

# **TERMS OF BUSINESS**

## **GML INTERNATIONAL LIMITED**

### **1. Our Particulars**

The full name of our firm is GML International Limited and our principal place of business is Knighton House, 56 Mortimer Street, London W1N 7DG. We are a member of the Securities and Futures Authority Limited (“SFA”).

### **2. Our Services**

- 2.1 We shall arrange transactions with or for you and we may provide general advisory services, together with related research, in such investments (as defined in the Financial Services Act 1986) as are determined by us from time to time.
- 2.2 We may also provide advice with respect to certain derivative instruments that are not covered by the terms of this letter alone, and we may require you to sign and return additional documents.
- 2.3 Advice may be given orally or in writing. We need not tell you the basis on which we have made the judgement leading to that advice.
- 2.4 We may employ agents we reasonably select on terms we think appropriate.
- 2.5 All transactions between us will be subject to the rules and customs of the exchange or market and/or any clearing house through which the transactions are executed and to all applicable law, rules and regulations (collectively “applicable regulations”) so that:
  - 2.5.1 if there is any conflict between the provisions of this document and any applicable regulations the latter will prevail;
  - 2.5.2 we may take or omit to take any action we consider fit in order to ensure compliance with any applicable regulations; and
  - 2.5.3 all applicable regulations and whatsoever we do or do not do in order to comply with them shall be binding on you.
- 2.6 We may advise you or arrange transactions with or for you in circumstances in which a relevant transaction is not regulated by the rules of any exchange or market.
- 2.7 You may ask us to arrange a transaction or series of transactions involving a particular investment. We shall use all reasonable endeavours to arrange the transaction(s) as soon as reasonably practicable, but shall be under no liability for any loss or expense you incur by reason of any change in market conditions before the particular transaction can be effected. We may advise

you to postpone execution of an order if we believe on reasonable grounds that it is in your best interest to do so.

- 2.8 We shall not be required to do anything or refrain from doing anything that would in our opinion infringe any applicable regulations to which we are subject. We may do whatever we consider necessary to comply with those regulations.

### 3. **Our Relationship**

Please note that when we advise you or arrange transactions on your behalf, it will always be on the basis that only you are our customer under this agreement. If you act on behalf of a principal, whether or not you identify them to us, we will not accept that principal as our indirect customer as defined in SFA's rules.

### 4. **Money Laundering Requirements**

Our relationship with you will be covered by the various legal requirements relating to money laundering (collectively "the Money Laundering Requirements").

If you are a regulated credit or financial institution in the UK or EU, we shall advise you or work with you on the understanding that you are complying with the EC Money Laundering Directive and that evidence of the identification of any underlying clients will have been recorded and obtained under procedures maintained by you.

If you are a regulated financial services institution based or incorporated in Jersey, Guernsey, the Isle of Man or a non-EU country which is a member of the Financial Action Task Force, and you are or will be acting in your own name as agent for your own client(s), we require your written assurance that evidence of the identification of any underlying clients for whom you act as agent will have been obtained and recorded under procedures maintained by you in accordance with regulations equivalent to the EC Money Laundering Directive. If you are unable to provide us with such assurance, we reserve the right to cease to work with you.

### 5. **Best Execution**

We shall endeavour to ensure that you receive best execution whenever we arrange a transaction on your behalf. This means that we shall take reasonable care to establish the best price available which will allow us to verify that an order that we arrange to be executed on your behalf is executed at that price, unless the circumstances require that we do otherwise in order to protect your interests.

### 6. **Our Fees**

- 6.1 Our fees will be as already arranged between us, or as we may agree from time to time.
- 6.2 You will be responsible for payment of any tax (whether in the United Kingdom or elsewhere) and any brokerage, transfer fees, registration fees and all other liabilities, charges, cost and expenses payable or incurred by us

and/or an eligible custodian, as defined in SFA's rules (a "Custodian"), in connection with the services described in this letter. We may deduct or withhold any such estimated or actual charges at our discretion. We shall endeavour to arrange that any difference between such estimated amounts and the final confirmed liability shall be credited or debited to your account as quickly as practicable.

6.3 We may share our fees with a third party.

## 7. **Conflicts of Interest**

Your attention is drawn to the fact that, when we give you investment advice, we, or a Connected Customer, as defined in SFA's rules, may have an interest, relationship or arrangement that is material in relation to the transaction or investment concerned. Some examples of such interests are set out in the attached Schedule. Such interest will not necessarily be separately disclosed to you at the time, because of the existence of policies within GML International Limited relating to confidentiality designed to prevent any confidential, particularly unpublished price-sensitive, information known to employees in one area being available to employees in other areas.

## 8. **Exclusion of Liability and Indemnity**

8.1 Subjects to 8.3, neither we nor any Custodian nor our and their respective employees, agents and delegates shall be liable for any loss suffered by you under or in connection with this letter unless such loss arises from our or their respective negligence, wilful default or fraud.

8.2 Subject to 8.3, you will indemnify us and any Custodian and our and their respective employees, agents and delegates against any cost, loss, liability or expense whatsoever which may be suffered or incurred by us and/or them. These may be incurred directly or indirectly in connection with or as a result of any service performed or action permitted under these Terms of Business. However, you will not have to indemnify us or them to the extent that the expense or loss is due to our or their respective negligence, wilful default or fraud.

8.3 Nothing in this letter will exclude or restrict any obligation that we have to you under SFA's rules or any liability which we may incur under the Financial Services Act 1986 in respect of a breach of any such obligation. Nor will anything in this letter require you to indemnify or compensate us to any extent prohibited by the prevailing rules of SFA.

## 9. **Aggregation of Orders**

In arranging transactions we may combine your order with our own orders, orders of Associates or orders of other clients, where we reasonably believe that to do so is in the overall best interests of our customers. Nevertheless, we are required to inform you that combining your orders with those of other clients could result in your

obtaining on some occasions a more favourable price, and on others a less favourable price, than if execution of your order had been arranged separately.

## 10. **Financial Statements**

You undertake to supply us, at our request, with such financial information about yourself (or your associated companies) as we may require at least to the level of disclosure applicable to UK Annual Reports and Accounts.

## 11. **Disclosure and Recording of Telephone Calls**

11.1 We undertake to keep all information we receive in connection with these Terms of Business private and confidential and it will not be disclosed to any person except to the extent that:

- (a) you give your prior consent;
- (b) we are required to disclose the information by the SFA, the SIB, the Bank of England, the London Stock Exchange or any other Recognised Investment Exchange (as defined in the Financial Services Act 1986), or any Designated Investment Exchange (as defined in SFA's Rules), the City Panel on Take-overs and Mergers or any other regulatory authority having jurisdiction over us or applicable English law;
- (c) the disclosure is necessary to carry out our obligations under these Terms of Business; or
- (d) the disclosure is made to an Associate or our or their professional advisers.

11.2 Please note that we may record telephone calls between us and the recordings may be used as evidence in the event of a dispute.

## 12. **General**

12.1 We do not undertake to advise or arrange transactions for private customers, as defined in SFA's rules. Nevertheless we may agree to advise or arrange transactions on behalf of your Directors and employees in their personal capacities. We will only do this if they may be classified as "experts" and therefore non-private customers, and if we have their authority to do so. If you are authorised under the Financial Services Act 1986, we will request that copies of all resulting contract notes are forwarded to your designated Compliance Officer.

12.2 You confirm and undertake that you have and will have all necessary consents, powers in your constitution and authorities to enable all transactions in investments under this letter to be effected.

12.3 You undertake, whenever you act as disclosed agent for another, that in so doing, you have express authority to instruct us under the terms of this letter.

Whenever you act as disclosed agent for another we will look to you to settle any liabilities resulting from transactions effected under this agreement unless otherwise specifically agreed, or laid down in a code of practice to which we are both subject.

12.4 Your rights under this letter and/or any transactions effected under it are not capable of assignment and your obligations shall not, without our consent, be capable of performance by anybody else.

12.5 We may rely on any instructions, notices or requests of any person who is or whom we believe in good faith to be a person designated or authorised by you to give them.

### 13. **Invalidity of Provisions**

Each provision of this letter is severable and if any provision of this letter is or becomes invalid or contravenes the prevailing rules of SFA the remaining provisions shall not be affected.

### 14. **Force Majeure**

Without prejudice to any other clause in these Terms of Business, we shall not be liable to you for the non-performance of any obligations hereunder or under any agreement supplemental hereto, by reason of any cause beyond our control. This shall include without limitation, any breakdown or failure of communication or computer facilities, postal or other strikes or similar industrial action or the failure of any relevant exchange, clearinghouse and/or broker for any reason to perform its obligations.

### 15. **Changes**

15.1 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.

15.2 These arrangements may be amended for the future by sending us written notice specifying clearly the amendment that you wish to make; however, any such amendment shall only become effective when we confirm in writing our agreement to it.

### 16. **Termination**

16.1 Subject to paragraphs 16.3 and 16.4 below, you are entitled to terminate these arrangements by giving us immediate written notice, as may we by giving immediate written notice to you.

16.2 Such termination shall not affect any outstanding transactions or any legal rights or obligations that may already have arisen.

16.3 Transactions in progress at the date of termination will be completed by us as soon as practicable.

16.4 On termination by either of us, we and/or each Custodian shall:

16.4.1 be entitled to receive from you all fees, costs, charges, expenses and liabilities accrued or incurred under this letter up to the date of termination including any additional expenses or losses reasonably and properly incurred in terminating these arrangements and any charges for transferring your investments from any Custodian to you or to your new investment adviser;

16.4.2 as soon as reasonably practicable after that, subject to paragraph 16.4.1, cause your investments to be delivered to you or your order; and

16.4.3 subject to paragraph 16.4.1, refund any fees you have paid in advance.

## 17. **Governing Law**

These arrangements are governed by and shall be construed in accordance with English law and you will be subject to the non-exclusive jurisdiction of the English courts.

## **THE SCHEDULE**

This Schedule forms part of the Terms of Business

### **1. Conflicts of Interest**

When we recommend an investment to you or arrange a transaction for you, we, or some other person connected with us may have an interest, relationship or arrangement that is material in relation to the transaction or investment concerned. The following are some examples of the type of interest, relationship or arrangement that could be involved:

- (a) being the financial adviser to the company whose securities you are buying or selling, or acting for that company in a take-over bid by or for it;
- (b) advising or arranging a new issue involving the investment that you are buying or selling;
- (c) having an investment position in the investment concerned;
- (d) matching your transaction with that of another customer by acting on his behalf as well as yours.

### **2. Dealings with or through us**

If we arrange for any transaction referred to in this Schedule to be effected with, or through the agency of an Associate or another firm, neither we nor any Associate or any other firm will be liable to account to you for, or to disclose to you, any profit, fees, charges or other remuneration, we or any Associate makes or receives from or by reason of, the transaction, or any connected transaction. However, we will disclose to you any charges or fees which are payable to us by you.

### **3. Customer Research**

We need not ensure that any advice or information we give is given either before or at the same time as it is made available within ourselves or an Associate. Before publishing a research recommendation we or our Associates may have acted upon it or made use of the information on which it is based, provided mention is made of this in the recommendation.

### **4. Disclosure of Information**

We need not disclose to you any fact, matter or thing:

- (a) if any disclosure would or might be a breach of duty of confidence to any other person; or

- (b) which comes to the notice of an officer, employee or agent of ourselves or of any Associate but which does not come to the actual notice of the individuals or individual working with or for you.

**5. No Disclosure of our or our Associates' Book Position**

Neither we nor any Associate shall disclose to you, or any other customer, the nature or extent of any interest we have or any Associate has in any investment, unless we are or it is obliged to do so by any statutory provision, or by any rule or regulation of any relevant regulatory body.