



**ARIA | CAPITAL**

**STRICTLY PRIVATE & CONFIDENTIAL**  
Terms of Business

*Aria Capital Limited is regulated by the Central Bank of Ireland  
(Regulated Business only)*



This Terms of Business Statement ("Terms") sets out the basis on which Aria Capital Limited ("Aria Capital") will provide business services to you in relation to activities that are regulated by the Central Bank of Ireland. For activities that are not regulated by the Central Bank of Ireland you will be provided with a separate Letter of Engagement where relevant. Please read these Terms carefully and if you have any queries we will be pleased to address them.

You and we are bound by these Terms if you engage Aria Capital for any regulated products or services or if we accept your application to open an account with us. These Terms apply to our relationship and services generally; where additional and specific terms apply to a particular investment you should consider these carefully before proceeding. Where there is any inconsistency between these Terms and such specific terms and conditions relating to a particular investment the provisions of those specific terms and conditions will apply.

Please note that these Terms include the Investor Profile, Application Form, Portfolio Recommendation and ancillary documentation.

## 1. Name, Address and Contact Details

Aria Capital has its offices at 66 Fitzwilliam Square, Dublin 2, D02 AT27, Ireland. Tel: +353 1 685 4100, Email: info@aria-capital.ie, Web: www.aria-capital.ie.

## 2. Authorised Status

Aria Capital is regulated by the Central Bank of Ireland as an Investment Intermediary and a Deposit Broker under Section 10 of the Investment Intermediaries Act, 1995 (as amended). Aria Capital is also registered as an intermediary under the European Communities (Insurance Mediation) Regulations, 2005 (as amended). Aria Capital is also registered as a service provider holding appointments from IIA product producers, including intermediaries that may issue appointments, appearing in the register maintained under Section 31 of the Investment Intermediaries Act, 1995 (as amended). Aria Capital is authorised as a mortgage intermediary under the Consumer Credit Act, 1995 (as amended). Aria Capital is also registered as a Credit Intermediary/Mortgage Intermediary authorised pursuant to Section 31(10) of the European Union (Consumer Mortgage Credit Agreements) Regulations 2016 and Section 151A (1) of the Consumer Credit Act 1995. Copies of the official statements of Aria Capital's status are appended.

Aria Capital's Registered Number is 442904 and Aria Capital's Central Bank of Ireland Reference Number is 47638.

Aria Capital is included in the Central Bank of Ireland's Financial Services Register. This may be verified by searching the register on its website using the (current) link: <http://registers.centralbank.ie/FirmSearchPage.aspx>.

## 3. Scope

These Terms apply to the Advisory Service, Execution Only and other services, if any, which we provide to you as set out in these Terms.

## 4. Effective Date of Terms of Business

These Terms take effect as soon as we have accepted you as our client, or if you are an existing client they will take effect from the date of issue of this document. These Terms are available on Aria Capital's website.

## 5. Services

Aria Capital is authorised to receive and transmit orders relating to investment and life assurance/protection products from Product Producers from whom it has a written letter of appointment. Aria Capital is also authorised to act as a deposit broker and to give advice in relation to deposits. Aria Capital is also authorised to act as a Mortgage Intermediary. Aria Capital conducts broad based market research on your behalf to identify and assess the suitability of the products on offer to meet your current needs.

The services which the firm is authorised by the Central Bank of Ireland to provide and which are governed by these Terms are:

- advising as to the nature of the products below and as to which product is suitable for your needs;
- receiving and transmitting orders on your behalf for a product(s) to one or more product producers from whom Aria Capital has a written letter of appointment.

The products for which Aria Capital has appointments to act are deposit instruments, units or shares in collective investment schemes including unit trusts and UCITS, tracker bonds, shares or bonds that are listed on a stock exchange, insurance policies, personal retirement savings accounts, mortgages, and health insurance. These include life assurance and other protection policies, pension products (including small self administered pension schemes), and savings and investment life assurance policies.

Aria Capital has no financial interest (direct or indirect) in any life assurance or financial services company. Aria Capital is not a tied agent for any life assurance company or financial services company. We act solely for the client and not any life assurance or financial services companies that we deal with.

## 6. Provision of Service

Fair Analysis or Limited Analysis of the Market Services may be provided by Aria Capital on either a fair analysis or on a limited analysis basis.

### *Fair Analysis of the Market:*

According to the Consumer Protection Code, 2012, a "fair analysis" of the market means providing services on the basis of a sufficiently large number of contracts and product producers available on the market to enable the intermediary (i.e. Aria Capital) to make a recommendation in accordance with professional criteria regarding which contract would be adequate to meet the consumer's needs.

### *Limited Analysis of the Market:*

According to the Consumer Protection Code, 2012, a "limited analysis" of the market means providing services on the basis of a limited number of contracts and product producers available on the market, i.e. while not tied to one product producer the services are not provided on the basis of a fair analysis of the market.

The Insurance Distribution Directive requires Aria Capital to also disclose whether we are giving advice on the basis of a "fair and personal analysis".

### (a) Life Assurance, Mortgage Protection, Serious Illness, Income Protection and Other "Protection" Products (the "protection market").

Aria Capital obtains pricing and other relevant data, using a 3<sup>rd</sup> party service provider which enables Aria Capital to analyse and identify the most suitable product for each client, taking account of cost and other pertinent considerations. We obtain such data currently in respect of the following insurance companies:

- Aviva
- Friends First
- Irish Life
- New Ireland
- Royal London
- Zurich

Aria Capital has an agency appointment in place with all of these firms.

Aria Capital considers itself to be offering a fair analysis of the "protection market" as it accesses benchmarking information for all the major insurance companies that offer protection products to Irish consumers. Aria Capital considers itself to give advice on the basis of a fair and personal analysis as we have a sufficient number of agency appointments in place and because the advice is tailored to each client and their needs.

### (b) Investment, Savings and Pension Products

Aria Capital assesses the broad global investment market and accesses information from a variety of sources including:

- A paid subscription service from Infront ASA.
- Face to face meetings with various investment firms.
- Conference calls with investment firms.
- Research reports provided by various providers.
- Academic and industry research in relation to economics and financial markets.
- Seminars.
- The financial press.

We currently have agency appointments with the following investment firms and life assurance companies:

- Aberdeen Standard Investments
- Allianz RCM
- Artemis
- Argonaut
- Aviva/Hibernian (including Friends First)
- BCP Asset Management
- BlackRock
- BMO/Pyrford
- Calamos International
- Conexim Advisors
- Davy
- Fidelity
- First State
- Franklin Templeton
- Fundsmith
- Generali
- Granahan
- Independent Trustee Company
- Insight Investment
- Irish Life
- JPMorgan
- Kames Capital



- Legg Mason
- Merian Global Investors
- Morgan Stanley
- New Ireland
- PIMCO
- Royal London
- RWC Partners/Pensato
- Sarasin
- Schroder
- Standard Life
- T. Rowe Price
- Troy Asset Management
- VAM Funds
- Wealth Options
- Zurich

Aria Capital considers itself to be offering a fair analysis of the investment, savings and pension market due to the broad range of firms with which it has appointments. Additionally, many of these firms have an extensive range of investment and pension products, covering a broad range of asset classes, investment styles and geographical coverage and which we consider sufficient to serve our clients' needs. For insurance related products Aria Capital considers itself to give advice on the basis of a fair and personal analysis as we have a sufficient number of agency appointments in place and because the advice is tailored to each client and their needs.

#### (c) Mortgage Finance

Aria Capital provides mortgage broking services through the following mortgage providers with which we have agency appointments:

- AIB
- Haven Mortgages
- Pepper Money

Aria Capital considers itself to be offering a limited analysis of the mortgage finance market and products available.

#### (d) Deposit Broking

Aria Capital provides a deposit broking service through the following financial institutions with which we have agency appointments:

- AIB

Aria Capital considers itself to be offering a limited analysis of the deposit market and products available.

### 7. Advisory service

As part of our Advisory Service you appoint us to provide you with investment advice and, where you instruct us, to carry out transactions instructed by you. Following the completion of your Investor Profile and any relevant Application Forms we may contact you from time to time to bring suitable investment opportunities to your attention; however, we are not under any obligation to do so.

We may offer you advice on investments or review your Aria Capital Portfolio where a strategy has been recommended to you in the Portfolio Recommendation. In all circumstances, you will make the final investment decision, whether we have given you investment advice or not, and you will instruct us accordingly. Where you do not follow our advice or do not follow our advice in a timely fashion, we do not take any responsibility for the outcome.

Aria Capital only accepts instructions from clients in respect of investment recommendations by email or written instruction. Aria Capital does not accept any liability for emails or written instructions that are not received, irrespective of fault. We do not accept instructions over the phone in any circumstances.

We will assume that no specific restrictions apply in providing you with recommendations unless:

- You have notified us of such restrictions on your Investor Profile; or
- You have provided us with written confirmation of restrictions that must be applied to your Aria Capital Portfolio, and we have acknowledged that request.

### 8. Opening an account with Aria Capital

Prior to engaging Aria Capital's Advisory Service for investments and/or opening an account with us, you will be required to complete an Investor Profile, any relevant Application Forms and additional documentation where required. We are also required to comply with Anti Money Laundering legislation (see below). We may need to request additional information from you at any time to meet our legal and regulatory obligations. If you do not provide the information we require, we will not be in a position to continue operating your account and we reserve the right to close your account. We reserve the right at all times and in our absolute discretion not to open an account. You must

inform us immediately in the event that any of your personal details subsequently change. Any such changes must be communicated to us in writing.

### 9. Anti Money Laundering Compliance

We are required to have procedures in place to establish both your identity and permanent address and you will be asked to provide us with various documents, before your account can be established. In appropriate circumstances this may include Trust Deeds, Certificates of Incorporation, or any such document we may require. We may require you from time to time to provide updated documentation.

### 10. Investor Profile and Application Forms

We are required to obtain as much investment related information from you as is necessary to ensure that we can provide you with suitable investment advice. We will collect this information by asking you to complete an Investor Profile and Application Forms. We may not be in a position to provide you with suitable advice if the Investor Profile is not fully or correctly completed. Aria Capital will not be liable for any investment recommendations that are subsequently found to be unsuitable if you do not provide us with complete and/or accurate information. Please be advised that, at all times, you should provide true and complete information in relation to any application form completed by you and/or by us at your request. Failure to provide true and complete information may render the contract you have entered into with Aria Capital void.

### 11. Portfolio Recommendation

We will use the information you provide to us in the Investor Profile and Application Forms to prepare a Portfolio Recommendation for you. The Portfolio Recommendation sets out our understanding of your investment requirements and your attitude to risk. It serves to outline the key information upon which we will base our investment advice to you and details certain risks relating to the investments that we may recommend to you. You must carefully review all aspects of the Portfolio Recommendation and we will require you to confirm, in writing, that you accept it and that it accurately reflects your requirements and your risk tolerance. The Portfolio Recommendation forms the agreed basis upon which we will provide you with advice. In the event of any inconsistency between the Portfolio Recommendation and other documentation, the Portfolio Recommendation will prevail.

The Portfolio Recommendation will reflect the target risk profile as per the Investor Profile but you will always have the opportunity at your discretion to over-ride or vary the actual risk profile once provided in writing. However, over time, as a result of fluctuations in value of the different investments in your portfolio there may be material deviation between your target risk profile and your actual risk profile. We will not be in breach of the Portfolio Recommendation as a result of these deviations. We will review your risk profile at least annually and we may make recommendations to you that would result in it changing, either to restore your initial risk profile or otherwise. However, we will not seek to actively rebalance your portfolio. Your Portfolio Reports will show your current breakdown of investments; we will assume that you believe that it is suitable to you in your current circumstances unless you advise us otherwise in writing.

### 12. Changes To Your Information

It is your responsibility to notify us if you amend any personal details or material information that you have provided to us. We may require that any such proposed amendments be in writing and contain your original signature. In the event that any of the information in your Investor Profile, Portfolio Recommendation or related documentation changes (e.g. you experience a change in your personal circumstances, your risk appetite has changed or otherwise) you must advise us of this as soon as practicable such that Aria Capital can ensure that your portfolio and its constituent investments remain suitable to your needs. Fundamental changes to your Investor Profile, such as a material alteration of your investment risk profile, may result in Aria Capital issuing you with a revised Portfolio Recommendation which will be subject to the same review and acceptance criteria as detailed above. However, less fundamental changes may not result in a revised Portfolio Recommendation and your instruction to Aria Capital to complete individual transactions will be deemed to confirm your agreement to proceed on the basis of the revised parameters.

### 13. Disclosure obligations

You are responsible for ensuring that all applicable legal, tax or regulatory requirements for disclosure or reporting as to holding, control, beneficial ownership or the granting of security are met in respect of any assets or liabilities held in your Aria Capital Portfolio.

### 14. Suitability of advice

We have a duty to take reasonable care when determining the suitability of the service and in advising clients generally based on information that has been disclosed to us by them. We will consider the suitability of the investments recommended by us based on the information you provide to us in the Investor Profile, Application Form or related documentation and reflected by your agreement to the Portfolio Recommendation. For Clients availing of Aria Capital's Advisory Services we will assess the suitability of these investments



(including those in pensions) on an ongoing basis. We will consider the suitability of life assurance, income protection, serious illness, other protection products and mortgage and deposit products recommended by us based on the information you provide to us in the Investor Profile, application forms or related documentation and correspondence.

## 15. Execution Only Service

You may decide to give orders to buy or sell securities from time to time on your own initiative and receive no investment advice from us or, alternatively, we may have brought the investment opportunities to your attention but we have not undertaken to assess their suitability or to monitor their ongoing performance. Such orders are accepted by us under our "Execution Only Service". Clients who avail of Aria Capital's Advisory Service may also from time to time elect to give orders using our Execution Only Service. If you transact with us using our Execution Only Service you understand that we will not advise you on the merits or suitability of any order given by you. In such circumstances, we will not accept responsibility or liability for the transaction. It is your responsibility to ensure that any such orders are lawful and in particular do not amount to insider dealing, market manipulation or constitute a breach of any securities or other law or regulation. We are not under any obligation to monitor your Execution Only Portfolio or any other investments you hold on an ongoing basis. You take full responsibility for monitoring the performance, asset allocation and risk level of any transactions undertaken using our Execution Only Service unless we agree otherwise with you in writing.

For the avoidance of doubt, to the extent that you request Aria Capital to transact in any product, security or instrument other than those described in clause 5 of these Terms, you agree that you are doing so under the Execution Only Service.

Aria Capital's Execution Only Service will be subject to a different charging structure to those applicable to our Advisory Service.

## 16. Investment research

It is not possible for Aria Capital to research all the products available within Ireland, Europe and OECD countries. Neither will some product providers provide this research when requested. You are advised that you may wish to pursue this research yourself.

Aria Capital may issue investment commentaries or research (together "investment research") to which you may have access as our client. Such investment research is available solely for information purposes and its provision does not constitute an offer or solicitation to buy or sell any investment(s). Such investment research does not constitute investment advice and has been prepared without regard to your individual financial circumstances and objectives. The investments and/or investment strategies discussed in the reports may not be suitable or appropriate for all investors. You agree that we will not be liable where you rely in whole or in part on any statements, representations or other contents of such investment research and other market analysis information in connection with any investment decision made by you.

## 17. Charges and Commissions

Aria Capital discloses to clients the specific charge and/or commission structure that is proposed for their account or transaction in advance of any transaction. These vary from provider to provider, particularly for life assurance companies, and may be subject to change on a regular basis.

For relevant investment portfolios from 3 January 2018 Aria Capital will also include in its Portfolio Recommendation an estimation of the total charges for the first year of the investment, separately analysed as follows:

- Aria Capital's initial charges
- Aria Capital's annual charges
- Platform charges
- Fund Manager charges
- Any other ancillary charges relating to the investment

For relevant investment portfolio reports dated from 31 December 2018 Aria Capital will include an analysis of the total actual charges levied against the portfolio, separately analysed as follows:

- Aria Capital's initial charges
- Aria Capital's annual charges
- Platform charges
- Fund Manager charges
- Any other ancillary charges relating to the investment

The way in which Aria Capital is remunerated for the services it offers you may vary according to the nature of the service provided to you, your account type and the identity of the product provider(s), if any, whose products we recommend to you. Life assurance companies typically pay commissions to Aria Capital as a percentage of the annual premium paid by the client. We will apply our charges or commissions, which are subject to change, in accordance with our prevailing Schedule of Charges or per the policy documentation provided to you unless otherwise agreed with you in writing. Unless otherwise requested and agreed in writing:

- Initial investment charges, where applicable, will be deducted from the gross investment amount when the investment is being made;
- Annual assets under instruction ("AUI") commission will be deducted from your portfolio twice yearly for those clients with a platform account;
- On account closure, the AUI commission will be adjusted pro-rata based on the average daily value of the assets in the portfolio during the period and applied prior to closure;
- Commissions payable by life assurance companies to Aria Capital for life company provided savings and investments, life assurance or pension products will be deducted from your policy as per the policy documentation provided to you;
- You will be responsible for all third party charges relating to holding or transacting your investments including, but not limited to, any stamp and other duties, taxes of whatsoever nature, impositions and fiscal charges (in each case wherever in the world imposed), brokerage clearing and settlement fees, transfer fees, registration fees and all other liabilities, charges, costs and expenses payable or incurred by us on your behalf; and any applicable value added tax or similar charge.

Aria Capital permits clients to pay for services in full by way of a fee. In certain instances commissions are paid to Aria Capital by the product producer and which cannot be waived e.g. in life assurance/protection products. In such cases the client can pay for the service by way of a fee and will in turn receive a full rebate of the commissions received by Aria Capital from the life assurance company on receipt from such life assurance companies (which may be in stages).

Please note that Execution Only accounts will be subject to additional charges (set out in our Schedule of Charges) that Aria Capital may, at its sole discretion, waive in respect of Advisory accounts.

Where you hold certain products and Financial Instruments, you may be charged fees and commissions by the provider of the product or Financial Instrument and these may be in addition to the fees and commissions charged on your Aria Capital Portfolio. A fee or commission may be received from or paid to a third party, where it is designed to enhance the quality of the service we provide and does not impact our duties to you.

Please refer to the CP116 Commission Summary Document and our Schedule of Charges documents in the Regulation section of our website for more detailed information.

If you default in paying any amount when due, interest will be payable by you at 5% over EURIBOR on any outstanding balances, calculated daily. In addition to paying any commission and charges due to us you will reimburse us for any costs and expenses which we may incur which are directly attributable to you. These charges may include, without limitation, the costs of providing information to third parties, valuations, or our involvement in legal proceedings brought by or against you.

For consulting services which are billed on a time basis we will confirm with you in advance the proposed charge-out rate or provide you with a Terms of Engagement. Our current charge out rates are as follows but are subject to change:

- Director €300 plus VAT
- Non-Director €100 plus VAT

## 18. Conflicts of Interest

Aria Capital has a written conflicts of interest policy and operates in accordance with this as follows:

### General Principles

It is Aria Capital's policy to try to avoid any conflict of interest when providing services to its clients. However, as Aria Capital offers a wide range of financial services it is possible that potential, perceived or actual conflicts may arise over time.

Aria Capital and its employees are obliged to act at all times in the client's/consumer's best interests irrespective of whether any products or services offered to the client generate an income for Aria Capital.

The receipt of commissions from product producers can potentially create conflicts for staff as can remuneration arrangements which distribute a share of commissions or fees received by Aria Capital to employees.

### How Employees Should Act

Aria Capital's employees are required to act impartially and in the client's best interest and address any conflict of interest before making a recommendation to clients on products including:

- Life Assurance/Protection Products
- Investment/Pension Products
- Mortgage Finance Products
- Deposit/Savings Products



Aria Capital's employees are required to offer the best and most suitable solution to the client (whether that is a combination of lowest cost, superior cover/benefits, superior service, etc.) irrespective of the remuneration structure in place with the particular product producer (which can vary from one to the next). Employees are allowed to place business with the product producer with the best commission structure only if its product is at least as good as the next best product in the market (which, as before, can be a combination of lowest cost, superior cover/benefits, superior service, etc.).

#### *Employees' Remuneration Structures*

Aria Capital's employees are paid substantially on the basis of fixed rather than variable remuneration (e.g. commission share or sales targets) which mitigates against the risk of such conflicts arising.

As a result Aria Capital's remuneration arrangements with employees in respect of providing, arranging or recommending a product or service to a consumer, are not structured in such a way as to have the potential to impair Aria Capital's obligations to act in the best interests of clients and to satisfy the suitability requirements.

Aria Capital does not permit any of its officers or employees to offer, give, solicit or accept any gifts or rewards (monetary or otherwise) that are likely to conflict with any duties of the recipient in relation to his or her activities in the regulated entity. Under CP116 as issued by the Central Bank, Aria Capital is precluded from accepting free hospitality such as golf trips and tickets to sporting events from product providers. However, it may receive non-monetary benefits from them such as attendance at seminars or assistance with advertising/branding. If employees have any doubts about such matters or whether a gift or reward might be deemed to create a conflict, they are required to refer the matter to the Head of Compliance of Aria Capital.

#### *Intermediaries*

In situations where Aria Capital distributes its products to consumers through an intermediary, Aria Capital will not require the intermediary to introduce a specified level of business from clients in order to retain an appointment from Aria Capital.

#### *Commissions and Soft Commissions*

While Aria Capital does receive commissions from certain product producers depending on the nature of the product it does not have any arrangements in place with product producers which incentivise the placement of business with a particular product producer over another i.e. minimum targets or volume based incentives. CP116 as issued by the Central Bank prohibits volume linked remuneration, including override commission and bonus payments linked to business retention.

CP116 also prohibits soft commissions i.e. non monetary benefits provided to intermediaries such as lavish corporate hospitality or otherwise. Aria Capital has no soft commission arrangements in place.

#### *Other Conflicts of Interest and Action Required*

Other conflicts of interest may arise over time. For example, a client of Aria Capital might promote an investment, such as a private equity deal, which may be circulated among other clients of Aria Capital. In such a situation Aria Capital must only seek to earn a fee/commission from one party to the proposed transaction and must disclose its potentially conflicting relationship to all relevant parties.

Where conflicts of interest cannot be avoided Aria Capital will disclose the general nature and/or source of the conflict(s) of interest to the client. Aria Capital will only undertake business with or on behalf of clients where there is directly or indirectly a conflicting interest, where that client has acknowledged, on paper or on another durable medium, that he or she is aware of the conflict of interest and still wants to proceed; and that the conflict does not damage the interests of the client.

### **19. Risk Warnings And Important Notices**

**All forms of investment involve some degree of risk. You should remember that the value of investments may fall as well as rise. Past performance may not be a reliable guide to future performance. Please note that your capital may be at risk and that you may not receive back the amount of your original investment.**

The Risk Disclosure Statement and Portfolio Recommendation cannot disclose all the risks and significant aspects of investing and you should not make an investment or avail of Aria Capital's Advisory Service unless you have satisfied yourself that you understand the nature of the investments or service and the extent of your exposure to risk. If you are in any doubt you should obtain additional independent professional advice (including inter alia legal, financial and tax advice) suitable to your own individual circumstances, before making an investment decision. You should be aware that there are risks associated

with all investments and you should not rely on Aria Capital to advise you of all such risks.

#### *Liquidity risk*

You can only buy a security if there are sellers in the market and you can only sell a security if there are buyers. For this reason there can be significant delays before we can complete some orders. Unless you confirm in writing that you do not wish us to do so, we may recommend and/or carry out transactions in suitable non-readily realisable or illiquid investments. These are investments in which the market is limited or could become so or there may be legal or other restrictions on their resale. Illiquid investments may be difficult to sell at prices that reflect the assessment of their value. We may also recommend and/or carry out transactions in investments that are not regulated by the rules of any stock exchange. Further information is available in the Risk Disclosure Statement.

#### *Investment information*

Some Financial Instruments may have additional explanatory documentation available such as a Prospectus, Offering Memorandum or other information brochures. It is important that you request a copy of any such documentation from us and read and understand this information prior to making any decision to invest. You acknowledge that such documentation is available on request. Aria Capital bears no responsibility for delays in executing transactions where such delays are caused by the furnishing of such documentation to you.

#### *Alternative investments*

We may provide advice in respect of Alternative Investments. You acknowledge that certain categories of Alternative Investments are typically highly illiquid and often no discernible primary or secondary markets exist for such investments. You acknowledge that this may mean that you must hold those investments until their maturity. It is essential that you read and fully understand any supplementary documentation provided to you in respect of such investments as this will contain more detailed information as to the nature and risks associated with the particular investment.

#### *Foreign currency*

Certain investments are denominated in Foreign Currencies. The value of such investments will be impacted by exchange rate movements between the Euro and the Foreign Currency in which the investment(s) are denominated. Other investments may be denominated in Euro but will have an underlying exposure to Foreign Currencies. The value of such investments will be impacted by exchange rate movements between the Euro and Foreign Currencies.

### **20. Communication and instructions**

All communications with you will be in the English language. You may communicate with us in person, by telephone or in writing including email. You agree that we may designate the manner in which you must send different types of communication and you agree that we may not act upon any communications that are transmitted in a manner that is not consistent with these designations.

You may place instructions with us by electronic media, such as email or in writing. We may refuse to act on incomplete, unclear, inconsistent or mistaken instructions which you give us. If you communicate with us through our website or by email it is important you read and understand our website Terms of Use. These are available on our website at [www.aria-capital.ie](http://www.aria-capital.ie). You agree that we may communicate with or about you or your account by email or other electronic media. We may, however, at our discretion refuse to act upon instructions received over such media and require confirmation of the instruction by other means. We may also refuse to act on an instruction where we are prevented from following the instruction by any law or regulation or other circumstances beyond our reasonable control. Once an instruction is accepted and acted on by us it cannot be cancelled unless required due to our error or omission.

If you wish to place an instruction, including by way of by electronic media such as email or text it will be your responsibility to confirm that we have received your instruction. As a matter of course we will confirm instructions received by clients and if you have not received such confirmation you should assume that we have not received your instruction. Aria Capital will not be liable for instructions that you have sent which have not been confirmed as having been received by us.

We are entitled to rely on instructions, which we believe to be from you or from your agents including, where appropriate, your lawfully appointed attorney, whether received verbally or in writing which we have accepted in good faith. Where instructions are received from your agents, legal representative, executor and/or your lawfully appointed attorney, we can continue to act on their instructions until we receive written notification from you that they are no longer authorised. For the avoidance of doubt, it is solely your responsibility to ensure that your agents are appropriately authorised and/or your attorney is lawfully appointed. As such, we may accept instructions from your agents and we will be under no obligation to monitor whether a particular agent is duly authorised by you. It is very important that you notify us in writing as soon as possible after you withdraw your authority for an agent or attorney to issue instructions on your behalf.



We may need to ask you some questions about your identity and/or your account in order to protect the security of your information. If you are unable to provide the relevant answers to us we may not be able to complete your instructions and we reserve the right to request additional information in order to verify your identity.

## 21. Joint Accounts

If we are advised of a dispute between joint account holders, we may cease to permit operation of the joint account until we receive new written signing instructions from the joint account holders. However, we are not obliged to do this and may, notwithstanding any dispute, continue to rely on the existing arrangements for operating the account including signing instructions unless and until we decide to cease to permit operation of the joint account pending receipt of new instructions from the joint account holders.

## 22. Death or Incapacity

In the event of death or incapacity of a client, upon receipt of written notification (which in the case of death must be in the form of a certified copy of a death certificate), we will immediately suspend all accounts of that client. All payments made and transactions instructed by us on your account after your incapacity or death, but before we have written notice thereof, will be valid and binding upon you and your successors and estate. In the case of death, other than as detailed above in the first point, we will not accept any further instructions or take any further action on your account until such time as your appointed representative has been established by providing us with a certified copy of the grant of probate or letters of administration. We will not be liable for any losses arising from whatever cause (excluding gross negligence or wilful default) between the time of your death and the date of probate (or letters of administration) being granted or between the date of your incapacity and the date of your recovery or the appointment of a person to manage your affairs.

## 23. Consumer Protection

Aria Capital is a member of the Investor Compensation Scheme established under Section 38 of the Investor Compensation Act 1998. The Act provides that compensation will be paid to eligible investors (as defined in the Act) to the extent of 90% of an investor's net loss or €20,000, whichever is the lesser and is recognised as being eligible for compensation.

Details of this scheme are available from Aria Capital's Head of Compliance on request or can be found on [www.investorcompensation.ie](http://www.investorcompensation.ie).

## 24. Account Operation

You have authorised us to accept instructions relating to your account as advised on your Investor Profile and Application Form. If you wish to amend this authorisation you must advise us accordingly in writing and await our confirmation of receipt. This authorisation will not extend to our acceptance of instructions to make payment to, deliver any of your assets under our control to and/or for the account of a third party, or otherwise cause your assets to be used as collateral against any third party liability; nor to cause any amendment(s) to the information you have provided to us for the administration of your account. For your protection it is essential for all such matters to be given to us by you the account holder. Should you so wish to empower anyone beyond the scope of these arrangements, you should contact your solicitor and arrange to sign a Power of Attorney.

Where your account consists of more than one person, e.g. joint accounts, trustees, personal representatives, etc.:

1. You will be jointly and severally liable for the payment of all sums owing to Aria Capital or its agents and for the performance of all obligations undertaken by you or on your behalf pursuant to this Agreement.
2. We will act upon instructions as authorised by you in Investor Profile.
3. In the event of the death of any of you, this Agreement will remain binding on the survivor(s) of you and upon the successors of the deceased party(ies). Unless joint account holders otherwise instruct us in writing, on the death of anyone of you, any assets we are holding will, following the registration of death, pass to the survivor(s).
4. Where you are trustees of a trust or personal representatives of an estate, you undertake to give us notice forthwith of any change in the trustees or personal representatives. You confirm that you have taken legal advice and are satisfied that the trustees/personal representatives have all the necessary powers to enter into the arrangements contemplated by this agreement.
5. Where you are personal representatives of an estate, this Agreement will continue in force with you in your capacity as trustee(s), following completion of the administration of the estate.

## 25. Record keeping

We will keep appropriate records to make sure that we can easily identify the quantity of assets and the amount of money in your Aria Capital portfolio(s).

## 26. Reporting

If advised to the client in advance we will provide you with a Portfolio Report at least once in each calendar year. Aria Capital makes every effort to ensure the accuracy of your transaction statements and your Portfolio Report. However, it is your responsibility to check the accuracy of information provided to you in contract notes, Portfolio Reports and other reports and contact us immediately in the event that you believe the information to be incorrect.

## 27. Taxation

You confirm that your residence for tax purposes is as set out in the Investor Profile, or as otherwise advised to us by you and recorded in our books. Should this be incorrect you will notify us and provide all necessary information. You may be required to complete and return forms required by tax authorities in order to receive a reduction in withholding tax, or any such other qualifying form of taxation. You agree that we will not be liable to you for any over deduction of tax, or for the reclamation of such tax, when this is caused by your failure to fully complete and return to us any required documentation.

Aria Capital does not provide tax advice and we recommend that you seek professional tax advice when taking out any financial products or making any investments.

We do not accept any liability whatsoever for any taxation implications that may arise from our services to you.

## 28. Dividends and other income

Investments held through a nominee account may receive all income, dividends and gains gross. You will be fully responsible for reporting details of income to the Revenue Commissioners and for payment of all taxes due thereon. We will prepare and send you a Taxation Report each year setting out certain information to assist you in the filing of your taxation returns. You are advised to contact your own independent professional tax adviser for a comprehensive assessment of your taxation obligations and liabilities.

## 29. Non-Residents

If you have submitted a non-resident declaration form for exemption from any form of tax we will continue to rely on that declaration unless you inform us in writing that you have re-established residence in the Republic of Ireland. It is your responsibility to inform us, in writing, of any change to your residency status.

## 30. Complaints Procedure

Aria Capital is committed to providing you with consistently high quality service. If you feel that Aria Capital has failed to live up to this, we have a written complaints procedure for the effective handling of complaints. The complaints procedure is included in Aria Capital's overall Procedures Manual and is as follows:

1. The staff member that receives the complaint must make one of Aria Capital's directors aware of the complaint within 24 hours;
2. Aria Capital will acknowledge each complaint in writing within 5 business days of the complaint being received;
3. Aria Capital will provide the complainant with the name of one or more individuals to be complainant's point of contact in relation to the complaint until the complaint is resolved or cannot be processed any further;
4. While the complaint is ongoing, Aria Capital will provide the complainant with a regular written update on the progress of the investigation of the complaint at intervals not greater than 20 business days, starting from the date on which the complaint was made;
5. Aria Capital will attempt to resolve the complaint within 40 business days of having received the complaint;
6. Where the 40 business days have elapsed and the complaint is not resolved, Aria Capital will inform the complainant of:
  - (a) The anticipated timeframe within which Aria Capital hopes to resolve the complaint;
  - (b) The complainant's right to refer the matter to the Financial Services Ombudsman (where relevant) and the contact details of the Financial Services Ombudsman.

Within 5 business days of the completion of the investigation, Aria Capital will advise the complainant on paper or on another durable medium of:

- (a) The outcome of the investigation;
- (b) Where applicable, the terms of any offer or settlement being made;
- (c) That the complainant can refer the matter to the Financial Services Ombudsman; and
- (d) The contact details of the Financial Services Ombudsman.

The above procedures need not apply where the complaint has been resolved to the satisfaction of the complainant within 5 business days of receipt of the complaint and a record of such complaint and its resolution is maintained by Aria Capital.



## 31. Data Protection

Aria Capital respects your right to privacy and wishes to comply with its obligations under the Data Protection Acts 1988 and amended in 2003 (the "Acts"). Any data that you provide to us will be treated in accordance with the requirements of these Acts. The data which you provide to us will be held on computer records, computer database and paper files for the purpose of arranging transactions on your behalf. Aria Capital will not disclose your personal data unless the company believes in good faith that either it has your permission to do so or it is required to do so under, inter alia, any applicable law or regulation.

We may use information provided for the purpose of:

- Providing the services, including without limitation, managing any of your accounts and the execution of transactions on your account;
- Debt collection;
- Management purposes;
- Prevention of money laundering, financing of terrorism and fraud, and otherwise complying with our legal and regulatory obligations;
- Providing you with information in relation to our own and third party products or services and subject to your right to change your mind in relation to receipt of marketing materials at any time by writing to us at Aria Capital Limited, 66 Fitzwilliam Square, Dublin 2, D02 AT27; and
- Any other purpose to which you have consented.

We may share the information, to the extent necessary for the purposes as set out above with:

- Anyone providing a service to us or acting as our agents, on the understanding that they will keep the information confidential;
- Counterparties to transaction executed on your behalf;
- Public companies in which you directly or indirectly hold shares, on request;
- Any (or any proposed) assignee, transferee, or successor in title to the whole or any part of our business relating to the service, and their respective officers, employees, agents and advisers, provided that any recipient agrees to use your information for the same purposes as it was originally supplied to us and/or used by us;
- Regulatory bodies, tax authorities, law enforcement agencies and other public bodies to whom we are obliged by law to disclose the information;
- Any third party that introduced you to us;
- In the case of a joint account, the other account holder(s) and their respective advisers; and
- Any other party to whom you have agreed we may disclose your information.

each of whom may in turn use that information for the above and other purposes which have been disclosed to you.

The use and disclosure of the information in accordance with this clause may in certain circumstances involve the transfer of information to countries outside Ireland, including countries both within and outside the European Economic Area, and including countries which may not afford the same level of protection to personal data as applies under Irish law. Transfers to other countries will only be carried out:

- For the purposes specified in this clause;
- In accordance with your instructions and/or for purposes to which you have otherwise consented; or
- As otherwise required by law or regulation.

We will use all reasonable endeavours to ensure that any transfer of the information is to a country whose laws offer adequate protection for personal information, or alternatively that the third party to whom the information is transferred provides adequate assurances as to the level of protection which will be given to the information.

You agree to notify us without delay in the event of any change in your personal data, to enable us to comply with our obligations to keep your information up to date.

Where you provide us with personal data relating to individuals (which for these purposes shall include, without limitation, any directors, employees, agents, officers, spouses, partners and personal representatives of the persons included in the expression "Client"), you warrant that you are acting in accordance with the requirements of the Data Protection Act in providing that information to us for the purposes set out in this clause and for such other purposes as have been disclosed to you by us prior to your provision to us of personal data.

We do not record telephone calls but may do so in future. If relevant, we will retain telephone records for a period as may be prescribed by law, regulation or guidance or at our own discretion. We may use the contents of such recordings

as required by law and regulation, to verify your instructions and for quality control purposes.

We are obliged to retain client identification and client transaction records of six years from the end of the client relationship or the date of the transaction respectively. Other information will be retained for no longer than necessary for the purpose for which it was provided to us or as required or permitted for legal, regulatory, fraud prevention and legitimate business purposes.

You have the right to receive a copy of all personal data (within meaning of Data Protection Act) relating to you which is held by us following a written request (for which an administration fee may be charged not exceeding €6.35) and have any inaccuracies in your personal data corrected by writing to us at Aria Capital Limited, 66 Fitzwilliam Square, Dublin 2, D02 AT27, Ireland. We are entitled to take reasonable steps to establish your identity in relation to any amendment, access or deletion request and may, at our discretion, require proof of identity or other documents.

By signing Aria Capital's Client Investor Profile and/or any application forms you are authorising Aria Capital to provide any such details if requested.

## 32. Termination

You may terminate these arrangements through which we are providing our services to you at any time by giving us written notice which will be effective on receipt by us. We may terminate these arrangements by giving to you written notice at any time which will be effective 5 business days from the date of the notice being received by you. However, your attention is drawn to the fact that having given or received notice of termination of our appointment we or the TPE may exercise discretion to refuse to accept further orders from you after such notice has been given.

The termination of these arrangements will not affect the completion of any orders you may have given us or we may have accepted prior to any notice of termination being given. The termination of these arrangements will not affect any outstanding obligations either of us may owe the other so that we will be obliged to account to you for any money and investments held by us and you must pay us all amounts owing to us.

We reserve the right to charge a fee to re-certificate or transfer your securities. For certain investments, for example some Alternative Investments, it may not be possible to transfer these assets to you or your custodian. In such circumstances the investment(s) will continue to be held in a nominee account for your benefit and will be transferred to you or to a custodian nominated by you, when the investment(s) may be transferred in accordance with the terms and conditions of the particular investment(s). In the case of commitment based Alternative Investment(s) the termination of this relationship will not release you from any obligations under the terms and conditions of the investment(s) which will continue to apply. In these circumstances Aria Capital will be entitled to continue to be remunerated in respect of the investment(s) that remain with Aria Capital. If you fail to give us written instructions within 30 days, we may register any securities we are holding into your name at your last known address and send them to that address. You should be aware that for certain asset classes this may trigger certain tax liabilities. On ending this relationship you must immediately pay all sums owing on your accounts with us (including all sums owing to us and any third parties). Fees and charges will be charged up to the date of closure.

## 33. Events of Default or Failure to Pay

The occurrence of any of the following events will constitute an Event of Default under this agreement:

- Failure by you to make any payment due under the Terms;
- Failure by you to pay for purchases by the due date specified on a contract note;
- Failure by you to return within the settlement timeframe a valid and complete share certificate and/or transfer forms in connection with a sale;
- Failure by you to perform any of your other obligations under the Terms;
- Any act of bankruptcy, insolvency or similar act or procedure in respect of you;
- An admission by you that you are unable or intend not to perform any of your obligations under the Terms;
- Any other event of default, termination event or other similar event (howsoever described) under any part of these Terms or any other agreement between Aria Capital or a member of the Aria Capital group and you.

Where an Event of Default occurs we can immediately, without further demand or notice to you, add a late settlement administration charge to your account. The administration charge we may levy, and the basis upon which this is calculated, will be as displayed in our prevailing Schedule of Charges which will be made available upon request. In such circumstances you will also be liable for any excess cost or loss in value that might arise.



As security for your obligations to us, you hereby irrevocably appoint Aria Capital as your attorney to act on your behalf and in your name or otherwise to execute any document and to do any act or thing which Aria Capital may in its absolute discretion consider necessary or appropriate to give effect to the provisions of these Terms. You hereby further irrevocably authorise Aria Capital at any time after the occurrence of an Event of Default, if any amount due to Aria Capital from you has not been paid when due (or on demand, if so payable), at any time after demand made on you, to:

- Sell or otherwise realise all or any assets held in your Aria Capital Portfolio or any other account in your name with Aria Capital, in such manner at such time or times and to such person or persons as Aria Capital in its absolute discretion thinks fit;
- Apply the proceeds of sale in or towards the discharge of any liabilities you have to Aria Capital in such order and manner as Aria Capital thinks fit. Aria Capital will use reasonable efforts to obtain the best price available in all the circumstances for any sales or realisation of such assets;
- Set off the debit on one account against the credit on another if you have more than one account with us or give instructions on related accounts. If the accounts are expressed in different currencies they may be converted as required by us or the TPE at the prevailing rate of exchange.

At any time after the occurrence of an Event of Default, Aria Capital will have the right to appropriate all or part of your assets with Aria Capital whether in your Aria Capital Portfolio or any other account in your name with Aria Capital, in or towards the discharge of all obligations and liabilities to Aria Capital. For this purpose, you agree that the value of such appropriated assets will be the amount of the assets, together with any accrued but unpaid interest, at the time the right of appropriation is exercised. If for any reason such assets cannot be valued at that time Aria Capital will apply a commercially reasonable method of valuations as it, in its absolute discretion, sees fit. Aria Capital will be entitled to charge to you all fines, penalties and costs including legal, accounting and other professional and advisory costs we might incur arising from an Event of Default. Product Producers may withdraw benefits or cover on default of any payments due on products arranged for your benefit. Details of these provisions will be included in your policy terms and conditions.

#### 34. Deposit Interest Retention Tax ("DIRT")

You acknowledge that if the basis on which you claim exemption from DIRT i.e. Age / Approved Revenue Pension Fund / Charity / Non-Resident should no longer apply due to a change in residence or change of status or change in tax law, you understand that DIRT will be payable from the date that the exemption no longer applies plus penalties where appropriate.

#### 35. Taxes and other costs

You will be fully responsible for the payment of all taxes, stamp duties and related costs and registration fees incurred in connection with your Aria Capital Portfolio. However, Aria Capital reserves the right not to apply certain of the related costs.

#### 36. Undertaking to comply

You will comply with and fulfil your obligations under these Terms and under any other Terms and Conditions of any investment in respect of which we give you advice or make an investment on your instructions.

#### 37. Indemnification

You hereby agree to indemnify and hold harmless Aria Capital and/or any of its shareholders, subsidiaries, affiliated entities or any person, firm or body corporate under its control or under common control or their respective directors, officers, agents, employees, advisors, representatives or any associated entities (each an "Indemnified Party") against any losses, liabilities or claims, joint or several, howsoever arising in connection with information or instructions provided by you or your agents, except in the case of such indemnified party's gross negligence or wilful default.

#### 38. Power and Authority

You hereby confirm that you have the power for and have taken all necessary action to authorise the execution and delivery of these Terms and the performance of your obligations hereunder.

#### 39. Legal Obligation

These Terms constitute your legal, valid and binding obligations and, subject to the principles of equity and the rights of creditors generally, are enforceable in accordance with their terms.

#### 40. No warranty, representation or guarantee concerning performance

While Aria Capital will always seek to recommend or facilitate investments that are, in the company's opinion, suitable, we do not provide any guarantee or warranty to you or to any other party regarding the performance of such investments. The market value of any investment may fall as well as rise for numerous reasons, including market conditions existing at the time. Neither Aria Capital nor its affiliates or agents will be responsible for poor performance or for any losses arising on your investments. Please note that your capital may

be at risk and that you may not receive back the amount of your original investment.

#### 41. Exclusion and Limitation of liability

You hereby acknowledge that Aria Capital will not be responsible and will have no liability for any loss or damage (whether arising directly or indirectly), whether of profits, revenue or goodwill or any indirect or consequential losses, liabilities, claims, expenses, awards, proceedings and costs, other than where Aria Capital failed to act with due skill, care and diligence.

You also hereby specifically acknowledge that Aria Capital will not be responsible and will have no liability whatsoever for any loss or damage (whether arising directly or indirectly) and whether arising in contract, in tort or otherwise arising:

1. By reason of Aria Capital or its agents relying on any instruction reasonably believed to be authorised by you or on your behalf and we will be under no duty to make an investigation or inquiry as to any statement contained in any such instruction or document and we may accept the same as conclusive evidence of the truth and accuracy of the statements contained therein; or
2. As a result of any act or omission, or of the insolvency, of any eligible custodian or credit institution that may hold your assets; or
3. By reason of or in connection with any act or omission by you or any agent of yours.

Aria Capital will not be responsible for the tax consequences of any transaction which we may effect for you.

However, nothing in these Terms will exclude or restrict any liability which Aria Capital has to you under any applicable law or regulatory requirement and which cannot be excluded or restricted by agreement by reason of any applicable law or regulatory requirement, and the provisions of these Terms which purport to exclude or restrict any such liability will not apply to the extent that such liability may not be so restricted or excluded. You also acknowledge that each of the acknowledgements made by you in this clause are made for Aria Capital's benefit and that of its agents and you acknowledge that for such purposes only Aria Capital will be an agent and trustee of each of its agents.

#### 42. Force Majeure

Under no circumstances whatsoever will we be responsible or liable for any claim, loss, damage, expense, or cost howsoever suffered arising in consequence of any breach, failure to perform or delay in performing any of our obligations to you arising from:

1. Any matter outside our control;
2. Any breakdown in communications whether between us and you or between us and any exchange or any intermediate broker or other third party through whom we are dealing on your behalf or the failure or defective operation of any computer system;
3. Any change of the law, fire, flood, act of Government or State, act of God, war or civil commotion, embargo, terrorism, inability to communicate or delay or corruption in communication with others;
4. Failure of any computer dealing or settlement system, interruptions in internet or telephone service; and
5. Anything done or omitted to be done by us or the performance or the failure or delay in performance of any of our obligations arising from the absence or inaccuracy of any information provided to us by you or on your behalf or any exchange or any intermediate broker or other third party through whom we are dealing on your behalf.

#### 43. Mediation

All disputes (other than those which are dealt with by the Financial Services Ombudsman) which arise between the parties out of or in connection with this Agreement or the subject matter thereof will be decided by an arbitrator agreed by the parties or in default of agreement appointed at the request of either party by the President for the time being of the Law Society of Ireland or (in the event of such body not then being in existence) the President (or equivalent officer) of such other body as will for the time being have undertaken in Ireland the functions currently performed by such society or (should the president or, as the case may be, equivalent officer be unwilling or unable to make the appointment) by the next senior officer of such society or, as the case may be, such other body, who is willing and able to make the appointment. Such arbitration will be governed by the prevailing arbitration legislation in Ireland. Provided always that these provisions will apply also to the appointment (whether by agreement or otherwise) of any replacement arbitrator where the original arbitrator (or any replacement) has been removed by order of the High Court, or refuses to act, or is incapable of acting or dies.

#### 44. Codes of Conduct

Aria Capital is subject to the provisions of the Consumer Protection Code 2012 which offers protection to consumers. The code can be found on the Central Bank's website at [www.centralbank.ie](http://www.centralbank.ie).





Aria Capital is also subject to and complies with the Minimum Competency Code and the Fitness and Probity Standards as laid down by the Central Bank of Ireland. These codes can be found on the Central Bank's website [www.centralbank.ie](http://www.centralbank.ie).

#### 45. Enforceability

If we decide not to enforce any of our rights, it will not mean we cannot enforce them in the future. We do not hereby waive any rights we have at law. Each of the clauses and sub-clauses of these Terms is severable and distinct from the others. If at any time such clause or sub-clause is or becomes invalid, illegal or unenforceable, this will not affect the validity, enforceability and legality of any of the other clauses or sub-clauses of these Terms. This service and these Terms will be governed by the laws of Ireland and all parties will (subject to the arbitration provisions above) submit to the jurisdiction of the courts of Ireland.

#### 46. Variations

We may make material amendments to these Terms in such a manner as we, in our absolute discretion, may decide. We will notify you of any material changes and such changes will become effective on the date specified in the notice which will be at least fourteen days after it has been sent to you.

#### 47. Terms & Conditions of Online Access

Online portfolio access is available to clients who have been provided with a Username and Password in order to access a secure area of the Aria Capital website. You may use these details to access your portfolio valuation. The right of access to this service (through the provision of a Username and Password, or any alternative means of authentication which we might use in addition to or in lieu thereof) provided to you may not be assigned, licensed or otherwise transferred by you to any other person under any circumstances. It is important that you do not disclose your access details to anyone and you must take all reasonable care to prevent unauthorised or fraudulent use of your access details. If you know or suspect that someone has obtained your access details you must inform us immediately. As a result of high internet traffic, transmission problems, systems capacity limitations or other problems, you may, at times, experience difficulty accessing the website or communicating with Aria Capital through the internet or other electronic means. Any computer system or other electronic device (whether it is yours, an internet service provider's or that of Aria Capital) can experience unanticipated outages or slowdowns or capacity limitations. Aria Capital, its directors, officers and employees do not accept any liability for any loss or damage arising therefrom.

It is strictly your responsibility to ensure that your password for online portfolio access remains confidential to you alone. You should not write down the password or store it on computer where others may have access. You should note that the internet is not a completely reliable transmission medium and you should not leave your computer unattended while you are logged in to your account.

### Definitions

#### Advisory Service

The service whereby Aria Capital provides investment advice to its clients in accordance with these Terms.

#### Alternative Investments

Investments other than traditional long-only cash, fixed income and equities.

#### Application Form

Any application form that Aria Capital requires you to complete.

#### Aria Capital

Aria Capital Limited and its subsidiaries and affiliates.

#### Aria Capital Portfolio

The portfolio of assets on which Aria Capital provides investment services and/or advice to you.

#### Client Assets

Client money and securities as defined in the Central Bank of Ireland's Client Asset Requirements as amended from time to time.

#### Close of Business

5:30pm Irish time, Monday to Friday inclusive (other than a Saturday, Sunday, public holiday or bank holiday in Ireland).

#### Complex Financial Instrument

Any Financial Instrument other than a non-complex instrument as defined in the MiFID Regulations.

#### Corporate Events

Elective rights issue, calls, conversion, subscription or redemption rights or take-overs or other offers arising from capital reorganisations attaching to your investments.

#### Event of Default

One of the events listed in clause 33 of these Terms.

#### Execution Venues

The execution venues and entities that are used to transact various classes of financial instrument. Execution venues are detailed in the Order Execution clause.

#### Financial Instrument

Any financial instrument as defined in the MiFID Regulations and any investment instrument as defined in the Investment Intermediaries Act, 1995 (as amended).

#### Foreign Currency

Any currency other than Euro.

#### Investor Profile

The document that collates information on prospective and existing clients and which includes a risk profiling exercise.

**Limit Orders** An instruction to either buy or sell a security at a specified price. There is no guarantee that a Limit Order will be executed.

#### MiFID Regulations

The European Communities (Markets in Financial Instruments) Regulations 2007 (as amended).

#### Multilateral Trading Facility ("MTF")

A multilateral system, operated by an investment firm or a market operator, which brings together multiple third-party buying and selling interests in financial instruments - in the system and in accordance with non-discretionary rules - in a way that results in a contract in accordance with the provisions of the MiFID Regulations.

#### Non-Complex Financial Instrument

A financial instrument as specified in the MiFID Regulations.

#### Portfolio Recommendation

The document which may be referred to as the "Portfolio Recommendation" or similar that is sent to you following completion of an Investor Profile and which outlines an agreed investment strategy and service. It also means any subsequent recommendations communicated to you in relation to your existing or proposed portfolio.

#### Portfolio Report

A report detailing the composition of your portfolio at a specified date together with details of transactions in the portfolio during a specified period.

#### Product Producers

Aria Capital is constantly monitoring the marketplace for providers of products who can offer enhanced opportunities to our clients. This process is a continual one and Aria Capital may, therefore, at any time be in the process of discussing or negotiating letters of appointment with new product producers. Aria Capital currently holds appointments with a variety of parties as outlined earlier in this document. Aria Capital also has commercial relationships with several additional financial and investment institutions.

#### Professional Client

A client that has been categorised as a professional client and who meets the criteria in the MiFID Regulations.

#### Regulated Market

A multilateral system operated and/or managed by a market operator, which brings together or facilitates the bringing together of multiple third-party buying and selling interests in financial instruments in the system and in accordance with its non-discretionary rules in a way that results in a contract, in respect of the financial instruments admitted to trading under its rules and/or systems, and which is authorised and functions regularly and in accordance with the provisions of the MiFID Regulations.

#### Retail Client

A client that has been categorised as a retail client and who is not a Professional Client.

#### Systematic Internaliser

An investment firm which, on an organised, frequent and systematic basis, deals on its own account by executing client orders outside a regulated market or an MTF.

#### Terms

This Terms of Business Statement together with the Investor Profile, any Application Form, the Portfolio Recommendation and other supporting documentation. Any reference in these Terms to "you" and "your" includes any joint account holder and includes your personal representatives, permitted assigns, novatees and successors. Any reference to "Aria Capital", "we", "us" and "our" means Aria Capital and includes our successors and assigns. In these Terms headings are for convenience only and are not to be taken into account

## Terms of Business Statement



ARIA | CAPITAL

when interpreting these Terms. These Terms apply to our services as set out herein.

### **Transaction Processing Entity ("TPE")**

A 3<sup>rd</sup> party to which Aria Capital transmits orders to facilitate execution, clearing, settlement and valuation of clients' platform portfolio holdings.



Copy of Statement of Authorised Status	Copy of Certificate of Registration
<div style="text-align: center;">  <p>Banc Ceannais na hÉireann Central Bank of Ireland <small>Eurosystem</small></p> </div> <h3 style="text-align: center;">Statement of Authorised Status</h3> <p>Aria Capital Limited ('the firm') (Ref. No. C47638) is authorised as an investment business firm under Section 10 of the Investment Intermediaries Act, 1995 (as amended), to provide the services of an investment intermediary.</p> <p>Aria Capital Limited is authorised to receive and transmit orders to product producers from whom a written letter of appointment is held, in relation to:</p> <ol style="list-style-type: none"> <li>Shares in a company or bonds that are listed on a stock exchange, prize bonds</li> <li>Relevant collective investment scheme instruments</li> <li>Tracker bonds</li> <li>Insurance policies</li> <li>Personal Retirement Savings Accounts (within the meaning of the Pensions Act, 1990) ('PRSAs')</li> </ol> <p>The firm is also authorised to act as a deposit broker and to give advice in relation to deposits.</p> <p>When receiving and transmitting orders in relation to insurance policies and/or PRSAs, the firm may only accept cash or cheques/bank drafts from clients payable to itself where:</p> <p>(i) an insurance undertaking has invited renewal of a policy of insurance, or (ii) a proposal for insurance and/or PRSAs has been accepted by an insurance undertaking.</p> <p>In all other circumstances cheques/bank drafts or other payment instruments must be made payable to the product producer.</p> <p><b>For and on behalf of the Central Bank of Ireland:</b></p> <p>Signed: <u>Catherine Dillon</u></p> <p>Signed: <u>Sam Harbaker</u></p> <div style="text-align: center; border: 1px solid black; padding: 5px; width: fit-content; margin: 10px auto;"> <p><b>CENTRAL BANK OF IRELAND</b></p> <p>19 SEP 2016</p> <p><small>RETAIL INTERMEDIARIES-POST AUTHORISATIONS</small></p> </div>	<div style="text-align: center;">  <p>Banc Ceannais na hÉireann Central Bank of Ireland <small>Eurosystem</small></p> </div> <h3 style="text-align: center;">Certificate of Registration</h3> <p><b>Reference No. C47638</b> Aria Capital Limited 66 Fitzwilliam Square Dublin 2</p> <p>Aria Capital Limited is registered to undertake insurance mediation under the European Communities (Insurance Mediation) Regulations, 2005 in respect of:</p> <p><b>Life Assurance Policies</b></p> <p>(Please see the insurance mediation register at <a href="http://registers.centralbank.ie/">http://registers.centralbank.ie/</a>)</p> <p><b>Directors and/or Managers responsible for the insurance mediation business:</b></p> <p style="text-align: center;">John Lambert John Leahy Kieran Conlon</p> <p><b>For and on behalf of the Central Bank of Ireland:</b></p> <p>Signed: <u>John Leahy</u></p> <p>Signed: <u>Sam Harbaker</u></p> <div style="text-align: right; border: 1px solid black; padding: 5px; width: fit-content; margin: 10px auto;"> <p><small>Retail Intermediaries</small></p> <p>18 MAY 2016</p> </div>



**Appendix:**

**The additional Terms of Business as attached hereafter applies only to any clients who have a Conexim Platform Portfolio Account set up through Aria Capital**

## Conexim General Terms of Business "Terms"

### 1. General

- 1.1 Conexim Advisors Ltd ("**Conexim**") has its registered address and principal place of business at 97 Haddington Road, Dublin 4. Conexim is authorised by the Central Bank of Ireland ("**Central Bank**") under the European Communities (Markets in Financial Instruments) Regulations 2007 ("**MiFID**"). Conexim is also regulated by the Central Bank as an insurance intermediary registered under the European Communities (Insurance Mediation) Regulations, 2005 (as amended). Copies of our regulatory authorisations are available upon request or can be found on the Central Bank of Ireland's website: [www.centralbank.ie](http://www.centralbank.ie)
- 1.2 Where applicable, Conexim is subject to the Consumer Protection Code and Minimum Competency Code which offer protection to consumers. These Codes can be found on the Central Bank's website: [www.centralbank.ie](http://www.centralbank.ie)
- 1.3 It is important that you read these Terms carefully as they set out the basis on which Conexim will provide services to you. They create a contractual relationship between us that has important legal consequences.
- 1.4 These Terms constitute a master agreement between you and Conexim. Supplementary and/or additional agreements may be required from time to time depending on the product or service in question. In the event of any inconsistency between the provisions of these Terms and those supplementary and/or additional agreements the provisions of the supplementary and/or additional agreements will prevail. These Terms together with any specific agreement, shall constitute a single agreement with respect to all transactions entered into between us.
- 1.5 The Terms are deemed to be accepted by you every time you enter into a transaction with (including transmitting an order to) us.
- 1.6 In these Terms any reference to "Conexim", "we", "us" and "our" means Conexim and includes our successors and assigns. Any reference in these Terms to "you" and "your" refers to the person who has signed these Terms and includes any joint account holder, personal representatives, permitted assigns, novatees and successors.

### 2. Important Risk Warnings

- 2.1 All forms of investment involve some degree of risk.**
- 2.2 If you do not understand the nature and extent of your exposure to risk you should not invest.**
- 2.3 The value of your investment may go down as well as up and you may not get back all or any of the capital you invested.**
- 2.4 Past performance may not be a reliable guide to future performance.**
- 2.5 The value of your investment may be subject to interest rate or currency fluctuations which may have an effect on the price or incomes generated from financial instruments you invest in.**
- 2.6 You should read the Risk Disclosure Statement set out in Appendix 3 to the Terms. These are important and you should read them carefully. If you have any queries please contact us or your investment advisor.**

### 3. Services to be Provided

- 3.1 We may provide you with the services of investment advice, the receipt and transmission of orders, dealing services in relation to one or more investment instruments, discretionary portfolio management services or we may act as a deposit broker for you. We will provide investment advisory and/or dealing services and/or discretionary portfolio management services only in the instruments for which we are authorised by the Central Bank. Where applicable, we will provide and arrange valuation and safe custody facilities. In these Terms we will refer to these services collectively as the "**Services**".
- 3.2 As set out in more detail below, we will provide the Services through the following types of accounts, "**Advisory Account**", "**Discretionary Account**" and "**Execution-only Account**" or a combination of one or more of those accounts.
 

In an Advisory Account we place orders for you after we have provided you with investment advice but in each case you decide whether to place an order in the account.

In a Discretionary Account, we operate our discretionary portfolio management service which means we make investment decisions in respect of the account on the basis of a mandate previously given by you to us.

In an Execution-only Account we carry out your specific instructions to place orders for you where we have not given investment advice or you have decided not to implement our investment advice.
- 3.3 As we do not execute client orders ourselves we will introduce you to third parties in order to facilitate the execution of orders when providing the Services. In particular, in providing our Services we use a third party service provider, Pershing Securities International Limited ("**Pershing**") and entities affiliated to it. The services provided by Pershing are set out in a separate agreement which must be executed by us, you and Pershing (the "**Pershing Agreement**").
- 3.4 We will accept instructions, provide investment advice, deal for you and/or provide discretionary portfolio management services to you in any of the following non-complex investment instruments:
  - (i) Transferable securities
  - (ii) Money market instruments
  - (iii) Units or shares in undertakings for collective investments in transferable securities, units in a unit trust, shares in an investment company, capital contributions to an investment limited partnership, or units in a common contractual fund.
  - (iv) Tracker Bonds or similar instrument
  - (v) Insurance Policies
  - (vi) Personal Retirement Savings Accounts

In addition, where your client categorisation allows, and subject to the application by us of relevant appropriateness and suitability criteria, complex instruments such as those set out in (vii) and (viii) below:

  - (vii) Options, futures, swaps, forward rate agreements and any other derivative contracts relating to any of the following:
    - (a) securities, currencies, interest rates or yields, or other derivative instruments, financial indices or financial measures which may be settled physically or in cash;

- (b) commodities that must be settled in cash or may be settled in cash at the option of one of the parties (otherwise than by reason of a default or other termination event);
  - (c) commodities that can be physically settled, provided that they are traded on a regulated market or on an Multi-lateral Trading Facility ("MTF");
  - (d) climatic variables, freight rates, emission allowances or inflation rates or other official economic statistics if the options, futures, swaps, forward rate agreements or other derivative contracts, as the case may be, must be settled in cash or may be settled in cash at the option of one of the parties (otherwise than by reason of a default or other termination event).
- (viii) Financial contracts for differences.
- 3.5 Where we provide advice and arrange transactions on behalf of clients in relation to life, pensions and general insurances products, a full list of insurers, product producers and lending institutions with which we deal is available upon request.
- 3.6 It is in your best interests that you review, on a regular basis, the products or investments which we have arranged for you, or advised you on. As your circumstances change, your needs will change. You must advise us of those changes and request a review of the relevant policies or investments so that we can ensure that you are provided with up to date advice and products best suited to your needs. Failure to contact us in relation to changes in your circumstances or failure to request a review, may result in you having insufficient cover and/or inappropriate investments.
- 3.7 We may also provide other services and deal in other instruments if agreed with you and subject to authorisation from the Central Bank.
- 3.8 In addition to these Terms we will provide you with a Conexim Account Application form ("**Application Form**") in which you will be asked to indicate which specific services you wish to avail of. Your choice will be subject to a suitability and appropriateness review (where applicable) as part of our account opening process.
- 3.9 When receiving an instruction to provide investment or ancillary services on your behalf through the medium of another authorised person (a third party investment advisor or a third party discretionary manager), we may rely on such information transmitted by the other authorised person. This third party authorised person will remain responsible for the completeness and accuracy of the information transmitted to us. Where we receive an instruction to undertake services on behalf of a client, we shall also be able to rely on any recommendations in respect of the service or transaction that have been provided to you by the third party, who will remain responsible for both the suitability and appropriateness in relation to the recommendations, services or advice provided.
- 3.10 Where we receive client instructions or orders through the medium of another authorised person, we shall remain responsible for concluding the service or transaction, based on any such information or recommendations.

## 4. Client Classification

- 4.1 We are required by MiFID to classify our clients into one of three categories: Eligible Counterparties (ECPs), Professional Clients and Retail Clients.
- 4.2 Different levels of regulatory protection to each category and hence to clients within each category. In particular, Retail Clients are afforded the most regulatory protection; Professional Clients and ECPs are considered to be more experienced, knowledgeable and sophisticated in relation to dealing in investment instruments and are also considered able to assess their own risk and are thus afforded fewer regulatory protections.
- 4.3 We offer our clients the option to request reclassification and thus to increase or decrease the level of regulatory protection afforded to them. Where a client requests a different categorisation (either on an overall or product specific level), the client needs to meet certain specified quantitative and qualitative criteria. On the basis of such a request, we undertake an assessment of the expertise, experience and knowledge of the client to give reasonable assurance, in the light of the nature of transactions or services envisaged that the client is capable of making his or her own investment decisions and understanding the risks involved. However, if the above mentioned criteria are not met, we reserve the right to choose whether or not to provide services under the requested classification.
- 4.4 Details of the protection which would be lost by a client if a client elects to move categorisation from a retail client to a professional client and from a professional client to an eligible counterparty will be provided to you by us.

- 4.5 By default, we treat all clients as retail clients unless they are a default professional client or eligible counterparty.

## 5. Suitability and Appropriateness

- 5.1 For advisory and discretionary portfolio management services (see Section 6 below) we will provide our Services on the basis of your stated investment objectives, attitude and tolerance for risk, and based on an assessment of your capacity for loss, which we will agree with you before we provide our Services to you. We will take reasonable steps to obtain information from you in writing that will allow us to ensure our Service is either suitable or appropriate for you as the case may be. This information may include information about:
- 5.1.1 Your personal financial situation indicating capacity for loss.
  - 5.1.2 Your investment objectives.
  - 5.1.3 Your attitude to risk and your risk tolerance
  - 5.1.4 Your investment experience and knowledge relative to the investments envisioned to be provided to you
  - 5.1.5 Any particular investment restrictions you would prefer, and
  - 5.1.6 Any other information which we reasonably believe is relevant
- 5.2 You must carefully complete the **Application Form** and any other document we issue to you if we are to provide you with an assessment of suitability or appropriateness. It is imperative that you inform us of any specific investment restrictions you may have.
- 5.3 If you do not provide us with sufficient information, we will be unable to provide you with investment advice or discretionary portfolio management services, or potentially execution-only services.
- 5.4 Following receipt of the information referred to above we will prepare a statement of suitability for you. This will set our assessment of your financial position, capacity for loss, attitude and tolerance for risk and our understanding of your investment objectives and will include details of the strategy we propose for you.
- 5.5 You will be asked to sign this letter and return it to us to confirm that you agree with our understanding of your financial situation, capacity for loss, attitude and tolerance for risk and your investment objectives. We will not be in a position to commence the Advisory or Discretionary Portfolio Management Services until this letter is returned signed to us. It is your responsibility to ensure that the information We provide to you is an accurate assessment, and you should only consent to the Services being provided to you if you fully agree with our assessment of your needs and objectives. If you not agree with this assessment, we will not be in a position to provide you with advisory or discretionary management services, and may only be in a position to provide you with execution-only services.

- 5.6 IMPORTANT NOTE: If any of the information in the Application Form or any of your Investment Objectives, Attitude to Risk, Risk Tolerance or Capacity for Loss subsequently change, it is of critical importance that you contact us as soon as possible to arrange a review. We cannot be responsible for services provided on the basis of information which we are not actually aware is out of date.**

## 6. Types of Account

We provide our services through one or more of three types of account, Advisory Account, Discretionary Account and Execution-only Account:

- 6.1 **Advisory Account** - We will give you advice on the basis of your Investment Needs and Objectives, Risk Tolerance and Capacity for Loss, as communicated to us in the Application Form or subsequently communicated to us.

**IMPORTANT NOTE: Where you have appointed a third party investment advisor, Conexim does not advise you on your investments and acts in an execution-only capacity.**

Broadly we will develop your investment strategy and make individual investment recommendations in accordance with that strategy and typically Pershing or other third party will, on your instructions sent via us, arrange to carry out those investment decisions and it will arrange to hold those securities in custody on your behalf. Further details including a complete list of the documentation pack associated with this service are available from your Conexim Investment Adviser.

**IMPORTANT NOTE: We provide you with investment advice in good faith based on information that is available to us at the relevant time. We do not**

**give assurances that the investments we recommend will be profitable or perform as expected. We take no responsibility for the poor performance or profitability of any investment recommended by us.**

6.2 **Discretionary Account** - If you choose a discretionary account with us, we will manage your account comprising cash and investments on a discretionary basis. We will exercise discretion in accordance with an investment mandate which we will agree with you and in a manner we believe to be suitable for you. Subject to any instructions from you, we shall have full authority, at our discretion, without prior reference to you, to enter into any kind of transaction or arrangement for your discretionary account. Supplementary terms and conditions must also be signed by you in order to avail of this particular service.

6.3 **Execution-Only accounts and transactions** - Clients may also hold execution-only accounts with us, or we may accept execution-only transactions within an Advisory or Discretionary Account as referenced above. An execution-only transaction is any transaction received and transmitted by us upon your specific instructions where we have not provided advice in respect of that transaction.

In addition, an execution-only transaction may also be a transaction received and transmitted for you, where you either:-

6.3.1 Elect explicitly to act as an execution-only client;

6.3.2 Place an order for a transaction, or a series of transactions, that is contrary to the specific advice provided by us.

6.3.3 When asked for advice on the merits of a particular transaction, we state we are not in a position to give such advice.

6.4 In providing our Execution-Only Service we typically use Pershing and entities affiliated to it but may also use other third parties. The services provided by Pershing are set out in an enclosure to this agreement which must be executed by us, you and Pershing (the "**Pershing Agreement**"). Please see Page 12 for further details on this agreement.

**IMPORTANT NOTE: We will not consider the suitability for you of an execution only transaction undertaken on your behalf. All such transactions are undertaken entirely at your own risk and we will bear no responsibility whatsoever for your decision to enter into any execution-only transaction. This is the case even where an execution-only transaction is processed in an account which is normally an advisory and/or a discretionary account.**

6.5 We must receive cleared funds and/or securities before we can operate any of the accounts offered by us.

## 7. Charges, Fees and Commissions

7.1 The charges levied by us will be agreed with you before an account begins to trade or prior to us accepting an instruction from you to trade in any financial instrument, or to provide you with any investment or insurance intermediation services. Fees and Charges are communicated by way of a Charging Schedule, the most recent version of which will be available on our website or in your client portal. Charges may change from time to time and any such changes will be notified to you in advance.

7.2 Where a fee, commission or any one-off or recurring charge has been agreed with you, you confirm that we have explicit permission to deduct such amounts from your account(s) to satisfy any indebtedness to us or any third party nominated by you including the collection of charges collected from your account for third parties (typically this may be some or all of your investment advisor, pension trustee, or in some circumstances, a third party discretionary fund manager where you have entered into a mandate with such a manager).

7.3 Ex-post (after investment) costs and charges are detailed on your client portal and period statements issued to you and will be provided to you at least annually.

## 8. Aggregation of Orders

8.1 Your orders may be aggregated with transactions for other clients but only where it is unlikely that the aggregation will operate to yours or any other client's disadvantage. However, the effect of such aggregation may operate on some occasions to your disadvantage.

## 9. Placing of Orders

9.1 When you decide to place an order or instruction (other than through a third party investment advisor), these must be placed at a meeting or over the telephone, or via email with an authorised representative of Conexim. While we may accept orders via the postal system, fax, or via email, we cannot ensure or guarantee the timely receipt of such orders and instructions.

9.2 We will be entitled to rely on any instructions, which we believe to be from you or from your agents, including your investment advisor (whether received verbally or in writing), which we have accepted in good faith.

9.3 All orders will be processed by us in accordance with our Order Execution Policy which is set out in Appendix 2

## 10. Classification and Capacity

10.1 The following provisions shall apply to you if you fall within the categories specified below:

- (i) joint account holders shall be jointly and severally liable to us and we may discharge our obligations to make any payment or account to all such holders by making such payment or account to any one or more of them;
- (ii) the trustees of any trust shall be regarded as our client (as opposed to any beneficiary) and shall be jointly and severally liable to us; and
- (iii) all the partners of any partnership which is our client shall be jointly and severally liable to us.

10.2 Where you are acting as agent on behalf of another (whether disclosed to us or not) you will be, and at all times remain, liable to us as principal in relation to any transactions which are to be performed under these terms and we will treat you as our client. You agree that you will be liable to us jointly and severally with any such underlying person in respect of all obligations and liabilities arising from instructions given to us.

## 11. Dealing

11.1 If we provide dealing services for your account and in doing so receive or transmit a transaction on your behalf the following provisions shall apply:

- (i) all such transactions shall be subject to applicable regulatory rules and the rules of any relevant stock exchange or multilateral or other trading facility;
- (ii) **So that we are able to take all sufficient steps in obtaining the best possible result, there will be times where your orders may be executed outside of an EEA regulated market, multilateral trading facility or organised trading facility, and you expressly consent to such execution.**
- (iii) we may use the services of selected third party service providers ("**Third Party Provider**");
- (iv) we or any Third Party Provider may combine orders that are received for your account with orders that are received for the accounts of our other clients or with our own orders. You acknowledge that aggregation of such orders may operate on some occasions to your advantage and on some occasions to your disadvantage.
- (v) Publication of limit orders: In respect of limit orders you give to us in shares admitted to trading on a regulated market or traded on a trading venue which are not immediately executed under prevailing market conditions, we will take measures to facilitate the earliest possible execution of that order by immediately making public your limit order in a manner which is easily accessible to other market participants. However, you also expressly instruct us not to make public your limit order, in cases whereby the order is either 'large in scale', or over-sized compared to normal market depth, and whereby if it were to be made public, there would be a risk of information leakage, and detriment to your order.

## 12. Liability and Indemnity

12.1 Neither us nor any of our respective directors, employees or agents shall be liable for any loss or damage suffered by you as a direct or indirect result of the provision by us of the Services specified in the Terms, save that nothing in the Terms shall exclude or restrict any liability attributable to us resulting from our negligence, fraud or willful default. We shall not, in any event, be liable for any indirect or consequential loss (including loss of profit or loss or damage to business or reputation). We shall not have any liability for any market or trading

losses you may incur.

12.2 You undertake to indemnify us and each of our directors, employees and agents ("**Indemnified Persons**") on an after-tax basis, against any liabilities, reasonable costs and expenses (including legal costs) and all duties and taxes (other than our corporation tax) which are caused by:

- (i) the provision by us of our Services to you;
- (ii) any material breach by you of any of the Terms;
- (iii) any default or failure by you in performing your obligations to make delivery or payment when due; or
- (iv) any defect in title or any fraud or forgery in relation to any investments delivered to us by or on your behalf or in relation to any instrument of transfer in relation to such investments (including any electronic instruction) purporting to transfer such investments.

12.3 We shall not have any liability for any circumstance or failure to provide any Service if such circumstance or failure results from any of the Force Majeure circumstances outlined in clause 18.

12.4 The full provisions of this section entitled **Liability and Indemnity** shall continue to apply notwithstanding the fact that we cease to provide Services and shall be in addition to any other right of indemnity or claim of any Indemnified Person whether pursuant to these terms or otherwise and shall not be affected by any forbearance, whether as to payment, time, performance or otherwise.

## 13. Conflicts of Interest

13.1 We or any Third Party Provider may provide Services or enter into transactions in relation to which we or the Third Party Provider have, directly or indirectly, a material interest or a relationship of any description with another party which may involve a conflict of interest or potential conflict of interest with you, we, or any of our associates may, for example:

- (i) be the counterparty to a transaction that is executed by us or the Third Party Provider (whether or not involving a mark-up or a mark-down by us or the Third Party Provider);
- (ii) be the financial adviser to the issuer of the investment to which any instructions relate;
- (iii) have a (long or a short) position in the investments to which any instructions relate; or
- (iv) be connected to the issuer of the investment to which any instructions relate.

13.2 We do not permit our employees to offer, give, solicit or accept an inducement, or to direct or refer any actual or potential activity to another person, if it is likely to conflict to a material extent with any duty that we owe to our customers.

13.3 A summary of our conflicts policy is set out in the **Summary Conflicts of Interest Policy** in Appendix 1.

13.4 You acknowledge that neither us, nor any Third Party Providers are required to disclose or account to you for any profit made as a result of acting in any manner described above, unless required to do so by Regulation or law.

## 14. Data Protection and Confidentiality of Information

14.1 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. We shall maintain appropriate security measures in relation to any data held or processed by us in accordance with our security policy in place from time to time.

14.2 The information we hold about you is confidential and will not be used for any purpose other than in connection with the provision of the Services. Information

of a confidential nature will be treated as such provided that such information is not already in the public domain.

14.3 Information of a confidential nature will only be disclosed by us in the following circumstances:

- (i) where required by law or if requested by any regulatory or government authority or exchange having control or jurisdiction over us;
- (ii) to investigate or prevent fraud or other illegal activity;
- (iii) in connection with the provision of the Services to you by us;
- (iv) for purposes ancillary to the provision of the Services or the administration of your account, including, without limitation, for the purposes of credit enquiries or assessments;
- (v) if it is in the public interest to disclose such information;
- (vi) at your request or with your consent.

This is subject to the qualification that we may disclose your information to certain agents or permitted third parties, such as our professional advisers who are bound by confidentiality codes.

**14.4 Please be advised that, by signing or otherwise consenting to the Terms, you agree that we may send your information internationally including to countries outside of the EEA, including the United States of America. Some of these jurisdictions offer differing levels of protection of personal information, not all of which may be as high as Ireland.**

14.5 In accordance with the data protection legislation in Ireland, you are entitled to a copy of the information we hold about you on computer, on payment of a small fee. In the first instance, you should direct any such request to us, addressed to the "Compliance Officer" at the address given above. You should let us know if you think any information we hold about you is inaccurate, so that we may correct it.

14.6 In accordance with the record retention statement set out in the section below entitled **Record Retention**, 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 law or regulatory requirement.

## 15. Record Retention

15.1 In accordance with applicable legal and regulatory requirements, we will retain your records, for a minimum period of six years following the termination of any relationship between you and us. This period may be extended by operation of law, regulatory requirement or agreement between you and us.

## 16. Investors Compensation Act, 1998

16.1 Under section 38(1) of the Investor Compensation Act, 1998, we are required to inform actual and intending clients concerning investor compensation. The following is a summary of the current position:

- (i) 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;
- (ii) we are a member of that compensation scheme;
- (iii) 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 us, 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;
- (iv) a right to compensation will arise only:
  - (a) if the client is an eligible investor as defined in the Act;
  - (b) if it transpires that the firm is not in a position to return client money



or investment instruments owed or belonging to clients of the firm; and

- (c) to the extent that the client's loss is recognised for the purposes of the Act;
- (v) where an entitlement to compensation is established, the compensation payable will be the lesser of:
  - (a) 90 per cent of the amount of the client's loss which is recognised for the purposes of the Investor Compensation Act, 1998; or
  - (b) compensation of up to €20,000

## 17. Complaints Procedure

- 17.1 In the event that you have a complaint against us, you should, in the first instance address this in writing to the Compliance Officer of Conexim at the address given above. Conexim's Compliance Officer will co-ordinate the provision of a response, and will act as the point of contact in relation to any complaint arising. We will acknowledge your complaint within five business days and we will fully investigate it. If a complaint cannot be resolved to your satisfaction, you may be able to address the matter in writing to the Financial Services Ombudsman, 3rd Floor, Lincoln House, Lincoln Place, Dublin 2, or to the Pensions Ombudsman, 36, Upper Mount Street, Dublin 2.

## 18. Force Majeure

- 18.1 We will not be responsible or liable for any loss or for any failure to fulfil any of our obligations or duties hereunder or for any claims, losses, damages, liabilities, costs or expenses suffered or incurred by you if such loss, damage, liability, cost, expense or failure arises directly or indirectly out of or in connection with or as a result of any fire, flood, other natural disaster, delay or breakdown in communications or electronic transmission systems, settlement systems, accounting systems, unavailability of market prices or suspension of dealing on relevant exchanges or other trading venues or failure of any security depository or any other cause or circumstance beyond our reasonable control.

## 19. Amendment of Terms

- 19.1 We reserve the right to alter these terms at any time, upon giving 30 calendar days' notice in writing in advance. You are deemed to have consented to any alteration that may be effected to these Terms if we do not receive notification otherwise from you, in writing, within the time that the changes were notified to you and their coming into effect. Changes which are reasonable considered to be to your advantage may be effected immediately and you may be notified after they come into effect.

## 20. Recording of Telephone Calls

- 20.1 In accordance with regulatory requirements, good practice, and to facilitate dispute resolution, we record telephone calls originating from and placed into Conexim. These recordings may also be used for training and quality control purposes. These records are kept on file in accordance with a data protection policy.

## 21. Errors and Omissions Excepted

- 21.1 We reserve the right at any time to correct errors or omissions on contract notes, valuations, statements, or on advices provided.
- 21.2 Where trade confirmations are sent to you we will assume that you have received the trade confirmation and we will assume that all details are correct unless you notify us within 5 days of the date of the trade. Trade confirmations are placed onto your client portal, unless you wish to receive these confirmations in paper format, in which case please advise us of same in writing by email to [contact@conexim.ie](mailto:contact@conexim.ie) or via post to our address detailed above.

## 22. General

- 22.1 You should note that we reserve the right to delegate or sub-contract all or any of our Services subject only to any requirements of the Central Bank or regulation.
- 22.2 Our obligations to you shall be limited to those set out in these Terms and, in particular, we will not owe any wider duties of a fiduciary nature to you.
- 22.3 No third party shall be entitled to enforce the Terms in any circumstances.
- 22.4 Any failure by us (whether continued or not) to insist upon strict compliance with any of these terms shall not constitute nor be deemed to constitute a waiver by us of any of its rights or remedies. The rights and remedies conferred upon us shall be cumulative and the exercise or waiver of any part thereof shall not preclude or inhibit the exercise by us of any other additional rights and remedies.

## 23. Governing Law and Exclusive Jurisdiction

- 23.1 This Agreement and any non-contractual matters in connection with it are governed by and construed in accordance with Irish law.
- 23.2 The parties irrevocably agree that the courts of Ireland shall have exclusive jurisdiction over any claim or matter arising out of or in connection with this Agreement of the legal relationships established by it. Nothing in this clause shall limit our right to take proceedings against you in any other court of competent jurisdiction, nor shall the taking of proceedings in any one or more jurisdictions preclude the taking of proceedings in any other jurisdictions, whether concurrently or not, to the extent permitted by the law of such other jurisdiction. You hereby waive any objection that you may have to the jurisdiction of the courts of Ireland or otherwise so chosen by us on the grounds that any such proceedings have been brought in an inconvenient forum.

# APPENDIX 1

## Summary Conexim Conflicts of Interest Policy

### 1. General

1.1 This document contains a summary of our Conflicts of Interest Policy designed to identify the conflicts of interest that arise between ourselves and our clients and between different clients and the controls we have in place to manage them as in providing investment services actual or potential conflicts of interest may arise.

### 2. Identification of Conflicts

2.1 As we offer a range of financial services it is likely that a number of potential or actual conflicts exist. From time to time we may have interests which conflict with our clients' interests or with duties that we owe our clients. This includes conflicts arising between our interests, our employees and directors, and the interests of our clients and also conflicts between clients themselves.

2.2 In agreeing to the Terms you acknowledge that when we are dealing for you, we, a Third Party Provider or some other person connected with or instructed by us, may have an interest, relationship or arrangement that is relevant to that investment, transaction or service. When we enter into a transaction for you we, or one of our associated companies could be:

- dealing as principal for our or its own account by selling the investment concerned to you or buying it from you. If we, or an associated company have dealt as principal this will be relayed to you on the trade confirmation.
- dealing or acting as agent for more than one client, as well as matching transactions or aggregating orders
- buying or selling in instruments
- providing investment advice or other services to parties concerning one or more investments
- have business or personal relationships with the company or a related entity in relation to one or more investments

### 3. Managing Conflicts of Interests

3.1 We have procedures and active monitoring in place to manage conflicts of interest that could arise, including:

- (i) Controls to ensure confidential information relating to clients and associated companies is ring-fenced and kept confidential
- (ii) Chinese wall policy restricting information flows between distinct areas of the business
- (iii) Order Priority policy ensuring own account and staff account dealing does not restrict the client from receiving the best possible result
- (iv) Staff dealing rules are in place providing rules, guidance and disciplinary measures to ensure the best interests of clients are maintained
- (v) A policy on inducements and our approach to giving and receiving gifts, entertainment or hospitality.

### 4. Keeping of Records

4.1 We keep all necessary records of conflicts, both potential and actual, and ensures that staff in relevant areas are informed and trained on such potential or actual conflicts.

# APPENDIX 2

## Order Execution Policy

### 1. General

1.1 Our order execution policy sets out our policy of using all reasonable steps to attain the best possible result on behalf of our clients. By signing the Terms you are giving us your consent to this policy.

1.2 We do not execute orders ourselves rather, as set out in clause 3.3 of the Terms herein, we will introduce you to third parties to facilitate execution of orders on your behalf. Generally that third party will be Pershing and the provisions of the Pershing Agreement will apply. That agreement contains Pershing's Order Execution Policy also referred to as a "Best Execution Policy". It is important that you read the Best Execution or Order Execution Policy of Pershing or other third party we introduce you to.

For insurance related products we will pass our orders to the relevant insurance company for which we have an appointment in writing.

1.3 We have chosen Pershing because of the range of markets it can facilitate transactions and because of the strength of its business offering in Ireland and the United Kingdom.

We will monitor on an on-going basis the effectiveness of our execution arrangements, including those entities that we transmits orders to. If requested by a competent authority, we will demonstrate that a client's orders has been executed in line with the order execution policy.

1.4 We will take all reasonable steps to achieve the best possible result for our clients on a consistent basis, however, we cannot guarantee that we will achieve best execution for each and every trade.

1.5 Where we transmit your order to an external entity such as Pershing, we continue to act in your best interests, as we have selected such third parties based on their expertise in various financial markets and their execution capabilities within them or with specific instruments.

### 2. Methods of Execution

2.1 This policy applies where we receive and transmit client orders or perform discretionary portfolio management services.

2.2 Where a client places an order with us, we will act as agent in the transaction. Brokers, market makers and other liquidity providers that we transmit orders to may act as either an agent or a principal.

2.3 With the exception of specific instances such as trading in illiquid securities, or specific client instructions to trade OTC or enter into direct agreements with counterparties for the purposes of hedging transactions, we will seek to have clients orders executed on regulated markets or multilateral trading facilities.

### 3. Execution Factors

3.1 We will take account of all relevant factors when considering how to obtain the best possible result for clients. These include price, costs, the size of the order, the speed and likelihood of execution or settlement, the nature of the order and any other consideration that is relevant to the order.

3.2 For retail clients total consideration is typically of the highest importance but when determining the relevant importance of each of the above factors, we will take many factors into account, including specific characteristics of your order, the characteristics of the financial instrument and execution venue, and any specific instructions that you may have provided to us

### 4. Specific Client Instruction

4.1 Where you provide specific instructions relating to an order, these will be used as part of the transmission of the order to an executing broker.

4.2 Where you provide specific instructions relating to a part of an order, the execution policy will apply to the rest of the order not covered by your instructions.

4.3 It may be the case where a specific client instruction is received, this may result in us or a third party broker to deviate from following this execution policy and achieving the best possible result for the client.

### 5. Review & Monitoring

5.1 We will review our order execution policy on an annual basis or more frequently if required due to material changes in either the services we provide or due to changes in legislation, Central Bank guidance, regulated market guidance or specific market requirements. Clients will be notified if we make a material change to our execution policy.

### 6. Consent

6.1 Signing of the Terms will constitute acceptance of this order execution policy.

# APPENDIX 3

## Risk Disclosure Statement

### 1. General

**1.1** This information is provided to you in compliance with the requirements of MiFID. It provides a general description of the nature and risks of financial instruments and is intended to help you make your investment decisions on an informed basis. This information does not disclose all the risks and significant aspects of trading financial instruments; however it is designed to give you an understanding of the major risks and characteristics that you need to consider. You should not deal in financial instruments unless you understand their nature and the extent of your exposure to risk.

**1.2** The value of financial instruments may fall as well as rise. When investing in financial instruments there is a risk that you may lose some or all of your original investment. You should consider whether investing in financial instruments is suitable for you in light of your individual circumstances and taking account of your investment objectives, experience and financial position. In deciding whether certain financial instruments are suitable investments the following information describing the nature and risks of such instruments should be carefully considered.

### 2. Non-complex financial instruments

#### 2.1 Listed Shares/Equities

Owning shares in a company provides an opportunity to participate in the company's profit and performance, in the form of dividends and capital growth. Individual shares and stock markets can be volatile, especially in the short-term. Some shares are likely to be more volatile than others. This will be based, among other things, on the business, geographic location and size of the company. Potential investors should be familiar with any company they plan to invest in. Share portfolios are at a greater risk of significant loss if there is a lack of diversity i.e. an over-reliance on stocks in one particular company, industry sector or country. The liquidity of shares is a critical factor, this refers to your ability to realise shares when you so wish. Shares in companies that are not traded frequently can be very difficult to sell. Many shares that are traded on Stock Exchanges are bought and sold infrequently and finding a buyer may not always be easy. As well as the Official List, the Irish Stock Exchange also operates a market called, the Irish Enterprise Market, or IEX. The UK equivalent of IEX is the Alternative Investment Market, or AIM. IEX and AIM are markets designed primarily for emerging or smaller companies to which a higher investment risk tends to be attached by comparison to larger or more established companies. Shares listed on these markets may not trade as frequently as other shares; in which case you may find it very difficult to sell shares that you buy. Other than the cost of acquiring shares you will not be subject to any margin requirements or financial commitments/liabilities. However, as the value of shares may fall as well as rise, when investing in shares there is a risk that you may lose some or all of your original investment.

#### 2.2 Bonds

A bond is a debt instrument in which the issuer promises to pay to the bondholder principal and interest according to the terms and conditions of the particular bond. Although not to the same extent as shares, bonds can be subject to significant price movements. Bonds can also be subject to the risk of default and non-payment of interest and/or principal by the issuer. As with shares, some bonds are considered to be safer than others. In general, Government Bonds are considered to be subject to less risk than Corporate Bonds. This is simply because governments are less likely to default on their debt than companies, although this may not be the case with some emerging markets. Bond ratings give an indication of an issuer's probability of defaulting and are based on an analysis of the issuer's financial condition and profit potential.

Corporate bonds are issued by companies but they are split into different types depending on the credit rating they achieve. Companies that have high ratings are known as investment grade bonds while companies with low ratings are known as high yield bonds because they have to promise higher income pay-outs to attract investors. Companies that do not achieve ratings are known as 'junk' bonds.

Other than the cost of acquiring the bond, investors are not subject to margin requirements or any financial commitments or liabilities additional to the cost of acquisition. However, as the value of Bonds may fall as well as rise, when investing in Bonds there is a risk that you may lose some or all of your original investment.

#### 2.3 Money Market Instruments

Money Market Instruments are debt instruments issued by private organisations, governments and government agencies. The money market is a highly liquid professional dealer market that facilitates the transfer of funds (generally in very large denominations) between borrowers and lenders. It generally relates to those instruments that allow for borrowing and lending periods ranging from one day to one year.

Although money market instruments carry less risk than long-term debt they are not completely without risk. Different instruments carry varying degrees of risk depending on the nature of the lending agreement and the identity of the lender. Potential investors should be aware of such details prior to entering into any money market transactions.

Common money market instruments include: Exchequer Notes, Commercial Paper, Treasury Bills, Repurchase Agreements and Bankers Acceptances

In general other than the cost of acquiring money market instruments, investors are not subject to any margin requirements or financial commitments/liabilities. The value of money market instruments may fall as well as rise and therefore when investing in such instruments there is a risk that you may lose some or all of your original investment.

#### 2.4 UCITs

An Undertaking for Collective Investments in Transferable securities or UCIT is a specific type of collective investment that can be operated freely within the EU in accordance with the Undertakings for Collective Investment in Transferable Securities Directive. As with other collective investments, UCITs tend to invest in a range of individual securities, giving investors the opportunity to invest in a diversified product. However, UCITs are prescribed from investing in more complex and higher risk securities and are subject to rules which oblige them to reduce the risk of exposure to any particular issuer.

UCITs can be subject to volatility, especially in the short term. Some UCITs are likely to be more volatile than others. This will be based, among other things, on the nature and size of the underlying securities and the liquidity/price of the underlying securities.

Potential investors should be familiar with the nature of the underlying securities in any UCIT they plan to invest in. Other than the cost of investing in UCITs, you will not be subject to any margin requirements or financial commitments/liabilities. However, as the value of UCITs may fall as well as rise there is a risk that you may lose some or all of your original investment.

#### 2.5 Exchange Traded Funds

Exchange Traded Funds (ETFs) are investment products that provide investors with an opportunity to invest in a diversified basket of shares through one investment instrument. An ETF will generally track the shares of companies that are included in a selected market index, investing in either all of the shares or a representative sample of the shares of the selected index.

The performance of an ETF is likely to be reflective of the performance of the index upon which the ETF is based. ETFs are generally more liquid than other types of collective investment schemes and can be traded in the same way as any listed share. Like shares, ETFs can be subject to volatility, especially in the short term. Some ETFs are likely to be more volatile than others. This will be based, among other things, on the nature and size of the underlying companies and the liquidity/price of the underlying companies.

Potential investors should be familiar with the nature of the underlying companies of any ETF they plan to invest in. Other than the cost of acquiring ETFs, you will not be subject to any margin requirements or financial commitments/liabilities. However, as the value of ETFs may fall as well as rise, when investing in ETFs there is a risk that you may lose some or all of your original investment.

### 3. Complex financial instruments

**3.1** This notice does not disclose all the risks and other significant aspects of trading in derivative products such as CFDs, warrants, futures and options. The price of derivative products are directly dependent upon the value of one or more investment instruments. Trading in derivatives is not suitable for many members of the public.

#### **3.2 Financial Contracts for Difference (CFD)**

**3.2.1** A Contract for Difference (CFD) is an agreement between two parties to exchange the difference between the value of the opening and closing contract, which represents the performance of an underlying share. The economic benefits of share ownership accrue to the CFD without the requirements of physical delivery (i.e. the investor does not need to own the underlying instrument). A CFD is an open ended contract with no pre-determined settlement date. Transactions in CFDs are subject to margin requirements and bring about financial commitments and liabilities additional to the initial margin outlay at the time of purchase or sale of a CFD. A CFD provider requires margin in the form of cash or other acceptable collateral, before a position in a CFD can be taken. This is called the "initial margin". The amount of margin is small relative to the underlying value of the contract so that the transactions are "leveraged" or "geared". If the market moves against your position or margin levels are increased, you may be called upon to pay substantial additional funds on short notice to maintain your position. If you fail to comply with a request for additional funds within the time prescribed, your position may be liquidated at a loss and you will be liable for any resulting deficit. When you go short a CFD, (e.g. have a short position in an underlying security) then risk is unlimited. You should be very familiar with the underlying security of any CFD agreement you enter into.

#### **3.3 Futures**

##### **3.3.1 Effect of Leverage or Gearing**

Transactions in futures involve the obligation to make or to take delivery of the underlying asset of the contract at a future date, or in some cases to settle your position in cash. They carry a high degree of risk. The amount of initial margin is small relative to the value of the futures contract so that transactions are leveraged or geared. A relatively small market movement will have a proportionately larger impact on the funds you have deposited or will have to deposit. This may work against you as well as for you. You may sustain a total loss of initial margin funds and any additional funds deposited with the firm to maintain your position. If the market moves against your position or margin levels are increased, you may be called upon to pay substantial additional funds on short notice to maintain your position. If you fail to comply with a request for additional funds within the time prescribed, your position may be liquidated at a loss and you will be liable for any resulting deficit.

##### **3.3.2 Risk-reducing Orders or Strategies**

The placing of certain orders (e.g. "stop-loss" orders) which are intended to limit losses to certain amounts may not be effective because market conditions may make it impossible to execute such orders. Strategies using combinations of positions such as "spread" and "straddle" positions may be as risky as taking simple "long" or "short" positions.

#### **3.4 Options**

##### **3.4.1 Variable Degree of Risk**

There are many different types of options with different characteristics subject to different conditions. Purchasers and sellers of options should familiarise themselves with the type of option (i.e. put or call) which they contemplate trading and the associated risks. You should calculate the extent to which the value of the options must increase for your position to become profitable, taking into account the premium and all transaction costs.

Certain exchanges in some jurisdictions permit deferred payment of the option premium, exposing the purchaser to liability for margin payments not exceeding the amount of the premium. The purchaser is still subject to the risk of losing the premium and transaction costs. When the option is exercised or expires, the purchaser is responsible for any unpaid premium outstanding at that time.

##### **3.4.2 Buying Options**

Buying options involves less risk than selling options because, if the price of the underlying asset moves against you, you can simply allow the option to lapse. The maximum loss is limited to the premium plus any commission or other transaction charges. However, if you buy a call option on a futures contract and you later exercise the option, you will acquire the future. This will expose you to the risks described under 'futures'.

If you are contemplating purchasing deep-out-of-the money options, you should be aware that the chance of such options becoming profitable ordinarily is remote.

##### **3.4.3 Writing Options**

If you write an option, the risk involved is considerably greater than buying options. You may be liable for the margin to maintain your position and a loss may be sustained well in excess of any fixed premium received. By writing an option, you accept a legal obligation to purchase or sell the underlying asset if the option is exercised against you, however far the market price has moved away from the exercise price. If you already own the underlying asset, which you have contracted to sell (known as covered call options) the risk is reduced. If you do not own the underlying asset (known as uncovered call options) the risk can be unlimited. If the option is on a future, the seller will acquire a position in a future with associated liabilities for margin (see previous section on Futures).

## 4. Additional risks common to futures and options

#### **4.1 Terms and Conditions of Contracts**

You should ask third party firm with which you deal about the terms and conditions of the specific futures or options which you are trading and associated obligations (e.g. for a futures contract the circumstances under which you may become obligated to make or take delivery of the underlying interest and in respect of options, expiration dates and restrictions on the time for exercise). Under certain circumstances the specifications of outstanding contracts (including the exercise price of an option) may be modified by the exchange or clearing house to reflect changes in the underlying interest.

#### **4.2 Suspension or Restriction of Trading and Pricing Relationships**

Market conditions (e.g. illiquidity) and/or the operation of the rules of certain markets (e.g. the suspension of trading in any contract or contract month because of price limits or "circuit breakers") may increase the risk of loss by making it difficult or impossible to effect transactions or liquidate/offset positions. If you have sold options, this may increase the risk of loss. Further, normal pricing relationships between the underlying interest and the future, and the underlying interest and the option may not exist. This can occur when, for example, the futures contract underlying the option is subject to price limits while the option is not. The absence of an underlying reference price may make it difficult to judge "fair" value.

#### **4.3 Deposited Cash and Property**

You should familiarise yourself with the protections accorded money or other property you deposit for domestic and foreign transactions, particularly in the event of a firm's insolvency or bankruptcy. The extent to which you may recover your money or property may be governed by specific legislation or local rules. In some jurisdictions, property which has been specifically identifiable as your own will be pro-rated in the same manner as cash for purposes of distribution in the event of a shortfall.

#### **4.4 Contingent Liability Transactions**

Contingent Liability Transactions which are margined require you to make a series of payments against the purchase price, instead of paying the whole purchase price immediately. If you trade in futures or sell options you may sustain a total loss of the margin you deposit with your dealer to establish or maintain a position. If the market moves against you, you may be called upon to pay substantial additional margin at short notice to maintain the position. If you fail to do so within the time required, your position may be liquidated at a loss and you will be liable for any resulting deficit. Even if a transaction is not margined, it may still carry an obligation to make further payments in certain circumstances over and above the amount paid when you entered into the contract.

#### 4.5 Collateral

If you deposit collateral as security, the way in which it will be treated will vary according to the type of transaction and where it is traded. There could be significant differences in the treatment of your collateral depending on whether you are trading on a recognised or designated exchange or off-exchange. Deposited collateral may lose its identity as your property once dealings on your behalf are undertaken. Even if your dealings should ultimately prove profitable, you may not get back the same assets which you deposited, and may have to accept payment in cash.

#### 4.6 Insolvency

Our insolvency or default or that of any Third Party Provider may lead to positions being liquidated or closed out without your consent. In certain circumstances, you may not get back the actual assets lodged as collateral and you may have to accept any available payment in cash.

## 5. Warrants

5.1 A warrant is a time limited right to subscribe for shares, debentures, loan stock or government securities, and is exercisable against the original issuer of the securities. Warrants often involve a high degree of gearing, so that a relatively small movement in the price of the underlying security results in a disproportionately large movement, unfavourable or favourable, in the price of warrants. The prices of warrants can therefore be volatile.

Covered warrants are similar to an option, and give you the right, but not the obligation, to buy or sell an asset at a specified price (the strike price) during, or at the end of, a specified period. They are issued by a financial institution over an underlying asset such as an equity, an index or a basket of securities rather than by the issuer of, for example, the equity itself. Covered Warrants can either be 'Puts' (similar to a sell) or 'Calls' (a buy). Covered Warrants do not have an indefinite term and may expire worthless if the underlying instrument does not perform as anticipated.

You should not buy a warrant or a covered warrant unless you are prepared to sustain a total loss of the money you have invested plus any commission or other transaction charges.

Transactions in off-exchange warrants may involve greater risks than dealing in exchange traded warrants because there is no exchange market through which to liquidate your position, to assess the value of the warrant or the exposure to risk. Bid and offer prices need not be quoted, and even where they are, they will be established by dealers in these instruments and consequently it may be difficult to establish what is a fair price. Your broker must make it clear to you if you are entering into an off exchange transaction and advise you of any risks involved.

## 6. Private Equity Investments/Private Equity Funds

6.1 The term Private Equity refers to medium to long term finance provided by an investor to an unlisted company in return for an equity stake. The term is also used in the context of venture capital; buy-outs and buy-ins. Private Equity investments may include pure equity instruments and hybrid equity instruments such as convertible or subordinated debt.

These tend to be high risk investments and should only be considered by experienced and knowledgeable investors. They should be entered into with a medium to long-term view. Due to the fact that private equity is not traded publicly, it can be difficult to realise your investment when you wish. Private equity is not subject to the same level of regulatory requirements as share offerings to the general public. Some shares are likely to be more volatile than others. This will be based, among other things, on the business, geographic location and size of the company. Potential investors should be familiar with any company they plan to invest in. You will generally be required to commit a certain amount of capital in exchange for a stake in the company therefore your return is dependent upon the growth and profitability of the company. The minimum investment amounts tend to be relatively high.

Depending on the individual investment, as well as the cost of making the initial investment, you may be called upon to make further payments as the company seeks to draw down committed capital. The value of the shares may go up or down and there is a risk that you may lose some or all of your original investment.

## 7. Pooled Investment Funds and Hedge Funds

### 7.1 Collective Investment Schemes

Investment Funds are a type of "pooled investment". A pooled investment is one where a number of investors put different amounts of money into a fund which is then invested in one or more asset classes by a fund manager. Each investment fund has a stated investment strategy enabling you to invest according to your investment objectives and risk profile. The level of risk will depend on the underlying investments, regulatory status of the fund, any investment restrictions that may apply, the extent to which the fund leverages its assets and how well diversified the open-ended investment fund is. The principle of leverage is to increase the fund's exposure to underlying assets by means of borrowing or other means in the pursuit of higher returns from the amount invested. Leveraging may increase any losses suffered by a fund. Funds investing in emerging markets or smaller companies would be considered to carry much higher risk than those investing in large blue chip companies.

Potential investors should be familiar with the nature of the underlying securities in any investment fund they plan to invest in. Other than the cost of investing in an investment fund, you will not be subject to any margin requirements or financial commitments/liabilities. However, as the value of an investment fund may fall as well as rise there is a risk that you may lose some or all of your original investment.

### 7.2 Hedge funds

Hedge funds tend to have similar characteristics which differentiate them from other investment funds. In general, they may be described as a managed pool of capital for wealthy, financially sophisticated investors. The investment manager of a hedge fund will attempt to produce targeted returns or absolute performance regardless of the underlying trends in the financial markets. They may invest in a range of investment types; including equity; venture capital; and fixed income securities and may employ trading methods including mathematical algorithms. The investment manager of a hedge fund will attempt to identify inefficiencies in the market place with a view to using these to make a profit. Due to the fact that they are only offered to very sophisticated investors, hedge funds are largely unregulated and therefore offer investors much less regulatory protection. They can engage in activities that regulated retail investment funds cannot, for example some hedge funds may engage in high levels of leverage. They are not as transparent as more highly regulated funds and there tends to be less information available on the performance and valuation of a hedge fund. The management fees (which tend to be linked to performance) can be substantial. In order to understand all of the important aspects of a hedge fund it is important that you read the offering memorandum or equivalent and any other available information (such as financial accounts).

In general, other than the cost of acquiring shares, you will not be subject to any margin requirements or financial commitments/liabilities. However, as the value of hedge funds may go up or down, there is a risk that you may lose some or all of your original investment.

## 8. General risks

### 8.1 Market Conditions

Market conditions (e.g. illiquidity) and/or the operation of the rules of certain markets (e.g. market hours, dealing hours, suspension of trading) may increase the risk of loss by making it difficult or impossible to effect transactions or sell out of a position.

### 8.2 Transactions in foreign jurisdictions

Transactions on markets in foreign jurisdictions may expose you to additional risk. Such markets may be subject to regulation which may offer different or diminished investor protection. Before you trade you should enquire about any rules relevant to your particular transactions. The Central Bank will be unable to compel the enforcement of the rules of regulatory authorities or markets in other jurisdictions where your transactions have been effected. You should ask us for details of the types of redress available both in Ireland and other relevant jurisdictions before you start to trade.

### **8.3 Currency risks**

The profit or loss for transactions in foreign currency denominated contracts (whether they are traded in your own or another jurisdiction) will be affected by fluctuations in currency rates where there is a need to convert from the currency denomination of the contract to another currency.

### **8.4 Trading facilities**

Most open-outcry and electronic trading facilities are supported by computer-based component systems for the order-routing execution, matching, registration or clearing of trades. As with all facilities and systems, they are vulnerable to temporary disruption or failure. Your ability to recover certain losses may be subject to limits on liability imposed by the system provider, the market, the clearing house and/or member firms; such limits may vary. You should ask us for details in this respect.

### **8.5 Electronic trading**

Trading on an electronic trading system may differ not only from trading in an open-outcry market but also from trading on other electronic trading systems. If you undertake transactions on an electronic trading system, you will be exposed to risks associated with the system including the failure of hardware and software. The result of any system failure may be that your order is either not executed according to your instructions or is not executed at all.

### **8.6 Off-exchange transactions**

In some jurisdictions, and only then in restricted circumstances, firms are permitted to deal otherwise than on a regulated exchange i.e. to effect off-exchange transactions. The firm with which you deal may be acting as your counterparty to the transaction. It may be difficult or impossible to liquidate an existing position; to assess value or determine a fair price; or to assess your exposure to risk. For these reasons, these transactions may involve increased risks. Off-exchange transactions may be less regulated or subject to a separate regulatory regime. Before you undertake such transactions, you should familiarise yourself with applicable rules and attendant risks.

### **8.7 Foreign Markets**

Foreign markets will involve different risks to Irish markets. In some cases, the risks will be greater. On request, we can provide an explanation of protections that will operate in any relevant foreign markets. The potential for profit or loss from transactions on foreign markets or in foreign currency denominated contracts will be affected by fluctuations in foreign exchange rates.

### **8.8 Interest Rates**

Changes in interest rates can have an effect on the value of securities. The value of securities, especially bonds, can fall with a rise in interest rates as other investments reflecting the new higher interest rate offer greater returns. This risk can be offset by diversifying the durations of fixed-income investments held. Alternatively if interest rates fall, then the value of bonds and other securities may rise.

### **8.9 Commission and Charges**

It is important that you obtain a clear explanation of all commissions, fees and other charges for which you will be liable. These charges will affect your net profit (if any) or may increase your loss. You should also ensure that you understand the extent of your exposure to potential loss.

### **8.10 Taxation**

There is no guarantee that the tax advantage promoted as part of any investment will remain in existence. Additionally, the levels and bases of taxation may change. Conexim will not be responsible for assessing your personal tax implications of investing in any particular instrument or any recommendations that we may make to you and you should always take independent professional tax advice.

# PERSHING SECURITIES INTERNATIONAL LTD

## TERMS OF BUSINESS

### ("THE PERSHING AGREEMENT")

## 1 Relationship with Pershing Securities International Limited

- 1.1 Conexim Advisors Ltd ("**Conexim**") has entered into an agreement with Pershing Securities International Limited ("**PSIL**") on behalf of Conexim and each of Conexim's clients whereby PSIL has agreed to provide settlement, safe custody, nominee and associated services for clients whom Conexim introduces to PSIL. PSIL may itself or through one of its affiliates also provide additional services such as investment dealing services as Conexim may from time to time agree with PSIL.
- 1.2 PSIL is authorised by the Central Bank of Ireland (the "**Central Bank**") and is a member of the Irish and London Stock Exchanges. PSIL is incorporated in Ireland, company number 367098, and has its registered office at Riverside Two, Sir John Rogerson's Quay, Grand Canal Dock, Dublin 2 (Telephone number: +353 1 900 7900; www.pershing.ie).
- 1.3 The current terms and conditions of PSIL and the principal terms of the agreement with them ("**the Pershing Agreement**") are set out or summarised below.
- 1.4 By acceptance of this agreement, you agree that:
- (i) Conexim is authorised to enter into the Pershing Agreement on your behalf as your agent on the terms summarised below;
  - (ii) acceptance of these terms will constitute the formation of a contract between you and Conexim and also between you and PSIL and that you will be bound by the terms of the Pershing Agreement and the terms and conditions of PSIL (as set out or summarised below) accordingly;
  - (iii) Conexim is authorised to give instructions and provide information concerning you to PSIL (on which PSIL shall be entitled to rely on any such instructions or information without further enquiry); and
  - (iv) PSIL is authorised to hold cash and investments for your account and to transfer cash or investments from your account to meet your settlement or other obligations to PSIL.
- 1.5 Under the Pershing Agreement you will remain a client of Conexim but will also become a client of PSIL for settlement and safe custody purposes only. Conexim retains responsibility for compliance and regulatory requirements regarding Conexim's own operations and the supervision and operation of your account and generally for Conexim's ongoing relationship with you. In particular, Conexim remains responsible for approving the opening of accounts, compliance with anti-money laundering legislation and regulations and to the extent required by applicable rules, explaining to you the types of investments covered and the nature and risks of investments and investment transactions and investment strategy, accepting and executing orders in investments, assessing the suitability or appropriateness of transactions and investments or, where permitted, warning you of their possible inappropriateness, providing any investment advice to you or where relevant taking investment management decisions. PSIL is not responsible to you for those matters and, in particular, PSIL neither provides investment advice nor gives advice or offers any opinion regarding the suitability or appropriateness of any transaction or order and relies on information provided to it by Conexim in respect of all such matters. PSIL does however retain responsibility for compliance and regulatory requirements with regard to Client Assets pursuant to the Central Bank's Client Asset Regulations, as amended, replaced or supplemented from time to time (the "**Client Assets Regulations**").

## 2 Classification and Capacity

- 2.1 PSIL shall (unless otherwise separately notified to you by them) adopt the same client classification in relation to you as that determined by Conexim and rely on information provided to them by Conexim as to that classification. Conexim will notify you in writing if there is any change in this position.

- 2.2 The following provisions shall apply to you if you fall within the categories specified below:

- (i) joint account holders shall be jointly and severally liable to PSIL and PSIL may discharge its obligations to make any payment or account to all such holders by making such payment or account to any one or more of them;
- (ii) the trustees of any trust shall be regarded as PSIL's client (as opposed to any beneficiary) and shall be jointly and severally liable to PSIL; and
- (iii) all the partners of any partnership which is PSIL's client shall be jointly and severally liable to PSIL.

- 2.3 Where you are acting as agent on behalf of another (whether disclosed to Conexim or not) you will be, and at all times remain, liable to PSIL as principal in relation to any transactions which are to be performed under these terms and PSIL will treat you as its client under the Central Bank rules. You agree that you will be liable to PSIL jointly and severally with any such underlying person in respect of all obligations and liabilities arising from instructions given to PSIL.

## 3 Client Accounts

- 3.1 PSIL shall open and maintain one or more account(s) on its books in your name in connection with the services to be provided by PSIL under these terms. Any cash and investments delivered by you or held for your account shall be recorded in such account(s).
- 3.2 PSIL may, in its absolute discretion, cease to provide any services under these terms and close any such account(s) maintained in your name, for example in the following circumstances:
- (a) if PSIL is obliged to stop providing services under any applicable law or regulation (such as anti-money laundering provisions);
  - (b) if PSIL is not able to provide the services effectively or providing the services would materially adversely affect PSIL's operation;
  - (c) where you are in material breach of these terms or Conexim is in material breach of the terms of the Pershing Agreement;
  - (d) if providing the services to you or to Conexim in relation to your account will have a materially adverse effect on PSIL's reputation; or
  - (e) if your liabilities in relation to your account, and amounts owing by you to PSIL, exceed or are likely to exceed the value of the cash and investments PSIL holds for you.

Conexim will notify you if PSIL chooses to exercise this discretion and the reasons for its decision unless Conexim or PSIL are prevented from doing so by some legal or regulatory constraint.

- 3.3 You may at any time when there are no outstanding obligations owed by you to PSIL, give notice in writing to Conexim to stop receiving services from PSIL and close your accounts with PSIL.
- 3.4 If either you or PSIL decide to close your accounts with PSIL you will need to give instructions on the future custody of your investments so that PSIL can transfer your money and investments (after deducting amounts owed to it) to your new custodian.

## 4 Communication and Instructions

- 4.1 PSIL shall only accept instructions concerning your account(s) from Conexim and not directly from you unless you have been classified as a professional client and a separate specific agreement has been entered into relating to the giving of instructions, including such further mandate and/or indemnities as PSIL may require. In the absence of actual notice in writing to the contrary received from Conexim in sufficient time to prevent the processing of any instructions, PSIL shall be entitled to rely upon and act in accordance with any instruction which PSIL believes in good faith to have been given by Conexim or its representatives. PSIL reserves the right to take such action as it considers appropriate in the event that it has sought instructions from Conexim and Conexim has failed to respond within a reasonable time. PSIL will not be responsible for any delays or inaccuracies in the transmission of any instructions or other information due to any cause outside PSIL's reasonable control.
- 4.2 Conexim will provide instructions to PSIL electronically or by telephone. Conexim will agree with you the arrangements for the communication of any orders and instructions by you to Conexim.



- 4.3 PSIL will only accept orders or instructions to make any payment where either:-
- (a) payment is directly connected to an investment (including, but not limited to, any sale or purchase amount, any dividend or income payment, any subscription amount and any associated tax payment or reclaim or other fee or charge); or
  - (b) payment is to an account at a financial services provider (including any bank, broker, wealth manager, or financial wrapped products provider) in your name or where you are acting as a trustee or are beneficially entitled to the sums to be paid.

Further details of permitted payments can be obtained from us.

- 4.4 PSIL may, in its absolute discretion, refuse to accept any order or other instruction for your account(s). Conexim will inform you if PSIL refuses to accept an instruction and the reasons for its decision unless we or PSIL are prevented from doing so because of any legal or regulatory constraint.
- 4.5 You should direct all enquiries regarding your account to Conexim and not to PSIL.
- 4.6 Any communications (whether written, oral, electronic or otherwise) between you, Conexim and/or PSIL shall be in English.
- 6.5 In some cases, transactions will be subject to **netting**. You agree, in respect of any transaction which is subject to **netting**, to discharging the settlement obligations on a net basis in accordance with the rules of the relevant **CCP, CSD** or agreement with the counterparty. You acknowledge that if net settlement takes place then PSIL will only be obliged to account to you for any investments or cash in connection with the transaction on a net basis.
- 6.6 If any transactions is undertaken on your behalf on non-Irish or non-UK markets shall be subject to the rules of the relevant overseas exchange, clearing system or depository and any terms of the foreign agent or custodian employed by PSIL, including but not limited to any right of reversal of any transaction (including any delivery or redelivery of any investment and any payment) on the part of any such entity or person.
- 6.7 Where transactions are due for settlement in a currency other than your base currency, in order to ensure that the foreign currency is available for the settlement on the relevant settlement date, Conexim may obtain an exchange rate, and/or may execute any required foreign currency transaction, with PSIL. You should note that PSIL may act in a principal capacity in relation to any such foreign currency transaction, and/or may act in conjunction with a group company in this respect.
- 6.8 Time shall be of the essence with respect to any payment, delivery or other obligation of yours to PSIL.

## 5 Dealing

- 5.1 Unless otherwise agreed with PSIL, Conexim shall be responsible for the execution of any transactions on your behalf. PSIL shall not owe you any duty of best execution under the Central Bank's rules or otherwise with respect to any such transactions executed by Conexim.
- 5.2 In some circumstances Conexim may transmit orders to an affiliate of PSIL, Pershing Securities Limited ("**PSL**") for it to execute for your account. In such circumstances, Conexim has agreed that Conexim, rather than you, shall be PSL's client for the purposes of the Central Bank's rules.
- 5.3 Details of Conexim's obligations to you with respect to such transactions are included in your agreement with Conexim.

## 6 Settlement of Transactions

- 6.1 All transactions will be due for settlement in accordance with market requirements (and the relevant contract note or advice). These settlement terms will vary dependent upon the market and securities dealt in. The contract note will specify the settlement date. You undertake to ensure that all investments and other documents of title and/or transfer forms that are required and or/any relevant cash balance are delivered, transferred or paid to PSIL (or to PSIL's order) in reasonably sufficient time on or before the contractual settlement date to enable PSIL to settle the transaction and that all cash and investments held by, or transferred to PSIL will be and remain free from any lien, charge or encumbrance. All payments due to PSIL will be made without set-off, counterclaim or deduction.
- 6.2 You acknowledge that in settling transactions on your behalf, PSIL is acting as agent on your behalf and that PSIL will not be responsible for any default or failure on the part of the other party to the transaction (the "**counterparty**") to a transaction or of any depository or transfer agent and delivery or payment by the counterparty will be at your entire risk.
- 6.3 You acknowledge that you shall not have any rights in respect of any cash or investments that are due to be received pursuant to a transaction and that PSIL shall have no obligation to account to you for any such cash or investments until you have performed your obligations in relation to such transactions and PSIL, as your agent, has been able to settle the transaction. PSIL shall, without further notice to you, be entitled to sell or otherwise dispose of any such investments and apply any proceeds or any such cash received by PSIL under a relevant settlement in discharge or reduction of any of your obligations in relation to such transactions.
- 6.4 PSIL is not obliged to credit any cash or investments it receives to your account until it has received them in irrevocable and unconditional settlement of the relevant transaction without the sender being able to reverse the settlement or require redelivery. If for any reason PSIL does credit cash or investments to your account earlier than this and PSIL reasonably considers that irrevocable and unconditional settlement is unlikely to take place then PSIL will be entitled to reverse the entry and require you to give back or redeliver the cash or investments or their equivalent.

- 6.9 In these clause and these terms:
- (a) "**netting**" means the process under which PSIL and/or the counterparty, **CCP, CSD** or other body concerned with settling a transaction are entitled to reduce their obligations to each other by setting off their obligations to deliver cash or securities to one another. This will give a single amount owing to one party from the other rather than a two-way payment. This single amount will then be paid or delivered to the relevant party;
  - (b) "**CCP**" means central counterparty, which is typically an institution that acts as an intermediary between two market participants. The seller of a security sells to the central counterparty. The central counterparty simultaneously sells to the buyer. This means that if one party defaults then the central counterparty will absorb the loss. This reduces the amount of counterparty risk that market participants are exposed to;
  - (c) "**CSD**" This stands for central securities depository which is a financial institution that custodies securities and provides securities settlement services to one or more markets. When settling a transaction on your behalf PSIL may have to settle such transaction through a central securities depository or other securities settlement system and the transactions will be subject to the rules of the CSD;
  - (d) "**Time shall be of the essence**" The use of this term in relation to any payment, delivery or other obligation you have to PSIL means that PSIL shall be entitled to terminate these terms and, if appropriate, claim damages from you if you fail to perform your obligation in accordance with the time specified. It is intended to ensure that the relevant deadlines are strictly complied with.

## 7 Your Money

- 7.1 Your money will be held by PSIL as client money, in accordance with the Client Asset Regulations, which among other things, require PSIL to hold your money in a client bank account with one or more Qualifying Money Market Fund, Eligible Credit Institution, Eligible Custodian or Relevant Party, as such terms are defined in the Client Assets Regulations, (collectively (and including nominee companies operated by such parties) referred to in these terms as "**Eligible Third Party**").
- 7.2 Your funds will be segregated from PSIL's own funds and will be held in an account designated as a Client Asset Account. The Eligible Third Party may hold your money with other clients' money in a pooled account and you hereby consent to such pooling. The effect of pooling is described in paragraph 10 below.
- 7.3 PSIL will exercise due skill, care and diligence in the selection, appointment and periodic review of any Eligible Third Party (other than a central bank) where your money is deposited and for the arrangements for holding your money (such as which credit institutions are used and the amount of client money deposited with the credit institution) but provided PSIL has exercised the due skill care and diligence referred to above, PSIL shall not be responsible for any acts, omissions or default of any such Eligible Third Party.

- 7.4 PSIL may hold your money in a different currency from the currency of receipt where PSIL does not hold a client account denominated in the currency of receipt and it is unduly burdensome for PSIL to open such account. **You acknowledge that you shall bear the exchange risk in relation to any currency which is so held by PSIL on your behalf.** Client money in a foreign currency may be held with an Eligible Third Party in the country of origin, including countries outside of Ireland. This may arise where you have undertaken an investment transaction in an investment instrument which is, or may be, denominated in that currency or is registered or tradable in that country, or where such investment instrument is held in that country. PSIL may hold an equivalent amount in Euros or Sterling protected in an account with an Eligible Third Party within Ireland. Please refer to paragraph 9 in relation to the consequences of client money being held overseas.
- 7.5 PSIL may use a group bank to hold client money on your behalf subject to any requirements regarding such use in the Client Asset Regulations.
- 7.6 "Un-invested money" (i.e. money not immediately required to settle an investment transaction) will be deposited with a bank or credit institution, together with other client's money. Such un-invested money may earn interest at a rate determined by the relevant bank or credit institution. However, the amount of any interest on such un-invested money that would be credited to your account and made available to you (subject to paragraphs 15 and 16.2 will be determined by Conexim and will be as notified by Conexim to you from time to time. Interest, calculated on a daily basis, will be credited every six months. Conexim may decide not to credit your account if the amount of the interest falls below a threshold notified to you by Conexim.
- 8.6 When your investments (including any money held in connection with the settlement of transactions) are held by an Eligible third Party, such Eligible Third Party may have rights against your investments, arising out of the operation of local law, local regulatory rules, or market practice which may include:
- security rights over them including but not limited to a mortgage or charge;
  - rights to withhold or retain them, such as by way of a lien;
  - other rights to have the asset paid or transferred to them or to prevent a transaction involving such asset from going ahead; and/or
  - rights to be paid any or all of the proceeds of a transaction involving the asset.

PSIL has agreed with Eligible Third Parties that such rights as set out in this paragraph 8.6 are limited to those in respect of debts arising out of (i) properly incurred charges and liabilities arising from the safekeeping, administration and provision of services (including the settlement of transactions as set out in paragraph 6) with respect to the investments held by the Eligible Third Party; or (ii) arise under the rules of a CSD, CCP or local settlement system.

**Please note the details provided in paragraph 9 and 10 as well as the consequences of your default as set out in paragraph 13 which may cause an Eligible Third Party to exercise their rights as set out in this paragraph 8.6. Eligible Third party reserve or create such rights as part of agreeing to settle and/or hold your assets on behalf of PSIL or as part of the settlement process for transactions Conexim has entered into on your behalf. You hereby consent to such security rights being created by or granted to the Eligible Third Party.**

## 8 Custody of Your Investments

- 8.1 Acceptance of these terms confirms the appointment of PSIL as your custodian and provides authority for PSIL to hold your investment in safe custody, to transfer securities from your account to meet sales effected for your account, acceptance of offers, or other matters covered by this agreement.
- 8.2 Where you have elected to use the safe custody services of PSIL, your investments will not be registered in your own name. Documents of title to your investments shall be held in physical or dematerialised form by PSIL or an Eligible Third Party. Your investments will be held in a safe custody account designated as a client asset account and will be registered either in the name of a nominee company owned by PSIL, a member of PSIL's group, an exchange which is a regulated market or an Eligible Third Party, in accordance with the Client Assets Regulations.
- 8.3 PSIL will exercise due skill, care and diligence in the selection, appointment and periodic review of any Eligible Third Party and the arrangements for holding and safekeeping of your investments. In exercising such due skill and care, PSIL undertakes an initial due diligence of such Eligible Third Parties which is then repeated on an annual basis. Such due diligence includes, but is not limited to, credit risk review, the review of the legal and regulatory framework in the country where such Eligible Third Party is appointed to act for PSIL and a review of the service provided to PSIL. Notwithstanding the foregoing, PSIL shall not be responsible for any acts, omissions or default of any such Eligible Third Party save where such a default is caused by fraud, wilful default or negligence on the part of PSIL or its nominee company. Although PSIL will seek to ensure that adequate arrangements are made to safeguard your ownership rights, especially in the event of its own insolvency, your investments may be at risk if an Eligible Third Party becomes insolvent.
- 8.4 In the event that you instruct Conexim in writing that investments purchased through Conexim be held in certificated form in your name or be registered in the name of some other person whom you specify (other than PSIL or Conexim, or Conexim's or PSIL's agents or nominees), you will bear the risk and responsibility for the holding and registration of such investments. PSIL shall, where it has agreed to do so, administer any such investments in accordance with the provisions of these terms.
- 8.5 **You consent to the fact that your investments may be registered either in the name of an eligible nominee wholly owned by PSIL, a member of PSIL's group, an exchange which is a regulated market, or an Eligible Third Party, in accordance with the Central Bank's rules. Additionally, you consent to the fact that overseas investments may be registered or recorded in the name of an Eligible Third Party or in the name of PSIL, in one or more jurisdictions outside of Ireland where, due to legal requirements or the nature of market practice in the jurisdictions concerned, it is not in your best interests or it is not feasible to do otherwise.** Please refer to paragraph 9 below in relation to the consequences of your investments being held overseas.
- 8.6 When your investments (including any money held in connection with the settlement of transactions) are held by an Eligible third Party, such Eligible Third Party may have rights against your investments, arising out of the operation of local law, local regulatory rules, or market practice which may include:
- security rights over them including but not limited to a mortgage or charge;
  - rights to withhold or retain them, such as by way of a lien;
  - other rights to have the asset paid or transferred to them or to prevent a transaction involving such asset from going ahead; and/or
  - rights to be paid any or all of the proceeds of a transaction involving the asset.
- PSIL has agreed with Eligible Third Parties that such rights as set out in this paragraph 8.6 are limited to those in respect of debts arising out of (i) properly incurred charges and liabilities arising from the safekeeping, administration and provision of services (including the settlement of transactions as set out in paragraph 6) with respect to the investments held by the Eligible Third Party; or (ii) arise under the rules of a CSD, CCP or local settlement system.
- Please note the details provided in paragraph 9 and 10 as well as the consequences of your default as set out in paragraph 13 which may cause an Eligible Third Party to exercise their rights as set out in this paragraph 8.6. Eligible Third party reserve or create such rights as part of agreeing to settle and/or hold your assets on behalf of PSIL or as part of the settlement process for transactions Conexim has entered into on your behalf. You hereby consent to such security rights being created by or granted to the Eligible Third Party.**
- 8.7 Your investments will be segregated from investments belonging to PSIL. Investments registered or recorded in the name of an Eligible Third Party may be pooled with those of one or more of PSIL's or Conexim's other clients. The effect of pooling is described in paragraph 10 below.
- 8.8 PSIL may use a wide range of Eligible Third Parties globally to hold your investments. You should be aware that PSIL may use another group company as an Eligible Third Party. Where PSIL uses another group company, the details of such group company are as follows: The Bank of New York Mellon whose registered address is at 225 Liberty Street, New York, New York 10286, USA ([www.bnymellon.com](http://www.bnymellon.com))
- 8.9 All instructions regarding the administration of investments held by or to the order of PSIL on your behalf should be made in writing to Conexim, for onward transmission to PSIL. Conexim does not accept from, or send instructions to third parties, unless a valid power of attorney has been established for this purpose.
- 8.10 PSIL will be responsible for claiming and receiving dividends, interest payments and other entitlements accruing in relation to investments held by or to the order of PSIL. Conexim will be responsible for instructing PSIL to:
- exercise conversion and subscription rights;
  - deal with takeovers or other offers or capital reorganisations;
  - exercise voting rights;
- 8.11 PSIL will account to you promptly for all dividends, interest payments and other rights accruing to you and will pay these to you in accordance with the instructions you provide to Conexim.
- 8.12 The consequences of a failure on your part to provide instructions to Conexim by the stated time once notification has been given are entirely your own responsibility.
- 8.13 All dividends paid on Irish equities held in PSIL's nominee company will be net of Dividend Withholding Tax ("DWT") unless you have claimed DWT exemption by completing and returning to Conexim a valid DWT exemption form. Clients eligible for DWT exemption would include: companies, pension schemes, charities, non-resident individuals, etc. DWT exemption forms can be obtained by contacting Conexim. All dividends paid on foreign equities are paid net of DWT charged at the underlying tax rate of the relevant country and net of DWT at the underlying tax rate in Ireland.
- 8.14 Some companies provide benefits to shareholders relating to the nature of their business, including the provision of annual reports and the re-investment of dividends into the company's securities. These benefits will not necessarily

be available to you automatically, where your investments are registered in the name of a nominee company. Should you wish to receive these additional benefits, you should make the necessary arrangements with Conexim.

- 8.15 As your investments are held on a pooled basis, from time to time various amounts may arise in relation to your investments (for example, following certain corporate actions) that would not otherwise have arisen if the investments had been registered in your own name. You may not be entitled to any such additional amounts.
- 8.16 PSIL reserves the right to refuse to hold any investments on your behalf but PSIL will advise of its decision to do so and the reasons for such decision unless precluded from doing so owing to any legal or regulatory constraints.

## 9 Holding or Transfer of Client Assets outside Ireland

- 9.1 You acknowledge that PSIL may hold your money and investments (collectively referred to as "**client assets**") with, or undertake a transaction for you which requires PSIL to pass your assets to, an Eligible Third Party located outside Ireland. In such circumstances the legal and regulatory regime applying to such Eligible Third Party and your rights in relation to the client assets held in such manner may be different to that which would apply if such client assets were held by an Eligible Third Party in Ireland. In the event of a default or failure of that Eligible Third Party, the client assets may be treated differently from the position which would apply if the assets were held by an Eligible Third Party in Ireland.
- 9.2 Where you undertake transactions in investments in Jurisdictions outside Ireland or the EEA, such investments, by their nature may require, in order to effect settlement of your transaction, that the investment is held in a country that may not impose specific regulation covering the safekeeping of investments. Subject to PSIL, satisfying itself that the arrangements for the holding of your investment in such market by the Eligible Third Party it appointed are adequate (based on the due diligence referred to in paragraph 8.3), PSIL will deposit such investment with such Eligible Third Party notwithstanding the risks outlined in this paragraph 9.
- 9.3 **You hereby consent to your client assets being held by or passed to an Eligible Third Party outside Ireland as described above.**

## 10 Pooling of Client Assets

- 10.1 Your client assets may be held by PSIL or Eligible Third Parties with other clients' assets as part of a common pool so you do not have a claim against specific assets; your claim is against the client assets pool in general. In the case of any such pooled client account PSIL will:-
- i) ensure that such account is in the name of PSIL, is designated as a client account and that PSIL is entitled to issue instructions in respect of such accounts;
  - ii) obtain from the Eligible Third Party with whom the client assets are lodged, acknowledgement that the account is a client account containing client assets; and
  - iii) comply with the Client Assets Regulations regarding client assets which include requirements to reconcile client accounts daily in the case of client funds by the end of the following business day and at least monthly in the case of investments within ten business days of the date to which the reconciliation relates and the requirement to ensure that the amount of client assets which PSIL holds on your behalf is at least equal to the amount which PSIL should be holding for you.
- 10.2 PSIL shall keep a record of your entitlement to your investments in situations where PSIL or an Eligible Third Party have registered or recorded your investment in a combined account or pooled in some other way with investments belonging to other clients of ourselves, of PSIL or of the Eligible Third Party. In such a situation you should note the following effects and by accepting these Terms of Business you expressly acknowledge and accept the following:
- (a) your individual entitlements may not be identifiable by separate certificates, physical documents or equivalent electronic entries on the register;
  - (b) In the course of settlement of transactions from the omnibus account (due to the nature of such holding and the operation of settlements into and from an omnibus account) circumstances could arise whereby your assets as held in the pool are used to satisfy the transaction of another

client whose assets are also held in the omnibus account. You hereby consent to such use. You should note that Pershing has in place systems and controls to reduce the occurrence of such events and to mitigate the risk to you from such circumstances as required under the Client Assets Regulations;

- (c) if there is an irreconcilable shortfall following any loss by or default of, PSIL or the Eligible Third Party then you may not receive your full entitlement and may share in any shortfall on a pro rated basis with any other investors;
- (d) sometimes PSIL will receive investments or money on behalf of more than one client in connection with pooled holdings (for instance in a bonus or rights issue or takeover). In such circumstances PSIL may, in accordance with the Client Assets Regulations, allocate such investments between clients on whatever basis it considers fair and reasonable in accordance with its allocation policy in force at the time;
- (e) if a share issue or other corporate event favoured the small investor (as defined by the issuer making the issue or creating the corporate event) your actual allocation may be less than it would be if your investments were registered in your own name; and
- (f) sometimes amounts or investments may arise which would not have arisen if the investments had been registered in your own name. You may not be entitled to any such additional amounts.

10.3 **You hereby consent to the holding of your client assets in a pooled account as described above.**

## 11 Collateral and Margin Arrangements

- 11.1 PSIL will hold investments deposited as collateral separately from other assets already retained by PSIL on your behalf, or may pass them to an Eligible Third Party.
- 11.2 Collateral held will not be registered (where applicable) in your own name but will be registered in accordance with paragraph 8.2 above. Collateral belonging to you will be held separately from collateral belonging to PSIL.
- 11.3 Circumstances may arise where PSIL is required to deposit your collateral with, pledge, charge or grant a security arrangement over the collateral to an Eligible Third Party. Such circumstances may include (but not exhaustively) where you have entered into a margined or contingent liability transaction, and where cover for any margin calls is required. **You hereby consent to PSIL depositing your collateral with, or pledging, charging or granting a security arrangement over such collateral to, an Eligible Third Party where this is required for the purposes of any relevant transaction or arrangement.**
- 11.4 You hereby acknowledge and agree that where investments that have been pledged or transferred to an Eligible Third Party, and have been used for the purposes of covering margin calls or other such liabilities, you may not receive back the same investments, and may receive back different investments or a cash equivalent amount.
- 11.5 In the event of your default, it may be necessary to sell any investments held by PSIL as collateral to meet any liabilities arising on your account. Any part of the proceeds of the sale of the investments held as collateral, or any money held by PSIL which is to be used as collateral, which exceeds the amount owed by you to PSIL, will be pooled with money or investments of other clients. The effect of pooling is described in paragraph 10 above.
- 11.6 Conexim is responsible for maintaining appropriate arrangements with PSIL at all times for the communication of margin calls. If PSIL is unable to contact Conexim having taken all reasonable steps to do so, or either you or Conexim fail to comply with any obligations to provide margin to PSIL, PSIL may, without further notice, take such steps and exercise such rights as it considers necessary to protect its position. Such steps may include, without limitation, closing out or liquidating transactions or positions, invoicing back or otherwise settling early any transaction or selling or realising any collateral or other property held on your behalf, or terminating its relationship you. Without prejudice to any other rights or remedies (including its right to do so earlier) PSIL will, in any event, close out transactions or positions in relation to which any margin call remains outstanding for five Business Days.
- 11.7 In accordance with the Client Asset Regulations PSIL confirms that it shall not:
- (i) use your investments held by PSIL as security for PSIL's own obligations;
  - (ii) use your funds (client money) held by PSIL as security for PSIL's own obligations; or

- (iii) use your investments and/or funds (including those deposited as collateral) as security for the obligations of another client or another person;

Unless you have provided your prior written consent and (in the case of subparagraph (iii) above) an appropriate legally binding agreement has been put in place to cover such use.

- 11.8 **Securities financing transactions** – PSIL does not enter into securities financing transactions with you under these terms of business. Any securities financing transactions would have to be separately agreed in writing with you where you require such transactions.

## 12 Contract Notes and Statements

- 12.1 Where applicable and required under the relevant regulations, a contract note will be dispatched to you in accordance with the applicable regulatory requirements. The terms of any contract note shall be conclusive as to any matter contained or provided in such note unless PSIL is notified in writing by Conexim forthwith or, in any event, prior to the settlement date for such transaction.
- 12.2 PSIL will arrange for you to receive safe custody statement showing the investments and cash balances it holds for you in safe keeping and as collateral, reported on a trade date basis. The frequency of such statements is determined by Central Bank rules. PSIL may provide such statement to you via appropriate on line or electronic means and provided Conexim or PSIL notified you of the availability of such statement, it shall be your responsibility to access and review such statement.

## 13 Default Rights and Remedies

- 13.1 If you fail to pay cash or investments (as relevant) when due to meet any settlement obligations or if you otherwise fail to meet any of your other obligations to PSIL then you should be aware that there will be certain consequences as a result of such failure, as further described in the remainder of this clause 13.
- 13.2 You will not have a right to title or interest in any cash or investments received for your account. PSIL will have no obligation to deliver or account to you for any such cash or investments and PSIL will be entitled to retain any such cash or investments until such time that you have met your obligations.
- 13.3 In the event of Conexim or PSIL not receiving either cash or investments when due or in the event of you not taking all such steps as may be necessary to secure the due and prompt execution and settlement of any such transaction (or if PSIL reasonably considers that you have not or are unlikely to perform your obligations under these terms) Conexim or PSIL may cancel, close out, terminate or reverse all or any contracts and sell, charge, pledge or otherwise dispose of any investment held for you, at whatever price and in whatever manner Conexim or PSIL see fit in Conexim's or PSIL's absolute discretion, (without being responsible for any loss or diminution in price), and may enter into any other transaction, or do, or not do anything (including the setting-off or application of client or other monies held for you) which would, or could have the effect of reducing, or eliminating any liability under any transaction, position or commitment undertaken for you.
- 13.4 For the avoidance of doubt, any asset held for you can be realised in order to discharge any obligation you have to Conexim or PSIL, including any investment held in safekeeping by PSIL, and investments held in the course of settlement. Conexim or PSIL reserves the right to take any such action required to reduce or eliminate any liability arising on your account without prior recourse to you.
- 13.5 Neither PSIL nor Conexim shall be liable to you in respect of any choice made by PSIL or Conexim in selecting the investments sold. The proceeds of sale (net of costs) will be applied in or towards the discharge of your liabilities and PSIL or Conexim will account to you for any balance. In the event that such proceeds are insufficient to cover the whole of your liabilities, you will remain liable for the balance.
- 13.6 You hereby authorise PSIL to set-off, transfer or apply (without prior notice) any indebtedness, liabilities or obligations of PSIL to you in or towards the satisfaction of any indebtedness, liabilities or obligations or any sum that is due from you to PSIL in any respect whatsoever (whether or not expressed in the same currency and including, without limitation, any payment of fees or charges due to Conexim or PSIL and payments pursuant to any indemnity).

- 13.7 In exercising any right or remedy pursuant to these terms:

- (i) PSIL shall have the right at any time without notice to combine and/or consolidate all or any of your accounts maintained with Conexim or PSIL or any connected company in such manner as Conexim or PSIL may determine, subject to any restrictions under the Client Assets Regulations; and
- (ii) PSIL is authorised to effect such currency conversions and enter into such foreign exchange transactions with, or on behalf of you, at such rates and in such manner as PSIL may, in its absolute discretion, determine.

You acknowledge and accept that in exercising any right or remedy pursuant to these terms PSIL will be acting on its own behalf rather than executing your orders.

- 13.8 PSIL or its agents as appropriate shall be entitled to full reimbursement of any costs or reasonable expenses that they incur in exercising any default rights or remedies. You hereby irrevocably and unconditionally appoint PSIL as your agent to execute or procure the execution of any documentation for the purposes set out above.

## 14 Liability and Indemnity

- 14.1 Neither PSIL nor any of its directors, employees or agents shall be liable for any loss or damage suffered by you as a direct or indirect result of the provision by PSIL of its services, save that nothing in these terms shall exclude or restrict any liability of PSIL resulting from the negligence, fraud or wilful default or contravention of the Central Bank's rules on the part of PSIL. PSIL shall not, in any event, be liable for any indirect or consequential loss. PSIL will also not be liable for any loss that is a loss of profit or loss or damage to business or reputation. PSIL shall not have any liability for any market or trading losses you may incur.
- 14.2 You undertake to indemnify PSIL and each of its directors, employees and agents ("**Indemnified Persons**") on an after-tax basis, against any liabilities, reasonable costs and expenses (including legal costs) and all duties and taxes (other than PSIL's corporation tax) which are caused by:
  - (i) the provision by PSIL of its services to you;
  - (ii) any material breach by you of any of these terms;
  - (iii) any default or failure by you in performing your obligations to make delivery or payment when due; or
  - (iv) any defect in title or any fraud or forgery in relation to any investments delivered to PSIL by or on your behalf or in relation to any instrument of transfer in relation to such investments (including any electronic instruction) purporting to transfer such investments.

PSIL shall not be entitled to be indemnified against the consequences to PSIL of its own fraud, negligence or wilful default or any contravention by PSIL of any provision of the Central Bank's rules.

- 14.3 PSIL shall not have any liability for any circumstance or failure to provide any service if such circumstance or failure results from any event or state of affairs beyond the control of PSIL, including, without limitation, any failure of communication, settlement computer or accounting systems or equipment, any failure or interruption in the supply of data, any political crisis or terrorist action or the suspension of trading by any exchange or clearing house or any fire, flood or other natural disaster. In any such circumstances, any of PSIL's obligations shall be suspended pending resolution of the event or state of affairs in question.
- 14.4 The provisions of this paragraph 14 shall continue to apply notwithstanding the fact that Conexim or PSIL cease to provide services and shall be in addition to any other right of indemnity or claim of any Indemnified Person whether pursuant to these terms or otherwise and shall not be affected by any forbearance, whether as to payment, time, performance or otherwise.

## 15 Charges

Any fees or charges payable by you in relation to the services provided by PSIL, and any taxes payable via PSIL will be set out in the information on fees and charges provided to you by the Conexim, from time to time. PSIL is entitled to pay such charges out of any money or investments held for you or by set off under paragraph 13 or to require you to pay them direct to it or via Conexim. You may be liable for other taxes or charges not payable via PSIL.

## 16 Conflicts of Interest

- 16.1 PSIL or its associates may provide services or enter into transactions in relation to which PSIL or its associates has, directly or indirectly, a material interest or a relationship of any description with a third party which may involve a conflict of interest or potential conflict of interest with you. PSIL or any of its associates may, for example:
- (i) be the counterparty to a transaction that is executed by PSIL (whether or not involving a mark-up or a mark-down by PSIL or its associates);
  - (ii) have a (long or a short) position in the investments to which any instructions relate; or
  - (iii) be connected to the issuer of the investment to which any instructions relate.
- 16.2 PSIL may place money held for your account with a bank (in accordance with the Client Assets Regulations) and earn interest and retain some or all of that interest payments from such bank.
- 16.3 PSIL does not permit its employees to offer, give, solicit or accept an inducement, or to direct or refer any actual or potential activity to another person, if it is likely to conflict to a material extent with any duty that PSIL owes to its customers.
- 16.4 A summary of PSIL's conflicts policy is set out on our website at [www.pershing.ie](http://www.pershing.ie) under "compliance disclosures".
- 16.5 You acknowledge that neither PSIL nor any of its associates is required to disclose or account to you for any profit made as a result of acting in any manner described above.

## 17 Data Protection and Confidentiality of Information

- 17.1 Conexim and PSIL may use, store or otherwise process personal information provided by you or Conexim 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. In Ireland, PSIL is registered as a data processor with the Office of the Data Protection Commissioner. This enables PSIL to lawfully process your personal data in accordance with the instructions received from you or your Conexim. PSIL shall maintain appropriate security measures in relation to any data held or processed by PSIL in accordance with PSIL's security policy in place from time to time.
- 17.2 The information Conexim and PSIL hold about you is confidential and will not be used for any purpose other than in connection with the provision of the services under the Pershing Agreement (as may be set out in more detail in PSIL's published privacy policy as referred to in paragraph 22). Information of a confidential nature will be treated as such provided that such information is not already in the public domain.
- 17.3 Information of a confidential nature will only be disclosed outside the group of companies of which Conexim or PSIL are a part, in the following circumstances:
- i) where required by law or if requested by any regulatory or government authority or exchange having control or jurisdiction over you, Conexim or PSIL (or any respective associate);
  - ii) to investigate or prevent fraud or other illegal activity;
  - iii) in connection with the provision of services to you by Conexim or PSIL;
  - iv) for purposes ancillary to the provision of the services or the administration of your account, including, without limitation, for the purposes of credit enquiries or assessments;
  - v) if it is in the public interest to disclose such information;
  - vi) at your request or with your consent.

This is of course subject to the proviso that PSIL may disclose your information to certain agents or permitted third parties, such as members of its own group and its professional advisers who are bound by confidentiality codes.

- 17.4 **Please be advised that, in order to provide its services to you and comply with its regulatory obligations PSIL may need to (and by signing or otherwise consenting to this agreement, you also agree that PSIL may) send your information internationally including to countries outside of the EEA, including the United States of America. Some of these jurisdictions offer differing levels of protection of personal information, not all of which may be as high as Ireland.**
- 17.5 In accordance with the Data Protection legislation in Ireland, you are entitled to a copy of the information Conexim or PSIL holds about you on computer. In the first instance, you should direct any such request to Conexim who is the data controller in respect of your information. You should let Conexim know if you think any information Conexim holds about you is inaccurate, so that Conexim or PSIL may correct it.
- 17.6 In accordance with the record retention statement set out in paragraph 18 below, you will not be at liberty to request the destruction or deletion of any record pertaining to yourself unless Conexim or PSIL are required to do so by force of law or other regulatory requirement.
- 17.7 Please note that telephone calls may be recorded for the purposes of recording instructions received and for training and quality control purposes.

## 18 Record Retention

In accordance with legal and regulatory requirements, Conexim and PSIL will retain your records, for a minimum period of six years following the termination of any relationship between you, Conexim and PSIL. This period may be extended by force of law, regulatory requirement or agreement amongst you, Conexim and PSIL.

## 19 Investors Compensation Act, 1998

- 19.1 Under section 38(1) of the Investor Compensation Act, 1998, Conexim and PSIL (collectively referred to in this paragraph as "**the firm**") are required to inform actual and intending clients concerning investor compensation. The following is a summary of the current position:
- i. 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;
  - ii. the firm is a member of that compensation scheme;
  - iii. 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 the firm, 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;
  - iv. a right to compensation will arise only:
    - a) if the client is an eligible investor as defined in the Act;
    - b) if it transpires that the firm is not in a position to return client money or investment instruments owed or belonging to clients of the firm; and
    - c) to the extent that the client's loss is recognised for the purposes of the Act
  - v. where an entitlement to compensation is established, the compensation payable will be the lesser of:
    - a) 90 per cent of the amount of the client's loss which is recognised for the purposes of the Investor Compensation Act, 1998; or
    - b) compensation of up to €20,000

## 20 Complaints Procedure

- 20.1 If you have a complaint you should notify our compliance officer in the first instance. If however, your complaint concerns an aspect of the service provided to you by PSIL or (if applicable) PSIL and you wish to copy your complaint to PSIL directly, copies should be sent to:

The Compliance Officer  
Pershing Securities International Limited  
Riverside Two  
Sir John Rogerson's Quay  
Grand Canal Dock, Dublin 2.

- 20.2 Where you make a complaint both we and PSIL will endeavour to resolve your complaint as quickly as possible but in any event we will acknowledge receipt of your letter within 5 business days. The acknowledgement sent will include a full copy of our or PSIL's internal complaints handling procedure. Upon resolution of your complaint we or PSIL will send you a final response letter, which sets out the nature of our response of any proposed resolution, and any appropriate remedy. If for any reason you are not satisfied with our or PSIL's final response please note that you may be entitled to refer your complaint to the Financial Services Ombudsman by writing to The Financial Services Ombudsman, 3rd Floor, Lincoln House, Lincoln Place, Dublin 2.

## 21 Amendment and Termination

- 21.1 Conexim and PSIL reserve the right to alter these terms at any time, upon giving 10 business days' notice in advance. You are deemed to have consented to any alteration that may be effected to these terms if Conexim do not receive notification otherwise from you, in writing, within the time that the changes were notified to you and their coming into effect.
- 21.2 These terms and conditions shall remain in force until such time as they are terminated by either Conexim, PSIL or you. Termination will take effect immediately upon serving notice in writing. Termination shall not affect the duties and obligations of any party in fulfilling all liabilities and obligations outstanding at the time the termination notice is served.

## 22 Provision of Information via a website

- 22.1 PSIL may provide the following information to you via their website [www.pershing.ie](http://www.pershing.ie) (under the "disclosures" section). Such information may be amended from time to time by PSIL:
- (a) General disclosures of information about PSIL, its services and disclosures relating to such Services in general;
  - (b) Information concerning the safekeeping of investments and money held by PSIL or any of its appointed Eligible Third Parties;
  - (c) Information on costs and charges;
  - (d) Information relating PSIL's order handling and conflicts of interest;
  - (e) PSIL's privacy policy covering the processing of any personal data under the relevant data protection legislation; and
  - (f) Disclosures and policies containing general information in relation to the Services provided by PSIL to you which PSIL is required to publish or which is addressed to the generality of its clients (excluding amendments to these terms and conditions)

PROVIDED Always that such information provided via the website does not include any confidential information or personal data relating to you.

## 23 General

- 23.1 You should note that PSIL reserves the right to delegate or sub-contract all or any of its services to any group company, subject to the requirements of the Central Bank.
- 23.2 PSIL's obligations to you shall be limited to those set out in these terms and PSIL shall, in particular, not owe any wider duties of a fiduciary nature to you.
- 23.3 No third party shall be entitled to enforce these terms in any circumstances.
- 23.4 Any failure by PSIL (whether continued or not) to insist upon strict compliance with any of these terms shall not constitute nor be deemed to constitute a waiver by PSIL of any of its rights or remedies. The rights and remedies conferred upon PSIL shall be cumulative and the exercise or waiver of any part thereof shall not preclude or inhibit the exercise by PSIL of any other additional rights and remedies.

## 24 Governing Law

These terms will be governed by the laws of Ireland and you hereby irrevocably submit for the benefit of PSIL to the non-exclusive jurisdiction of the courts of Ireland.