

Shard Capital Partners LLP

Terms of business

1.0 INTRODUCTION

These Terms of Business set out the terms under which we shall provide your financial services. They replace all earlier Terms. Please read it carefully and ask us to explain any points not clear to you. These Terms of Business constitute the formation of a contract between you and Shard Capital Partners LLP (Shard Capital). Shard Capital is authorised and regulated by the UK Financial Conduct Authority. Shard Capital and its affiliates undertake all dealing, settlement, safe custody, nominee and associated services for Shard Capital. These Terms of Business will come into effect on the date that we receive your correctly completed application form and identification documents, or on completion of your first deal. Other services are available and are subject to additional Terms of Business.

2.0 CLASSIFICATION

The rules of the Financial Conduct Authority ("FCA") require Shard Capital Partners LLP ("SHARD") to categorise its clients as retail clients, professional clients, or eligible counterparties. Retail clients receive the greatest level of investor protection and eligible counterparties receive the least level of protection. By being categorised as a Professional Client or Eligible Counterparty you will lose the protections which only apply to Retail Clients. If you are acting as agent for someone else, we will treat you alone as our customer for the purposes of FCA rules and you will be liable to that person in respect of your transactions. Upon request, we can provide you with further information on client classifications.

3.0 THE SERVICES WE WILL PROVIDE

We provide three distinct services. These are discretionary portfolio management; advisory trading; and execution only trading. These different services are more fully described below.

Execution only

- 3.1 You may request to be treated as an execution only client either in respect of all transactions or any specific transaction Where you have not supplied us with sufficient information (either orally or in writing) about your investment objectives, financial circumstance and the degree of risk you are prepared to accept or when, even though you have previously supplied us with information, we may reasonably believe that you are not expecting us to advise you about the merits of a particular transaction, then we will not make any personal or product investment recommendations, and we will treat you as an execution only customer.

As an execution only customer we will action all instructions on an 'execution-only' basis. This means that we are only able to act on the instructions that you provide. We cannot give you advice about what instructions you should give us. You are responsible for the investment decisions that you make when you engage our services as an execution-only customer. We do not accept responsibility on a continuing basis for advising you on the composition of your portfolio.

Where we undertake transactions for you on an execution only basis, in relation to shares there will be no further information required and we will carry out your instruction without providing

advice. For complex products such as derivatives and warrants we may request additional information from you to assess if the product is appropriate, should you choose not to provide this information we cannot guarantee that the investment will be suitable for your needs.

Advisory

- 3.2 If you are designated as an advisory customer we accept responsibility for advising you as to the merits of any particular investment based on the information supplied by you in our fact find pertaining to your individual circumstances, requirements and objectives. It remains your sole responsibility to inform us in writing any changes to your individual circumstances, requirements and objectives.

We may provide you with investment advice on your request. Information supplied by you, via our Fact Find, should be updated as necessary before we give you advice on a particular transaction and recommend it as suitable for you. If you do not inform us of any investment or types of investments which you do not wish us to recommend or purchase for you, we may recommend to you any investment.

However under the rules of the FCA, we may recommend to you any investments which we have reasonable grounds for believing are suitable for you.

Discretionary management

- 3.3 Shard Capital will manage on a discretionary basis your portfolio of cash and Investments. Subject to any instructions from you, Shard Capital shall have full authority at its discretion, without prior reference to you, to enter into any kind of transaction or arrangement for your account. Under the rules of the FCA, Shard Capital may only exercise discretion in accordance with your investment objectives and in a manner that Shard Capital believes to be suitable for you.

The above is subject to any limits or restrictions that you specify. Please set out in the *Annex I To The Asset Management Agreement (Annex I)* any limits or restrictions that you wish to apply:

- (i) On the type of Investment in which Shard Capital may enter into transactions on your behalf; or
- (ii) On the amount of the consideration which may be involved in any transactions on your behalf; or
- (iii) On the value of any Investments or any class of Investments which may be held for you; or (iv) In relation to any similar matters, if you do not inform Shard Capital of any Investments or types of Investments which you do not wish it to recommend to you or purchase for you, Shard Capital may recommend to you or purchase for you any Investment. However, under the rules of the FCA, Shard Capital may only recommend to you Investments that Shard Capital has reasonable grounds for believing are suitable for you.

Investment instruments

- 3.4 We may arrange or execute transactions on your behalf in any investments for which we have FCA permission to trade, as well as rights to or interests in any such investments.

- 3.5 The Services will be provided in respect of investments traded on the Official List of the London Stock Exchange, the Alternative Investment Market, Plus Markets, Irish Stock Exchange, or such other recognised investment exchange or unquoted securities which we may agree with you from time to time
- 3.6 We may also undertake transactions for you in units in unregulated collective investment schemes.

Aggregation of orders

- 3.7 We may arrange the aggregation of orders, which may, or may not, result in a more favourable price being obtained. We will only arrange this aggregation of your orders with other orders where we believe that doing so is in your best interests.

Order execution

- 3.8 Once accepted by us, your order is irrevocable, unless prior to execution at a particular order, you receive confirmation from us of any amendment or cancellation of your order. We will provide best execution as required by the FCA rules.
- 3.9 All contract notes, confirmations, and other notices or communications under these Terms will be emailed or will be despatched or transmitted to you at the address shown in our records and shall be conclusive & binding on you unless objection in writing is received by us within one business day from receipt by you.

We are required by the FCA to obtain prior consent from the client to our order execution policy and the client will be deemed to provide such consent once the client has given their first order after receipt of these terms. The Order execution policy will be provided to you at the same time as our terms of business

Communications

- 3.10 We, Shard, an associate or our respective employees may communicate an unsolicited real time communication to you where we consider this to be appropriate. You agree that we may make such a communication.

Quotations

- 3.11 Deal quotations are available on request. You acknowledge that the market price may have changed between the time at our giving a quotation and the execution of your instructions.

Order execution

- 3.12 When we accept your order, we will use reasonable endeavours to carry it out. However, we will not be liable for any loss or expense which you incur if we are unable to carry out an order for any reason (other than our negligence) or there is a delay or change in market conditions before the transaction is completed.

Agency

- 3.13 Where there is more than one person who is party to a joint account under these Terms any instruction, notice, demand, acknowledgement or request may be given by any one of you and any such communication will be treated as binding on the other(s). If you give us conflicting instructions, we will not have to act on them. Any notice given by us under these Terms to any participant in a joint account will be deemed to be notice to each person interested in the account, If you are a party to a joint account your liability will be joint and several. On the death of an individual or dissolution (if applicable) of any one of you, we may treat the survivor(s) as the only person(s) entitled to your money and investments.

4.0 POTENTIAL CONFLICTS OF INTEREST

- 4.1 You acknowledge that when we process an instruction from you, we or a connected person may have a material interest in relation to the investment or transaction concerned which may give rise to a conflict of interest.
- 4.2 We require our employees to comply with an independence policy. This means that they must disregard any material interest or conflict of interest when providing our Services to you. Such a conflict may arise because:
- (i) We may deal in investments where a connected person is involved in a new issue, rights issue, takeover or similar transaction concerning the investment:
 - (ii) We may match your transaction with that of another customer:
 - (iii) We may trade or deal in investments purchased or sold by you.
- 4.3 We have a conflicts of interest policy and take steps to mitigate any potential conflicts of interest. In the event of a conflict of interest arising where we identify that our actions to manage the conflict of interest is not sufficient to ensure, with reasonable confidence, that risks of damage to your interests will be prevented, we will clearly disclose the general nature and/or sources of conflicts of interest before undertaking business for you. Our Conflicts of Interest Policy can be provided to you upon request.

5.0 BEST EXECUTION

- 5.1 We have a duty to provide Best execution for you and we will take all reasonable steps to achieve this taking into account the execution factors. The factors we will consider are those which will allow us to obtain the best possible result in terms of total consideration (price and costs of execution) in accordance with the rules of the FCA. In order to obtain the best outcome for you we will use the best trading venue from the list of venues we have elected to use. We will add or delete Venues in accordance with our obligation to provide you with the best possible outcome.
- 5.2 Should you provide specific execution instructions to us, this may prevent us from taking the steps that are necessary to achieve the best possible result in respect of the order to which the instructions relate.

6.0 RISK WARNINGS -GENERAL

- 6.1 This notice is provided to you as a Retail customer in compliance with rules of the Financial Conduct Authority (FCA). (Retail customers are afforded greater protections under these rules than other customers and you should be aware of your rights of access to the Financial Ombudsman Service and other benefits). Please remember that the price or values of investments can go down as well as up. You may not get back the amount invested. Past performance is not necessarily a guide for future performance.
- 6.2 **Foreign Markets.** Foreign markets will involve different risks from the UK markets. In some cases the risks will be greater. On request, your firm must provide an explanation of the relevant risks and protections (if any) which will operate in any foreign markets, including the extent to which it will accept liability for any default of a foreign firm through whom it deals. The potential for profit or loss from transactions on foreign markets or in foreign denominated contracts will be affected by fluctuations in foreign exchange rates.

- 6.3 **Non-Readily Realisable Investments.** We may enter into transactions on your behalf in nonreadily realisable investments (investments in which the market is limited or could become limited). Non-readily realisable investments can be difficult to deal in and it can become difficult to determine what a proper market price is. Please inform us in the Annex I if you do not wish us to buy such investments for your portfolio.
- 6.4 **Small-Cap Shares.** There is an extra risk of losing money when shares are bought in some smaller companies including penny shares. There is a big difference between the buying price and the selling price of these shares. If they have to be sold immediately, you may get back much less than you paid for them. The price may change quickly and it may go down as well as up. These shares carry a high degree of risk and you can lose all of your investment.
- 6.5 **Suspensions of Trading.** Under certain trading conditions it may be difficult or impossible to liquidate a position. This may occur, for example, at times of rapid price movement if the price rises or falls in one trading session to such an extent that under the rules of the relevant exchange, trading is suspended or restricted. Placing a stop-loss order will not necessarily limit your losses to the intended amounts, because market conditions may make it impossible to execute such an order at the specific price.
- 6.6 **Clearing House Protections.** On many exchanges, the performance of a transaction by your firm (or third party with whom he is dealing on your behalf) is guaranteed by the exchange or clearing house. However, this guarantee is unlikely in most circumstances to cover you, the customer, and may not protect you if your firm or another party defaults on its duty to you. On request, your firm must explain any protection provided to you under the clearing guarantee applicable to any on exchange derivatives in which you are dealing. There is no clearing house for traditional options, nor normally for off-exchange instruments, which are not traded under the rules of a recognised or designated investment exchange.
- 6.7 **Insolvency.** In the event of Shard Capital Partners LLP insolvency or default, or that of any other brokers involved with your transaction, this may lead to positions being liquidated or closed out without your consent. In certain circumstances, you may not get back the actual assets, which you lodged as collateral and you may have to accept any available payments in cash. On request, your firm must provide an explanation of the extent to which it will accept liability for any insolvency of, or default by, other firms involved with your transactions.
- 6.8 **PLUS/AIM.** Shard Capital trades on in Alternative Investment Market (AIM) and PLUS Markets shares, all of which carry a higher degree of risk than blue chip investments and there is always the possibility of losing the capital sum invested. Investment should be restricted to the maximum one can afford to lose. These investments may not be suitable for everyone and if you have any doubt regarding suitability please contact your regular investment adviser. Shard Capital and/or its connected companies and/or directors or employees and/or members of their families may from time to time have a material interest (including options) in relation to an investment in which we deal on your behalf and may add or dispose of such securities from time to time. It is more difficult to buy and sell shares in small companies and it may not always be possible to deal. Market Makers operate with a wide spread between buying and selling prices for small companies and this spread and fluctuations in the share price may mean that you do not get back the full amount invested. AIM and PLUS markets are designed primarily for emerging or smaller companies. Both the AIM and Plus Market Rules are less demanding than those of the Official List of the London Stock Exchange. The past is not necessarily a guide to future performance.

7.0 RISK WARNINGS – SECURITIES SUBJECT TO STABILISATION

- 7.1 This statement complies with FCA rules. Shard Capital may from time to time carry out transactions in securities on your behalf, where the price may have been influenced by measures taken to stabilise it. You should read the following explanation carefully.
- 7.2 Stabilisation enables the market price of a security to be maintained artificially during the period when a new issue of securities is sold to the public. Stabilisation may affect not only the price of the new issue but also the price of other securities relating to it. The FCA allows stabilisation in order to help counter the fact that, when a new issue comes onto the market for the first time, the price can sometimes drop for a time before buyers are found. Stabilisation will be carried out by a 'stabilisation manager' (normally the firm responsible for bringing a new issue to the market). As long as the stabilisation manager follows a strict set of rules, he is entitled to buy back securities that were previously sold to investors or allotted to institutions, which have decided not to keep them. The effect of this may be to keep the price at a higher level than it would otherwise be during the period of stabilisation.
- 7.3 The Stabilisation Rules: limit the period when a stabilising manager may subsidise a new issue; fix the price at which he may stabilise (in the case of shares and warrants but not bonds); and require him to disclose that he may be stabilising but not that he is actually doing so. The fact that a new issue or a related security is being stabilised should not be taken as an indication of the level of interest from investors, nor of the price at which they are prepared to buy the securities.

8.0 CHARGES AND PAYMENTS FOR TRANSACTIONS

- 8.1 Our charges will be in accordance with our published rates in effect at the time the charges are incurred, there may be other charges for each contract to cover settlement/compliance costs. A copy of our published rates has been notified to you at or before the time the charge is incurred. You agree that we can deduct these charges from your account with us.
- 8.2 In addition to our charges you will be responsible for payment of; 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 if any applicable value added tax or similar charge.
- 8.3 We may impose certain additional charges as set out in our published rates which you shall be liable for in the event that you fail to comply with your obligations under these Terms. In particular, if you default in paying any amount when due, interest will be payable by you at the rate specified in our published rates, and in addition you will be charged for each letter concerning your breach of your obligations.
- 8.4 If we should enter into a transaction on your behalf using the London Stock Exchange SETS trading system or any other trading system which imposes any liability on us (in whatever capacity) we reserve the right to make additional charges to reflect the additional risk we are incurring including (without limitation) a mark-up or mark-down on the price of the investment concerned (that is at a premium or discount to the amount at which we will actually purchase or sell the investment concerned). Should we do so you will be notified at the time and details of any additional charges will be shown on the contract note issued to you.

8.5 In addition to paying any commission and charges due to us you will reimburse us for any costs and expenses which we may incur which are directly attributable to you. These charges may include (without limitation) the costs of providing information to third parties (such as your accountants or auditors), valuations, or our involvement in legal proceedings brought against you.

9.0 CLIENTS' ACCOUNTS

- 9.1 Any uninvested cash balances held in your account will be held in trust on your behalf in a client money bank account and will be dealt with in accordance with the FCA (client money) rules, which requires them to hold your money in a separate bank account with an approved bank. Your money could be held by the approved bank with other clients' money in a pooled client account. 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; your claim is against the client money pool in general.
- 9.2 You agree that where we hold money on your behalf, we may hold your money at any approved bank or pass your money to an intermediate broker, settlement agent, custodian or counterparty outside the UK. In such circumstances, the legal and regulatory regime applying to the bank, broker, agent or counterparty with which your money is held will be different from that of the UK and in the event of a default of the bank, broker, agent or counterparty your money may be treated differently from the position which would apply if the money was in the UK.
- 9.3 UK registered securities which the firm or a third party custodian are holding for you will be held in either their physical possession, or in uncertificated form in CREST and if so, will be registered in the name of the firm or the custodian in accordance with the rules of FCA
- 9.4 Investments registered or recorded in this way will be pooled with those of one or more of our 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 firm or 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.
- 9.5 You consent to the fact that overseas investments may be registered or recorded in the name of a third party custodian or in the name of the firm 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
- 9.6 We will exercise due skill, care and diligence in the selection, appointment and periodic review of any custodian or bank (other than a central bank) where your money is deposited and for the arrangements for holding your money but we shall not be responsible for any acts, omissions or default of the bank.
- 9.7 We may use a commercial settlement system to settle trades on your account and in such instances there is a period of time known as the Delivery versus Payment (DVP) window. During the DVP window, we may not treat your assets as client assets or your money as client money. The following provisions for the treatment of your cash and assets will apply:

- For a purchase on your account, the DVP window starts from the date on which you fulfil your payment obligation to us. The DVP window will then close on the

earlier of the date on which the DVP transaction settles or the third business day following the date on which you fulfil your payment obligation to us. If you have fulfilled your payment obligation and delivery of the asset has not occurred by close of business on the third business day following fulfilment of your payment obligation, we will treat your money as client money until such time as the asset is delivered to you.

- For a sale on your account, the DVP window starts from the date you fulfil your delivery obligation to us. The DVP window will then close on the earlier of the date on which the DVP transaction settles or the third business day following the date you fulfil your delivery obligation to us. Where payment has not occurred by close of the third business day following the date on which you complete your delivery obligation to us, we will treat your asset as a client asset until such time as we make payment to you.

You should be aware that the protections offered under FCA client money and client asset rules only apply when such money or assets are treated as client money or client assets as defined in the FCA handbook.

- 9.8 Any client money or clients assets due to you which are unclaimed by you on an account which has not been active for six years (client money) or 12 years (client assets) will cease to be client money or client assets. After which we may pay or transfer client money, assets or the liquidations proceeds away to a registered charity. We will attempt to contact you at least three times should we intend to exercise these rights and we undertake to make good any valid claim that may be subsequently made against any assets we have liquidated in this way.
- 9.9 No interest will be accrued, or payable, to you on client money balances.

- 9.10 In your best interests, or it is not feasible to do otherwise. As a consequence of this, your investments may not be segregated from investments belonging to the firm or custodian 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 because your investments will not necessarily be separately identifiable and may be subject to third party claims (including claims by general creditors) made against the firm or custodian. Investments belonging to you which are held overseas may be subject to different settlement, legal and regulatory requirements than those that apply in the UK.
- 9.11 We will exercise due skill, care and diligence in the selection, appointment and periodic review of any custodian. The firm will not be held liable in the event of a default of a custodian. However, the firm does not disclaim transfer responsibility for losses arising directly from its own fraud, wilful default or negligence.
- 9.12 Unless in settlement of an invoice for fees, all cheques should be made payable to Shard Capital's client account.
- 9.13 We will send you a statement about your funds and investments at least twice a year or annually if you have advised us of this in writing. This will be based upon the mid-price of the investments held at the specified date. If your investments include transactions with a contingent liability, you will be provided with a monthly statement and where these investments are held by our custodian, the statement will be provided by our custodian. You may obtain an up to date statement at any time, which will be chargeable.
- 9.14 We shall be entitled at any time with or without notice to you to debit your Account for any amounts due to us. We will be entitled to set off any amount due to you against any amount due to us, paying you or you paying us the resultant net balance.

10.0 INSTRUCTIONS

- 10.1 You agree to check all the documentation that we send to you in relation to your instructions. If there are any errors, you must let us know immediately. If we notice that there is an error in the documentation that we have sent to you in relation to your instructions, we will re-issue correct documentation immediately. You agree to return the original incorrect documentation to us and to repay any overpayments.
- 10.2 If you fail to comply with 10.1 you may be committing a criminal offence. We will charge you interest on the overpayment and we will have the right to purchase replacement investments. You will pay for the investments and any costs.
- 10.3 If we are negligent and we fail to accurately carry out your instruction, we will ask you to choose one of the following options in 10.4 or 10.5 (as appropriate).
- 10.4 Instructions to buy an investment. We will either:
- (i) buy investments to put you in the position that you would have been in if we had carried out your instructions correctly, or
 - (ii) pay you the difference between the price that should have been paid for the investment and the price that you actually paid.
- 10.5 Instruction to sell an investment. We will:
- (i) pay you the difference between the price that you obtained on the sale and the price that you should have obtained if we had carried out your instruction correctly.
- 10.6 You must take all reasonable steps to ensure the security

of your account. We are not responsible for your acts or omissions, including losses arising from fraud, wilful neglect or negligence.

- 10.7 We cannot sell investments for you unless you have the right to sell them. In giving us an instruction to sell an investment you are confirming that you own or have the right to sell that investment.
- 10.8 We may rely on and treat as binding any instruction, which we have accepted in good faith, and which we believe to be from you or someone entitled to instruct us on your behalf.
- 10.9 We may accept instructions from you verbally or in writing. However, we may, entirely at our discretion, require any instructions given verbally to be confirmed in writing. In the case of a joint account we shall require only one of the account holders' instructions prior to proceeding.
- 10.10 We may entirely at our own discretion accept limit orders from you. We may accept such orders on a 'fill or kill' basis or a 'good for the day' basis. We will use our reasonable endeavours to execute such orders; however, we do not guarantee that they will be executed even if the relevant price is met.
- 10.11 We may acknowledge your instructions verbally or in writing (i.e. by post or email). Instructions may only be given during applicable market hours on Business Days. Any validly submitted instructions received by us outside these hours will be processed on the following Business Day.
- 10.12 We will assume you have received a communication from us two days after we post it to you by 1st class post, five days after we post it to by 2nd class post, immediately if sent by fax or when it is received by your internet service provider if sent to you by email.
- 10.13 For Execution-Only orders, Shard Capital will not advise on the merits of nor assess suitability of any transaction proposed via instructions received from you. You accept that Shard Capital will not have any responsibility for the consequences of you entering into any such transaction and that any instructions should be directed in the first instance to Shard.
- 10.14 Shard Capital reserves the right at any time to:
- (i) refuse any instructions:
 - (ii) limit the size or value of any instruction:
 - (iii) impose any/or vary any dealing limit; and/or
 - (iv) seek additional clarification or verification of instructions where we or Shard Capital believe these are unclear. In particular, where investments are held in the name of another person, we may not act on your instructions until we have received satisfactory proof of your authority to deal for that other person.
- 10.15 You must send us any dividends or other benefits which you receive but are not entitled to immediately, we will then send them to the person who is entitled to them.
- 10.16 You will not be held responsible for deals placed using your account code if they have been placed after you have notified us of the loss, unauthorised use or disclosure of your details. Such notification needs to be in writing.
- 10.17 You agree to let us know immediately if you;
- (i) lose or disclose your account code, or if it is stolen or if you find out that someone has used your account code without permission
 - (ii) do not receive confirmation by post that we have carried

out your dealing instructions within three business days of you placing them

(iii) receive confirmation of a deal which you did not place.

11.0 SETTLEMENT

- 11.1 Whenever we execute your order we will confirm the transaction by sending you a contract note in accordance with the FCA rules showing amounts due to you or from you on the stated given settlement date and giving other essential details of the transaction.
- 11.2 In every case you are obliged to make available cleared funds to settle purchases on or before the settlement date, or if you are selling investments, to deliver to us the investments being sold at least two business days prior to the settlement date. Failure to fulfil your obligation may result in further charges as detailed in our published rates, and/or sale of securities held by you with us to cover costs and/or the purchase at your cost of stock to fill delivery.
- 11.3 All transactions are undertaken with the object of actual settlement. We reserve the right not to settle transactions or accounts with you unless and until we have received all necessary documents or money.
- 11.4 Please note that should you fail to comply with your settlement obligations we may exercise all or any of the rights we reserve to apply the additional charges referred to in 7.3 above.
- 11.5 Any documents of title shall be dispatched to you by first class post or courier and to the latest address notified to us by you and at your sole risk, we shall have no responsibility for any failure in delivery to you on the part of the postal system. If within 28 days of the settlement date of your bargain you do not receive a certificate for a purchase and/or a balance certificate in respect of a sale you must telephone us immediately, we will accept no responsibility for any non-delivery outside this deadline where our records show the certificate has been dispatched.

12.0 DATA PROTECTION AND DISCLOSURE OF INFORMATION

- 12.1 For the purpose of data protection legislation, as amended from time to time, you agree that our associates and Shard Capital may process personal data relating to you (using computer systems or otherwise) in carrying out our duties under these Terms.
- 12.2 We have certain responsibilities under FCA rules to verify the identity of clients and may need to make certain enquiries and obtain certain information from you for that purpose. You confirm that all information you supply will be accurate and you consent to us passing on such information, as we consider necessary to comply with any reporting requirements.
- 12.3 You agree that Shard, and our associates, may hold all the information you provide on computer for administration, marketing and risk assessment purposes. We will also disclose your personal information to Shard Capital for the purposes of providing our services to you. We may also disclose your personal information to third party credit reference agencies in order to search their files. Such credit reference agencies will record the search. By signing the Client Information Form, you consent to your personal information being used in this manner. If you do not wish your information to be used for marketing purposes, please inform us accordingly.

- 12.4 We may use, store or otherwise process personal information provided by you to 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 purpose of credit enquiries or assessments.
- 12.5 The information we hold about you is confidential and will not be used for any purpose except as stated in these Terms. 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 may be used in the following circumstances:
- (i) where required by law or if requested by any regulatory authority or exchange having control or jurisdiction over us (or any associate);
 - (ii) to investigate or prevent fraud or other illegal activity;
 - (iii) to any third party in connection with the provision of services to you by us;
 - (iv) for purposes ancillary to the provision of services or the administration of your account, including, without limitation, for the purpose of credit enquiries or assessments;
 - (v) if it is in the public interest to disclose such information; or at your request or with your consent.
- 12.6 By signing these Terms, you will be consenting to the transmittal of your data outside of the EU/EEA for the purposes outlined in 12.5 above.
- 12.7 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 are required to do so by force of law or other regulatory requirement. Under the Data Protection Act 1998 (the Act) and in order to facilitate our communications with you and our running of your affairs, you consent to our recording relevant personal information on our firm's computer system and when necessary disclosing such information to third parties in carrying out your instructions. We will supply to you at your request, on payment of a fee, a copy of the data relating to you and will provide you with a description of the data and the purposes for which it is processed, and with details of the source of the data and any potential recipients of the data. 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 may correct it.
- 12.8 We may contact you about our products and services which we believe may interest you, unless you inform us otherwise in writing.
- 12.9 You agree we may record all telephone calls without your specific consent. These recordings shall remain our sole property and you agree that they will be conclusive in the case of any dispute that may occur.
- 12.10 In accordance with the legal and regulatory requirements, we will retain your records, for a minimum 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.

13.0 COMPLAINTS AND COMPENSATION

All complaints should be directed in the first instance to the company Compliance Officer at the following address:

Shard Capital Partners LLP
One Tudor Street
London EC4Y 0AH

We 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 internal complaints handling procedure. Upon resolution of your complaint, we will send you a final response letter, which sets out the nature of that resolution and any applicable remedy. If, for any reason, you are dissatisfied with our final response, please note that you are entitled to refer your complaint to the Financial Ombudsman Service. A leaflet detailing the procedure will be provided in our final response.

We participate in the Financial Services Compensation Scheme and will provide you with details of the cover and protection that the scheme provides you with upon request. Further information is also available from the Financial Conduct Authority.

14.0 TREATING CUSTOMERS FAIRLY PRINCIPLES

14.1 Strategy and Behaviours

- (i) Treating Customers Fairly is implicit to Shard's ethos of providing exceptional service. This method of transacting business is core to our culture and the way that our people behave and do business.
- (ii) In setting our commercial objectives we will fully take account of our principals of treating Clients fairly.

14.2 Product & Service Design

We will develop and market products and services based on a clear understanding of the requirements of the Clients. We will monitor market changes and we will respond accordingly to ensure the continued appropriateness of our products and services.

14.3 Customer Communication

- (i) We will provide information to customers about the benefits, risks and costs associated with our products and services to help them understand what they can reasonably expect.
- (ii) We will provide appropriate information in a way that aims to be clear, fair and not misleading.
- (iii) We will pay due regard to our customers' information needs in a timely way.

14.4 Customer Expectations

- (i) We will honour the promises we have made to our customers.
- (ii) We will identify common underlying causes of complaints and take actions to eliminate the root causes.

14.5 Intermediaries

- (i) We will communicate our Treating Customers Fairly principals to our Intermediaries so that they can take them into account in considering the practices they adopt in their dealings with customers.
- (ii) We will provide our intermediaries with appropriate information on our products and services in order that they may advise their customers appropriately. For further information about Shard's TCF principles, initiatives or further support please contact your Shard Capital adviser.

15.0 AMENDMENT

We reserve the right to alter these Terms at any time. Alterations may be made to make it fairer to you, more easily understandable, correct a mistake, cover a development in the service, reflect a change in market conditions or practice, reflect a change in the law or regulation

or any code or application of practice, reflect a change in technology, cover a development or change on our service or facilities, ensure good

management or competitiveness of our business or for any other reason that we may deem to be valid. You are deemed to have consented to any alteration that may be effected to these Terms 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.

16.0 LIMITATION OF LIABILITY

- 16.1 Unless caused by our fraud, wilful default or negligence, we will not be liable to you for any loss suffered by you in connection with these Terms; this includes any loss of profits, indirect, consequential or incidental damages, liabilities, claims, losses, awards, proceedings and costs.
- 16.2 We will not have any liability to you in the event that we do not act on your instructions or are unable to provide any service under these Terms as a result of some factor that is beyond our reasonable control (for example, act of God, failure of computer or related systems, failure of market systems or failure of any third party to provide any service to which these Terms relates).
- 16.3 Shard Capital shall not be liable for any loss arising other than as a result of its own negligence or wilful default or contravention of FCA rules and, in any event, will not be liable for any indirect or consequential loss (including loss of profit).
- 16.4 Shard Capital shall have no liability for any circumstance or failure to provide any service if such circumstance or failure results from any event or state of affairs beyond the control of Shard, including, without limitation, any failure of communication or computer systems or equipment or the suspension of trading by any exchange or clearing house. Nothing in these Terms is intended to have the effect of excluding any liability to you, which by law or FCA rules cannot be excluded.
- 16.5 In the absence of instructions from you, Shard Capital reserve the right to take any action, they consider is appropriate to protect their interests. If they do so we reserve the right to pass onto you any cost, loss and expenses that may be incurred in their doing so.

17.0 INDEMNITY

- 17.1 Subject to our duties and liabilities under the Financial Services and Markets Act 2000 and FCA rules, we shall not be liable for any loss or damage suffered by you in connection with the provision of any services to which these Terms apply except to the extent that such loss or damage results directly from our negligence, fraud or wilful default.
- 17.2 You agree to indemnify Shard, against any liability or expense which may be incurred in the proper exercise of our powers and duties.
- 17.3 You agree that the only duties or obligations we owe you are those set out expressly in these Terms and that we do not owe you any other or further duties or obligations (whether arising from the fact that we are acting as your fiduciary or otherwise).
- 17.4 Nothing in these Terms excludes or restricts any obligation we have to you under the FCA Rules, the Financial Services and Markets Act 2000 or requires you to exempt or indemnify us against any breach by us of any such obligation.
- 17.5 Under no circumstances whatsoever shall we be responsible or liable for any claim, loss, damage, expense, or cost howsoever suffered arising in consequence of any breach, failure to perform or delay in performing any of our obligations to you arising from:
 - (i) any matter outside our control;
 - (ii) any breakdown in communications whether between

us and you or between us and any exchange or any intermediate broker or other third party through whom we are dealing on your behalf or the failure or defective operation of any computer system; and

(iii) anything done or omitted to be done by us or the performance or the failure or delay in performance of any of our obligations arising from the absence or inaccuracy of any information provided to us by you or on your behalf or any exchange or any intermediate broker or other third party through whom we are dealing on your behalf.

17.6 Under no circumstances will we be responsible or liable for any consequential loss including but not limited to any loss of business opportunity arising directly or indirectly out of or in consequence of anything done or omitted to be done by us or the breach by us of any obligation due to you. Nor shall we be responsible or liable for the tax consequences of any transaction which we may effect for you.

18.0 TERMINATION

18.1 Either party may terminate this Agreement at any time by giving the other notice in writing, which will be effective immediately

18.2 Any termination is subject to the settlement of any outstanding transactions and the payment of any charges and other amounts due (which become due and payable immediately). If you request us to re-register or transfer your securities, you will be liable to a fee to cover the cost. If you decide to transfer management of your positions or alter the Power of Attorney which permits Shard Capital to operate your account, an administration fee equal to 1% of the overall value of the positions held in your account will be deducted at the time of such transfer. This charge will be deducted to cover all costs associated with re-registrations or transfers.

18.3 If you want to close your account and terminate this agreement, you must send us written and signed notification of that. Your account will not be closed merely because there is a nil balance or you have sold all of your investments. If charges accrue on the deposit accounts, you will still be liable for them and we retain the right to debit your deposit account in the usual way.

18.4 We reserve the right to regard an account as dormant and therefore eligible for termination of this agreement if your account fits our dormancy criteria. Please contact us if you require further details of what this means.

18.5 If we exercise our right to end or suspend your use of the service we will not be liable for any losses, which may be suffered by you due to a decrease in the value of your investments between the date you purchased, and the date we sold them.

18.6 In the case of an individual, this Agreement will terminate automatically when we receive notification of your death.

18.7 The agreement will automatically terminate in the event of Shard Capital Partners LLP or its agents entering into insolvency, being convicted of criminal activity or being in material breach of its fiscal responsibilities.

19.0 GENERAL

19.1 No failure or delay by either of us in exercising any right, power or privilege in these Terms shall operate as a waiver thereof nor shall any single or partial exercise by us of any right, power or privilege preclude any further exercise thereof or the exercise of any other right, power or privilege.

19.2 The rights and remedies herein provided are cumulative and not exclusive of any rights and remedies provided by law.

19.3 You consent to our assigning, or transferring responsibility for the performance of any of our obligations in these Terms and the rights or benefits hereunder to such transferee as we may determine, provided such transferee shall (if required) be permitted to carry on the same business as us.

19.4 We may also appoint sub-contractors, agents or other parties and otherwise delegate such obligations and functions as we shall be required to perform in accordance with these Terms, as we shall in our absolute discretion determine.

19.5 Your rights under the Terms are personal to you and are not capable of assignation. Your obligations under the Terms may not, without our prior written agreement, be performed by anybody else.

19.6 To avoid any misunderstanding;

(i) in the event of there being any inconsistency between any of these Terms and any relevant rule of the FCA or any exchange or market (including any associated clearing house or clearance system) the relevant rule will take precedence:

(ii) in these Terms any reference to any statute, subordinate legislation (including without limitation the FCA rules or rules of any exchange or clearing house shall be to such statute, subordinate legislation or rules as amended or extended from time to time.

19.7 In the event that any provision or any part of any provision of these Terms is held to be unenforceable or illegal, in whole or in part, such provision or part shall to that extent be deemed not to form part of these Terms but the enforceability of the remainder shall remain unaffected.

19.8 The Contracts (Rights of Third Parties) Act 1999 shall not apply to these Terms and only the parties to it may enforce and benefit from these terms.

19.9 We may amend, suspend and/or terminate any or all of the Services at any time, where reasonably practicable we will give advance notice of this but this may not always be possible and/or practical for business reasons. 19.10 We may employ agents selected by us on any terms which we think appropriate.

20.0 ENTIRE AGREEMENT

These Terms are subject to English Law and you agree to submit to the exclusive jurisdiction of the English courts in the case of any dispute regarding them. These Terms sets out the all of the Terms of Business relating to our provision of these services to you subject to any subsequent amendments that may be notified. You agree that if any part of this agreement is found to be invalid or unenforceable by any court, this will not affect the rest of the agreement, which will remain in full force and effect.

GLOSSARY

AIM

The Stock Exchange introduced a new, less regulated, market in June 1995. This is the Alternative Investment Market (AIM). It is designed primarily to enable trading in new, small and growing companies. A Press Release dated 20 February 1995 confirmed that shares and securities on AIM do not fail to be treated as quoted or listed for tax purposes.

Clearing House

A company through which transactions on an exchange may be cleared.

Debenture

The investment, specified in article 77 of the Regulated Activities Order (Instruments creating or acknowledging indebtedness), which is in summary: any of the following which are not government and public

securities:

- (a) debentures;
- (b) debenture stock;
- (c) loan stock;
- (d) bonds;
- (e) certificates of deposit;
- (f) any other instrument creating or acknowledging indebtedness.

Debt Instrument

Debentures, debenture stock, loan stock, bonds, certificates of deposit or any other instrument creating or acknowledging indebtedness.

Exchange

A regulated market or designated investment exchange.

Execution-only transaction

A transaction executed by a firm upon the specific instructions of a client where the firm does not give advice on investments relating to the merits of the transaction.

Financial Ombudsman Service

The scheme provided under Part XVI of the Act (The Ombudsman Scheme) under which certain disputes may be resolved quickly and with minimum formality by an independent person.

Nominee Company

A body corporate whose business consists solely of acting as a nominee holder of investments or other property.

Penny Share

A readily realisable security in relation to which the bid-offer spread is 10 per cent or more of the offer price, but not:

- (a) a government and public security; or
- (b) a share in a company quoted on The Financial Times Stock Exchange 100 Index; or

a security issued by a company which, at the time that the firm deals or recommends to the client to deal in the investment, has a market capitalisation of £100 million or more (or its equivalent in any other currency at the relevant time).

PLUS Markets

A Recognised Investment Exchange established in 1995 specialising in smaller companies. There are around 800 companies listed on PLUS, many of them small, young companies with a high-tech bent. Admission to PLUS is decided by a panel of 'wise men' and the only requirement is that companies must publish financial reports twice a year. So the risks are high. Liquidity of PLUS companies is poor as trades are carried out on a matched bargain basis -that is, you can only sell if there is a buyer for your shares -and the bid/offer spreads can be wide. PLUS shares are regarded as 'business assets' for CGT purposes in the UK. The PLUS website is www.plusmarketsgroup.com.

Retail Customer

A client who is not a professional client or an eligible counterparty, including:

- (a) an individual who is not a firm;
- (b) an overseas individual who is not an overseas financial services institution.

Safe Custody Investment

A designated investment, which is not the property of the firm, but for which the firm, or any nominee company controlled by the firm or by

its associate, is accountable; which has been paid for in full by the client; and which ceases to be a safe custody investment when the firm has disposed of it in accordance with a valid instruction.

Settlement Agent

An agent with or through whom the firm effects settlement of UK -settled or foreign-settled transactions.

Share

The investment, specified in article 76 of the Regulated Activities Order (Shares etc.), which is in summary: a share or stock in the share capital of:

- (a) any body corporate (wherever incorporated);
- (b) any unincorporated body constituted under the law of a country or territory outside the United Kingdom.

Stabilisation

Any purchase or offer to purchase relevant securities, or any transaction in associated instruments equivalent thereto, by investment firms or credit institutions, which is undertaken in the context of a significant distribution of such relevant securities exclusively for supporting the market price of these relevant securities for a predetermined period of time, due to a selling pressure in such securities.

Terms of Business

A statement in a durable medium of the Terms of Business on which a firm will carry on a regulated activity with or for a client or retail customer.

Unit

The investment, specified in article 81 of the Regulated Activities Order (Units in a collective investment scheme) and defined in section 237(2) of the Act (Other definitions), which is the right or interest (however described) of the participants in a collective investment scheme; this includes:

- (a) (in relation to an AUT) a unit representing the rights or interests of the unit holders in the AUT;
- (b) (in relation to an ICVC) a share in the ICVC.

**Shard Capital
Partners LLP**
1 Tudor Street
London
EC4Y 0AH

phone +44 (0)20 34 63 49 90
fax +44 (0)20 34 63 49 91
email info@shardcapital.com
www. shardcapital.com

Authorised and Regulated
by the Financial Conduct
Authority.
Registered Partnership
number OC360394

**Shard
Capital**