

LifeStages

For All Your Financial Solutions



PREMIER
ASSET MANAGEMENT

Premier Portfolio Management Service

in partnership with LifeStages Limited

Terms and Conditions

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1 INTRODUCTION

1.1 The following definitions apply:

You, Your - the person(s) named in Section 1 of the Application to whom we provide investment services and, in relation to the Online Valuation Service, the authorised user or users provided with a User ID by us in order to obtain access to the Online Valuation Service.

We, our, us - the Manager of the Portfolio, Premier Fund Managers Limited of Eastgate Court, High Street, Guildford, Surrey GU1 3DE.

Agreement - these Terms and Conditions together with the relevant Application Form.

Connected Investment Trust - an investment trust managed by us or our Associate.

Custodian - the person charged with providing custody services for the Portfolio.

In-House Funds - Collective Investment Schemes managed by us or our Associate.

Portfolio - the portfolio of assets (including uninvested cash) entrusted from time to time by you to our management and which may include an Individual Savings Account, Self-Invested Personal Pension or other similar account which you require us to manage on your behalf.

Service - Our online valuation service website at www.premierassetmanagement.co.uk

1.2 In addition to the specific matters mentioned in these Terms and Conditions, Section 7 of the Application Form lists, where relevant, any amendment to or addition to the Terms and Conditions which, at the Effective Date of Appointment referred to in paragraph 2.1 below, has been agreed between you and us.

1.3 We are authorised and regulated by the Financial Services Authority (FSA), under registration number 143097. Our main business activity is acting as investment manager and adviser. Nothing in the Agreement shall exclude any liability of ours to you arising under the Financial Services and Markets Act 2000, any regulations made under it, the Pensions Act 1995, or the Financial Services Authority (FSA) Rules.

1.4 This Agreement shall be governed by English Law and, subject to the arbitration provisions in paragraph 8.14, shall be subject to the jurisdiction of the English Courts.

1.5 The Agreement is provided to you in English and all communications with you will be in English.

1.6 Each of the obligations and rights under any of the paragraphs or sub-paragraphs or other provisions of the Agreement should be regarded as distinct and severable obligations and/or rights.

2 SERVICES TO BE PROVIDED

2.1 The effective date of our appointment shall be the date when we receive a signed Application Form and the documents of title and/or cash constituting the assets of the Portfolio, provided that you give no contrary instruction.

2.2 We shall not be obliged to undertake the management of investments which we believe would be illegal, unreasonable or unduly onerous to us.

2.3 We will manage the Portfolio for you on a discretionary basis (ie without prior reference to you) and buy, sell, retain, exchange or otherwise deal in investments (including cash) with a view to fulfilling the investment objectives and strategy set out in the Application Form but always subject to our obligations under the FSA Rules.

2.4 In compliance with FSA Rules, we hereby notify you that you will be treated as a Retail Client, unless another category is specified in Section 7 of the Application Form. You have the right to request a

different categorisation, however, this may limit the level of protection afforded to you.

2.5 We may not lend to or deposit by way of collateral with a third party the documents of title by or on behalf of Premier and money cannot be borrowed on your behalf against the security of documents of title.

2.6 We may retain a lien or security interest over any assets of the Portfolio to the extent that any costs, losses or claims detailed in the Agreement, for which you are obliged to indemnify us, remain unpaid.

2.7 We may delegate any of our critical or important operational functions or investment services provided under the Agreement to third parties (including Associates) and may provide information about you and the Portfolio to any such person to whom such activities have been outsourced but our liability to you for all matters so delegated shall not be affected thereby. However, we may not, without your written consent, delegate our discretionary investment management powers.

2.8 We may, where reasonable, employ agents (including Associates) to perform any administrative, dealing or ancillary services which are not covered in paragraph 2.7 above and are required to enable us to perform our services under the Agreement. We will act in good faith and with reasonable skill and care in the selection, use and monitoring of agents.

2.9 We may realise any part of the Portfolio in the following circumstances:

- (a) At your request.
- (b) To cover fees due to us or in payment of any tax which we are, or we believe we shall be, bound to pay or repay to HM Revenue & Customs on your behalf.
- (c) To settle any outstanding obligations arising from the Agreement.

2.10 We may exercise voting rights attached to the investments of the Portfolio at our discretion including the voting rights attaching to the Portfolio's holdings of In-House Funds and Connected Investment Trusts unless the exercise of such votes involves a conflict of interest for us.

2.11 At your request, or when we otherwise consider advisable, we may advise you in connection with your investment objectives, the general conduct of the Portfolio and such other matters as we may deem appropriate.

2.12 We will seek to maximise investment returns within your Portfolio which may result in the realisation of gains subject to UK taxation. If you wish to restrict the level of realised gains in any tax year you should provide a specific instruction in Section 7 of the Application Form.

2.13 We will not provide you with any advice regarding your personal financial circumstances or the suitability or otherwise of any other investments. You, your authorised financial adviser and/or professional tax adviser are responsible for ensuring that your personal financial affairs are managed appropriately and to the best advantage for tax purposes.

3 DEALING AND DERIVATIVES

3.1 Details of our Order Execution Policy are shown in Appendix 1. You hereby confirm that you have read and understood the Notice shown in Appendix 1 and agree to our Policy. In particular, you agree that we may trade outside of a regulated market or Multilateral Trading Facility.

3.2 In effecting transactions for the Portfolio, we will at all times comply with our Execution Policy and in particular will act in your

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best interests and comply with any applicable obligations regarding best execution and suitability under the FSA Rules. Subject to our Execution Policy, we may deal on such markets or exchanges and with such counterparties as we think fit. All transactions will be effected in accordance with the rules and regulations of the relevant market or exchange.

- 3.3 We will not effect transactions in Derivatives, including Futures, Contracts for Differences, Contingent Liability Investments and Options.
- 3.4 Subject to the FSA Rules, we may aggregate transactions for the Portfolio with those of other clients, Associates and our Associates' employees, and will allocate such transactions on a fair and reasonable basis and in accordance with FSA Rules. You recognise that aggregation may delay the execution of a transaction, and that it may operate to your advantage or disadvantage on some occasions. We may act as agent for you in relation to transactions which we are also acting as agent for other clients and Associates.
- 3.5 We may match buyers and sellers of investments, and act as agent for both. We will not execute such deals on terms less favourable for you than could be obtained at the time in the open market. Similarly, we may execute transactions in securities in which we or any of our Associates have an interest.
- 3.6 We may effect and arrange for the settlement of transactions for the Portfolio with counterparties, on such basis as may be usual for the market, or size of transactions concerned, notwithstanding that the compensation arrangements available in the event of the default of such counterparty may be less favourable than those obtaining in other markets, or for other sizes of transaction, or that there may be no such arrangements, and we are expressly authorised for the purposes of such transactions to give such warranties or undertakings on your behalf and to surrender such liens or other rights as may be requisite or usual practice.
- 3.7 We will act in good faith and with reasonable skill and care in our choice and use of counterparties. Upon your request, we shall use our reasonable endeavours to pursue, on your behalf, all appropriate legal remedies against any such counterparty who has failed to deliver any necessary documents or amount due within a reasonable period. The costs and expenses properly incurred by us and/or the Custodian in connection with such pursuit will be payable by you and you hereby authorise us to debit such costs and expenses from your account.
- 3.8 We may postpone execution of your order if it is in your best interest. In the case of an aggregate transaction, we will take reasonable steps to ensure that the deal will not operate to your disadvantage.
- 3.9 We may enter into formal dealing arrangements with counterparties in which case details of these arrangements, including goods and services received in relation to trade execution and the provision of research will be provided to you on an annual basis. However, we have not currently entered into any such dealing arrangements.
- 3.10 Subject to any restrictions shown in Section 2 of the Application Form, we may effect any underwriting arrangement on behalf of the Portfolio.

4 FEES AND CHARGES

- 4.1 We are entitled to be remunerated by you for our services and reimbursed for our reasonable costs and expenses under the Agreement as shown in Section 4 of the Application Form. These costs and expenses will include commissions, transfer and registration fees, taxes, stamp duties and other fiscal liabilities. These fees are calculated by reference to the value of your Portfolio. The fees paid or payable will be affected by fluctuations

in financial markets which are beyond our control.

- 4.2 Where you seek advice from an authorised financial adviser, we may pay them an initial commission which you and your adviser have agreed on. Details of the amount to be paid is stated in Section 4 of the Application Form. The initial commission is deducted from your investment and your net investment, after the deduction of this commission, will be invested into your Portfolio.
- 4.3 You acknowledge that the costs and expenses detailed in paragraph 4.1 above may be paid in foreign currencies. The conversion rates used are available from us upon request.
- 4.4 Fees and charges relating to safe custody services are included within our fee referred to in 4.1 above.
- 4.5 You accept that we may from time to time pay or receive fee or commission payments or other non-monetary benefits to or from a third party in connection with the services provided under this Agreement. Typically, these will be commission payments arising from investment in collective investment schemes. Such payments are likely to be small in nature, and as a result it will be uneconomic for us to allocate these out to individual clients. You agree that we are entitled to retain these payments in addition to the remuneration stated in Section 4 of the Application Form.
- 4.6 For the purposes of calculating fees, uninvested cash will be included in the valuation of the Portfolio.
- 4.7 No fee will be charged when investment is made in any open-ended In-House Funds, although our Associates will receive a fee for managing and operating the In-House Fund. The current fees received by our Associates are shown on our website, www.premierassetmanagement.co.uk, or by telephoning us.
- 4.8 There are no additional costs which will be incurred as a result of you entering into the Agreement by means of a distance contract.

5 REPORTING AND ADMINISTRATION

- 5.1 A statement showing the initial composition and initial value will be supplied as soon as reasonably practical after the effective date of this Agreement. All valuations will be calculated on the following basis:
 - (a) Investments quoted on a Recognised or Designated Investment Exchange or over-the-counter market and Collective Investment Schemes will be taken at the closing middle market price or, if bid and offer prices are not obtainable, then at the closing price at, or last traded price before, the close of business on the relevant valuation date; and
 - (b) Other assets and not readily realisable investments shall be valued at such fair market price as may be determined on each occasion by us.
- 5.2 Where requested in Section 6 of the Application Form contract notes will be despatched within 24 hours of receipt of confirmation from the counterparty.
- 5.3 We will provide periodic statements setting out the value and composition of the Portfolio as at 5 January, 5 April, 5 July and 5 October. These will be despatched to you and any other person specified within Section 6 of the Application Form within 25 business days of the above dates. Performance will be measured by comparing the performance of the Portfolio against relevant benchmark indices as we may identify from time to time.
- 5.4 Each year, we will provide you with a schedule of capital gains received up to 5 April, including adjustments for indexation and taper relief together with a schedule showing dividends received and tax paid.
- 5.5 The despatch of any documents (including any documents despatched by electronic mail) shall be at your risk.
- 5.6 We will assist you in fulfilling any obligations to disclose

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shareholdings under the Companies Act 2006 or Chapter 5 of the FSA's Disclosure Rules and Transparency Rules Sourcebook.

- 5.7 Instructions from you relating to any aspect of the service provided by us (including in relation to safe custody services) will be acknowledged by us by acting upon them unless you are advised to the contrary and we will act upon and rely on any instruction or communication given by you or any person authorised by you to do so.
- 5.8 Instructions to us may be given in writing, by facsimile transmission or by electronic mail to our administrative office. Any instruction given to us by facsimile transmission or electronic mail should be followed up in writing to our administrative address; for security and anti-money laundering purposes, we will not release any sale proceeds until we have received an instruction bearing your original signature.
- 5.9 All written communications from us to you will be sent to the last address notified to us. We will deem the date of receipt to be 2 days after dispatch.
- 5.10 Any information provided to you under this Agreement will remain valid until we advise you otherwise or provide you with updated information.
- 5.11 There is no minimum duration of the Agreement. This Agreement will remain in full force and effect until it is terminated by either party as described in paragraph 5.13 below.
- 5.12 You are entitled to terminate the Agreement at any time by written notice to us and are entitled to determine when this may take effect. Should you not specify the date that notice is to take effect from, it will become effective on the date we receive your notification. We may also terminate the Agreement upon one month's written notice to you. We may terminate the Agreement without notice if required to do so by any competent authority or if you commit fraud, are in liquidation, winding up or become insolvent, or any other similar circumstances.
- 5.13 Termination will be without prejudice to the completion of any transactions already initiated.
- 5.14 You will pay us fees due pro rata to the date of termination and/or all reasonable additional expenses incurred by us in terminating the Agreement.
- 5.15 On termination we will arrange to account to you for all securities and cash held for the Portfolio's account. We shall be entitled to retain any securities and cash to settle transactions already initiated or to pay any of your outstanding liabilities in either case without prior notice to you.
- 5.16 Where you have entered into the Agreement by Distance Contract, you have the right to cancel the Agreement within 14 days of the effective date as specified in paragraph 2.1 ("the cancellation period"). You may exercise the right to cancel by informing us in writing to our administrative office. You should note that if you decide to cancel the Agreement and the value of the Portfolio has fallen at the time we receive the cancellation instructions, you may not receive a full refund. This is because an amount equal to any fall in the value of the investments will be deducted from the sum you originally invested.

6 RISK WARNINGS AND NOTIFICATIONS

- 6.1 The FSA requires the following statements and warnings to be given to Retail Clients.
- (a) We may effect transactions in investments which are not readily realisable ie they are not traded on a Recognised Investment Exchange or because transactions in them are too infrequent or irregular for a reliable quoted price to be available. There can be no certainty that they will be able to be sold and it may be difficult to determine their current value.

- (b) We may effect transactions in penny shares. There is an extra risk of losing money as there can be a big difference between the buying price and the selling price of these shares. If they have to be sold immediately, you may get back much less than was paid for them. The price may change quickly and may go down as well as up.
- (c) We may effect transactions in investments, the prices of which are being stabilised. 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 carried out by a 'stabilising 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 limit the period when a stabilising manager may stabilise a new issue, fix the price at which he may stabilise (in the case of shares and warrants but not bonds) and 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.
- (d) We may effect transactions in 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. Warrants often involve a high degree of gearing. 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. In the event that the right to subscribe is not taken up within the predetermined time limit, the investment will become worthless. You should understand that you should not agree to permit us to buy warrants unless you are prepared to sustain a total loss of the money invested.
- (e) We may undertake transactions in securities, or an investment trust savings scheme, where either (i) securities are listed investment entities or investment trusts where the issuer uses or proposes to use gearing as an investment strategy or (ii) the securities invest or propose to invest in listed investment entities or investment trusts where the issuer uses or proposes to use gearing as an investment strategy, you are warned that the strategy which the issuer uses or proposes to use may result in:
- movements in the price of the securities being more volatile than the movements in the price of the underlying investments;
 - the investment being subject to sudden and large falls in value; and
 - you getting back nothing at all if there is a sufficiently large fall in value in the investment.
- (f) Movements in exchange rates may have a favourable or unfavourable effect on the gain or loss which would otherwise be experienced on the investment.
- (g) Investments in emerging markets may suffer from liquidity problems (such as difficulties with dealing, settlement and custody practices) and can be very volatile. This means that it can sometimes be difficult for us to sell certain shares and therefore these types of investments carry more risk. There is also a greater potential for social and political instability in these countries.

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- (h) Investments in small companies may carry higher risk as they are less liquid than larger companies, which means that fluctuations in price may be greater than for larger companies.
 - (i) Investments in a high income denominated Collective Investment Scheme are, due to the nature of the investments held within these types of funds, subject to the possibility that the capital value of the investment may fall. Also, from time to time, these types of funds may hold sub-investment grade bonds. Such bonds have a lower credit rating than others and carry a higher degree of risk.
 - (j) In order to achieve a higher rate of income, some funds will invest in a broad range of fixed interest securities, involving a higher risk of default and consequential risk to capital. Unit value is sensitive to interest rate trends and the capital value of units is likely to fall if interest rates rise in the medium and long term and vice versa. The level of income is not guaranteed. These funds may include overseas investments, which are not denominated in sterling, so exchange rate changes may cause the value of these investments and the level of income received to go up or down.
 - (k) We may invest in units in unregulated collective schemes. These types of investments are not regulated and therefore they are not available to the general public.
 - (l) There is a risk to capital, including the potential erosion of capital, resulting from withdrawals in excess of investment returns.
 - (m) There is a risk that inflation will devalue the investment return from your Portfolio.
 - (n) We may effect transactions in structured capital-at-risk products. You are warned that:
 - i. the return of the initial capital invested on your behalf is not guaranteed and therefore you may get back less than was originally invested;
 - ii. the amount of initial capital repaid may be geared so that falls in the index or other factor to which the investment is linked may result in a greater reduction in the amount paid out;
 - iii. any maximum benefit advertised is only available after a set period of time. Redeeming a product early may result in redemption penalties and you receiving back less than was originally invested;
 - iv. the initial capital may be placed into high risk investments, such as non-or sub-investment grade bonds which have a lower credit rating than others and carry a higher degree of risk;
 - v. the initial capital may be placed into non-readily realisable investments;
 - vi. the rate of growth or income advertised may depend on specified conditions being met, including, but not limited to, the performance of an index, indices or other factor;
 - vii. The FSA's cancellation and withdrawal rights do not apply in the case of investments made into structured capital-at-risk products through a discretionary managed portfolio;
 - viii. In the event that the institution arranging the underlying investments is unable to meet its financial obligations, the investment may be subject to a large fall in value, and you may lose part or all of the amount originally invested. Subject to any restrictions stated in Sections 2 and 7 of the Application Form, you and your professional adviser should satisfy yourselves that structured capital-at-risk products are suitable for you, in light of your circumstances and financial position. You should not permit us to enter into transactions unless you are prepared to lose some or all of the capital invested in such products. Where you are in any doubt as to the suitability of structured capital-at-risk products, you are strongly recommended to consult a professional adviser.
- 6.2 We may effect transactions in Collective Investment Schemes

including funds managed by our Associates. In these circumstances, we will always act independently. The FSA's cancellation and withdrawal rights do not apply in the case of a discretionary managed portfolio.

- 6.3 We may make an introduction or arrangements or give advice on investments with a view to overseas brokers or other third parties conducting Designated Investment Business with you from an office outside the United Kingdom. Where this is the case, you should note that in some or all respects, the regulatory system applying, including any compensation arrangements, will be different from that of the United Kingdom.
- 6.4 Where appropriate, we shall have regard to the requirements specified in the Pension Fund Disclosure Code.
- 6.5 We confirm that we will comply with the FSA Rules in relation to conflicts of interest and confirm by way of paragraph 8.1 that we have notified you of conflicts of interest to which we are or may be subject in relation to the Portfolio in accordance with both the FSA Rules and Regulation 5(2)(b)(i) of the Occupational Pension Schemes (Scheme Administration) Regulations 1996 (as amended).

7 CUSTODY AND CLIENT MONEY ARRANGEMENTS

- 7.1 Unless otherwise agreed between us, all investments in the Portfolio will be held in the safe custody of an authorised custodian in a designated account and will be pooled with those of one or more of our other clients. Accordingly, your individual entitlements may not be identifiable by separate certificates, physical documents or equivalent electronic records. In the event of an unreconcilable shortfall following the default of the custodian, you may share in the shortfall in proportion to its original share of the assets in the pool. A further effect of pooling can be that following an allocation or share issue that favours the small investor, your allocation may be less than it otherwise would have been had the investment been held in your own name.

We are authorised to deal with takeovers, other offers or capital reorganisations and exercise voting, conversion and subscription rights attaching to the assets of the Portfolio from time to time.

- 7.2 Uninvested money (ie money not immediately required to settle an investment), will be held in a separate interest bearing bank account and interest earned will be credited to the Portfolio. Cash held will be pooled with cash held for one or more of our other clients. In the event of any default, you do not have a claim against a specific sum in a specific account; your claim is against the client money pool in general. The client bank account is designated a trust account with the balance being segregated from our own funds.

8 GENERAL

- 8.1 We and any Associate shall have discretion to effect, without prior reference to you, transactions in which we or an Associate, or another client of ours or of our Associate, has a direct or indirect interest or relationship which involves or may involve a potential conflict with our duty to you. We will ensure that transactions are effected on terms which are not materially less favourable to you than if the potential conflict had not existed. Conflicts, if any, which we are unable to manage effectively, will be disclosed to you in writing.
- 8.2 We or our Associate will not be liable to account to you for any profit, commission or remuneration made or received from such transactions nor rebate all or part of our fee.
- 8.3 Our Conflicts Policy, shown in Appendix 2, sets out the types of actual or potential conflicts of interest which affect our business and provides details of how these are managed. Further details of our Conflicts Policy are available upon request.
- 8.4 We will normally act as your agent and you will be bound by our

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actions under the Agreement. Nevertheless, to the extent that any fiduciary or equitable duties arise as a result of the services to be provided hereunder, such duties shall not prevent or hinder us or any Associate in effecting transactions with or for you.

- 8.5** If the Client is more than one person, their obligations under the Agreement shall be joint and several.
- 8.6** On the death of any person constituting the Client (being survived by another), the Agreement shall not terminate. The survivor(s) will be treated as the only person(s) entitled to the Portfolio.
- 8.7** On your death (where paragraph 8.6 above does not apply) the Agreement will terminate immediately we are notified of your death. We will not accept any instructions regarding your portfolio from your personal representatives until we have been provided with a grant of representation.
- 8.8** We accept responsibility for loss to you to the extent that such loss is due to the negligence, wilful default or fraud of ourselves or that of any delegates appointed pursuant to paragraph 2.8 above or that of our or their employees. We will not otherwise be liable for any loss to you.
- 8.9** No warranty is given by us as to the performance or profitability of any investments, cash or other property forming all or part of the Portfolio or that the investment objectives will be achieved.
- 8.10** We will not be responsible for any loss of opportunity whereby the value of the Portfolio could have been increased or for any decline in the value of the Portfolio arising from errors of fact or judgement or for any action taken (or omitted to be taken), except to the extent that the loss or decline is due to our fraud, wilful deceit or negligence or we are in breach of its obligations under FSA Rules.
- 8.11** You undertake not to deal, except through us, with any of the assets of the Portfolio and not to authorise anyone else to deal in any of them.
- 8.12** The Custodian is responsible for the safekeeping of any investments forming part of the Portfolio (including, where relevant, dealing with any cash), the settlement of transactions effected by us, the collection of income, the presentation for redemption or payment of any securities which are redeemed or called, and the effecting of other administrative actions in relation to the Portfolio. You hereby authorise us to instruct the Custodian in relation to the Portfolio for the purposes of effecting matters pursuant to this Agreement and you warrant that you have authorised the Custodian to accept such instructions. For the avoidance of doubt, we accept no liability for any actions, omissions or defaults by the Custodian.
- 8.13** No party shall be liable for any failure or delay in performing any of its obligations under or pursuant to this Agreement if such failure or delay is due to any cause whatsoever outside its reasonable control and it shall be entitled to a reasonable extension of time to perform its obligations.
- 8.14** We have established procedures in accordance with FSA Rules for the effective consideration of complaints. All formal complaints should, in the first instance, be made in writing to our Compliance Officer, who is responsible for complaints procedures, at Eastgate Court, High Street, Guildford, Surrey GU1 3DE. In addition, or if you are not satisfied with our response, you have the right to complain directly to the Financial Ombudsman Service at South Quay Plaza 183 Marsh Wall, London E14 9SR, telephone 0845 080 1800. Please note that making a complaint will not prejudice your right to take legal proceedings.
- 8.15** We are covered by the Financial Services Compensation Scheme. You may be entitled to compensation from the scheme if we cannot meet our obligations. This depends on the type of business and the circumstances of the claim. Most types of investment business are covered for 100% of the first £30,000 and 90% of

the next £20,000 of loss, so the maximum compensation is £48,000. Further information about compensation arrangements is available from the Financial Services Compensation Scheme.

- 8.16** Neither us nor any Associate is obliged to disclose to you or, in making any decision or taking any step in connection with the management of the Portfolio, to take into consideration any information either:
- (a) the disclosure of which by us to you would or might be a breach of duty or confidence to any other person; or
 - (b) which comes to our or an Associate's notice, but does not come to the actual notice of the individual making the decision or taking the step in question.
- 8.17** The parties to the Agreement will at all times respect and protect the confidentiality of information acquired in consequence of it, except pursuant to any right or obligation in accordance with the provisions of the Agreement by virtue of which they may be entitled or bound to disclose information or under compulsion of law or pursuant to the requirements of regulatory authorities.
- 8.18** In accordance with legal and regulatory requirements, we will retain your records for a minimum period of six years following the termination of the Agreement. You will not be at liberty to request the destruction or deletion of any record pertaining to you unless we are required to do so by law or other regulatory requirement.
- 8.19** In the interests of the proper management and administration of the fund, we may send e-mails or make unsolicited telephone calls to you between the hours of 8.30am and 8.30pm. You consent to such communications.
- 8.20** Telephone conversations with you may be recorded by us for our mutual protection and for training purposes.

9. PORTFOLIO ASSURANCE

- 9.1** The Portfolio Assurance is part of a group life assurance contract entered into by us with an external life assurance company. The principal terms of the contract are shown below. To the extent you have elected to be covered by the Portfolio Assurance, your attention is drawn to the following policy conditions set by the life assurance company. A copy of the policy document is available on request.
- 9.2** Under the terms of the policy, we are liable for the payment of premiums and are also entitled to receive all sums due.
- 9.3** You agree that an additional fee of 0.35% per annum is payable representing the premium payable to the life assurance company, and an administration charge.
- If the life assurance company impose an additional premium once they have considered your application, for example, on health grounds, we will seek your written agreement to the increased premium before proceeding further.
- 9.4** Once the beneficiary of a trust has been nominated as the life assured the nomination cannot be changed without the written consent of the life assurance company.
- 9.5** In the case of jointly held Portfolios, both or all clients will be assured. It is not possible for only one client to be insured under a joint Portfolio.
- 9.6** Should any question in Section 8 of the Application Form (Health Declaration) not be answered to the satisfaction of the life assurance company, you may not be eligible for Portfolio Assurance.
- 9.7** The minimum age at entry is 18 and the maximum is restricted to 74 on commencement of cover. In the case of a joint Portfolio, both or all clients must satisfy these criteria.
- 9.8** Once accepted, cover will continue until you (or any one of the joint clients) or the nominated life assured reaches age 85.

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- 9.9 In accordance with paragraph 8.7, in the event of the death of the last person constituting the client, the Portfolio Assurance will provide a cash sum calculated as the value of the Portfolio at commencement plus any additional investments (ie the sum assured), less the value of the Portfolio at the date of death less any withdrawals.
- 9.10 In the event that the value of the Portfolio on the date that your personal representatives instruct it to be sold is higher than the sum assured, no Portfolio Assurance payment will be made.
- 9.11 If the Portfolio value on the date that your personal representatives instruct it to be sold has fallen since its value on the date of your death, the cash sum is not increased to take account of the reduction in market value. It is therefore possible that your Estate may receive less than the amount originally invested.
- 9.12 Cover will commence when the opening valuation is issued in accordance with paragraph 5.1.
- 9.13 Stocks and/or cash which are not held in the name of the Custodian or the Custodian's nominee in accordance with paragraph 7.1 will not be insured.
- 9.14 In accordance with paragraph 8.7, on your death, the Portfolio will be transferred to your personal representatives, or as directed by them after probate has been granted and proven. The total value of the Portfolio forms part of your estate for inheritance tax purposes.
- 9.15 The Portfolio Assurance payment will only be made once the Portfolio has been fully encashed or transferred to another investment manager.
- 9.16 If your personal representatives do not sell the Portfolio after probate has been granted and proven, no Portfolio Assurance payment will be made. If the Portfolio is transferred to a Premier Private Client Portfolio in another's name, the value as at the date of death is then used as the initial sum assured.
- 9.17 Portfolio Assurance for joint investors is on a last death basis.
- 9.18 The individual whose pension funds are invested in a SIPP or similar pension scheme is insured.
- 9.19 For investments on behalf of Trusts, the Trust's beneficiaries are insured on a last death basis.
- 9.20 No claim will be met as a result of:
- your suicide;
 - intentional self-inflicted injury or misuse of drugs or alcohol;
 - commission of an assault or any unlawful act or being engaged in any illegal activity;
 - flying other than as a passenger on any fully licensed multi-engine aircraft operated by an airline or chartered company;
 - participating in or training for any dangerous or hazardous sport (for example, scuba diving, mountaineering);
 - participating or riding or driving in any form of race or competition.
- 9.21 Subject to paragraph 9.1 to 9.5, you will be covered on a worldwide basis.
- 9.22 In the event that the life assurance company refuses to meet a claim, we will not be obliged to pay any sum to your beneficiaries.
- 9.23 The maximum single claim amount is restricted to £150,000.
- 9.24 Claims must be submitted within six months of the date of death. The life assurance company reserves the right to refuse to entertain any claims made after this period.
- 9.25 In the event of any fraud, misstatement or concealment by you in connection with any document on which the Portfolio Assurance is based, or in any other matter relating to the making of a claim, the Portfolio Assurance shall become null and void.
- 9.26 The premiums are payable by us in accordance with the terms of the policy document. You shall pay us an amount equivalent to such premium for providing this benefit. You agree and authorise us to deduct such amounts for providing this benefit in addition to any other fees specified in the Application Form (including the management fee) from your Portfolio on the basis specified in the Application Form.
- 9.27 We shall not be liable to pay any sums to your personal representatives or beneficiaries unless and until such sums have been received by us from the external life assurance company.
- 9.28 You should be aware that ISAs automatically lose their tax-free status on your death. Tax credits cannot be reclaimed in respect of distributions after the date of death. They will form part of your estate for inheritance tax purposes.
- 9.29 We will provide one month's written notice of any amendments to the terms, or complete cessation of, the Portfolio Assurance benefits, should the life assurance company amend or cancel the agreement.

10 ADDITIONAL TERMS AND CONDITIONS FOR ONLINE VALUATIONS

- 10.1 The Service provides valuations of your investments which are normally updated once each business day. We may modify the Service by displaying a message on the Service's website and terminate it on giving at least 10 business days' notice to you.
- 10.2 We grant you a personal and non-transferable right to access and use the Service in accordance with the instructions set out on the Service's website and subject to these Terms and Conditions. You acknowledge that other parties nominated by you, such as a professional adviser, may also be authorised to use the system. We may decline to authorise a user without giving a reason and similarly may withdraw authorisation without giving a reason. This may be because we suspect that your password or User ID has been misused by you or another person. You are responsible for protecting the security of your password and User ID and for all activities conducted using your password or User ID whether authorised by you or not.
- 10.3 We shall use best efforts to keep your information private and confidential and to provide you with continuous access to the Service. Both parties acknowledge that security risks exist since neither party has direct control over the internet. We cannot be held liable if information sent over the Internet to you is altered or amended in any way.
- 10.4 The Service is protected by copyright and other intellectual property rights and may only be downloaded and viewed by you or printed out in hard-copy form for your personal use only. The Service is not to be made available on a network or otherwise reproduced, transmitted or incorporated into any work in whole or in part without our prior written permission. All other rights are reserved by us.
- 10.5 Whilst we will use all reasonable skill and care in producing the Service and ensuring that the Service is available at all times, you acknowledge that access to it might not be uninterrupted or error free and could be subject to delays, including, for example, as a result of the Service being provided through the public Internet.
- 10.6 We shall use best endeavours to ensure that data provided over the Internet is accurate and timely, however, you acknowledge that various limitations may exist. In particular, we rely on third parties (in a number of ways which may change over time) for pricing information, investment data, other source data, and other services. We shall not be liable to you for any loss you may incur as a result of information provided by ourselves, sub-contractors or third parties. You acknowledge that the pricing information on

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some stocks is revised less frequently than on others so that real time changes may not be reflected in the data provided.

- 10.7** We make no other representations or warranties, express or implied, regarding the Service, including, but not limited to its quality or fitness for a particular purpose, and all representations, conditions, warranties, terms and conditions whether express or implied by statute, common law or otherwise are excluded.
- 10.8** We shall not be liable to you for any indirect, special, incidental, punitive or consequential losses or damages (including third party claims, loss of profits, revenue or goodwill) suffered by you or any third party howsoever caused (including any such loss or damage suffered by you as a result of an action brought by a third party) arising in relation to the Service.
- 10.9** Any exclusions or limitation of liability within these Terms and Conditions are made to the fullest extent permitted by law and are subject to FSA Rules.
- 10.10** We may terminate your access to the Service immediately without notice if you are in breach of any of these Terms and Conditions or if the Agreement is terminated in accordance with paragraph 5.11 above, or you terminate the Agreement relating to these Terms and Conditions, or we give notice to you in writing of the termination of the Service, which we shall be entitled to do for any reason whatsoever.
- 10.11** Our delay or failure in enforcing the Service's Terms and Conditions will not constitute a waiver by us of rights or remedies.
- 10.12** If you are proposing to use the Service from a location outside the United Kingdom, you are responsible for ensuring that you may lawfully use the Service under the laws applicable in that other location.

11 MISCELLANEOUS

- 11.1** This Agreement may be amended by us without your express consent providing that, where practicable, we give you at least one month's notice of any amendment in writing, and with the exceptions that:
- (a) we may amend the Agreement without notice to you to make it consistent with any legal or regulatory requirements; and
 - (b) either party may amend its correspondence address.
- 11.2** We shall not make any material amendments to the Agreement (for example, increasing its fees or amending the investment objectives) without your written consent.
- 11.3** The Agreement is not capable of being assigned or transferred by you save with our prior written consent. We shall be entitled to assign all rights and benefits under this Agreement to an Associate provided such Associate accepts the duties and obligations owed to you under this Agreement. In circumstances where we are proposing to either cease our discretionary management services or cease our management of accounts such as your account, we may assign all rights and benefits under this Agreement to a third party provided that:
- (a) you are given at least one month's written notice prior to the date of the proposed assignment;
 - (b) we believe that such assignment is in your best interests;
 - (c) the relevant third party is appropriately authorised by either the FSA or any other relevant regulator; and
 - (d) the relevant third party has agreed in writing to accept responsibility for our duties and obligations under the terms of this Agreement.
- 11.4** Save as provided in paragraph 8.5 above, a person who is not a party to the Agreement shall have no right under the Contract (Rights of Third Parties) Act 1999 to enforce any of its terms.
- 11.5** Paragraphs (a) and (b) below only apply where the client is a

"public authority" for the purposes of Section 3 of the Freedom of Information Act 2000.

- (a) You shall immediately notify us in the event that you:
- i. receive a request for information under Section 8 of the Freedom of Information Act 2000 (the "FOI") which covers information relating to the Agreement, to us or the services provided by us (a "Relevant Request");
 - ii. respond to a Relevant Request;
 - iii. receive a complaint in relation to the handling of a Relevant Request;
 - iv. become aware that an application has been made to the Information Commissioner for a decision in relation to a Relevant Request;
 - v. become aware that the Information Commissioner has served any notice on you under Part IV of the FOI in relation to a Relevant Request;
 - vi. become aware that an appeal has been made to the Information Tribunal or the Court in relation to a Relevant Request; or
 - vii. become aware that confidential information relating to us or the services provided under the Agreement has been or is about to be disclosed to a third party without our express written permission; and in each case shall provide us with such details as may reasonably be requested by us.
- (b) You shall immediately upon receipt of a Relevant Request give us notice of the nature of the Relevant Request and give us a reasonable opportunity to comment on whether an exemption from the requirement to disclose may be applicable so that you are able to take due regard of any such comments before making your response. We agree to respond in a timely manner.

11.6 This Agreement sets out the entire Agreement and understanding between the parties.

11.7 No person who is not a party to the Agreement may enforce any term of the Agreement. The parties agree that the Contracts (Rights of Third Parties) Act 1999 shall not apply to the Agreement or to any agreement or document entered into pursuant to this Agreement.

ISA TERMS AND CONDITIONS

Please read these terms and conditions carefully. Premier Fund Managers Limited ("we", "us", "our") will arrange and manage on behalf of the individual ("you", "your") who has completed an Individual Savings Account ("ISA") Application Form and/or a Transfer Form. Such ISAs consist of investments which qualify as ISA investments under the Individual Savings Account Regulations 1998 (referred to as "the Regulations") and the Financial Services Authority ("FSA") Rules (referred to as "the Rules") as altered, amended, added to or cancelled from time to time by the relevant authorities.

12 INTRODUCTION

- 12.1** The ISA is managed by Premier Fund Managers Limited, Eastgate Court, High Street, Guildford, Surrey GU1 3DE. We are authorised and regulated by the Financial Services Authority under registration number 143097.
- 12.2** As specified in the completed ISA Application Form and/or transfer form, these terms and conditions confer on us full discretionary powers to invest the monies held within the ISA in accordance with your investment strategy as set out in the Discretionary Management Agreement and Portfolio Application Form (together forming the "Agreement"), and to vary such investments from time to time as we may in our absolute discretion determine, subject to

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the requirements of the Rules and Regulations, the Agreement and these terms and conditions.

- 12.3 Our appointment under these terms and conditions shall commence on receipt of a properly completed and signed Application Form and/or transfer form from you, together with a cheque and/or stock equalling the amount of the subscription.
- 12.4 All notices and instructions given by you to us should be in writing and delivered or sent by post to Premier Fund Managers Limited, Eastgate Court, High Street, Guildford, Surrey GU1 3DE. We reserve the right to refuse to accept instructions if they are contrary to the terms of this agreement or if implementation thereof would place us in breach of the Rules or Regulations.
- 12.5 The last declared yields and prices for all investments within the ISA are available by telephoning us.
- 12.6 Telephone calls made to us may be recorded for monitoring and staff training purposes.

13 SUBSCRIPTIONS

- 13.1 Cash subscriptions to the ISA will be invested at the price applicable at the time of acceptance of the application or as soon as practicable thereafter.
- 13.2 All contributions to the ISA, whether by subscription or otherwise, will be invested in accordance with your Investment Strategy as specified in the Agreement and as permitted by the Regulations. The FSA's cancellation and withdrawal right for collective investment schemes do not apply in the case of a discretionary managed ISA.
- 13.3 You may invest up to £7,200 in the ISA in 2009/10 tax year or £10,200 if you are aged 50 or over before 5 April 2010. The Government has confirmed that ISAs will be available for the foreseeable future.

With Effect from 6 April 2010, all investors may invest up to £10,200 in the ISA.

- 13.4 In respect of ISA transfers, you should instruct your former ISA manager to make the transfer and complete the ISA Transfer Form explaining your wish to transfer your existing ISA to us. We shall not be required to accept the transfer until the former manager has sold or transferred all the investments held within your ISA.
- 13.5 We will acknowledge your instructions by acting upon them.
- 13.6 Where we act in reliance upon any instructions, such an instruction shall be deemed to be between us and you and to have been validly given by or on our behalf even though this may not in fact be the case, as the result of fraud or wrongdoing on the part of any person (other than us, or any of our employees or agents).

14 MANAGEMENT OF ISA INVESTMENTS

- 14.1 We will manage your ISA on a discretionary basis within the investment strategy specified in your Agreement with us.
- 14.2 We will arrange for distribution of income from the investments included in the ISA to be reinvested on your behalf or paid out in accordance with the requirements specified in your Agreement with us.
- 14.3 We may employ agents in connection with the services we are to provide and may delegate all or any of our powers or duties to any delegate or delegates of our choice. We will ensure that any person, to whom duties under these terms and conditions are delegated, is competent to carry out those duties as far as practicable. We shall not be liable for the negligence or misconduct of any such agent or delegates except where we have been negligent in our choice of such agent or delegate provided that this clause shall not exclude or restrict any liability to you to which we may be subject under the Regulations, the Rules or the Financial

Services and Markets Act 2000.

- 14.4 We may not commit you to supplement the ISA either by borrowing on your behalf or by committing you to pay further sums of money into the ISA.

15 DEALING AND COUNTERPARTIES

- 15.1 In effecting transactions for the ISA and in our choice of counterparts, we will be subject to Section 3 of these Terms and Conditions.
- 15.2 Settlement of transactions within the ISA will be in accordance with Section 7 of these Terms and Conditions.

16 FEES AND CHARGES

- 16.1 As specified within the Agreement, we (or our associates) shall be entitled to be remunerated by you for our services and reimbursed for our reasonable costs and expenses under this agreement.
- 16.2 For the purposes of calculating fees, uninvested money will be included in the valuation of the ISA.
- 16.3 You will be liable for any costs properly incurred, including reasonable commissions, transfer and registration fees, taxes, stamp duties and other fiscal liabilities.
- 16.4 No fee, as referred to in paragraph 4.6 above will be charged when investment is made in open-ended in-house funds, although associates will receive a fee for managing and operating the in-house fund. The current fees received by Associates are shown on our website, www.premierassetmanagement.co.uk, or by telephoning us.
- 16.5 There are no additional costs which will be incurred as a result of you entering into the Agreement by means of a distance contract.

17 REPORTING AND ADMINISTRATION

- 17.1 Contract notes for individual transactions will be despatched in accordance with paragraph 5.2 of the these Terms and Conditions.
- 17.2 We will provide periodic statements to you as specified in paragraph 5.3 of these Terms and Conditions.
- 17.3 The despatch of any documents shall be at your risk.
- 17.4 You authorise us to apply to HM Revenue & Customs on your behalf, to make any necessary claims, conduct appeals and agree on your behalf liabilities for and relief from tax in respect of the ISA. Claims in respect of tax shall be made by us in accordance with the Regulations and otherwise at such times and in such manner as we consider appropriate.
- 17.5 To the extent that the ISA holds investments issued outside of the United Kingdom any withholding taxes suffered in respect of income or other profits arising to the same may not be reclaimable. To the extent that such withholding tax is reclaimable, it shall be at our sole discretion as to whether such a claim is made, or if it is made, pursued, on behalf of the ISA.
- 17.6 To obtain the proceeds of the ISA, you should write to us at Premier Fund Managers Limited, Eastgate Court, High Street, Guildford, Surrey GU1 3DE. We will then redeem the investments in the ISA at the ruling price and issue a cheque for the proceeds within 7 days. The sale proceeds will be determined by multiplying the total number of shares being sold by the share price applicable after we receive your instruction and will include any uninvested cash. You may withdraw money from the ISA at any time by writing to us at the above address. We shall decide, at our absolute discretion, the investments to be sold in order to satisfy the withdrawal instructions received from you.
- 17.7 On written request and within the time stipulated by you, all or part of the investments held within the ISA, with all the rights and obligations attaching to it, may be transferred to another ISA

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manager. You can choose to transfer current year subscriptions in whole, and/or previous years' subscriptions in whole or in part to another ISA manager at any time. We reserve the right to charge an administration fee to cover the costs of transferring the ISA to another ISA manager. This fee will not currently exceed £50 including VAT although we may increase it subject to ninety days notice to clients. You must stipulate a time within which any such transfer to you or another ISA manager is to be made. The time stipulated must be reasonable and must not exceed 30 calendar days from the date that the instruction to transfer is given.

17.8. We can also accept a full or partial transfer of an ISA from another ISA manager. You should instruct your former ISA Manager to make the transfer and complete a transfer form. We shall not be obliged to accept the transfer.

17.9. There is no minimum duration of the Agreement. You are entitled to terminate the Agreement at any time by written notice to us and are entitled to determine when this may take effect. Should you not specify the date that notice is to take effect from, it will become effective on the date we receive your notification. We may also terminate the Agreement upon one month's written notice to you. We may terminate the Agreement without notice if required to do so by any competent authority or if you commit fraud, are in liquidation, winding up or become insolvent, or any other similar circumstances.

18. CUSTODY AND CLIENT MONEY ARRANGEMENTS

18.1. Your money will be held in a separate high interest bearing bank account in accordance with Section 7 of these Terms and Conditions. "Uninvested money" (i.e. money not immediately required to settle an Investment transaction) will attract interest at a rate no lower than the bank or custodian's minimum deposit rate. Interest, calculated on a daily basis in accordance with the Rules, will be credited quarterly.

18.2. Interest earned on such balances will be subject to a flat rate charge of 20%, which will be collected by us on behalf of HM Revenue & Customs.

18.3. Your investments will be held for your beneficial ownership and will be held in safe custody by an authorised custodian in a designated account in accordance with Section 7 of these Terms and Conditions in the name of the custodian or their nominee company in accordance with the Rules. Shares or certificates or other documents of title to investments held within the ISA may not be lent to a third party and neither we nor you may borrow money against the security of those investments.

18.4. Upon written request to us, you shall be entitled to receive any or all of the following:

- i. any documentation relating to meetings of shareholders in the investments held within the ISA and we shall, if required by you, arrange for you to attend and vote at any such meeting; and
- ii. any other information published in respect of Investments held within the ISA, including the Annual and Interim Report and Accounts relating to the investments in which the ISA is invested.

18.5. All voting rights attached to the investments for the time being comprised in the Account shall, unless you have made the election referred to above, be exercisable at our sole discretion and neither we nor our nominee shall be responsible in any way for the exercise or failure to exercise such rights.

19. GENERAL

19.1. These Terms and Conditions may be amended by us without your express consent providing that we, where practicable, give you at

least 10 business days notice of any amendment, and with the exceptions that

- i. We may amend the Agreement to make it consistent with any legal or regulatory requirements; and
- ii. either party may amend its correspondence address.

19.2. The ISA ceases to be exempt from tax with effect from the date of your death and the ISA will therefore be terminated immediately upon receipt of written notification of the death. Any tax reclaimed after the death will be repayable to HM Revenue & Customs. The ISA investments will be transferred, outside the ISA, to the order of your personal representatives pending receipt of their further instructions, subject to deduction of any amounts due to us under these terms and conditions. Notwithstanding the termination of the ISA status, our rights and powers under these Terms and Conditions shall continue and shall bind your personal representatives until they are terminated by your personal representatives. We may, but are not bound to, act on the instructions of your personal representatives prior to any grant of representation being provided.

19.3. Our liability will be as stated in Section 8 of these Terms and Conditions.

19.4. Your warranties and liabilities will be as declared on the Premier Portfolio Application Form.

19.5. We shall notify you if, by reason of any failure to satisfy the provisions of the Regulations, an ISA has, or will become, no longer exempt from tax.

19.6. We may appoint an Associate (approved to act as an ISA Manager under the Regulations) as ISA Manager in our place and may transfer to that company all benefits, duties and obligations arising under these terms and conditions. You may not, however, assign any of the rights, benefits, duties or obligations under these terms and conditions.

19.7. In such circumstances you shall have the right to require us to transfer the whole of the ISA to another ISA Manager not connected in any way with the existing ISA Manager in the manner described in paragraph 17.7.

19.8. In accordance with legal and regulatory requirements, we will retain your records for a minimum period of six years following the termination of this agreement. You will not be at liberty to request the destruction or deletion of any record pertaining to you unless we are required to do so by force of law or other regulatory requirement.

19.9. We have procedures in place in accordance with the regulations for the effective consideration of complaints. All formal complaints should be in the first instance made in writing to the Compliance Officer, who is responsible for complaints procedures, at Eastgate Court, High Street, Guildford, Surrey GU1 3DE. In addition, and if you are not happy with our response, you have the right to complain directly to the Financial Ombudsman Service at the following address: Financial Ombudsman Service, South Quay Plaza, 183 Marsh Wall, London E14 9SR. Telephone: 0845 080 1800. Please note that making a complaint will not prejudice your right to take legal proceedings.

19.10. We are covered by the Financial Services Compensation Scheme. You may be entitled to compensation from the scheme if we cannot meet our obligations. This depends on the type of business and the circumstances of the claim. Most types of investment business are covered for 100% of the first £30,000 and 90% of the next £20,000 of loss, so the maximum compensation is £48,000. Further information about compensation arrangements is available from the Financial Services Compensation Scheme.

19.11. No person who is not a party to the agreement may enforce any term of the agreement. The parties agree that the Contracts (Rights

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of Third Parties) Act 1999 shall not apply to the agreement or to any agreement or document entered into pursuant to this agreement.

19.12. This agreement is governed by English law as at the time of these terms and conditions and is subject to the Rules and Regulations and other applicable laws. In the event of conflict between this terms and conditions and any such laws, Rules and Regulations, the latter shall prevail.

19.13. These Terms and Conditions represent our interpretation of the law and HM Revenue & Customs practice as at the date of publication.

APPENDIX 1

ORDER EXECUTION POLICY NOTICE

We take all reasonable steps to obtain the best possible result when orders to buy or sell are transmitted for execution on behalf of customers.

Most orders are transmitted to an approved panel of brokers who are obliged to provide Best Execution. They, in turn, execute most of these orders on:

- Regulated Markets (such as the London Stock Exchange) or
- Multilateral Trading Facilities (such as the Alternative Investment Market)

In some instances, in order to obtain the best result, transactions may be arranged outside Regulated Markets or Multilateral Trading Facilities, for example:

- Systematic Internalisers (third party firms acting as market makers or liquidity providers)
- Non-EU entities performing similar functions
- Other clients

In considering how the best result may be obtained we will use our own commercial experience and judgement. We will consider the size and nature of the order, the characteristics of the financial instrument to which the order relates as well as venues to which it may be possible to direct the order.

In general, we will regard price as the most important factor for obtaining the best result. However, other factors may on occasion be more important, for example:

- the costs payable by the client
- the size and nature of the order
- the liquidity of the market
- the speed of execution and settlement
- the likelihood that the order will be executed and settled

Where a customer order is received with specific instructions relating to how the order should be executed, the order will be executed in line with those instructions. Such instructions may prevent us from taking the steps we have designed and implemented in our Order Execution Policy to obtain the best possible result.

APPENDIX 2

CONFLICTS POLICY NOTICE

The companies within the Premier Asset Management Limited group provide services to a wide range of clients. It is possible that one of our regulated companies, or a company with which we have an association, may from time to time have interests which conflict with clients' interests or with the duties owed to clients. These include conflicts arising between Premier Asset Management Limited, its associates and employees on the one hand and the interests of clients on the other and also conflicts between clients themselves.

Premier has established procedures which are designed to identify and

manage such conflicts. These include organisational and administrative arrangements to safeguard the interests of clients. A key element of this policy is that persons engaged in different business activities involving a conflict of interest must carry on those activities independently of one another.

Where necessary Premier maintains arrangements which restrict the flow of information to certain employees in order to protect clients' interests and to prevent improper access to client information. Employees are subject to controls on their personal dealing intended to ensure that the interests of clients always have priority.

Should our procedures and controls not be sufficient to ensure that a potential conflict of interest does not damage a client's interests we may consider it appropriate to disclose the potential conflict to the client and obtain the client's formal consent to proceed. We may also decline to act in circumstances where there is risk of damage to the interests of any client.

Administration Queries

If you have any queries, you can contact us at our Administration Office or our Head Office as shown below:

Administration Office:

Premier Fund Managers Limited
Eastgate Court, High Street,
Guildford, Surrey GU1 3DE

Telephone: 0845 130 1122

Further Information

Head Office:

Premier Fund Managers Limited
Eastgate Court, High Street,
Guildford, Surrey GU1 3DE

Telephone: 01483 306090

Fax: 01483 300845

www.premierassetmanagement.co.uk

Premier Portfolio Managers Limited and Premier Fund Managers Limited are both members of the Premier Asset Management Marketing Group and are authorised and regulated by the Financial Services Authority of 25 The North Colonnade, Canary Wharf, London E14 5HS. Premier Portfolio Managers Limited is an ISA manager and markets a number of funds. Premier Fund Managers Limited provides investment management services to Premier Portfolio Managers Limited and for other clients and investment funds. Premier Portfolio Managers Limited is also a member of the Investment Management Association. 2410085295