



*E*TRADE CUSTOMER AGREEMENT*

E*TRADE

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This Customer Agreement comprises the following Sections, which are applicable as set out below:

A. General Terms	Page 1
These Terms are applicable to all Customers.	
B. Custody Terms	Page 20
These Terms are applicable to all Customers for whom we act as custodian and on whose behalf we hold Investments.	
C. Product Information Statement	Page 24
This Statement is applicable to all Customers.	
D. Fund Trading Terms	Page 29
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E. Contracts for Difference (CFD) Trading Terms	Page 31
These Terms are applicable to Customers who trade CFDs (including foreign exchange products).	
F. Futures Trading Terms	Page 43
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H. Appendix A	
This appendix is applicable to Customers in the Gulf Co-operation (GCC) Countries who trade US financial instruments	

SECTION A: GENERAL TERMS

1. DEFINITIONS AND INTERPRETATION

In this Customer Agreement the following words shall have the corresponding meanings:

Account	Any trading account which we may open for you on our records
Advanced Order	Includes Limit Order, Stop Order, Stop Limit Order, Trailing Stop Order and Trailing Stop Limit Order
Applicable Regulations	(a) FSA Rules or any other rules of a relevant regulatory authority; (b) the Rules of the relevant Market; and (c) all other applicable laws, rules and regulations as in force from time to time in any jurisdiction
Application Form	The application form completed by you to apply for our Services (including the form classifying your customer type in accordance with the FSA Rules)
Business Day	Any day, other than a Saturday or a Sunday or public holiday, on which banks

	are open for business in London
Client Money Rules	The rules relating to client money as set out in the FSA's Client Asset Sourcebook
Corporate Action	Any step taken by an issuer of equity securities with reference to holders of its equity securities and includes: capital reorganization; capitalization; change in listing; consolidation; conversion; delisting; de-merger; alteration in ranking; redemption; rights issue; scheme of arrangement; takeover; or any equivalent or analogous step under the law of any relevant jurisdiction
Custody Account	A custody account opened for you in accordance with Section B of this Customer Agreement
Custody Charges	Charges relating to the custody of your Investments, including the Account Management Fee and the Inactivity Fee as set out on our Website
Custody Terms	The terms and conditions set out in Section B of this Customer Agreement
Customer Agreement	This Agreement between E*TRADE Securities Limited and you
Distance to Market	An amount expressed as either a value by currency or as a percentage to trail the market price in a single direction.
FSA Rules	The Rules of the Financial Services Authority in the UK
Group	Those companies within the E*TRADE Financial Corporation Group of companies from time to time
Investment	Any security or other financial instrument in relation to which we provide brokerage and/or custody services
Investment Club	A group of individuals who meet together on a regular basis, pooling their cash to buy and sell Investments
Limit Order	An Order to buy or to sell at a specified Limit Price or better
Limit Price	The maximum or minimum price that that you are willing to buy or sell specified Investments
Limit Value	An amount expressed as either a value by currency or as a percentage to trail the market price plus or minus Distance to Market in a single direction
Market	Any regulated market or multilateral trading facility (as such terms are defined in the FSA Rules)
Nominated Bank Account	A UK bank account in the name of the Account Holder(s)
Nominee	E*TRADE UK Nominees Limited or such other company as we may appoint as our nominee from time to time, which is a member of our group whose principal function is to hold Investments acquired by our clients
Order	An instruction to buy, sell or otherwise deal with one or more of your Investments
Parties	The parties to this Customer Agreement – you and us
Password	Any password issued to you by us in connection with the provision of our Services

Retail Service Provider	A registered firm which offers to buy and sell Investments and which provides an automated dealing system to us
Rules	Articles, rules, regulations, procedures and customs as in force from time to time
Services	Brokerage, custody and related services provided by us under this Customer Agreement
SETS	The London Stock Exchange's blue chip market where all UK FTSE Eurotop 300 equities are traded
Transaction	Any dealing in an Investment
Stop Limit Order	A Stop Order with a Limit Price attached, which becomes a Limit Order if the Stop Price triggers the Order
Stop Order	An Order to buy or sell if a Stop Price is reached or exceeded
Stop Price	The price selected by you which will trigger a Stop Order
Trailing Stop Order	An Order to buy or sell when an Investment reaches a level based on the Distance to Market. The Trailing Stop Order will follow the market direction one way depending on whether it is a buy or a sell Order
Trailing Stop Limit Order	A Trailing Stop Order with a Limit Value attached, which becomes a Limit Order if the Limit Value triggers the Order
We (our, us)	E*TRADE Securities Limited
Website	www.uk.etrade.com or such other website as we may from time to time notify to you
You	The holder(s) of the Account
Your Information	Any information that we receive from you or otherwise obtain which relates to you, your Account or our provision or your use of the Services

- 1.1 Words importing the singular shall import the plural and vice versa.
- 1.2 Words importing the masculine shall import the feminine and vice versa.
- 1.3 Clause headings in this Customer Agreement are for ease of reference only.
- 1.4 Any reference to any act or regulation shall be that act or regulation as modified, supplemented or re-enacted from time to time.

2. PARTIES TO THIS AGREEMENT

- 2.1 This Customer Agreement is made between E*TRADE Securities Limited ("E*TRADE"), whose principal place of business is Vintners' Place, 68 Upper Thames Street, London EC4V 3BJ, United Kingdom and the person(s) who has completed the Application Form to be treated as a retail client and whose application we have accepted.
- 2.2 If you have completed the Application Form on behalf of an Investment Club, the person(s) who has completed the Application Form will be treated as our counterparty to this Agreement and as such you will be liable for the acts and omissions of the members of the Investment Club in accordance with the terms of this Agreement.
- 2.3 E*TRADE is authorised and regulated in the United Kingdom by the Financial Services Authority and subject to FSA Rules. The FSA's registered office is 25 The North Colonnade, London E14 5HS.
- 2.4 E*TRADE is a company registered in Scotland, No. SC103238, with its registered office at 24 Great King Street, Edinburgh EH3 6QN, United Kingdom. All notices and communications relating to this Agreement should be sent to E*TRADE's business address as set out in paragraph 25 of this Section A.
- 2.5 Where the Account Holder comprises two or more persons, the liabilities and obligations under any agreement with us shall be joint and several.
- 2.6 In the event of the death or disability of one Account Holder, all assets held by us or our Nominee, will be for the benefit and at the order of the survivor(s) and all obligations and liabilities owed to us will be owed by the survivor(s).

3. CAPACITY

- 3.1 At our discretion we shall decide whether to effect any Transactions with you as principal.
- 3.2 You act as principal and not as agent (or trustee) on behalf of someone else.
- 3.3 Except where otherwise mutually agreed in accordance with FSA Rules, we shall treat you as a Retail Client for the purposes of the FSA Rules. You have the right to request a different client categorisation. However, if you do so and we agree to such categorisation, you will lose the protection afforded by certain FSA Rules. This may include, but is not limited to:
- (a) the requirement for us to act in accordance with your best interests;
 - (b) our obligation to provide appropriate information to you before providing the Services;
 - (c) the restriction on the payment or receipt by us of any inducements;
 - (d) our obligation to achieve best execution in respect of your orders;
 - (e) prompt, fair and expeditious execution of your orders;
 - (f) our obligation to ensure that all information we provide to you is fair, clear and not misleading; and
 - (g) the requirement that you receive from us adequate reports on the services provided to you.

4. GENERAL TERMS

- 4.1 You may communicate with us in writing (including fax), by email or other electronic means, or orally (including by telephone). The language of communication shall be English, and you will receive documents and other information from us in English.
- 4.2 Applications for an account will not be accepted until we have received all documentation which we require, properly completed by you.
- 4.3 This Customer Agreement takes effect on the later of (a) when you signify acceptance of this Customer Agreement by correctly

completing and returning an Application Form, including an electronic Application Form and (b) confirmation from us to you by post or electronic means that your Account has been opened. By continuing to place orders with us, you agree to continue to be bound by this Customer Agreement, which supersedes all other agreements and terms of business which may previously have been in place between us. We shall not be required to (and may be unable to under FSA Rules) accept you as a customer until all documentation we require has been received by us, properly completed by you. This Customer Agreement shall apply to all Transactions contemplated under this Customer Agreement.

4.4 Should any part of this Customer Agreement be held by any Court of competent jurisdiction to be unenforceable or illegal or contravene any rule, regulation or bylaw of any Market or regulator, that part will be deemed to have been excluded from this Customer Agreement from the beginning, and this Customer Agreement will be interpreted and enforced as though the provision had never been included.

4.5 Our failure to seek redress for violations, or to insist upon strict performance, of any condition or provision of this Customer Agreement or our failure to exercise any right or remedy to which we are entitled under this Customer Agreement, shall not constitute a waiver thereof.

4.6 If a situation arises which is not expressly covered by a term of this Customer Agreement, we and you agree to try to resolve the matter on the basis of good faith and fairness and by taking such action as is consistent with market practice.

4.7 You confirm that you have regular access to the internet and consent to us providing you with information, including, without limitation, information about amendments to our Execution Policy and information about the nature and risks of investments by posting such information on our Website.

5. SERVICES

5.1 From the date on which your Account is activated, we may make available to you execution-only dealing Services in:

- (a) shares in UK and overseas companies
- (b) debenture stock
- (c) loan stock

(d) unit trusts and similar schemes in the United Kingdom or elsewhere

(e) warrants to subscribe for those investments referred to in (a) to (c) above.

5.2 From such date as we shall notify you, we may make available to you execution-only dealing Services in:

- (a) bonds
- (b) notes
- (c) commercial paper
- (d) other debt instruments
- (e) depository receipts
- (f) derivatives
- (g) any other investments that we may offer you.

5.3 We may also make available to you valuation, clearing, settlement, custody and other Services as mutually agreed from time to time and those Services will be governed by the terms of this Customer Agreement and such other additional terms as we may notify you.

5.4 We may, from time to time in our absolute discretion, withdraw the whole or any part of the Services on a temporary or permanent basis.

5.5 We will not advise you about the merits of a particular Transaction or give you any form of investment advice. You alone will make trading and other decisions based on your own judgement. We will not be under any duty to provide you with any legal, tax or other advice relating to your Transaction. You may wish to seek independent advice before entering into a Transaction. In asking us to enter into any Transaction, you represent that you have been solely responsible for making your own independent appraisal and investigation into the risks of the Transaction. You represent that you have sufficient knowledge, market sophistication, professional advice and experience to make your own evaluation of the merits and risks of any Transaction. We give you no warranty as to the suitability of the products traded under this Agreement and assume no fiduciary duty in our relations with you.

5.6 You agree that you have provided us with those of your investment objectives which are relevant to our Services, for example whether there are any restrictions on the markets in which any Transactions may be executed with or for you, depending on your nationality.

- 5.7 We shall only conduct Transactions on your behalf at times when the relevant Market is open for dealings. We will deal with any Orders including Advanced Orders received outside market hours, as soon as possible when that Market is next open for business (in accordance with the Rules of that Market).
- 5.8 Subject to clause 5.10 we shall execute all Orders given by you on an execution only basis strictly in accordance with their terms.
- 5.9 We will have no responsibility for checking the accuracy of any Order including an Advanced Order. Any Order or Advanced Order that you give to us constitutes an irrevocable instruction to us to proceed with the Transaction on your behalf.
- 5.10 We shall use our reasonable endeavours to execute any Order including an Advanced Order that becomes an Order promptly to your best advantage but in accepting your Order or Advanced Order we do not warrant or represent that it will be possible to execute your Order at all, or that execution of the Order will be possible within the terms of your instructions (whether as to price or size or any other condition). You agree that we may execute an order on your behalf outside a Market. If we are unable to execute an Order we will cancel the Order. We shall not be liable for any delay caused by such a failure.
- 5.11 We will provide you with best execution in accordance with the FSA Rules and our Execution Policy. When you give us a specific instruction our Execution Policy will not apply, and we may be unable to take the steps described in such policy to obtain the best possible result in executing your order. You confirm that you have read and agree to our Execution Policy. We will notify you of any material changes to our Execution Policy, but it is your responsibility to check for any other changes to our policy as published from time to time at www.uk.etrade.co.uk. We will consider the continued placement of orders by you to constitute your continued consent to our Execution Policy as in effect from time to time.
- 5.12 In providing you with execution only services in relation to your equities trading we are not required to assess the suitability of the financial instrument in which you wish to transact, nor the service(s) provided or offered to you. As a result you will not benefit from the protection of the Applicable Regulations as regards assessment of suitability. We will not assess whether:
- (a) the relevant product or services meet your investment objectives;
 - (b) you would be able financially to bear the risk of any loss that the product or service may cause; or
 - (c) you have the necessary knowledge and experience to understand the risks involved.
- 5.13 We are obliged under Applicable Regulations to obtain information about your knowledge and experience in the investment field so that we can assess whether the service or product envisaged is appropriate for you. If you elect not to provide such information to us, or if you provide insufficient information, we will not be able to determine whether the service or product envisaged is appropriate for you. We shall assume that information about your knowledge and experience provided from you to us is accurate and we will have no responsibility to you if such information changes or becomes inaccurate unless you have informed us of such changes.
6. TRADING PROCEDURES
- 6.1 Only you, or those persons you have notified to us (in writing and in our prescribed form) as authorised to give instructions on the Account, may place Orders with us by telephone or Orders including Advanced Orders via our internet trading facility. You shall provide us with a list of the officers, employees or agents whom you have authorised, either alone or with others, to act on your behalf in the giving of Orders or Advanced Orders and performance of any other acts, discretions or duties under this Customer Agreement. We shall be entitled to rely upon the continued authority of any such authorised person for those purposes until we receive notice from you to the contrary.
- 6.2 We are entitled to rely and act on any Orders including Advanced Orders without further enquiry, and will consider any Orders to be binding upon you where such Order has been placed using your Password in accordance with clause 15 of this Customer Agreement.
- 6.3 If you are acting on behalf of another person or entity, we will be entitled to treat you as having authority to do so and as such we will be entitled to rely and act on any Order including Advanced Orders placed by you on behalf of another person or entity where such Order has been placed using your Password in accordance with clause 15 of this Customer Agreement.

- 6.4 We reserve the right, in our absolute discretion at any time, to refuse to accept an Order or an Advanced Order from you and you agree that we shall have no obligation to inform you of the reasons for such refusal. If any Order or Advanced Order is incomplete, unclear, ambiguous and/or in conflict with others we may in our absolute discretion and without any liability on our part, act upon what we believe in good faith them to be or refuse to act on them until any incompleteness, uncertainty, ambiguity or conflict has been resolved to our satisfaction. Any Order or Advanced Order shall be conclusively deemed to be a valid Order or an Advanced Order from you to us if we believe it to be genuine. You are responsible for any loss, claim or expense incurred by us for following or attempting to follow any Order or Advanced Order (other than caused by our negligence or wilful default).
- 6.5 You agree to place Orders or Advanced Orders to purchase Investments only where, at the time of the Order, you hold sufficient funds in your Account to settle the Transaction, or where you are due to receive sufficient proceeds from a recent sale on your Account in which case you irrevocably authorise us to apply the proceeds of that sale to the subsequent purchase Order. At the time you place an Advanced Order you must also hold sufficient funds in your Account to settle the Transaction.
- 6.6 You agree to place Orders or Advanced Orders to sell Investments only where at the time of the Order you hold sufficient Investments on your Account to settle the Transaction. You are not permitted to sell Investments which you do not own with a view to subsequently purchasing the relevant Investments at a lower cost. At the time you place an Advanced Order you must also hold sufficient Investments in your Account to settle the Transaction.
- 6.7 If you give us an Order or Advanced Order which puts you in breach of any of this Customer Agreement, including clause 6.5 or 6.6, we may in our absolute discretion fulfil such an Order or Advanced Order to the extent we deem appropriate and you will not have any right to cancel any resultant partially filled Order. You will be liable for the breach of this Customer Agreement and remain liable for the settlement of the resultant Transaction in accordance with the terms of this Customer Agreement.
- 6.8 We may combine your Order or the orders of any other of our clients. But we are under no obligation to do this. We will only aggregate your Order with other orders where we reasonably believe that by doing so we will obtain a price for the Transaction that is more favourable to you. However, on occasion, aggregation of your Order with other orders may work to your disadvantage, resulting in you obtaining a less favourable price and we shall not be responsible to you for any loss that you may suffer as a result.
- 6.9 You acknowledge that the prices of Investments displayed by us are, or may be, indicative only. In certain market conditions the market price may have moved between the sending and the actual execution of a Transaction. Such movement may be in your favour or against you.
- 6.10 You confirm that you have read and fully understood the Stabilisation Notice set out in the Product Disclosure Statement, which can be found at section C of this Customer Agreement. Upon receipt of an Order from you in respect of Investments which may have been the subject of stabilisation, you authorise us to carry out the Transaction without first consulting you.
- 6.11 Under Applicable Regulations, we may be obliged to make information about certain Transactions public. You agree and acknowledge that any and all proprietary rights in such Transaction information are owned by us and you waive any duty of confidentiality attaching to the information which we reasonably disclose.
- 6.12 We may establish cut-off times for instructions or Orders which may be earlier than the times established by the particular Market and/or clearing house involved in any Transaction and you shall have no claims against us arising out of the fact that an Order was not placed by you ahead of our cut-off time.
- 6.13 Where an Order is given to us in respect of any Investment for which a Corporate Action is imminent we may decline to accept your instructions.

Advanced Order

- 6.14 Advanced Orders are accepted on a reasonable endeavours basis and are available for Investments nominated by us. We will make available Advanced Orders for Investments at our discretion and this could mean that you can not place an Advanced Order for an Investment that you have previously placed an Advanced Order for.
- 6.15 Any type of Advanced Order may be withdrawn without notice at any time. If you have entered an Advanced Order then this will still be processed even though the Advanced Order type has been withdrawn.

- 6.16 We will not accept telephone instructions to place a new Advanced Order or to modify an existing Advanced Order. We may accept telephone instructions to cancel an Advanced Order.
- 6.17 It is your responsibility to monitor and maintain any Advanced Orders placed on your Account, as modified by you or cancelled by you or us from time to time. This will include monitoring your Advanced Orders, Orders and trading history.
- 6.18 An Advanced Order will expire at the close of trading on the last Business Day of the expiry period you select subject to a maximum of 90 calendar days.
- 6.19 Subject to Market Rules and conditions you may be able to cancel or modify an Advanced Order as long as it has not been executed or is not in the process of being executed and we accept the cancellation or modification. If you modify your Advanced Order it will be dealt according to the time of receipt of these new instructions. No assurance can be given that the Order can be cancelled or modified prior to its execution.
- 6.20 No partial fill of an Advanced Order will be executed.
- 6.21 If your Advanced Order is deemed to be outside the normal market size for the Investment we may not act upon your Order, in which case, the Order may be cancelled. Where possible, we will attempt to manually execute such orders on a reasonable endeavours basis. You are responsible for monitoring the size of your order.
- 6.22 In the event of an extended period of suspension of trading or Corporate Action in a particular Investment, any Advanced Orders for that Investment may be cancelled without notice.
- 6.23 Unless you instruct us in writing otherwise, we will not immediately make public (where we would otherwise be required to do so by Applicable Regulations) any of your Limit Orders, in respect of shares admitted to trading on an EEA regulated market ("Traded Shares"), which is not immediately executed under prevailing market conditions unless we decide to do so in our discretion.
- 6.24 Where you give us a Limit Order in respect of an Investment and we use a third party to execute the order on the respective market, you acknowledge that the third party firm may have discretion as to how to execute the order and whether or not it will immediately publish the order if it is not immediately executed.
- 6.25 We will record the date and time that you place an Advanced Order and prices relevant to the triggering and execution of the Transaction. These records will be conclusive when determining whether an Advanced Order should be executed or cancelled.
- Risk Warnings**
- 6.26 In a Stop Order, if your Stop Price has been attained or exceeded within the expiry period, your Order will be executed.
- 6.27 In a Stop Limit Order, if your selected Stop Price has been attained or exceeded within the expiry period, your order may be executed up to and including your selected Limit Price. If triggered and unable to be executed then this Order will be cancelled.
- 6.28 Trailing Stop Orders may be executed during an expiry period, if the price changes direction and the price moves to or past the Distance to Market. If triggered and unable to be executed then this Order will be cancelled.
- 6.29 Trailing Stop Limit Orders maybe executed during an expiry period if the price changes direction and is triggered by the Stop Price calculated by the Distance to Market Value. The Order will be executed if its within the Limit Price (calculated using Limit Value).
- 6.30 Stop and Trailing Stop Orders are designed to trigger when the price of an Investment reaches a Stop Price. You should be aware that certain factors may cause the bid-offer spread of a security to increase, even momentarily, to an abnormally wide level, thereby causing your Stop or Trailing Stop Order to execute. However, these abnormal prices are the prevailing best prices for that Investment at that time.
- 6.31 Stop Limit Orders or Trailing Limit Orders are designed to execute when the price of an Investment falls within a certain range. You should be aware that certain factors may cause the bid-offer spread of a security to increase, even momentarily, to an abnormally wide level, thereby causing your Stop Limit Orders or Trailing Limit Orders to execute. However, these abnormal prices are the prevailing best prices for that Investment at that time.
- 6.32 Stop Order or a Stop Limit Order that is executed immediately at the time of order placement will be treated as a market Order and Limit Order respectively.

- 6.33 A 'Sell All' Instruction will result in all Investments held in a particular Account type eg ISA, SIPP being sold. This type of instruction will not take into account any pending order for the same stock irrespective of Order type but will include withdrawals or placements of stock since the original Order or Advanced Order was placed.
- 6.34 You may link multiple Advanced Orders to each other. A related Advanced Order will be cancelled if one of the related Advanced Orders is triggered.
- 6.35 We do not guarantee that Advanced Orders will be executed even if the criteria for the Advanced Orders are met. The following is a non exhaustive list of reasons that may prevent execution:
- 6.35.1 Market conditions at the time (such as a "fast market" ie where the market is so volatile that prices quoted by a Retail Service Provider, are only indicative rather than guaranteed);
 - 6.35.2 Other clients have placed similar orders, but at an earlier time than your order and being executed in priority to your order;
 - 6.35.3 Liquidity of the Investment;
 - 6.35.4 Systems failure or technical difficulties; or
 - 6.35.5 Other factors which are outside of our control.
- 6.36 During intra day auctions prices maybe volatile and your Advanced Order may be triggered and executed. It is your responsibility to monitor your Advanced Orders and market conditions at all times.
- 6.37 When we accept your Advanced Order, we will generally carry out the orders sequentially in chronological order. However, all Orders for the same Investment and with the same Stop Price and Limit Price (if applicable) received outside of normal exchange cut-off times will be treated as having been received at the start of trading or shortly thereafter, as set out on our website from time to time, the next Business Day.
- 6.38 Once an Advanced Order has been triggered and the Order executed then any subsequent new highest or lowest price achieved will have no relevance to the Advanced Order i.e. the Advanced Order is only valid until it is executed, cancelled or expired.
- 6.39 The demand for the service and market conditions may fluctuate. There may also be technical difficulties including the website not being available. We cannot accept any responsibility for any actual or potential financial loss or expense you incur if for any reason (other than our negligence or wilful default) there is a delay or change in market conditions before execution of your Advance Order is complete including during periods where market prices are indicative and cannot be guaranteed.

Confirmations

- 6.40 We will provide you with Confirmations at the end of each trading day for any Transactions which we have executed that day on your behalf. Confirmations will be sent by electronic mail to the email address which we have on record for you. Confirmations may also be viewed on your Account via our website.
- 6.41 It is your responsibility to inform us of any change to your email address, the non-receipt of a Confirmation, or whether any Confirmations are incorrect before settlement. Confirmations shall, in the absence of manifest error, be conclusive and binding on you, unless we receive from you objection in writing within three Business Days of despatch to you or we notify you of an error in the confirmation within the same period.

7. NOMINATED BANK ACCOUNT

- 7.1 You undertake to provide us with details of your Nominated Bank Account from which we will normally receive, and to which we will pay, funds relating to your Transactions. You also undertake to provide us with a Direct Debit instruction in respect of the Nominated

Bank Account and we may not activate your Account until you have provided an effective Direct Debit instruction.

7.2 You authorise us to collect from your Nominated Bank Account by Direct Debit any sums that you owe to us from time to time including any sums that are necessary to satisfy any purchase Orders.

7.3 You agree that we are not required to notify you in Advance of each occasion on which we debit your account in accordance with this agreement. At our discretion, we may agree to open an Account for you notwithstanding that you are unable to provide us with details of a Nominated Bank Account.

7.4 You undertake to:

- (a) ensure that the Direct Debit on your Nominated Bank Account is in force at all times;
- (b) immediately replace the Direct Debit facility if for any reason it is cancelled, expires or is withdrawn;
- (c) ensure that any bank account against which the Direct Debit is issued contains sufficient funds at all times to meet any reasonable demands for payments made by us.

7.5 You may fund your Account via debit card in the name of the Account holder, BACS or CHAPS transfer subject to the fees set out on our Website from time to time. We do not accept cash or third party payments. We may, at our discretion, accept wire transfers to fund your Account.

7.6 We shall make any payments due to you in such manner as we deem appropriate in the circumstances. We will normally make payments to you via a BACS transfer to the Nominated Bank Account.

7.7 We reserve the right to hold funds in your Account for a period of 8 Business Days from

the date of payment into the Account, before any transfer out to allow for cash settlement.

7.8 You agree that any funds we hold in your Account are held on the understanding that they will be used for the purpose of investment within one year of the date on which they are credited to the Account.

7.9 You agree to pay by Direct Debit from your Nominated Bank Account all applicable Custody Charges, as set out on our Website. Custody Charges are payable in equal non-refundable instalments, to be paid monthly in arrears on the first Business Day of each month. Custody Charges are payable in advance and on demand in respect of Accounts for which no Nominated Bank Account has been provided.

8. ELECTRONIC COMMUNICATIONS

8.1 We may monitor and/or record any electronic communications between us (including telephone calls, emails, sms and instant messages), without the use of a tone of other warning, to provide verification of instructions and maintain the quality of our service, for training purposes and to check compliance with this Customer Agreement, our internal policies and procedures and Applicable Regulations. You accept that our records of our communications will be admissible as evidence of any instruction or communication given or received by you and that these records belong to us.

8.2 We may call you between the hours of 9am and 9pm (your local time), Mondays to Saturdays. If we need to contact you urgently regarding your Account we may contact you outside these times.

9. REGULATORY PROVISIONS

9.1 This Customer Agreement is subject to the Rules of the relevant Market, which are deemed to be incorporated into this Customer Agreement and shall form part of the relationship between us. In the event of any conflict between the Market Rules and

- this Customer Agreement, the provisions of the Market Rules will prevail.
- 9.2 We are authorised to disclose information relating to you and/or your investments to the FSA, the Panel on Takeovers and Mergers and other regulatory bodies as required by law and/or where we believe it is desirable for the proper management of your Investments.
10. **INFORMATION, DATA PROTECTION AND PRIVACY POLICY**
- 10.1 You agree to provide us with such information as we reasonably request from time to time to enable us to comply with Applicable Regulations and provide the Services.
- 10.2 We will treat Your Information as confidential and will not disclose it to any person except with your consent or as described in clause 10.6. We will in particular abide by the Data Protection Act 1998 and any other applicable data protection laws and regulations in respect of the personal data comprised in Your Information.
- 10.3 We may collect Your Information directly from you (in your completed Application Form, under clause 10.1 or otherwise) or from other persons including, for example, credit reference and fraud prevention agencies and the providers of public registers. Where you provide us with information, you are responsible for ensuring that it is correct and should promptly inform us in writing of any change.
- 10.4 We and other members of our Group may use Your Information in order to provide, administer, tailor and improve the Services provide or facilitate the provision of data services, our relationship with you and our business generally (including communicating with you and facilitating your use of the Website and/or our telephone trading facilities); to carry out credit, anti-money laundering and fraud prevention checks; to exercise and/or defend our legal rights; and to comply with Applicable Regulations and the requests of regulatory and enforcement authorities in any jurisdiction.
- 10.5 We and other members of our Group may contact you by telephone, email or post to tell you about products or services offered by us and other members of our Group in which you may be interested. We will not contact you for this purpose, however, if you have told us that you do not wish to receive such communications, either by completing the relevant part of the Application Form or by contacting us as described in clause 10.7.
- 10.6 Our use of Your Information as described in clauses 10.4 and 10.5 may include:
- (a) disclosure of Your Information to the other members of our Group; to our and their professional advisors and other service providers; to credit reference and fraud prevention agencies and other financial institutions for credit checking, fraud prevention and anti-money laundering purposes; to any person to whom we transfer our rights under this Customer Agreement; to or as requested by regulatory and enforcement authorities, courts and similar bodies in any jurisdiction; and to other persons as necessary to carry out your instructions; and
 - (b) transfer of Your Information to countries outside the European Economic Area, which may not have data protection laws as stringent as those in the United Kingdom.
- 10.7 You have rights of information about and access to any personal data that we hold about you, and to require any inaccurate personal data to be corrected, under the Data Protection Act 1998. If you wish to exercise either of these rights or to inform us that you do not wish to receive the communications referred to in clause 10.5, please email uksupport@etrade.com or write to The Data Protection Officer, E*Trade Securities Limited, Vintners' Place, 68 Upper Thames Street, London EC4V 3BJ, UK.
- 10.8 If you provide us with information relating to any other individual you should first ensure

that they have all the information set out in clauses 10.3 to 10.7.

11. INTERNET & WEBSITE ACCESS

11.1 When using our Website, you will not whether by act or omission do anything that will or may violate the integrity of our computer system or cause such system to malfunction. You are solely responsible for providing and maintaining the equipment necessary to access and use our website.

11.2 You acknowledge that the internet may be subject to events which may affect your access to our Website, including but not limited to interruptions or transmission blackouts. We are not responsible for any damages or losses resulting from such events which are beyond our control or for any other losses, costs, liabilities, or expenses (including without limitation, loss of profit) which may result from your inability to access our Website or delay or failure in sending Orders or Transactions.

11.3 You are permitted to store, display, analyse, modify, reformat and print the information made available to you through the Website. You are not permitted to publish, transmit, or otherwise reproduce that information, in whole or in part, in any format to any third party without our express written consent. You must not alter, obscure or remove any copyright, trademark or any other notices that are provided in connection with the information. You represent and warrant that you will not use the Website in contravention of this Agreement, that you will use the Website only for the benefit of your Account and not on behalf of any other person, and that, with the exception of a web browser and other applications specifically approved us, you will not use (or allow another person to use) any software, program, application or other device, directly or indirectly, to access or obtain information through the Website or automate the process of accessing or obtaining such information.

12. CHARGES AND TAXES

12.1 You agree to pay our charges and applicable taxes at the rates and times set out on our Website from time to time.

12.2 We may vary our charges from time to time. We will notify you of any changes, before they come into effect, by electronic mail and by placing a notice on the Website. The variation will take effect from the date which we specify in our notification to you. We will endeavour to provide you with at least ten Business Days notice of such alteration save where such alteration is based on a change in interest rates, exchange fees or tax treatment or it is otherwise impractical for us to do so.

12.3 Details of any taxes which we are required to pay on your behalf will be stated on Confirmations issued to you. You may also be liable for other taxes which are not collected by us and you should seek independent expert advice if you are in any doubt as to whether you may incur any further tax liabilities. Tax laws are subject to change from time to time.

12.4 Unless otherwise specified in this Agreement, all charges are exclusive of VAT (if any) and disbursements incurred on your behalf (including applicable fees, levies and charges imposed by any Market or clearing organisation whose facilities we may use), which shall be payable in addition.

12.5 We may share dealing charges (commissions) with third parties, or receive remuneration from them in respect of transactions carried out on your behalf. Details of any such remuneration or sharing arrangements will be made available to you on request.

12.6 Payment of charges will, unless otherwise stated in our published rates, become due and payable on the day they are incurred by you. It is our normal practice to aggregate all sums due to and from you including commissions, fees and charges and to pay any net credit to you or call any net debit from you. We may depart from that normal practice at our discretion but we will provide you with reasonable notice of such departure where possible.

- 12.7 We reserve the right to charge interest at a rate 7% per annum if you default in paying any amount due to us under this Customer Agreement, calculated from the date such amount became due until the date payment is made. Default interest accrues daily and is calculated on a compounded basis and will be debited from your account on the last Business Day of March and September in each year.
- 12.8 We reserve the right and you authorise us to retain or make deductions from amounts that we owe to you, or are holding for you in settlement of any obligations to us. We also reserve the right and you authorise us to combine all or any accounts opened in your name and to consolidate the balances in such accounts and to set off such balances. For the purposes of this clause 12.8, obligations or liabilities owed by you to us, or by us to you, may be present, future, actual, contingent, primary, collateral, several or joint.
13. CLIENT MONEY
- 13.1 Unless otherwise agreed with you in writing, we will deal with any monies that we hold on your Account in accordance with the FSA's Client Money Rules. This means that your money will be deposited by us with a Bank and that it will be segregated from our own money and cannot be used by us in the course of our business. We may hold your money and the money of other clients in the same bank account. In the event that a default by a Bank leads to a shortfall in the money held in such account, you may share proportionately in that shortfall.
- 13.2 Subject to the trust that applies to the relevant client bank accounts under the Client Money Rules and our obligation to exercise all due skill, care and diligence in the selection, appointment and periodic review of the Bank or Banks with which your client money is held, we shall have no responsibility for the insolvency, acts or omissions of any such Bank.
- 13.3 We may arrange for your client money to be held outside the EEA. The legal and regulatory regime applying to any such Bank or person will be different from that of the United Kingdom and in the event of the insolvency or any other analogous proceedings in relation to such Bank or person, your money may be treated differently from the treatment which would apply if the money was held with a Bank in an account in the United Kingdom.
- 13.4 We may deposit your money with a depositary who may have a security interest, lien or right of set-off in relation to that money.
- 13.5 In accordance with Client Money Rules, we may pass client money to a third party (e.g. a market, intermediate broker, OTC counterparty or clearing house) to hold or control in order to effect a Transaction through or with that person or to satisfy your obligation to provide collateral (e.g. initial margin requirement) in respect of a Transaction. Subject to our obligations under the Client Money Rules, we shall have no responsibility for the insolvency, acts or omissions of any such third party. The third party to whom we pass client money may hold your money and the money of other persons in an omnibus account. In the event that a default by the relevant third party or the Bank with whom the relevant omnibus account may be held by the third party leads to a shortfall in the money held in such account, you may share proportionately in that shortfall.
- 13.6 We may place money received from you in a qualifying money market fund, as defined in the Client Money Rules. As a result, such money will not be held in accordance with the Client Money Rules and the units in the relevant fund will be held in accordance with the Custody Rules. Please let us know if you do not wish your money to be placed in a qualifying money market fund.
- 13.7 We shall not account to you for profits earned on client money and, will not pay you interest on client money.
- 13.8 You agree that we may cease to treat your money as client money if there has been no movement on your balance for six years. We shall write to you at your last known address informing you of our intention of no longer treating your balance as client money and giving you 28 days to make a claim.
14. SETTLEMENT
- 14.1 You undertake to promptly take such actions and do all things which are reasonably necessary to effect the settlement of a Transaction.
- 14.2 All UK Investments which you purchase through us (except for bearer stocks) will be registered in the name of our Nominee in accordance with the Custody Terms set out in

- Section B below. We may also provide similar facilities through other custodians for securities which cannot be registered in the name of our Nominee.
- 14.3 You undertake to promptly forward to us any documents, notices, benefits or other communications that you receive in respect of any Investments which you have sold.
- 14.4 In the case of Transactions effected in non-UK Markets, stock or money held by us or to our order on your behalf may be passed to an intermediate broker, settlement agent or counterparty located outside the UK. In these circumstances, the regulatory system applying, including any compensation arrangements, will be different in some or all respects from that of the UK. In the event of the insolvency of that person, your assets may be treated differently from the manner in which they would be treated if they had been passed to an intermediate broker, settlement agent or counterparty within the UK. However, we shall not deposit stock held on your behalf with a third party in a country that is not an EEA State (a "Third Country") and which does not regulate the holding and safekeeping of financial instruments for the account of another person unless the nature of the financial instruments or of the services connected with those financial instruments requires them to be deposited with a third party in that Third Country.
- 14.5 You are not permitted to hold opposing positions in the same security, so that if you had originally placed a 'sell' trade and you subsequently placed a 'buy' trade in the same Investment, this will close all or part of your original 'sell' trade and may create a new open position. If you have more than one open trade in the same market, such trades (or part thereof) will be closed in the order "First In, First Out" (commonly known as "FIFO").
- 14.6 We will supply you with a consolidated dividend tax certificate in respect of dividends received on your Account, as soon as reasonably practicable after the end of the relevant tax year. If you request a tax certificate at any other time, we reserve the right to charge you an administration fee for the supply of such certificate.
- 14.7 If, by the time due for settlement of a Transaction (as determined by us), there is insufficient cash in your Account to enable us to meet the settlement obligations, we shall not be obliged to settle the Transaction. Where there is insufficient cash in your account and we do proceed to settlement, we may accept delivery of the Investment, charge your account for the payment to satisfy your obligation, sell the Investment at a price we believe to be reasonable, and credit your account with the net proceeds thereof (after deduction of commission and other costs).
- 14.8 If in any Transaction we deliver Investments or pay money on your behalf, but your obligations in respect of that Transaction are not performed simultaneously with or prior to our own delivery or payment, then we shall not be obliged to credit your account with any Investments or money received by us from any third party until your own obligations to us are fully performed; and any such Investments or money received by us shall be our property not yours.
- 14.9 We shall owe no payment or delivery obligation and shall not be deemed to hold any property belonging to you as a result of settlement of a Transaction until we have received, with finality, the cash or Investments to which you are entitled.
- 14.10 We may, in our discretion, provisionally credit and debit your account on the due date of settlement as if the Transaction had settled on that date even, where under Applicable Regulations, the Transaction has not settled in your favour or our favour with finality. We may, however, in our absolute discretion reverse any such provisional debits and credits at any time until we receive payment (on sale) or delivery (on purchase) on your behalf with finality. We shall not be liable to you in respect of income or any other rights relating to the Investments which would have accrued on the monies or Investments if settlement had taken place on the contractual settlement date.
- 14.11 In some securities markets, delivery of Investments and payment may not be made simultaneously. In such markets we may make payment or delivery of Investments at such time and in such manner as is in

accordance with relevant local law and practice or with the customs prevailing in the relevant market. You shall bear the risk that the counterparty to the Transaction may not pay or perform on time or at all.

14.12 We will notify you if settlement of a Transaction fails to take place on the contractual settlement date, whether because of a default by a counterparty to that Transaction or otherwise.

14.13 Settlements in respect of executed Transactions may, in our discretion, be netted to the lowest number of movements for each type of Investment reasonably possible, subject to Applicable Regulations.

14.14 Where more than one trading Market is potentially relevant in respect of a Transaction or an Investment, it shall be within our discretion to determine the settlement period or other matters relevant to the operation of this clause 14.

15. PASSWORDS

15.1 You agree to keep secret and not to disclose any Passwords that we issue to you in respect of your Account or otherwise, to any person other than an individual employed by or associated with a regulated financial services firm which you have authorised to conduct investment business on your behalf.

15.2 You should not write down your Password. If you receive a written notification of your Password, you must destroy the notification immediately.

15.3 You agree to notify us immediately if you know or suspect that your Password has or may have been disclosed to any unauthorised person. We will then take steps to prevent any further use of such Password and will issue you with a replacement Password by post. You will be unable to place any Orders until you receive the replacement Password.

15.4 You agree that you will co-operate with any investigation we may conduct into any misuse or suspected misuse of your Password.

16. VALUATION OF YOUR PORTFOLIO

16.1 We may provide you with an online valuation facility in relation to Investments held with our Nominee. We will not provide you with periodic custody statements.

16.2 In respect of Investments listed or dealt on the London Stock Exchange, valuations will be calculated at middle market prices obtained from the London Stock Exchange. For all other Investments, valuations will be calculated using prices from other available sources; however you acknowledge that we may not be able to provide valuations for some Investments.

16.3 Valuations will not include a measure of portfolio performance and are for indicative purposes only.

16.4 Valuations may be derived from sources which are subject to a time delay and accordingly we do not warrant that valuations are up to date and accurate.

17. ASSIGNMENT & THIRD PARTY RIGHTS

17.1 We may at any time transfer, assign or novate any of our rights, benefits or obligations under this Customer Agreement subject to providing notification to you.

17.2 Your rights and obligations under this Customer Agreement are personal to you and are not capable of transfer, assignment or novation.

17.3 A person who is not a party to this Customer Agreement has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any of the provisions of the same.

18. RESEARCH & MARKET COMMENTARY

18.1 We may provide you with trading recommendations, market commentary or other information. Where we do so:

(a) this is incidental to your dealing relationship with us. It is provided solely to enable you to make your

own investment decisions and does not amount to advice;

(b) if the document contains a restriction on the person or category of persons for whom that document is intended or to whom it is distributed, you agree that you will not pass it on to any such person or category of persons;

(c) we give no representation, warranty or guarantee as to the accuracy of completeness of such information or as to the tax consequences of any Transaction;

(d) where information is in the form of a document containing a restriction on the person or category of persons for whom that document is intended or to whom it is distributed, you agree that you will not pass it on contrary to that restriction;

(e) you accept that prior to despatch, we may have acted upon it ourselves to make use of the information on which it is based. We do not make representations as to the time of receipt by you and cannot guarantee that you will receive such information at the same time as other clients. Any published research reports or recommendations may appear in one or more screen information service.

Please refer to our Conflicts of Interest Policy, available on our Website, for further information on how we manage conflicts which would affect the impartiality of investment research we provide to you.

18.2 Written research, market commentary and research tools are subject to change and may be withdrawn at any time without notice.

19. WARRANTIES, LIABILITIES AND INDEMNITIES

19.1 By agreeing to be bound by this Customer Agreement, and again on each occasion that you place an Order or Advanced Order, you warrant to us as follows:

- (a) You are placing the Order or Advanced Order and entering into the Transaction as principal, (that is on your own behalf and not for any third person) or you are entering

into the Transaction on behalf of members of the Investment Club on whose behalf you have completed the Application Form

- (b) Your entering into and performance of the terms of this Customer Agreement and each Transaction does not breach, conflict with or constitute a default under any law, regulation, rule, judgment, contract or other instrument binding on you or any of your assets (and/or the members of the Investment Club on whose behalf you are acting)
- (c) You are not subject to any restrictions in placing the Order, Advanced Order or entering into the Transaction contemplated by the Order
- (d) You have sufficient funds in your Account to purchase all the Investments set out in any Order or Advanced Order to buy
- (e) You hold sufficient Investments to sell as set out in any Order or Advanced Order to sell, free from any charges, liens or encumbrances
- (f) You have taken such advice in respect of the Transaction contemplated by the Order or Advanced Order and have not relied on any representation or information provided by us in reaching your decision to enter into the Transaction
- (g) You are duly authorised to and have obtained all necessary power, authorisations and approval to enter into this Customer Agreement and to sign, and deliver to us, the Application Form and to enter into each trade, provide instructions in connection with the Investments and to otherwise perform your obligations under this Customer Agreement and the Application Form.

- 19.2 You indemnify us against any loss, liability, cost, claim, action, demand or expense incurred or made against us in connection with the proper performance of your obligations under this Customer Agreement except where that loss, liability, cost, claim, action, demand or expense arises from our negligence, fraud or wilful default or that of our employees.
- 19.3 You agree that we shall not be liable for any consequential, indirect, incidental or special loss (including loss of profits and trading losses) that result from your use of the service even if you have advised us of the possibility of such loss. Consequential loss includes pure economic loss, loss of profit, loss of business and likely loss whether direct or indirect.
- 19.4 Otherwise than through our negligence or wilful default, we will not be liable for any losses, damages or claims that result directly or indirectly from any person obtaining any Password that we have issued to you prior to you reporting to us the misuse of your Password in accordance with clause 15.
- 19.5 We will not be liable to you for any losses, damages or claims which result directly or indirectly from any research which you rely on in making an Order or Advanced Order whether published by us or not.
- 19.6 We will not be liable to you for any losses, damages or claims, which result directly or indirectly from a delay in executing, or the failure to execute, any Order or Advanced Order.
- 19.7 We will not be liable to you for any losses, damages or claims, which result directly or indirectly from any changes in the rates of tax.
- 19.8 We will not be liable for any losses, damages or claims which result directly or indirectly if we fail to receive any documents sent in respect of your Account or any Investments held on your behalf, or if you fail to receive any such documentation which we may forward to you.
- 19.9 Nothing in this Customer Agreement shall be taken to restrict or exclude any duty or liability which we may owe you under Applicable Regulations.
- 19.10 Nothing in the Customer Agreement will limit or exclude our liability for personal injury or death caused by our negligence.
- 19.11 You acknowledge that in accepting this Customer Agreement, we have not made, and you are not relying upon, any statements, representation, promises or undertakings that are not contained in this Customer Agreement.
20. **DEFAULT**
- 20.1 For the purposes of this Clause, "you" means, in the context of an Investment Club, any member of that Club. If any of the following events occur, or if we reasonably believe that any of them is likely to occur in the immediate future, then will have the rights set out in clause 20.2:
- (a) Fail to pay any amount due to us in settlement of any Transaction by the due date (including commissions, fees and charges)
 - (b) Are a limited company and call a meeting of creditors or are otherwise the subject of proceedings under the Insolvency Act 1986 (whether for the appointment of a liquidator, receiver or administrator), or you are unable to pay your debts as they fall due within the meaning of Section 123 of the Insolvency Act 1986
 - (c) Are an individual and declared bankrupt or enter into any arrangement or compromise with your creditors
 - (d) Fail to transfer open investment positions or close your account following our request to do so or fail to comply with any requirement relating to the transfer of an open investment position

- (e) Are in breach of any term of this Customer Agreement (or any other arrangement or understanding between us as evidenced in writing and in relation to which we have notified you that this clause 20 applies)
 - (f) Do not have the authority to transact business with us or to do so in the manner in which you customarily conduct business with us.
- 20.2 If any of the events described in clause 20.1 occur, then we may at our discretion at any time that event (without prejudice to any other right we may have) and without notice to you, take any one or more of the following actions:
- (a) Terminate this Customer Agreement
 - (b) On your behalf and in your name, close out all or any of your open investment positions (including unsettled stock bargains) or create an investment position or positions to offset your position
 - (c) Exercise any warrant
 - (d) Convert any currency
 - (e) Sell, charge, pledge, realise or otherwise dispose of any securities deposited with us at a price we consider to be fair market value unless we consider this to be impracticable in the circumstances
 - (f) Sell, charge, pledge, realise or otherwise dispose of any of your Investments which we hold or control
 - (g) Apply any of your cash and the proceeds of any transaction referred to in paragraphs (a) to (f) above in satisfaction of the amount owing to us, including amounts due in respect of settlement, fees, commissions and interest.
- 20.3 We reserve the right to combine any accounts opened in your name, to consolidate the balances in such accounts and to set off those balances.
- 20.4 If, after we have taken action under this clause 20, there is an Account balance in your favour, we will (after withholding such amounts that we in our absolute discretion consider appropriate in respect of future liabilities) pay such balance to you as soon as reasonably practicable and supply you with a statement showing how that balance was arrived at.
21. **MANIFEST ERROR**
- 21.1 A Manifest Error is any error that we believe to be obvious, evident and palpable. In deciding whether an error is a Manifest Error, we may take into account all relevant information including, but not limited to, prevailing market conditions and, within reason, human error. As such, we reserve the right to void from the outset, or within any reasonable time thereafter, any Order which appears to contain, or be based upon, a Manifest Error. We also reserve the right to make reasonable amendments to the details of the resulting Transaction in our sole discretion and/or to consult with you where appropriate in relation to Manifest Errors.
22. **FORCE MAJEURE**
- 22.1 Except as expressly provided in this Customer Agreement, we will not be liable or have any responsibility for any type of loss or damage arising out of any failure, interruption, or delay in performing our obligations under this Customer Agreement where such failure, interruption or delay is due to:
- (a) Government actions, the outbreak of war or hostilities, the threat of war, acts of terrorism, national emergency, riot, civil disturbance, sabotage, requisition, or any other international calamity or political crisis

- (b) Act of God, earthquake, hurricane, typhoon, flood, fire, epidemic or other natural disaster
- (c) Labour disputes not including disputes involving our workforce
- (d) Suspension of trading on a Market, or the fixing of minimum or maximum prices for trading on a Market, a regulatory ban on the activities of any party (unless we have caused that ban)
- (e) A banking moratorium having been declared by appropriate regulatory authorities or any other acts or regulations of any regulatory, governmental, or supranational body or authority
- (f) Breakdown, failure or malfunction of any electronic equipment (not due to the bad faith or wilful default of ourselves)
- (g) Any event, act or circumstances not reasonably within our control and the effect of that event(s) is such that we are not in a position to take any reasonable action to cure the default.

23. COMPLAINTS

- 23.1 We are obliged to put in place internal procedures for handling complaints fairly and promptly. Any complaint can be made orally and in writing giving all relevant details and should be referred in the first instance to our Customer Services Department at the following address:

E*TRADE Securities Limited

Vintners' Place

68 Upper Thames Street

London EC4V 3BJ

- 23.2 We will send you a written acknowledgement of your complaint promptly following receipt, enclosing details of our complaints procedures, including when and how you may be able to refer your complaint to the Financial Ombudsman Service. Further Details about our Complaints Procedures can be found on our web-site.

- 23.3 We are a member of the Financial Services Compensation Scheme ("Scheme") in the United Kingdom. The Scheme is only available to certain types of claimants and claims. Payments to eligible claimants under the Scheme will vary depending on the type of protected claim (e.g. deposits or investments) the claimants hold with respect to the relevant institution. Payments under the Scheme in respect of investments are subject to a maximum payment to any eligible claimant of GBP 48,000, made up of 100% of the first GBP 30,000 and 90% of the next GBP 20,000. Further details of the Scheme are available on request or at the Scheme's official website at www.fscs.org.uk.

24. VARIATION

- 24.1 We may vary this Customer Agreement at any time by giving you written notice. We will endeavour to provide you with at least ten Business Days notice of such amendments unless it is otherwise impractical for us to do so.
- 24.2 You acknowledge that a variation which is made to reflect a change of law or regulation may, if necessary, take effect immediately.

25. NOTICES

- 25.1 Both we and you may send notices under this Customer Agreement by electronic mail, by way of message posted on your Account online, or by first class post if posted in the UK, or airmail if posted outside of the UK.
- 25.2 Our e-mail address is uksupport@etrade.com and our postal address is:

E*TRADE Securities Limited

Vintners' Place

68 Upper Thames Street

London EC4V 3BJ

United Kingdom

25.3 Notices sent to you will be emailed to you at the email address which is registered on your Account or posted to you at the last address that you provided to us as your normal residential address. It is your responsibility to ensure that you provide us with accurate and up to date contact information.

25.4 All notices issued by first class post within the UK shall be deemed to be received two Business Days after the date of their dispatch. Notices issued by airmail shall be deemed to be received 5 Business Days after the date of their dispatch.

26. **TERMINATION**

26.1 You have a statutory right to cancel the Services that we provide under this Customer Agreement within 14 days from the date on which you became bound by it (the "Cancellation Period"). Should you wish to cancel this Customer Agreement within the Cancellation Period, you should send notice in writing to the following address:

Account Opening

E*TRADE Securities Limited

Vintners' Place

68 Upper Thames Street

London EC4V 3BJ

United Kingdom

26.2 We may terminate this Customer Agreement immediately upon the occurrence of any of the events set out in clause 20 (Default).

26.3 This Customer Agreement may be terminated by either you or us at any time by sending a

written notice in accordance with Clause 25 (Notices). As a result of termination of this Customer Agreement, your Account will be closed.

26.4 Your termination of this Customer Agreement will not affect any obligation or liability that you may then have to us, including any liability or short position you may have arising from or in connection with transactions initiated prior to the termination or arising under clause 14 (Settlement). Subject to clause 20 (Default) we will complete Transactions which are in progress at termination as soon as reasonably practicable.

27. **JURISDICTION**

27.1 This Customer Agreement is governed by and will be construed in accordance with the laws of England and Wales.

27.2 If either of us has a claim against the other arising out of or in connection with this Customer Agreement, that claim will be referred to an English court and we both irrevocably submit to the exclusive jurisdiction of the English courts.

SECTION B: CUSTODY TERMS

This Section is applicable to you if we act as your custodian by holding Investments on your behalf

1. **APPOINTMENT AS CUSTODIAN**

1.1 The words in these Custody Terms shall have the same meaning as in our General Terms save that in these Custody Terms the following words shall have the following meanings:

"Account Management Fee" means the fee payable by you to us for the services we provide to you under these Custody Terms.

"Securities Loan" means a loan or borrower of securities, and includes sale-and-repurchase (repo) transactions, a reverse repo, a buy/sell-back and a sell/buy back.

- 1.2 You appoint us to act as custodian of your Investments and to hold your Investments to your order in accordance with the terms of this Customer Agreement.
- 1.3 We accept the appointment as your custodian on the terms set out in clause 1.2.
- 1.4 We shall open in your name one or more custody accounts recording any shares, stocks, debentures, bonds, securities, or other similar property (including evidence of or title to securities and all rights in respect of securities (deposited or transferred by you or on your behalf with or to us or our sub-custodian or collected by us or our sub-custodian for your account ("Custody Assets"). We at all times reserve the right to reverse any provisional or erroneous entries (including reversals necessary to reflect adjustments by our sub-custodian to its records as a result of bad deliveries) to the Custody Accounts with effect back-valued to the date upon which the final or correct entry (or no entry) should have been made.
- 1.5 Custody Assets which are in registrable form may be registered in your name or in the name of our Nominee. Your UK investments will normally be registered and held in the name of our Nominee. You agree that registrable Custody Assets may also be registered in the name of a third party or in our name, but only if the particular Custody Asset is subject to the law or market practice of an overseas jurisdiction and due to the nature of the law or market practice of that overseas

jurisdiction, it is in your best interests or is not feasible to do otherwise.

2. Sub-Custodians

- 2.1 We may from time to time delegate to sub-Custodians, nominees, agents, depositories, clearing houses and clearing systems inside or outside the United Kingdom and which may include entities within the same group as us any of our duties under these Custody Terms including (without limitation) the safekeeping of the Custody Assets (together "Third Parties").
- 2.2 Your Custody Assets may be held overseas by a Third Party on our behalf. Furthermore:
 - (a) Your Custody Assets may be held in an omnibus account by the Third Party, and there is a risk that your Custody Assets could be withdrawn or used to meet obligations of other persons, or that the balance of assets held by the Third Party does not reconcile with the quantity which the Third Party is required to hold, and you may not in such circumstances receive your full entitlement of Custody Assets;
 - (b) In some jurisdictions it may not be possible to identify separately the Custody Assets which a third party holds for clients from those which it holds for itself or for us, and there is a risk that your Custody Assets could be withdrawn or used to meet the obligations of the Third Party, or lost altogether if the Third Party becomes insolvent;
- 2.3 We will only use a Third Party in a country which is not an EEA state and where the holding and safekeeping of financial instruments is not regulated when the nature of the financial

instruments or of the other services provided for you requires them to be deposited with such a Third Party or where we consider that this course of action is consistent with our obligations and services to you.

3. INSTRUCTIONS

3.1 You shall provide us with a list of the officers, employees or agents whom you have authorised, either alone or with others, to act on your behalf in the giving of instructions (as defined below) and performance of any other acts, discretions or duties under these Custody Terms ("Authorised Person(s)") together with specimens of their signatures if written instructions are to be given. We shall be entitled to rely upon the continued authority of an Authorised Person for those purposes until we receive notice from you to the contrary.

3.2 Notwithstanding any agreement between you and us, we may act upon instructions ("**Instructions**") in respect of the safe custody service provided by us to you under these Custody Terms from an Authorised Person received by us via telephone, telex, facsimile transmission or other teleprocess or electronic instruction system acceptable to us and transmitted with such testing or authentication as we may specify. Instructions shall continue in full force and effect until cancelled or superseded. If any instructions are received by us by telephone you shall confirm them before the close of business on the same day by another method acceptable to us. We shall be authorised to follow Instructions notwithstanding your failure to confirm them in writing.

3.3 We may in our absolute discretion refuse to act on Instructions. If any Instructions are incomplete, unclear, ambiguous, and/or in conflict with others we may in our absolute discretion and without any liability

on our part, act upon what we believe in good faith they to be or refuse to act on them until any incompleteness, uncertainty, ambiguity or conflict has been resolved to our satisfaction. Any Instruction shall be conclusively deemed to be a valid Instruction from you to us if we believe it to be genuine. You are responsible for any loss, claim or expense incurred by us for following or attempting to follow any Instructions.

3.4 You agree that we may without any further Instructions from you carry out the following actions relating to the Custody Assets:

- (a) To collect and receive, for your account, any payments (whether income or capital) and distributions in respect of the Custody Assets, and to take any action necessary and proper in connection with them, including (without limitation) the presentation of coupons and other interest items and the endorsement for collection of cheques, drafts and other negotiable instruments and the deduction or withholding of any sum on account of any tax (i) required or which in our view is required to be so deducted or withheld or (ii) for which it is or is in our view liable or accountable by law or practice of any relevant revenue authority of any jurisdiction;
- (b) To execute in your name such ownership and other certificates as may be required to obtain payment in respect of the Custody Assets; and
- (c) To exchange interim or temporary documents of title to Custody Assets for definitive ones.

4. SCOPE OF OUR RESPONSIBILITY

4.1 We shall as soon as reasonably practicable pay to you all dividends, interest payments or other entitlements accruing to you in relation to the Custody Assets, subject to deductions and the exercise of any of our rights under these custody terms.

4.2 Provided we receive the relevant information, we will use reasonable endeavours to notify you of all matters in respect of which you have voting rights and of all calls for redemption, grants or expirations of conversion rights, takeovers, grants or expirations of subscription rights, mergers, offers, consolidations, reorganisations and capitalisations or such other corporate actions or any other administrative or supervisory matters affecting the Custody Assets. Unless otherwise agreed with you in writing, we will not take any action in relation to such matters except in accordance with Instructions.

5. LIEN

5.1 In addition to any general lien or other rights to which we may be entitled under any applicable law, we shall have a general lien over the Custody Assets until the satisfaction of all liabilities and obligations (whether actual or contingent) owed by you to us (whether under these custody terms or otherwise). The lien is a continuing security regardless of any intermediate payment or settlement of account.

5.2 If you fail to pay any sum or liability you owe to us, we are entitled at any time, without notice to you and without prejudice to any other right or remedy which we may have, to sell all or any of the Custody Assets in such manner and at such price as we may deem expedient without being responsible for any loss and to apply the net proceeds thereof in or towards payment or discharge of any sum or liability as we may think fit. The restrictions contained in Sections 93 and 103 of the Law of Property Act 1925 shall not apply to these custody terms or to any exercise by us of our power of sale.

5.3 You agree to execute such further documents and to take such further steps as we may reasonably require to perfect our security interest over, be

registered as owner of or obtain legal title to Custody Assets, secure further liabilities and obligations (whether actual or contingent) owed by you to us, enable us to exercise our rights.

6. SECURITIES LENDING AND OTHER USE OF CUSTODY ASSETS

6.1 You agree that we may use your Custody Assets for the purposes of any Securities Loan to us, an Affiliated Company, to another client of ours, or to a third party. Where we arrange a Securities Loan in respect of your Custody Assets, title to the assets lent will be transferred to the borrower, and the assets returned to you will be equivalent but not identical to the assets lent.

6.2 You also agree that we may use your Custody Assets for other purposes, including charging the Custody Assets in favour of a lender which provides funding to us, for example in relation to margin lending facilities offered to our clients.

6.3 Securities Loans shall be entered into with any of a list of borrowers to whom we may choose to lend from time to time, a list of which is available upon request. We do not accept liability for the default of any borrower.

6.4 You agree and acknowledge that we may enter into arrangements for securities financing transactions in respect of financial instruments held by us on your account, or held by us on your behalf in an omnibus account held by a third party, or otherwise use such financial instruments for our own account or for the account of another client.

6.5 Securities Loans shall be documented on market standard documentation. You authorise us to negotiate and execute such documentation on your

behalf. We shall require that cash or securities collateral is provided to us, for your benefit, in respect of each Securities Loan, including where we ourselves act as borrower.

6.6 You agree to pay from your Account by Direct Debit from your Nominated Bank Account all applicable fees and charges, as set out on our Website. Custody Charges are payable in equal non-refundable instalments, to be paid monthly in arrears on the first working day of each month, or as otherwise set out on our Website from time to time.

6.7 The Account Management Fee is inclusive of VAT (if any) and exclusive of disbursements incurred on your behalf (including applicable fees, levies and charges imposed by any Market or clearing organisation whose facilities we may use) which shall be payable in addition.

6.8 We may change the Custody Charges from time to time in accordance with the provisions of clause 12 of this Customer Agreement.

SECTION C: PRODUCT INFORMATION STATEMENT

All Customers should read carefully the following Product Information Statement.

General

Please note that the value of your investments may rise or fall depending on market conditions and that you may not always recoup your initial investment. In addition past performance should not be seen as an indication of future performance. If you are in any doubt as to the suitability of any investment you should seek independent expert advice.

This notice is provided to you, as a Retail Client, in compliance with the FSA Rules. Retail Clients are

afforded greater protections under these rules than other customers are and you should ensure that we tell you what this will mean to you. This notice cannot disclose all the risks and other significant aspects of warrants and/or derivative products such as futures, options, and contracts for differences. You should not deal in these products unless you understand their nature and the extent of your exposure to risk. You should also be satisfied that the product is suitable for you in the light of your circumstances and financial position. Certain strategies, such as a 'spread' position or a 'straddle', may be as risky as a simple 'long' or 'short' position. Although warrants and/or derivative instruments can be utilised for the management of investment risk, some of these products are unsuitable for many investors. Different instruments involve different levels of exposure to risk and in deciding whether to trade in such instruments you should be aware of the following points.

Equity and debt investments

Buying equity securities (the most common form of which are shares) means that you will become a member of the issuer company and participate fully in its economic risk. You will be entitled to receive any dividend distributed each year (if any) out of the issuer's profits made during the reference period.

On the other hand, buying debt securities (such as bonds and certificates of deposit) means that you are, in effect, a lender to the company or entity that has issued the securities and are entitled to receive specified periodic interest payments, as well as repayment of the principal at maturity.

Generally, holdings in equity securities expose holders to more risk than debt securities since remuneration is tied more closely to the profitability of the issuer. In the event of insolvency of the issuer, your claims for recovery of your equity investment in the issuer will generally be subordinated to the claims of both

preferred or secured creditors and ordinary unsecured creditors of the issuer.

There is an extra risk of losing money when shares are bought in some smaller companies, such as penny shares. There may be a difference between the buying price and the selling price of these shares. If they have to be sold immediately, the Account may get back much less than was paid for them. The price may change quickly and it may go down as well as up. Holdings in debt securities, on the other hand, generally risk not being remunerated only if the issuer is in a state of financial distress. Moreover, in the event of insolvency of the issuer, holders of debt securities are likely to be able to participate with other creditors in the allotment of the proceeds from the sale of the company's assets in priority to holders of equity securities.

Both holders of equity and debt securities will be exposed to the specific risks associated with individual securities held (and the financial soundness of their issuers), as well as the systemic risks of the equity and debt securities markets.

It may not always be apparent whether or not a particular security is purchased on-exchange or in an off-exchange Transaction. We will endeavour to make it clear to you if you are entering into an off-exchange Transaction. While some off-exchange markets are highly liquid, Transactions in off-exchange securities may involve greater risk than investing in on-exchange securities because it may be difficult to liquidate an existing position to assess the value of the position or to assess the exposure to risk.

Warrants

A warrant is a time-limited right to subscribe for shares, debentures, loan stock or government securities and is exercisable against the original issuer of the underlying securities. A relatively small movement in the price of the underlying security results in a disproportionately large movement,

unfavourable or favourable, in the price of the warrant. The prices of warrants can therefore be volatile. It is essential for anyone who is considering purchasing warrants to understand that the right to subscribe which a warrant confers is invariably limited in time with the consequence that if the investor fails to exercise this right within the predetermined time-scale then the investment becomes worthless. You should not buy a warrant unless you are prepared to sustain a total loss of the money you have invested plus any commission or other transaction charges.

Off-Market warrant transactions

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

Securitised derivatives

These instruments may give you a time-limited right to acquire or sell one or more types of investment, which is normally exercisable against someone other than the issuer of that investment. Or they may give you rights under a contract for differences, which allow for speculation on fluctuations in the value of the property of any description or an index, such as the FTSE 100 index. In both cases, the investment or property may be referred to as the underlying instrument". These instruments often involve a high degree of gearing or leverage, so that a relatively small movement in the price of the underlying investment results in a much larger movement, unfavourable or favourable, in the price of the

instrument. The price of these instruments can therefore be volatile. These instruments have a limited life, and may (unless there is some form of guaranteed return to the amount you are investing in the product) expire worthless if the underlying instrument does not perform as expected. You should only buy this product if you are prepared to sustain a total loss of the money you have invested plus any commission or other transaction charges. You should consider carefully whether or not this product is suitable for you in light of your circumstances and financial position, and if in any doubt please seek professional advice.

Futures

Transactions in futures involve the obligation to make, or to take, delivery of the underlying asset of the contract at a future date, or in some cases to settle the position with cash. They carry a high degree of risk. The 'gearing' or 'leverage' often obtainable in futures trading means that a small deposit or down payment can lead to large losses as well as gains. It also means that a relatively small movement can lead to a proportionately much larger movement in the value of your investment, and this can work against you as well as for you. Futures transactions have a contingent liability, and you should be aware of the implications of this, in particular the margining requirements, which are set out in the Futures Trading Terms in Section F of this Customer Agreement.

Options

There are many different types of options with different characteristics subject to the following conditions.

Buying options:

Buying options involves less risk than selling options because, if the price of the underlying asset moves

against you, you can simply allow the option to lapse. The maximum loss is limited to the premium, plus any commission or other transaction charges. However, if you buy a call option on a futures contract and you later exercise the option, you will acquire the future. This will expose you to the risks described under 'futures' and 'contingent liability investment transactions'.

Writing options:

If you write an option, the risk involved is considerably greater than buying options. You may be liable for margin to maintain your position and a loss may be sustained well in excess of the premium received. By writing an option, you accept a legal obligation to purchase or sell the underlying asset if the option is exercised against you, however far the market price has moved away from the exercise price. If you already own the underlying asset, which you have contracted to sell (when the options will be known as 'covered call options') the risk is reduced. If you do not own the underlying asset ('uncovered call options') the risk can be unlimited. Only experienced persons should contemplate writing uncovered options, and then only after securing full details of the applicable conditions and potential risk exposure.

Traditional options:

Certain London Stock Exchange member firms under special exchange rules write a particular type of option called a 'traditional option'. These may involve greater risk than other options. Two-way prices are not usually quoted and there is no Market on which to close out an open position or to effect an equal and opposite transaction to reverse an open position. It may be difficult to assess its value or for the seller of such an option to manage his exposure to risk.

Certain options markets operate on a margined basis, under which buyers do not pay the full premium on their option at the time they purchase it. In this

situation you may subsequently be called upon to pay margin on the option up to the level of your premium. If you fail to do so as required, your position may be closed or liquidated in the same way as a futures position.

Contracts for differences

A CFD is an agreement between a Client and a Provider to exchange the difference between the opening and closing value of the trade. These can be equity securities, options and futures on the FTSE 100 index or any other index, as well as currency and interest rate swaps. However, unlike other futures and options, these contracts can only be settled in cash. Investing in a contract for differences carries similar risks as investing in a future or an option and you should be aware of these as set out above. Transactions in contracts for differences may also have a contingent liability and you should be aware of the implications of this as set out in Section E of this Customer Agreement.

Off-Market transactions in derivatives

It may not always be apparent whether or not a particular derivative is arranged on Market or in an off-Market derivative transaction. We must make it clear to you if you are entering into an off-Market derivative transaction. While some off-Market markets are highly liquid, transactions in off-Market or 'non transferable' derivatives may involve greater risk than investing in on-Market derivatives because there is no Market on which to close out an open position. It may be impossible to liquidate an existing position, to assess the value of the position arising from an off - Market transaction or to assess the exposure to risk. Bid prices and offer prices need not be quoted, and, even where they are, they will be established by dealers in these instruments and consequently it may be difficult to establish what a fair price is.

Contingent liability investment transactions

Contingent liability investment transactions, which are margined, require you to make a series of payments against the purchase price, instead of paying the whole purchase price immediately. If you trade in contingent liability investments such as Futures, Contracts for Differences or sell Options, you may sustain a total loss of the initial margin you deposit with us to establish or maintain a position. If the market moves against you, you may be called upon to pay substantial additional margin at short notice to maintain the position. If you fail to do so within the time required, your position may be liquidated at a loss and you will be responsible for the resulting deficit. Even if a transaction is not margined, it may still carry an obligation to make further payments in certain circumstances over and above any amount paid when you entered the contract. Save as specifically provided by the FSA, we may only carry out margined or contingent liability transactions with or for you if they are traded on or under the rules of a Market. Contingent liability investment transactions, which are not so traded, may expose you to substantially greater risks.

Limited liability transactions

Before entering into a limited liability transaction, you should obtain from us a formal written statement confirming that the extent of your loss liability on each transaction will be limited to an amount agreed by you before you enter into the transaction. The amount you can lose in limited liability transactions will be less than in other margined transactions, which have no predetermined loss limit. Nevertheless, even though the extent of loss will be subject to the agreed limit, you may sustain the loss in a relatively short time. Your loss may be limited, but the risk of sustaining a total loss to the amount agreed is substantial.

Collateral

If you deposit collateral as security with us, the way in which it will be treated will vary according to the type of transaction and where it is traded. There could be significant differences in the treatment of your collateral depending on whether you are trading on a Market, with the rules of that Market (and the associated clearing house) applying, or trading off-Market. Deposited collateral may lose its identity as your property once dealings on your behalf are undertaken. Even if your dealings should ultimately prove profitable, you may not get back the same assets, which you deposited, and may have to accept payment in cash. You should ascertain from us how your collateral will be dealt with.

Commissions

Before you begin to trade, you should obtain details of all commissions and other charges for which you will be liable. If any charges are not expressed in money terms (but, for example, as a percentage of contract value), you should obtain a clear and written explanation, including appropriate examples, to establish what such charges are likely to mean in specific money terms. In the case of futures, when commission is charged as a percentage, it will normally be as a percentage of the total contract value, and not simply as a percentage of your initial payment.

Suspensions of trading

Under certain trading conditions it may be difficult or impossible to liquidate a position. This may occur, for example, at times of rapid price movement if the price rises or falls in one trading session to such an extent that under the rules of the relevant Market trading is suspended or restricted. Placing a stop-loss order will not necessarily limit your losses to the intended amounts, because market conditions may make it impossible to execute such an order at the stipulated price.

Clearing house protections

On many Markets, the performance of a transaction by us (or third party with whom we are dealing on your behalf) is 'guaranteed' by the Market or clearing house. However, this guarantee is unlikely in most circumstances to cover you, the customer, and may not protect you if we or another party defaults on its obligations to you. On request, we must explain any protection provided to you under the clearing guarantee applicable to any on-Market derivatives in which you are dealing. There is no clearing house for traditional options, nor normally for off-Market instruments which are not traded under the rules of a Market.

Insolvency

Our insolvency or default, or that of any other brokers involved with your transaction, may lead to positions being liquidated or closed out without your consent. In certain circumstances, you may not get back the actual assets which you lodged as collateral and you may have to accept any available payments in cash. On request, we must provide an explanation of the extent to which it will accept liability for any insolvency of, or default by, other firms involved with your transactions.

Non Readily Realisable Investments

Please note that there is a restricted market for such investments and therefore you may have difficulty selling this investment at a reasonable price and, in some circumstances, it may be difficult to sell it at any price. Do not invest in such investments unless you have carefully thought about whether you can afford it and whether it is right for you.

Penny Shares

There is an extra risk of losing money when shares are bought in some smaller companies including penny

stocks or shares. There can be a large difference between the buying price and the selling price of these shares. If you require them to be sold immediately, you may realise much less than you paid for them. The price may move quickly and go down as well as up.

Units in Collective Investment Schemes

Collective investment schemes (such as investment funds and open-ended investment companies) invest funds paid in by purchasers of units or shares in the collective investment scheme in the various types of investments provided for in their rules or investment plans. As such, collective investment schemes generally allow unit holders and shareholders to achieve a high degree of diversification at a relatively low cost. Open-ended investment funds, for example, allow savers to invest or disinvest by buying or selling fund units on the basis of the value of a unit, plus or minus the relevant commissions.

By purchasing units or shares in a collective investment scheme you will be exposed to the risks and returns associated with the nature of the financial instruments in which the collective investment undertaking invests and, where relevant, their concentration in a particular sector, country, region or asset class.

Dealing in Securities which may be subject to Stabilisation

We and, or our representatives may, from time to time, carry out transactions on your behalf where the price may have been influenced by measures taken to stabilise it. You should read the explanation below carefully. This is designed to help you judge whether you wish your funds to be invested at all in such securities and, if you do, whether you wish:

(a) to be consulted before we carry out any such transaction on your behalf; or

(b) to authorise us to carry out any such transaction on your behalf without first having to consult you.

What is stabilisation?

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 may affect not only the price of the new issue but also the price of other securities relating to it. The FSA allows stabilisation in order to help counter the fact that, when a new issue comes onto the market for the first time, the price can sometimes drop for a time before buyers are found. Stabilisation is being carried out by a 'stabilisation manager' (normally the firm chiefly responsible for bringing a new issue to market). As long as the stabilising manager follows a strict set of rules, he is entitled to buy back securities that were previously sold to investors or allotted to institutions, which have decided not to keep them. The effect of this may be to keep the price at a higher level than it would otherwise be during the period of stabilisation.

The Stabilisation Rules:

- (a) limit the period when a stabilising manager may stabilise a new issue;
- (b) fix the price at which he may stabilise (in the case of shares and warrants but not bonds); and
- (c) require him to disclose that he may be stabilising but not that he is actually doing so.

The fact that a new issue or a related security is being stabilised should not be taken as any indication of the level of interest from investors, or of the price at which they are prepared to buy the securities.

The following terms apply if you invest in a unit trust or open-ended investment company ("Fund") through your Account.

1. **Buying and selling Funds**

You may invest in or dispose of a Fund by placing an order via our online trading facility. Money will be deducted from (for buy transactions) or credited to (for sell transactions) your Nominated Bank Account.

We reserve the right to refuse to accept an order for investment in a Fund for any reason and at our discretion.

2. **Fund information**

Before investing in a Fund you should carefully read the Key Features Document to decide whether the investment is right for you.

We provide Key Features Documents and other information to clients on our Website for information purposes only and do not warrant the accuracy or completeness of that information, which may be subject to change without notice.

3. **Fees, charges and commission**

We do not charge commission on a per transaction basis, however we will receive commission from the Fund provider as set out below.

We may receive the following commission from the Fund provider(s) in relation to investments made by you:

- (a) **Initial commission:** This is a percentage of your total investment, which the Fund provider deducts when you invest in the product, as set out in the Key Features Document. We will receive a portion of that commission. For example, if you invest £1,000 in a product with an initial commission rate of 3%, then the Fund Provider will deduct £30 as initial commission so that your total investment in the fund will be £9,970. A portion of the £30 deducted will be paid by the Fund provider to us.
- (b) **Trail commission:** This is an amount of commission deducted quarterly/half-yearly/annually by the Fund provider as set out in the Key Features Document. For example, if your total Fund investment is worth £1,000 for the year and the applicable trail commission rate is 0.5% per year, then trail commission of £5 will be deducted from your investment that year. All trail commission will be paid by the Fund provider to us.

You should read carefully the Key Features Document which sets out the relevant commission which will be deducted from your investment. Commission rates will not be shown at the time you place your order with us, however will be disclosed to you on the contract note.

A Dilution Levy may be charged by the Fund provider as set out in the Key Features Document. Any Dilution Levy will be deducted from your Fund investment at the time you

transact. We do not receive the Dilution Levy which is a charge of the Fund.

4. Pricing & Valuation

Prices of Fund units are set at a "valuation point" in the future so you will not know in advance the exact price at which your investment into the Fund will be made. Details of the relevant valuation point will be displayed on our Website.

Provided that the relevant Fund dealing cut-off times are met (usually 12 noon, but this will vary between funds), your order will usually be processed at the price applicable at the next available valuation point after receipt of your instruction. You should also refer to the Key Features Document for further details on valuation of the Fund in which you are investing.

Orders will be dealt with in due turn and you acknowledge that at times when large volumes of orders are received, transactions may occur at the next available valuation point on the business day after receipt of your order.

You acknowledge that there will be instances in which we will be unable to process a buy or sell order for Funds on the same day and so the transaction may be effected at the next available valuation point on the business day following receipt.

5. Settlement

Settlement of transactions in Funds will occur four business days after the transaction date (T+4).

6. Confirmations

Confirmations will be issued the next business day after the transaction date (T+1).

You may view your Fund holdings on our Website.

7. Payments

Income payments in relation to your Funds will be applied to your Nominated Bank Account, normally within three business days of payment by the Fund. It may take up to 10 business days for us to implement a change to your bank account details for receipt of income payments.

If you withdraw your Fund investment or close your Account, then all outstanding fees, charges and expenses relating to your Fund investment will be deducted from any amount to be paid to you. We may also withhold an amount in respect of any estimated tax liability.

SECTION E: CONTRACTS FOR DIFFERENCE TRADING TERMS
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This Section E is applicable to you if you transact in Contracts For Difference (CFDs) and shall operate in conjunction with the remainder of this Customer Agreement. Please ensure that you read the Customer Agreement and these Terms carefully, as the provisions of the Customer Agreement that have not been specifically excluded and/or amended in these Terms shall take effect as if also set out in this Section E.

To the extent that there is any conflict between these Terms and the rest of the Customer Agreement, these Terms shall prevail in relation to services we provide

to you relating to CFDs. Words in these Terms shall have the same meanings as in the General Terms which can be found in Section A of this Customer Agreement. In addition the following definitions shall apply:

"ADR" means an American Depository Receipt

"Application Form" means the account opening form, which you complete by hand or online to open an account for dealing in CFDs with us

"CFD" means a spot and/or forward Contract For Difference on:

- (a) Individual securities; and or Baskets of securities; and or
- (b) Equity indices; and or
- (c) Currencies that we offer from time to time.

"Ex-Dividend Date" means, in relation to a security, the first date on which the price quoted on the relevant Market is indicated to be an ex-dividend price.

"Secured Obligations" means the net obligation owed by you to us after the application of set-off under the clause headed "Set-off on default" in clause 4 of this Section E.

1. Background

We offer CFDs to both customers classified as Professional Clients or as Retail Clients in accordance with the FSA Rules. Your application to trade CFDs is assessed based on a number of factors including your knowledge and understanding of the relevant instruments, markets and risk involved, your prior trading experience in financial markets, the type of instruments traded, the length of time you have traded these instruments, the frequency and size of the transactions carried out and your financial

standing. We will determine the type and manner of CFD that you will be able to trade with us based on such information. In providing our derivative products and services to you, we are required to obtain information from you in order to assess whether a given product or service is appropriate for you.

If you fail to provide sufficient information in this regard (or fail to provide any information), there is a strong risk that we will not be able to assess whether you have the necessary knowledge and experience to understand the risks involved.

If you still wish to open an account, we will do so on your behalf, but you must note that we may not be able to determine whether derivatives products are appropriate for you.

On the basis of the information that you have provided to us in your Application Form in relation to your knowledge and experience, we may consider that derivative products are not appropriate for you and that you may be exposing yourself to risks that fall outside of your level of knowledge and experience if you proceed with your application.

If you are in any doubt as to our assessment you should seek independent financial advice.

2. Amendments to the General Terms (Section A of the Customer Agreement)

The General Terms as set out in Section A of the Customer Agreement are amended as follows as regards CFD business we carry out with or for you:

- (a) Clause 3.1: we effect Transactions in CFDs with you as principal. Accordingly, we shall

- have no discretion as to whether to effect any Transaction with you as principal or agent.
- (b) Clause 5.1: we shall execute or arrange transactions for, or deal with, you in CFDs only in accordance with these Conditions on an execution only basis.
 - (c) Clause 6.1: you or those persons you have notified to us in writing as authorized to give instructions on the Account may only place Orders by using the internet Password issued to you for CFD trading. We will be entitled to rely and act on any Order without any further enquiry, and will consider any Orders to be binding upon you where such Order has been placed using your Trading Password in accordance with clause 15 of Section A of the Customer Agreement. For the avoidance of doubt, where you are acting on behalf of another person or entity, we will be entitled to treat you as having authority to do so and as such we will be entitled to rely and act on any Order placed by you on behalf of another person or entity where such Order has been placed using your Trading Password in accordance with clause 15 of Section A of the Customer Agreement.
 - (d) Clause 6.5: Orders will only be accepted for Transactions where you hold sufficient funds in your Account to provide initial margin for the Investments set out in your Order.
 - (e) Clause 6.6 will not apply in relation to any CFD business that we may carry out for and or with you.
 - (f) deleted
 - (g) Clause 6.10 will not apply in relation to any CFD business that we may carry out for and or with you.
 - (h) Clause 6.40: A trade recap module will be provided to you each day detailing the transactions that you have executed the previous trading day. This will constitute a confirmation of all the transactions executed by you for the previous trading day for the purposes of FSA.
 - (i) Clause 9.1: Notwithstanding any other provision of this agreement, in providing execution only dealing services in CFDs we shall be entitled to take any action as we consider necessary in our absolute discretion to ensure compliance with the relevant market rules and or practices and all other applicable laws.
 - (j) deleted
 - (k) Clause 13: This clause will not apply to your trading in CFDs. Unless otherwise agreed in writing, you hereby agree to transfer to us full ownership of all money held in your CFD Account. This has several important consequences to which we hereby bring your attention: upon transfer to us, such monies will belong to us and will no longer belong to you; upon transfer, we will be able to deal with such monies at our discretion; you will no longer have a proprietary interest in, or claim over, the money held in your CFD Account; in respect of such monies, you will be an unsecured creditor in the event of our insolvency; the monies will not be subject to the protections of the Client Money Rules; we will hold the money in the CFD Account for the purposes of securing or covering your obligations to us; the money held in your CFD Account is held by us as collateral for obligations that you owe, or are likely to owe in relation to CFD Transactions with us and as such any transfers out of your CFD Account will

- amount to a release of collateral to you and will be subject to our approval.
- (l) Clause 14: This will not apply in relation to any CFD business that we may carry out for and or with you.
 - (m) Clause 16.1: we will provide you with online access to your account, which will provide you with sufficient information in order to manage your account and comply with our FSA client reporting requirements therefore we will not be providing you with periodic statements
 - (n) Clause 19.1(e): You also warrant to us that you have sufficient funds in your Account to cover all margin requirements in connection with the Investment in your Order and any other open positions that you may have.
 - (o) New Clause 19.1(h): You also warrant that all the information disclosed to us in your Application Form, the documentation provided and otherwise is true and accurate and that you undertake to inform us in writing should there be any changes to the information provided.
 - (p) Section B Custody Terms: We will not be providing any custodial services in relation to any CFD business that we may transact with or for you. Therefore Section B of this Customer Agreement will not apply in respect to any CFD business that we may transact with or for you.
 - (q) Section A Clause 7.9: We will not pay interest on CFD Account cash balances unless we have agreed otherwise with you in writing. In these instances we will pay interest on such balance after all respective margins have been deducted at such rate as we may determine and is agreed in writing. We reserve the right to charge interest at a rate 7% per annum if you default in paying

- any amount due to us from the date such amount became due until the date payment is made. Default interest accrues daily and is calculated on a compounded basis and will be debited from your account on the last Business Day of March and September in each year.
- (r) New Clause 7.10A: You also authorise us to collect from your Account using the Direct Debit any sums that you owe us from time to time which are necessary to satisfy your margin requirements.

The following additional clauses are relevant to the CFD business that we may carry out for and or with you:

3. CFD – The Product

3.1 You agree and understand that:

- (a) CFDs carry a high degree of risk. The gearing or leverage often obtainable in CFD trading means that a small deposit or down payment can lead to large losses as well as gains. It also means that a relatively small movement can lead to a proportionately larger movement in the value of your investment and this can work against you as well as for you. CFD Transactions have a contingent liability, and you should be aware of the implications of this in particular the margining requirements as set out below.
- (b) You are trading on the outcome of the price of a financial instrument (e.g. an equity or currency) and that trading does not occur on a Market, therefore the CFD is a contract between you and us.
- (c) We will quote prices at which we are prepared to deal with you, save where we

exercise our rights to close out any of your open CFD positions.

- (d) In the event that we are unable to proceed with your order with regard to price or size, we will re-quote you a price that we are prepared to deal at.
- (e) It is your responsibility to decide whether or not you wish to deal on a price that we quote to you.
- (f) It is possible that errors may occur in the prices quoted by us. In such circumstances without prejudice to any rights you or we may have under statute or common law neither party will be bound by any CFD which purports to have been made (whether or not confirmed by us) at a price which was or ought reasonably to have been known by the other party to be materially incorrect at the time the CFD was executed. The party asserting that the CFD is avoided under this clause 3.1(f) shall give notice to the other within 5 Business Days from the execution of the CFD in question. If you give us notice under this clause, we shall reasonably determine, whether the price quoted was materially incorrect.
- (g) You will not be entitled to delivery of, or be required to deliver, the underlying financial instrument nor ownership thereof or any other interest therein.

All CFD trades conducted with us are open-ended margined products that require funding on a daily basis. Our margin requirements are set out on our Website. During the lifetime of any CFD, we, in our absolute discretion, reserve the right to review and adjust the percentage of funding required or the rates at which interest is calculated on such CFD, with or without notice to you especially in, but not limited to, volatile

market conditions. Spot positions that are open overnight may be adjusted to reflect the cost of carrying the position over. Details of such adjustments are available on our Website.

We will not be obliged to check or have regard to any assumption made or expressed by you as to the effect of any trade on your existing or overall positions with us. We need have no regard to your comments that any trade you place is a trade to close all or part of an open position. We will treat all trades as a buy or a sell regardless of whether the trade has the effect of opening a new position or closing an existing one. It is your responsibility to be aware of your positions at all times.

All open spot positions will be rolled over to the next business day at the close of business in the underlying relevant Market, subject to our rights to close the open spot position. Any open forward positions will be rolled over at the expiry of the relevant period into the next relevant period subject to our rights to close the open forward position.

Subject to our rights to close any of your open positions, any open CFD positions that you hold in the same instrument and then subsequently close, may be closed in the order First in, First out (commonly known as FIFO).

You agree to pay our charges at the rates and times set out on our Website. You may be liable for other taxes that are not imposed by us. You should seek independent expert advice if you are in any doubt as to whether you may incur any tax liabilities

4. MARGINS, COLLATERAL PAYMENT AND DELIVERY

- 4.1 Where we effect or arrange a Transaction involving an option, future or contract for differences you should note that, depending upon the nature of the Transaction, you may be liable to make further payments when the Transaction fails to be completed or upon the earlier settlement or closing out of your position. You will be required to make further variable payments by way of margin against the purchase price of the investment, instead of paying (or receiving) the whole purchase (or sale) price immediately. The movement in the market price of your investment will affect the amount of margin payment you will be required to make. We will monitor your margin requirements on a daily basis and we will inform you as soon as it is reasonably practicable of the amount of any margin payment required under this clause.
- 4.2 You agree to pay us on demand such sums by way of margin as are required from time to time under the Rules of any relevant Market (if applicable) or as we may in our discretion reasonably require for the purpose of protecting ourselves against loss or risk of loss on present, future or contemplated transactions under this Agreement.
- 4.3 Please note that in the event that you fail to meet a margin call, we may (and after five Business Days will) close out the position unless we have previously granted you a loan or credit in accordance with Applicable Regulations.
- 4.4 Unless otherwise agreed, margin must be paid in cash. The currency of the cash margin you pay to us shall be the currency of the relevant

underlying Transaction (if applicable) or as we may in our discretion reasonably decide from time to time. Cash margin is paid to us as an outright transfer of title and you will not retain any interest in it. Cash margin received by us will be recorded by us as a cash repayment obligation owed by us to you.

- 4.5 Where we agree to accept non-cash collateral, it must be in a form acceptable to us. The value of the non-cash collateral and the proportion of that value to be taken into account for margin purposes shall be determined by us in our absolute discretion.
- 4.6 If you default under this Agreement or this Agreement terminates, we shall set off the balance of cash margin owed by us to you against your obligations (as reasonably valued by us) to us.
- 4.7 As a continuing security for the performance of the Secured Obligations under or pursuant to this Agreement, you grant to us, with full title guarantee, a first fixed security interest in all non-cash margin now or in the future provided by you to us or to our order or under our direction or control or that of a Market or otherwise standing to the credit of your account under this Agreement or otherwise held by us or our Associates or our nominees on your behalf.
- 4.8 You agree to execute such further documents and to take such further steps as we may reasonably require to perfect our security interest over, be registered as owner of or obtain legal title to the margin, secure further the Secured Obligations, enable us to exercise our rights or to satisfy any market requirement.

4.9 You may not withdraw or substitute any property subject to our security interest without our consent.

4.10 You undertake neither to create nor to have outstanding any security interest whatsoever over, nor to agree to assign or transfer, any of the cash or non-cash margin transferred to us, except a lien routinely imposed on all securities in a clearing system in which such securities may be held.

4.11 If you default under this Agreement, we may exercise the power to sell all or any part of the margin. The restrictions contained in Sections 93 and 103 of the Law of Property Act 1925 shall not apply to this Agreement or to any exercise by us of our rights to consolidate mortgages or our power of sale. We shall be entitled to apply the proceeds of sale or other disposal in paying the costs of such sale or other disposal and in or towards satisfaction of the Secured Obligations.

4.12 In addition and without prejudice to any rights to which we may be entitled under this Agreement or any Applicable Regulations, we shall have a general lien on all property held by us or our Associates or our nominees on your behalf until the satisfaction of the Secured Obligations.

4.13 We shall have the right, in addition to any other rights we may have under this Agreement, or under English law in general, to close and or limit the size of your open positions (new or Gross) and to refuse orders to establish new positions. Situations where we may exercise such right include, but are not limited to, where:

(a) We consider that there are abnormal trading conditions; or

(b) The value of your collateral (as determined by us in accordance with this clause 4) falls below the minimum margin requirement as set out on our Website.

5. TYPES OF ORDER

5.1 On certain types of CFD you may be able to place stop, limit or other types of order, at our discretion.

5.2 Good For The Day ("GFTD") means that the Order in question will be effective until the close of the relevant underlying market.

5.3 Good Till Cancelled ("GTC") means that the Order will remain in effect until the order is filled or you cancel the order or you manually close your related open position. In the case of Guaranteed Stops, where you close the related trade, the Guaranteed Stop will be deemed automatically cancelled. The relevant Order will be valid until the close of the relevant market in which the underlying security is traded for each day during the lifetime of your Order.

5.4 Guaranteed Stops allows you to pre-define the level at which you wish to close out your position. Guaranteed Stops are not available for any CFD orders that you place in currencies.

5.5 Without prejudice to the generality of clause 5.4 execution of a Guaranteed Stop will be filled at the trade size agreed at the time of acceptance of that order.

5.6 The Orders you place as referred to in clause 5.1 shall:

- (a) be deemed to be GTC unless you expressly specify (at the time of placing the relevant order) that it is GFTD;
 - (b) be at levels and on terms acceptable to us; and
 - (c) We have, at our full discretion, the right to refuse or accept an Order.
- 5.7 It is your responsibility specifically to expressly cancel any Order you have placed, otherwise the Order may be filled by us (irrespective of whether you have closed any of your positions or opened any new positions).
- 5.8 We are not obliged to inform you of the "fill" on any Order.
- 5.9 We will execute an Order when our quote reaches the relevant price or trades through it.
- 5.10 GFTD transactions will automatically cease to have effect at the close of the relevant underlying market on the relevant day.
- 5.11 Guaranteed Stops are made available only in our absolute discretion, on a few selected underlying markets and on such terms and conditions as we may specify.
- 5.12 Guaranteed Stops will not be accepted beyond a level of our prevailing minimum stop level.
- 5.13 Subject to clause 4.4, Guaranteed Stops are deemed to be GTC and good for all underlying markets. The Guaranteed Stop will be executed at the agreed Guaranteed Stop level irrespective of the spread for that instrument in relation to the agreed Guaranteed Stop level for that Transaction.
- 5.14 Guaranteed Stops (if available) are only available at the time of opening the relevant position. We may in our absolute discretion agree to change the level of the Guaranteed Stop (provided that the new Guaranteed Stop level is not closer than the prevailing minimum stop level of the current price quotation) on such terms as we may specify. We reserve the right to decline to change the level if margin would thereby become payable.
- 5.15 No extra charge or spread is incurred for Orders except an additional fee is charged in connection with Guaranteed Stops at the rates set out on our website.
- 5.16 Trailing stop orders will be available on certain products subject to the specific conditions as set-out on the website.
- 5.17 If you short-sell a CFD whereby the underlying instrument is subject to the relevant exchange rules, then notwithstanding that you have not traded the underlying instrument on the exchange, you agree to abide by the rules imposed by the exchange on the underlying instrument. For example, for US Equity CFDs, an up-tick rule applies whereby you may only short-sell on an up-tick, and for Australian Equity CFDs you may experience limitations on the amount of CFDs which you may short-sell in a single day, due to limited borrowing availability in the underlying market.
- 5.18 When short-selling CFDs, you may experience forced closure of the position(s) if we have to recall the CFDs. The risk of recall is particularly high if the underlying instrument becomes hard to borrow due to takeovers, dividends, rights

offerings and other merger and acquisition activities or increased selling of the stock.

6. SETTLEMENT OF ACCOUNTS.

6.1 We shall be entitled to retain monies which are required to cover adverse positions, initial margin, variation margin, any uncleared funds, realised losses and any and all other amounts payable to us under this Section E.

7. CURRENCY RATE CONVERSIONS

7.1 We are entitled to (but shall not in any circumstances be obliged to) convert:

- (a) any realised gains, losses, option premiums, commissions, interest charges and brokerage fees which arise in a currency other than your base currency (i.e. the currency in which your Account is denominated) to your base currency;
- (b) any cash currency deposit to another cash currency deposit for the purpose of purchasing an asset denominated in a currency other than your base currency;
- (c) any monies held by us for you into such other currency as we consider necessary or desirable to cover your obligations and liabilities in that currency.

7.2 Whenever we conduct currency conversions, we will do so at such reasonable rate of exchange as we shall select. We shall be entitled to charge and retain for our own account a mark-up on the exchange rates for arranging such conversion as we may from time to time specify to you and publish on our website.

8. DIVIDENDS

8.1 An adjustment will be made to your account in order to reflect the effect of dividends declared by an issuer of a security on any open spot CFD positions that you hold in that security. You must have an open spot position in the respective CFD for that security on the Stock Exchange Ex-Dividend Date for that security. Subject to 8.4 adjustments will be made on the Ex-Dividend Date but the actual value of payment is settled on the pay date.

8.2 Long positions will be credited by the net dividend declared multiplied by the contract quantity.

8.3 Short positions will be debited by the net dividend declared multiplied by the contract quantity.

8.4 In relation to open spot positions in ADRs adjustments will be made on the actual pay date of the net dividend declared.

9. CORPORATE ACTIONS

9.1 Adjustments if any will be made to any open CFD positions that you hold in a security to account for instances where the issuer of the relevant security has made a declaration which will have a diluting or concentrative effect on the size of the respective open CFD position and may effect the contract price of that open CFD position. Examples of declarations include but are not limited to bonus issues, rights issues, stock splits, and delistings.

9.2 Adjustments will be made on the relevant date for that particular security to any relevant open CFD positions that you hold in that security.

9.3 It is your responsibility to be aware of the respective terms and timetable of any such declaration by the issuer of the security in regard to your open CFD positions.

10. TAKEOVERS

10.1 When a takeover offer is made in respect of a single stock security we will close out any open CFD positions that you hold in that security when the offer becomes mandatory and follow the terms of that offer.

10.2 It is your responsibility to be aware of the respective dates and timetable for the relevant takeover offer.

11. SUSPENSION

11.1 In the event that a security is suspended from trading on the underlying Market that it is listed on we will not be able to execute any orders in the CFD for that security until the underlying security resumes trading on the relevant underlying Market.

11.2 Where a security is permanently suspended from trading on the underlying Market that it is listed any open positions in that security will be closed out at a price of zero.

DIRECT MARKET ACCESS SCHEDULE ("THE SCHEDULE")

This is a Schedule to Section E which shall operate in conjunction with the Customer Agreement. Please make sure that you read both the Schedule, the terms set out in Section E and the remainder of the

Customer Agreement carefully, as the provisions of the Customer Agreement that have not been specifically excluded and/or amended shall take effect as if also set out herein.

Words defined and used in this Schedule shall have the same meanings as in Section A of this Customer Agreement.

1. Services

For the purposes of offering the services detailed in this Schedule, we operate an electronic Contract for Differences ("CFD") trading network (the "Network"), that connects clients to certain regulated markets and allows clients to access the services offered by the Network.

We grant you a non-exclusive, non-transferable right to connect to and access the services provided by the Network in the manner approved by us, subject to your compliance with the duties and obligations imposed on you under the Schedule and Customer Agreement. You acknowledge that you are aware of all legislation, regulations, and market practice applicable to trading on the Markets and undertake to comply with such requirements.

You will be allowed direct access to the Network through the public internet. You shall be responsible for all orders and the accuracy of any information, sent via the internet using your name, Password or any other personal identification means used by us to identify you.

2. Trading

You must keep your Passwords secret and ensure that third parties do not obtain access to the Network. You shall be responsible for all Transactions

executed by means of the Password even if these Transactions are incorrect as a result of use of the Password being unauthorised or wrongful or miscommunicated as a result of a malfunction in the Network, the public internet, or a third party service on which the Network relies.

Any instruction sent to us via the internet or by e-mail by you will only becoming binding when such instruction has been recorded as executed by us and confirmed by us to you via the trade confirmation. The mere transmission of an instruction by you shall not constitute a binding contract or a confirmation as defined by the FSA.

Once your Order has been placed electronically through the Network, you will receive a pop-up ticket; subtitled "Placed Order" and your order will be deemed active once you receive this notification. Once the Order is executed by us, you will receive a pop-up ticket, subtitled "Trade Confirmation". This will detail your order and fill. This is not a Trade Confirmation as defined by the FSA, this will be a "Trade Recap module" and will be available by mid-day following the day of trade. It will have all the details of the Transactions executed the previous day. There is a possibility that your Order may either not be executed according to your instructions or not executed at all if there is any systems failure. In the event that you believe that you have entered into a Transaction that should have resulted in a confirmation / pop-up ticket but you have not received one, you must inform us immediately.

Orders placed through the Network will be restricted to market and limit orders only. Where a Transaction entered by you results in exceeding margin limits, the Transaction will be rejected. We may subsequently confirm to you that it accepts the Transaction, notwithstanding that it exceeds your

trading limits, before it is forwarded to the Market, but it shall at all times be within our sole discretion as to whether or not it accepts a transaction which has exceeded the specified limits. We may, in our absolute discretion, pass on to you all stock borrowing and exchange charges that may arise as a result of executing your instruction in addition to commission, financing and other charges.

We reserve the right to suspend your access to the Network, either temporarily or permanently, for any of the following reasons:

- (a) You are in breach of any of the terms in this Schedule, or our Customer Agreement;
- (b) We believe you to be in breach of any Applicable Regulations;
- (c) We are unable to provide to you electronic trading access, due to the withdrawal, defect in, or failure of: network, communications or computer equipment owned or operated by you;
- (d) The malfunction of the Network or any third party technology or service, including, but not limited to, third party telecommunication service, any third party data service, or the Internet.

Unexecuted orders (other than orders which are good for the day only), including partially executed orders, will remain pending until filled, or cancelled by you or ourselves. Any day orders that are not filled during the course of the trading day on the relevant Market will expire at the close of the trading day for that Market. The balance of any incomplete day order will also expire on that particular trading day.

Should your access to the Network be suspended, in accordance with clause 2.5 above, and you have an open position that you would like to close, you will be able to place your trade over the

telephone during normal market hours. You shall promptly provide any instruction to us as required. If you do not provide instructions promptly we may in our absolute discretion, take such steps at your cost as we consider necessary or desirable for our or your own protection. This provision will also apply where we are unable to contact you.

3. Network Systems

To access the Network, you will be responsible for the provision of all computer equipment, and ensuring that such equipment is compatible with our software. In addition, you will accept any updates or modifications to our software, which we consider reasonable and/or necessary in respect of the services offered to you.

The right to access the services provided by the Network does not confer any right or license or interest in, or to, the software, hardware, or intellectual property rights comprising the Network, which right, license and interest is expressly denied. If the grant of access to services provided by the Network is construed for any reason as a license to the Network or any component thereof, or as a grant of an interest in or to the software, hardware, or intellectual property rights comprising the Network, notwithstanding the express disclaimers and agreements to the contrary, such license, right or interest is on a nonexclusive, non-transferable restricted basis only, which is subject to the provisions of this Schedule.

You agree that at all times, title to the software, hardware, and intellectual property rights comprising the Network, including all software delivered to you by us, if any, is retained by us and that nothing in the Schedule conveys title to the Network, any components thereof, or the intellectual property

rights. You acknowledge that the Network may contain software, documentation and/or data, hardware and the intellectual property rights, which is the property of third parties. You agree that, if required, you shall execute such additional agreements with such third parties as a condition for continued use of the Network as we may request.

You agree that you shall not duplicate, compile, decompile, disseminate, disassemble or reverse engineer any component of the Network in whole or in part. You shall not modify any component of the Network or perform maintenance on the Network or merge any component of the Network into any other programs or create derivative works based on any component of the Network. You shall not use the Network in whole or in part, or any confidential information, to create software that is functionally equivalent to the Network or any part of the Network. You shall not lease, sell, license, sublease, or otherwise transfer the right to use the Network to any other party.

4. Liability

Neither we nor any of our partners or affiliates shall be liable in any circumstances for any loss, damage, costs, claims or expenses of any nature whatsoever (including consequential loss or damage) arising as a result of:

- (a) Any errors or omissions which occur during the delivery or forwarding of data through the Network, whether or not such errors or omissions are your fault and whether or not such errors or omissions lead to late settlement of Transactions or trading errors;
- (b) The malfunction of the Network, the public internet, or any third party technology or service, including any third party telecommunication service, any third party

- data service, any third party clearing service, or any Market, irrespective of the cause;
- (c) Any unauthorised access; or
 - (d) Any act, event or circumstance not reasonably within the control of either party constituting force majeure in accordance with clause 22 of Section A of the Customer Agreement.

Nothing in this Schedule is intended in any way to reduce the liability of us acting as your broker on a trade for any failure by us to perform the usual broker obligations for you in connection with trading securities, where such failure is not attributable to a failure of the Network, the public internet, or a third party service on which the Network relies.

Neither we, nor any third party owner, licensor or provider of any portion of information, equipment, accessories or software makes any warranty, condition, guarantee or representation concerning the use of the Network or the public internet on which it relies (including all information, equipment, accessories, and software comprising the Network), that the Network, the public internet, or any component thereof or any service provided by us will meet your needs, or that the Network or the public internet will operate error free, or otherwise. Furthermore, all express or implied direct or indirect representations, warranties, and conditions, statutory, by common law, custom or usage in trade, course of performance, course of dealing or otherwise, including but not limited to any warranties and conditions of merchantable quality and fitness for purpose are excluded.

Our liability and that of any third party owner, licensor or provider of any portion of information, equipment, accessories or software to you from any cause whatsoever, whether in contract, tort (excluding

gross negligence or willful misconduct) or otherwise, shall, in the aggregate, not exceed the fees and charges paid to us under this agreement during the day in which the cause of damages first arose.

In no event shall we or any third party owner, licensor or provider of information, equipment, accessories or software be liable for indirect or incidental, special, exemplary, punitive or consequential damages sustained or incurred in connection with the Network provided hereunder or its use, or any service provided, including without limitation, any loss of profit, loss of revenue, failure to realise expected savings, loss of data or other economic loss, regardless of the form of action, and whether or not such damages were foreseen or unforeseen and whether or not we or such third party owner, licensor or provider has been advised of the possibility of such damages.

5. Regulatory

You are obliged to verify the contents of each document, including documents sent in electronic form by us. Such documents shall in the absence of Manifest Error, be deemed conclusive, unless you notify us immediately on receipt.

If the rules of any applicable Market or of any applicable regulatory body require any amendment to this Schedule, you shall co-operate with us in effecting any such amendments as may be required.

SECTION F: FUTURES TRADING TERMS

These Futures Trading Terms are applicable to you if you transact in futures products and they shall operate in conjunction with the remainder of the Customer Agreement. Please make sure that you read both

these Futures Terms and the Customer Agreement carefully. To the extent that there is any conflict between the provisions of other sections of this Customer Agreement and these Futures Trading Terms, the latter shall prevail in relation to the Futures trading services offered by us.

Note

We have relied on information and documentation that you have provided to us with your Application Form. In providing our derivative products and services to you, we are required to obtain information from you in order to assess whether a given product or service is appropriate for you.

If you fail to provide sufficient information in this regard (or fail to provide any information), there is a strong risk that we will not be able to assess whether you have the necessary knowledge and experience to understand the risks involved.

If you still wish to open an account, we will do so on your behalf, but you must note that we may not be able to determine whether derivatives products are appropriate for you.

On the basis of the information that you have provided to us in your Application Form in relation to your knowledge and experience, we may consider that derivative products are not appropriate for you and that you may be exposing yourself to risks that fall outside of your level of knowledge and experience if you proceed with your application.

1. DEFINITIONS & AMENDMENTS

Words defined and used in these Futures Terms shall have the same meanings as defined in Section A of

this Customer Agreement. In addition the following definitions shall apply:

"Futures" has the meaning, specified in article 84 of the Regulated Activities Order, which is in summary: rights under a contract for the sale of a commodity or property of any other description under which delivery is to be made at a future date and at a price agreed on when the contract is made, in relation to which we offer trading services from time to time. This definition will apply to both the singular and plural and will be used interchangeably in these Futures Terms and should be taken to mean the same thing.

"Secured Obligations" means the net obligation owed by you to us after the application of set-off under clause 4.6 of these Futures Trading Terms.

The following clauses of the General Terms in Section A of this Customer Agreement are amended as follows as regards any Futures business we carry out with or for you:

- (a) Clause 3.1: We effect Futures business with you as principal. Accordingly, we shall have no discretion as to whether to effect any Transaction with you as principal or agent.
- (b) Clause 5.1: these Futures Trading Terms govern trading in Futures.
- (c) Clause 6.1: you or those persons you have notified to us in writing as authorised to give instructions on the Account may only place Orders by using the Internet Password issued to you for Futures trading. We will be entitled to rely and act on any Order without any further enquiry, and will consider any Order to be binding upon you where such Order has been placed using your Trading Password in accordance with clause 15 of Section A of the Customer

- Agreement. For the avoidance of doubt, where you are acting on behalf of another person or entity, we will be entitled to treat you as having authority to do so and as such we will be entitled to rely and act on any Order placed by you on behalf of another person or entity where such Order has been placed using your Trading Password in accordance with clause 15 of Section A of the Customer Agreement.
- (d) Clause 6.5: Orders will only be accepted for Transactions where you hold sufficient funds in your Account to provide initial margin for the Investments set out in your Order.
 - (e) Clause 6.6: This clause will not apply in relation to any Futures business that we may carry out for and or with you.
 - (f) deleted
 - (g) Clause 6.10: This Clause will not apply in relation to any Futures business that we may carry out for and or with you.
 - (h) Clause 6.40: A trade recap module will be provided to you each day detailing the transactions that you have executed the previous trading day. Under the FSA rules this will constitute a confirmation of all the transactions executed that trading day.
 - (i) Clause 9.1: Notwithstanding any other provision of this agreement, in providing execution only dealing services in Futures we shall be entitled to take any action as we consider necessary in our absolute discretion to ensure compliance with the relevant market rules and or practices and all other applicable laws.
 - (j) deleted
 - (k) Clause 13: This clause will not apply to your trading in Futures. Unless otherwise agreed in writing, you hereby agree to transfer to us full ownership of all money held in your Futures Account. This has several important consequences to which we hereby bring your attention; upon transfer to us, such monies will belong to us and will no longer belong to you; upon transfer, we will be able to deal with such monies at our discretion; you will no longer have a proprietary interest in, or claim over, the money held in your Futures Account in respect of such monies, you will be an unsecured creditor in the event of our insolvency; the monies will not be subject to the protections of the Client Money Rules; we will hold the money in the Futures Account; for the purposes of securing or covering your obligations to us; the money held in your Futures Account is held by us as collateral for obligations that you owe, or are likely to owe to us and as such any transfers out of your Futures Account will amount to a release of collateral to you and will be subject to our approval.
 - (l) Clause 14: This will not apply in relation to any Futures business that we may carry out for and /or with you.
 - (m) Clause 16.1: we will provide you with on line access to your account which can be accessed at any time, and this will provide you with sufficient information to manage your account and in compliance with FSA client reporting requirements therefore we will not be providing you with periodic statements.
 - (n) Clause 19.1.(e): You also warrant to us that you have sufficient funds in your Account to cover all margin requirements in connection with the Investment in your Order and any other open positions that you may have.
 - (o) Section A Clause 7.9: We will not pay interest on Futures Account cash balances

- unless we have agreed otherwise with you in writing. In these instances we will pay interest on such balance after all respective margins have been deducted at such rate as we may determine and is agreed in writing. We reserve the right to charge interest at a rate 7% per annum if you default in paying any amount due to us from the date such amount became due until the date payment is made. Default interest accrues daily and is calculated on a compounded basis and will be debited from your account on the last Business Day of March and September in each year
- (p) New clause 7.10B: You also authorise us to collect from your Account using the Direct Debit any sums that you owe us from time to time which are necessary to satisfy your margin requirements.
 - (q) Custody Terms (section B of this Customer Agreement): We will not be providing any custodial services in relation to any Futures business that we may transact with or for you. Therefore Section B of this Customer Agreement will not apply in respect to any Futures business that we may transact with or for you.
 - (r) Charges: We shall transact with or for you on the rates specified on our Website.
 - (s) Please also refer to our Website for details of the individual margin requirements for the type of Futures contracts we offer trading services in.

2. SERVICES

For the purposes of offering the services detailed in these Futures Trading Terms, we operate an electronic Futures trading service (the "Service"). We grant you a non-exclusive, non-transferable right to

connect to and access the Service in the manner approved by us, subject to your compliance with the duties and obligations imposed on you under these Futures Trading Terms and the remainder of the Customer Agreement. You acknowledge that you are aware of all legislation, regulations, and market practice applicable to trading on the Markets and undertake to comply with such requirements.

You will be allowed direct access to our network through the public Internet. You shall be responsible for all orders and the accuracy of any information, sent via the internet using your name, Password or any other personal identification means used by us to identify you.

All Futures are margined products that may require funding on a daily basis. Our margin requirements are set out on our Website. During the lifetime of any Future, we reserve the right in our absolute discretion to review and adjust the percentage of funding required on a Future, with or without notice to you, particularly in volatile market conditions.

3. TRADING

You must keep your Passwords secret and ensure that third parties do not obtain access to the Service. You shall be responsible for all trades executed by means of the Password even if these Transactions are incorrect, or where use of the Password is unauthorised or wrongful or where trades are miscommunicated as a result of a malfunction in the Network, the public internet, or a third party service on which the Network relies. Your attention is drawn to clause 15 of the General Terms in Section A of this Customer Agreement, which sets out your obligations in relation to your Password.

Any instruction sent to us via the Internet or by e-mail by you will only become binding when instruction has been recorded as executed by us and confirmed by us to you via the trade confirmation. The mere transmission of an instruction by you shall not constitute a binding contract or a confirmation as defined by the FSA.

Some Futures contracts offered on an electronic trading system may be traded electronically and through open outcry during the same trading hours. You should review the rules and regulations of the Market listing the contract to determine how Orders that do not specify a particular process will be executed.

Once your Futures contract Order has been placed electronically, you will receive a pop-up ticket, subtitled "Placed Order" and your order will be deemed active once you receive this notification. Once the Transaction is executed, you will receive a pop-up ticket, subtitled "Trade Confirmation". This will detail your order and fill. This is not a Trade Confirmation as defined by the FSA. Your Trade Confirmation as defined by the FSA will be the "Trade Recap Module", which will be available by mid-day the following day and will contain all the details of the Transactions executed the previous day.

There is a possibility that your Order may either not be executed according to your instructions, or not executed at all, for instance if there is any systems failure. In the event that you believe that you have entered into a Transaction that should have resulted in a confirmation/ pop-up ticket, but you have not received one, you must inform us immediately.

Trading through an electronic trading or order routing system exposes you to risks associated with system or component failure. In the event of system

or component failure, it is possible that, for a certain time period, you may not be able to enter new orders, execute existing orders, or modify or cancel orders that were previously entered. System or component failure may also result in loss of orders or order priority.

We will not be obliged to check or have regard to any assumption made or expressed by you as to the effect of any trade on your existing or overall positions with us. We will treat all Transactions of Futures contracts as a buy or a sell regardless of whether it has the effect of opening a new position or closing an existing one. It is your responsibility to be aware of your positions at all times.

Subject to our reserved right to close any of your open positions, any open Futures positions that you hold in the same instrument and subsequently close, may be closed in the order of "First in, First out" (commonly known as FIFO).

4. MARGIN

Where we effect or arrange a Transaction involving an option, future or contract for differences you should note that, depending upon the nature of the Transaction, you may be liable to make further payments when the Transaction fails to be completed or upon the earlier settlement or closing out of your position. You will be required to make further variable payments by way of margin against the purchase price of the investment, instead of paying (or receiving) the whole purchase (or sale) price immediately. The movement in the market price of your investment will affect the amount of margin payment you will be required to make. We will monitor your margin requirements on a daily basis and we will inform you as soon as it is reasonably

practicable of the amount of any margin payment required under this clause.

You agree to pay us on demand such sums by way of margin as are required from time to time under the Rules of any relevant Market (if applicable) or as we may in our discretion reasonably require for the purpose of protecting ourselves against loss or risk of loss on present, future or contemplated transactions under this Agreement.

You acknowledge that in the event that you fail to meet a margin call, we may (and after five Business Days will) close out the position unless we have previously granted you a loan or credit in accordance with Applicable Regulations.

Unless otherwise agreed, margin must be paid in cash. The currency of the cash margin you pay to us shall be the currency of the relevant underlying Transaction (if applicable) or as we may in our discretion reasonably decide from time to time. Cash margin is paid to us as an outright transfer of title and you will not retain any interest in it. Cash margin received by us will be recorded by us as a cash repayment obligation owed by us to you.

Where we agree to accept non-cash collateral, it must be in a form acceptable to us. The value of the non-cash collateral and the proportion of that value to be taken into account for margin purposes shall be determined by us in our absolute discretion.

If you default under this Agreement or this Agreement terminates, we shall set off the balance of cash margin owed by us to you against your obligations (as reasonably valued by us) to us.

As a continuing security for the performance of the Secured Obligations under or pursuant to this

Agreement, you grant to us, with full title guarantee, a first fixed security interest in all non-cash margin now or in the future provided by you to us or to our order or under our direction or control or that of a Market or otherwise standing to the credit of your account under this Agreement or otherwise held by us or our Associates or our nominees on your behalf.

You agree to execute such further documents and to take such further steps as we may reasonably require to perfect our security interest over, be registered as owner of or obtain legal title to the margin, secure further the Secured Obligations, enable us to exercise our rights or to satisfy any market requirement.

You may not withdraw or substitute any property subject to our security interest without our consent.

You undertake neither to create nor to have outstanding any security interest whatsoever over, nor to agree to assign or transfer, any of the cash or non-cash margin transferred to us, except a lien routinely imposed on all securities in a clearing system in which such securities may be held.

If you default under this Agreement, we may exercise the power to sell all or any part of the margin. The restrictions contained in Sections 93 and 103 of the Law of Property Act 1925 shall not apply to this Agreement or to any exercise by us of our rights to consolidate mortgages or our power of sale. We shall be entitled to apply the proceeds of sale or other disposal in paying the costs of such sale or other disposal and in or towards satisfaction of the Secured Obligations.

In addition and without prejudice to any rights to which we may be entitled under this Agreement or any Applicable Regulations, we shall have a general

lien on all property held by us or our Associates or our nominees on your behalf until the satisfaction of the Secured Obligations.

We shall have the right, in addition to any other rights we may have under this Agreement, or under English law in general, to close and or limit the size of your open positions (new or Gross) and to refuse orders to establish new positions. Situations where we may exercise such right include, but are not limited to, where:

- (a) We consider that there are abnormal trading conditions; or
- (b) The value of your collateral (as determined by us in accordance with this clause 4) falls below the minimum margin requirement as set out on our Website.

5. INTERMEDIATE BROKERS AND OTHER AGENTS

You acknowledge that we may arrange for any Transaction to be effected with or through the agency of an intermediate broker or settlement agent ("Agent"), who may or may not be a member of our group, and may not be in the United Kingdom, to execute Transactions on any exchanges that we are not members of. Where we use an Agent which is not in the United Kingdom, the legal and regulatory regime applying to the Agent will be different from that of the United Kingdom and, in the event of a failure of the Agent, your money may be treated in a different manner from that which would apply if the money was held by an Agent in the United Kingdom.

When we enter into a Transaction with you, subject to the rules of a Market, we shall in relation to a particular Market have made or arranged to have made through an intermediate broker on a principal to principal basis a matching Transaction on the market

operated by the relevant Market. Our Transaction with you and the matching Transaction on the market will be identical in its terms except the parties involved.

6. MARKET ACTION

Where the intermediate broker, Market or clearing house requires any alteration in the terms of a Futures contract we may without referring to you take any action in our absolute discretion needed to comply with the request. Your Futures contract shall be automatically amended to match the relevant exchange contract. It is your responsibility to be aware of your positions. We shall not be responsible for informing you of any changes to your Futures contracts nor shall we be liable to you for any failure to do so.

We may at any time be prevented from entering into Transactions in accordance with your instructions as a result of an exchange suspension, or restricting business pursuant to the rules of that exchange. We shall not be liable to you for any loss you suffer as a result of not being able to comply with your instructions.

You acknowledge that a Market or clearing house may pursuant to its rules instruct either us, or any intermediate broker that we have arranged to effect Transactions through, to liquidate specified Transactions and matching Transactions, or take any other action in respect of your account without reference to you. We shall not be liable to you for any loss you suffer as a result of our complying with such regulatory instructions.

7. EXPIRY OF CONTRACTS

We do not support the physical delivery of any open positions undertaken in Futures contracts upon expiry of the relevant Futures contract.

It is your responsibility to be aware of the expiry dates of any open positions that you may have and ensure that any open positions are closed before the relevant contract expires.

In the event that you have not closed out any open positions prior to the expiry date we will be required to close any open positions that you may have in the relevant contracts at the first available opportunity and will not be responsible to you for any losses that you may incur as a result of this.

In the event that you require assistance regarding the expiry of your Futures contract please contact us immediately.

8. SETTLEMENT OF ACCOUNTS

7.3 We shall be entitled to retain monies which are required to cover adverse positions, initial margin, variation margin, any uncleared funds, realised losses and any and all other amounts payable to us under these Futures Terms.

7.4 If you make any payment under these Futures Terms which is subject to any withholding or deduction, you shall pay us such additional amount to ensure that the amount actually received by us will equal the full amount we would have received had no withholding or deduction been made.

7.5 We shall not be obliged to account to you for any income received by us as a result of carrying out any of the activities described in this clause.

7.6 You shall be obliged to promptly deliver any money in connection with a Future in accordance with the terms of that Future and with any instructions given by us for the purpose of enabling us to perform our obligations under any corresponding agreement entered into between us and a third party.

9. CURRENCY RATE CONVERSIONS

We are entitled to (but shall not in any circumstances be obliged to) convert:

- (a) Any realised gains, losses, option premiums, commissions, interest charges and brokerage fees which arise in a currency other than your base currency (i.e. the currency in which your Account is denominated) to your base currency;
- (b) Any cash currency deposit to another cash currency deposit for the purpose of purchasing an asset denominated in a currency other than your base currency;
- (c) Any monies held by us for you into such other currency as we consider necessary or desirable to cover your obligations and liabilities in that currency.

Whenever we conduct currency conversions, we will do so at such reasonable rate of exchange as we shall select. We shall be entitled to charge and retain for our own account a reasonable mark-up on the exchange rates for arranging such conversion as we may from time to time specify and publish on our Website.

10. SUSPENSION

We reserve the right to suspend your access to the Network, either temporarily or permanently, for any of the following reasons:

- (a) You are in breach of any of the terms in these Futures Terms, or the Customer Agreement;
- (b) We believe you to be in breach of any Applicable Regulations;
- (c) We are unable to provide to you electronic trading access, due to the withdrawal, defect in, or failure of network, communications or computer equipment owned or operated by you, or the malfunction of the Service or any third party technology or service, including, but not limited to, third party telecommunication service, any third party data service, or the Internet.

Unexecuted orders, including partially executed Orders, will remain pending until filled, or cancelled by you or ourselves. Any Orders that are not filled during the course of the trading day on the relevant Market will expire at the close of the trading day for that Market. The balance of any incomplete Order will also expire on that particular trading day.

Should your access to the Service be suspended, in accordance with clause 10.1 above, and you have an open position that you wish to close, you will be able to place your trade over the telephone during normal market hours. You shall promptly provide any instruction to us as required. If you do not provide instructions promptly we may in our absolute discretion, take such steps at your cost as we considers necessary or desirable for its or your own protection. This provision will also apply where we are unable to contact you.

SECTION G: US TRADING TERMS

This Section G applies to you if you transact in US financial instruments and must be read in conjunction with the remainder of the Customer Agreement. If

there is a conflict between the other sections of the Customer Agreement and these US Trading Terms, the provisions of these US Trading Terms will prevail as regards any trading in US financial instruments which you conduct through us.

We offer you the US trading services and the legal contract in relation to those services is between you and us. However, all execution, settlement, and custody for US trading is outsourced to E*TRADE Clearing LLC, which is a separate but affiliated company.

These US Trading Terms contain important information about the risks associated with using margin and trading US options. Please read this information carefully. In consideration for us opening and maintaining one or more US trading accounts for you, you agree to these US Trading Terms, as amended from time to time.

1. INTRODUCTION

You understand that these US Trading Terms govern all aspects of your relationship with us in relation to all transactions in US financial instruments between you and us, beginning on the date your Account is opened. Various features of your Account(s) are offered or processed through a service provider, which may be an unaffiliated company, or Group company. Unless otherwise noted, all authority granted to, or limitations of liability of, shall include our agents and representatives and any service provider. We, our agents or affiliates acting on our behalf are authorised to perform the services contemplated by these US Trading Terms.

You acknowledge that the following provisions of the Customer Agreement are not applicable to the US trading facilities offered to you under these US Trading Terms:

- (a) Section A, Clause 13 (Client Money): Funds relating to your US trading will not be held by us in the UK nor subject to the Client Money Rules, rather they will be held in the US by our US affiliate company, E*TRADE Clearing LLC, pursuant to a fully-disclosed clearing agreement. Please see clause 6(b) of these US Trading Terms for the protections applicable to those assets.

2. DEFINITIONS

The terms set out below have the following meanings as used in these US Trading Terms:

“Access Device” means a computer, a personal digital assistant (“PDA”), television, telephone, beeper, or any other communications device, including any software you use on such device whether we provide it to you or otherwise, that enables you to access and use the Service through any means, including the World Wide Web, the Internet, any wireless connection or any other computer or telephonic network.

“Account holder” means the person, corporation, partnership, trustee, custodian or other entity in whose name the Account is opened.

“Accounts of a Household” means Accounts of all persons with the same last name at the same address for purposes of sending communications. We may consider other Accounts as Accounts of a Household at our discretion.

“Available Funds” means the sum of any Cash Balance and any available margin, less funds needed to pay for

unsettled purchases or open orders, and less uncleared credits and any Debit Balance.

“Business Day” means US business hours Monday to Friday US time, excluding US bank holidays.

“Cash Balance” means an account balance representing money owed to you as a general obligation of E*TRADE Clearing, upon which interest is paid, subject to these terms. Cash Balances are not bank deposits and are not insured by the US Federal Deposit Insurance Corporation (“FDIC”). The Cash Balance is the sum of the uninvested cash in your Account less the following: (i) funds necessary to pay for purchase transactions due to settle on or after the date the Cash Balance is to be determined; (ii) charges to your Account, including Electronic Funds Transfer and wire transfer charges; and (iii) credit balances that are designated as collateral for your obligations to cover margin loans, short sales and/or option positions.

“Data Providers” means any exchange, organization, association or other entity that maintains or provides a marketplace or facility that performs functions commonly performed by a national securities exchange or association that otherwise disseminates information related to securities or other financial instruments, products or vehicles.

“Debit Balance” means an Account balance representing money owed to us.

“E*TRADE Bank” means E*TRADE Bank, its officers, directors, employees, representatives, agents, successors and assigns. E*TRADE Bank is an affiliate of E*TRADE Clearing LLC.

“E*TRADE Clearing” means E*TRADE Clearing LLC, its officers, directors, employees, representatives, agents, successors and assigns. E*TRADE Clearing LLC is an affiliate of ours.

“Free-Riding” means the prohibited practice of purchasing and selling a security in a cash account

without meeting the payment obligation under Regulation T of the Federal Reserve Board created by the initial purchase. Free-Riding generally entails using the proceeds of a sale of a security to meet the obligation to pay for the earlier purchase of the same security, and includes similar practices, such as improper options transactions in which proceeds of uncovered options writing are used to finance other stock or option positions in violation of the payment obligations in Regulation T.

“Good Delivery” means the delivery to us of freely transferable securities that are properly endorsed, registered and fully negotiable.

“Margin Account” means an Account that allows you to make purchases and “short” certain securities using available cash and/or using funds or securities borrowed from E*TRADE Clearing, while using marginable securities or cash as collateral for the credit.

“Market Data” means quotations, transactions and last sale information disseminated by Data Providers in accordance with federal securities regulations, and all information based on any such information.

“FINRA” The Financial Industry Regulatory Authority, of which E*TRADE Clearing is a member firm. Where the context requires, FINRA also refers to any other FINRA affiliate or division such as FINRA Dispute Resolution.

“NYSE” means the New York Stock Exchange, Inc., of which E*TRADE Clearing is a member firm.

“Options Account” means an Account that allows you to trade standardized options on U.S. options exchanges. An option is a contract that entitles or obliges you to buy or sell a predetermined quantity of an underlying security or index at a fixed exercise price on or before its specified expiration date.

“Password” means any authentication device (including alphanumeric codes) associated with your

User ID that we require for access to your Account (or certain Account features) through the Service.

“Restricted Securities” means Securities owned by an affiliate of an issuer or subject to Rule 144 or 145(d) of the Securities Act of 1933 or any other rule relating to restricted or control securities, or securities owned under restricted transferability due to an agreement with the owner and the issuer or the underwriter.

“Securities and/or Other Property” includes cash, stocks, bonds, mutual funds, money market funds, options and other financial instruments and related contracts, whether certificated or un-certificated and whether for present or future delivery, and all rights and entitlements thereto. This definition includes the securities and other property and the proceeds thereof currently or in the future held, carried or maintained by us or any of our affiliates, in our possession or control or in the possession or control of any such affiliate, for any purpose, in and for any of your current or future Accounts, including any Account in which you have a beneficial interest.

“Service” means the brokerage, financial and other services that we may offer, including through electronic means.

“Settlement Date” means the day on which a transaction is to be completed. On this day, buyers are to pay for their purchases and sellers are to deliver their securities. Generally, for equity transactions, settlement date is three (3) days after a trade executes, for options trades settlement date is the day after the trade executes, and settlement for mutual funds can vary depending on the particular fund family.

“Short Sale” means the sale of a security which you do not own, with the intention to settle with borrowed securities.

“User ID” means the alphanumeric code that uniquely identifies you for purposes of the Service.

3. CLEARING BROKER AGREEMENT

You acknowledge that we have entered into an agreement with our affiliate, E*TRADE Clearing, pursuant to which E*TRADE Clearing will carry and maintain your Account, and execute (if so requested) and clear and settle securities transactions therein. You authorize E*TRADE Clearing, without any inquiry or investigation by it, to accept from us orders for the purchase or sale of securities or other property, on margin or otherwise, and any other instructions concerning the Account. We are authorized to make arrangements from time to time for the carrying of your account by other clearing brokers without further authorization from you.

4. ACCOUNT PROVISIONS

(a) Account Types

We may offer different account types. Account types may be subject to certain restrictions and eligibility requirements, and certain services are not available to all customers and account types. Further information on this subject is on our Website. You are responsible for selecting the account type that is appropriate for your needs and circumstances.

Unless you indicate on your Account Application that you do not desire margin privileges, we will, at our discretion (unless otherwise required by law), treat your Account Application as a request to open a Margin Account. We reserve the right to limit the number of Cash and/or Margin Accounts that you maintain (or have a beneficial interest in) at any one time.

(b) Joint Accounts

If there is more than one Account holder, the legal ownership of the Account will be as designated on the Account Application. If no designation is made, each Account holder directs us to establish the Account as joint tenants with rights of survivorship.

If there is more than one Account holder, each Account holder agrees to be jointly and severally liable for all obligations arising under this Agreement or otherwise relating to the Account, including responsibility for orders entered through the Service or using any User ID and Password assigned to the Account, regardless of which Account holder gives such instructions, enters such orders or changes such Password. Each Account holder has full authority, acting individually and without notice to any other Account holder, to deal with us as fully and completely as if such Account holder were the sole Account holder. Each of you authorize us to follow the instructions of any one Account holder concerning any matter pertaining to the Account. This includes purchase and sale of securities (on margin or otherwise), delivery of any or all Securities and/or Other Property in the Account to any Account holder or to any third party, or disbursement of any or all monies in the Account. We are not responsible for determining the purpose or propriety of any instruction received from any Account holder as against any other Account holder, or of any disposition of payments or deliveries of Securities and/or Other Property between or among Account holders. At our sole discretion, we reserve the right to require written instructions from one or all Account holders. If we receive instructions from any Account holder that, in our opinion, conflict with instructions received from any other Account holder, we may comply with any of these instructions or advise each Account holder

of the apparent conflict and take no action as to any of these instructions until it actually receives and has a reasonable amount of time to act on satisfactory instructions from any or all of the Account holders.

In the event of a dispute between or among Account holders of which we have notice, we reserve the right, but are not obliged, to place restrictions on an Account. For example, if an Account holder requests a restriction be placed on access to funds in the Account because of a pending litigation or dispute between Account holders, we may prohibit all transfers of funds from the Account with such restrictions to remain in place until we actually receive and have a reasonable amount of time to act on appropriate court documentation or a written, notarized instruction signed by all Account holders. In such a case, all Account holders remain liable for any pending transfers that have not yet cleared at the time of the restriction. We also may, at the expense of the Account holders, commence or defend any action or proceeding for or in the nature of inter-pleader to have the dispute resolved judicially. If a suit or proceeding for or in the nature of inter-pleader is brought by or against us, we may deliver the Account into the registry of the court, at which time we will be deemed to be and will be released and discharged from all further obligations and responsibilities under this Agreement.

Each of us agrees that, on the death or disability of an Account holder, divorce of married Account holders, or other event that causes a change in ownership or capacity with respect to the Account, the remaining Account holder(s) will immediately give us official written notice of such change of ownership or capacity. We will not be responsible for any transfers, payments or other

transactions in the Account made at the direction of a former Account holder or incapacitated Account holder before we actually received and had a reasonable amount of time to act on such official written notice. Following receipt of such official written notice, we may require additional documents and reserve the right to retain such assets in and/or restrict transactions in the Account as we deem advisable in our sole discretion to protect ourselves against any losses. Any former Account holder and the estate of any deceased or incapacitated Account holder will remain jointly and severally liable for any losses in the Account arising out of or relating to transactions initiated before we actually received and had a reasonable amount of time to act on such official written notice.

We will not notify other Account holders of the actions taken by any one Account holder. Each Account holder agrees that notice provided to any one Account holder will be deemed to be notice to all Account holders for all purposes.

(c) Taxpayer ID and Backup Withholding

If a correct Taxpayer Identification Number is not provided to us, you acknowledge that you may be subject to backup withholding tax at the appropriate rate on all dividends, interest and gross proceeds paid to you. Backup withholding taxes are sent to the IRS and cannot be refunded by us. You further understand that if you waive tax withholding and fail to pay sufficient estimated taxes to the IRS, you may be subject to tax penalties.

(d) Cash Sweep and Payment of Interest on Cash Balances

You understand that we may, in our discretion, pay interest on any Cash Balances awaiting



investment or we may permit you to invest or place available Cash Balances in bank deposit accounts maintained with E*TRADE Bank or other affiliated or unaffiliated banks or such other accounts or arrangements as we may make available to you ("Sweep Products" and, together with Cash Balance, "Sweep Options"). You understand that your Account statements will reflect the payment of any Cash Balance and all sweep transactions. We may change or replace the Sweep Options available to you at our discretion. Except as provided below, we will give you advance notice of any such change in Sweep Options. Unless you notify us of an objection to any such change, you authorize us to withdraw cash maintained in the prior Sweep Option and to invest or place the proceeds in the replacement Sweep Option. You understand that you will be bound by the terms and conditions for the Sweep Option that is associated with your Account. In addition, you understand that different Sweep Options may be offered by us in connection with various accounts, services and products.

Cash Balances are unsecured general obligations of E*TRADE Clearing. E*TRADE Clearing is a securities broker-dealer, not a bank or other depository institution. A Cash Balance is not a deposit or other obligation of any bank or other depository institution, and is not insured by the FDIC.

Interest Rate Information.

Interest paid to you on your Cash Balance will be calculated using the interest rates, calculation methodology and compounding frequency, set from time-to-time by E*TRADE Clearing. The current simple interest rate, at which interest is paid on Cash Balances and the corresponding annual percentage yield ("APY"), at which Cash

Balances would earn interest each year if all interest paid on the Cash Balance remains as a Cash Balance in the account, are as specified in the Rate Sheet at www.etrade.com/rates. The interest rate and APY paid on Cash Balances, calculation methodology and compounding frequency, are subject to change from time-to-time without prior notice by E*TRADE Clearing.

Cash Balance Sub-Account Structure.

Your Cash Balances are held in two separate sub-accounts at E*TRADE Clearing: (1) a transaction sub-account, and (2) a time sub-account. Both sub-accounts generate interest at the same rate and in proportion to their respective balance sizes. Interest will accrue on the combined balances of the Cash Balance sub-accounts. An unlimited number of transfers of funds may be made from the transaction sub-account. However, to minimize regulatory reserve requirements for E*TRADE Clearing's parent depository institution, the number of funds transfers from the time sub-account is limited to six (6) per statement cycle. E*TRADE Clearing will establish and modify from time to time a target balance for the transaction sub-account that is designed to optimize the amounts held over time in the two sub-accounts to permit an unlimited number of monthly transfers from the transaction sub-account and a high average balance in the time sub-account.

Funds available in the Cash Balances will be credited to the appropriate sub-account to maintain a target balance in the transaction sub-account. Up to six (6) transfers a month may be made from the time sub-account to the transaction sub-account. On the sixth transfer, the entire balance in the time sub-account will be automatically transferred to the transaction sub-account. The transaction sub-account balance will

be transferred back to the time sub-account at the beginning of the next monthly statement cycle. Cash needed to transfer balances out of Cash Balances will be automatically transferred from any available balances in the transaction sub-account of your Cash Balances.

Monthly statements will be sent to you showing the amounts held as a Cash Balance, the addition or withdrawal of balances to the Cash Balance, but not the transfers between your Cash Balance sub-accounts. Transfers between the two sub-accounts do not affect the amount of interest paid to you.

Use of Cash Balance and Payment of Fees to Others.

Any Cash Balances are held un-segregated and may be used by E*TRADE Clearing in the conduct of its business, subject to the limitations of Rule 15c3-3 under the Securities Exchange Act of 1934. E*TRADE Clearing derives profits from the spread between its cost of funds (including Cash Balances) and the return on its assets (e.g., loans and other investments it makes), net of expenses. Cash Balances provide a relatively low-cost source of funds to E*TRADE Clearing and thus help contribute to E*TRADE Clearing's profitability.

E*TRADE Clearing may pay or receive certain fees in respect of Cash Balances to or from us.

You agree that your Cash Balances in your Account are maintained for securities investment purposes in connection with your Account, and not solely for the purpose of receiving interest on your Cash Balances. E*TRADE Clearing reserves the right to stop paying interest on Cash Balances, close your Account or take any other action if we or E*TRADE Clearing, in our or their discretion, conclude that your Cash Balances are

maintained solely for the purpose of receiving interest on a Cash Balance. Rates, terms and conditions of the Cash Balances are posted on our Website. E*TRADE Clearing may increase or decrease the rate of interest or decide to stop or start paying interest, anytime in its discretion.

(e) Availability of Funds

Funds that we receive in good deliverable form and that have been credited to your Account are available immediately for trading, subject to the following sentence, but generally are not available for withdrawal for up to ten (10) Business Days. We may, in our sole discretion, impose a longer period during which funds may not be available for trading or withdrawal. We reserve the right, in our sole discretion and without advance notice, to refuse certain types of additions of funds to your Account, including third party cheques or previously returned items. We reserve the right to require that you make requests for withdrawals from your Account in writing. You understand that for cash transfers, the financial institution you designate must be a participant of our Cash Transfer Service and that it is your responsibility to ensure that the instructions and information you provide to us in connection with a cash transfer are accurate. You will refer to our Website for more information regarding acceptable additions of funds to your Account and how to withdraw funds.

E*TRADE Clearing reserves the right to require seven (7) days' prior notice before permitting a withdrawal or transfer of funds from the time sub-account of your Cash Balance. E*TRADE Clearing has no present intention of exercising this provision. However, E*TRADE Clearing may, at its sole discretion, choose to do so in the future.

(f) Wire Transfers and Check Disbursements.

By sending us a wire or cheque disbursement request (whether by telephone, electronically or in writing), you authorize us and our bank service provider to act on your behalf to initiate the wire transfer or cheque disbursement. On our receipt of a wire transfer or cheque disbursement request, we will transmit payment instructions to the applicable bank. If a wire transfer or cheque disbursement request is received after the relevant cut-off time, your request may be treated as if it were received the next Business Day. We also may reject wire transfer or cheque disbursement requests.

It is your responsibility to ensure that your instructions are accurate before requesting us to initiate a wire transfer or cheque disbursement. A wire or cheque disbursement request cannot be amended or cancelled after we receive it. We may in our discretion attempt to abide by a subsequent request for a change, but we are not obliged to do so. You agree to indemnify and hold us and our affiliates harmless from any losses arising out of or relating to an attempt to amend or cancel a wire transfer or cheque disbursement request. In addition, if you request a stop-payment on any cheque issued in response to a cheque disbursement request, you understand that you may not have access to the funds for at least sixty (60) days.

If your wire transfer or cheque disbursement request involves a currency other than U.S. dollars, your funds will be exchanged for such currency at the current rate of exchange according to our standard business procedures. You are aware that currency exchange rates fluctuate over time and you accept the risks of such fluctuation between the time you send a wire transfer or cheque disbursement request

and the time the wire transfer or check disbursement is final.

If you arrange for a wire transfer to be directed to your Account, you are responsible for ensuring that such wire is initiated properly, addressed properly to our bank account and bears appropriate wire instructions in exactly the form we require for the identification of you and your Account. You understand that any erroneous, mismatched or incomplete identifying information on an incoming wire transfer may result in such wire being rejected, lost, posted to an incorrect account or returned to the originating bank without notice to you and you agree to indemnify and hold us and our affiliates harmless from any losses arising out of or relating to any erroneous, mismatched or incomplete identifying information on an incoming wire.

(g) Requesting Certificates

You authorize us to register any Securities and/or Other Property in your Account in our name or in the name of any other nominee, including sub-custodians, or to cause the Securities and/or Other Property to be registered in the name of, or in the name of any nominee of, a recognized depository clearing organization. Your ownership of these Securities and/or Other Property is reflected in our records. Without abrogating any of our rights under this Agreement and subject to prior satisfaction of any indebtedness you may have to us, you are entitled to receive physical delivery of fully paid securities from your Account. On your written instructions, and on paying any applicable fees (as described on our Website), any certificate that is capable of being produced and obtained by us in physical form will be sent to you on request.

(h) Interest Charges on Debit Balances

You will be charged interest on any Debit Balance in any of your Accounts, as disclosed to you pursuant to the provisions of Rule 10b-16 under the US Securities Exchange Act of 1934 and on any and all monies owed by you to us following termination of your Account. Additional information and a detailed explanation of the computation of interest charges applicable to Debit Balances and Margin Accounts is located under "Margin Accounts" and is available on our Website.

(i) Satisfaction of Indebtedness

You agree to satisfy any indebtedness to us and pay any Debit Balance in any of your Accounts on demand. Your Account will not be closed until you cause to be delivered to us all Securities and/or Other Property that the Account is short and all funds to pay in full for all Securities and/or Other Property that the Account is long. If you have a Debit Balance in your Account and you own an interest in any other Account (including those accounts held by you with our affiliates), we may, to the extent permitted by law, effect a transfer or demand a distribution from such other Account to cover any Debit Balance due to us, without notice to you. You agree that, on our written demand, you will execute all documents necessary to effect a distribution from such other Account and to cause such funds to be paid immediately in order to satisfy your indebtedness to us. Our rights under this paragraph are in addition to and with full reservation of our rights to take any additional action, including legal action, to recover any indebtedness that you may owe to us.

(j) Lien and Liquidation; Remedies

You agree that all Securities and/or Other Property held in your Accounts (including those accounts held by you with our affiliates) and all

rights, whether due or not, that you may have against us will be subject to a first, perfected and prior lien, security interest and right of set-off and held as security by us or by our affiliates for the discharge of any indebtedness or obligation that you may have to us, however such obligation may have arisen. You understand that we, to the extent permitted by law, may at any time and without giving you prior notice, use, liquidate and/or transfer any or all Securities and/or Other Property to satisfy any indebtedness or obligation to us, however such obligation may have arisen. In the event of a breach or default by you under this Agreement, we will have the rights and remedies available to a secured creditor under all applicable laws in addition to the rights and remedies provided in these US Trading Terms.

You further agree that if: (i) you default on any of your obligations under these US Trading Terms, (ii) you become bankrupt, insolvent or subject to a similar condition or subject to any bankruptcy, reorganization, insolvency or other similar proceeding, or (iii) we, in our discretion, deem it advisable for our protection, we may, at any time and without prior notice to you: (a) cancel, terminate, accelerate, liquidate and/or close out any or all agreements or transactions between you and us or otherwise relating to the Account and calculate damages in a manner that we believe appropriate, (b) pledge, transfer or sell any Securities and/or Other Property in the Account (including those accounts held by you with our affiliates) or any other Account in which you have an interest, either individually or jointly with others, or (c) take any other action as we, in our discretion, deem appropriate with respect to any of the foregoing and apply the proceeds to the discharge of the obligation. In pursuing the remedies available to us, we may, without

limiting our rights under this paragraph, set off amounts that you owe to us against any amounts that we owe to you and you will remain liable for any deficiency. You agree to indemnify and hold us and our affiliates harmless from and against any losses incurred in connection with enforcing our lien or any other remedies available to us. In enforcing our rights under these US Trading Terms, we may act in our discretion without regard to any tax or other consequences that you may face as a result of such actions.

5. US BROKERAGE SERVICES

(a) Transaction Confirmations and Account Statements

It is your responsibility to review all confirmations of transactions immediately on receipt, whether delivered to you electronically, by IVR, by postal mail or otherwise. You will notify us of any objection to the terms of a confirmation within two (2) days after receipt of the confirmation. We are entitled to treat the terms of the confirmation as accurate and conclusive unless you object within two (2) days of receipt. In all cases, we reserve the right to determine the validity of your objection. If you object to a transaction for any reason, you understand that you will attempt to limit any losses that may result from such transaction. You understand and agree that unless you take such action to limit losses, you will bear sole responsibility for any and all further losses that may occur thereafter, even if your objection to the initial transaction is ultimately determined to be valid.

You agree that we are not obliged to provide you with any trade status report other than the official confirmation. We may provide electronic or other trade status reports as a courtesy only, but we do not guarantee the accuracy or

timeliness of such interim trade status reports and will not be liable for any losses arising out of or relating to delayed issuance or failure to issue an electronic or other trade status report, or from errors in such reports that we subsequently correct in official confirmations.

It is your responsibility to review all Account statements promptly on receipt, whether delivered to you electronically, by IVR, by postal mail or otherwise. You will notify us of any objection (including any claim of improper transfers, omissions, check alterations, forgeries, other errors or fraudulent occurrences) to the information contained in your Account statement (excluding securities transactions, which are covered by transaction confirmations as stated above) within five (5) days after receipt of the statement. We are entitled to treat the information contained in the Account statement as accurate and conclusive unless you object within five (5) days of receipt. In all cases, we reserve the right to determine the validity of your objection to the information contained in the Account statement.

(b) Monitoring Communication

You understand and agree that we may in our discretion, but are not obliged to, monitor or record any of your telephone conversations with us for quality control purposes and for our own protection. We may also monitor and make a record of your use of the Service and any other communications between us and may use the resulting information for internal purposes or as may be required by applicable law. Unless otherwise agreed in writing, we do not consent to the recording of telephone conversations by any third party or you. You acknowledge and understand that not all telephone lines or calls

are recorded by us, and we do not guarantee that recordings of any particular telephone calls will be retained or capable of being retrieved.

(c) Information Made Available through the Service

You understand that you are permitted to store, display, analyze, modify, reformat and print the information made available to you through the Service only for your own use. You will not publish, transmit, or otherwise reproduce this information, in whole or in part, in any format to any third party without our express written consent. You will not alter, obscure or remove any copyright, trademark or any other notices that are provided to you in connection with the information. You represent and warrant that: (i) you will not use the Service in contravention of this Agreement, (ii) You will use the Service only for the benefit of your Account and not on behalf of any other person, and (iii) with the exception of a web browser and other applications specifically approved by us in writing, you agree not to use (or allow another person to use) any software, program, application or other device, directly or indirectly, to access or obtain information through the Service or to automate the process of accessing or obtaining such information.

(d) Nondisclosure of Material, Non-public Information

In connection with the brokerage and other services that it provides, we or our affiliates may, from time to time, come into possession of confidential and material, non-public information. We are prohibited from improperly disclosing or using such information for our own benefit or for the benefit of any other person, regardless of whether such other person is our customer. We

maintain and enforce written policies and procedures that prohibit the communication of such information to persons who do not have a legitimate need to know the information and to assure that we are meeting our obligations to customers and remain in compliance with applicable law. You understand and agree that these policies and procedures are necessary and appropriate and recognize that, in certain circumstances, we will have knowledge of certain confidential or material, non-public information which, if disclosed, might affect your decision to buy, sell or hold a security, but that we will be prohibited from communicating such information to you or using it for your benefit.

6. TRADING PROVISIONS

(a) Applicable Rules and Regulations

All transactions in US financial instruments will be subject to the constitution, rules, regulations, customs and usages of the relevant exchange or market, and its clearing house if any, where such transactions are executed by us or our agents, as well as our house trading rules and policies. Where applicable, such transactions will be subject to the provisions of the US Securities Act of 1933, the US Securities Exchange Act of 1934, and the rules and regulations of the US Securities and Exchange Commission, the Board of Governors of the US Federal Reserve System and any applicable self-regulatory organization. In no event will we be obliged to effect any transaction we believe would violate any US federal or state law, rule or regulation or the rules or regulations of any regulatory or self-regulatory body.

(b) SIPC and Other Insurance Coverage

E*TRADE Clearing is a member of the Securities Investor Protection Corporation ("SIPC"). SIPC

currently protects the Securities and/or Other Property in each of your Accounts up to \$500,000, including \$100,000 for claims for cash. (Please note that money market fund balances are not considered cash for this purpose; they are considered to be securities.) E*TRADE Clearing offers additional protection secured through an independent insurer. Account protection and coverage (either under SIPC or the additional insurance secured by E*TRADE Clearing) does not cover fluctuations in the market value of your investments. Positions held away are not in the custody or control of E*TRADE Clearing, nor are they covered by SIPC or the additional insurance secured by E*TRADE Clearing.

(c) Market Volatility, Market Orders and Limit Orders

You understand that, whether you place a market or limit order, you will receive the price at which your order is executed in the marketplace. Particularly during periods of high volume, illiquidity, fast movement or volatility in the marketplace, the execution price received may differ from the quote provided on entry of an order, and you may receive partial executions of an order at different prices. You understand that we are not liable for any such price fluctuations. You also understand that price quotes generally are for only a small number of shares as specified by the marketplace, and larger orders are relatively more likely to receive executions at prices that vary from the quotes or in multiple lots at different prices.

Securities may open for trading at prices substantially higher or lower than the previous closing price or the anticipated price. If you place a market order (whether during normal market hours or when the market is closed), you agree to pay or receive the prevailing market price at the

time your market order is executed. You understand that the price you pay may be significantly higher or lower than anticipated at the time you placed the order. To avoid buying a security at a higher price and possibly exceeding your purchasing power, or selling it at a lower price than you desire, you understand your option to enter a limit order. You also understand that limit orders may not be executed at any particular time, or at all if there is not sufficient trading at or better than the limit price you specify. Our Website contains further information regarding orders types and limitations, which you agree to read and understand before placing such orders.

(d) Bulletin Board/Pink Sheet Stocks

Bulletin board, pink sheet and other thinly-traded securities ("bulletin board stocks") present particular trading risks, in part because they are relatively less liquid and more volatile than actively traded securities listed on a major exchange. You understand that bulletin board stocks may be subject to different trading rules and systems than other securities and that you may encounter significant delays in executions, reports of executions and updating of quotations in trading bulletin board stocks. We in our sole discretion may require limit orders on certain bulletin board stock transactions. The Market Data supplied by us regarding bulletin board stocks is updated from time to time, but may not be current at any given point in time.

(e) Order Handling

You understand that, subject to the terms of an order, the method of execution of each order is in our sole discretion. If you do not specifically request that your orders be routed to a particular market venue to which we have access, orders that we accept will be transmitted to the

appropriate exchange or other market for placement and execution. Certain orders, at our sole discretion, may be subject to manual review and entry, which may cause delays in the execution of your orders and may cause your orders to be executed at prices that are significantly different from the price quotes you obtained when you entered your order. We reserve the right in our sole discretion to decline to accept any order or to change its requirements with respect to stop or stop-limit orders for particular securities or classes of securities without advance notice. You authorize us to submit your orders jointly with other orders for other customers and you acknowledge that the average price for executions resulting from bunched orders will be assigned to your Account. On request, we will make available the underlying records reflecting the actual transaction prices.

(f) Purchases

You promise to pay for all Securities purchased on your Account by addition of the appropriate cash amount on or before Settlement Date. Except for conditional offers for the purchase of new issues, we reserve the right to require that your Account contain Available Funds in an amount equal to or greater than the purchase price of the Securities prior to the trade date. You are responsible for your orders, including any order that may exceed your Available Funds, and you will not rely on us to reject orders that exceed your purchasing power. If full funds are not available in the Account and your order is processed, you must promptly deliver payment to us for receipt on or before the Settlement Date. If payment is not received by Settlement Date, or as market conditions warrant anytime before or after settlement, we may in our sole

discretion liquidate and close out any and all Securities and/or Other Property in your Account to satisfy your payment obligation, without prior notice and without regard for any previous demand or agreement concerning the time for payment. In the event your Account is liquidated, you will be liable for any losses incurred by us.

(g) Sales and Short Sales

You promise to deliver all Securities sold on your Account and to provide collateral of a type and amount acceptable to us for all short sales in your Account. We generally require that a Security be held in an Account prior to the acceptance of a sell order with respect to such Security unless the order is specifically designated as a "short sale." If a security is not held in your Account and a sell order is processed, you must promptly deliver such Securities to us for receipt in good deliverable form on or before the Settlement Date. Any order accepted without negotiable certificates or positions in the Account will be subject, at our sole discretion, to cancellation or buy-in. To help ensure this will not occur, you agree that, unless you specifically designate the order as a "short sale," you will place sell orders only for securities owned by you and held in your Account at the time your order is placed.

Proceeds of a sale will not be paid to you or released into your Account until we have received the Securities in good deliverable form, whether from a transfer agent or from you and the settlement of the Securities is complete. Instructions on how to properly endorse a certificate and deliver it to us are located on our Website. If the Securities are not received on or before Settlement Date, or as market conditions warrant, we may in our sole discretion purchase the Securities on the open market for your Account and may liquidate and close out any and

all Securities and/or Other Property in your Account in order to pay for such purchase. In the event Securities are bought in, you will be responsible for all resulting losses incurred by us.

In order to prevent unintended short sales, once a sell order is placed with respect to a Security position in your Account, we generally will not allow placement of another sell order with respect to that same position until the first order is either executed or confirmed to have been cancelled.

You promise that any order to sell "short" will be designated as such by you and we will mark the order as "short" at the time the order is placed. In order to complete a short sale and maintain a short position, we must be able to borrow the Security, which you do not own. If we are or subsequently become unable to borrow the Security that you have sold short, you will be subject to a "buy-in," meaning that we may repurchase the Security on the open market to cover the short position, and you will be liable for any resulting losses. You also understand that you may execute short sales only in a Margin Account (see "Margin Account" for more information) and that such execution must comply with applicable short sales rules.

(h) Free-Riding

Free-riding violates Regulation T of the US Federal Reserve Board and may violate other US state or federal securities laws and rules. You agree that you will not engage in any free-riding transactions in your Account. If you are found to have engaged in free-riding, regardless of whether the activity resulted in a profit, your Accounts may be restricted or closed. You will be responsible for any losses arising out of or relating to any free-riding transactions in your Account, but you will not be entitled to retain

any profit from free-riding transactions. If you are found to have been free-riding in a transaction that generated a profit, that profit will, to the extent permitted by law, be forfeited to us or E*TRADE Clearing. If you lose money in free-riding transactions that create a Debit Balance, you will be responsible for repaying that Debit Balance.

(i) Cancellation Requests, Order Changes, Late and Corrected Reports

A cancel instruction is only a request and, as such, cancellation of your order is not guaranteed. We process requests to cancel on a best efforts basis and are not liable to you if we are unable to change or cancel an order. Your order will be cancelled only if your cancellation request is received in the marketplace and matched up with the existing order before the order is executed. The ability to cancel an order depends in large part on the volume of trading in the particular security and marketplace and market conditions as a whole, over which we have no control. Market orders are subject to immediate execution and, as a general rule, cannot be cancelled during market hours. Market orders and marketable limit orders placed prior to market open are subject to immediate execution at the opening and cancellation requests placed shortly before trading begins may not be capable of being effected. If an order cannot be cancelled or changed, you agree that you will be bound by the results of the original order you placed.

You will not assume that an order has been executed, changed or cancelled until you have received a transaction status report from us specifically indicating that the order has been executed, changed or cancelled. From time to time we receive delayed reports of order

executions, changes and/or cancellation request status from exchanges or market participants reporting the status of transactions. You will be subject to late reports of executions related to orders that were previously unreported to you or reported to you as being expired, cancelled or executed. In addition, any reporting or posting errors, including errors in execution prices, will be corrected to reflect what actually occurred in the marketplace.

You are responsible for knowing the status of your pending orders before entering additional orders. Any duplication by you of a pending order will be considered authorized and intended by you, even if the execution of the order exceeds your Available Funds or purchasing power. If you want to change an existing order, you agree to enter a change order. If you enter a cancellation request, you agree to wait for a transaction status report specifically indicating that your cancellation request has been affected prior to entering a replacement order. By entering a change order, you can avoid the requirement of waiting for such transaction status report. Repeated, successive change orders, particularly when an order is partially executed, may under some circumstances result in reporting delays and/or inaccuracies in initial transaction status reports. You will rely on official transaction confirmations as the official records of transactions in your Account, and you agree to contact us in the event you are unclear as to the status of an order.

(j) Order Routing

Consistent with the overriding principle of best execution, we, using a computerized system, route orders for listed and over-the-counter equity securities and options to market centres, including regional exchanges, securities dealers

who make markets over-the-counter and alternative trading systems. We take a number of factors into consideration in determining where to route customers' orders, including, the speed of execution, price improvement opportunities (executions at prices superior to the then prevailing inside market), automatic execution guarantees, the availability of efficient and reliable order handling systems, the level of service provided, the cost of executing orders, whether it will receive cash or non-cash payments for routing order flow and reciprocal business arrangements. We regularly and rigorously review transactions, broker-dealers and other market centres for execution quality based on the foregoing factors. Pursuant to Rule 11Ac1-6 of the US Securities Exchange Act of 1934, quarterly reports that disclose the market venues receiving our order flow in covered securities, as well as the material aspects of each relationship, will be made available on our Website.

(k) Payment for Order Flow

We or one of our affiliates may receive remuneration (generally in the form of per-share cash payments or through profit sharing arrangements) for directing orders in Securities to particular broker-dealers and market centres for execution. You understand that this remuneration, known as "payment for order flow," is considered compensation to us or our affiliates and the source and amount of any compensation received by us or our affiliates in connection with your transaction will be disclosed on written request. E*TRADE Financial Corporation has a financial interest in Archipelago Holdings, Inc. (owner and operator of the Archipelago Exchange (ArcaEx)), the International Securities Exchange, Inc., ISE Stock Exchange, LLC, and CHX Holdings, Inc. (owner

and operator of the Chicago Stock Exchange), and may route orders to those entities. We also may route orders to and receive payment for order flow from E*TRADE Capital Markets, LLC, which is a wholly-owned subsidiary of E*TRADE Financial Corporation.

(l) No Recommendation of Day Trading

By providing the means to place trades electronically, we do not recommend or endorse what is commonly referred to as “day trading,” that is, the practice of purchasing and selling (or selling and purchasing) the same Security within one day’s trading. You understand that engaging in the practice of day trading is extremely risky and is not appropriate for customers with limited resources, limited investment or trading experience or a low risk tolerance. Additional information about day trading and the associated margin requirements is available on our Website.

(m) E*TRADE as Agent; Affiliates

You agree that we may provide certain brokerage or other services to you with or through its affiliates. You also understand and agree that, in the event an order is executed with an affiliate acting as principal, such affiliate may receive a profit (or loss) in connection with such execution in addition to any commission, commission equivalent, mark-up or fee paid to us.

(n) Disclosures to Issuers

We are required to disclose to an issuer the name, address and position of each customer who is a beneficial owner of that issuer’s Securities unless you object. This is done to comply with Rule 14b-1(c) under the US Securities Exchange Act of 1934. Unless you notify us of such objection in writing, we will make such disclosures to issuers.

(o) Reorganizations and Corporate Actions

Certain Securities may impart valuable rights that expire unless the holder takes some action. You understand that you are responsible for knowing the rights and terms of all Securities in your Account. We will not be obliged to notify you of any upcoming expiration or redemption dates, or to take any other action on your behalf without specific instructions from you, except as required by law and applicable rules of regulatory authorities. However, if any such Security is about to expire, become worthless or be redeemed for significantly less than its fair market value, and you have not provided instructions to us, we may, at our discretion, take action on your behalf and credit your Account with the proceeds. Although we have the discretion to take such action, we are not obliged to do so. You agree not to hold us liable for any losses arising out of or relating to your failure to act or to give instructions to us to act on your behalf.

You are responsible for knowing about voluntary and mandatory reorganizations related to Securities that you hold, including mergers, name changes, stock splits and reverse stock splits. We are not obliged to notify you of any such reorganizations before they occur. You understand that we will not allocate Securities or funds resulting from reorganizations until such Securities or funds are received by us from the paying agent or depository. On voluntary reorganization instructions (tender or exchange offers), you agree to provide instructions to our Corporate Actions Department no later than two (2) Business Days prior to the expiration of the offer to allow sufficient time to act on your instructions. Any instructions received after that time will be processed on a “reasonable efforts”

basis only. Additionally, you are solely responsible for also knowing about periodic payment activities including cash, stock and optional dividends. We are not obliged to notify you of any such activities.

You are responsible for knowing when a reorganization, such as a stock split, has changed the symbol and/or the number of shares represented by an option contract. If you trade options during a tender offer, merger or other pending reorganization, you must exercise particular care to ensure that you understand the price of contracts and the number of shares per contract. If, due to a reorganization, you sell more shares of a security than you own, if you become uncovered on an options position or if you become otherwise exposed to risk requiring us to take market action in your Account, you will be responsible for any losses incurred.

Overselling in a Cash or Margin Account is an impermissible short sale and may result in your Account being restricted. See "Sales and Short Sales" for more information.

(p) Dividends, Interest and Subscription Rights

We will receive periodic payments, such as dividends and interests, on your behalf, and will credit your Account on or shortly after the payable dates. Foreign dividends and interest will be credited to your Account on or shortly after the funds are converted to U.S. currency.

(q) Impartial Lottery Allocation System

When we hold on your behalf, bonds or preferred stocks in street or bearer form which are callable, you agree to participate in an impartial lottery allocation system. You also understand that when the call is favourable, no allocation will be made to any account in which we, our affiliates, directors, officers or

employees, have a financial interest until all other customer positions in such Securities are satisfied on an impartial lottery basis.

(r) "Control" or "Restricted" Securities

You are responsible for knowing when a Security is deemed a Restricted Security. It is your obligation to notify us of any and all restrictions, including restrictions imposed by the issuer, the issuer's counsel or any other third party. Prior to placing an order in connection with the sale or transfer of Restricted Securities, you must advise us of the status of the Securities. You agree to furnish us with the necessary documents (including opinions of legal counsel, if requested) to clear legal transfer. You are responsible for all costs associated with processing the security, including the cost to repurchase stock, if you sell stock that is later found to be non-transferable. As such, we, at our sole discretion, may require that such Securities not be sold or transferred until they first clear legal transfer. You also acknowledge and agree that you are responsible for all reporting obligations with regard to the sale of control or Restricted Securities, including the filing of Forms 144, 3, 4 and 5. Restricted Securities may not be purchased on margin.

You also understand that proceeds from the sale of control of Restricted Securities may not be made available to you for withdrawal or reinvestment purposes until we receive the non-restricted shares back from the Transfer Agent. Even if the necessary documents are furnished in a timely manner, there may be delays with the processing of such Securities. You further agree that we will not be held liable for delays in the sale or settlement of such securities or the release of proceeds from such sale resulting from the failure of issuer's counsel to provide or to

approve any necessary legal opinion, or any delays from the Transfer Agent.

7. TRADING SYSTEM

You understand that we do not guarantee that all or any of the access routes will be available to you all the time. We reserve the right to suspend access to the Service without prior notice during scheduled or unscheduled system repairs or upgrades.

(a) Alternative Means of Access

We offer a variety of ways of accessing your Account, including telephone, online and IVR services. You agree that if you experience any difficulties accessing the Service through any Access Device, particularly during periods of heavy trading and volatile market conditions, you will attempt to use alternate methods to access us. We, however, will not accept orders or instructions by e-mail, facsimile or postal mail (including U.S. mail or overnight delivery). Further information regarding submitting orders is located in the Help Centre on our Website.

(b) Market Data

You understand that neither we nor any participating Data Provider guarantee or make any warranty of any kind, expressed or implied, regarding the timeliness, sequence, accuracy or completeness of Market Data. You agree that we are not liable for any losses (including lost opportunity or profits) arising out of or relating to: (i) any inaccuracy, defect or omission of the data; (ii) any error or delay in the transmission of such data; or (iii) interruption in any such data due to any cause beyond our control.

You also understand that each Data Provider asserts a proprietary interest in all of the Market Data it furnishes to the parties that disseminate

the data. You will use Market Data (including Real Time Quotes) only for your individual non-business use. You will not provide Market Data to any person or entity. You understand that the Data Providers may enforce the terms of these US Trading Terms directly against you.

8. MARGIN ACCOUNTS

You understand that when you trade on margin, you are borrowing money or Securities. You also understand that while trading on margin may present a greater opportunity for profit, it also presents a higher degree of risk. You agree to carefully consider whether trading on margin is suitable for you in light of your financial resources, objectives and other relevant circumstances. As noted above, you understand that unless you specify otherwise we will treat your Account Application as a request to open a Margin Account.

A Margin Account allows you to borrow money or Securities from us or our affiliates using acceptable Securities or cash as collateral for the loan on the terms contained in these US Trading Terms and in accordance with all applicable laws and regulations including, the rules of the Securities and Exchange Commission, applicable exchange, FINRA and the Federal Reserve Board. Only certain Securities, as specified by the Federal Reserve Board and/or us, may be purchased on margin or used as collateral in your Account. How much of the purchase price must be in your Account at the time you place your order and your margin maintenance requirements are determined by the Federal Reserve Board, by applicable exchange or FINRA rules and by us. For our protection, we reserve the right, anytime and without prior notice to you, to impose stricter requirements than those

imposed by the Federal Reserve Board or applicable exchange or FINRA rules, or to refuse to permit trading on margin. Our margin terms, policies and procedures are subject to change without notice.

We do not permit you to purchase on margin or provide as margin, collateral Securities with a value of less than \$3per share. Once a Security is purchased on margin, if the value of the Security falls below \$2per share, you will generally not be permitted to use that Security as collateral. We also retain the right to refuse anytime to offer credit on certain Securities due to concentration, price, market volatility or other conditions. All margin loans are fully callable without notice. By entering into this Agreement, you acknowledge receipt of our Margin Disclosure Document, which contains more information about the risks associated with margin trading.

You may be required to provide a minimum amount to open a Margin Account. Generally, we require that you have at least \$2,000 (\$25,000 in the case of pattern day traders) in equity in your Account, or such higher amount as required by us or applicable rules and regulations, before we will extend credit to you. Generally, for opening transactions, we can loan you no more than 50% of the purchase price of the Security you are buying, as set forth in Regulation T of the Federal Reserve Board. This initial equity requirement, as well as the maintenance requirement, may be raised any time without prior notice to you. On application for and approval of your Margin Account, and per your instructions, we will act as your broker to purchase or sell Securities on margin. You agree to maintain in all Margin Accounts with us, such positions and margin as required by all applicable laws, rules, regulations, procedures and customs or as we deem

necessary and advisable. You agree to immediately satisfy all margin and maintenance calls.

(a) Collateral; Liquidations and Covering Positions

We may require you to provide additional collateral and/or may liquidate positions in your Account for any of the following reasons:

1. if the value of your account equity falls or if the initial equity requirement is raised;
2. if you fail to promptly meet any call for additional collateral;
3. if you indicate to us that you do not intend to meet a call for additional collateral;
4. if you file a petition in bankruptcy or if such a petition is filed against you;
5. if you seek or acquiesce to the appointment of a receiver;
6. if an attachment is levied against any of your Accounts or any Accounts in which you have an interest;
7. if you die; or
8. any other circumstances which in our opinion warrants such actions.

We are not obliged to notify you when a call is due and can liquidate or buy any Security to cover positions anytime without demand for additional funds, even if you have notified us that you will be providing additional collateral for your Account. We can liquidate any and all Securities and/or Other Property in your Account whether carried individually or jointly with others. We can buy and sell Securities or other property that may be short in such Accounts, or cancel any open orders. Any prior demand or notice will not be deemed a waiver of our right to take these actions. You understand that, in all cases, you will remain liable for any losses in your Account.

(b) Loan or Pledge of Securities

You authorize us to lend either to ourselves or to others any Securities and/or Other Property held by us in your Margin Account to the extent permitted by law. You understand that within the limitations imposed by applicable laws, rules and regulations all of your Securities and other property may be pledged and re-pledged and hypothecated and re-hypothecated by us. This can occur without you being notified, either separately or together with other Securities and/or Other Property of our other customers, for any amount due to us in any Account in which you have an interest. In certain circumstances, you may not be able to exercise voting rights of the Securities that are lent by you. In addition, if any Securities in your Margin Account are lent out past the ex-dividend date, you understand that you will receive a payment in lieu of the dividend (also known as a substitute payment) from us, instead of the actual dividend. Payments in lieu of dividends are reported as ordinary income, which would cause customers with taxable accounts to lose the benefit of preferential tax rates on qualified dividend income under U.S. tax laws. You understand that we do not offer tax advice and that you will consult with your tax advisor as necessary.

(c) Short Sales

Short sales may only be made in Margin Accounts and are subject to the initial margin and margin maintenance requirements set forth above. If a Security is recalled by the lender of the Security, we will attempt to re-borrow the Securities. However, if we are unable to re-borrow the Securities, we may cover your short position by purchasing the Securities on the open market, at the then current market price, without notice. We may cover a short position, at our

discretion, if we anticipate an inability to borrow or re-borrow the Security.

(d) Other Accounts; Municipal Securities

In accordance with applicable regulations and our policies, margin lending is not allowed in retirement or custodial accounts. You understand that there may be tax consequences associated with providing municipal Securities to satisfy margin requirements or holding municipal Securities in a retirement account and that you should consult with your tax advisor before doing so.

(e) Interest Computation

You will be charged interest on a daily basis on all credit extended to you. Interest is calculated by multiplying your average daily Debit Balance by the daily margin interest rate described in Section 9(f). Your average daily Debit Balance is the sum of the daily Settlement Date Debit Balances in your Account during the calculation period divided by the number of days in such calculation period. All interest charges are calculated on a 360-day basis using Settlement Date balances. You understand the use of a day year results in a higher effective rate of interest than if a year of 365 days were used.

Your daily Debit Balance is calculated by adjusting your previous day's Debit Balance by the debits and credits associated with the Account for the current day. Your daily Debit Balance is further adjusted on a weekly basis by any change in the value of any short positions ("mark-to-market") for the preceding week. Any increase in the market value of short securities will be treated as a debit, and will be added to your Debit Balance. A Debit Balance due to a trade settling in a Cash Account will increase the amount of margin interest charged. Dividends



and interest will be credited to the Account and will be considered part of a Cash Balance when calculating interest. If your daily Debit Balance is reduced because a check or other item provided by you is later returned to us unpaid, we may adjust your Account to reflect interest charges you may have incurred.

Interest is generally calculated on a monthly basis (using the method described above), from the last Business Day of the prior month through the second to last Business Day of the current month. Interest is generally posted on the last Business Day of each month. Settlement Date Debit Balances and Cash Balances in the Cash Account will be applied to the Margin Account balance for calculation purposes if the Margin Account has a Debit Balance. We reserve the right to charge interest on Debit Balances in a Cash Account. You understand that interest will accrue to your Account each day. The interest rates described in Section 9(f) below do not reflect compounding of unpaid interest charges; the effective interest rate, taking into effect such compounding, will be higher.

(f) Margin Interest Rates

The Interest rate for margin loans on is based on our Base Rate

If you are neither a citizen nor resident of the United States, your margin interest rate will be based on the following:

AVERAGE DEBIT BALANCE:	MARGIN INTEREST RATE CHARGED:
Less than \$50,000	3.50% above Base Rate
\$50,000 - \$249,999	2.50% above Base Rate

\$250,000 - \$999,999	1.50% above Base Rate
\$1 Million or more	0.50% above Base Rate

Our Base Rate is set with reference to commercially recognized interest rates, industry conditions relating to the extension of margin credit and general market conditions. The current margin interest rates can be found at www.global.etrade.com/marginrates and are also available by calling Customer Service. The number can be found on our Contact Us page <https://uk.etrade.com/e/t/uk/page?nav=6&subnav=1&screen=93&language=en&country=uk>

. You understand that the Base Rate may be adjusted automatically and without notice to you. However, if your margin interest rate changes for any reason other than a change in the Base Rate, you will receive electronic notice within thirty (30) days prior to the change.

Prior to exercising your margin privileges, you acknowledge that you have carefully considered your financial condition, investment objectives and your tolerance for risk along with the provisions of these US Trading Terms and the information in the margin disclosure document provided by us. Based on that review, you confirm that you have found your particular situation to be appropriate for trading on margin.

9. OPTIONS TRADING

You understand that options trading is highly speculative and contain a high degree of risk and that option trading is not suitable for all investors. You agree that prior to completing the "Options" section of an Account Application (or a separate Application for an Options Account)

you will carefully review and consider your financial situation, risk tolerance and investment objectives. You will only apply for an Options Account if, based on that review, you are fully prepared financially to undertake such risks, withstand any and all losses incurred, including total loss of premium, plus transaction costs. You understand that we reserve the right to terminate, restrict or reduce your options trading privileges if we determine that your trading activities or option positions present a risk to us or an affiliated company.

(a) OCC Disclosure, Applicable Rules and Regulations

You agree not to enter into any purchase or sale of equity, debt, foreign currency or index options without having read and fully understood the terms, conditions and risk of options trading set forth in the "Characteristics and Risks of Standardized Options" issued by The Options Clearing Corporation ("OCC") If this is an Options Account, then by entering into this Agreement you acknowledge receipt of the "Characteristics and Risks of Standardized Options" document and you also understand and agree that each option transaction is subject to the constitution, rules, regulations, customs and usages of the OCC, the exchange or market where such transaction is traded and the rules and regulations of the FINRA and various state and federal regulatory and self-regulatory authorities.

You agree that, acting alone or in concert with others, you will not violate directly or indirectly, or contribute to the violation of, any position or exercise limits imposed by the OCC or any other regulatory authority having jurisdiction over any exchange or market on which options are traded.

(b) Accuracy of Supplied Information

You represent that all information furnished to us in connection with the opening of your Options Account is complete and accurate. You agree to immediately advise us of any significant changes in your financial situation or investment objectives.

(c) Margin Requirements and Option Trading

An option purchase cannot be margined. There are, however, special margin requirements (discussed in the OCC's disclosure document) governing the sales of options which you should familiarize yourself with before entering into options transactions.

(d) Customer Responsibilities, Assignments and Exercise

In order to process option orders, we generally require that the Account contain Available Funds equal to or greater than the purchase price of the options. However, we may process orders to purchase options even if an Account does not contain sufficient Available Funds. You understand that you are responsible for your own orders, including any orders that may exceed Available Funds in your Account.

You agree that we will not be liable in connection with the market makers' execution, handling, purchasing, exercising and endorsing of options for your Account. If you fail to make payment or pay Debit Balances when due, we are authorized, in our sole discretion and without notice, to take any and all action necessary to protect ourselves in connection with option transactions for your Account. This includes the right to buy and/or sell (including short or short sale exempt) for your Account and risk any part or all of the shares represented by options held by us that we may deem necessary or appropriate.

We have no obligation to exercise any option absent specific instructions from you. We reserve the right to require full Available Funds in your Account to support the cost of the exercise prior to enabling you to exercise an option, and may reduce the number of options exercisable based on the Available Funds in your Account. Because option contracts are traded for a specified period of time and have no value after expiration, you must advise us if you wish to enter off-setting transactions to close out your position or to exercise the option prior to the expiration date. You understand and agree that your failure to do so may result in the option expiring worthless, even though it might have a monetary value on the expiration date.

If you have not provided any instruction to us in accordance with the prior paragraph and you own options that are about to expire "in the money," we may in our sole discretion and without notice to you, exercise the option. If such an exercise would require the purchase or sale of the underlying Security for which you do not have sufficient funds or Securities available, we may, in our sole discretion and without notice to you, enter offsetting transactions to close out your position. Although we have the discretion to take such action, we are not obliged to do so. If an exercise notice is assigned to your Account, you agree to release the underlying security to us in the case of a call. In the case of a put, you must have enough cash in your Account to meet applicable margin requirements.

(e) Uncovered Options Sales

Unless you receive written authorization from us, you agree that you will not engage in transactions that are not permissible under the option level for which you are approved.

(f) Uncovered Options Disclosure

There are special risks associated with uncovered options writing which expose the investor to potentially significant loss. Therefore, this type of strategy may not be suitable for all customers approved for options transactions.

1. The potential loss of uncovered call writing is unlimited. The writer of an uncovered call is in an extremely risky position and may incur large losses if the value of the underlying instrument increases above the exercise price.

2. As with writing uncovered calls, the risk of writing uncovered put options is substantial. The writer of an uncovered put option bears a risk of loss if the value of the underlying instrument declines below the exercise price. Such loss could be substantial if there is a significant decline in the value of the underlying instrument.

3. Uncovered options writing is thus suitable only for the knowledgeable investor who understands the risks, has the financial capacity and willingness to incur potentially substantial losses and has sufficient liquid assets to meet applicable margin requirements. In this regard, if the value of the underlying instrument moves against an uncovered writer's options position, the investor's broker may request significant additional margin payments. If an investor does not make such margin payments, the broker may liquidate stock or options positions in the investor's account without notice to the investor in accordance with the investor's margin agreement.

4. For combination writing, where the investor writes both a put and a call on the same underlying instrument, the potential risk is unlimited.

5. If a secondary market in options were to become unavailable, investors could not engage

in closing transactions and an options writer would remain obliged until expiration or assignment.

6. The writer of an American-style option is subject to being assigned an exercise anytime after he has written the option until the option expires. By contrast, the writer of a European-style option is subject to exercise assignment only during the exercise period.

7. More information about uncovered options sales is available in the chapter entitled "Risks of Buying and Writing Options" contained in the "Characteristics and Risks of Standardized Options" document. This statement is not intended to enumerate all of the risks entailed in writing uncovered options.

(g) Random Allocation Disclosure

You understand that exercise assignment notices for option contracts are allocated among customer short option positions in accordance with a random allocation method and agree to be bound by our allocation method. A more detailed description of our random allocation method is available on request.

(h) Other Accounts

In accordance with applicable regulations and our policies, options trading in retirement or custodial accounts carry special provisions, and may be limited at our discretion.

(i) Option Agreement

You release and agree to indemnify and hold us and our affiliates harmless from and against any losses arising out of or relating to any action taken pursuant to the Option Account terms of these US Trading Terms.

10. OTHER PROVISIONS AND DISCLOSURE

(a) After-Hours and Pre-Market Trading and Other Terms and Disclosures

We will from time to time inform you of additional terms, conditions and disclosures relating to particular products or services, including the Service and after-hours or pre-market trading sessions. By entering into this Agreement, you agree to abide by all such terms and conditions and disclosures.

(b) U.S. Economic Sanctions

Your Account may be subject to U.S. economic sanction and embargo laws. You represent that you have not been designated by the U.S. Department of Treasury's Office of Foreign Assets Control ("OFAC") as a Specially Designated National or blocked person, you have no reason to believe that you would be considered a blocked person by OFAC and you do not reside in a restricted country. You also represent that you are not employed by, acting as agent of, or partially owned or controlled by a government, a government-controlled entity or a government corporation. You understand that if your application is deemed to fall under OFAC guidelines, your Account may be declined or restricted from certain activity.

(c) Severability, Waiver and Effectiveness

If any provision of these US Trading Terms is held to be invalid, void or unenforceable by reason of any law, rule, administrative order or judicial decision, that determination will not affect the validity of the remaining provisions of such Terms. Except as specifically permitted in these US Trading Terms, no provision of such Terms can be, nor will it be deemed to be, waived, altered, modified or amended unless agreed to in writing signed by one of our authorised officers.

(d) Non-Waiver

Our failure to insist on strict compliance with these US Trading terms or any other course of conduct on our part will not be deemed a waiver of our rights under such Terms.

(e) Successors

This Agreement will pass to the benefit of us and our successors, assigns and agents. In addition, you hereby agree that this Agreement and all the terms hereof, will be binding on your heirs, executors, administrators, personal representatives and any assigns permitted by us.

(f) Power of Attorney

You agree and hereby irrevocably appoint us, with full power as your true and lawful attorney-in-fact, to the full extent permitted by law, for the purpose of carrying out the provisions of these US Trading Terms and taking any action and executing any instrument that we deem necessary or advisable to accomplish the purposes of such Terms.

(g) Power and Authority

If you are a natural person, you represent that you have attained the age of majority and have the legal capacity to enter into this Agreement and perform your obligations under it. If you are a legal entity, including a corporation, partnership, estate or trust, you represent that you have all necessary power and authority to execute and perform this Agreement and that the execution and performance of this Agreement will not cause you to violate any provisions in your charter, by-laws, partnership agreement, trust agreement or other constituent agreement or instrument. You further represent that this Agreement, as amended from time to time, is your legal, valid and binding obligation, enforceable against you in accordance with its terms.

(h) Electronic Signatures

Your intentional action in electronically signing an Application Form is valid evidence of your consent to be legally bound by this Agreement and by other documentation submitted in the Account application process or governing your relationship with us. The use of an electronic version of the Account documents fully satisfies any requirement that they be provided to you in writing. You acknowledge that you may access and retain a record of the documents that you electronically sign through our Website. You are solely responsible for reviewing and understanding all of the terms and conditions of these documents. You accept as reasonable and proper notice, for the purpose of any and all laws, rules and regulations, notice by electronic means, including, the posting of modifications to this Agreement on our Website.

The electronically stored copy of this Agreement is considered to be the true, complete, valid, authentic and enforceable record of the Agreement, admissible in judicial or administrative proceedings to the same extent as if the documents and records were originally generated and maintained in printed form. You agree to not contest the admissibility or enforceability of our electronically stored copy of the Agreement in any proceeding arising out of the terms and conditions of the Agreement. If more than one individual has electronically signed this Agreement, your obligations under this Agreement will be joint and several and identical to the obligations of joint account holders who have signed a paper Agreement.

11. ELECTRONIC DELIVERY OF DOCUMENTS

(a) Consent to Electronic Delivery.

We are an electronic-based broker-dealer providing self-directed brokerage services. By agreeing to electronic delivery you are giving your informed consent to electronic delivery of all Account Communications (defined below), other than those which you have specifically requested be delivered in paper form. "Account Communications" mean all current and future Account statements, trade confirmations, notices, disclosures, regulatory communications (including prospectuses, proxy solicitations and privacy notices) and other information, documents, data and records regarding your Account and the Service (including amendments to this Agreement) delivered or provided to you by us, the issuers of the Securities and/or Other Property in which you invest, and other parties.

(b) Revocation of Consent.

You may revoke or restrict your consent to electronic delivery of Account Communications any time, subject to the terms of this Agreement, by notifying us in writing or by phone of your intention to do so. You also have the right to request paper delivery of any Account Communication that the law requires us to provide to you in paper form. You understand that if you revoke or restrict your consent to electronic delivery of Account Communications or request paper delivery, we, at our discretion, may charge you a reasonable service fee for the delivery of Account Communications that would otherwise be delivered to you electronically, restrict your Account or close your Account and terminate access to the Service. Neither your revocation or restriction of consent, your request for paper delivery, nor our delivery of paper copies of Account Communications will affect the legal effectiveness or validity of any electronic

communication provided while your consent was in effect.

(c) Electronic Delivery System.

We will notify you by e-mail when Account Communications are posted on our Website if required by law. You will have access through our Website to an archive of all documents you receive via electronic delivery for at least the current year. You may obtain copies of earlier documents on request. All e-mail notifications of Account Communications will be sent to your e-mail address of record.

You acknowledge that the Internet is not a secure network and that communications transmitted over the Internet may be accessed by unauthorized or unintended third parties. E-mail notifications sent by us will not contain sensitive or confidential customer information, including account numbers and the identity of the security purchased. Due to security risks, you will not send any sensitive information, such as account numbers or Passwords, in an unencrypted e-mail. E-mails on rare occasions may fail to transmit properly. Regardless of whether you receive an e-mail notification, you agree to check our Website regularly for up-to-date information and to avoid missing time-sensitive information. You agree that, for your records, you can download and save or print the Account Communications you receive via electronic delivery. In the event that an e-mail notification sent to you is returned to us as undeliverable, a paper-form Mailgram will be sent to your postal mail address of record notifying you that Account Communications will be delivered by regular mail until we receive verification of e-mail address from you. You understand that if you are deemed to have revoked your consent to electronic delivery, we,

at our discretion, may charge you a reasonable service fee for the delivery of Account Communications that would otherwise be delivered to you electronically, or restrict your Account.

You agree that the primary method of our communication with you will be by posting information on servers accessible from our Website and, to the extent required by law, sending you a notice that directs you to the Website from which the information can be read and printed. You understand that we reserve the right, however, to post Account Communications on the Website without providing notice to you, send Account Communications to your postal or electronic address of record or to another Access Device you have registered with us. You agree to check the Website regularly as you may have no other means of knowing that information and Account Communications have been delivered to you. You agree that all Account Communications provided to you in any of the ways described above will be deemed to have been good and effective delivery to you when sent or posted by us, regardless of whether you actually or timely receive or access the Account Communication.

You agree to promptly and carefully review all Account Communications as and when delivered and notify us by telephone within, unless otherwise provided in these US trading Terms, five (5) days of delivery if you object to the information provided. We are entitled to treat such information as accurate and conclusive unless you object in writing within five (5) days of delivery.

(d) Duration of Consent.

This consent will be effective immediately and will remain in effect unless and until either of us revoke it. You understand that it may take up to

three (3) days to process a revocation of consent to electronic delivery, and you may receive electronic notifications in the interim.

(e) Costs.

Potential costs associated with electronic delivery of Account Communications include charges from Internet access providers and telephone companies, and such charges are borne by you. We do not charge additional online access fees for receiving electronic delivery of Account Communications.

(f) Hardware or Software Requirements.

You understand that to receive electronic deliveries, you must have Internet access, a valid e-mail address, the ability to download such applications as we may specify and to which you have access and a printer or other device to download and print or save any information you may wish to retain. We will notify you of any changes in the hardware and software requirements needed to access electronic records covered by this consent.

(g) Consent and Representations.

You hereby agree that you have carefully read the above information regarding informed consent and fully understand the implications thereof. You hereby agree to the conditions outlined above concerning electronic delivery of Account Communications. You also agree that you will maintain a valid e-mail address and continue to have access to the Internet. If your e-mail address changes, you agree to notify us of your new e-mail address immediately in writing (for example, by submitting a completed change of e-mail address electronically through the Website).

12. USER AGREEMENT

By accessing other websites through links provided at our Website, you agree to the following terms and conditions. The material available on these sites has been produced by independent providers unaffiliated with us. Any opinions or recommendations expressed are solely those of the independent providers and are not our opinions or recommendations or those of our affiliates or subsidiaries. We do not provide any legal, tax, or accounting advice or advice regarding the suitability or profitability of a Security or investment.

The information obtained by the independent providers (the "information") is believed to be reliable. However, the timeliness, sequence, accuracy, adequacy, or completeness of such information is not guaranteed. Neither we nor our affiliates or subsidiaries give any express or implied warranties (including but not limited to warranties of merchantability or fitness for a particular use) with respect to the information, or the use thereof.

Neither we nor any independent provider/transmitter of information shall be liable in any way, and you agree to indemnify and hold harmless us, our affiliates and subsidiaries, and the independent providers/transmitters for (1) any inaccuracy, error, delay in, or omission of (a) any information, or (b) the transmission or delivery of information; (2) any loss or damage arising from or occasioned by (a) any such inaccuracy, error, delay, or omission, (b) non-performance, (c) interruption of information due either to any negligent act or omission by us, its affiliates subsidiaries, or the independent providers/transmitters of information or to any "force majeure" (i.e. flood, extraordinary weather conditions, earthquake, or other act of God, fire, war, insurrection, riot, labour dispute, accident,

action of government, communications, power failure, or equipment or software malfunction) or any other cause beyond the reasonable control of E*TRADE Financial Corporation, its subsidiaries or the information providers/transmitters.

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found on this site.

Appendix A

Applicable to Customers in the Gulf Co-operation (GCC) Countries who trade U.S financial instruments

This Appendix applies to customers who transact in US financial instruments via E*TRADE Securities Limited, Dubai Branch. If there is a conflict between the other sections of the Customer Agreement and this Appendix, then this Appendix will prevail.

- 1) E*TRADE Securities Limited, Dubai Branch is regulated by the Dubai Financial Services Authority with its principal place of business at
Dubai International Financial Centre, The Gate Village Building 5, 2nd Floor
Dubai, UAE, PO Box 506638.

E*TRADE Securities Limited is authorized and regulated in the United Kingdom by the Financial Services Authority. E*TRADE Securities Limited is a company registered in Scotland no. SC103238 with its principal place of business at Vintners' Place, 68 Upper Thames Street, London EC4V 3BJ, United Kingdom. Registered office at 24 Great King Street, Edinburgh EH3 6QN, United Kingdom.

E*TRADE Securities Limited, Dubai Branch is regulated by the Dubai Financial Services Authority and the services offered by E*TRADE Securities Limited, Dubai Branch are limited to arranging and marketing.

- 2) Customers of E*TRADE Securities Limited, Dubai Branch will be classified as a retail client as defined by the Dubai Financial Services Authority.
- 3) We are obliged to put in place internal procedures for handling complaints fairly and promptly. A copy of our Complaints Procedure is available free of charge upon request.

If a customer has a complaint and it can not be resolved by a Relationship Manager the customer complaint must be communicated by writing or by e-mail to the Compliance Department at the following addresses:

-Postal Mail: E*TRADE Securities Limited
Dubai International Financial Centre,
The Gate Village Building 5,
2nd Floor
Dubai,
UAE,
PO Box 506638

-E-Mail: middleeast@etrade.com

We will send you an acknowledgement of your complaint promptly following receipt, enclosing details of our complaints procedures as well as details of when and how you may be able to refer your complaint to the Financial Ombudsman Service.



E*TRADE Securities Limited is a company registered in Scotland No. SC103238 with its principal place of business at Vintners' Place, 68 Upper Thames Street, London Ec4V 3BJ, United Kingdom. Registered Office: 24 Great King Street, Edinburgh EH3 6QN, United Kingdom. E*TRADE Securities Limited is a member of the London Stock Exchange and is authorised and regulated by the Financial Services Authority. It is a wholly owned subsidiary of E*TRADE Financial Corporation.

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