

Terms and Conditions

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Killik & Co is a trading name of Killik & Co LLP, a limited liability partnership authorised and regulated by the Financial Services Authority ("FSA") and a member of the London Stock Exchange. Registered in England and Wales No. OC325132. Registered office: 46 Grosvenor Street, London W1K 3HN. A list of Partners is available on request.

1. Introduction

These Terms and Conditions (hereafter "Terms"), together with your Registration Form and our separate Rate Card, constitute the legal agreement, or contract, between you and Killik & Co LLP ("the Firm", "we", "us", "our", "Killik & Co"), which includes our appointed representative, Killik Chartered Financial Planners. These Terms contain details of the duties owed to you by the Firm, and also the responsibilities owed to the Firm by you as its client. We will subsequently gather more information about you, your objectives and your circumstances in order to offer the best service that we are able.

These Terms are also in respect of the Agreement we have entered into with TDWCS LLP ("TDWCS") on your behalf, and in which TDWCS has agreed to provide settlement, custody, nominee and associated services for our clients, as a result of which you will also have entered into a contract with TDWCS.

Please make sure you read and understand these Terms and Conditions. If you have any questions, please contact your Broker without delay.

You should also be aware that it is difficult for us to fulfil our obligations to you if you do not answer questions about your financial circumstances, goals and approach to investment risk both fully and accurately.

You are to be classified as a Retail Customer under the Financial Services Authority rules, unless we discuss this matter again with you. In such circumstances, we would need to gather further information about you, and obtain your consent to such a change.

Further materials, such as our Execution, Conflicts and Research policies, that will be of interest to you as a client, are available through our website, at www.killik.com, in the Regulatory section.

We operate on the assumption that all clients have Internet access, and by agreeing to these Terms you acknowledge that these materials are provided to you as a result of our placing them on our website. Of course, if this is not the case, please inform your Broker and we will be delighted to send you all such materials in printed hard copy form instead.

Our goal is to treat you fairly, considering the following issues that affect our relationship with you as our customer:

- How we describe our service to you, and how we deliver that service in practice
- Whether the advice we offer to you is suitable and/or appropriate to both your financial needs and your attitude to risk
- Training our staff to ensure that the service that they offer to you is as good as we can make it
- Considering your information needs, particularly in respect of the financial products we make available to you, and that any outcome is not unexpected given our description of the service
- Handling any dissatisfaction or disputes that may arise between us in a fair and effective manner

Each client has a "Partner Responsible". Even when their Broker is a Partner a more senior Partner is appointed, giving them a direct point of contact should there be any matters that they would like to discuss with someone more senior. You should feel free at any time to raise concerns that you have with your Broker or with the Partner Responsible.

2. Our Services

We offer both Advised and Managed Investment Services to our clients, which are explained below in greater detail.

We also offer various Financial Planning advisory services, including Pension Transfer advice, Tax advice, Trustee and Will writing services, and we can help with the Administration of estates. To help us best serve your needs and use the tax concessions available, we also offer a range of products.

The investment service you choose will depend upon the level of involvement you wish to have in managing your investments, the complexity of your requirements, your risk profile and the value of investments that you wish to make. When you become a client we will write to you stating the information we have gathered about you which is the basis of our recommendation, and the service and product combination that we recommend.

If we provide you with Advised and/or Managed investment services, we may do so within our product range, and with various services and risk attitudes applying to each service. For instance, you may have an Unrestricted Advisory Dealing investment service within your ISA or Dealing Account, whilst opting at the same time for a medium risk approach within your Investment-managed SIPP. Various provisions of these Terms will therefore apply at the same time.

Please ask your Broker to explain anything about which you might be uncertain. They will be happy to discuss this with you and advise you on the most appropriate service solution.

Investment Services

2.1 Advisory Investment Services

2.1.1 Introduction

We offer three Advisory investment services, and these are described below. We have also added a section below titled "Important Information about Security Specific Risk", which you should read and ensure that you understand, as it is part of your contract with us.

2.1.2 Advised Dealing Service

Through the Advised Dealing Service, we will provide you with advice on individual transactions. Subject to the information that you provide being comprehensive and accurate, we will provide advice that is suitable for you at the time that the advice is given, but we will not undertake to ensure that any advice we have given remains suitable for you after that time.

There can only be one manager of your investments and, under the terms of the Advised Dealing Service we are not the manager of your investments, you are the manager of your investments.

2.1.3 Advised Portfolio Service

Through the Advised Portfolio Service, we will provide you with advice on individual transactions and on the overall composition of your investments. Subject to the information that you provide being comprehensive and accurate, we will provide advice that is suitable for you at the time that the advice is given, but we will not undertake to ensure that any advice we have given remains suitable for you after that time. If you wish us to provide portfolio management that will remain suitable for your needs, please see the Managed Portfolio Service description below.

There can only be one manager of your investments and, under the terms of the Advised Portfolio Service we are not the manager of your investments, you are the manager of your investments.

2.1.4 Derivative and Geared Trading Service(s)

In conjunction with the Derivative and Trading Service(s), known as KILLIK Trading Services (CFDs) and Killik Spreads respectively, (which are FSA registered Trading Names of third party providers), Killik & Co may also advise you on trading opportunities that may involve the acceptance of higher or a different type of risk than the other Advisory or Investment Managed services which we offer and describe herein. Only experienced investors should consider these services, which are subject to separate Terms and Conditions. For these services, Killik & Co will collect information about you from you directly and pass this to our third party providers in order that they may classify you appropriately for the purposes of FSA Client Categorisation rules.

Killik & Co will provide you with advice on such trades if you request it.

Killik & Co will also rely on any information we have gathered to classify you appropriately for the types of instrument in which you may have expertise, and may seek to treat you as a Professional Client for the purposes of the advice we offer you in Derivative or Geared Trading. If we ask to do this, you will be informed of the consequences of this course of action in respect of your regulatory protections at that time.

You should also note that in respect of the services of third party providers, Killik & Co reserve the right to pay funds held in your name by TDWCS to

such Third party providers in respect of debit balances incurred by such Derivative and Geared Trading Services. As such movements of funds can be very time-sensitive, this may, if we are unable to contact you, be done without your being aware of such a payment from your TDWCS custodied account.

2.1.5 Important Information about Security Specific Risk

Assessing the relative risk of any security (specific risk) is highly subjective and may change over time. The Killik & Co Risk Rating system uses categories which are intended as guidelines to the specific risks involved, as follows:

- Restricted Lower Risk -the advice we will give to you will normally be restricted to lower risk investments including cash, cash equivalent and short dated gilts, and to the collective investment vehicles that invest in those instruments. You must accept, therefore, that this may mean that the opportunity to seek enhanced returns can be reduced. You must also accept that the category of Restricted Lower Risk does not mean 'No Risk'. Occasionally, we may advise the use of instruments or strategies that are perceived as higher risk in a manner that acts to reduce risk, either in your overall portfolio or in respect of individual positions.
- Restricted Medium Risk -the advice we will give to you will normally be restricted to medium and lower risk investments including medium and long-dated gilts, investment grade bonds and certain collective investment vehicles investing predominantly in these securities. This category is only appropriate if you accept that there may be fluctuations in the capital value of your investments over both the shorter and medium terms in order to allow you the opportunity to seek higher returns. Occasionally, we may advise the use of instruments or strategies that are perceived as higher risk in a manner that acts to reduce risk, either in your overall portfolio or in respect of individual positions.
- Unrestricted -the range of securities on which we can advise you will be unrestricted and drawn from across the United Kingdom and international markets. These may include investments regarded as lower, medium or higher risk, including direct equity investment and collective investment vehicles which predominantly hold securities other than investment grade bonds and money market instruments. This category is only appropriate if you accept that there may be significant fluctuations in the capital value of your investments over both the shorter and medium terms in order to allow you the opportunity to seek higher returns.

2.2 Managed Investment Services

2.2.1 Introduction

We offer a variety of Managed investment services, and these are described below.

We have also added a section below titled "Important Information about Investment Management Risk", which you should read and ensure that you understand.

Where we are the manager of your investments, we shall have full authority, in our absolute discretion, over your account, subject to your investment aims and any restrictions you notify us of in writing. This means that unless you instruct us otherwise we shall have full discretion on the value of any one investment and the proportion of the portfolio of which any one investment or a particular kind of investment may constitute. As the manager of your investment we do not undertake that you will be fully invested at all times. As new funds are received these may be invested immediately or over a period of time at our discretion. Both the investment selection and the timing of such investments will be determined by us as the manager of the portfolio. You accept that we may make applications on your behalf for new issues, placings and initial public offerings (IPOs) as part of your portfolio, and we may use options and other derivative products to reduce the risk on your portfolio.

2.2.2 Managed Portfolio Service

Through the Managed Portfolio Service, we will have complete discretion to manage individual securities and fund transactions, and the overall composition of your investments in accordance with your investment aims. We will endeavour to ensure that our advice is suitable for you when the account is opened and to ensure that any subsequent management remains suitable for you after that time.

There can only be one manager of your investments and, under the terms of the Managed Portfolio Service we are the manager of your investments, you are not the manager of your investments.

2.2.3 Discretionary Stockbroking Service

Through the Discretionary Stockbroking Service, we will manage your investments on a security by security (or 'bottom up') basis. This means that your investments will not be structured in the conventional sense, and may consequently be subject to higher risk than our other Investment Management Services. Only experienced investors should consider this service.

There can only be one manager of your investments and, under the terms of the Discretionary Stockbroking Service we are the manager of your investments, you are not the manager of your investments.

2.2.4 Multi-Manager

Through the Multi-Manager Service, we will have complete discretion to manage individual fund Transactions and the overall composition of your investment funds in accordance with your chosen investment strategy. This service is designed to optimise potential returns whilst diversifying risk. It aims to achieve this by holding a diversified portfolio of funds selected by our own research team. The funds selected are readily tradeable, and can usually be liquidated in whole or in part at any time. The number of funds in your portfolio will depend upon its value.

Different investment strategies are available within the Multi-Manager Service, currently:

Cautious
Balanced
Growth
Absolute Cautious
Absolute Return
Absolute Aggressive

Details of these investment strategies and the associated risks are available upon enquiry.

The underlying funds charge an annual management fee which is reflected in the price of the fund. Killik & Co may receive a share of that management fee.

There can only be one manager of your investments and, under the terms of the Multi-Manager Service we are the manager of your investments, you are not the manager of your investments.

2.2.5 Killik Asset Management

Killik Asset Management (KAM) is Killik & Co's Mayfair-based specialist investment team. KAM currently offers two services: KAM Multi-Asset Portfolio and AIM Inheritance Portfolio.

There can only be one manager of your investments and, for all KAM services, we are the manager of your investments; you are not the manager of your investments.

Multi-Asset Portfolio Service

The KAM Multi-Asset Service invests across a number of asset classes and seeks to achieve a superior risk/reward profile through diversification, macro asset class analysis, and individual security selection. Multi Asset portfolios may include exposure to higher risk, more volatile investments and securities which are geared. The overall level of portfolio risk will be managed according to your stated preferences. In addition to direct investment in equities, KAM may invest directly into sovereign and corporate bonds, utilise exchange traded funds for exposure to investments such as commodities, and achieve hedge fund property and non-European equity exposure via open and closed-ended managed funds.

Different investment strategies are available within the Multi-Asset service, currently:

Absolute Return
Specialist Income
Specialist Capital

Factsheets describing the investment objectives and risks of these strategies are available upon enquiry.

KAM seeks to manage risk, but the Multi-Asset portfolio services are not risk free. There is a risk to your capital which means you could get back less than the amount invested.

AIM Inheritance Portfolio

The AIM Inheritance Portfolio is designed to deliver Inheritance Tax (IHT) mitigation through investment in AIM shares that qualify for Business Property Relief (BPR), whilst offering the potential for growth in the overall value of your portfolio. AIM investments carry a higher degree of risk than investing in more liquid shares of larger companies. AIM investments are generally more volatile in price than shares on the Official List. Although we aim to mitigate security-specific risk through diversification, investment in the AIM Inheritance Portfolio must be considered high risk. The value of your investments may decline, and there is a risk that this may outweigh any Inheritance Tax saving. Any relief from IHT that may be available by investing in qualifying AIM listed securities is subject to a minimum two year holding period. Investments will be acquired on the reasonable understanding that they are BPR qualifying investments at the time of purchase but there can be no guarantee that HM Revenue & Customs will grant BPR on each investment made in the portfolio. Tax relief is also subject to change.

2.2.6 Killik Capital Managed Futures

Killik Capital is a division of Killik & Co. The Killik Capital Managed Futures Strategy is an innovative and highly specialised discretionary service that utilises funds that trade futures contracts, mainly on currencies, financial assets and commodities.

The Managed Futures Strategy is only suitable for those clients who have the resources and the outlook on risk necessary for an excursion into what can be a highly volatile environment.

It is a long term approach to investing, taking a view in excess of 10 years. There is a minimum investment requirement, with no maximum. The Managed Futures Strategy should represent a distinct, high-risk element within your total portfolio.

Risk factors:

- Your holding in the Managed Futures Strategy is very likely to significantly outperform or underperform traditional benchmarks like the FTSE 100 and APCIMS Indices
- From time to time you may experience significant drawdowns in capital and agree to make such capital available as required.
- The Managed Futures Strategy utilises leverage and as such it is possible for losses to far exceed the amount of capital you have invested.
- All account balances are held in Euros (the underlying currency of the Eurostoxx Contract) unless otherwise requested

Performance fees are charged at the end of June, September, December and March subject to a high watermark and net of fees. If a cash withdrawal is requested in the interim, any fees due to that point will be debited. Performance fees will be payable only if the value of capital is greater than any previous high, net of fees.

There can only be one manager of your investments and, under the terms of the Killik Capital Managed Futures service, we are the manager of the investments, you are not the manager of your investments.

2.2.7 Killik Capital Special Situations Portfolio

The Special Situations Portfolio invests in small to medium sized UK companies. The Special Situations Portfolio is only suitable for those clients who have the resources and the outlook on risk necessary for an excursion into what can be a volatile environment. There is a recommended investment minimum of £50,000, with no maximum. The portfolio aims for above average capital growth rather than trying to generate income yield by way of dividends. All income that is generated by the portfolio will be reinvested.

Risk factors:

The Special Situations Portfolio is high risk and should therefore represent a distinct, high-risk element within your total portfolio. Small company investments carry a higher degree of risk than investing in more liquid shares of larger companies. Small-cap investments are generally more volatile in price than shares in more regularly traded, larger companies. Small-cap company shares can be very illiquid. This may mean that these investments are not readily realisable, and may therefore not be immediately available for the administration of your portfolio.

Performance fees are charged at the end of June, September, December and March subject to a high watermark and net of fees. If a cash withdrawal is requested in the interim, any fees due to that point will be debited. Performance fees will be payable only if the value of capital is greater than any previous high, net of fees.

There can only be one manager of your investments and, under the terms of the Killik Capital Special Situations Portfolio service, we are the manager of the investments, you are not the manager of your investments.

2.2.8 Important Information about Investment Management Risk

As part of the account opening process for our Investment Management Services, you will need to provide details of your attitude to risk, time horizon and investment objective. These answers will be used to present you with appropriate advice and, where Killik & Co is the manager of your Killik & Co Terms and Conditions investments, to develop a suitable Investment Strategy for your investments.

Assessing the relative risk of any Investment Strategy is subjective and may change overtime. It is not therefore possible to provide precise definitions for the measurement of risk or the potential impact on your investments. However, the following definitions are intended as guidelines of Portfolio Risk.

Lower Risk - the category of 'Lower Risk' is most appropriate if you do not wish your investments to be exposed to significant volatility in either the shorter or longer term. However, you must accept that this may mean that the opportunity to seek enhanced returns can be reduced. You must also accept that the category of 'Lower Risk' does not mean 'No Risk'.

Occasionally, we may use or advise the use of instruments or strategies that are perceived as higher risk in a manner that acts to reduce risk, either in your overall portfolio or in respect of individual positions.

Medium Risk - the category of 'Medium Risk' is most appropriate if you do not wish your investments to be exposed to significant volatility in the longer term. However, you must accept that there may be fluctuations in the capital value of your investments over the shorter term in order to allow you the opportunity to seek enhanced returns. Occasionally, we may use or advise the use of instruments or strategies that are perceived as higher risk in a manner that either

- acts to reduce risk, either in your overall portfolio or in respect of individual positions, or
- acts to achieve enhanced growth with the intention of balancing such holdings with lower risk holdings.

Higher Risk - the category of 'Higher Risk' is only appropriate if you accept that there may be fluctuations in the capital value of your investments over both the shorter and medium terms in order to allow you the opportunity to seek higher returns.

The matrix below illustrates how your Attitude to Risk can be influenced by your Time Horizon. The percentage allocations indicated in the matrix below are for illustration purposes only, and the actual asset allocation of your portfolio is likely to deviate from the percentages shown in this example.

Your Broker will be pleased to provide you with more guidance and details about the Investment Strategy most appropriate for you. You should note that if you have more than one managed service with us, your asset allocation will be deemed to be across all such services unless a separate agreement is in place between us to the contrary.

Attitude to Risk	Time Horizon			
	Very Short Term (less than two years)	Short Term (two to five years)	Medium Term (five to ten years)	Long Term (more than ten years)
Higher Risk	75% non-equity and 25% equity	50% non-equity and 50% equity	25% non-equity and 75% equity	100% equity
Medium Risk	100% non-equity	75% non-equity and 25% equity	50% non-equity and 50% equity	25% non-equity and 75% equity
Lower Risk	100% cash or cash equivalent	100% non-equity	75% non-equity and 25% equity	50% non-equity and 50% equity

2.3 Additional Information about Risk and Investment Instruments

This section applies to both Advised and Managed Investment Services

Killik & Co is committed to developing a clear and shared understanding of risk with you – in particular your preferences regarding risk-taking. Please see, in addition to these Terms, our Risks of Investments Guide on our website.

The categories of risk explain what you can reasonably expect in terms of the level of investment risk to which your investments may be exposed through any of the Firm's services. Please remember that the attitudes to risk of different investors can vary significantly. You are urged to contact the Firm without delay if you have any questions or concerns relating to the risks to which your investments may be exposed. Killik & Co can provide you with advice on your options for managing the risk of your investments.

Please remember

- that all equity investment carries the risk of significant fluctuations in value, particularly over short time horizons;
- that holding a limited number of equities that do not provide adequate diversification can result in this risk being exacerbated;
- that investors in individual equities should be particularly aware of the risks inherent in such an investment strategy (i.e. the Specific Risks of those securities);
- that values of risk are not easily defined, the matter is highly subjective, the more so when considering the risk of a single security (Specific Risk).

As a client of Killik & Co you accept our individual definitions of Specific Risk.

Killik & Co will give you advice on the basis of our best judgment at the time but the Firm cannot be held responsible if any investment fails to achieve its expectations. If you wish to change the level of Portfolio Risk to which your managed portfolio may be exposed, or the level of Specific Risk to which your individual investments may be exposed, you should contact your Broker.

It is important that you understand that there are risks with almost every investment and that you may not get back the original capital invested. The value of your investments may fall as well as rise, and the past performance of investments is not a guide to future performance.

All advice, or executed transactions in managed accounts, is subject to our duty to give you suitable advice, or execute transactions in Investment Managed accounts that are suitable for your portfolio.

We accept this responsibility only on the understanding that you will provide the Firm with any information that might be reasonably deemed to be relevant to your investments when the account is opened. Where we are the manager of your investments, you must notify us at once of any subsequent changes to this information. You should note that a failure to disclose any relevant information may adversely affect the quality of advice that we can offer to you.

2.3.1 Investment Instruments

Types of Investment

Unless you instruct us, in writing, to the contrary, you accept that we may advise you on, or execute transactions on your behalf in managed services, in the following types of investments:

- Shares in British or foreign quoted companies, (the latter will incur additional risk in the form of exchange rate risk which we will discuss with you at your request)
- Debenture stock, loan stock, bonds, notes, certificates of deposit, commercial paper or other debt instruments, including government, public agency, municipal and corporate issues
- Unit trusts, mutual funds and similar schemes in the United Kingdom or elsewhere
- Warrants to subscribe for, or depository receipts or other types of instruments relating to the investments above
- Derivatives, including but not limited to, futures, options and contracts for differences. Please note we will not accept transactions for 'uncovered' call options.
- Spread betting contracts
- Unquoted investments
- Unregulated collective investment schemes including hedge funds
- Penny Shares
- Investments traded on either unregulated markets or markets that operate to differing standards

2.3.2 Non traditional assets

Non traditional assets include, but are not limited to, investments such as property, commodities, hedge funds and private equity. Such investments can offer diversification when used within a portfolio of equity and fixed income investment. However, you should be aware that they can have unique risk/return profiles, and may offer significantly less liquidity than other investments.

Investments with specific risk characteristics

2.3.3 Securities which are geared.

Companies, including investment trusts, may increase funds or raise additional capital by issuing debt or borrowing money using an investment strategy known as "gearing". This may enhance investment returns for investors but increases risk and may result in:

- Movements in the price of the securities being more volatile than the movements in the price of the underlying investments
- The investment being subject to sudden and large falls in value
- The possibility that you may get back nothing at all if there is a sufficiently large fall in value in the investment

We will endeavour to monitor levels of gearing and will seek to ensure that gearing ratios do not make any investment unsuitable for your risk and investment objectives when providing advice to you, or that such investments remain suitable for you in managed services.

2.3.4 Derivative and Spread Betting transactions.

We may provide advice on, arrange, or undertake on your behalf, derivative transactions or spread betting transactions for you that have different or greater risk associated with them than other Advisory or Investment Managed services that we offer. As noted in section 2.1.4 above, these types of trading activity are subject to additional Terms of Business through third party providers, and additional materials will be provided to you before any such activity commences explaining the risks of such activity further.

Options that are 'in the money' on the expiry date will be automatically exercised on your behalf unless you instruct us otherwise.

2.3.5 Structured Capital At Risk Products (SCARPs)

SCARPs are investments which have some or all of the following characteristics:

- The initial capital invested may not be guaranteed and therefore, at the end of the investment period, you may receive less than the amount invested

- The investment may be geared which means that a small percentage fall in any related index may result in a larger reduction in the value of the initial investment
- The maximum return may only be available after a prescribed period of time, and early redemption may incur a penalty resulting in you receiving less than the amount you invested
- Any income and/or capital growth may depend on specific market conditions being met, and you should not invest in such vehicles unless you are prepared to lose some or all of the amount invested

We will endeavour to ensure that such products are suitable and are appropriate for your risk and investment objectives if we provide advice on, or undertake on your behalf, such transactions.

2.3.6 Investments subject to Stabilisation

We may advise you on, or carry out transactions in, securities where the price may have been influenced by measures taken to stabilise it. Unless you instruct us in writing to the contrary, you accept that we may carry out any such transaction involving securities subject to stabilisation, without having to consult you first.

Stabilisation enables the market price of a security to be maintained artificially during the period when a new issue of securities is sold to the public. Stabilisation is permitted in order to help counter the fact that, when a new issue comes into the market for the first time, the price can sometimes drop for a time before buyers are found.

2.3.7 Illiquid Investments and Non Readily Realisable Investments

Unless you instruct us in writing to the contrary, we may provide advice on, or undertake on your behalf, an investment that we believe is suitable for you although it is, or may later become illiquid, or not readily realisable. This means that it may therefore be difficult to sell the investment at a reasonable price and, in some circumstances, it may be difficult to sell it at any price. It may also be difficult to obtain reliable information about its value. We will always use reasonable care to execute such a transaction on terms that are fair and reasonable to you, including the price, and the transaction is subject to the duty of suitability explained above.

2.4 Tax and Financial Planning Services

The primary focus of Killik & Co is the performance of your investments. Most of our Brokers do not claim to be tax experts, but a range of tax and financial planning services are available via our branch network or our Appointed Representative, Killik Chartered Financial Planners.

2.4.1 General Tax Matters

We will not provide you with specific advice on taxation matters, unless you ask for it, although we will endeavour to take your tax position into account where we are aware of it. Consequently, we can accept no liability for any tax consequences which may result from investment matters unless it has arisen from our failing to perform a service adequately where the main focus is taxation. Should you require specific advice for taxation planning or mitigation, or the treatment of a specific investment, you should ask for this specifically.

2.4.2 Planning for Tax

Through our personal taxation service we will prepare your personal Income Tax Return form and supporting schedules and calculate and agree your position with you and HM Revenue & Customs

- We will advise you as to the amount of tax to be paid and the dates by which you should make the payments and, if appropriate, we will initiate a repayment of tax when you appear to have made an overpayment.
- We will correspond with the HM Revenue & Customs on your behalf and deal with any correspondence passed to us by them.
- We will deal with the HM Revenue & Customs regarding any amendments required to your tax return and prepare any amended returns, which may be required.
- We will check and deal with all communications relating to your tax return addressed to us -however, if the HM Revenue & Customs select your tax return for enquiry this work will be subject to a separate assignment as we will seek further instructions and additional charges shall apply.
- We will check Pay As You Earn (PAYE) Notices of Coding where such notices are passed to us.

Your spouse is legally responsible for his/her own tax affairs and should be dealt with independently of you, although we would be pleased to assist.

We will provide our professional services outlined in these Terms and Conditions with care and skill, however, we will not be responsible for any surcharges, interest or additional tax liabilities arising from incorrect or incomplete information we receive from you, or on your failure to act on our advice or communication from the tax authorities or ourselves. Under the self assessment regime there are a number of key payment dates that must be met -failure to meet the deadlines may result in surcharges and/or interest and you are legally responsible for making correct returns.

To enable us to carry out our work you agree:

- that you will make a full disclosure to us of all sources of income, allowances and capital transactions and to provide full information necessary for dealing with your tax affairs
- that we will rely on the information and documents being true, correct and complete
- to respond promptly to all correspondence from us
- to provide us with information in sufficient time for your tax return to be submitted to the HM Revenue & Customs by 29th December for the HM Revenue & Customs to collect the tax due (below £2,000) through a later year's PAYE Notice of Coding or by the 31 January deadline if you wish us to calculate your liability for the year, unless there is a reason why we will not be able to submit the Return electronically.
- to promptly forward to us all statements of account, notices of coding, letters and other communications to enable us to deal with them as they may be governed by a statutory time limit.

Our charges are based on a set fee basis, however, additional charges may arise if more complex work is required outside the scope of these Terms and Conditions. We will issue an invoice or can draw the fee from your Account once the HM Revenue & Customs has agreed your tax liability for the year -the fee will be subject to Value Added Tax at the prevailing rate.

We reserve the right to amend our charges and will issue you with a revised schedule of charges, 28 days prior to any changes coming into force. Details of commissions, fees and other charges are set out in our Rate Card.

2.4.3 Planning for Education

We can provide advice on the most appropriate means of saving for education costs. As part of this exercise we will look at possible future education costs then consider the different means of saving for them. If you direct us to, we will also consider potential scenarios including death of the person saving, ill health etc and provide appropriate solutions.

2.4.4 Planning for Sickness and Incapacity

Through our protection planning service we will be able to provide you with advice and assistance to your health insurance and critical illness insurance. Killik & Co is not tied to any product providers so will act on your behalf in advising on any or all of the above from the whole of the market or a panel based on our assessment of the whole of the market.

2.4.5 Planning for Retirement

Through our Retirement Planning Service we will provide you with advice on your future pension provision and existing pension arrangements. If required, this can include advice and assistance in implementing new pension arrangements, transferring benefits and vesting pensions. This service utilises specialist staff who are qualified and regulated to provide pension advice.

2.4.6 Planning for Death

Through our Protection Planning Service we will provide you with advice in relation to the purchasing of life assurance according to your circumstances.

Killik & Co LLP is not tied to any particular product provider so will act on your behalf as your agent in advising you on the most suitable provider.

We cannot be responsible for inappropriate life assurance if we are provided with incorrect information. Killik & Co can also provide advice on IHT mitigation including through the use of Will Trusts and other vehicles. We are also able to provide a full Will writing service. We have a Trust Department involved in the establishment and running of Trusts.

2.4.7 Probate Plus BPR

We offer a service to Legal Professionals who are valuing and assisting in the distribution of estates, known as Probate Plus.

For the avoidance of doubt, transactions involving the sale of the assets of the estate are undertaken on an Execution-Only basis. In the case of Complex Instruments, we will not make an assessment of the appropriateness of any transaction on behalf of any Beneficiaries of the Estate. It is not our duty to ensure that the instructions we receive are in the Best Interests of the Estate and the Beneficiaries.

We will ask for a Sales Only Account Information Form to be completed, and you accept that this is authority for us to undertake a sale transaction or series of transactions for the Estate.

2.4.8 Wealth Management Service

Our Wealth Management Service provides a comprehensive means of optimising, protecting and managing your financial wellbeing through a single point of contact. This may include advice on investments, insurance, tax advice, estate planning, business planning and other financial needs. This service is personally tailored to your needs and may include a number of the fees and charges set out in our Rate Card. Your Killik & Co broker may refer you to Killik Chartered Financial Planners for this service.

The scope of financial planning advice from brokers in our branch network may be restricted to Killik & Co's own products and services. For whole of market financial planning advice, contact Killik Chartered Financial Planners.

2.5 Chartered Financial Planning

Killik Financial Planning LLP, trading as Killik Chartered Financial Planners, is an Appointed Representative of Killik & Co LLP, registered office 46 Grosvenor Street, London W1K 3HN, company no. OC338518. It is the specialist financial planning arm of Killik & Co and holds "Chartered Financial Planners" status awarded by the Chartered Insurance Institute (CII). The CII Code which members must adhere to can be viewed at www.cii.co.uk.

Scope & range

Killik Chartered Financial Planners (KCFP) is not tied to any particular product provider so will act on your behalf as your agent in advising you on the most suitable product and service providers to meet your needs.

Services

KCFP provide advice to individuals, businesses, professional advisers, expats and non-doms in the following areas:

- Wealth Management
- Retirement planning
- Planning for death, sickness or long term care
- Planning for education
- Employer/employee protection and benefits packages

This list is not exhaustive.

Wealth Management Service

This is a comprehensive service, taking account of all your personal and family financial interests, including retirement savings, mortgage issues and looking after your family after your lifetime. This service is personally tailored to your needs and may include a number of the fees and charges set out in our Rate Card.

Advice will be based on the information that you provide. KCFP does not accept responsibility for unsuitable or inappropriate advice resulting from its advisers being provided with incorrect information.

Costs

Our financial planning process consists of four stages: initial meeting (free of charge); research and preparation of outline recommendations/report; specific financial planning recommendations and implementation; and ongoing review of your investments. Fees are calculated on a case-by-case basis, depending on the work to be conducted, and this is always agreed before any charges occur. You will receive a full explanation of fees which may apply following your initial free of charge meeting. Fees may be subject to VAT. Fees are incurred once the agreed work is commenced regardless of the recommendations that result. If you instruct us to begin work and change your mind before completion, we reserve the right to charge you a fee based on our time spent up to that point.

Financial planning advice in many of the areas listed above may also be available from appropriately qualified advisers in the Killik & Co branches, however the scope of their advice may be restricted to Killik & Co's own products and services. For whole of market financial planning advice, contact Killik Chartered Financial Planners.

3. Administration and Control of your Investments

3.1 Administration

All instructions regarding the administration of your investments held by TDWCS on your behalf, or concerning your personal details such as change of name, address or any other material changes to your Account should be made in writing to us. We will not accept instructions from third parties unless a valid power of attorney has been established for this purpose.

From time to time we have to sell securities without a client's consent; for example following a de-merger which results in your holding being a non-qualifying ISA investment. We will endeavour to contact you but we may be forced to correct the situation and use our judgement if we receive no reply.

3.2 Third Party Dealing Instructions

You, or any person, whose authority has been previously notified to us, in writing, may give investment instructions concerning your portfolio. We may accept any instruction we believe, in good faith, to be from you, your agent, or any other third party authorised by you to act on your behalf, whether in writing, by telephone, email, facsimile or otherwise. Should investment authority be altered, suspended or revoked it is your responsibility to notify us immediately, and we cannot be held accountable for any loss resulting from your failing to do so.

3.3 Joint Dealing Accounts and Trust Accounts

You accept that in the event an account is held in joint names, then each account holder is jointly and severally liable. We may assume dealing instructions received from one holder of a joint account or one trustee in a trust account will be given on behalf of and with the knowledge of all holders or trustees of the account. Any action we take regarding such instructions will be binding on all of you. Any reference to 'you' shall be deemed to be any one or all such persons as the context shall require. Nondealing instructions, such as to change address or bank details or close the account must be in writing and requires the signatures of all joint account holders or trustees.

In the event of the death of one party of a joint account or a trustee please inform us immediately. Unless you notify us to the contrary, all property will be held for joint account holders as Joint Tenants. Joint Tenants own, jointly, the whole of the assets without any distinction between them regarding share of ownership. On the death of one of the tenants, the holdings in the account pass to the remaining tenant(s), who become automatically the sole owner(s) of the assets.

3.4 Dealing Instructions and circumstances where we will execute transactions without assessing suitability and/or offering advice

Dealing instructions should be made in writing or by telephone, however should you wish to give dealing instructions to your adviser in any other form, including by facsimile and email, we may accept such instructions, when we believe, in our absolute discretion, that these instructions originated from you. In the context of this clause Dealing Instructions may also include your instructions to take up a rights issue or elections relating to any other corporate event. You accept that we shall not be liable to you for any delay in responding to these instructions and you agree to indemnify us for any losses we incur as a result on reliance on such instructions. We reserve the right not to carry out any instruction for any reasonable reason, (whether legal, regulatory, reputational, appropriateness or otherwise) and that we are under no obligation to disclose that reason to you.

If you instruct us to place a trade that we did not initiate, then we reserve to deal for that transaction on a different basis than those we initiate and consider suitable for you.

1. If we reasonably believe, when you give the order for that transaction, that you are not expecting advice on the merits of an individual transaction then we may not proffer advice.
2. Where we believe that a particular instruction for a transaction is not in accordance with your specific risk objectives as advised to us, then we will inform you at that time and subsequently that we will execute your order only on an execution-only basis, which means that we do not make any assurances about suitability.
3. Similarly, if we have received a completed Customer Registration Form from you and you wish to give investment instructions before we have undertaken an assessment of your circumstances in order that we can give suitable advice, then we will undertake those transactions on an execution only basis. There may be circumstances where we will not be able to accept such an instruction.
4. If we do not believe that the transaction is appropriate for you or in your best interests, then we may refuse to execute the transaction.
5. Any holding purchased on an execution only basis where we have an investment management mandate will be disregarded for the purposes of asset allocation and suitability assessments. In such circumstances, we will make an assessment of whether the transaction is appropriate for you on the basis of your prior dealings with us.

3.5 Information on Collective Investment Schemes purchased for you

Please note we will not provide you with Key Features in respect of a regulated Collective Investment Scheme if:

- It is purchased by you on an execution only basis
- It is purchased by us, under one of our services where we are the manager of your investment.

Furthermore you agree that where we recommend or arrange, the sale of a scheme holding, and we are not exercising our discretion, we will not provide you with such information.

3.6 Aggregation of Orders

If we reasonably believe we can obtain a more favourable price for your orders, we may combine them with other orders instead of executing them separately.

3.7 Other Execution matters

You should note that, by signing our Client Registration Form, that you have given us express consent, where we consider it to be in your best interests, to execute your orders outside of a regulated market or multilateral trading facility. If your order is a limit order below the size criteria specified by the Markets in Financial Instruments Directive, in shares admitted to trading on a Regulated Market, you agree that we may exercise our discretion in determining whether it is appropriate to make public the order in a manner which is easily accessible to other market

participants and in doing so acknowledge that in some instances this means that your orders may not be shown to the market.

3.8 Stop Loss Orders

We will not accept instructions for stop loss orders except in relation to CFD or Spreadbet transactions conducted via our Derivative and Gearing Trading Services (see clause 2.1.4).

3.9 Restrictions

If you do not inform us of any investments, type of investment or market on which you do not wish us to recommend to you or execute a transaction on your behalf then we may recommend or purchase any investment, on any market.

It is your responsibility to inform us of, and comply with, any restrictions specific to you in respect of any instrument or pattern of dealing. However, we will endeavour to assist you in meeting any further regulatory or legal requirement that is imposed on you as a result of such a restriction as a result of, for example, your employment.

3.10 Responsibilities of a Client to report

There are a variety of circumstances which require a client to make disclosures, either to the market or to various regulatory authorities. Examples of such disclosures include the sale or purchase of shares during a takeover, a significant holding in a company, dealings in a listed company as a Director, or, more recently, holding significant short positions in a company undertaking a rights issue.

You accept that it is impossible for us to know the cumulative total of your positions, whether in paper form, in other nominee accounts or through derivative positions, either long or short.

For this reason we cannot accept the responsibility for making such reports, and you accept that this is your responsibility.

However, should you wish us to advise you on your reporting responsibilities, please ask your Broker and we will endeavour to assist you in making your report.

4. Our Products

4.1 SIPP

4.1.1 Provisions

This section sets out provisions governing the following services in respect of your membership -administration, share dealing, brokerage, advisory, discretionary management or such other services as may be agreed from time to time. Killik & Co Trustees Limited (incorporated under the Companies Act (registered number 03929253) and having its registered address at 46 Grosvenor Street, London W1K 3HN) is appointed as the first and sole Trustee. The Bank of Scotland is the Provider of the Scheme. We agree, on behalf of the Provider, to administer the Scheme as required by the Scheme Rules. Subject to the points set out immediately below, these Terms and Conditions, your SIPP Application Form, and the current Rate Card constitute a contract between you and us.

By signing the SIPP Application Form you are agreeing to these Terms and Conditions. These Terms and Conditions commence from the date that we receive and accept your correctly completed SIPP Account Opening documentation. Other services are available and are subject to additional Terms and Conditions.

4.1.2 Appointments

In respect of your SIPP, you agree and direct that the Trustee appoints us, and then that we appoint TDWCS, to carry out the respective services described in these Terms and Conditions. The appointments are made under these Terms and Conditions, save that the words "Killik & Co Trustees Limited" shall replace the word "you" where it is appropriate, given the nature of the SIPP and the duties of the Trustees thereof. Specifically, but without prejudice to the foregoing, you confirm that:

- We have your authority to engage TDWCS to provide settlement, safe custody, nominee and associated services to the Trustee in respect of your SIPP
- We have your authority to give instructions to TDWCS on behalf of your SIPP

You agree to the Trustee, in respect of your SIPP, being bound by the obligations to TDWCS as set out in these Terms and Conditions.

4.1.3 The Scheme

The Scheme is a Personal Pension Scheme, provided by the Bank of Scotland. It is a registered pension scheme under Chapter 2 Part 4 of the Finance Act 2004 under the reference 00605696RV.

4.1.4 Contributions

You and/or your Employer may make Contributions in a particular Tax Year providing you remain eligible to do so. Regular Contributions may be

payable by Direct Debit Mandate. Lump sum Contributions by the Member, including Contributions for Members paid by someone else other than the Employer of the Member may only be paid by cheque, made payable to "Killik & Co Trustees Limited SIPP re. (insert your name)". All such Contributions must be sent to Killik & Co at Crown House, Crown Street, Ipswich IP1 3HS. You make Contributions as if the payment had been taxed at the basic rate and not the full amount of the Contribution. We will arrange to recover the difference from the HM Revenue & Customs on your behalf and apply it to your SIPP. You should allow seven to eleven weeks for the monies to be reclaimed. Members of the Scheme who pay tax at a higher rate can claim the balance of the relief from your tax office. This rule does not apply to your Employer who must make Contributions at the gross amount. We will not advise on the amount of tax relief that may or may not be claimed from HMRC – this remains the responsibility of the member.

Contribution Limits

The maximum annual amount which can be contributed to your Pension is as follows

Tax year	Amount
2009/10	£245,000
2010/11	£255,000

Please note that only an amount equivalent to your relevant UK taxable earnings will attract UK tax relief at the basic rate. If you do not have relevant UK earnings and are a UK resident you can contribute up to £3,600 (gross) in any one tax year.

Contributions in Specie

Subject to our agreement on each occasion and any HMRC requirements, a contribution may be paid by a transfer to us of assets. The terms of any such transfer, including the payment of costs, will be as agreed between you and us.

Contributions in excess of annual earnings

If you have made contributions in excess of the amount on which you are entitled to tax relief, we may agree to repayment of the excess contributions to you, provided that sufficient funds are available in your SIPP and any amounts due to be repaid to HMRC have been repaid. If you have taken benefits or transferred out you agree to indemnify and keep us indemnified in respect of any tax due to HMRC as a result of the above.

4.1.5 Benefits

(a) Administrative Costs and Expenses Any Contributions and their proceeds under the Scheme must be used to provide benefits in accordance with the Scheme Rules. Administrative expenses of the Scheme and commission costs may be paid from the Contributions and their proceeds.

(b) The Pension Date

The Pension Date must not normally be before you reach the age of 50 and must not be later than the date that you reach the age of 75. The Pension Date will change to the age of 55 with effect from 2010. The Pension Date may, in exceptional circumstances, be before you reach the age of 50. Benefits will only be paid before you reach 50 if this is permitted by the Scheme Rules. Current legislation no longer obliges you to take out an annuity at age 75. You may elect to take Unsecured Pension from the age of 50 (55 from 2010) until your 75th birthday. At this date you are obliged to elect for one of the following:

- Purchasing an annuity with your total fund value
- Electing for Alternatively Secured Pension which has a lower rate of withdrawal than Unsecured Pension.

(c) Phased Pension Fund Withdrawal (Unsecured Pension Only)

Members requesting income drawdown or phased pension fund withdrawal from the SIPP must take appropriate financial advice or be validly regarded by Killik & Co as capable of understanding the implications of the actions before instructions can be implemented. Phased pension fund withdrawal is where the Scheme is divided into a number of segments, each of which can be used to provide pension fund withdrawal independently of the other segments.

(d) Annuity

You have the right to choose any insurer to provide your annuity but you must notify us, in writing, of your choice. If you do not notify us of your choice of insurer by the latest date permitted the Trustee will choose an insurer on your behalf for purchase of your annuity.

4.1.6 Investment of Contributions

You may direct how Contributions or any other monies in your SIPP are invested. In default of you giving any direction, the Trustee is obliged to invest your SIPP investment includes cash. In no circumstances shall either the Trustee or we be obliged to monitor or account for the investment performance of your SIPP.

4.1.7 Transfers In

You may arrange for a transfer of benefits from other registered pension schemes into your SIPP. These may include amongst others transfers from

other personal pension schemes including stakeholder pension schemes, occupational pension schemes and retirement annuity contracts.

The administrator or trustee of the other scheme must transfer the funds directly to your SIPP account or the transfer should be executed through a financial intermediary who is acceptable to both Killik & Co and you. Transfer values may be in the form of either cash or assets, providing those assets are permitted and that the transferring scheme is able and willing to transfer in specie.

Instructions to transfer funds into the Scheme from another scheme must be received in writing. You are aware and accept that the timescales for completing transfers into the SIPP are commonly outside our control.

The scheme cannot be used for contracting out of the State Second Pension (S2P) but can accept the transfer of Protected Rights Pensions.

Please note that if accumulated Protected Rights pensions are transferred to the scheme then you are automatically contracted back into the State Second Pension (S2P).

4.1.8 Transfers Out

You have the right to leave the Scheme and transfers out will be accommodated, subject to compliance with HM Revenue & Customs Regulations and payment of the appropriate transfer out fee as may be applicable from time to time. Instructions to pay transfer values out of the Scheme to another scheme must be received in writing.

4.1.9 Tax Relief

The tax reliefs referred to in these Terms and Conditions are those available based on our interpretation of current legislation and may vary with future legislative changes.

4.1.10 Liability and Indemnity

In accepting these Terms and Conditions you agree to indemnify Killik & Co Trustees Limited, its employees and agents, Bank of Scotland, Killik & Co and TDWCS against all costs, claims, expenses, demands and losses whatsoever that Killik & Co Trustees Limited, its employees and agents, Bank of Scotland, Killik & Co and TDWCS may suffer or incur in exercising their lawful duties and responsibilities in relation to your SIPP. This indemnity will remain in force notwithstanding that you transfer your benefits out of the SIPP or retirement/death benefits are paid in respect of you under the Scheme.

None of Killik & Co, Killik & Co Trustees Limited, Bank of Scotland or TDWCS shall be liable for any losses caused by the acts or omissions of any person beyond the control of any of them including but not limited to industrial disputes, the act or Regulations of any Governmental or other body, breakdown, failure or malfunction of any telecommunications or computer equipment or service. We point out to you that email messages may not be secure and may be intercepted by third parties. We therefore advise you not to use email to send confidential information or communications, which require our immediate attention. Our services are subject to legislation and regulation in the United Kingdom. Our services are therefore primarily marketed and targeted at consumers in the United Kingdom. None of Bank of Scotland, Killik & Co, Killik & Co Trustees Limited or TDWCS shall be liable for any financial loss suffered by you unless this results from the negligence, fraud or wilful default of, respectively, Killik & Co Trustees Limited, Bank of Scotland, Killik & Co or TDWCS or from breach by any of them of applicable laws and Regulations.

4.1.11 Notice

Any notice given under the Agreement must be in writing. Any notice provided by us to you will be delivered by registered post to the address which we have on our records for you. It is your responsibility to notify us of any change to your address. Any notices which you send to us must be sent to Killik & Co LLP, Crown House, Crown Street, Ipswich IP1 3HS. Unless it is returned to the sender undelivered, a notice sent by registered post is treated as having been served on the third working day after posting whether it is received or not.

4.1.12 Cancellation Rights

You have a right to cancel your SIPP within the first 30 days. You will receive a 'Right to Cancel Notice' shortly after your SIPP has been set up. If you cancel your SIPP, we will return your funds to you. The amount you receive will be the full value as at the date of cancellation less any transaction charges and fall in the value of the underlying investments due to market fluctuations. Cancelling the SIPP will have the effect of automatically cancelling any underlying investment purchases already made within the SIPP.

In addition, each time that you apply to transfer an existing pension scheme you have the right to cancel the transfer. You can cancel each transfer separately up to 30 days after you receive our reminder. If you elect to cancel a transfer, we will try to return the full value of the transfer payment at the cancellation date to the original pension provider, less any fall in the value of the underlying investments due to market fluctuation. This is because cancelling the transfer payment will have the effect of automatically cancelling any underlying investment purchases already

made within the SIPP using the transfer money. The transferring scheme may not be willing to accept the transfer back. In this situation you may request a transfer to another pension provider.

4.1.13 Other Matters

The SIPP is not an insurance policy and hence is not subject to the Policyholders Protection Act. Any investments you make within the SIPP will be subject to the protection afforded under the rules of the Financial Services Authority Compensation Scheme (FSCS). Details of the FSCS are available from the FSA website. The Trustee may delegate some or all of its duties to a third party and if so the third party will be entitled to such indemnities as provided for by you to Killik & Co Trustees Limited as if Killik & Co Trustees Limited were carrying out those duties directly. Further information can be obtained from the Scheme Rules. A copy of the Scheme Rules and any amending Deeds as may be executed from time to time is available to you following your written request. Charges will be deducted from the SIPP account unless otherwise agreed.

4.2 ISAs

With effect from 6th April 2008, all PEPs were reclassified as ISA accounts, in line with the changes announced by HM Treasury in December 2006.

4.2.1 Registration

Your ISA must be, and must remain in, the beneficial ownership of you, the investor, and must not be used as security for a loan. Except for cash deposits in cash ISA's, the title to the ISA investments will be registered in the nominee company of TDWCS or as Killik & Co my direct.

Share certificates or other documents evidencing title to ISA investments will be held by TDWCS or as Killik & Co my direct.

4.2.2 Company Reports

We will arrange, if you so elect, for you to receive a copy of the annual reports and accounts issued by every company or other concern in respect of shares, securities or units which are held directly in the ISA and except for cash deposits/National Savings products in cash components we have an obligation to arrange, if you so elect, for you to be able:

- To attend shareholders', securities holders' or unit holders' meetings
- To vote
- To receive, in addition to the annual report and accounts, any other information issued to shareholders, securities holders or unit holders

4.2.3 Delegation of Functions

If we delegate any of our functions or responsibilities under these terms we will ensure that the designated person is competent to carry out those functions and responsibilities. We will notify you if, by reason of any failure to satisfy the provisions of the ISA Regulations, an ISA has, or will, become void.

4.2.4 Opening an ISA

To open an ISA account, we must be in receipt of a signed and completed ISA Application Form, together with your personal cheque payable to "TDWCS" for any amount up to the subscription allowance. Please note: Incomplete application forms will be returned to you.

Please note, the amount that you invest in your ISA depends on the type of ISA that you select. Your total ISA investment in any tax year must not exceed the limits that apply to the type of ISA that you have selected. Your choice of ISA also affects your ability to invest in other ISAs. Whether you subscribe to either a Stocks and Shares ISA alone, or to both a Cash ISA and a Stocks and Shares ISA in the same tax year, you must not exceed the overall annual subscription limits.

Shares received through a public offer for sale will not be eligible for a transfer in specie into ISAs.

Interest paid on the cash in a Stock and Share Component ISA will be credited gross but is subject to a flat rate charge (currently 20%) payable to HM Revenue & Customs and deducted by our agents.

We will not reclaim tax on Foreign Dividends paid into ISAs.

4.2.5 Transfer of ISAs

If you wish to transfer an ISA to another approved manager willing to accept the transfer, we will aim to complete the transfer within 30 days of receiving your written instructions. We generally make no extra charge when receiving plans from other managers, but reserve the right to do so. Please see our Rate Card for charges on transfers to other Plan Managers. Transfers of stock in certificated format will be liable to an additional charge for stamp duty. We are able to make and accept partial transfers of ISAs and we are able to receive transfers of ISAs in cash or in specie. Where a transfer is received in cash, our normal dealing commissions will apply when that cash is reinvested.

4.2.6 ISA Management

We will make claims, conduct appeals and reach agreement on your behalf for tax reliefs. Please note we will not reclaim any overseas tax deducted on non United Kingdom qualifying investments that maybe held in your ISA

from time to time. We shall ensure that TDWCS and any other agents or third parties to whom such responsibilities and other functions are delegated are competent to carry them out. We will also inform you if an ISA becomes void through any failure to meet the HM Revenue & Customs' ISA Regulations. If a previously qualifying investment should no longer qualify, Killik & Co will propose selling the investment and reinvesting in the account, or transferring it out of the account. The same applies to warrants (other than those arising through an investment trust public offer for sale).

4.2.7 ISA Closure

On your instructions, an ISA or part of such ISA, may be transferred to another plan manager and also on your instructions all or part of the investments held in the ISA and proceeds arising from those investments shall be transferred or paid to you. We will aim to complete closure requests within 30 days of receiving your instructions. There is no charge for partial withdrawals of cash. Partial cash withdrawals shall be treated as capital (i.e. not interest) under HM Revenue & Customs Regulations. Please see our fees and charges for details. When liquidating an ISA before transferring the cash proceeds, normal commission rates apply.

4.2.8 ISA Termination

An ISA automatically terminates when the plan holder dies. Any tax claimed back from a dividend received after that date must be repaid. The ISA will be valued for probate as at the date of death, and dealt with as instructed by the executors. The firm may terminate a plan at our discretion if, in our opinion, new statutes or regulations make its continuation impracticable. We shall not be responsible for any loss that results.

4.2.9 HM Revenue & Customs Regulations

The management of your ISA shall be subject to the Rules and Regulations of the HM Revenue & Customs. In the event of a dispute regarding the terms of this agreement and HM Revenue & Customs Regulations, the HM Revenue & Customs Regulations shall be overriding.

4.2.10 Right to Withdraw

You accept that in the case of a non packaged product ISA you forego your right to cancel or withdraw.

4.3 Child Trust Funds (CTFs)

Our CTF is a Non Stakeholder Account.

4.3.1 Establishing a CTF Account

This section of these Terms and Conditions comes into force when your CTF Application Form is accepted and validated. We will open the CTF Account only when we have received a voucher and when all the necessary requirements are met, this will depend on your type of application. The CTF becomes active once we have received the CTF voucher and the right to cancel period has expired.

4.3.2 Charges

The Registered Contact acknowledges receipt of a Rate Card which may be varied by us upon notification in writing.

4.3.3 Subscription Limit

The total amount you invest in the CTF Account in any one Birthday Year cannot exceed the investment limit for that Birthday Year as defined in the Treasury Regulations. Where a cash investment would breach the investment limit for a Birthday Year we will refund the excess to the individual who has made the payment. Any refund will be subject to completion of any money laundering prevention requirements. You, family, friends and the child may put in the maximum sum, as stipulated from time to time by HM Revenue & Customs, into a CTF in any subscription year. This is in addition to the money the child will receive from HM Treasury.

4.3.4 Title

The CTF investments shall be in the beneficial ownership of the child. The CTF cannot be transferred to another person(s).

4.3.5 Access

Only the child will have access to the money and this will be 'locked in' until they reach 18. At age 18, the CTF will mature and will automatically convert into an ISA account, and the child will be entitled to the benefits - he or she will be able to take the proceeds or, if available, we will offer them the chance to reinvest the proceeds in a suitable investment. The registered contact may be allowed early access to the CTF if the child becomes terminally ill.

4.3.6 Void CTF Accounts

We shall notify the responsible person, if by reason of any failure to satisfy the provisions of the CTF Regulations, the CTF has or shall become void. Where you believe that a breach of the CTF Regulations has occurred, you should contact us immediately with the details. Where an account is in breach of the CTF Regulations, the account may relinquish the right to any tax credits.

4.3.7 Transfer Out

At your written request, we will transfer the CTF to another CTF provider, without the loss of tax status in line with the current CTF rules. Transfers out will be made in cash.

4.3.8 Closing an Account

If we decide to cease to act as a CTF Account Provider, we shall give you at least 30 days' notice in writing. During this notice period you will need to transfer to another Child Trust Fund Provider.

4.3.9 Death

The tax exemptions of the CTF Account cease in the event of the Child's death. When we are informed of the Child's death, the Account will close and no further tax benefits shall accrue. The proceeds of the CTF Account will be payable to or at the direction of the Child's legal personal representatives once they have established their title to payment.

4.3.10 Terminal Illness

If your child becomes terminally ill, you may make a claim to HM Revenue & Customs to be allowed access to the funds within the child's CTF. You will be able to make withdrawals of cash from the CTF Account for the benefit of the child if you have received a letter from HM Revenue & Customs authorising that such withdrawals may be made.

4.3.11 Amendments

Whilst the CTF is active, if there is any change in law, regulatory requirements or taxation affecting us or the CTF, or if there is any change in circumstances which in our opinion makes it impossible or impractical to carry out one or more of these Terms and Conditions, then we may make reasonable amendments to these Terms and Conditions as we reasonably consider appropriate, subject to giving at least one month's written notice to you.

4.3.12 Liabilities

The value of the CTF Account can go down as well as up and this investment risk is yours. The degree of risk attached to any particular investment may vary and investors may not realise the value of their initial investment/subscription. You will appreciate that all investments involve a degree of risk to your capital and you are accepting this by deciding to make investments. It must be noted that information concerning past performance is not a guide to future performance.

4.3.13 Permitted Investments

Currently the permitted investments within a CTF are broadly similar to those for ISAs. Please ask your Broker for details. The range of permitted investments is subject to change with future legislation. We retain the right not to permit any investment which conflicts with these or future permissible investments within the CTF at our absolute discretion.

5 Regulatory Matters

5.1 Regulatory Status

Killik & Co is a trading name of Killik & Co LLP, a limited liability partnership authorised and regulated by the Financial Services Authority and is a member of the London Stock Exchange. Registered in England and Wales No. OC325132. Registered office: 46 Grosvenor Street, London W1K 3HN. A list of Partners is available on request.

You can check our regulated status on the FSA's Register by visiting the FSA's website www.fsa.gov.uk/register or by contacting the FSA on 0845 606 1234.

TDWCS LLP is registered in England and Wales, registered number OC301316. Authorised and regulated by the Financial Services Authority (FSA registered no. 214206). Member of the London Stock Exchange. Registered office: Exchange Court, Duncombe Street, Leeds LS1 4AX.

The address of the Financial Services Authority is The Financial Services Authority (FSA), 25 The North Colonnade, Canary Wharf, London E14 5HS.

5.2 Pension Advice: Services & Costs Disclosure

This section is intended to explain key facts about the pension advice service we offer and how you will pay for it. It is a regulatory requirement to disclose this information. We have chosen to include this information here and you will not receive a separate Services & Costs Disclosure Document.

5.2.1 Scope & Range

You should be aware that, unless you are seeking advice from Killik Chartered Financial Planners, when you speak to us about pensions we will only be selling our own product, the Killik & Co SIPP, and that this is the only pension product we offer. We do not operate a stakeholder product.

If you seek advice from our appointed representative, Killik Chartered Financial Planners, this will not be limited to Killik & Co products, but will consider products across the whole of the market. Please refer to Section 2.5 for Killik Chartered Financial Planners' Terms & Conditions.

5.2.2 Services

We will advise and make a recommendation for you after we have assessed your needs.

5.2.3 Costs

In most cases, unless specified, we will not charge a fee for the initial advice we provide regarding the SIPP. However, in all cases we will receive remuneration from our normal dealing commissions, management charges and custody charges, which will apply to investments purchased within the SIPP. These will vary in amount dependent on the type of investment service provided, the amount and the asset type. For further details refer to our rate card. We may also receive ongoing commissions for certain collective investments held within the SIPP. Further details are available on application.

In some circumstances where a more complex pension transfer review is required, we may charge a fee. If a fee is charged it will be computed on a time spent basis, subject to a minimum of £250 or as amended from time to time. The fee will be discussed and agreed with you in advance on a case by case basis.

5.3 Client Identification

The Money Laundering Regulations require all financial institutions to verify the identity of their clients. We endeavour to make this process as simple as we can. We may need to make certain inquiries and obtain certain information from you for that purpose. You confirm that all information you supply will be accurate and accept that we may need to pass this information to a third party to comply with our reporting requirements. Accordingly, we require you to provide us with certain information as shown on your passport, driving licence or other acceptable form of identification and utility bills. We shall notify you at the time the account is opened of the information required. This will usually be sufficient to satisfy our obligations under the regulations. However, depending on your residence, or the results of our electronic checks using third party data sources, further information may occasionally be required. Additional requirements may also apply to Corporate and Trust clients. Details of these requirements can be obtained from your adviser. From time to time it may be necessary for us to request further identification information in order to fulfil our obligations under the Money Laundering Regulations, such as when considerable time has passed since the inception of your account, or when further information is required by a third party supplier to open a facility or additional service. Failure to provide the requested information may mean that we cannot proceed with opening an account or such a further service for you. We may seek to re-verify your identity periodically using electronic methods and without further reference to you.

The Money Laundering Regulations 2007 require us to verify the identity of Trust beneficiaries that have an interest in at least 25% of the capital of the trust property or who exercise control over the Trust. Should you be acting as a Trustee of the Trust, you will be responsible for notifying us of any changes to beneficiaries or their interests in the trust that result in them exceeding the 25% threshold and triggering the requirement for us to verify their identity. In addition, you agree to notify us of any changes in control over the Trust, for example the appointment of new trustees.

5.4 Marketing, Uninvited Calls and Call Recording

We will send you details of our new products, which we believe, may be of interest to you. If you have provided us with your email address we may provide information to you in this format. If you do not wish to receive marketing information or, if your details change, please notify us in writing.

You accept that the nature of the relationship described in these Terms will envisage our calling you from time to time, and that you accept that we consider between 8am and 9pm to be appropriate times of day to contact you. If you disagree with this, please instruct us in writing.

We may contact you on any telephone number provided by you to us, including unlisted numbers. All telephone calls may be recorded and you accept that we may rely on these recordings in the event of a dispute.

5.5 Periodic Statements, Valuations and Contract Notes

All clients will receive quarterly statements detailing all transactions and holdings held in custody with us at TDWCS. For clients operating any managed service or Advised Portfolio Service you will also receive half yearly valuations.

Valuations provide details of all stocks and cash held in TDWCS custody and all other holdings notified to us. They contain details of income received, stock commentary and a market update. Valuations can also be prepared to provide an overall view of linked accounts. Valuations can be provided to advisory dealing clients, for which there is an additional charge.

We will despatch a contract note by the close of the business day after we have executed a transaction on your behalf. You must notify us within five business days, from the date of contract, of any query in respect of

contract notes. If we do not hear from you then we shall assume that you are in agreement with the contents of the contract note. If you receive a contract note for a trade conducted without your authority, or following your instructions to enter into a transaction you fail to receive a contract note within three business days, you should notify your Broker immediately.

5.6 Complaints Procedure

If you are dissatisfied with the services we have provided under this agreement, Killik & Co are keen to hear from you in order that we may improve our service and monitor the outcomes for our clients. If you are dissatisfied with any aspect of our service, you may raise it with your Broker in the first instance or if you prefer, please contact the Partner Responsible.

If you remain dissatisfied, please write to:
The Compliance Officer,
Crown House,
Crown Street,
Ipswich,
Suffolk
IP1 3HS.

Or Telephone: 020 7337 0400

If you cannot settle your complaint with us, you may be entitled to refer it to the Financial Ombudsman Service for their independent consideration.

While we are happy to deal with complaints about the service provided to you by TDWCS, if your complaint concerns an aspect of the service provided to you by TDWCS and you prefer to raise a complaint with them directly, you should contact them at:

The Compliance Officer,
TDWCS LLP,
Canterbury House,
85 Newhall Street,
Birmingham,
B3 1LH.

If you choose to contact TDWCS directly please send Killik & Co copies of any correspondence with TDWCS so we can monitor the performance of their duties under this contract.

Both TDWCS and ourselves will endeavour to resolve your complaint as quickly as possible.

5.7 Financial Services Compensation Scheme

Killik & Co and TDWCS participate in the Financial Services Compensation Scheme, which, subject to certain exceptions, provides limited compensation in respect of eligible liabilities if either of us are in default. This scheme currently covers eligible investors (as defined by the FSA) for 100% of the first £30,000 of a valid claim plus 90% of the next £20,000, up to a maximum payment of £48,000. Further information can be obtained from the FSA or the Financial Services Compensation Scheme.

5.8 Agency Status

We act as your agents, and have no ties to particular product providers. As such, we are able to provide advice on packaged products from the whole of the market. We may receive trail commission from some product providers. More details about how we advise on packaged products is contained within our Research policy, which we referred to above.

5.9 Confidentiality, the Data Protection Act, and Record retention.

Killik & Co, Killik Chartered Financial Planners, or TDWCS may use, store or otherwise process personal information provided by you or us in connection with the provision of our services for the purposes of providing the services, administering your account or for purposes ancillary thereto. In relation to the Killik & Co SIPP, personal information provided by you may be disclosed to Killik & Co Trustees Limited (as trustee of the SIPP) and Bank of Scotland (as provider of the SIPP) also to assist with administering your membership of the SIPP.

The information we hold about you is treated as confidential and will not be used for any purpose other than in connection with the provision of our services. Such information will only be disclosed in the following circumstances:

- Where required by law or if requested by any regulatory authority or exchange having control or jurisdiction over us or TDWCS (or any respective associate)
- To investigate or prevent fraud or other illegal activity
- To any third party in connection with the provision of services to you by us or TDWCS
- 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
- If it is in the public interest to disclose such information
- At your request or with your consent

Please be advised that, by signing your Application Form, you will be consenting to the transmittal of your data outside of the EU/EEA. In accordance with Data Protection legislation, you are entitled, on payment of a prescribed fee, to a copy of the information TDWCS, Killik & Co LLP, Killik Chartered Financial Planners or Killik & Co Trustees Limited hold about you. In the first instance, you should direct any such request to us. You should let us know if you think any information we hold about you is inaccurate, so that we or TDWCS may correct it. However, in accordance with legal and regulatory requirements, both TDWCS, Killik & Co LLP, Killik Chartered Financial Planners and Killik & Co Trustees Limited will retain your records, for a minimum period of six years following the termination of any relationship between us. This period may be extended by force of law, regulatory requirement or agreement amongst us.

Recordings of telephone conversations may be retained for longer.

Therefore, we cannot assent to a request to destroy or delete any record pertaining to yourself unless we or TDWCS are required to do so by force of law or other regulatory requirement.

In respect of Shareowner services, we act as the data controller, and appoint an external data processor, of your personal data.

If you subscribe to the Shareowner service, you grant to us, and we grant in turn to the external data processor, the right to disclose and transfer your personal data to the Companies in which you hold voting rights and/or their agents. By using this service you grant us all necessary consents to transfer such data and to permit processing of your Personal Data for the purposes of providing the Services.

- The external data processor has warranted to us that it shall process such data only on our behalf and in compliance with our reasonable instructions and the applicable data protections laws,
- that it has implemented appropriate technical and organisational security measures for processing such data;
- that these measures are appropriate to protect such data against accidental or unlawful destruction or accidental loss, alteration, unauthorised disclosure or access, in particular where the processing involves the transmission of data over a network, and against all other unlawful forms of processing; and
- that these measures ensure a level of security appropriate to the risks presented by the processing and the nature of the data to be protected having regard to the state of the art and the cost of their implementation.

If you have any questions or concerns about the transmission of your personal data please contact us and ask to speak to our Data Protection Officer.

6. Governing Law and Variation of these Terms, and the TDWCS Agreement

Killik & Co LLP (the Firm) has entered into an agreement on behalf of ourselves and each of our clients with TDWCS LLP (TDWCS) in which TDWCS has agreed to provide settlement, custody, nominee and associated services for our clients. The current Terms and Conditions of TDWCS and the principal terms of the agreement with it ("the TDWCS agreement") are summarised below. Under these Terms and Conditions, you agree that:

- Killik & Co LLP (the Firm) is authorised to enter into an agreement with TDWCS (the TDWCS Agreement) on your behalf as your agent on the terms summarised below (and such additional terms as it may determine)
- Killik & Co LLP is authorised to give instructions to TDWCS and to agree any subsequent amendments to the TDWCS Agreement on your behalf
- TDWCS is authorised to transfer cash or investments from your account to meet your settlement or other obligations to TDWCS
- The warranties and indemnities you give in these Terms and Conditions are given to both us and to TDWCS.

Under the TDWCS Agreement you will remain a customer of the Firm but will also become a client of TDWCS for settlement, safe custody and nominee purposes only. The firm retains responsibility for compliance and regulatory requirements regarding its own operations and the supervision of your account. In particular, the Firm remains responsible for approving the opening of accounts, money laundering compliance, accepting and executing securities orders, assessing the suitability of transactions when it has a duty to do so, providing any investment advice to you and for our ongoing relationship with you. TDWCS neither provides investment advice nor gives advice or offers any opinion regarding the suitability of any transaction or order. You should direct all enquiries regarding your account to Killik & Co and not to TDWCS. TDWCS will not accept instructions from you directly, but may correspond to you in respect of any queries or complaints about their service. TDWCS reserves the right to refuse to hold any securities on your behalf in its safe custody and nominee service. Joint account holders will be jointly and severally liable to TDWCS and TDWCS 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.

For the avoidance of doubt TDWCS will not provide you with advice in relation to the suitability of the SIPP for your particular circumstances, the level of Contributions to be paid into your SIPP, whether or not to transfer your existing pension benefits into your SIPP, the suitability of any investments you may wish to buy or sell, whether to retire and if so whether to elect for income withdrawal or annuity purchase or any other matters relating to tax or financial services whatsoever.

6.1 Liability and Indemnity

In accepting these Terms and Conditions you agree to indemnify Killik & Co LLP and TDWCS and our respective partners, directors, officers, employers, consultants and agents against any cost, loss, liability or experience (including legal costs) incurred by us and/or them directly or indirectly in connection with or as a result of the provision of its services in relation to your account, for any breach by you of the provisions of this agreement or the TDWCS Agreement or any failure to make delivery or payment when due. Neither Killik & Co nor TDWCS shall have any liability for any circumstance or failure resulting from any event or state of affairs beyond the control of TDWCS or Killik & Co including, without limitation, any failure of communication or computer systems or equipment or the suspension of trading by an exchange or clearing house. Furthermore we shall not be liable for any losses you incur if we fail, interrupt or delay in performing our obligations under this agreement in order to avoid damage to either Killik & Co or TDWCS employees, property or reputation. Neither Killik & Co or TDWCS shall be liable for loss arising other than as a result of its own negligence or wilful default or contravention of the FSA rules and, in any event, will not be liable for any indirect or consequential loss (including loss of profit) and TDWCS shall have no liability for any market or trading losses you may incur.

6.2 Assignment

Your acceptance of these Terms and Conditions is personal to you and your personal representatives and your rights and obligations may not be transferred or assigned to any third party without our prior written agreement. We may assign our rights and obligations as set out in these Terms and Conditions under this Agreement to any person connected with us or to any successor company on giving written notice to you to that effect.

6.3 Illegality

If any provision of these Terms and Conditions or any part thereof shall become or be declared illegal, invalid, or unenforceable for any reason whatsoever, such term, provision or part shall be divisible from these Terms and Conditions and shall be deemed to be deleted from these Terms and Conditions, which shall remain in force otherwise.

6.4 Governing Law and Jurisdiction

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

6.5 Variation

You accept that Killik & Co and TDWCS may change or add to any of the Terms and Conditions. In the event of any variation or amendment of the agreement we will send you a written notice of the change or addition which shall include the date from which the change or addition shall be effective from. Please note that we shall not give you less than 10 business days notice of any amendments, unless it is impractical to do so. You are deemed to have consented to any alteration that may be effected by these Terms and Conditions if we do not receive notification otherwise from you, in writing, within the time that the changes were notified to you and their coming into effect.

6.6 Death

In the event that you should die whilst a client of Killik & Co LLP your account will be suspended and we may close any open position, which carries a future contingent liability. The account will continue to incur custody charges until it is closed. No instructions over any account will be accepted until the title of your personal representatives to the account has been established at which point your personal representatives may instruct us to sell, transfer or otherwise dispose of your assets.

6.7 Account Closure

Both you and Killik & Co have the right to close your account with us. Such closure will be without prejudice to the completion of transactions already initiated. If you wish to close your account you should notify us, in writing, of your intention to do so. We will act upon your request as quickly as possible, however, the process can take some time, as dividends or tax credits can potentially continue to accrue for a time, resulting in additional small payments to either yourself or your new provider. All custody and management charges applied to your account during the closure period will be refunded to you and these will be visible on your final account statement at the end of the period. Should any further activity take place on your account, we will supply you with additional statements.

Should we wish to terminate this agreement we will give you 28 days notice of our intention to do so. We are not obliged to give you a reason for our decision to close your account. All applicable fees and charges, including transfer charges, will remain payable unless agreed otherwise with you in writing.

6.8 Cancellation

You may cancel an agreement for any of our services within 14 days of commencement irrespective of any rights under the Distance Marketing Directive. Such notice of termination must be in writing and we will return to you your money or assets held by us. You should be aware that any reasonable out of pocket expenses, e.g. relating to the transfer of securities, will not be refunded. Also, if any investment transactions have been carried out, you will be liable for any price movement unless it involves a product which carries a right of cancellation which may apply.

Termination will be without prejudice to any outstanding transaction, or any legal rights or obligations which may have already arisen and will, in all cases be subject to the closing of outstanding transactions by the delivery of certificates, documents and/or other papers and/or payment of any sums due.

Settlement

6.9 Settlement of Transactions

Cheques should be made payable to TDWCS. We also accept payments by BACS, CHAPs and Debit Card. We will only accept payments by Debit Card once your account has been operative for three months and subject to our daily limits as amended from time to time.

Payments should be made from an account in your own name. It is our policy not to accept third party funds and such payments may be rejected.

All transactions will be due for settlement in accordance with market requirements (as shown on the relevant contract note or advice). You undertake to ensure that TDWCS will receive all cash and securities when due with respect to any transaction which it is to settle on your behalf and warrant that all cash or investments held by, or transferred to TDWCS will be and remain free of any lien, charge or encumbrance. All payments due to TDWCS will be made without set off, counterclaim or deduction. All cash and investments held or transferred to TDWCS (or its nominees) will be subject to a first fixed charge by way of security for your obligations to TDWCS. It is your responsibility to ensure that all money due to us and all documents are received by us or TDWCS by the due date to enable settlement of a transaction we execute on your behalf.

6.10 Late Settlement

If you fail to pay an amount due to TDWCS or ourselves, on an ordinary dealing account, interest will be payable by you at a rate of 15% over Barclays Bank PLC Base Rate as from the due settlement date. This interest rate will be applicable to all debits arising on your account. All securities must be under the control of TDWCS or held by acceptable third party custodians. Late delivery by any such custodian may incur charges.

6.11 Non Standard Settlement

We shall not be liable for any price variance relating to transactions requiring non standard settlement.

6.12 Currency Risk

All currency exchange risk in respect of any transaction in overseas investments shall be borne by you. The default currency for accounts is Sterling (GBP) and transactions will be settled in GBP unless you give us a specific instruction otherwise.

6.13 Rights Issues, Takeovers, etc.

Where your investments are held by TDWCS in a nominee account, you authorise us and we shall have full discretion to act or refrain from acting on any matters arising in connection with your account. This shall include, but is not limited to, instructing TDWCS as to:

- the take up of any rights issues
- the exercise of conversion or subscription rights
- Dealing with takeovers or other offers or capital changes
- Exercising voting rights.

We will endeavour to exercise these rights in your best interests, however we shall not be liable for any failure to do so. If you subscribe to the Shareowner service, separate terms apply.

6.14 Foreign Dividends

We will not automatically reclaim tax on Foreign Dividends received on investments held with us. Please contact your broker if you think that a tax reclaim may be possible and we will endeavour to assist you with your claim.

6.15 Certificated Holdings

Certificated holdings need to be transferred into a nominee account prior to sale in order to meet settlement deadlines. This may result in a delay in effecting the sale. We will not be liable for any loss suffered by you as a result of a delay in effecting the sale.

6.16 Your Money

For all accounts a statement confirming the initial value and composition of your portfolio will be issued as soon as possible after all stocks and cash have been transferred or upon transferring to the service you have selected.

6.17 Trust Status

Your money will be held by TDWCS as client money, in accordance with the rules of FSA, which among other things, require it to hold your money in a client bank account, established with statutory trust status. Your funds will therefore be segregated from TDWCS's own funds at an approved bank, as defined in the FSA Handbook. The approved bank may hold such money with other clients' money in a pooled account in the name of TDWCS A/C Client. This means that client money is held as part of a common pool of money, so you do not have a claim against a specific sum in a specific account; your claim is against the client money pool in general.

6.18 Foreign Currency

Client money in a foreign currency may be held in the country of origin, or the Pound sterling equivalent protected in a United Kingdom bank. Money held in the country of origin will be held by an approved bank or depository, even though in a small number of countries, that bank or depository has failed to acknowledge that clients' funds will be afforded trust status, and as such has not accepted that it has no right of set off or counterclaim against money held in that client account, in respect of any sum owed on any other account of TDWCS.

The legal and regulatory regime applying to such an approved bank or depository will be different to that of the United Kingdom. In the event of a default or failure of that foreign bank or depository, your money may be treated differently to the way in which it would be treated if it were held at an account in the United Kingdom.

6.19 Unapproved Banks

In certain circumstances, TDWCS may hold your money in a bank outside the United Kingdom, which does not meet the criteria of an approved bank. These circumstances are governed by strict conditions set out by the FSA. Any client money held for you at non-approved banks outside the United Kingdom must relate only to the settlement of transactions or the distribution of income. Client money will only be held in such banks because it is not possible to use approved banks due to the applicable law or market practice. In these circumstances, your money will only be held in such banks for as long as it takes to effect the necessary transactions. Such a bank may have failed to acknowledge that clients' funds will be afforded trust status, and as such has not accepted that it has no right of set off or counterclaim against money held in that client account, in respect of any sum owed on any other account of TDWCS. The legal and regulatory regime applying to such a non approved bank will be different to that of the United Kingdom. In the event of a default or failure of that foreign bank, your money may be treated differently to the way in which it would be treated if it were held at an account in the United Kingdom.

6.20 Interest Payments

Uninvested money (i.e. money not immediately required to settle an investment transaction) will attract interest at rates that vary by service and amount custodied. Please ask your Broker for our current rate, which may change without prior notification.

Interest, calculated on a daily basis, will be credited gross every six months, but sums of less than £20 will not be distributed. Where payment is made to you by cheque, interest on the sum concerned will only be credited up to the date of the issuance of the cheque, irrespective of when either the cheque is presented or the funds reach the recipient's bank account.

6.21 Third Party Money Transfers

We may undertake a transaction for you that involves your money being passed by us or TDWCS to any third party in connection with that transaction, including (but not exclusively) an exchange, clearing house, intermediate broker, settlement agent or over the counter (OTC) counterparty located either in the United Kingdom, or in a jurisdiction outside the United Kingdom. In the event of your money being passed to a third party, including (but not exclusively) an intermediate broker, settlement agent or OTC counterparty, outside of the United Kingdom, the legal and regulatory regime applying to the intermediate broker, settlement agent, or OTC counterparty may be different to that of the United Kingdom. In the event of a default of that entity, your money may be treated differently to the way it would be treated if it were held in the United Kingdom.

6.22 Unclaimed Balances

In certain circumstances, TDWCS may hold client money for you, which has been allocated to you but has not been claimed by you. TDWCS will cease to treat as client money any unclaimed balances after a period of six years. However, this will only occur if TDWCS has taken reasonable steps to determine that there has been no movement on the balance during this period (notwithstanding any payments or receipts of charges, interest or similar items). We will attempt to contact you at your last known address, and you will be given 28 days from the date of notification of the intention to cease to treat the balance as client money to make a claim. You should note that TDWCS undertakes to make good any valid claim against balances that were released from being treated as client money, upon the provision by you of information to evidence the validity of your claim.

6.23 Payment of Charges

Any money owed to us, TDWCS, or agents used by us, as stated in the relevant contract advice note, or any other applicable charges, may be deducted from money held in your account by TDWCS, or paid directly by you if you prefer. For this reason, please note that TDWCS reserve the right to retain your funds. The exception is ISA and SIPP dealing charges, which must be met from funds available within the account.

We may sometimes share dealing charges with our associates. If any dealing charge or commission is shared with a third party who is not an associated company or person, the contract or advice note will make that clear, with the exception of Derivative and Geared Trading Services trades (see 2.1.4) where commission sharing arrangements are instead available on request.

6.24 Default Provisions and Power of Sale

We are entitled to an express and Power of Sale Lien or Right of Set Off over your investments, money or other property including a combination/consolidation of all or any of your accounts, in so far as there remains any outstanding amounts due from you to us. We will exercise this right in such manner as we may determine. You charge, by way of first fixed charge, with full title guarantee and grant a pledge over and a general lien and right of set off with respect to, all securities, documents of or representing title to property, and all cash or other assets of any nature held by or subject to the control of TDWCS (or its nominees and custodians) for your account (including, without limitation, the benefit of all contractual rights and obligations and any proceeds of sale) as continuing security for the performance of your obligations hereunder and for the payment of all sums that become due to TDWCS. You jointly and severally warrant to us and TDWCS that all cash, securities or other assets of any nature transferred to or held by TDWCS or its nominees and custodians for your account are your sole and beneficial property or are transferred to or held by TDWCS their nominees and custodians with the legal and beneficial owner's unconditional consent and free of such owner's interest and, in any event, will be transferred to or held by TDWCS their nominees and custodians free and clear of any lien, charge or other encumbrance and undertake that you will not charge, assign or otherwise dispose of or create any interest in them. Therefore you confirm that in the event of TDWCS not receiving either cash or securities when due, in respect of any transaction which is due to be settled or executed, or in the event of you or us not taking all such steps as may be necessary to secure the due and prompt execution and settlement of any such transaction, we or TDWCS 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 we or TDWCS see fit in our or its absolute discretion (without being responsible for any loss or diminution in price or any resultant tax consequences) and may enter into any other transaction or do, or not do, anything (including the application of client money 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. We will also exercise this right in order to meet your liabilities, including our normal dealing charges as set out in our published fees and charges and any other related costs, to either of us. For the avoidance of doubt, any asset held for you can be retained or realised in order to discharge any obligation you have to us or TDWCS, including any investment held in safekeeping by TDWCS, and investments held in the course of settlement. We or TDWCS also reserve the right to close any open sold positions should you fail to deliver the relevant securities, and to debit your account with any loss incurred in the transaction. Should it be necessary to realise any assets as outlined, we or TDWCS will give you as we or it thinks fit such notice prior to taking such action. You shall be responsible for our legal fees or any other associated costs involved in our exercising the above powers. Neither TDWCS nor we shall be liable to you in respect of any choice made by TDWCS or us in selecting the investments sold in accordance with these default provisions. The proceeds of sale (net of costs) will be applied in or towards the discharge of your liabilities and TDWCS or us will account to you for the balance. In the event that such proceeds are insufficient to cover the whole of your liabilities, you will remain liable for the balance. In addition neither Killik & Co LLP nor TDWCS shall be responsible for the tax consequences as a result of taking any of the actions outlined above.

Custody of Your Investments

6.25 Safekeeping and Registration

Investments will be registered in the name of a nominee company controlled by TDWCS or in the name of a third party custodian selected by TDWCS in accordance with FSA rules. TDWCS is responsible for the acts of its nominee to the same extent as for its own acts, including, for the avoidance of doubt, for losses arising from fraud, wilful default or negligence.

Acceptance of these Terms and Conditions provides authority for TDWCS to hold your investments in safe custody, to transfer securities from your account when you have sold them, to accept offers, or other matters covered by this agreement.

6.26 Overseas Investments

You consent to the fact that overseas investments may be registered or recorded in the name of an eligible custodian or in the name of TDWCS in one or more jurisdictions outside of the United Kingdom or EEA. As a consequence of this, your investments may not be segregated from investments of an eligible custodian, and therefore, your protection may be less should a default occur on the part of the person in whose name the investments belonging to you are so recorded. Investments belonging to you which are held overseas may be subject to different settlement, legal and regulatory requirements than those that apply in the United Kingdom or EEA. TDWCS will not be held liable in the event of a default by a custodian. However, TDWCS does not disclaim responsibility for losses arising directly from its own fraud, wilful default or negligence.

6.27 Pooled Accounts

Investments registered or recorded in the name of a nominee or custodian (as outlined above) will be pooled with those of one or more of our other clients. Accordingly, your individual entitlements may not be identifiable by separate certificates, physical documents or equivalent electronic entries on the register. In the event of an irreconcilable shortfall following any default of the eligible custodian responsible for pooled investments, you may not receive your full entitlement and may share in that shortfall pro rata.

As a consequence of pooling, you may receive dividends net of tax, which has been paid or withheld at rates that are less beneficial than those that might be applicable under other circumstances. This may be due to the fact that your securities will not be distinguishable by client/beneficial owner, your country of residence or any other factors that might have a bearing on the rate at which dividends might be taxed. A further effect of pooling can be that following an allocation or share issue that favours the small investor, your allocation may be less than it otherwise would have been, had your investments been registered in your own name.

Because your investments are held on a pooled basis, additional amounts may arise that would not otherwise have occurred had such investments been registered in your own name (for example, following certain corporate actions). Consequently, you are not entitled to these additional amounts. TDWCS allocates such shares to an account, which we administer and may use them to offset against any debits arising on dividends or other corporate events.

6.28 Own Name Registration

You should note that, in extremely restricted circumstances, investments held by TDWCS on your behalf may be registered in your own name, usually where law or market practice dictates, or where it has been specifically agreed between TDWCS and us that the option for such registration will be provided.

6.29 Bearer Investments

Please note that your bearer investments may not be held by TDWCS, but by a third party. Such third party will be an eligible custodian in accordance with the rules of FSA. TDWCS does not accept responsibility, in the absence of its own fraud, negligence or wilful default, for the safe custody obligations of any third party, but prudence will be exercised in the selection of such agents.

6.30 Third Party Registrations

Should you send us written instructions that investments purchased through TDWCS be registered in the name of some other person (which must not be TDWCS or us, or an affiliate of TDWCS or us) whom you specify, the consequences of registration carried out in accordance with your instructions, are entirely your risk. The legitimacy of such registrations also remains your responsibility.

As a result of our internal fraud and money laundering controls, such third party registrations are not normally permitted unless we have received satisfactory identification materials from a proposed recipient, and we reserve the right to refuse to complete such a re-registration without giving reasons.

It is our policy not to make third party payments, therefore all payments that you request from your account should be made to a bank account in your own name.

6.31 Shareholder Benefits

Some companies provide benefits to shareholders relating to the nature of their business. These benefits will not necessarily be available to you automatically, as your stock will be registered in the name of a nominee company. Should you wish to receive these additional benefits, you should make the necessary arrangements with your Broker.

We will arrange, if you so elect, for you to receive a copy of the annual reports and accounts issued by every company or other concern in respect of shares, securities or units which are held in your accounts with us.

6.32 Instructions

All instructions regarding the administration of investments held by TDWCS on your behalf should be made in writing to us, for onward transmission to TDWCS. We do not accept instructions from, or send instructions to, third parties, unless a valid power of attorney has been established for this purpose.

6.33 Corporate Events

TDWCS will be responsible for claiming and receiving dividends, interest payments and other entitlements accruing (excluding scrip dividends). We will be responsible for instructing:

- The exercise of conversion and subscription rights
- Dealing with takeovers, new issues or other offers or capital reorganisations
- The exercise of voting rights.

The length of time required to process a rights issue has been reduced from 21 days to 10 days. Our primary Corporate Actions Notification Service is therefore by email. If you have not provided us with an email address, we will continue to use reasonable endeavours to notify you in time by letter, but we cannot guarantee that this will give you enough time to respond. The consequences of a failure on your part to provide instructions to us by the stated time once notification has been given are entirely your own responsibility. All corporate events incur a charge. Please refer to our Rate Card.

Where a corporate event in respect of an investment held on your Account includes an offer for you to purchase additional shares and you choose not to take up that offer, we may take them up instead by instructing TDWCS's nominee to purchase the shares. When the nominee then sells those shares any liability or any benefit will be shared between Killik and TDWCS.

6.34 Lending or Pledging Collateral

We, or TDWCS, may pledge or charge to a third party collateral deposited with us (other than for safe custody), for the third party to use as collateral for its own obligations. Such collateral registered with a third party will not be in your name. Collateral may be returned to you that is equivalent, but not identical, to collateral originally deposited with the Firm.