



# **TERMS OF BUSINESS**

TREASURY SERVICES

## **Our Vision**

The Capital International Group exists to improve lifestyles through increased prosperity

## **Our Values**

We seek to achieve this through the enduring values of innovation, integrity and excellence



Innovation and integrity  
creates nothing less  
than excellence



# Terms of Business

## Section A | General Terms

The Isle of Man Financial Services Rule Book as defined below requires licence holders to classify their clients as either Retail or Non-Retail. The requirement to classify clients correctly is important as they have different levels of regulatory protections afforded to them.

Capital Treasury Services Limited has considered the following definitions:

### Retail

Any natural person/individual clients not deemed to be a Non-Retail client.

### Non-Retail

Legal entities, corporate, trustee, institutional, and charity clients, professional/sufficiently experienced and sophisticated investors and execution only clients.

## 1.0 Definitions

- 1.1 In these Terms of Business 'we', 'our' or 'us' means Capital Treasury Services Limited (CTS) a company incorporated in the Isle of Man, which is licensed by the Isle of Man Financial Services Authority and whose registered office and principal place of business is Capital House, Circular Road, Douglas, Isle of Man, IM1 1AG, British Isles; and 'you' and 'your' means the Client to whom they are addressed.
- 1.2 In addition certain words are used with a specific meaning. The meanings of these words are as set out below:
- 1.2.1 **Business Day** - a weekday, other than a Saturday, on which the London Stock Exchange shall be open for business;
- 1.2.2 **Business Hours** - 08.00am to 17.30pm GMT/BST on any Business Day or such other hours as may be notified from time to time and normally restricted to the hours that the London Stock Exchange is open for business;
- 1.2.3 **CINL** - means Capital International (Nominees) Limited, a company incorporated in the Isle of Man whose registered office is Capital House, Circular Road, Douglas, Isle of Man, IM1 1AG. CINL is a wholly owned subsidiary of Capital International Limited.
- 1.2.4 **The Rulebook** - means the Isle of Man Financial Services Act 2008 Financial Services Rulebook as amended from time to time;
- 1.2.5 **Remuneration** - means the client agreed remuneration, or commission rates and fees, as published by us or agreed between us and you, from time to time;
- 1.2.6 **Associated Company** - as defined in the Rulebook means:
- (a) Any company in which the licence holder holds more than 20% of the equity shares; or
- (b) A company, other than a subsidiary, over which the licence holder is able to exercise a significant influence, and in which the licence holder's interest is either —
- (i) Effectively that of a partner in a joint venture or consortium; or
- (ii) Both long-term and substantial;
- 1.2.7 **Foreign Exchange** - means the exchange of foreign currency;
- 1.2.8 **Investments** - means the investments referred to in Section 2 headed "Services";
- 1.2.9 **IOM** - means the Isle of Man, a Crown Dependency of the United Kingdom;
- 1.2.10 **Terms of Business** - means the Terms of Business of Capital Treasury Services Limited as set out in this document and as amended from time to time;
- 1.2.11 **FSA** - means the Isle of Man Financial Services Authority. The address of the FSA is PO Box 58, Finch Hill House, Bucks Road, Douglas, Isle of Man, IM99 1DT;
- 1.2.12 **PEP** - means Politically Exposed Person, any natural person including their family and close associates who are entrusted with prominent public functions. These include, but are not limited to being past or present senior political figures in executive, legislative, administrative, military or judicial branches of any Government including senior figures in Government owned or sponsored corporations, partnerships or trusts, a member of a court of auditors or the board of a central bank or an ambassador, chargé d'affaires or other high ranking officer in a diplomatic service;
- 1.2.13 **Eligible Custodian** - either CINL or any settlement and custody agent appointed from time to time with or without your agreement and whose details are notified to you;
- 1.2.14 **Your Agreement with Us** - means the Terms of Business, the accompanying Product Application Form(s) and Due Diligence Form(s) duly completed by you and returned to us; our Tariff Sheet, and our Welcome Letter confirming the opening of the account together with any other accompanying documentation which may include Risk Warning Notices, Suitability Questionnaires, Form W-8 or Form W-9; and thereafter any subsequent variations agreed between us and you, to include new or additional information provided to us by you and upon which you expect us to rely, or as may be published by us on our website and notified to you from time to time;
- 1.2.15 **UK** - means the United Kingdom of Great Britain and Northern Ireland;
- 1.2.16 **Recognised Bank** - means a bank which holds a licence issued by the FSA for deposit taking or is authorised under the law of another acceptable country or territory to carry on activities corresponding to deposit taking;
- 1.2.17 **£ and/or Sterling** - means the lawful currency for the time being of the United Kingdom.

## 2.0 Services

- 2.1 We will provide Discretionary or Execution Only Services in respect of Investments set out below. We will follow the Investment Guidelines that you have indicated in the Product Application Form save as may be varied by mutual agreement from time to time. In addition, where available, we provide research materials upon request, and via an Eligible Custodian, Nominee Registration Facilities, Valuation and Safe Custody Services. No advice will be given in respect of an Execution Only Service.
- 2.2 The Investments to which these Terms of Business apply are:
- 2.2.1 Fixed term money market investments;
- 2.2.2 Interest rate and foreign exchange derivatives,
- 2.2.3 Equity linked products,
- 2.3 The other services to which these Terms of Business apply are:
- 2.3.1 Foreign exchange advisory services to include foreign exchange risk management;
- 2.3.2 Commercial foreign exchange forecasting and dealing; including spot and forward rates;
- 2.3.3 Multi currency agency treasury services to include interest rate, liquidity and cash management;
- 2.3.4 Outsourced solutions including fixed term bond tranches and similar offerings;
- 2.3.5 Facilitation of the purchase and sale of bullion & coin;
- 2.3.6 Payment services;
- 2.3.7 Card services.
- 2.4 If received within Business Hours, we will normally execute your orders to buy or sell investments as soon as is practicable after receipt that same Business Day. If we receive an order or orders outside Business Hours or with insufficient time to execute them that Business Day (having regard to the normal market trading hours for the exchange in which the order is to be executed) we will execute them at the earliest practical opportunity on the next Business Day following the start of normal market trading hours (unless the order is time limited and has expired) although we may not necessarily be able to obtain the opening market price.
- 2.5 You should note that the volatility in price movements and the spread between buying and selling prices may be greater when the market first opens than at other times of day.
- 2.6 Orders may be subject to any price limits or restrictions that you may specify from time to time, (hereinafter referred to as your "requirement"). We will use our best endeavours to accommodate your requirements and will notify you if we are unable so to do. Any transaction that we enter into will be subject to the rules and customs of the relevant exchange and / or market. We will use our best endeavours to comply with our obligations of timely execution under the Rulebook.
- 2.7 It is important to note that we will NOT undertake on your behalf the following transactions:
- 2.7.1 Deposit taking as defined by the Financial Services Act 2008 Regulated Activities Order 20011 as amended from time to time (Banking Business);
- 2.7.2 Purchase & sale of commodities.
- 2.8 However we may provide specialist dealing services upon mutual agreement in writing between us and you.
- 2.9 You have the right upon giving reasonable written notice to the Chief Compliance Officer to request details of any relevant educational and professional qualifications and the experience and track record of Capital Treasury Services Limited or any employee directly engaged in providing services to you.

### 3.0 Discretionary Clients

- 3.1 We will undertake to manage on your behalf on a Discretionary basis, the portfolio of cash and investments belonging to yourselves as reported by us. Subject to any instruction that you should give us, we shall have full authority at our discretion and without any form of prior reference to you to enter into any kind of transaction or arrangement for your account in or relating to investments of the type listed under the section headed Services above.
- 3.2 Should we consider it to be in your best interest to enter into a transaction for you which carries risks which are significantly greater than or different from those normally undertaken for you we will notify you and gain your approval before we enter into the transaction.
- 3.3 We appreciate that on some occasions you may wish to give us an investment order even though you are a Discretionary Client; such orders will be dealt with on an Execution Only basis and we will not be responsible for assessing the merits of the investment concerned unless specifically requested to do so.
- 3.4 Management fees will be deducted from the base currency dealing account, unless other instructions are agreed in advance.
- 3.5 For the avoidance of doubt and for the purposes of this agreement the Services do not include or provide for any measure of portfolio performance by reference to any specific measure unless the same shall have been agreed with you in writing; nor shall we enter into any stock borrowing or lending arrangements with your investments and in the event that we were to consider that either hedging or borrowing were to be suitable for your portfolio such activity would only be undertaken after we had notified you of the same together with any associated risks and obtained your approval before we enter into the transaction.

### 4.0 Execution Only

- 4.1 In the event that we are instructed by you to provide you with an Execution Only service we will not advise you about the merits of a particular transaction and you will not expect to receive such advice.
- 4.2 It should be noted that by undertaking activities on an execution only basis we will prescribe you as a Non-Retail client, and as a consequence this reduces the level of investor protection to you.
- 4.3 Pursuant to Rule 6.18 (2) of the Rulebook Rules 6.19, 6.28 - 6.31, 6.34 - 6.36 and 6.41 will not apply to you. See Part B of these Terms of Business.

### 5.0 Market Abuse

- 5.1 Each time you open or close a Trade, you represent and warrant to us that:
- 5.1.1 You will not place and have not placed a trade with us relating to a particular company if to do so would result in you, or others with whom you are, or may reasonably be regarded as, acting in concert, having an exposure to that company which is equal to or exceeds the amount of a declarable interest in the relevant company. For this purpose, the level of a declarable interest will be the prevailing level at the material time, set by law, rule or regulation or by the Exchange(s) upon which the company is listed;
- 5.1.2 You will not place and have not placed a Trade with us in connection with a placing, issue, distribution or other analogous event, or an offer, takeover, merger or other analogous event in which you are involved or otherwise interested;
- 5.1.3 You will not place and have not placed a trade that contravenes any law, rule or regulation against insider dealing or market abuse. For the purposes of this clause you agree that we may proceed on the basis that, when you open or close a trade with us in a company, you may be treated as 'dealing in securities' within the meaning of 'any law, rule or regulation against market abuse; and
- 5.1.4 You will not otherwise place and have not placed a trade in circumstances which may be considered to constitute market abuse.

### 6.0 Spot Foreign Exchange Deals

- 6.1 At your request, we will normally be prepared to offer a rate of exchange at which it will convert "at spot" (i.e. for value two working days forward), cleared funds held by us in one currency, into the new currency at an agreed exchange rate. Upon exchange, we will either accept the sum in the new currency or pay the funds in the new currency back to your nominated bank account.

### 7.0 Forward Foreign Exchange Deals

- 7.1 At your request, we will normally be prepared to offer a rate of exchange at which it will convert on a "forward deal" basis, cleared funds held by us in one currency into the new currency for delivery at an agreed future date. We will normally consider entering into forward deal contracts only on the basis of full cash cover of cleared funds already held by you with us. Such full cash cover will be held by us in a client bank account until the agreed forward date is reached and the transaction is completed. For such transactions, we will require you to specify on the application form, the terms and details of such deals, and also for you to acknowledge and give your agreement to full cash cover from your unencumbered cleared funds being placed held by us in a client bank account for the duration of the forward deal contract.

### 8.0 Your Warranty & Obligations

- 8.1 By signing the Product Application Form you agree that you have read these Conditions and any others which specifically relate to the product or service chosen by you and agree to be unconditionally bound by them as the same may be amended varied or supplemented from time to time in accordance with your agreement with us.
- 8.2 Save as otherwise disclosed by you to us, you warrant that you have full and unfettered powers to employ us in accordance with your terms of business and you further warrant and represent to us that your investments are, and for the duration of your terms of business will remain, free from any lien, charge or other encumbrance.
- 8.3 In choosing our nominee services you confirm that we have your authority to engage, pursuant to the Rulebook, CILN and/or any agent to provide settlement, safe custody, nominee and associated services for you; to give instructions to the agent on your behalf; and that you agree to be bound by the obligations of that agent as set out in these Terms of Business and any accompanying Agent's Terms.
- 8.4 You must complete the Product Application Form and supply all documentation and information that we request to meet our account opening procedures and to comply with anti-money laundering and countering the financing of terrorism legislation.
- 8.5 You must inform us immediately in writing of any changes to the details of your personal or financial circumstances as given either in the course of application or at any subsequent date including but not limited to any change of name, address or contact details, and if you are a company, a partnership, a trust or an unincorporated association, any change in your constitution or equivalent or in the composition, identity or addresses of parties connected to your account such as your officers, signatories, owner(s), controllers and beneficiaries as are applicable, and to provide us with documentary evidence of the change on request.
- 8.6 Your account will not be operational until we are satisfied that our legal obligations have been fulfilled. We also reserve the right to request information and documentation regarding any transaction. Further if we request information from you including documentary evidence pursuant to our legal obligations, we may in our absolute discretion restrict or suspend the operation of your account or the availability of services until we are satisfied that our legal obligations have been fulfilled.
- 8.7 If you have been introduced to us by an intermediary who acts as your financial adviser you must notify us if that relationship ceases. Further you acknowledge that where you employ a financial adviser who has introduced you to us and who will manage or advise on your account with us we shall not be responsible for assessing whether or not the product or service associated with your Product Application Form is suitable for you.
- 8.8 You warrant that you will disclose your status as a Politically Exposed Person as defined at the front of this document under 'Definitions'.
- 8.9 You undertake, if so required by us, to maintain a level of cash in your account sufficient to cover the then anticipated next 12 months custody, administration or other fees
- 8.10 For security purposes, you are required to nominate a suitable password which may be required to operate your account. It is your responsibility to keep the details of this password secure as neither we nor our employees, sub-contractors, agents and delegates shall be liable for any loss suffered due to its unauthorised use.

### 9.0 Right to refuse to open an account; or accept an instruction; or receive new monies

- 9.1 We reserve the right to refuse to accept funds for investment, to refuse to accept an instruction and to refuse to open an account without giving prior written notice and without giving a reason for any such decision.
- 9.2 We reserve the right to refuse to act on instructions which would result in your account going overdrawn unless the overdraft has been authorised in writing in advance by us.
- 9.3 We reserve the right in our absolute discretion, and without being under any obligation to inform you of our reason for doing so, close any Trades that you may have open or refuse to accept any instruction or funds for investment in any circumstances where:
- 9.3.1 We have enquired into any transaction for purposes such as, but not limited to, the prevention of fraud or crime and have not received such information or explanation as we consider necessary in the circumstances; or
- 9.3.2 We suspect or have reasonable grounds to suspect that your account is being used in relation to, or in connection with, any improper purpose or any criminal, fraudulent or other similar purpose; or
- 9.3.3 If the instruction or receipt of funds for investment was accepted and effected by us, that transaction could give rise to some liability (civil or criminal) on our part or any employee or associated person of ours; or
- 9.3.4 We have been informed by any court or governmental authority of any jurisdiction that you have, may have, or could have if such instruction or funds for investment was accepted, funds invested with us that are the proceeds of a crime committed or believed to be committed under the laws of any jurisdiction.
- 9.4 For the purposes of this Clause 9 only, references to "governmental authority" includes any national, state, municipal, local or other government, or any subdivision, agency commission or authority thereof (including any administrative or enforcement body).

## 10.0 Events of Default & Closure of Accounts

- 10.1 An event of default shall be inter alia a failure by you to deliver either cash or securities when due in respect of any transaction which we are to settle as your agent, or in the event that you do not take all such steps as may reasonably be necessary to secure the due and prompt execution and settlement of such transactions.
- 10.2 In the event that we, CINL or an Eligible Custodian suffer an Event of Default as described at 10.1 above, we may without prior reference to you:
- 10.2.1 Require immediate payment of any amounts you owe us;
- 10.2.2 If the Base Currency of your Account is a currency other than Pounds Sterling, convert any balance to Pounds Sterling;
- 10.2.3 Cancel, close out, terminate or reverse all or any orders or open trades; and
- 10.2.4 Sell, charge, pledge or otherwise dispose of any investment held for you at whatever the best price reasonably obtainable and in whatever manner we see fit, in its absolute discretion (without being responsible for any loss or diminution in price in the absence of negligence, fraud or wilful default); and
- 10.2.5 Enter into any other transaction or do or not do anything (including application of client money held for you) which would or could have the effect of reducing or eliminating liability under any transaction, position or commitment undertaken for you;
- 10.2.6 Exercise a right of set-off and apply (having given you reasonable notice) any credit balance on your account and any interest on it, towards the satisfaction of any sum which is due from the Fund to us;
- 10.2.7 Suspend your Account and refuse to execute any Trades or Orders;
- 10.2.8 Terminate this Agreement;
- 10.2.9 Require you to charge your investments to us in such manner as may reasonably be required by us in order to protect our position;
- 10.2.10 In the event that after the above action there is still a shortfall this shall be settled directly by the Fund Custody of Cash.
- 10.3 Without limiting any right to terminate this Agreement at any time, we may close your account in the following circumstances:
- (a) You fail to pay any amount owed to us on time;
- (b) Any information supplied by you during the application process or at any other time is found or believed to be misleading or false;
- (c) Your trading or account activity is of such a size or style that we no longer wish to deal with you;
- (d) We have reasonable grounds for suspecting the activity on your account may have involved market abuse, money laundering or any criminal activity;
- (e) We are in an ongoing dispute with you and decide that we are unable to continue to provide Services to you; or
- (f) You are abusive to our staff, which for the avoidance of doubt shall include activity which inter alia includes bullying or the exertion of undue influence or pressure in the exercise of their duties.
- 10.4 Upon giving you notice of our intention to close your account pursuant to Clause 10.3, you will not be permitted to open any new Trades and you will only be entitled to make Trades or otherwise deal as a client insofar as necessary to close all open Trades. We may close any Trades remaining open ten (10) Business Days after the date on which we give you notice.
- 10.5 In the event of termination under these circumstances we reserve the right to recover from you any costs incurred by us in connection with the transfer of your assets (if any) to a new custodian as reasonably directed by you. If you make no such request we will take steps to re-register your assets into your name and to transfer your cash to you at our discretion.

## 11.0 Our Fees

- 11.1 Our remuneration and other charges for dealing, safe custody and investment management services are set out in our current Tariff Sheets and are subject to review as described therein. Our charges may be shared with a third party including an associated company and if so that will be shown on the relevant contract note or advice sent to you. In addition, we may also charge you for any out of pocket expenses which we or our sub-custodian (Eligible Custodian) may incur in connection with the provision of our respective services under this Agreement, together with interest thereon (see 11.5 below).
- 11.2 Management fees are calculated in accordance with our agreements with you, and to include VAT where appropriate. You will be notified by way of an invoice or statement of account on a quarterly basis and fees will be deducted from your account accordingly.
- 11.3 We may levy a penalty of £100 (or the equivalent) where fixed term investments are broken prior to the maturity date. In addition accrued interest calculated to date of the termination together with any charges levied by the underlying bank will also be deducted from the final settlement.
- 11.4 No charges, other than those mentioned above, stated on the corresponding Tariff Sheet, or withdrawal charges for sums below £5,000 or the equivalent, will be applied if transactions are dealt with in accordance with the Terms of Business herein.
- 11.5 We reserve the right, upon giving not less than 30 days' notice, to amend our charging structure or introduce additional charges or fees from time to time.
- 11.6 Debit interest may be charged without notice at a rate up to 3% per annum above UK and local base rates as adjusted from time to time in respect of
- a) any account which becomes overdrawn; or
- b) on any monies which remain outstanding or unpaid in respect of any delay in settlement or non- settlement of a transaction; or
- c) any fees or charges due from you in respect of services provided.
- 11.6.1 If we incur higher interest charges on your behalf with an Eligible Custodian, we reserve the right to recover those interest charges from your account.

- 11.7 The fees payable by you to us may be supplemental to or abated by other remuneration receivable by us in connection with a transaction on your behalf.
- 11.8 We reserve the right without notice to you, to effect transactions on your behalf and at your expense for the purpose of reducing fees which are outstanding and due to us.
- 11.9 In particular, and in respect of certain asset classes we may receive annual remuneration from time to time. Levels of remuneration that we receive from counterparties vary. A simple example of its calculation can be illustrated as follows:
- |                           |                |
|---------------------------|----------------|
| Value of Holding:         | £100,000       |
| Annual Remuneration Rate: | 0.25%          |
| 100,000 x 0.25% =         | £250 per annum |
- Details and a summary of remuneration received by us can be made available upon written request.
- 11.10 You are able to notify us at any time that you wish to change to a different charging structure and we will apply the new remuneration rates and safe custody fees from the start of the next quarterly billing period.

## 12.0 Dealing on Your Behalf

- 12.1 In respect of the provision of such services detailed above, we shall not be responsible for any delays or inaccuracies in the transmission of orders or other information or the execution of orders due to any cause whatsoever beyond our reasonable control. We will send you with due despatch a confirmation or contract note in respect of each transaction effected on your behalf. In addition to the provision of paper contracts sent by post the dispatch of confirmations or contract notes may also be affected by posting on our secure portal if you use this service, by email (if you have agreed to correspondence by way of email) or posting on our website.
- 12.2 In so far as may be applicable and on the proviso that we are able to validate your authority to instruct us we may accept instruction from you using any reasonable means of communication available. We will take a written instruction from you by post or an instruction from you face to face or over the telephone however you may be required to provide personal details or provide a password to establish your identity.
- 12.3 Unless otherwise agreed in writing with you we do not accept time sensitive, action orientated messages or instructions such as transaction orders, cash or fund transfer instructions electronically – that is by way of fax or email. Any email which is sent by you is only deemed to have been received when opened and read by us. Mere delivery to one of our servers is not sufficient to pass liability. If you choose to send an instruction by way of fax or email you should nonetheless ascertain orally that the same has been received.
- 12.4 Confirmation notes and contract notes, in the absence of manifest error, shall be conclusive and deemed acknowledged by you as correct once you have settled the transaction in the normal course of business and in any event within seven days of despatch, unless we receive from you notice to the contrary; or we notify you of an error therein; and in the absence of either of the above you settle the transaction in the normal course of business.
- 12.5 We will at all times comply with the Rulebook and, in particular, our services are provided on the basis of the following Clauses 13 to 29.

## 13.0 Capacity in Which We Deal

- 13.1 When we carry out a transaction on your behalf we may be:
- 13.1.1 Dealing as principal by selling the investment concerned to you or buying it from you on our own account; or
- 13.1.2 Matching your transactions with that of another client by acting on that client's behalf as well as yours.
- 13.2 This will be shown on the relevant contract note or advice. Our obligation to secure for you a best execution price under the Rulebook will not be affected, but we shall not be under an obligation to account to you for any profit or remuneration received by us, as a result of any corresponding transaction.

## 14.0 Aggregation of Orders

- 14.1 We may combine your order with our own orders and orders for another client. In combining your order with those of other clients we must reasonably believe that we will obtain a more favourable price than if your order had been executed separately. However, on occasions aggregation may result in your obtaining a less favourable price.

## 15.0 Conflicts of Interest

- 15.1 It is possible that we may have an interest, relationship or arrangement that is material to the investment transaction or service concerned. For example we may be involved in a rights issue, a new issue, take-over or similar transaction. Our employees are, however, required to comply with a policy of independence and disregard any such interest when providing the service to you.
- 15.2 From time to time we may introduce you to an associated company from within the Capital International group of companies. We will not refer you to use the services of another person who is an associate of ours without disclosing that relationship to you.
- 15.3 In addition it should be noted that we both provide to and receive from associated companies a range of administrative and back office and investment services.
- 15.4 A summary of our Conflicts of Interest policy can be made available upon written request to the Chief Compliance Officer.

## 16.0 Your Money

- 16.1 We will not at any time hold monies in your name. Any payments of money required in relation to the provision of our services under these Terms of Business, will be made directly to us or if agreed to an Eligible Custodian.
- 16.2 Unless otherwise requested by you the base and reporting currency of your account with us will be Sterling.
- 16.3 Any money held by an Eligible Custodian and not otherwise invested will be held in either a client account or a nominee bank account and will be dealt with in accordance with our agreement with the Eligible Custodian but subject to the overriding provisions of the FSA and /or local market rules and regulations in force from time to time on clients' money.
- 16.4 We can only hold or deal with your money in accordance with the Rulebook, which among other things requires us to hold such money at a recognized bank, and thereafter in a client bank account or a bank account operated by our nominee company established with statutory trust status.
- 16.5 Your funds will therefore be segregated from our own funds at a recognised bank, as defined in the Rulebook. The recognised bank may hold such money with other clients' money in a pooled account. This means that client money is held as part of one or more common pools of money as defined by us in accordance with our client money policies, so you do not have a claim against a specific sum in a specific account; your claim is against a client money pool, as defined by us from time to time, in general.
- 16.6 Uninvested Money (i.e. money not immediately required to settle a purchase or other transaction) may attract interest in accordance with rates published from time to time and details of which are available on request. Interest, calculated on a daily basis, will be credited every six months but sums of less than £20 will not be distributed. We will pay interest gross where it is legally permitted to do so; whether interest is paid gross or net of tax or other deduction will depend upon the tax legislation and rules applicable to your account prevailing at the relevant time. Please also see Clause 17 "Interest and the EU Directive on the Taxation of Savings Income" below.
- 16.6.1 'Uninvested Money' may be managed by us to mitigate credit risk in one or more recognised banks in accordance with 16.4 above. In that regard we shall have full authority at our discretion and without any form of prior reference to you to enter into any kind of transaction or arrangement relating to this pool of Uninvested Money.
- 16.6.2 Uninvested Money may attract debit (negative) interest in line with UK and local interbank lending rates from time to time. Any such negative interest rate will be charged to your account.
- 16.7 In certain circumstances we may hold or pass your money to an intermediate broker, settlement agent or "over the counter" (OTC) counterparty located in a jurisdiction outside the IOM (or the UK). In these circumstances the legal and regulatory regime applying to such an intermediate broker, settlement agent or OTC counterparty will be different to that of the IOM.
- 16.8 In the event of a default or failure of that intermediate broker, settlement agent or OTC counterparty, your money may be treated differently to the way in which it would be treated if it were held by an intermediate broker, settlement agent or OTC counterparty in the IOM.
- 16.9 If you are uncertain as to the implications of the forgoing clauses concerning the use by us of recognised banks, intermediate brokers and settlement agents or OTC counterparties you should consider taking independent legal advice.

## 17.0 Interest & the EU Directive on the Taxation of Savings Income

- 17.1 Account holders who are individuals and who are resident in a Member State of the European Union (EU) are subject to IOM legislation implementing the European Union Directive on the Taxation of Savings Income (EUSTD) in the IOM.
- 17.2 This means that we are obliged to report to the Isle of Man Treasury savings income and interest payments paid to individuals who are resident in EU Member States. The rules are detailed and if you are in a doubt about this matter we would advise that you take tax advice. You should note that this obligation will cease during the course of 2016, in which connection please refer to Clause 18 below.

## 18.0 UK FATCA, the Common Reporting Standard & Taxation Generally

- 18.1 In December 2012 the Isle of Man Government announced that it would be entering into an automatic exchange of information agreement leading to greater tax co-operation with the UK. The result of this agreement is that the Custodian is obliged to provide a broader range of information to HMRC, via a report to the Isle of Man Treasury, in respect of UK resident tax payers than that already provided under the European Savings Tax Directive.
- 18.2 In addition, on 29 October 2014, the Isle of Man Government entered into the OECD Common Reporting Standard (CRS) Multilateral Competent Authority Agreement with an intended first exchange of information due in September 2017. The result of this agreement is that we will be obliged to provide the same information as outlined in Clause 16.1 above to a wider range of recipient countries.
- 18.3 You may be liable, in your country of residence or business residence, incorporation or domicile for tax on interest or savings income, dividends earned on your account or capital gains. Any such tax charge or liability is your sole responsibility and we shall not advise you in respect of such tax or be liable for its payment.
- 18.4 We do not give tax advice and actions taken by us in relation to this clause shall not be construed as giving tax advice. If you require further information in respect of the above disclosure and reporting rules we recommend you seek independent tax advice from a suitably qualified professional tax advisor in respect of your particular circumstances.

## 19.0 Third Party Payments

- 19.1 A third party payment is a payment (being a non-trade related withdrawal from your account) made to any person or entity other than the person or entity in whose name your account with us is registered.
- 19.2 Third party payments are only permitted where the appropriate sections of the third party payment request form have been completed by you and returned to us with the supporting documentation detailed therein. Additionally, no third party payments will be made except on receipt from you, on each occasion, written instruction detailing the beneficiary, their full name and address and banking details, and the specific purpose of the requested payment.
- 19.3 Where a foreign exchange deal is to result in a payment being made thereafter to a third party, the onus is on you to notify us of the details relating to the requested payment, and to obtain our agreement to make the proposed payment, prior to placing the deal with us.
- 19.4 Neither we nor our Associated Companies can be deemed liable for any delay or ultimate refusal of a third party payment where all of the requirements were not satisfied. We will only make payments, third party or otherwise, to bank accounts held in certain countries.
- 19.5 It is your responsibility to ascertain that the destination of a payment is eligible.
- 19.6 We reserve the right to refuse any third party payment without explanation.

## 20.0 Instructions from Third Parties

- 20.1 There may be occasions when you wish to authorise a third party to give instructions on your behalf; for example spouse, accountant, lawyer etc. If this is the case we shall require notification in writing detailing the relationship. We will require that person provide a specimen signature together with such other information we may request in order to meet our due diligence requirements as if they were a party to the account. Please note that until the authority has been withdrawn, any action taken by us in accordance with such authority will be binding upon you.

## 21.0 Restrictions on Types of Investments

- 21.1 The Product Application Form should list any investments or types of Investments or geographical area in which you do not wish to participate, for example, tobacco, alcohol or countries that do not conform with the democratic beliefs of the IOM.

## 22.0 Valuations & Statements

- 22.1 In the event that we are required to provide you with valuations of your investments (including cash balances), these will be produced not less than once every six months unless otherwise agreed with you. Each valuation will show details of the composition of your investments. The value of the investments contained in the valuation will be arrived at using reputable quoted sources by taking closing middle market quotations on the relevant investment exchanges or, if bid and offer prices are not obtainable, then the closing prices or the last traded prices for the close of business, on the relevant valuation date or such other basis as is stated on the valuation from time to time. A statement of account will also be prepared and will show income received from your investments and particulars of each transaction undertaken during the relevant period, including any charges deducted by way of administration fees, remuneration, custody fees or otherwise.
- 22.2 All reporting in respect of your Investments is available via our website online/ paperless service or by email. Save as provided below no charge will be made for contracts notes or confirmations, statements of account or valuations. We will not provide paper statements contract notes or valuations unless you request the same.
- 22.3 Subject to the charges set out in our Tariff Sheets from time to time we can provide paper valuations or statements on request.

## 23.0 Short Positions

- 23.1 We undertake that we will not knowingly execute a bargain that would result in you having a short position. The definition of a short position is when an individual contracts to sell investments which they do not own, intending to buy them back in the market at a lower price before delivery.

## 24.0 Non-Readily Realisable Investments

- 24.1 Whilst it is our policy to purchase high quality and relatively liquid Investments there may be occasions, from time to time, when we may purchase Investments which are 'not actively traded' or are not traded on or under the rules of a stock exchange or an investment exchange.
- 24.2 The market for such Investments may be limited or could become so. It may be difficult to establish a proper market price for such Investments or arrange a subsequent sale. We shall disclose this to you when discussing recommendations if we consider the investment concerned falls into this category.
- 24.3 Unless instructed to the contrary we may undertake transactions in Non-Readily Realisable Investments in which the market is limited or could become so, such that they may become difficult to deal in. If we are aware of such a situation arising or likely to arise on an existing holding we would be responsible for bringing this to your attention.

## 25.0 Off-Exchange Transactions

- 25.1 We may deal for you in circumstances in which the relevant deal is not regulated by the rules of any stock exchange or investment exchange (See also the section entitled 'Non-Readily Realisable Investments' of these Terms of Business).

## 26.0 Custody of Your Investments

- 26.1 Investments purchased through us will be registered in the name of CINL (our Nominee Company) or an Eligible Custodian, or if you so request and where it is feasible to do so in your name. Documents of title relating to Investments belonging to you and in your name may if so agreed, be held by us.
- 26.2 We are responsible for the acts of CINL to the same extent as if for our own acts, including for the avoidance of doubt, for losses arising from fraud, wilful default or negligence; Should we be instructed by you in writing that Investments purchased through us are to be registered in the name of some other person (which must not be us or an associate of ours) whom you shall specify, the consequences of registration carried out in accordance with such instructions are entirely at your risk. The legitimacy of any such registration also remains your responsibility.

- 26.3 Overseas investments will be registered or recorded in either the name of CINL or that of an Eligible Custodian in one or more jurisdictions outside the IOM or UK 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 such Investments will not be segregated from Investments belonging to us and therefore any protection afforded may be reduced should a default occur on the part of the person in whose name the investments are registered or recorded. Please note that Investments which are held overseas may be subject to different settlement, legal and regulatory requirements than those which apply within the IOM. We will not be held liable in the event of a default by a custodian including responsibility for losses arising directly from its own fraud, wilful default or negligence.
- 26.4 Investments registered or recorded in the name of a nominee (or eligible custodian (as outlined above)) may be pooled with those of one or more other clients of ours. Accordingly you should note that individual entitlements may not be identifiable by separate certificates, physical documents or equivalent electronic entries on the register.
- 26.5 In the event of an unreconcilable shortfall following any default by the eligible custodian responsible for pooled investments, you may not receive your full entitlement and may share in any shortfall pro-rata. We will not be held liable in the event of a default by a custodian. However, we do not disclaim responsibility for losses arising directly from our own fraud, wilful default or negligence.
- 26.6 Because your Investments may be 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 will not be entitled to these additional amounts.
- 26.7 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, you should discuss your requirements with us.
- 26.8 All instructions regarding the administration of investments held by CINL or an Eligible Custodian on your behalf should be made in writing, to us. We do not accept from, or send instructions to third parties, unless a valid power of attorney has been established for this purpose.
- 26.9 Where Investments are registered in the name of CINL or an Eligible Custodian, if notice is received by us of events or circumstances such as rights issues, conversions, take-overs or other offers or capital reorganisations, in respect of which rights are exercisable, we will contact you for instructions and in the absence of receipt of instructions from you we will take no action. Should you fail to provide instructions to us by any specific date that is advised we will not be liable to you for the outcome.
- 26.10 On a bi-annual basis, we or an Eligible Custodian 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. 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.
- 26.11 Save as may be agreed between us by way of special arrangement we do not in the ordinary course of providing custody facilities facilitate proxy voting at general meetings of companies in which you hold Investments.

## 27.0 Unsolicited Calls

- 27.1 We will assume that you will wish us to call you to discuss Investments without having been expressly invited by you to make such a call. We will only make such calls between 8.00am and 9.00pm (your time) unless otherwise agreed between us.

## 28.0 Settlement of Transactions

- 28.1 All your Investments will be handled in an account administered by us and you are responsible to us for the settlement of all transactions.
- 28.2 Unless otherwise agreed in writing, your account will be settled on a net basis. If you fail to pay or deliver in good order any documents required by the due date for settlement, we may, although we are not obliged to do so, settle the transaction for you and if we do so, may retain any funds due to you and be entitled to offset the liability against those funds.
- 28.3 In addition, we may also, without notice to you, effect transactions on your behalf and at your expense for the purpose of reducing or closing out any unsettled position, to the extent that we suffer costs, damage, loss or other expense as a result of such circumstance.
- 28.4 You agree that all transactions will be due for settlement in accordance with market requirements (as shown on the relevant contract note, confirmation letter or advice).
- 28.5 You undertake to procure that we will receive all Investments and foreign exchange when due with respect to any transaction which it is to settle on your behalf and that all Investments and foreign exchange held by, or transferred to us or CINL will be and remain free of any lien, charge or encumbrance.
- 28.6 All payments due to us will be made without set-off, counterclaim or deduction. All Investments and foreign exchange held or transferred to us or CINL will be subject to a charge by way of security for your obligations to us, but only in so far as any such settlement obligation remains outstanding.

## 29.0 Our Responsibility for Loss

- 29.1 Subject to the Rulebook neither we nor our employees, sub-contractors, agents and delegates shall be liable for any loss suffered by you under this Agreement unless such loss arises from our or their gross negligence wilful default or fraud or from failure to comply with the Rulebook. We do not otherwise accept liability for loss or damage that you may suffer as a result of the provision of services under these Terms of Business. In that connection we also draw your attention to the provisions of the sections entitled 'Your Money', 'Custody of Your Investments' and 'Force Majeure' contained within these Terms of Business.

## 30.0 Right of Set-Off

- 30.1 Should you have more than one account with us, we will have the right to set off the debit on one account against the credit on another. In certain circumstances this may entail the sale of an asset or part thereof having previously given you notice of our intention so to do and if the accounts are expressed in different currencies they may be converted into Sterling at the prevailing rate of exchange.

## 31.0 Research

- 31.1 Recommendations and comments contained in our research publications may well be affected by subsequent changes in market conditions, particularly in share prices. Furthermore, not all recommendations are necessarily suitable for all investors and any investment policy must be tailored to suit the circumstances of each individual customer.

## 32.0 Minimum Investment; Inactive/Dormant Accounts

- 32.1 If you subsequently withdraw money to bring the value of your account below a minimum investment of £1,000, we reserve the right to sell any remaining holdings in your account and hold your investment as cash.
- 32.2 We consider an account (with the exception of accounts managed under discretion) to be dormant or inactive when there have been no open trades on the account for a period of ninety (90) calendar days or more.
- 32.3 We reserve the right to deactivate your account if it has been dormant or inactive for a period of 12 months or more. Where reasonably practicable we will give you advance notice (by email) of any deactivation but this may not always be possible and/or practical.
- 32.4 In the event you receive a notice of pending deactivation or your account has been deactivated without you receiving notice and you wish it to remain active or be reactivated, please contact our support team by email at the following address: customerservices@capital-iom.com. Any reactivation of your account will be on such terms as we may reasonably require in order to meet our regulatory obligations in the management and provision of services to you.
- 32.5 We may charge an account maintenance fee in relation to inactive or dormant accounts. Details relating to such charges can be obtained by reference to our current Tariff Sheets.

## 33.0 Variation & Amendment

- 33.1 We may vary the arrangements contained in these Terms of Business by notice to you at any time, on the basis that the variation will take effect in relation to all orders placed by you after receipt of the notice.
- 33.2 Such notice may be affected in writing or by email (if you have agreed to correspondence by way of email) by posting on our website/secure portal.
- 33.3 Such variations will become effective on a date specified in the notice and in the case of an amendment or variation which is to your detriment will be not less than 30 days before such variations become effective. No variation will affect any outstanding order or transaction or any legal rights or obligations that may have already arisen.
- 33.4 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.
- 33.5 You may seek to vary the arrangements contained in these Terms of Business or your agreement with us by notice in writing to us at any time, on the basis that the proposed variation will take effect in relation to all orders placed by you after receipt of the notice. Such variations, if agreed by us, will become effective on a date to be agreed by us and will last for such period as may be specified by you or in the alternative until rescinded or varied again by notice in writing. No variation will affect any outstanding order or transaction or any legal rights or obligations that may have already arisen.

## 34.0 Termination

- 34.1 We reserve the right to close your account on giving you 30 days-notice without giving any reason for such decision and further we reserve the right to terminate your agreement with us immediately or withdraw access to your account immediately and without giving notice
- 34.1.1 Pursuant to Clause 10.0 (Events of Default & Closure of Accounts); or
- 34.1.2 In the event that there is evidence of criminal or fraudulent conduct on your part or in the case of bodies corporate trusts partnerships or unincorporated associations on the part of any officers or signatories;
- 34.1.3 Bankruptcy or insolvency or material breach of your agreement with us.
- 34.2 You may terminate these arrangements by notice in writing with immediate effect, any such termination pursuant to this clause will not affect any transactions already initiated or any other outstanding rights and obligations and the terms of your Agreement will continue to apply for so long as you have any outstanding obligations to us.
- 34.3 For greater certainty, the following provisions will continue in full force and effect following termination of this Agreement: Clauses 35 (Successors & Assigns), 37 (Complaints), 38 (Notices), 42 (Data Protection), 43 (Indemnity & Liability), 44 (Rights of Third Parties) and 46 (Governing Law & Severability).

## 35.0 Successors & Assigns

- 35.1 For purposes of clarity we may at our absolute discretion and in order to ensure continuing compliance with the Rulebook transfer our rights and obligations hereunder to any assigns and successors legally appointed. Your rights and obligations hereunder may not be transferred or assigned to any third party without our prior written agreement although they shall subsist and endure to the benefit of your Successors.

## 36.0 Telephones

- 36.1 Telephone calls with us may be monitored / recorded to maintain and improve our service and to assist security and staff training. If a misunderstanding should arise and a recording is available this would be accessed only under appropriate supervision.

### 37.0 Complaints

37.1 All complaints whether about us or an Eligible Custodian should be directed in the first instance to:

The Chief Compliance Officer,  
Capital Treasury Services Limited,  
Capital House, Circular Road, Douglas, Isle of Man, IM1 1AG

37.2 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 together with that of any Eligible Custodian if appropriate. 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 is provided with our final response. In addition and in so far as your complaint may relate to a regulatory matter you may also refer a complaint to the FSA.

### 38.0 Notices

38.1 Notices to be given by you must be sent by post to our registered office marked 'for attention of the Chief Compliance Officer' and notices to be given by us will be sent by post to the last address you have notified to us for this purpose, and shall in each case be deemed to have been received on the second business day after posting.

38.2 In proving service by post, it shall be sufficient to prove that the notice was correctly addressed full postage paid and posted.

38.3 Notices given by us may be given by one or more of the following: in writing; on or via our Website; by an insert or notice with your statement or confirmation of deposit as applicable; by a narrative on your statement or confirmation of deposit as applicable; by post, email or facsimile; or as otherwise specified in the Conditions.

38.4 Where we do not hold a current address to use to give you notice of any kind including, but not limited to, notice of changes to the Conditions or fees and charges or notice to close your account, or such notice is returned to us undelivered, you agree that we have fulfilled our obligations to give you notice and will be entitled to apply any such changes or to close your account, and you agree that we shall not be liable to you for any loss arising from our actions in this regard.

### 39.0 Additional Provision for Joint Customers Only

39.1 This note applies only where a customer consists of more than one person e.g. joint accounts, trustees, personal representatives etc:

39.1.1 You shall be liable jointly and severally for the payment of all sums owing to us and for the performance of all obligations undertaken by you or on your behalf under this Agreement.

39.1.2 Unless otherwise authorised, and subject to the provisions of Clause above we will act upon any instruction given by any one of you and whether verbal written or by email or fax. Accordingly should you wish to authorise us to act upon instructions given only in writing upon not less than two signatories please complete the relevant part of the Due Diligence Form. Unless and until we receive written notice signed by all Trustees, joint account holders, personal representatives etc. withdrawing or varying this authority, any action undertaken by us in complying with the instructions given under such authority will be binding upon all parties.

39.1.3 In the event of the death of any joint account holders, trustees, personal representatives' etc. this Agreement will remain binding on the survivor(s) of you and upon the successors of the deceased parties.

39.1.4 We will only send documentation and payments to the first named at his/her/their address or to such other recipients that you might from time to time authorise.

39.1.5 Where you are the Trustees of a Trust or a personal representative of an estate, you will undertake to give us immediate notice of any change to the Trustees or personal representatives.

39.1.6 If you are Trustees of a Trust, you undertake to supply us with copies of any documents now existing (or hereafter executed) limiting, extending or varying the power of the Trustees or amending the objects of the Trust. Failure to provide us with such copies shall absolve us from any breach of or deviation from the terms or objects of the Trust as amended.

39.1.7 Should you be a personal representative of an Estate, this Agreement shall continue in force with you in your capacity as Trustee of the relevant Will Trust following the completion and/or the administration of the Estate.

### 40.0 Arrangements in the event of Disputes, Death, Divorce, Insolvency & Bankruptcy

40.1 In the event of conflicting claims of any kind concerning the ownership of the funds in your account whether solely or jointly held or a dispute of whatever nature or type arising between joint account holders (where appropriate) (including divorce or other marital disputes), we may in our absolute discretion take such steps as it deems necessary pending the resolution of the dispute including, without limitation, cancelling or suspending the present Product Application Form and Mandate and requiring the authority of all joint account holders for all transactions; suspending the use of the account; the taking of legal advice and the making of an application to any court of competent jurisdiction by way of interpleader or similar process. You agree that we shall not be liable for complying with any court order arising out of such process. You agree that we may charge you with the costs incurred by us in taking any such steps to resolve or deal with the dispute or to protect our interests in this regard.

40.2 On the death of a sole account holder who is an individual, his/her personal representatives must inform us as soon as possible and supply us with a copy of the death certificate. We will only accept instructions from the validly appointed executor(s) or administrator(s) of the deceased and we shall be entitled to request satisfactory documentation as to the identity of such persons and the validity of their appointment, such as grant of probate/letters of administration and a death certificate.

40.3 Upon receipt of this notification, all discretionary activity will stop and your account will be suspended, pending instructions from your personal representatives as to how we should dispose of or distribute your investments.

40.4 On the death of a joint account holder who is an individual, the surviving account holder must inform us as soon as possible. Any cash or assets in a joint account will be payable to the order of the surviving account holder(s), provided we receive satisfactory documentation including a death certificate.

40.5 If you are an individual and you die or are made bankrupt, or if you are a Company, a partnership, a Trust or an unincorporated association and an insolvency event occurs, subject to law we shall settle all payments and instructions already given and shall be entitled to exercise a right of set-off and lien over all of your accounts (including accounts in our name and joint accounts (if appropriate), whether denominated in the same currency or not) to satisfy all outstanding payments and instructions.

40.5 If you are a Company, a partnership, a Trust or an unincorporated association and an Insolvency Event occurs, then you must inform us as soon as possible. Following receipt of such notice (whether or not received by us pursuant to this Clause) we will only accept instructions from such persons as we determine (at our discretion) to have authority to instruct us on your behalf and we shall be entitled to request satisfactory documentation as to the identity of such persons and the validity of their appointment.

### 41.0 Record Retention

41.1 In accordance with legal and regulatory requirements, we will retain your records, for a minimum period of six years following the termination of any relationship between us.

41.2 This period may be extended by force of law, regulatory requirement or agreement amongst us.

41.3 You have the right upon giving reasonable notice of the same to the Chief Compliance Officer to inspect copies of all contract notes, vouchers and entries in our books or electronic recording media relating to your transactions, such records being retained by us for a period of six years.

### 42.0 Data Protection

42.1 The information we and any Eligible Custodian hold about you is confidential and will not be used for any purpose other than in connection with the provision of the services, and where necessary for these purposes, may be disclosed to any company within our group of companies or any company within the group of companies to which an Eligible Custodian belongs. 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 our group of companies or the group of companies to which an Eligible Custodian belongs, in the following circumstances:

42.1.1 Where the law or a regulatory rule permits or demands, or

42.1.2 It is in the public interest, or

42.1.3 To investigate or prevent fraud or other illegal activity;

42.1.4 To our Agents in connection with running accounts and services for you at your request or with your consent to the extent that such disclosure is necessary for the provision of our services.

42.1.5 Pursuant to a confidentiality or non-disclosure agreement with a business partner, prospective business partner or adviser on the same or similar terms as this

42.2 In accordance with the Data Protection Act 2002, (Isle of Man) you are entitled, on payment of a fee, to a copy of the information which we hold about you.

42.3 You should let us know if you think any information we hold about you is inaccurate, so that we may correct it.

42.4 In either case in the first instance you should direct any request to:

The Chief Compliance Officer,  
Capital Treasury Services Limited,  
Capital House, Circular Road, Douglas, Isle of Man, IM1 1AG

42.5 We 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.

42.6 Unless you have advised us to the contrary, either in our application process (including where relevant any online process) or subsequently in writing, that you do not wish to receive information from us about carefully selected offers and products or other useful information, you agree that we may contact you electronically by email, by post, by text message or by telephone (at a reasonable hour) for this purpose for the period during which you have an account with us.

42.7 If you have been introduced to us by a third party you acknowledge and agree to our exchanging your information with that person to the extent necessary for us to fulfil our obligations under any agreement we may have with that person. Such disclosure may result in our sharing financial and personal information about you including your application details, your account status and your trading activity. Should you no longer wish us to disclose information to such persons please notify us in writing.

42.8 By signing this agreement, you consent to the arrangements set out above and to the transmittal of your data outside of the IOM and the European Economic Area.

42.9 In accordance with the Record Retention Statement, 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.

### 43.0 Indemnity & Liability

- 43.1 You shall indemnify and keep indemnified us (both as a principal and, where relevant, as trustee or agent for our and the Capital International groups officers, agents and employees) against all
- 43.1.1 Actions, suits, proceedings, claims, and demands, whatsoever and howsoever arising which may be taken instigated or instituted by or against us (or any such person aforesaid); and
- 43.1.2 Costs, charges, and expenses whatsoever and howsoever arising which may be incurred or become payable by us (or any such person aforesaid) including but not limited to all legal and other fees and expenses, (including experts' fees) whatsoever and howsoever arising in connection with or arising out of inter alia:
- 43.1.2.1 Any omission of or act done or omitted to be done by you or any agent of yours in breach or potential breach of the terms hereof.
- 43.1.2.2 Any false information or declaration made to us or any third party.
- 43.1.2.3 Any act or omission or fraud by you or any agent of yours or by any person obtaining access to your account by using your designated account number, user name or password, whether or not you authorised such access.
- 43.1.2.4 The taking of legal advice which we consider reasonably necessary to obtain arising from or in connection with the operation of your account or the activities of you or any agent of yours which touch or may touch concern or relate to the operation of the account.

### 44.0 Rights of Third Parties

- 44.1 A person who is not a party to this agreement (other than a successor in title or a permitted assignee) cannot enforce or enjoy the benefit of any term of this Agreement under the Contracts (Rights of Third Parties) Act 2001.

### 45.0 Force Majeure

- 45.1 We will not be held liable for any loss incurred by you which arises either wholly or in part as a result of an event or state of affairs which is beyond its control to prevent and the effect of which is beyond its power to avoid in relation to your investments and which may arise inter alia from delays or changes in market conditions whether before or after any transaction, market fluctuation, currency fluctuation, computer failure, labour dispute, inability to communicate with market makers, or for any other reason and whereby we are either unable to take or refrain from taking or shall not be obliged to take or refrain from taking any action as a consequence thereof.
- 45.2 Unless you instruct us to act only on your written instructions, we will be entitled to act on instructions given to us by any method, whether or not in writing. We may decline to implement any instructions in circumstances where we believe sufficient resources may not be available or for any other reason we consider appropriate and we will inform you when this is the case. The issue of the relevant contract note will constitute acknowledgement of the implementation of any instruction given by you.
- 45.3 The value of your investments and income arising there from may decrease as well as increase.

### 46.0 Governing Law & Severability

- 46.1 These Terms of Business shall be construed in accordance with the laws of the IOM and you irrevocably submit to the jurisdiction of the Manx Courts.
- 46.2 If any provision of this Agreement is or becomes invalid or contravenes the Rulebook, the remaining provisions shall not become invalid.

### 47.0 USA | Patriot Act

- 47.1 In the course of the provision of services to you we or our eligible custodians may maintain correspondent accounts in dollars in the United States of America (US), which are subject to the jurisdiction of the US. The US has enacted a statute, called the USA Patriot Act, which authorises federal authorities to seize funds in such a such a correspondent account in the US if the US perceives that the correspondent bank is holding the proceeds of crime, whether committed in or through the US, or not, and whether the alleged wrong-doer's account is in dollars or in another currency, so long as the alleged wrong-doer has funds on deposit with the correspondent bank which in turn has funds in the US. If bank funds are frozen, the bank may not defend the forfeiture action against its own funds except to the extent that it has already paid the funds out, which limits the liability of the bank to the value of the funds in the alleged wrong-doer's account, but provides for no defence of the alleged wrongdoer's conduct. What that means for you is as follows:
- 47.2 You agree that you will not remit funds or transfer assets to us which are the proceeds of crime.
- 47.3 Notwithstanding the provisions of Clauses 45.1 and 45.2 you agree that if any funds are frozen by order of a court of competent jurisdiction in the US as part of a forfeiture proceeding:
- 47.3.1 You will defend the forfeiture action at your own risk and expense as provided for by US law; or
- 47.3.2 You will authorise us to pay the frozen funds over to the US Court issuing the freezing order or its designee, at the our discretion. You agree that you are aware that we are forbidden from defending, and will not defend, your interest in such a forfeiture proceeding.
- 47.4 You further agree that if we are directed to freeze the value of your assets pursuant to the USA Patriot Act by order of a court of competent jurisdiction you will not seek to have us release such frozen funds unless and until there has been a final order releasing the freezing order.
- 47.5 Notwithstanding the provisions of Clauses 40.1 and 40.2, and every other provision of law, to the extent that you lawfully may do so you agree that you will not make any claims against us under the laws of any nation or political entity for release or repayment to you of the value of funds frozen or forfeited pursuant to the USA Patriot Act prior to the release of such funds.
- 47.6 Subject to any restrictions imposed by law we agree that if a freezing order or a forfeiture order directly or indirectly connected to your account is served upon us, we will notify you of the existence of such order in timely fashion, pursuant to Clause 42 of these Terms of Business.

### 48.0 USA | Foreign Accounts Tax Compliance Act (FATCA)

- 48.1 In the course of the provision of services to you we or our eligible custodians may maintain correspondent accounts in Dollars in the United States of America (US), which are subject to the jurisdiction of the US. The US has enacted a statute, called the Foreign Accounts Tax Compliance Act, which is designed to ensure that the US recovers all tax due and payable by US Persons. This act comes into force in 2013 but the regulations have the consequence of also affecting Non-US Persons who choose to invest in US Dollar denominated securities and/or hold US Dollars.
- 48.2 We fall within the definition of a Foreign Financial Institution in the legislation and as a consequence this places new burdens upon us as a withholding agent. We are required to identify persons who are either US Persons or non-US Persons resident in the US, who are either direct individual clients or indirect (via a Company, a partnership, a Trust or an unincorporated association) clients of ours. You are required to notify us if you are or become a "US Person".
- 48.3 In relevant circumstances we are required to either report on or withhold tax (on what are known as pass thru payments) on US source income which includes inter alia bank interest and dividends on equities. In addition if you fail to supply us with the requisite information this may also affect the way in which you are categorised by us and may make you liable to taxation on gross proceeds of sale of equities. The rules are detailed and if you are in a doubt about this matter we recommend you seek independent tax advice from a suitably qualified professional tax advisor in respect of your particular circumstances.

### 49.0 Anti-Bribery

- 49.1 Both we and you represent and warrant that:
- 49.1.1 Each will comply with all Applicable Laws in respect of the performance of its obligations under these Terms of Business including without limitation all applicable laws and regulations relating to taxation, exchange controls, customs matters, anti-bribery, anti-corruption, anti-trust, anti-money laundering, trade sanctions, financial sanctions and criminal matters.
- 49.1.2 Each party and if relevant its directors, employees, workers, contractors, agents, advisors, nominees, assignees and any other service provider ("Associated Persons") will not engage in any activity, practice or conduct which could contravene the Bribery Act 2013 if such activity, practice or conduct had been carried out anywhere in the world, or which could cause the other party to contravene the Bribery Act 2013.
- 49.1.3 Each party's responses to the other party's anti-bribery due diligence and enquiries, if requested, are complete and accurate.
- 49.1.4 Neither you or we, nor if relevant any of each party's officers or employees or an Associated Person who are performing services in connection with these Terms of Business is a foreign public official (as defined by the Bribery Act 2013), that no foreign public official owns a direct or indirect interest in the party or any associated person, and that no foreign public official has any legal or beneficial interest in any payments made by each party.
- 49.1.5 Each party shall promptly notify the other if, at any time during the term of these Terms of Business, our circumstances, knowledge or awareness change such that each party would not be able to repeat the warranties set out in this Clause 46 at the relevant time.
- 49.2 "Applicable Laws" shall for the purposes of this clause, but not by way of limitation include the Bribery Act 2013 of the Isle of Man, the Bribery Act 2010 of the United Kingdom and the Foreign Corrupt Practises Act 1977 of the United States of America together with any similar statute from any other jurisdiction and as any of the same may be amended from time to time.



# Terms of Business

## Section B | Non-Retail Customers

### **1.0 Introduction**

1.1 Where you have confirmed that you wish to receive an Execution Only service, you will be categorised as a Non-Retail customer. This means that the regulatory protections afforded to you under the Rulebook are less than those offered to retail investors.

### **2.0 Risk Warnings**

2.1 We will not be obliged to warn you of the nature of any risks involved in any transactions recommended for you, or provide you with written risk warnings in relation to transactions in derivatives or warrants.

### **3.0 Suitability**

3.1 The protections of the Rulebook of giving suitable advice will only apply if you choose our Discretionary Services.

### **4.0 Packaged Products**

4.1 We are not required to send you the detailed information available to retail investors when dealing in units in Collective Investment Schemes and Life Products.

### **5.0 Acceptance & Understanding**

5.1 It is important that you realise that your signature to the Product Application Form comprises acceptance of these Terms of Business and signifies that you have read these Terms of Business and any accompanying documentation and understood its importance. If there is any aspect that you do not understand or find yourself unable or unwilling to agree to, please contact us as a matter of urgency as we may not be able to offer any advice or deal for you until such time as the relevant documentation is in place.

### **6.0 Foreign Exchange Transactions**

6.1 We are obliged to draw your attention to the fact that in carrying out transactions for you on a foreign exchange, your money will be passed to a settlement agent located overseas and, accordingly, your money may be less protected than if it were held in the UK or the IOM.



# Terms of Business

## Section C | Regulated/Licensed Entities

### 1.0 Anti-Money Laundering & Countering the Financing of Terrorism

- 1.1 You represent and warrant that you comply with and will at all times in the future comply with all or any local regulations relating to money laundering and countering the financing of terrorism (ML/CFT) from time to time. You will furnish us with the name of your Money Laundering Reporting Officer (MLRO) from time to time and acknowledge that if our MLRO is suspicious of any unusual activity within our account he/she may make a report to the Isle of Man Financial Crimes Unit without reference to you.
- 1.2 In all cases reference to the expression "customer" in this section shall include in the case of entities all or any underlying client, beneficial owner(s), settlor controller or protector in respect of nominee accounts, trust or corporate clients.
- 1.3 If you are a Regulated Financial Services Institution in the UK or European Union and we have accorded you Acceptable Applicant status we will deal with you on the understanding that you comply with all EU regulations relating to ML/CFT from time to time.
- 1.4 If you are a regulated Financial Services Institution based or incorporated in Jersey, Guernsey, the IOM or a non EU Country, which is a member of the Financial Action Task Force and we have accorded you Acceptable Applicant status we will deal with you on the understanding that you comply with all local regulations relating to money laundering which are equivalent to all EU regulations relating to ML/CFT from time to time.
- 1.5 In the event that either Clause 1.3 or 1.4 apply to you this means that evidence as to the identity together with evidence as to source of funds / wealth of any customer for whom you act as agent or otherwise, will have been obtained, verified and recorded under procedures maintained by you; further that you will take steps to establish and maintains systems which will keep records of all transaction between all or any of us and the customer; and that such evidence and records will be retained by you for a minimum period of six years from the date of each transaction or the termination of a business relationship You further agree to inform us specifically of each case where either you are not required or have been unable to verify the identity of an customer or where in the course of the verification process you have discovered that the customer is a PEP.
- 1.6 In the event that we grant you eligible introducer status or we rely on the 'acting on behalf of' concession you agree to do all things which we may reasonably require to enable us to comply with our own obligations. In particular you will:
- 1.6.1 Supply or make available on request your procedures relating to the matters set out in this Section C; and
- 1.6.2 That you agree to and grant us rights to periodically (or if appropriate on a random basis) test your procedures or inspect the documentation obtained as a consequence of those procedures being performed whether by attendance upon your premises or otherwise as we may reasonably see fit.
- 1.6.3 At any time immediately on request supply to us information on the identity of the customer, copies of the evidence verifying the identity of the customer and all other due diligence information held by you in respect of your customer in any particular case.
- 1.6.4 Not rely on a third party for evidence of identity or verification of the same.
- 1.7 In all other circumstances we are required to follow the Anti-Money laundering requirements relating to the identification of our clients or the underlying principals where they act as agent together with evidence as to source of funds/wealth.
- 1.8 You agree to cooperate in the provision of information and understand and acknowledge that in the event that satisfactory evidence is not obtained or produced we reserve the right to terminate either this agreement in its entirety or any agreement or transaction or series of transactions in respect of all or any specific client(s) introduced by you.
- 1.9 If at any time you are no longer able to comply with these requirements, either because of a change in the law applicable to you, or in the terms of business between you and your customer; or because you have ceased to do business with your customer, or have ceased trading; or for any other reason you must:
- 1.9.1 Notify us that you are no longer able to comply, and
- 1.9.2 As soon as is practicably possible thereafter and at your expense provide us with the records, or copies of the records, which you have maintained pursuant to your obligations hereunder.



# Terms of Business

## Section D | Capital Liquidity Account

### 1.0 Services

- 1.1 We will provide full discretionary cash management services in respect of monies held on your Capital Liquidity Account (CLA) from time to time together with interest paid thereon. For the purposes of this agreement it is not contemplated that there will be the writing of options or doing business in futures, contracts for differences or other types of margined transaction, or the participation in the underwriting of securities.
- 1.2 For the avoidance of doubt and for the purposes of this agreement the Services do not include or provide for any measure of portfolio performance by reference to any specific measure; nor shall we enter into any stock borrowing or lending arrangements with your investments and in the event that we were to consider that either hedging or borrowing were to be suitable for your portfolio such activity would only be undertaken after we had notified you of the same together with any associated risks and obtained your approval before we enter into the transaction.

### 2.0 Discretionary Clients

- 2.1 You acknowledge that your money will be pooled with that of other clients invested in the Treasury Pool and that we will undertake to manage the Treasury Pool on a Discretionary basis.
- 2.2 The Treasury Pool is a portfolio of cash being the combined total of all CLA monies and interest that is pooled and managed on a discretionary basis in accordance with these terms of business.
- 2.3 The Treasury Pool shall be invested in bank and building society deposits rated A to AAA, A1+ or A1 by Standard & Poor's (S&P) rating agency or as may be agreed with S&P in order to maintain the AAAs rating of the CLA with S&P.
- 2.4 We shall have full authority at our discretion and without any form of prior reference to you to enter into any kind of transaction or arrangement relating to the Treasury Pool.
- 2.5 We will at all times comply with the Rulebook and, in particular, our services are provided on the basis of the following Clauses:

### 3.0 Interest

- 3.1 Unless otherwise agreed between us interest will be calculated on a daily basis and applied to your account monthly in arrears. The interest rate applied will be that as is published by CIL from time to time. These published rates are available upon request.

### 4.0 Valuations & Statements

- 4.1 All reporting in respect of your Investments will be available via our website online / paperless service or by email. Save as provided below no charge will be made for contracts notes or confirmations, statements of account or valuations. We will not provide paper statements or valuations unless you request the same.
- 4.2 Subject to the charges set out in our rate sheets from time to time we can provide the following paper reports on request:
- Monthly valuations of your Investments (including cash balances) on request. Each valuation will show details of the composition of your Investments. The value of the Investments contained in the valuation will be arrived at using reputable quoted sources by taking closing middle market quotations on the relevant investment exchanges or, if bid and offer prices are not obtainable, then the closing prices or the last traded prices for the close of business, on the relevant valuation date or such other basis as is stated on the valuation from time to time.
  - A statement of account can also be prepared and will show income received from your investments and particulars of each transaction undertaken during the relevant period, including any charges deducted by way of management fees.

### 5.0 Our Fees

- 5.1 There are no management fees or dealing fees applicable to this account. Any withdrawal by way of BACS payment will be free of charge.

### 6.0 Credit Risk

- 6.1 The CLA is an Investment account (not a bank account) and your monies will remain ring fenced within a nominee company structure. As a result your CLA account is not exposed to the balance sheet of CIL and should CIL cease to operate for whatever reason, your monies will remain fully protected.
- 6.2 In the event that one or more of the Investments held within the Treasury Pool defaults on its contractual obligations and/ or is subject to a credit event, as defined by standard industry practice, a default notice will be issued to all active CLA accounts and the full value of the defaulted security will be written down against the combined balance of all CLA accounts on a pro-rata basis.
- 6.3 Where an amount is recoverable from a defaulted security, the recovered amount will be re-credited to the relevant CLA accounts on the same pro-rata basis. A default is deemed to have occurred at the moment a public notice of the event is released and/or is reported on the Bloomberg market information service.



# Terms of Business

## Section E | Provision of Payment Services

**NOTE:** Any sums received do not constitute a deposit as defined in Regulated Activities Order 2011, as amended and are not covered by any compensation scheme.

### 1.0 Definitions

1.1 In this Section 'we', 'our' or 'us' means Capital Treasury Services Limited (CTS) a company incorporated in the Isle of Man, which is licensed by the Isle of Man Financial Services Authority and whose registered office and principal place of business is Capital House, Circular Road, Douglas, Isle of Man, IM1 1AG, British Isles; and 'you' and 'your' means the Client to whom they are addressed.

1.2 In addition to this section the following words in bold have a specific meaning and, where the context admits, the singular form shall include the plural and vice versa:

- 1.2.1 **Acceptance Date** - means the date on which your Account is debited with the amount of the relevant Payment;
- 1.2.2 **BACS** - means the Bankers Automated Clearing System, which is a system that provides for the clearing and settlement of 3 day value sterling credits within the UK, the Channel Islands, the Isle of Man and Gibraltar;
- 1.2.3 **Bank** - means one which is our chosen business partner for the provision of the Payment Service and with whom we shall maintain a 'payment services account' in which your money will be segregated and may be pooled with that of other clients from time to time. Monies received or held in a 'payment services account' will not constitute a 'deposit' as defined in the Regulated Activities Order 2009 as amended from time to time and will not be covered by any compensation scheme;
- 1.2.4 **Beneficiary/Receiver** - means the Person identified in the Payment Instruction as the beneficiary or the receiver of the Outgoing Payment, as the case may be, and for whom the corresponding funds are to be made available in an account to which the Person has access or from which the funds are otherwise made available to the Person;
- 1.2.5 **Beneficiary/Receiver Bank** - means the bank which is identified in the Payment Instruction as the beneficiary bank or the receiver bank of the Outgoing Payment, as the case may be, and in which an account of the Beneficiary/Receiver is to be credited pursuant to the Payment Instruction;
- 1.2.6 **CHAPS** - means the Clearing House Automated Payments System which is a system that provides for the clearing and settlement of same day value sterling credits within the UK, the Channel Islands, the Isle of Man and Gibraltar;
- 1.2.7 **Cut-Off Times** - means the latest times for receipt of your Payment Instruction or receipt of Incoming Monies by us in respect of the provision of the Payment Services on a certain Business Day;
- 1.2.8 **Domestic Payment** - means an Outgoing Payment made in sterling by BACS Faster Payment or CHAPS where the Beneficiary/Receiver Bank is located within the UK, the Channel Islands, the Isle of Man or Gibraltar;
- 1.2.9 **Execution Timeframe/Payment Cycle** - means in relation to the Payment Services, the expected number of Business Days from the Acceptance Date that it will take for an Outgoing Payment to be received in an account of the Beneficiary / Receiver Bank. The Execution Timeframe / Payment Cycle is indicative only;
- 1.2.10 **Faster Payment** - means a payment made in Sterling of under £100,000 which is a system that provides for same day clearing and settlement of sterling credits within the UK, the Channel Islands, the Isle of Man and Gibraltar;
- 1.2.11 **IBAN** - means the International Bank Account Number which is an internationally recognised code which identifies a particular bank account in the banking system;
- 1.2.12 **Incoming Monies** - means a receipt to be credited to any Account of yours named as the beneficiary or receiver of the payment;
- 1.2.13 **Intermediary/Correspondent Bank** - means any bank including the Bank but other than the Beneficiary/Receiver Bank which is involved in the execution of a Payment Instruction;
- 1.2.14 **International Payment** - means an Outgoing Payment made by SWIFT: (i) in any currency where the Beneficiary/Receiver Bank is located outside the United Kingdom, the Channel Islands, the Isle of Man and Gibraltar; or (ii) in a currency other than Sterling;
- 1.2.15 **Loss** - means any loss, damages, charge, cost, payment or expense, including any arising out of a claim by a third party;
- 1.2.16 **Outgoing Payment** - means a payment where you instruct us to debit the corresponding funds from your Account held with us;
- 1.2.17 **Payment** - means an Outgoing Payment or Incoming Monies;
- 1.2.18 **Payment Instruction** - means the instruction, authorised by you via the Website to enable us to make an Outgoing Payment (or otherwise as agreed), in respect of the Payment Services;
- 1.2.19 **Payment Services** - means the services provided by us for the sending of Outgoing Payments and the receiving of Incoming Monies;
- 1.2.20 **Payment Services Conditions** - means these terms and conditions relating to the Payment Services set out in this section;
- 1.2.21 **Person** - means an individual, a Company, an association of persons (whether incorporated or not), a Trust, a partnership firm, a society or the Government;
- 1.2.22 **Sender/Remitter** - means the Customer identified in the Payment Instruction as the sender or the remitter of the Payment, as the case may be, and from whose account the corresponding funds have been debited;
- 1.2.23 **Sender/Remitter Bank** - means the bank which is identified in connection with Incoming Monies as the sending or remitting bank of the Incoming Monies, as the case may be;
- 1.2.24 **Sort Code** - means a bank identifier code which is a code consisting of 6 digits and which identifies a particular bank branch in the UK, the Channel Islands, the Isle of Man or Gibraltar;
- 1.2.25 **SWIFT** - means the Society for Worldwide Interbank Financial Telecommunication which is a provider of secure financial messaging services on behalf of financial institutions worldwide;
- 1.2.26 **SWIFT Bank Address/Bank Identifier Code (BIC)** - means the internationally recognised code consisting of 8 or 11 alphanumeric characters which identifies a particular bank in the SWIFT system;
- 1.2.27 **Terms of Business** - means the Terms of Business of Capital Treasury Services Limited as set out in this document and as amended from time to time;
- 1.2.28 **Value Date** - means (i) in respect of Outgoing Payments, the date on which we make funds available to either an Intermediary/Correspondent Bank, a Beneficiary/Receiver Bank or a clearing and settlement system; or (ii) in respect of Incoming Monies, the date on which an Intermediary/Correspondent Bank, the bank from which the Incoming Monies originates or a clearing and settlement system makes funds available to the us or the Bank, or the date, however determined, on which the Bank can receive good value on the corresponding funds.

### 2.0 General

- 2.1 These conditions apply to the Payment Services and form part of the agreement between you and us. If there are any inconsistencies between your existing Terms of Business with us and these conditions, the latter shall prevail.
- 2.2 The Payment Services are provided by us subject to these conditions and your existing Terms of Business with us.
- 2.3 We will take reasonable steps to ensure that the Payment Services are provided to you in accordance with these conditions.

### 3.0 Your Responsibilities

- 3.1 You must maintain either a CTS or a Capital Liquidity Account (your Account) with us in order to avail yourself of the Payment Services.
- 3.2 You are solely responsible for completing the Payment Instruction and for the accuracy and completeness of the Payment Instruction. The Payment Instruction must be clear, accurate and complete and must be completed using the English alphabet.
- 3.3 You must give us the following details in the Payment Instruction:
- 3.3.1 The name and branch of the Beneficiary/Receiver Bank and its Sort Code for Domestic Payments or its Bank SWIFT Address/BIC for International Payments;
- 3.3.2 The bank account number and the name of the Beneficiary / Receiver of the Outgoing Payment. If the Outgoing Payment is denominated in Euros and is to be sent to a Beneficiary/Receiver Bank located in any of an EU Member State, Iceland, Liechtenstein, Norway, or Switzerland, you must provide a valid IBAN for the relevant Beneficiary/Receiver account; and
- 3.3.3 You must also supply your name your address and your Account detail from which the amount of the Outgoing Payment is to be debited. These details may be disclosed with the Outgoing Payment, or in connection with the Outgoing Payment, to the Beneficiary/Receiver Bank and to any Intermediary/Correspondent Bank or other agent or service provider including, but not limited to, SWIFT and BACS, which is involved in the execution of the Payment Instruction.
- 3.4 If you fail to clearly, accurately and fully complete the Payment Instruction, (to include the currency of the Outgoing Payment) the Payment Instruction may not be processed, or there may be a delay in processing the Payment Instruction. We will not be responsible or liable for any Loss which arises in such circumstances. You will be liable for any Loss and any additional charges which may arise.
- 3.5 Payment Instructions must be given by completing the Payment Instruction on the Website, or by any other method for giving Payment Instructions as may be made available by us from time to time. Payment Instructions given in other non-standard formats may be processed by us at our discretion but we are under no obligation to do so and shall not be liable for any failure or delay in doing so.
- 3.6 Sufficient cleared and available funds must be available in your Account to meet a particular Outgoing Payment and the relevant bank charges for processing the Payment Instruction.
- 3.7 We will not permit any payment transfer to overdraw your Account.

- 3.8 In the event that the Payment Instruction contains a Sort Code or Bank SWIFT Address/BIC that is inconsistent with the name and/or branch of the relevant Beneficiary/Receiver Bank, we will not be required to detect or investigate any such inconsistency and may act in accordance with either the Sort Code or Bank SWIFT Address/BIC or the name and address of the Beneficiary/Receiver Bank or may refrain from processing the relevant Payment Instruction. We shall not be liable for any Loss suffered by you or by any third party in such circumstances.
- 3.9 You represent and warrant to us that Payment Instructions, Outgoing Payments and Incoming Monies will not contravene any applicable laws or regulations.
- 3.10 In order to avail of the Payment Services for Incoming Monies and for the Incoming Monies to be applied to your Account efficiently, you must provide to the sender or remitter of the Incoming Monies the following:
- 3.10.1 The correct standard settlement instructions for the chosen currency;
- 3.10.2 The correct details of your Account name and reference with us to which the funds are to be credited.
- 3.11 Our standard settlement instructions details for Incoming Payments will be supplied to you from time to time.
- 3.12 We shall not be responsible or liable for any Loss or delay or failure to apply any Incoming Monies which arises as a result of the fact that details provided by you for the Incoming Monies are not accurate or complete.
- 4.0 Payment Instructions, Incoming Monies, Cut-Off Times, Execution, Timeframe/Payment Cycle & Value Date**
- 4.1 A Payment Instruction is accepted by us for execution when we are satisfied that:
- 4.1.1 You have sufficient cleared and available funds in your Account to meet the Outgoing Payment amount and the relevant charges;
- 4.1.2 The Payment Instruction is completed and authorised in accordance with the Agreement; and
- 4.1.3 All other conditions required by us in relation to the execution of the Payment Instruction have been fulfilled. We may make reasonable enquiries including anti-fraud and anti-money laundering checks before accepting the Payment Instruction and shall not be liable for any delay in processing the Payment Instruction arising from such enquiries. In the event that we do not accept a Payment Instruction, we will inform you of the reason unless restricted by law or regulation from doing so.
- 4.2 We shall not be responsible for checking that the details provided in the Payment Instruction are accurate or complete. We will not be responsible or liable for any Loss which arises as a result of the processing of a Payment Instruction which is not accurate or complete.
- 4.3 We can only process Incoming Monies or a Payment Instruction during the hours we are open for business on a Business Day subject to the relevant Cut-Off Times. Cut-Off Times are subject to change from time to time and in particular on days prior to Bank Holidays and other Non-Business Days.
- 4.4 Where we receive Incoming Monies or a Payment Instruction on a Business Day prior to the relevant Cut-Off Time, we will endeavour to process the Incoming Monies or Payment Instruction on that Business Day but are under no obligation to do so and shall not be liable for any failure to do so. Where we receive Incoming Monies or a Payment Instruction on a Business Day after the relevant Cut-Off Time or on a Non-Business Day, we will endeavour to process the Incoming Monies or Payment Instruction on the next Business Day but are under no obligation to do so and shall not be liable for any failure to do so. The processing of Incoming Monies or a Payment instruction may be affected by factors such as payment volumes on any particular day, the time needed by us to complete our security or verification checks or other authorisation processes or cut-off times of our agents in respect of the currency of the Outgoing Payment.
- 4.5 Details of Cut-Off Times for Incoming Monies and Payment Instructions are available either on our Website or from us on application. Note: a Sender/ Remitter Bank may apply their own cut-off times and processing times for payments which they make in respect of Incoming Monies.
- 4.6 The Execution Timeframe/Payment Cycle for an Outgoing Payment is:
- 4.6.1 Up to 3 Business Days for Payments made by BACS;
- 4.6.2 The same day for Payments made by Faster Payments and CHAPS; and
- 4.6.3 Up to 3 Business Days for Payments made by SWIFT (other than CHAPS Payments).
- 4.6.4 All Execution Timeframes/Payment Cycles are indicative only and are subject to the Payment Services Conditions generally and in particular, but without limitation, to Clauses 4.1, 4.3, 4.4, 4.7, 4.8, 4.11, 4.12, 4.13, 7.2.4, 7.2.5, 7.3 and 7.4 herein.
- 4.7 The Value Date applied to an Outgoing Payment by us is indicative of the earliest date on which funds may be made available to the Beneficiary/ Receiver Bank. Any Value Date or Execution Timeframe/Payment Cycle applied to an Outgoing Payment by us is indicative only and does not guarantee when the Beneficiary/Receiver will receive a Payment. The Value Date applied to Incoming Monies by the Bank is indicative of the earliest date on which funds may be made available to you or credited to your Account with us.
- 4.8 Receipt of Incoming Monies will be treated as your consent to it being processed and credited to your Account. After a payment into your Account has been received by us, you cannot stop or withdraw your consent to the processing of the payment.
- 4.9 Where the Outgoing Payment is in a currency other than the currency of your Account a currency conversion will be necessary which may delay the Payment being processed and increase the number of Business Days in the Execution Timeframe/Payment Cycle for the Payment.
- 4.10 In the event that an incorrect amount is debited or credited to your Account in respect of a Payment Instruction or Incoming Monies, we may make any correcting entries on your Account without obtaining authorisation from you.
- 4.11 Fraudulent or Mistaken Payments into Your Account: If Incoming Monies are fraudulently or mistakenly paid into your Account, the amount of the payment may subsequently be deducted by us. This may happen even if the funds are included in your Account balance, if you have used the funds to make a payment or have transferred or withdrawn all or part of them. If the deduction of the payment from your Account would make your account go overdrawn we may treat this as an informal request for an overdraft pending rectification of the position by you.
- 4.12 Either we or the Bank will, at our absolute discretion, use Intermediary/ Correspondent Banks and/or clearing and settlement systems to execute your Payment Instructions. We or the Bank shall decide, at our absolute discretion, when to use Intermediary/Correspondent Banks and/or clearing and settlement systems and which Intermediary/Correspondent Banks and/or clearing and settlement systems to use.
- 4.13 We are not responsible for the failure of BACS, CHAPS, SWIFT or any other clearing and settlement system, Intermediary/Correspondent Bank or beneficiary/Receiver Bank to make an Outgoing Payment to a Beneficiary/ Receiver, or for any delay in making or receiving the Outgoing Payment occasioned by or in relation to BACS, CHAPS, SWIFT or any other clearing and settlement system, intermediary/Correspondent Bank or Beneficiary/ Receiver Bank.
- 4.14 We are not responsible for any delay in the processing of any Payment Instructions where the date of receipt of an Outgoing Payment in the recipient jurisdiction is not a Business Day in that jurisdiction or in the jurisdiction of the payment currency.
- 4.15 Due to local banking practices in certain regions of the world including, but not limited to, Africa, South America, the Caribbean and areas of the Middle East and Asia, delivery times and service may vary. We are not responsible for any delay in the receipt of any Outgoing Payment by the Beneficiary/ Receiver due to such local banking practices.
- 5.0 Cancellations & Alterations of Payment Instructions**
- 5.1 When a Payment Instruction is accepted by us for execution in accordance with Clause 4.1 above, such Payment Instruction becomes irrevocable.
- 5.2 Without prejudice to Clause 5.1, if you wish to alter or amend any of the details in the Payment Instruction or stop or cancel any Payment Instruction, any such request from you shall be effected at our sole discretion and shall be subject to receipt by us of documentation in such form as we may direct or require. A Payment Instruction may have been transmitted through a number of separate clearing and settlement or banking systems and it may not be possible to implement such a request.
- 5.2.1 In any event, we will not be liable for any inability or failure to implement such a request.
- 5.3 Where a Payment Instruction is altered, amended, cancelled or stopped in accordance with Clause 5.2 above, you shall be liable for any Intermediary/ Correspondent Bank charges and any other charges that may arise in connection with such request and such charges will be deducted from your Account or from the funds being returned to you before being credited to your Account, where relevant. You shall be responsible for any foreign exchange losses which may arise as a result of us stopping or cancelling a Payment Instruction in accordance with the Payment Services Conditions.
- 6.0 The Fees & Charges for the Payment Services & Currency of Payment**
- 6.1 You agree to pay to us such fees and charges as we may apply for the provision of the Payment Services. Our charges include the charges applied by the Bank but may not include any fees or charges levied by an Intermediary/Correspondent Bank in respect of making Outgoing Payments. Details of the fees and charges are set out in our schedule of fees and charges which will be made available to you from time to time.
- 6.2 We may charge you as set out in our schedule of fees and charges for responding to enquiries from you or third parties in respect of any Payment we have made in accordance with your Payment Instruction, but we will not charge you if we have made an error. Examples of chargeable enquiries include, but are not limited to, confirmations that an Outgoing Payment has been credited to the account of the Beneficiary/Receiver.
- 6.3 We reserve the right to increase or vary our fees and charges for the Payment Services or introduce new charges at any time and will notify you of any such change in accordance with the Agreement. We will give you reasonable prior notice of increased or new charges unless we tell you the amount of the charge before you avail of the relevant service. We will notify you of reductions in fees and charges but not necessarily in advance.
- 6.4 You can request us to deduct the amount of fees and charges in respect of an Outgoing Payment from the Payment amount by stating this in the Payment Instruction. In the event that you do not specify how the charges are to be taken by us, we will deduct the amount of its charges from your Account and not from the Outgoing Payment amount. In the event that this would lead the relevant Account to become overdrawn you authorise us to debit the amount of any applicable fees and charges incurred by you in respect of an Outgoing Payment to any other Account of yours as we may at our discretion think fit or in the absence of the same reserve the right to reject the Payment.
- 6.5 In the case of an Outgoing Payment, Intermediary/ Correspondent Banks and the Beneficiary/Receiver Bank may deduct their respective charges (if any) from the Payment amount being sent to the Beneficiary/Receiver. In the case of International Payments you can opt to pay all of the charges associated with the execution of the relevant Payment Instruction, including our charges, the Intermediary/Correspondent Bank's charges and the Beneficiary/Receiver Bank's charges (where applicable) by stating this in the Payment Instruction. It is not possible for us to advise you of the amount of any charges that will or may be applied by other banks, nor do we have any responsibility or duty to do so.

- 6.6 In the event that an Outgoing Payment is not executed by an Intermediary/ Correspondent Bank or Beneficiary/Receiver Bank, for whatever reason, the relevant Intermediary/Correspondent Bank and or Beneficiary/Receiver Bank may deduct their respective charges (if any) from the Payment amount being returned to us.
- 6.7 A Payment Instruction to make an Outgoing Payment in a currency other than the currency of your Account will involve a currency conversion and will be subject to our variable exchange rates in addition to other fees and charges for the Payment Services.
- 6.8 In respect of a Payment Instruction to make a Payment in a currency other than the currency of your Account, unless we agree an exchange rate with you, the exchange rate used will be our exchange rate that is current at the time the Payment Instruction is processed by us and not necessarily the exchange rate at the time of receipt of the Payment Instruction.
- 6.9 An Outgoing Payment in a currency other than the local currency of the jurisdiction in which the Beneficiary/Receiver Bank is located may be converted into the relevant local currency by the Intermediary / Correspondent Bank or Beneficiary/Receiver Bank before being credited to the account of the Beneficiary/Receiver.
- 6.10 In the case of Incoming Monies, you acknowledge that an Intermediary / Correspondent Bank may deduct its applicable fees and charges from the relevant Payment amount before it is credited to our account.
- 6.11 In the case of Incoming Monies in a currency other than the currency of your account with us (e.g. a foreign payment paid in US dollars for the credit of a sterling account) will be converted at our prevailing exchange rate. Our exchange rates are variable exchange rates which are changing constantly throughout the day (e.g. to reflect movements in the foreign exchange markets). The exchange rate to be applied to a particular payment will appear on your statement and is also available on request if you contact us.

**7.0 Liability & Indemnity**

- 7.1 Without prejudice to the exclusions in Clause 7.2, and notwithstanding any other provision in these terms and conditions, to the extent permitted by law or regulation, we shall not be liable for any Loss suffered by you in connection with the Payment Services except to the extent directly attributable to our fraud, wilful default or negligence.
- 7.2 You acknowledge and agree that to the extent permitted by law or regulation we shall not be liable for any loss which arises as a result of:
- 7.3 Any total or partial failure of performance of its duties and obligations occasioned by an act of God, fire, act of government or state, war, civil commotion, insurrection, embargo, breakdown of telecommunications services, failure of any computer system, prevention from or hindrance in obtaining any energy, labour disputes (of whatever nature and whether involving our employees or otherwise) or any other reason or circumstances (whether or not similar in kind to any of the above) beyond our control;
- 7.4 Any action or inaction taken by or against us as a result of any action of a Government authority, a legal order or legal proceedings, relating to you or your use of the Payment Services;
- 7.5 Our failure to act in accordance with any Payment Instruction where there are insufficient cleared and available funds available in the relevant Account to effect a Payment Instruction.
- 7.6 Any act, delay or error by a third party (including another financial institution) including without limitation any refusal by any Intermediary/Correspondent Bank or Beneficiary/Receiver Bank to execute or to apply the Payment or any action taken by them to freeze the funds corresponding to the Payment pursuant to financial sanctions or any other legal, regulatory or other requirements applicable to them; and
- 7.7 Our failure to act or delay in acting in accordance with any Payment Instruction if, in our opinion, the Payment Instruction, if effected, would result in a breach of any legal, regulatory or other requirements including, without limitation, requirements relating to anti-money laundering or fraud prevention, or in a potential security issue or in material disadvantage or damage to us.
- 7.8 Notwithstanding any other provision in these terms and conditions, we and the Bank may take whatever action it considers appropriate to meet any obligations relating to the prevention of fraud, money laundering, terrorist activity or other serious crime and the provision of financial and other services to any person who may be subject to sanctions. This action may include, but is not limited to, investigating and intercepting Payments into and out of your Account and making enquiries to establish whether a person or associated jurisdiction is subject to sanctions. This may result in a delay or refusal to execute a Payment Instruction or apply Incoming Monies or the funds in respect of an Outgoing or Incoming Monies being frozen. You acknowledge and agree that, to the extent permitted by law, we shall not be responsible or liable for any Loss suffered by you or by any third party which arises as a result of taking such action.
- 7.9 Prior to executing Payment Instructions, we may, at our discretion, contact you to verify such Payment Instructions and will not execute any such Payment Instruction until we obtain the relevant verification. It is your responsibility to be available to give such verification. This verification procedure may result in a delay or failure to execute the Payment Instruction. You acknowledge and agree that, to the extent permitted by law, we shall not be responsible for any Loss suffered by you or by any third party in such circumstances.
- 7.10 You agree that under no circumstance shall we be liable for any indirect, special, incidental or consequential Loss (including any suffered by you as a result of an action brought by a third party and also including any lost profits or other opportunities).
- 7.11 You indemnify and agree to keep us indemnified against all Loss suffered or incurred by us and all claims made against us in relation to the Payment Services provided that we will not be entitled to rely on this indemnity in respect of any Loss or claim attributable solely to our fraud, wilful default or negligence.

**8.0 Data Protection**

- 8.1 For the purposes of this clause the following terms shall have the same meaning and interpretation as set out in the Data Protection Act 2002 "The Supervisor"; "Data Controller"; "Data Processor" "Personal Data" or "personal data"; "Data Subject"; "Processing" or "processing"; "Sensitive Personal Data".
- 8.2 For the purposes of the Payment Service you are the Data Controller and we are the Data Processor.
- 8.3 You warrant and undertake that:
  - 8.3.1 Any Personal Data has been collected and processed in accordance with the Data Protection Act 2002; and
  - 8.3.2 The processing of personal data has been notified to the Supervisor as required under the Data Protection Act 2002;
  - 8.3.3 You will take such actions as are necessary to ensure you have fulfilled, and will continue to fulfil, the warranties set out in this Clause 8.3.
- 8.4 We warrant and undertake:
  - 8.4.1 That we have in place appropriate technical and organisational measures against accidental or unlawful destruction or accidental loss, alteration, unauthorised disclosure or access and adequate security programs and procedures to ensure that unauthorised persons will not have access to the data processing equipment used to process the personal data, and that any persons it authorises to have access to the personal data will respect and maintain the confidentiality and security of the personal details;
  - 8.4.2 That we have appropriate security measures, which reflect the nature of the personal data and the level of harm that might be suffered by a Data Subject as a result of unauthorised access or disclosure of personal data;
  - 8.4.3 To act only on your instructions;
  - 8.4.4 To do such actions as are necessary to ensure we have fulfilled, and will continue to fulfil, the warranties set out in this section 8.4;
  - 8.4.5 Subject to your consent to provide a Data Subject the rights of access, correction, blocking, suppression or deletion available to such an individual under the Data Protection Act 2002;
  - 8.4.6 To submit our data processing facilities, data files and documentation needed for processing to auditing and / or certification by you (or other duly qualified auditors of inspection authorities not reasonably objected to by us and approved by you to ascertain compliance with the warranties and undertakings in this agreement);
  - 8.4.7 To comply with any changes in applicable laws. In the event we are unable to do so, we shall forthwith notify you and you shall be entitled to terminate this agreement, unless the parties have agreed or forthwith agree to take such steps as shall enable us to so comply.
- 8.5 We hereby agree that we will indemnify each other and hold each other harmless from any cost, charge, damages, expense or loss resulting from its breach of any of the provisions of this agreement.



# Terms of Business

## Section F | e-Gaming Player Protection

### 1.0 Definitions

- 1.1 In this Section 'we', 'our' or 'us' means Capital Treasury Services Limited (CTS) a company incorporated in the Isle of Man, which is licensed by the Isle of Man Financial Services Authority and whose registered office and principal place of business is Capital House, Circular Road, Douglas, Isle of Man, IM1 1AG, British Isles; and 'you' and 'your' means the Client to whom they are addressed.
- 1.2 In addition in this section the following words in bold have a specific meaning and, where the context admits, the singular form shall include the plural and vice versa:
- 1.2.1 **GSC** - the Isle of Man Gambling Supervision Commission;
  - 1.2.2 **Operator** - you the client by whom online gambling is conducted and who holds a current gaming licence issued by the GSC and who is required to provide for protection of Player Funds;
  - 1.2.3 **Participant** - a person (other than an Operator) who takes part in online gambling;
  - 1.2.4 **Participants Money** - has the meaning ascribed to it by the Offshore Gambling (Participants Money) Regulations 2010;
  - 1.2.5 **Player** - an alternative expression for a "Participant";
  - 1.2.6 **Monitored Treasury Pooled Account** - a multi-currency segregated treasury account, investing solely in cash-only investments, for the sole-purpose of providing protection for Player Funds;
  - 1.2.7 **Player Funds** - an alternative expression for Participants Money;
  - 1.2.8 **Regulations** - the Offshore Gambling Regulations Act 2001, the Gambling Supervision Act 2010 and the Offshore Gambling (Participants Money) Regulations 2010 as amended from time to time;
  - 1.2.9 **Required Value** - the total amount of Player Funds recorded on the systems of the Operator.

### 2.0 Services

- 2.1 We will provide safe keeping services in respect of Player Funds held in one or more Monitored Treasury Pooled Accounts as required by the GSC together with related payment services in accordance with our standard terms of business and as provided hereafter.

### 3.0 Operator Warranties & Responsibilities

- 3.1 The Operator hereby warrants as follows that: -
- 3.1.1 It is a company limited by shares, duly incorporated and validly existing in the Isle of Man and has the power and authority to conduct its business as it is now being conducted,
  - 3.1.2 It has obtained, and will maintain in full force and effect any licences, contracts and filings required to enable it to perform its obligations under this Agreement;
  - 3.1.3 It has full and unfettered powers to appoint us to perform the services under this Agreement and to perform its obligations under this Agreement and further that the Player funds are, and for the duration of this Agreement will remain, free from any lien, charge and other encumbrance (except as otherwise provided for or acknowledged herein); and
  - 3.1.4 It is not a retail customer for the purposes of the Rulebook.
  - 3.1.5 That it undertakes to notify us forthwith if it ceases, or has any reason to believe that it will cease, to maintain its status as a licence holder of the GSC.
  - 3.1.6 It will not allow the Monitored Treasury Pooled Account to become overdrawn and that at all times it will ensure that the total value of Player Funds in the Monitored Treasury Pooled Account(s) is not less than the Required Value.
  - 3.1.7 A note as to the reason why will be attached to any application for withdrawal of monies from the Monitored Treasury Pooled Account(s).
  - 3.1.8 You will agree with the GSC a mandate (the Payment Mandate) for the operation of the Monitored Treasury Pooled Account (s) which encompasses matters such as anticipated amount and frequency of regular or adhoc payment requirements.
  - 3.1.9 Acceptable reasons for regular mandated payments are:
    - 3.1.9.1 Sweeping up of interest paid on the Monitored Treasury Pooled Account(s) directly to the Operator.
    - 3.1.9.2 Sweeping up of spent/dead monies within the Monitored Treasury Pooled Account(s) – this is specifically those monies that have effectively been spent by the players and are therefore no longer protecting the client liabilities.
  - 3.1.10 The GSC will be given payment authorisation rights within the Bridge system.

### 4.0 Responsibilities of the GSC

- 4.1 The parties hereto acknowledge that the GSC:
- 4.1.1 Has powers under the Regulations to notify us that the Operator is in default;
  - 4.1.2 Will agree with the Operator methods of payment that can be used to deposit and withdraw money as well as any proposed conditions attached to these and any other financial transactions (including transfers and charges);
  - 4.1.3 The GSC must approve all payment methods in a payment schematic before they can be used by the Operator;
  - 4.1.4 The GSC will measure the Operators exposure to Player Funds from time to time and be given view only access to the Operator's Monitored Treasury Pooled Account(s) with us in order to ensure that the Required Value is at all times invested in the Monitored Treasury Pooled Account(s).

### 5.0 Our Responsibilities

- 5.1 We hereby acknowledge to the Operator that —
- 5.1.1 We understand that all money standing to the credit of any Monitored Treasury Pooled Account maintained by the Operator is held by the Operator as trustee and that we are not entitled to combine the account with any other account or to exercise any right of set - off or counterclaim against money in that account in respect of any debt owed to us by the Operator;
  - 5.1.2 Interest earned on each such account will be credited to the account or to an account of the same type;
  - 5.1.3 The title of each such Monitored Treasury Pooled Account:
    - 5.1.3.1 Will be in the form requested by the Operator, and
    - 5.1.3.2 Will sufficiently distinguish the account from any other account containing money belonging to the Operator (e.g. "Player Funds Account")
  - 5.1.4 That copies of all account opening forms or any variations thereto will be provided to the GSC;
  - 5.1.5 That we may contact the GSC at any time with regard to any aspect of the operation of your Monitored Treasury Pooled Account(s);
  - 5.1.6 That in respect of payment requests, If the payment request:
    - 5.1.6.1 With the Operator as the first authoriser, meets the parameters of the Payment Mandate then payment will be co-authorised by us or the GSC.
    - 5.1.6.2 Is outside of the Payment Mandate based on frequency and/ or amount then this will be referred to the GSC.

### 6.0 Operator Default

- 6.1 Where an Operator is in default, no money can be withdrawn from the Monitored Treasury Pooled Account without the consent of the GSC.
- 6.2 For the purposes of these Terms of Business an Operator is in default and the Monitored Treasury Pooled Account can be frozen by us under the following circumstances:
  - 6.2.1 Where a liquidator, receiver, administrator or trustee in bankruptcy has been appointed in the Isle of Man or any equivalent procedure has occurred in a country or territory outside the IOM in respect of the Operator; or
  - 6.2.2 The GSC has directed that the Operator be treated as in default; or
  - 6.2.3 Where for any other reason the Operator has given notice under Clause 3.5 above.
- 6.3 Following the freezing of your Monitored Treasury Pooled Account(s) in any of the above circumstances we will only act upon the instruction of the GSC or as authorised by the GSC in the operation of the account(s).



# Terms of Business

## Section G | Web Usage

**NOTE:** The terms and conditions set out in the following sections apply in addition to your existing Terms of Business with Capital Treasury Services Limited ('CTS') when you use or apply to use the Internet Payment Service via our website. Please read them carefully and retain a copy for future reference.

### 1.0 Definitions & Interpretation

1.1 In this Section 'we', 'our' or 'us' means Capital Treasury Services Limited (CTS) a company incorporated in the Isle of Man, which is licensed by the Isle of Man Financial Services Authority and whose registered office and principal place of business is Capital House, Circular Road, Douglas, Isle of Man, IM1 1AG, British Isles; and 'you' and 'your' means the Client to whom they are addressed.

1.2 In addition in this section the following words in bold have a specific meaning and, where the context admits, the singular form shall include the plural and vice versa:

- 1.2.1 **Authorised Representative** - any person authorised by you to be its representative in a Schedule of Authorised Representatives or otherwise;
- 1.2.2 **Business Day** - a weekday, other than a Saturday, on which the World Foreign Exchange Markets shall be open for business;
- 1.2.3 **Business Hours** - 08.00am to 17.30pm GMT/BST on any Business Day or such other hours as may be notified from time to time.
- 1.2.4 **Terms of Business** - means the Terms of Business of Capital Treasury Services Limited as set out in this document and as amended from time to time;
- 1.2.5 **FSA** - means the Isle of Man Financial Services Authority. The address of the FSC is Finch Hill House, Bucks Road, Douglas, Isle of Man, IM1 3DF;
- 1.2.6 **Orders** - Instructions by you to us to effect a Transaction;
- 1.2.7 **The Rulebook** - means the Isle of Man Financial Services Authority Financial Services Rulebook as published from time to time;
- 1.2.8 **Schedule of Authorised Representatives** - a separate written schedule which is used to record the name, address and contact information of Authorised Representatives of yours;
- 1.2.9 **Security Codes** - user names, passwords, access codes, individual user identification numbers or other identification measures assigned by us to you for use by Authorised Representatives duly authorised by you to use the Website;
- 1.2.10 **£ and/or Sterling** - the lawful currency for the time being of the Isle of Man and United Kingdom;
- 1.2.11 **Transaction(s)** - means your instruction(s) for the transmission of currency in an agreed denomination on the International Payment and Cash Management services platform;
- 1.2.12 **The Website** - means any webpage of the Capital International Group website provided by us and which can be accessed by you at [www.capital-iom.com](http://www.capital-iom.com) or such other web address as may be notified to you from time to time;

1.2 References to a Clause, Schedule or Paragraph are (unless otherwise stated) to a clause of and Schedule to this Agreement and to a paragraph of the relevant Schedule.

1.3 You have previously entered into the Treasury Services Terms of Business. Those Terms of Business and these conditions apply to the International Payment & Cash Management Services known as Bridge and form part of the Agreement between you and us. If there are any inconsistencies between the Terms of Business and these conditions the latter shall prevail.

1.4 The parties have agreed that their relationship in connection with such matters shall be governed by the terms and conditions set out in this Agreement and to the extent that they do not conflict with the same, our Terms of Business.

1.5 For the purposes of this agreement, reference to 'you' shall where appropriate be deemed to include reference to your Authorised Representatives.

### 2.0 Use of the Internet & Intellectual Property Rights

2.1 As a user of the Website you are permitted to access the Website to view your accounts, to access download and print information and if appropriate place Orders or use other services via the Website for your own internal business use by way of revocable licence on a non-exclusive, non-transferable basis. The content of the Website may not be altered or modified in any way nor should it be used other than for the purpose of your use of the Website.

2.2 You acknowledge that the Website contains copyrighted material and other proprietary information and that you do not acquire any ownership or intellectual property rights by downloading such material. All rights and interests and all intellectual property rights (including, without limitation, all trademarks and trade names in or relating to us or the Website) are owned by us or our suppliers and will remain our property or that of our suppliers at all times. You will have no right or interest in those intellectual property rights other than the right to access the Website and to use the services provided via the Website.

2.3 You may download copyrighted material from the Website in order to use it for its designated purpose only. Except as otherwise expressly permitted under copyright law, no copying, redistribution, retransmission, publication or commercial exploitation of downloaded material is permitted without our prior written consent.

### 3.0 Access to the Website & Security Duties

3.1 The means by which you send orders to us shall be as agreed from time to time between you and us.

3.2 For the purpose of access to the Website or any part thereof we may assign or provide, as appropriate and necessary, user names, passwords, access codes, individual user identification numbers or other identification measures (Security Codes) to you for use by representatives duly authorised by you to use the Website. We may from time to time change or prevent or restrict the use of any Security Codes relating to the Website without notice or liability.

3.3 You may be asked to comply with separate terms of business in relation to specific connectivity solutions. Such terms will be in addition to these Terms.

3.4 You shall promptly notify us immediately in writing of any loss or theft of any Security Codes relating to the Website or if you believe (or have reason to suspect) that the confidentiality of any Security Codes has been compromised or that there has been, or may be, any unauthorised use of the Website.

3.5 You shall be solely responsible for all uses of Security Codes assigned or provided to you and for any acts or omissions during such use, and we shall be entitled to treat any access to or use of the Website as having been duly authorised by you where it appears that the appropriate Security Codes have been used and, accordingly, you shall comply with all obligations to us in respect of an order or transaction executed through the Website.

3.6 You warrant that you shall: -

- 3.6.1 Have developed and thereafter maintain adequate and effective security procedures to prevent access to the Website by persons other than Authorised Representatives or the use of the Website to place orders that have not been duly authorised on your behalf or the transmission of incorrect orders and/or access to Website by any unauthorised person or entity;
- 3.6.2 Keep secure and procure that your Authorised Representatives shall keep secure any Security Codes issued to it or them by us. You shall not and shall procure that your Authorised Representatives shall not disclose the Security Codes to any third party or any unauthorised person in your organisation (except as may be expressly agreed in writing by us) and that the Security Codes shall not be retained anywhere on your computers in plain text; and
- 3.6.3 Ensure that all Authorised Representatives use the Website only in accordance with these Terms.

3.7 Subject to the above, you shall be solely responsible for providing and maintaining any equipment and software and for making all appropriate arrangements with any telecommunications suppliers necessary in order to use Website. We make no representation or warranty, as to the suitability or otherwise of any such equipment, software or arrangements that you may provide or maintain.

3.8 You will be responsible for all losses (including the amount of any transaction carried out without your authority) if you have acted in breach of your security duties or in circumstances where one or more of your Authorised Representatives shall have acted fraudulently or negligently so as to facilitate any unauthorised access or transaction.

### 4.0 Provision of Account Information

4.1 The Website will provide you with cash balances on your CTS and CLA cash accounts including those balances affected by intra-day use of the Payment Service but you should note that this service is not 'live' and will involve being updated at approximately 15 minute intervals and the time and date of the last up date will be shown on screen.

4.2 The information available to you on the Website shall not be taken as conclusive evidence as to the up to date position of your account(s) with us and while we will use all reasonable endeavours to ensure the accuracy and completeness of information we shall not be liable for any loss incurred or damage suffered by reason or in consequence of any such information. you of the reason unless restricted by law or regulation from doing so.

### 5.0 Use of the Payment Services

5.1 Specific Conditions for the use of Payment Services via Bridge are set out in Section E previously.

## 6.0 Limit on Liability & Force Majeure

- 6.1 We may at any time without notice or liability change limit suspend, discontinue or terminate your access to the Website and any information service feature or function provided by means of Website (including without limitation the securities that may be dealt through the Website, the limit or quantity of any such security and the equipment and software requirements to use the Website).
- 6.2 You acknowledge that the Internet is not a secure medium for communication of sensitive information. You expressly agree that any use by you of our Website shall be at your sole risk.
- 6.3 Except as expressly set out in these Terms and to the extent permitted by applicable law and regulatory rules we exclude any conditions, warranties and representations, express or implied, statutory or otherwise as to condition, satisfactory quality, performance, and fitness for purposes or otherwise regarding the Website, its content and the services offered. This disclaimer of liability applies to any damage or loss (including consequential loss) caused by any failure of performance, error, omission, interruption, deletion, defect, delay in operation or transmission, computer virus, communication line failure or alteration or use of record.
- 6.4 We are not liable for any damage or loss that may be caused to any equipment or software due to any viruses, defects or malfunctions in connection with the access to or use of the Website and its content or in connection with the transactions or any other services available.
- 6.5 We make no representation or warranty express or implied as to the Website or its capabilities or the results that may be obtained by you from using the Website.
- 6.5.1 You will be solely responsible for all orders, and the accuracy of all information, sent via the Internet using your name or any security code issued to you.
- 6.5.2 We make no representation regarding and accept no liability in respect of any third party software or hardware, including your own computer hardware and software and will not be responsible for any delay or inaccuracy resulting from technical errors or problems including, without limitation, in respect of your transmission of orders that we do not receive or cannot send due to malfunction of communications equipment or the Website.
- 6.6 Neither party shall be held liable for any loss incurred by the other party which arises either wholly or in part as a result of any event or state of affairs which is beyond its control to prevent and the effect of which is beyond its power to avoid and which may arise inter alia, from delays or changes in market conditions whether before or after any transaction, market fluctuation, currency fluctuation, computer failure or labour dispute occurring within any organisation other than CTS or CIL, or your inability to communicate with us, or for any other reason and whereby the party in question is unable to take or refrain from taking, or shall not be obliged to take or refrain from taking, any action as a consequence thereof.
- 6.7 You acknowledge that the nature of electronic communications can be such that it is subject to delay and/or corruption and that the content of the Website may not be provided in real time or updated. The Website and any content on the Website is provided to you on an 'as is' basis.
- 6.7.1 We do not guarantee that the Website or the content is error free, accurate, up to date or available at all times.
- 6.7.2 Certain links may be included on the Website. Inclusion of these links does not imply our endorsement of or association with any products, services, content, information or materials offered by or accessible to you at the linked website. We are not liable for the content of any third party websites to which links are included in the Website.
- 6.7.3 Certain information services and news feeds may be available on the Website. The information services and news feeds are not supplied, monitored or checked in any way by us. We are not liable for their content, truth, accuracy or completeness.
- 6.8 Use of the Website shall be on the basis that we shall not be liable if the contents of this Website or any viewing of it by you or any Authorised Representative is contrary to the laws applying in the jurisdiction where such access occurs.
- 6.9 You agree that the limitations and exclusions set out in this Clause 6.7 are reasonable having regard to the fact that the provision of the services through the Website is a new and developing business activity that affords you greater convenience and ease of availability of information, the levels of risk associated with each of your and our obligations hereunder and all other relevant circumstances.

## 7.0 Confidentiality

- 7.1 Each of the parties hereto undertakes to keep confidential and, except insofar as we may be required by necessity to disclose to third parties in order for those third parties to perform their obligations under any agreement we may have with them in relation to you or any service we are providing to you, not at any time to disclose or make known to anyone whomsoever or use for their own or any other person's benefit any confidential information (including, but not limited to any information relating to operational procedures and computer systems) relating to each other's businesses as the same may be conducted from time to time during the term of this Agreement and, without prejudice to the generality of the foregoing, other than to the extent that the information in question:
- 7.1.1 Is or comes into the public domain without fault on the part of the party to whom the same was disclosed or to whose attention the same has come;
- 7.1.2 Was already known to the relevant party at the time the same was disclosed to it or came to its attention; or
- 7.1.3 Has been disclosed to the relevant party by a third party which was able lawfully to disclose the same; or
- 7.1.4 Is required to be disclosed for the purpose of enabling either party to perform its obligations under this Agreement, in which case we will give you reasonable notice of such disclosure.

## 8.0 General

- 8.1 No failure or delay by either of the parties or time or indulgences given by either of them in or before exercising any remedy or right under or in relation to this Agreement shall operate as a waiver of the same nor shall any single or partial exercise of any remedy or right preclude any further exercise of the same or the exercise of any other remedy or right.
- 8.2 Time shall be of the essence in this Agreement, both as regards the dates and periods specifically mentioned and as to any dates and periods which may, by agreement in writing between the parties, be substituted for any of them.
- 8.3 In the event that any one or more of the provisions contained in this Agreement shall be invalid, illegal or unenforceable in any respect under any law, the validity, legality and enforceability of the remaining provisions shall not in any way be affected.

## 9.0 Applicable Law & Jurisdiction

- 9.1 Unless otherwise indicated: (a) the Website is not targeted at the residents of any particular country and is not intended for distribution to, or use by, any person in any jurisdiction or country where that distribution or use would be contrary to local law or regulation; (b) no services will be available, and offering circulars or other information in respect of them will not be distributed, to persons resident in any country or jurisdiction where that offering or distribution would be contrary to local law or regulation or which would subject us to any registration or licensing requirement within that jurisdiction; and (c) no action has been or will be taken in any jurisdiction that would permit a public offering of any Investment described on the Website where that action is required.
- 9.2 In particular, we are not a registered broker-dealer or an investment adviser in the United States of America. We do not offer or seek to offer or substitute any services of a registered broker-dealer or an investment adviser in the United States of America.
- 9.3 This Agreement shall be governed by and construed in accordance with the laws of the Isle of Man. The parties irrevocably submit to the exclusive jurisdiction of the Courts of the Isle of Man in respect of any claim, dispute or difference arising out of or in connection with this Agreement.



## **Isle of Man | Head Office**

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