



Independent & Impartial

Terms of Business

Retail Clients

Please note that these Terms of Business replace existing Terms of Business from 1st November 2007

1. About Us

The full name of our firm is NCB Stockbrokers Limited (NCB) and the address of our registered office is 3 George's Dock, International Financial Services Centre, Dublin 1, Ireland. We are a member of the Irish Stock Exchange and the London Stock Exchange.

NCB Stockbrokers Limited is regulated by the Central Bank of Ireland. The Central Bank of Ireland can be contacted at PO Box No 559, Dame Street, Dublin 2.

NCB Stockbrokers Limited is a subsidiary of NCB Group Limited.

2. Services provided

We provide a range of stockbroking services to Private Clients. The range of investments covered by this service includes equities, bonds, unit funds, unquoted investments, Contract for Differences (CFDs) and any other investment instruments agreed between us.

Advisory Service

Where NCB has agreed to act as your Investment Manager on an Advisory basis, the aim of the service will be to deal for your account with a view to meeting the investment objectives which you have outlined in the relevant section of the application form. In the event that the form does not adequately reflect your objectives, please set them out in a separate letter to NCB. Your investment objectives will continue to be applied until varied, or agreed to in writing, by you. If there are any limits or restrictions which you wish to apply to the type, value or class of investment which we may advise you of, you must inform NCB in writing. We will advise you in accordance with your objectives and in a manner that we consider to be suitable.

Discretionary Service

NCB will manage your portfolio on a Discretionary basis subject to the objectives, limits and restrictions outlined in your Discretionary Mandate Letter. For the purposes of this Agreement, managing your portfolio on a discretionary basis means executing transactions on your behalf without prior notification or approval (obviously, this does not preclude you from communicating particular investment requirements to NCB at any time during the period of management).

The Terms of Business set out the sole terms on which we shall act on your behalf save to the extent, if any, to which we agree in writing to their variation. Orders may, at NCB's discretion, be accepted over the telephone although NCB may require orders to be confirmed by fax, email or other written means, before acceptance. Orders cannot be received on behalf of another person (e.g husband/wife) unless we have written authorisation in advance.

3. Execution-only Transactions

If you instruct us to enter into an execution-only transaction in "non-complex" financial instruments, then:

- a) we shall not have any duty to advise you in respect of either the execution-only transaction or any subsequent sale or potential sale of any asset acquired under that execution-only transaction; and
- b) you are responsible for assessing the suitability or appropriateness of that execution-only transaction in the context of your investment objectives.

4. Client Classification

In accordance with the European Communities (Markets in Financial Instruments) Regulations 2007 you have been designated as a **Retail Client**. This categorisation will afford you the highest level of protection under the Regulations. Under MiFID, you are entitled to request a different categorisation (i.e. Professional Client). However, should you request Professional Client status we may not be able to comply with this request and you would lose certain regulatory protections.

5. Aggregation of Orders

At our discretion, we may combine your orders with our own orders, orders of persons connected with NCB or orders of other clients. Combining your orders with other orders may result in you obtaining on some occasions a more favourable price, and on others a less favourable price, than if your order had been executed separately.

6. Contract Notes

Contract notes will be issued the day after execution of the transaction. The contract note will contain all details of the transaction. If there are any details with which you disagree, you should contact us immediately. If you do not receive a contract note, you should inform us and we will forward a duplicate contract note.

7. Our Charges

Details of our commission rates and other dealing charges are set out on a separate Schedule of Commission & Charges.

8. Best Execution

Your orders will be executed in accordance with our Order Execution Policy.

Where necessary, we have separately sought your consent to execute your orders outside of a regulated market or multi-lateral trading facility.

9. Communications with Clients

It is envisaged that we will from time to time telephone or visit you to discuss investments without your express invitation and you agree that we may do so. We will not make unsolicited calls to you before 9.00am or later than 9.00pm, Monday to Friday inclusive or at weekends, other than at your request.

10. Complaints

Should you not be satisfied at any time with the service you receive from NCB, do not hesitate to make this fact known to us. We operate an internal complaints procedure and will endeavour to address your concerns promptly. Please address your correspondence to: The Compliance Director, NCB Stockbrokers Ltd, 3 George's Dock, International Financial Services Centre, Dublin 1. If you fail to receive satisfaction you may contact the Financial Services Ombudsman, requesting that the circumstances of your complaint be investigated.

11. Confidentiality

We will not, except as permitted under this Agreement or as required or permitted by law or any applicable regulations, disclose any confidential information relating to you. Permitted disclosures of such information shall include, without prejudice to the generality of the foregoing, any disclosure required to be made for the purposes of court proceedings or legally instituted investigations.

12. Credit Evaluation

NCB reserves the right to apply a dealing limit to your account and may request personal financial information from you in order to determine this limit. The limit will be used for internal NCB purposes only.

13. Data Protection Act

Under the Data Protection Act 1988, I/We agree that the information provided by me/us may be held by NCB Stockbrokers Limited and used for the purposes as determined under the Data Protection Act 1988, including general business purposes, credit decisions and marketing.

14. Corporate Actions/Dividends

NCB will not be responsible for taking up rights, exercising voting rights, conversions, subscriptions, dealing with take-overs, or any other offers unless instructions are received from you before the ex-date and that, where relevant, the required funds are available in your account.

NCB reserves the right to convert all dividends credited to your account into Euro. Dividends will not automatically be paid out unless we receive a specific request in writing from you.

15. Foreign Exchange

NCB's policy is to settle all transactions in Euro. Where we deal on your behalf in a currency other than Euro we will convert the consideration into Euro at the prevailing exchange rate unless otherwise agreed. The rate used will include a margin to cover the cost and exchange rate risk borne by NCB in undertaking the conversion.

16. Investor Compensation

Under Section 38(1) of the Investor Compensation Act, 1998, we are required to inform actual and prospective clients of the following information concerning investor compensation:

- a) that the Investor Compensation Act, 1998 provides for the establishment of a compensation scheme and the payment, in certain circumstances, of compensation to certain clients (known as eligible investors) of authorised investment firms, as defined in that Act;
- b) that NCB Stockbrokers Limited is a member of the Compensation Scheme;
- c) that compensation may be payable where money or investment instruments owed or belonging to clients and held, or in the case of investment instruments, administered or managed by NCB Stockbrokers Limited cannot be returned to those clients for the time being and there is no reasonably foreseeable opportunity of the firm being able to do so;
- d) that a right to compensation will arise only;
 - 1) If the client is an eligible investor as defined by the Act;
 - 2) If it transpires that NCB Stockbrokers Limited is not in a position to return client money or investment instruments owed or belonging to clients of NCB Stockbrokers Limited, and;
 - 3) To the extent that the client's loss is recognised for the purposes of the Act;
- e) that where an entitlement to compensation is established, the compensation payable will be the lesser of;
90 percent of the amount of the client's loss which is recognised for the purposes of the Investor Compensation Act, 1998; or compensation of up to a maximum limit of 20,000.

17. Purchases

We will require value for all payments prior to the relevant date of settlement. If you fail to make the appropriate payment by settlement day, NCB reserves the right to: (a) add interest to the outstanding debt to be calculated on a daily basis at a rate equivalent to 2% per annum above NCB's cost of funds and (b) at NCB's discretion, to resell the shares bought on your behalf and apply the proceeds against the debt. In the event that the sales proceeds are insufficient to cover the sum due, we reserve the right to take legal action to recover any balances outstanding.

18. Sales

Certificated sales will only be executed upon receipt by NCB of valid Share Certificates and properly signed Transfer Forms. If you fail to submit the appropriate Share Certificate(s) and signed Transfer Forms to NCB on or before the relevant settlement day, NCB reserves the right to charge you a late settlement penalty based on the value of the stock outstanding. If you fail to submit the appropriate documentation within five working days after the relevant Settlement Day, NCB reserves the right to repurchase the shares on your behalf. All costs associated with the buy-back, including an administration fee, will be applied to your account.

19. Lien/ Power of Sale

We will exercise a lien over all securities and funds we are holding on your behalf, without notice, where you have not paid for these securities or you have a debit balance on your account as a result of other transactions. In the event of your failure to make any payment or to deliver any securities due to us (or to agents used by us) we reserve:

- (i) the right to retain any funds, securities or other assets due to you and to offset the liability against them
- (ii) the right to charge interest without notice on any outstanding amounts due to us on your account
- (iii) the right without notice and without prejudice to other remedies available to us to buy and sell securities in your name:
 - a. To close any open purchase bargains where you have not remitted the cash to us or have a debit balance on your account
 - b. To close open sold positions if you have not delivered the relevant securities to us
 - c. To sell any securities we are holding where there is a debit balance on your account (including any arising as a result of the actions we have taken, as detailed above)
 - d. To close open positions where we have reason to believe that you will be unable to meet your obligations as they fall due.

Any such action is without prejudice to your obligation to meet any remaining liability to the firm.

NCB reserves the right to sell any investment(s) which are held within your account at any time in order to meet your administration and settlement liabilities, including any liabilities which you may have incurred and failed to discharge through any other account you may have with us, either in your own name or in a joint name. The choice of investment(s) to be sold will be at the sole discretion of NCB.

The giving by you of an order to NCB shall constitute NCB as your agent, with full power in your name and on your behalf to: (a) enter into any contract for the sale or purchase of securities that has taken place on your instruction, and (b) to enter into any contract for the sale of any securities held to your account. The appointment referred to in (b) will be exercised if you default in making payment for any securities which you have instructed NCB to purchase and for the purpose of compensating the other party with whom we have entered into the contract with on your behalf and offsetting any loss arising by virtue of such default.

20. Money Laundering

We are obliged under the terms of the Criminal Justice Act 1994 to record evidence that we have undertaken identity checks in respect of all new clients. In this regard, you will be required to provide NCB with specific documents of identification as requested in our application form. Please note, should any material change occur in the information you have provided to us, you must notify us immediately.

21. Offerings

We may purchase or sell securities on your behalf notwithstanding that we have been involved in an offering, take-over or similar transaction concerning such a security during the twelve months prior to such sale or purchase.

22. Price Limits

Unless otherwise agreed, NCB will accept orders to purchase or sell securities with limit prices attaching on the basis that the orders remain valid until cancelled by you.

23. Use of English Language

These Terms and Conditions are available only in English and all communications in connection with the services we provide shall be in English, unless we notify you otherwise.

24. Reasonable Care

We will exercise all reasonable care in our dealings with you, but will not be held liable for any loss in value of your investments other than by reason of gross negligence on our part.

25. Client Money and Custody of your Investments

Where we agree to hold securities on your behalf, we will provide you with a Statement of Safe Custody at regular intervals and we undertake to hold all investments in accordance with the Financial Regulator's Client Asset Requirements. Interest will not accrue on any client money balances held by NCB on your behalf, however, we reserve the right to pay interest to some clients.

When investing through a nominee account or in foreign securities (Non Irish/UK) please note that you will not be issued with a share certificate:

- Your investments will be held electronically and registered through an NCB Nominee Account.
- The underlying securities may be ultimately held by a third party Custodian.
- You will remain the beneficial owner of all securities which NCB undertakes to hold in Safe Keeping on your behalf.

We will maintain records, which will clearly identify your holdings from those of other clients. In addition:

- NCB shall be entitled to deposit foreign securities purchased through/transferred to us with another institution(s) on such terms as NCB sees fit and in accordance with the requirements of the Financial Regulator.
- Foreign securities being held by a third party Custodian (i.e. bank or clearing agent) may be held in a pooled or omnibus account and such securities are not segregated by client. NCB will keep a detailed record of the underlying clients.
- Where securities are held overseas, there may be different settlement, regulatory and legal requirements from those which apply in Ireland together with different practices for the separate identification of investment instruments.

- NCB reserves the right to pass on any third party charges which it incurs as a direct result of holding foreign securities in custody on your behalf.
- In the event of the default of a third party Custodian, NCB shall not be liable for any losses incurred directly or indirectly as a result of such default.
- Client money may be held in a pooled or omnibus account where funds are not segregated by client. NCB will keep a detailed record of the underlying clients.
- NCB reserves the right to hold client money with an eligible credit institution outside of Ireland. If this is the case, please note that the legal and regulatory regime applying to the eligible credit institution with whom the client money is held may be different to that of Ireland. In the event of a default of such an institution, those assets may be treated differently from the position which would apply if the assets were held in an eligible credit institution in Ireland. In the event of a default of any third party eligible credit institution, NCB will not be liable for any losses incurred directly or indirectly as a result of such default.
- NCB will send you a Statement of Holdings on an annual basis detailing the securities and cash we hold on your behalf. Statements will be sent no later than 30 days following the period to which they relate.
- Under the terms of the Taxes Consolidation Act 1997 dealing with Third Party Returns, NCB is obliged to report on an annual basis all movements in investments held through a Nominee Account under our control to the Irish Revenue Commissioners, including details of the beneficial owner other than if the beneficiary of the account is a non-resident or a pension fund.

26. Additional Terms and Conditions that apply to the operation of nominee accounts.

- The nominee name used by NCB is Aurum Nominees Limited ("Aurum"). Aurum is a sponsored member of Crest, the primary settlement system for the Irish and UK equity markets. All investments settled through Crest are held electronically by Aurum.
- The registered address of Aurum is c/o NCB and, as such, all correspondence relating to a client's investments held through Aurum will be forwarded to NCB.
- Our records will show that the person(s) named on the Application Form is the beneficial owner(s) of this nominee account, and each account is separately designated in Crest.
- All dividends will be credited to your nominee account when they are received by NCB.
- No Scrip Dividends will be taken up.
- Cheques will not automatically issue for sales unless a specific request has been received.
- An annual administration charge will be levied for this service. Details are set out in our Schedule of Commission & Charges.
- Annual reports for the companies in which you hold securities will not be forwarded by NCB.

27. Borrowing

We will not enter into a transaction on your behalf which we know will result in you having to borrow money unless we have an explicit instruction from you to that effect.

28. Capital Gains Tax

Gains which result from the sale of shares may, depending on your individual circumstances, be taxable in the year of sale under the provisions of the Taxes Consolidation Act 1997, or as subsequently amended. If you are in any doubt as to your personal taxation position, you are strongly advised to consult your accountant or tax advisor.

29. Commission Sharing

NCB reserves the right to share commission with third parties, who may be connected with NCB, and receive payments from issuers of investment instruments in certain circumstances. Details of such amounts are available upon request.

30. Third Party Payments

Where we receive a request for a payment to be made to someone other than the account holder, such a request must be received in writing from the account holder before the payment can be made.

31. Unit Funds/Trusts

We may enter into transactions on your behalf for the purchase or sale of units in a collective investment scheme (e.g. a Unit Linked Fund/Unit Trust) where the trustee, operator or an advisor of the trustee or operator is NCB or a firm connected with NCB and, in respect of which, fees may be payable to NCB.

32. Valuations

In the event that you hold a Portfolio Managed Account and that we agree to act as your investment advisor, we will provide you with a valuation based on the market value of your portfolio. Valuations will be provided on a quarterly or half-yearly basis, or as otherwise agreed. The valuation will contain a report outlining the description, quantity and value of each investment instrument and cash held in the portfolio.

33. Warnings

The price of investments (stocks, shares, unit funds, etc.) and the income derived from them may go down as well as up. When your investment is sold you may not receive back the full amount originally invested.

34. Illiquid Investments

If your investment objectives include, or may include transactions in illiquid investments where there is no firm quote, or in unquoted investments, you are hereby advised that such investments may be difficult or impossible to value or sell. Where we do enter into such a transaction, we shall be happy to explain the basis on which the price was arrived at, should you so request.

35. Third Party Charges

NCB reserves the right to pass on any third party charges which it incurs on your behalf in the management of your account.

36. Automatic Settlement of Securitised Derivatives

In the event that you enter into transactions in securitised derivatives which automatically settle on expiry, the payment due, if any, will be based on the closing price of the relevant instrument on the expiry date, and the payment will be made to you, or credited to your account, five business days after the expiry date.

37. Authorised Instructions

You authorise us to act on any instruction (by whatever means transmitted and whether or not in writing) which purports and which we reasonably believe to come from you. If we enter into any transaction upon any such instruction and securities or funds are not delivered as and when due, you will fully indemnify us against all costs, expenses, liabilities and losses which we or any connected person(s) may reasonably incur and claims which may be made against us or any connected person(s) as a direct or indirect result of such failure.

38. Conflicts of Interest

We have in place arrangements to manage conflicts of interest that arise between ourselves and our clients and between our different clients. Where we do not consider that the arrangements under our Conflicts of Interest Policy are sufficient to manage a particular conflict, we will inform you of the nature of the conflict so that you may decide how to proceed.

We draw your attention to the fact that we and other subsidiaries of NCB Group Limited are involved in the provision of a full range of investment services. As such we, or any associated company may have a material interest or conflict of interest in the services or transactions we carry out with, or for you.

Identification of Conflicts

While we believe that the measures contained in our Conflicts of Interest Policy should ensure that risks of damage to your interests will be prevented, you should be aware that we undertake a number of activities and provide a number of services where there is a risk that the interests of one or more clients could be comprised, these include:

- a) Trading on behalf of clients
- b) Trading on our own account
- c) Acting as financial advisor to listed companies
- d) Managing portfolios of investments
- e) Providing investment advice
- f) Underwriting and/or placing of securities
- g) Publishing research recommendations

Conflicts Management

We employ a number of techniques to manage and mitigate conflicts of interest, including:

- a) Using physical and electronic information barriers to stop and control the flow of information between certain parts of the business
- b) Ensuring that comprehensive segregation of duty structures are in place throughout the organisation
- c) Provision of internal guidance and training to relevant employees to raise their awareness of Conflicts and how to deal with them when they arise
- d) Removing any direct link between the remuneration of employees working in different areas of the business, this ensures independence and that no division is incentivised on the basis of the performance of another
- e) Ensure separate supervision of employees whose functions involve carrying out activities on behalf of, or providing services to, clients whose interests may conflict

39. Research

When we disseminate research to you, we shall do so in accordance with the requirements of our Conflicts of Interest Policy. The following controls are in place to manage potential conflicts that may exist in relation to the production of investment research reports:

- a) Each analyst within the Research Department reports directly to the Head of Research. The Corporate Finance and Trading Departments have no responsibility for the management of analysts
- b) NCB operates a strict Chinese Walls policy to ensure that there are effective physical barriers in place to control the flow of confidential and market sensitive information between different divisions within the firm
- c) The remuneration of research, trading and corporate finance personnel is entirely independent of each department and no division is incentivised on the basis of the performance of the other
- d) NCB operates a strict staff dealing policy, which requires the pre-authorisation by senior management of all staff trades. This authorisation will not be given if there is a risk that to do so could lead to potential conflicts of interest

40. Exclusion of Liability

Any instructions given by you are your sole responsibility and NCB Stockbrokers Limited shall not be:

- liable for any losses arising from executing or failing to execute your instructions, or
- for any losses suffered by you as a result of the transfer to you of any invalid or forged instruments,

except in circumstances where it can be shown that we did not act with due skill, care or diligence. NCB Stockbrokers Limited does not accept any responsibility or liability whatsoever, except in the case of wilful default, for any loss of profit or otherwise as a result of any advice or opinion that may be given or expressed by us concerning any investment transaction.

41. Termination

Either party may terminate these arrangements by giving written notice at any time and any such termination shall be without prejudice to all rights and obligations arising prior to such termination.

42. Acceptance/Governing Law

Acceptance of the Terms of Business and completion of the application form will constitute a contract which is legally binding and enforceable. You should read this documentation carefully and should you have any queries about any aspect of it, please contact us for clarification, or, if you think it appropriate to do so, obtain independent advice regarding its content. The Terms of Business shall be governed by and construed in accordance with the laws of the Republic of Ireland and any dispute between us not settled without recourse to Law shall be determined by the Courts of the Republic of Ireland.

43. Telephone Recording

NCB reserves the right to record all telephone calls in order to ensure accuracy in the giving and taking of orders and in the communication of other instructions. Our recordings shall be and remain our sole property.

44. Amendments

We may amend these arrangements by sending you a written notice describing the relevant changes. Such changes will become effective on a date to be specified in the notice, which must be at least one week after the notice is sent to you.

No amendment will affect any outstanding order or transaction, or any legal rights or obligations which may already have arisen.