

1. You agree that information we hold about you can be held on computer and/or paper files.
2. You agree that any information which you give us may be disclosed to third parties (e.g. credit reference agencies and product providers) for the purpose of processing your application or to another firm upon the sale of our business.
3. You agree that we may use the information that we hold about you to contact you from time to time by post, fax, e-mail or telephone to bring to your attention additional product services which may be of benefit to you.
4. We agree that any consent given by you under paragraph 3 above may be withdrawn by you at any time by contacting us in writing at the above address.
5. You warrant that the information you have supplied for the purposes of our providing to you services under the Agreement is complete and accurate and you furthermore agree to keep us informed of any changes to this information. You agree to provide us with further information as we may reasonably request from time to time in order for us to fulfill our regulatory, and/or contractual obligations in each case promptly following such a request. You acknowledge that a failure to provide complete and accurate information may adversely affect our ability to provide services under the Agreement. [I/We] acknowledge receipt of a Terms of Business of which the above is a copy and confirm that [I/We] have read and understood the same and agree to be bound by them.
  - Jarvis Investment Management plc employees are not permitted to trade in the shares of its clients unless the client's shares are widely traded on a regulated market and where the service provided by Jarvis represents a very small fraction of the client's total business.
  - Jarvis Investment Management plc employees are required to disclose and in most cases must obtain approval for any outside business interest or employment.