

TERMS OF BUSINESS FOR AUTHORISED INTERMEDIARIES

This document sets out the terms and conditions (**Terms of Business**) upon which Capita (as defined below) will deal with Intermediaries acting on behalf of Investors in the Funds. These Terms of Business form a binding contract between Capita and the Intermediary. This document replaces any previous terms of business which you have received.

These Terms of Business may be varied from time to time as described in clause 13 below.

Capita Financial Managers Limited (**CFM**), Capita Financial Administrators Limited (**CFA**) and Capita Financial Nominees Limited (**CFN**) are authorised and regulated by the Financial Services Authority (**FSA**). The FSA Register Number for CFM is 119197, the FSA Register Number for CFA is 121795 and the FSA Register Number for CFN is 169586. Further information may be obtained from the FSA Register by visiting the FSA website <http://www.fsa.gov.uk/register>, by telephoning 0845 606 1234 or by writing to the FSA at 25 The North Colonnade, Canary Wharf, London, E14 5HS.

1 Definitions and interpretation

In these Terms of Business the following words and expressions have the meanings and interpretation set out below (unless the context otherwise requires):

ACD means Authorised Corporate Director;

Anti-Money Laundering Requirements means the Proceeds of Crime Act 2002, the Money Laundering Regulations 2007 the Terrorism Act 2000, the FSA Money Laundering Sourcebook and any other applicable anti-money laundering legislation, regulations, rules or guidelines;

Applicable Law means all applicable laws and regulations of the United Kingdom or any other territory, and the prevailing regulations, requirements, determination, practice and guidelines of any other governmental or regulatory organisation of which the Intermediary or (if appropriate) an Associate is a member or by which it is regulated;

Associate has the meaning ascribed to it in the FSA Handbook;

BACS means Banks Automated Clearing System;

Business means the business of engaging in one or more of the activities described in Schedule 2 of FSMA;

Business Day means a day, not being Saturday or Sunday, on which the London Stock Exchange is open for business;

Cancellation Rights means the cancellation rights set out in chapter 15 of the FSA's Conduct of Business Sourcebook which forms part of the FSA Handbook;

Capita means CFM, CFA and/or CFN as the case may be;

CFA means Capita Financial Administrators Limited, a company registered in England No. 00934528, whose registered office is Beaufort House, 15 St Botolph Street, London, EC3A 7HH;

CFM means Capita Financial Managers Limited, a company in England No. 1146888, whose registered office is Beaufort House, 15 St Botolph Street, London, EC3A 7HH;

CFN means Capita Financial Nominees Limited, a company in England No. 2823982, whose registered office is Beaufort House, 15 St Botolph Street, London, EC3A 7HH;

Client Company means the sponsor, manager or operator of a Fund hosted or administered by Capita;

Client Money Account means an account that meets the requirements of the rules relating to "client money" under the FSA Handbook;

Commission means the commission payable by Capita to the Intermediary, as described in clause 7;

Confidential Information means all confidential information (including but not limited to, data, documents, methodologies, software, trade secrets, personnel records, business strategies, pricing, financial arrangements and commercial affairs), whether written, machine-readable or verbal;

Distance Marketing Directive means the Distance Marketing of Financial Services Directive (2002/65/EC);

Duly Authorised means that the Intermediary has obtained all necessary authorisations, permissions and licences under Applicable Law in order to carry on Business in the relevant jurisdiction and that the same are current and up-to-date and have not been suspended or revoked;

FSA means the Financial Services Authority, whose current address is 25 The North Colonnade, Canary Wharf, London E14 5HS;

FSA Handbook means the handbook of rules and guidance published by the FSA, as amended, updated or replaced from time to time;

FSA Rules means the FSA Statements of Principle and the rules published by the FSA as part of the FSA Handbook;

FSMA means the Financial Services and Markets Act 2000;

Fund means an authorised unit trust or open ended investment company managed or administered by Capita;

ISA means an individual savings account within the meaning of the Individual Savings Account Regulations 1998 (as amended or replaced);

Intermediary or you means an independent company, partnership or individual carrying on Business in respect of transactions in investments on behalf of clients, and shall include any appointed representatives of such Intermediary;

Investor means a client of the Intermediary who invests in or holds a beneficial interest in a Fund through the Intermediary (and includes joint Investors);

Product Details means the product details of a Fund as amended from time to time;

Prospectus means the prospectus for a Fund as amended or substituted from time to time;

Settlement Day means in respect of any purchase or sale order, the day stated in the contract note (or other confirmation) as the settlement day, on which payment is due;

Share means a share (of any class) in an open ended investment company operated or administered by Capita, whether held directly or indirectly through an ISA or otherwise;

Simplified Prospectus means the simplified prospectus for a Fund, as amended or substituted from time to time, or any other document which replaces the Simplified Prospectus under Applicable Law;

Unit means a unit (of any class) in an authorised unit trust managed, operated or administered by Capita, whether held directly, or indirectly through an ISA or otherwise and

we or **us** means Capita (and **our** is to be interpreted accordingly).

References to a "**clause**" means a clause of these Terms of Business. References to legislation, regulations, orders or rules shall mean such legislation, regulations, orders or rules, as amended from time to time or any re-enactment or replacement legislation, regulations, orders or rules, from time to time. Clause headings are for convenience only and do not affect the interpretation of these Terms of Business.

2 Authorised Intermediaries

2.1 Intermediaries who are Duly Authorised may place instructions with Capita in respect of Funds on behalf of Investors only on the basis of these Terms of Business.

2.2 Before placing instructions, the Intermediary must provide Capita with evidence that it is Duly Authorised by providing its registration or authorisation number from the FSA or other relevant regulatory body and, if so requested, a copy of its registration certificate (or similar document).

2.3 Acceptance of an Intermediary is at Capita's discretion. Capita may choose not to accept the Intermediary onto its system or, following acceptance, not to accept business and/or instructions from an Intermediary, without providing reasons for doing so and the Intermediary agrees that Capita will have no liability for any loss incurred as a result thereof.

2.4 Capita reserves the right to carry out due diligence on the Intermediary, its owners or principals prior to acceptance or at any time thereafter. The Intermediary agrees to provide evidence of identity reasonably requested by Capita and authorises Capita to make such credit reference, identity and other such checks and enquiries as Capita considers necessary or as required by Applicable Law.

2.5 At Capita's request, the Intermediary will:

- (a) state whether any Cancellation Rights apply to any Share or Unit purchase order it has placed;
- (b) name its regulator and provide its registered number (or equivalent) with the regulator;
- (c) provide the name and address of any Investor for whom it has placed a purchase or sale order (or intends to do so), and, if different, the name and address in which the Shares or Units are (or will be) registered;
- (d) confirm the status of its client (e.g. execution only) on each order or instruction submitted to Capita;
- (e) state whether it is authorised to handle Investors' money and
- (f) provide any other information Capita may reasonably require, with particular reference to complying with the terms of the FSA Rules or Anti-Money Laundering Requirements.

3 Relationship between the parties

3.1 Following acceptance by Capita:

- (a) the Intermediary will be able to deal with Capita in respect of investments in the Fund(s) on behalf of Investors, subject to these Terms of Business;
- (b) the Intermediary will in all respects be considered the agent of the Investor (except to the extent of the personal responsibilities of the Intermediary to Capita as set out in these Terms of Business). Capita will be entitled to assume that the Intermediary has received proper authorisation from the Investor to act on its behalf until such time as Capita is notified otherwise by

the Intermediary or the Investor. This shall be the case irrespective of whether the Intermediary has received payment from the Investor and

- (c) the Intermediary will promptly complete (or cause to be completed), and forward to Capita, all necessary documentation relevant to carrying out the functions set out in these Terms of Business.

3.2 The Intermediary will only act on behalf of an Investor on that Investor's instructions (or those of the Investor's legal representatives). The Intermediary undertakes to abide by the FSA regulations regarding the delivery of the Treating Customers Fairly Outcomes (or equivalent rules in the relevant jurisdiction) and to retaining sufficient supporting evidence.

3.3 For the avoidance of doubt, the Intermediary may also transact regulated investment business with Capita as principal, to the extent that it is authorised to do so under FSMA, the FSA Rules or Applicable Law. In such case Capita shall categorise the Intermediary as a Professional Client. This shall not affect the rights and obligations of the parties as set out in these Terms of Business.

3.4 The Intermediary has no right whatsoever to bind or to represent Capita. Under no circumstances will the Intermediary act, or hold itself out, as the agent of Capita.

3.5 The Intermediary acknowledges that Capita will not provide financial advice to the Intermediary or Investors.

3.6 On request from the Intermediary, Capita will provide a copy (which may be in electronic form such as .PDF) of the then current version of the Simplified Prospectus.

4 Intermediary's authority

4.1 The acceptance of the Intermediary, and Capita's consent to the Intermediary placing orders on behalf of Investors or potential Investors to the Funds, is subject at all times to the following warranties and undertakings by the Intermediary.

4.2 The Intermediary warrants that:

- (a) it is duly organised and validly subsisting under the laws of its country of incorporation (or registration as appropriate) and has full power and authority to enter into and perform its obligations under these Terms of Business;
- (b) it is, and shall at all relevant times remain, Duly Authorised and regulated with full power, authority and permissions necessary to carry on Business and to act in the manner contemplated in these Terms of Business and
- (c) all information it provides to Capita relating in any way to itself, its owners and principals or an Investor will be accurate and complete and it undertakes to promptly inform Capita of any changes in such information, from time to time.

4.3 The Intermediary agrees to immediately notify Capita if:

- (a) the Intermediary ceases to be Duly Authorised;
- (b) the Intermediary ceases to have authority to act on its Investor's behalf; or
- (c) the Intermediary shall have been suspended from conducting business by the FSA or any other regulatory body or there is any change in the scope of the Intermediary's regulated activities which may affect its ability to carry on Business; or
- (d) the Intermediary transfers or intends to transfer its business and assets to another person, firm or company or
- (e) any of its principals, directors or partners has been

charged with, or convicted of, an offence involving fraud or other dishonesty.

5 Anti-Money Laundering

- 5.1 In connection with all transactions with Capita in respect of the Funds for or on behalf of a potential or existing Investor, the Intermediary takes full responsibility for carrying out the identification procedures required by the Anti-Money Laundering Requirements or by any other money laundering laws, rules and regulations applicable to it or the transaction.
- 5.2 The Intermediary will check, obtain and keep evidence of the identity of all Investors or potential Investors introduced by it, in accordance with the Anti-Money Laundering Requirements, Applicable Law, industry best practice and any reasonable requirements of Capita from time to time.
- 5.3 The Intermediary will, upon request by Capita, forward to Capita the relevant documents (or certified copies thereof) and duly completed certificates relating to verification of the identity of the Investor.
- 5.4 Capita reserves the right to make further identity checks of Investors introduced by the Intermediary in addition to those already carried out by the Intermediary. At Capita's request, the Intermediary will forthwith, in writing, provide any information Capita may reasonably require, with particular reference to complying with the terms of the FSA Rules or Anti-Money Laundering Requirements.

6 Payments

- 6.1 Payment in respect of any purchase contract instructed by the Intermediary must be received by Capita on or before the Settlement Day. Capita will be entitled to cancel, in whole or part, any contract in respect of which a payment is overdue. This provision will not be affected by any requirement to serve a cancellation notice in respect of the transaction. Capita may set off any amount due to Capita from the Intermediary, as principal or agent, against any amount due to the Intermediary from Capita. Amounts that total over £50,000 should be paid to Capita by electronic means on or before the Settlement Day (unless otherwise agreed by Capita).
- 6.2 The Intermediary will indemnify Capita against any losses, claims or liabilities it suffers or incurs in connection with any due payment which has not been received by Capita by the Settlement Day.
- 6.3 The Intermediary shall, in the case of sales (repurchases), inform Capita whether settlement cheques should be drawn in favour of the Intermediary or Investor if the Intermediary is not authorised to handle clients' money.
- 6.4 If the Intermediary wishes to have a settlement cheque drawn in its favour, it must request Capita to issue it in favour of the relevant Client Money Account of the Intermediary, but Capita may at its discretion refuse the request.
- 6.5 Unless clause 6.4 applies, all sale (repurchase) payments will be made by cheque drawn in favour of the first-named registered Investor or all the registered Investors (if more than one) and crossed "Account Payee". Capita may, at its discretion, accept and carry out alternative written payment instructions signed by each registered Investor. Capita may also settle repurchases by the BACS system, if requested by the Investor.
- 6.6 The Intermediary will, in accordance with the Client Money Rules, pass to Capita all monies in respect of purchases.

7 Commission

- 7.1 Capita will pay the Intermediary initial and renewal Commission on (respective) purchases of Shares or Units by the Intermediary on behalf of Investors at such rates, and on such other terms, as it may from time to time notify to the Intermediary, or otherwise agree with the Intermediary in writing (unless requested to rebate part or all of the initial Commission to the Investor or the Intermediary otherwise notifies Capita that it does not wish to receive Commission). Capita may, at its discretion from time to time increase or

reduce the rates, or cease paying initial or renewal Commission. Renewal Commission will only be payable to an Intermediary if the Intermediary continues to act as the relevant Investor's agent in respect of the investments.

- 7.2 Capita will calculate the amount of Commission payable to the Intermediary monthly in arrears, based on the total value of eligible settled investments held by the Intermediary's Investors at the given calculation point.
- 7.3 The Intermediary shall not recommend, or act in respect of, any investment, unless it has made such disclosures to the relevant Investor in respect of any Commission as are required to be made in accordance with the FSA Rules, FSMA and any other Applicable Law. If required to do so by the Investor, the Intermediary will disclose any other amount of commission payable to the Intermediary.
- 7.4 Payment of Commission is subject to any Applicable Law including, but not limited to, any applicable statutory Cancellation Rights and Capita reserves the right to delay payment, at its discretion, until the expiry of such Cancellation Rights.
- 7.5 If, for any reason, an investment is cancelled or refunded to the Investor, no Commission shall be payable to the Intermediary in respect thereof and any Commission already paid shall be forthwith repaid to Capita by the Intermediary (or may be deducted by Capita from other Commission payments due to the Intermediary).
- 7.6 Capita may, at its discretion, refuse or cease to pay the Intermediary Commission if:
- (a) the Intermediary ceases to be Duly Authorised or its authorisation is suspended or is subject to an investigation under FSMA or the FSA Rules (or applicable rules in any other jurisdiction); or
 - (b) in respect to any investment by or on behalf of an Investor, the Intermediary was not, or ceases to be, the agent of the Investor; or
 - (c) if a resolution is passed or an order made for the winding-up, dissolution or administration of the Intermediary, or if the Intermediary is unable to pay its debts or is declared insolvent or if an administrator, administrative receiver, manager or provisional liquidator is appointed over the whole of or a substantial part of the Intermediary or its assets or undertakings (or if a similar event to any of the foregoing occurs in the relevant jurisdiction) or (if it is an individual) the Intermediary dies or is bankrupt; or
 - (d) if the Intermediary transfers its business and assets to another person or firm; or
 - (e) if the Intermediary commits a breach of these Terms of Business or
 - (f) if the receipt of the Commission by the Intermediary or the payment thereof by Capita would breach any Applicable Laws.
- 7.7 Commission shall only be payable to one Intermediary in respect of any business accepted by Capita and if two or more Intermediaries claim Commission relating to any business, Capita shall have absolute discretion to determine which is or should be recognised as the Investor's agent for the purpose of payment of the Commission and shall have no liability in respect of such determination. If an Investor appoints a new Intermediary, in order that Capita may redirect renewal Commission to the new Intermediary, Capita may require the Investor to send written confirmation, in the form Capita requires, that the new Intermediary is providing investment advice to the Investor.
- 7.8 Capita's statement of account (which may be contained in writing or electronic form) shall be the conclusive record of Commission due to the Intermediary, save in the case of manifest error or omission.

- 7.9 Save as set out in these Terms of Business, the amount of Commission and the terms of payment of the same shall be as individually notified to the Intermediary by Capita.
- 7.10 Whenever under these Terms of Business any sum of money shall be recoverable from or payable by the Intermediary, the same may be deducted from any sum then due or which at any time thereafter may become due to the Intermediary under these Terms of Business or any other contract with the Intermediary. Exercise by Capita of its rights under this clause shall be without prejudice to any other rights or remedies available to Capita under these Terms of Business, or otherwise, howsoever, at law or in equity.
- 7.11 If the Intermediary notifies Capita that it does not wish to receive Commission, Capita shall be discharged from all future obligations to pay Commission to the Intermediary, until advised to the contrary by the Intermediary.
- 7.12 The Intermediary undertakes to comply with all relevant regulatory and legislative requirements imposed on it by any Applicable Law in respect to purchases and sales of Shares and Units.
- 8 Prospectus & other information**
- 8.1 Subject to clause 8.2, the Intermediary will not place any purchase order on behalf of an Investor unless (if required by Applicable Law), it has given the Investor (or arranged for the Investor to be given) the relevant Simplified Prospectus. The Intermediary will enquire of Capita from time to time as to the status of the Simplified Prospectus.
- 8.2 Capita will promptly supply to the Intermediary the up-to-date Simplified Prospectus and any other documents reasonably required by the Intermediary for the purposes of this clause 8. The Intermediary will promptly pass to the relevant Investor(s) without amendment, any document supplied by Capita for the Investor's information or completion, and promptly return to Capita all completed documents. The Intermediary will not pass to an Investor any Simplified Prospectus, application form or similar if it has been amended in any way. This applies whether Capita supplies it in hard copy or electronic form, and whether it is available only on application to Capita or from its website (or any similar electronic facility).
- 8.3 The Intermediary acknowledges that Capita may be obliged to, or may at its discretion, send certain documents directly to the Investor. Capita also reserves the right, at its discretion, to send communications directly to the Investor in respect of the transactions instructed by or on behalf of the Investor.
- 8.4 The Intermediary is solely responsible for ensuring that any investments made by or on behalf of its Investors in the Fund(s) are suitable and appropriate for the relevant Investor.
- 8.5 The Intermediary also agrees to notify Capita where a transaction is not an advised sale. Any transactions which are made without such notification will be classified by Capita under the FSA's Product Sales Data ("PSD") reporting requirements as advised sales. Where the PSD requirements apply, all transactions must include the Intermediary's FSA reference number and in the case of an Intermediary which is part of a network or where the Intermediary has a principal, the FSA reference number of the Intermediary's network or principal.
- 9 Market Timing**
- The Intermediary undertakes that where it has reasonable grounds to suspect that an Investor is engaged in short-term trading to exploit time zone differences and/or imperfections or deficiencies in the computation of the net asset value of a Fund through increased costs and/or dilution of earnings (Market Timing) it will use its best endeavours to resist any attempt by such Investor to engage in Market Timing and further undertakes to notify Capita in any event.
- 10 EU Savings Directive**
- 10.1 The EU Council Directive 2003/48/EC on taxation of savings income ("EUSD") requires Member States of the European Union ("Member States") to provide to the tax authorities of other Member States details of payments of interest and other similar income paid by a person who is a "paying agent" to an individual (or certain entities) resident in another Member State. Austria, Belgium and Luxembourg will apply a withholding tax for a transitional period, unless during such a period they elect otherwise.
- 10.2 For a collective investment scheme, income may include distributions or dividends whether paid or accumulated, together with income arising as result of the sale or redemption of Units or Shares. Investors resident in prescribed territories outside the EU may also be included in the exchange of information.
- 10.3 Information on these territories can be obtained from H. M. Revenue & Customs.
- 10.4 The Intermediary undertakes to provide Capita with such assistance and such co-operation as Capita shall reasonably require to enable it to comply with its obligations arising under the EUSD.
- 11 Record Keeping and Inspection**
- 11.1 The Intermediary will retain proper and accurate records relating to all business carried out with Capita for at least 6 years, and, on reasonable notice, it will make such records available to Capita or its agents, auditors or professional advisers where required by the FSA or Applicable Law.
- 11.2 The Intermediary may, on reasonable notice, inspect Capita's records of each Investor's purchases, sales, holdings and income in the Funds effected by or through the Intermediary. These records are kept for at least 6 years.
- 12 Liability and Indemnity**
- 12.1 Capita will take reasonable care and skill in the performance of these Terms of Business.
- 12.2 In the event of circumstances beyond its reasonable control (including, but not limited to, breakdown, failure or malfunction of any computer systems, telecommunications links, industrial disputes, postal delays, failure of third parties to carry out their obligations, the suspension of trading by any exchange or clearing house, the acts of governmental or regulatory authority or natural disasters ("Force Majeure")) affecting Capita, we will, where possible, take such reasonable steps as we can to bring those circumstances to an end as soon as possible. Neither Capita nor the Intermediary shall be liable for any losses or expenses suffered as a result of Force Majeure.
- 12.3 Notwithstanding any other provision of these Terms of Business, but subject to sub-clause 12.5, Capita will not be liable for any type of special, incidental, indirect or consequential damage or loss suffered by you (nor for any loss of profits, opportunity or goodwill) save where such liability arises from Capita's fraud or wilful default.
- 12.4 The Intermediary must notify Capita as soon as it becomes aware that Capita may have breached these Terms of Business. Capita will not be liable for (and the Intermediary hereby indemnifies Capita in respect of) loss suffered as a result of Capita's reliance on information, instructions, orders or consents given by the Intermediary, or its representatives or as a result of any breach by the Intermediary of these Terms of Business.
- 12.5 Nothing in this clause shall exclude or limit:
- (a) Capita's liability for death or personal injury resulting from its negligence or
- (b) any other liability which cannot be excluded or limited by law, including the FSA Rules and FSMA.
- 12.6 Without prejudice to any other provisions in these Terms of Business, in particular, clause 6.2, the Intermediary will indemnify Capita against any losses, claims, costs, expenses (including without limitation legal fees) damages, liabilities, actions, proceedings, or demands that Capita

may suffer or incur in connection with:

- (a) any failure by the Intermediary to comply with any Applicable Laws;
 - (b) any breach by the Intermediary of these Terms of Business;
 - (c) the failure of the Intermediary to notify Capita that Cancellation Rights are required to be offered to an Investor in respect of a transaction;
 - (d) the provision of untrue, incorrect or incomplete information by the Intermediary (or on its behalf) or failure to update information previously supplied to Capita;
 - (e) the reliance by Capita upon any term contained in an agreement between the Intermediary and an Investor;
 - (f) the Intermediary causing Capita to fail to comply with the provisions of FSMA, the FSA Rules, the Distance Marketing Directive or any other Applicable Law;
 - (g) Capita not receiving compensation for any shortfall arising as a result of the exercise of Cancellation Rights or
 - (h) any breach by the Intermediary of its fiduciary duties to an Investor.
- 12.7 Capita shall furnish the Intermediary with a contract note recording the details of deals transacted. It shall be the Intermediary's responsibility to review each contract note for accuracy. If the Intermediary believes that any contract note contains an error or that some other discrepancy or irregularity exists, it must notify Capita in writing, within 7 days after the date the contract note was sent to the Intermediary, failing which it will be deemed correct and binding on the Intermediary, and Capita shall be released from all liability to the Intermediary in connection therewith.
- 13 **Complaints**
- The Intermediary shall be responsible for handling all complaints from an Investor relating to its sales or advisory activity. If an Investor makes a complaint in connection with the Fund(s), documentation relating to the Fund(s) or transactions carried out by Capita, the Intermediary will provide the Investor with details of the person to whom the Investor should address the complaint from time to time and shall inform the Investor of any relevant rights of redress including (if applicable) the right to refer the matter to the Financial Ombudsman Service for further investigation at Financial Ombudsman Service, South Quay Plaza, 183 Marsh Wall, London E14 9SR.
- 14 **Service of Documents**
- Any document will be deemed to have been duly served on or notified to the Intermediary if it is sent by post, facsimile, email, or any other form of electronic communication to, or left at, its address as notified to Capita from time to time. Instructions shall be sent to Capita in accordance with the details set out in the relevant Prospectus (or as otherwise agreed with Capita).
- 15 **Variation**
- 15.1 Capita may vary these Terms of Business for the following reasons:
- (a) to comply with Applicable Laws or the directions of the FSA;
 - (b) to comply with industry guidance and codes of practice,
 - (c) to reflect alterations in the scope and nature of the Funds or to rectify errors, inaccuracies or ambiguities; or;
 - (d) to take account of any corporate restructuring within Capita's group of companies or any alterations made to our system capabilities or administrative procedures or
- (e) in any other circumstances where Capita considers a change is reasonably required.
- 15.2 Updated or modified Terms of Business will take effect, and will be binding on both Capita and the Intermediary, from the time they are published on Capita's website (www.capitafinancial.co.uk, please see the *Legal Statement* section). Capita will provide a copy to the Intermediary on request.
- 15.3 The Intermediary will not be entitled to sub-contract or transfer any of its rights and obligations under these Terms of Business without the prior written consent of Capita.
- 16 **Coming into Effect**
- These Terms of Business will come into effect when the Intermediary first places a purchase or sale order with Capita in respect of the Fund(s) or when the Intermediary applies to be accepted onto Capita's system, whichever is the earlier. They replace any existing terms of business in force between Capita and the Intermediary in respect of the Fund(s).
- 17 **Confidentiality**
- 17.1 Each party agrees to keep confidential any Confidential Information made available, disclosed, or otherwise made known to it and its employees by the other party.
- 17.2 A party receiving Confidential Information will only use it for purpose set out in these Terms of Business and will not reveal, publish or otherwise disclose the Confidential Information to any third party without the prior written consent of the other, except that each party may disclose Confidential Information:
- (a) to its affiliated companies, agents and professional advisers, to any other person properly exercising any function in relation to the relevant Fund(s), including (as appropriate) the fund manager, investment adviser or the promoter of the Fund(s), or as necessary in the performance of these Terms of Business; and
 - (b) to H. M. Customs & Excise, the FSA or any other regulatory body or to the extent it is obliged to do so by Applicable Law, an order of any competent judicial, governmental or regulatory body or the rules of any listing authority or stock exchange on which the party's securities are traded.
- 17.3 The foregoing obligations shall not apply to Confidential Information which:
- (a) is publicly available at the time of its disclosure or becomes publicly available thereafter other than as a result of a breach of these Terms of Business; or
 - (b) was in the possession of or known by the relevant party prior to its receipt from the other party or
 - (c) becomes available to the party from a third party which is not bound by any duty of confidentiality owed in relation to such Confidential Information.
- 17.4 Neither these Terms of Business nor the disclosure of Confidential Information by one party to another shall be taken as implying an assignment, licence or transfer of patents, know-how, copyright, trade secrets or of any other intellectual property rights in the Confidential Information.
- 17.5 Capita may disclose information relating to purchases and sales effected by the Intermediary (not being information enabling Investor identification) for information exchange with other scheme and fund managers and promoters, market research and for the purpose of the compilation of sales and performance statistics.

18 Data Protection

- 18.1 The Data Protection Act 1998 (**DPA**) provides protection to individuals by governing, amongst other things, the way in which personal data is held and used. Individuals are also afforded rights of access to such information held about them.
- 18.2 Both Capita and the Intermediary warrant that they will comply with the principles of the Data Protection Act 1998 (where applicable).
- 18.3 The Intermediary agrees that:
- (a) Capita may keep personal details which the Intermediary or others have provided to it, and any information we know from running your account or processing orders on a database, and use such information to carry out the functions described in these Terms of Business;
 - (b) Capita may disclose personal data concerning the Intermediary (if an individual), the Intermediary's employees or the Intermediary's Investors to a promoter or fund manager of the relevant Fund(s) or any person with legal, administrative or regulatory power over us in respect of the Fund(s) or as otherwise consented to in writing. In addition, Capita may disclose such personal data to any affiliated company or third person involved in carrying out functions related to the Fund(s) including such affiliated companies which are outside of the EEA in countries which do not have similar protections in place regarding personal data and its use. However, Capita is committed to protecting the confidentiality and security of personal data it collects and will ensure that such affiliated company has put in place proper security measures to ensure at least the same level of protection of the personal data as is required under the DPA and
 - (c) under the DPA, individuals are entitled, on payment of a fee of £10 currently (inclusive of VAT) to a copy of the information Capita holds about them.
- 18.4 Capita may use or disclose personal data about the Intermediary in the evaluation of the Intermediary's potential needs, the marketing of financial services and products to the Intermediary and when analysing and tracking performance of Capita's business.
- 18.5 Capita may transfer or dispose of the Intermediary's information to a person to whom it transfers its rights and responsibilities under these Terms of Business.

19 Intellectual Property

The Intermediary agrees that it does not have and will not assert any rights in and to the trademarks, copyright or other intellectual property of Capita or in any of the Funds or Capita's products and that the Intermediary shall not use, copy or deal with such intellectual property except as expressly permitted in these Terms of Business.

20 Advertising

- 20.1 The Intermediary will not issue, or arrange, any advertising relating to any Fund unless (a) it has submitted such to Capita in draft and Capita has approved it in writing, or it consists of up-to-date material supplied by Capita, and (b) it has executed any licence agreement (or similar) required by Capita.
- 20.2 The Intermediary will not distribute the Simplified Prospectus outside of the United Kingdom without the consent of Capita and will not engage in any form of general solicitation or general advertising, nor will make an offer or sale of Shares or Units in any state or jurisdiction where such solicitation, advertising, offer or sale is not permitted by Applicable Laws.
- 20.3 The Intermediary will not publish, issue or distribute any promotion or literature relating to Capita, or using the name or logo of Capita, without Capita's prior consent.

21 Telephone Recording

All calls that are presented to the telephone dealing lines at Capita are recorded for training and monitoring purposes. The dealing instruction confirmed over the telephone is a legally binding contract. Any disputes that arise are assessed by listening to the call in question to identify possible discrepancies. If an Intermediary is dealing on behalf of a private investor, cancellation rights may apply. Depending on the Fund size and threshold there may be a dilution levy applied to the deal which would be at the discretion of the ACD.

22 Online Services and Electronic Mail.

- 22.1 If the Intermediary uses Capita's web-based portal it will comply with the terms and conditions of its use, as published and amended from time to time on the website.
- 22.2 The Intermediary acknowledges that Capita does not accept any responsibility if information sent by email is intercepted, redirected, copied, corrupted or read by unauthorised third parties and the Intermediary assumes all and any risks involved with the use of email in communications between the parties.

23 Termination

Either party may terminate the agreement constituted by these Terms of Business by written notice to the other. Termination shall be without prejudice to rights which have accrued prior to termination,

24 Miscellaneous

- 24.1 In no event shall any delay failure or omission on the part of Capita in enforcing any right power, privilege, claim or remedy which is conferred by these Terms of Business or arises hereunder be deemed or construed as: (a) waiver thereof, or any of any other such right power privilege claim or remedy; or (b) operating so as to bar the enforcement or exercise thereof, or of any other such right, power, privilege, claim or remedy in other instance at any time or times thereafter.
- 24.2 These Terms of Business represent the entire terms of the agreement between Capita and the Intermediary unless and to the extent they are varied in writing.
- 24.3 If any part of these Terms of Business are found to be illegal, invalid or unenforceable, then that provision shall to the extent required, be ineffective but without affecting any other provisions of these Terms of Business.
- 24.4 Except as expressly provided in these Terms of Business, nothing herein shall confer or is intended to confer on any third party any benefit or the right to enforce any terms contained herein for the purposes of the Contracts (Rights of Third Parties) Act 1999.

25 Governing Law

These Terms of Business and any disputes arising out of or in connection with them (whether based in contract, tort, breach of statutory duty or regulation or otherwise) are governed by and construed in accordance with English Law and the Intermediary and Capita submit to the exclusive jurisdiction of the English Courts.

March 2008.