

TERMS OF BUSINESS FOR INTERMEDIARIES

1 Definitions

In these Terms of Business (including any Schedule) unless the context otherwise requires the following expressions shall have the following meanings:

Act: means the Financial Services and Markets Act 2000;

Application: means a completed application form received by the Plan Manager within the offer period for a Plan, or other completed application for a Plan in the form and manner specified by the Company and/or Plan Manager in its application procedures;

Business Day: means Monday to Friday excluding any day which is a public holiday in the UK and/or on which the London Stock Exchange is not open for business;

Cancellation Rules: means the rules contained in Chapter 15 of the COBS Sourcebook of the FSA as modified by the FSA from time to time (or applicable rules of an equivalent regulator in another jurisdiction conferring on clients a right to cancel transactions in Investments);

Client Money Rules: means the rules contained in the Client Assets Sourcebook of the FSA (or equivalent rules in another jurisdiction relating to the holding of monies belonging to clients) and the term "Client Money" shall be construed accordingly;

Closing Date: the date stated in a Plan on which the offer period for the Plan ends;

FSA: means the Financial Services Authority or any successor regulator in the UK;

Intermediary: means an independent intermediary, stockbroker or other professional adviser who accepts and deals under these Terms of Business;

Investments: means deposits with eligible deposit taking institutions, medium term notes or other securities arranged by the Company for Plans promoted by the Company;

ISA: means an Individual Savings Account managed by a Plan Manager or the Company;

Money Laundering Requirements: has the meaning given by Clause 11.1;

Plan: means any plan managed by a Plan Manager and promoted by the Company;

Plan Manager: means a third party which has agreed with the Company to act as account manager of any Plan promoted by the Company;

Schedule: means any schedule attached to and forming part of these Terms of Business and "Schedule" shall include any additional schedule added by the Company after the commencement of these Terms of Business;

The Company: means Incapital Europe Limited; a company incorporated in England and Wales under company number 04336897 whose registered office is at 1st Floor, 67-68 Jermyn Street, Mayfair, London SW1Y 6NY authorised and regulated by the FSA;

The Group Company: means the ultimate parent company of the Company and/or any of that parent company's direct or indirect subsidiaries;

UK: means the United Kingdom;

Any reference to laws, rules or regulations is to the same as amended or superseded from time to time.

2 Application and Scope

2.1 These Terms of Business relate to the Intermediary's recommendation and arranging of Applications. They are the only terms on which the Company will pay commission to the Intermediary. They are legally binding and (subject to any amendments or special terms which the Company notifies to the Intermediary in writing) they apply to any Applications which the Intermediary may arrange with the Plan Manager. By arranging an Application with the Plan Manager, the Intermediary is deemed to have read, understood and agreed to these Terms of Business.

2.2 The Plan Manager will not accept Applications from an Intermediary, and the Company will not pay commission to the Intermediary, unless the Intermediary is appropriately authorised and regulated in all relevant jurisdictions to solicit business and introduce business to the Plan Manager. By making an Application, the Intermediary warrants that it is so authorised or licensed. The Company and the Plan Manager reserve the right to cease to accept business from, or to refuse any particular business proposed by, an Intermediary and may exercise this right without giving reasons.

2.3 Business will be deemed to be directed at an entity appointed by the Company or the Plan Manager as stated in the relevant promotional material. Any contractual relationship arising from such business will be with that named entity.

2.4 These Terms of Business are supplemented by the current prospectus or equivalent information document of the relevant Investment and (where relevant) by the current terms of any Plan as applicable and should be read in conjunction with the same.

2.5 These Terms of Business constitute the entire agreement between the parties relating to the matters and transactions contemplated by them. The Intermediary has not relied upon any representations other than those made by the Company and expressly set out in these Terms of Business.

2.6 None of the Company, the Plan Manager, or the Intermediary intend any provision of these Terms of Business to be enforceable by any person other than themselves or their permitted successors or assignees.

3 Arranging Applications for Plans

3.1 Applications for Plans will be governed by any applicable Plan terms and conditions and application forms issued from time to time by the Plan Manager and the Company except where such terms and conditions are varied by these Terms of Business in relation to arranging Applications.

3.2 Applications must be arranged in accordance with application procedures relating to that Plan as advised by the Company or the Plan Manager to the Intermediary from time to time. The Company or the Plan Manager may request confirmation in writing of an Application arranged by telephone or by facsimile before giving effect to that Application. The Company and the Plan Manager shall not be liable for any loss suffered as a result of the Intermediary's failure to provide or delay in providing any documentation or anything else required under these Terms. The Company and the Plan Manager shall not be liable for any loss suffered by the Intermediary due to the Plan Manager accepting and dealing on Applications to be placed by telephone which the Plan Manager believes in good faith to have been given by the Intermediary and the Intermediary shall indemnify the Company and the Plan Manager against all losses incurred or sustained by the Company or the Plan Manager in accepting and dealing on Applications by telephone.

3.3 Applications may only be arranged with the authority of the client for whom the Intermediary is acting. At the Company's or the Plan Manager's request the Intermediary will provide evidence of its authority to act. When placing an order for the sale or purchase of Investments, the Intermediary shall provide to the Company or the Plan Manager the full name and address of the client for whom the Intermediary is acting. Where such details are not provided by the Intermediary then the Company or the Plan Manager may, at its discretion, refuse to process the Application. Alternatively, the Company or Plan Manager may accept and effect the Application with the Intermediary who shall be treated as acting as a principal on its own account.

3.4 Additional application procedures for Intermediaries may be included in these Terms of Business from time to time by the Company. Such procedures will normally be set out as schedules attached to and forming part of these Terms of Business and shall be sent to the Intermediary.

3.5 The Intermediary agrees that it does not object to receiving telephone calls from the Company or the Plan Manager. Telephone calls may be recorded in order to provide the means to resolve any problems which may occur and may be monitored.

4 Payment with Application

4.1 Unless otherwise agreed with the Company, payment in respect of any Application arranged by the Intermediary must be received by the Plan Manager with the Application and must be in cleared funds no later than the Closing Date. The Company and/or the Plan Manager shall at its absolute discretion be entitled to cancel in whole or in part, without prior notice to the Intermediary or client, any contract or application in respect of which a payment is not made on or before the Closing Date. This provision shall not be affected by any requirement to serve a cancellation notice in relation to the transaction in question, nor by the fact that such notice may have been served on previous occasions.

4.2 Payment shall be made to the Company or Plan Manager in accordance with the application procedures advised by the Company or the Plan Manager from time to time.

4.3 The Company or the Plan Manager each reserves its right at its absolute discretion to defer giving effect to any Application until after receipt of cleared funds and shall not be liable for any loss suffered by the client as a result of such deferral. The Company and the Plan Manager each reserves its right to refuse at its absolute discretion any Investment order or application. Where this discretion is exercised, the Intermediary shall be informed immediately.

4.4 The Intermediary shall indemnify and keep indemnified the Company and the Plan Manager against all losses which the Company or the Plan Manager may incur as a result of the failure of the Intermediary or its client to make due payment by the Closing Date in accordance with these Terms of Business. For the purpose of this paragraph losses shall include, but shall not be limited to, those losses, costs and expenses incurred by virtue of the cancellation or closing out of the transaction by the Company or Plan Manager or due to any applicable foreign currency exposure, or any other loss, cost or expense caused to the Company or the Plan Manager, directly or indirectly by a failure of the Intermediary to comply with Clause 4.1 above.

4.5 The Company and/or the Plan Manager may, at their discretion, impose a charge on the Intermediary or its client (or both) for late settlement in respect of any sums due to the Company and/or Plan Manager which remain unpaid after the Closing Date and may also impose a similar charge on the Intermediary or its client (or both) in respect of any subsequent losses as referred to in Clause 4.4 above incurred by the Company and/or the Plan Manager until all sums, losses and interest thereon have been paid in full. Any such charge shall be calculated in the currency in which the due amount or the losses are denominated at a rate of 2% per annum above the base interest rate for the appropriate currency concerned during the relevant period. In addition, the Company and/or the Plan Manager may, at its discretion, charge a daily rate not exceeding £100 during the period payment remains outstanding in respect of a transaction, irrespective of the number of transactions that are unsettled during that same period.

4.6 The Company and the Plan Manager reserve the right to suspend the processing of Applications should the Intermediary fail to comply with the payment terms. This may or may not be in addition to any late payment charges levied under clause 4.5 above.

4.7 The Company and the Plan Manager reserve the right to terminate any contract and discontinue an Application, should the Intermediary default on the payment terms, whether or not the Company and/or the Plan Manager has already enforced a suspension in processing Applications.

4.8 Subject to any regulatory requirements to the contrary, proceeds in respect of sales of Investments will normally be paid by cheque to the order of the client money account of the Intermediary where satisfactory money laundering identification procedures have been completed, unless the Company or the Plan Manager is instructed by the Intermediary to pay the client directly or the client so requests in writing. Neither the Company or the Plan Manager will make payments to third parties. Payment will also be subject to receipt by the Company of all documentation reasonably requested by the Company in order to complete a sale. The Intermediary is responsible for informing the Company if it is not authorised to handle Client Money. The Company may, at its absolute discretion, refuse to issue cheques drawn in favour of the client money account of the Intermediary.

4.9 Where the Intermediary has undertaken to a client to pass monies to the Company or the Plan Manager, the Intermediary shall do so promptly. Where payment is made to the Intermediary, such payment will discharge the Company's obligations to the client and the Intermediary shall indemnify and shall keep indemnified the Company and the Plan Manager against all losses, costs, claims, expenses and demands arising from such payments to the Intermediary.

5 Charges and Commission

5.1 All matters relating to the payment of commission by the Company to the Intermediary shall be governed by the rules of the FSA to the extent that such rules are applicable.

5.2 The charges and commission payable to the Company shall be as set out in the Company's published rates of charges and commission (as amended from time to time), details of which are available from the Company.

5.3 The Company may, at its discretion, cease paying commission to the Intermediary:

5.3.1 if the Intermediary ceases to be authorised to carry on regulated activity or cease to have permission to deal in, advise on, and/or arrange deals in Investments; or

5.3.2 in respect of any person for whom the Intermediary has ceased to be the agent; or

5.3.3 if the Intermediary shall die, become bankrupt, enter into an individual voluntary arrangement, otherwise compound with or assign his estate or effects for the benefit of creditors, have his goods seized in execution or distress or, where the Intermediary is a company, if it goes into liquidation, receivership, administrative receivership, or administration, or is subject to a company voluntary arrangement;

5.3.4 if the Intermediary is subject to an investigation or intervention or specific regulatory restriction imposed by any relevant regulatory body; or

5.3.5 if the relationship subject to these Terms of Business is terminated either by the Company or Intermediary.

5.4 If a client exercises any right of cancellation (whether under the Cancellation Rules or otherwise), any commission (including VAT where applicable) paid by the Company in respect of the transaction shall immediately be repaid by the Intermediary to the Company. All or any amounts due to the Intermediary by way of commission may be applied by the Company to reduce or pay any sums of money charged by or otherwise due to the Company under these Terms of Business and any indemnity hereunder, including, without limitation to the foregoing, any sums of money due to be repaid by the Intermediary as a result of the exercise by the client of such right of cancellation or any sums of money due in settlement of any purchase or conversion or any losses or costs due in respect of the failure to settle a purchase, redemption or conversion transaction.

5.5 Without prejudice to the payment of commission already accrued, due and payable, the Company reserves the right to vary the rate of commission in respect of past or future Applications at any time on giving notice of any such variation to the Intermediary.

5.6 Where required by the rules of the Intermediary's regulator, the Intermediary shall not recommend any transaction in an Investment unless the Intermediary has disclosed to its client that the Intermediary will receive commission or other remuneration in respect of the transaction and, where requested by the client and where required by the rules of the FSA or equivalent regulator, the actual amount of such commission or other payment.

6 Contract Notes and Documentation

6.1 The Plan Manager shall forward to the Intermediary contract notes or initial statements in respect of each purchase, redemption or conversion transaction effected by or through the Intermediary, in accordance with the application procedures issued by the Company and/or the Plan Manager from time to time..

6.2 Where required by the rules of an applicable regulator, the Intermediary shall not arrange an Application until the Intermediary has offered the client, free of charge, the prospectus in relation to the relevant Investments. It will also comply with any other disclosure requirements in force at the time of recommending or arranging an Application.

6.3 In the case of an Investment in an ISA or Savings Plan, and if required by the rules of an applicable regulator, the Intermediary shall ensure that, prior to subscribing, the client has received the current terms and conditions, brochure, application form and any explanatory booklet and that any Application which it submits to the Plan Manager is accurately completed and that the client is eligible to invest in an ISA or Savings Plan.

6.4 The Intermediary shall forward to any client who has applied for a Plan or who holds Investments, immediately upon receipt and without amendment, any documentation supplied by the Company or the Plan Manager for the information of or completion by that client and the Intermediary shall also forward to the Company or the Plan Manager immediately on receipt, documents provided by its client for the use or attention of the Company or the Plan Manager.

6.5 The Company or the Plan Manager may be under an obligation to send certain legal and regulatory documentation directly to the Intermediary's client. The Company or the Plan Manager reserves the right to send such documentation to the Intermediary's client along with other documentation which it considers necessary or appropriate to send.

7 Cancellation

7.1 The Intermediary shall provide the Company and the Plan Manager with any details or information which the Company and/or the Plan Manager might require in order for it to discharge its obligations under the Cancellation Rules in the manner the Company or the Plan Manager thinks fit, including the name and address of any client, the terms of any customer agreement between the Intermediary and its client, and whether or not the client falls within one of the exceptions to the requirement to serve a cancellation notice, specified in the Cancellation Rules.

7.2 The Company reserves the absolute discretion to elect to send a cancellation notice to the Intermediary's client.

7.3 Where an Application arranged by the Intermediary on behalf of a client, is cancelled by that client in accordance with his or her rights under the provisions of the Cancellation Rules, and a shortfall is payable to the Plan Manager under the Cancellation Rules, the Intermediary shall be responsible for procuring the payment by its client of, or meeting, that shortfall.

8 Agency

Without prejudice to any other terms which provide otherwise, the Intermediary shall be the agent or representative of its client in its Applications for Plans and dealings in relation to Investments and for other matters relating to the holding of Investments. The Intermediary has no authority whatsoever to bind or to act or hold itself out as the agent or representative of the Company.

9 Authorisation

9.1 The Intermediary shall on request confirm to the Company in writing or as otherwise required, that the Intermediary has all necessary authorisations, registrations, permissions and consents to solicit, introduce, and arrange business, to place orders for the purchase, redemption or conversion of Investments in and from the jurisdiction where the Intermediary conducts its business and whether or not the Intermediary is authorised or permitted to hold and/or control Client Money.

9.2 Should the authorisation or the scope of authorisation of the Intermediary be altered, suspended or revoked in any way, the Intermediary undertakes to notify the Company in writing of the occurrence of that event.

10 Compliance

10.1 The Intermediary undertakes to the Company to comply with all applicable laws and regulations to which it may be subject in relation to promotion of the Funds and the solicitation of orders for the purchase, redemption or conversion of Investments and, in particular, it will have regard to the restrictions that may be applicable to such activities in the jurisdiction(s) in which the Intermediary conducts such business. The Intermediary similarly undertakes that it will do nothing which may render the Company or the Plan Manager liable under such laws and regulations or may threaten the enforceability of a contract entered into in connection with those activities. The Intermediary undertakes that it will not place Investment orders for or on behalf of any US Persons (as defined in

the prospectus or equivalent information document of the relevant Fund) nor solicit such orders in the United States of America. The Intermediary further undertakes to procure that all employees, directors, officers and agents of the Intermediary shall comply with these Terms of Business.

10.2 The Intermediary confirms that it is registered as a data user under the Data Protection Act 1998 ("DPA") (or overseas equivalent legislation) and will ensure that its registration details include all persons, purposes and other particulars required to be registered under the DPA in connection with this Agreement. The Intermediary will comply with the DPA in transacting business with the Company under these Terms of Business.

10.3 The Intermediary will not send personal data regarding its clients to the Company by electronic means except in a secure environment.

10.4 The Company will not provide personal data to the Intermediary except in relation to persons who are clients of the Intermediary.

10.5 The Intermediary confirms that it will not attempt to carry out any market timing in its dealings with the Company or the Plan Manager nor place orders with the Company or the Plan Manager on behalf of clients whom the Intermediary knows or suspects may be carrying out market timing. For this purpose market timing means a trading strategy with the intention of taking advantage of short term changes in market prices. The Company or the Plan Manager may undertake monitoring activities to ensure that market timing is not taking place in any of its funds.

11 Money Laundering

11.1 The Intermediary undertakes to comply with all statutory and other requirements relating to money laundering, including the Proceeds of Crime Act 2002, the Terrorism Act 2000, the Anti-Terrorism, Crime and Security Act 2001, the Money Laundering Regulations 2007, the JMLSG Guidance Notes sectoral guidance on life assurance, and life-related pensions and investment products and non-life providers of investment fund products and any applicable rules of the FSA (or overseas equivalent legislation), as amended from time to time (jointly the "Money Laundering Requirements").

11.2 Where a customer agreement, terms of business letter or similar arrangement exists that constitutes a business relationship between the Intermediary and his client, the Intermediary undertakes full responsibility for carrying out customer due diligence, including verifying the identity of his client and the maintenance of records with supporting evidence and methods used to verify identity as required under the Money Laundering Requirements in respect of any transaction with the Company or the Plan Manager. The Intermediary consents to the Company and the Plan Manager relying on its customer due diligence and will upon request supply the Company or the Plan Manager with a copy of the appropriate customer due diligence records. The Company reserves the right to refuse business if the Money Laundering Requirements have not been complied with.

11.3 Where the Intermediary arranges a transaction or linked transactions in Investments, not covered by arrangements under 11.2 above, the Intermediary also undertakes to fulfil the verification of identity and record keeping requirements as required under the Money Laundering Requirements and will upon request supply the Company with a copy of these records.

12 Indemnity and Liability

12.1 Without prejudice to any other indemnity contained in these Terms of Business, the Intermediary shall indemnify and keep the Company and the Plan Manager and its and their employees, directors, officers and agents indemnified against all losses, costs, damages or claims incurred by the Company or the Plan Manager directly or indirectly as a result of:

12.1.1 any failure by the Intermediary or any of its employees, directors, officers or agents to comply with the provisions of the Act, any regulations made thereunder, the Money Laundering Requirements and the rules of any relevant regulatory authority or recognised professional body of which the Intermediary is or has been a member, or

12.1.2 the inaccuracy of any information, statement or instruction made or given to the Company or the Plan Manager by the Intermediary or any of its employees, directors, officers or agents pursuant to these Terms of

Business, including, without limitation to the foregoing, any incorrect statement about the status of the Intermediary's client under the Cancellation Rules; or

12.1.3 any breach by the Intermediary or any of its employees, directors, officers or agents of any of these Terms of Business.

12.2 Without prejudice to the indemnities contained elsewhere in these Terms of Business, the Intermediary shall indemnify and keep the Company and the Plan Manager indemnified against all losses, costs, damages or claims which the Company or the Plan Manager may suffer or incur as a result of relying upon any provisions contained in an agreement between the Intermediary and its client.

12.3 The Company and the Plan Manager will only be liable to the Intermediary for loss arising directly as a result of negligence, fraud or wilful default by it or any of its employees or agents. In no event shall the Company or the Plan Manager be liable for special, indirect, incidental or consequential damages or losses.

13 Trademarks

The Intermediary will not produce, publish or distribute any promotional documentation, pamphlets or other materials, or establish any internet sites, containing or otherwise using any trademarks, logos or other intellectual property of which any the Company is the registered proprietor unless it shall first have obtained a written licence from the Company to do so. This clause shall not apply in respect of the distribution to the Intermediary's clients of materials supplied by the Company for this purpose provided such materials are not altered.

14 Service of Documents

Any letter or other document shall be deemed to have been duly served upon the Intermediary if it is sent by post to or left at the address of the Intermediary appearing in these Terms of Business or as subsequently notified by the Intermediary to the Company in writing. Any letter or other document sent by first class post shall be deemed to have been served on the Business Day following that on which the envelope containing the same is posted and in proving such service it shall be sufficient to prove that such envelope was properly addressed, stamped and posted.

15 Variation

15.1 The Company reserves the right to vary these Terms of Business but, except in so far as required by the Act or any regulations made thereunder or any rules of a relevant regulatory authority or designated professional body:

15.1.1 no variation shall affect the execution and settlement of orders which have been placed with the Company prior to the time of the variation; and

15.1.2 not less than 28 days' prior written notice shall be given to the Intermediary of a variation, provided that if the Intermediary places an order(s) with the Company during that 28 day period these Terms of Business will apply as varied to that order(s).

15.2 The Intermediary shall not be entitled to sub-contract or transfer any of its rights and obligations hereunder without the prior written consent of the Company.

15.3 The Company may assign the benefit of these Terms of Business as they apply to them, to any other Group Company on giving not less than 14 days' prior written notice to the Intermediary.

16 Termination

The Company may terminate these Terms of Business at any time. Termination shall be without prejudice to the completion of transactions already initiated.

17 Severability and Waiver

If any provision of these Terms of Business shall be held or made invalid by a court decision, statute or rule, or shall be otherwise rendered invalid, the remainder of these Terms of Business shall not be affected.

The waiving by the Company or the Plan Manager of any rights arising out of a breach of any term of, or failure to meet any obligation under these Terms of Business on the part of the Intermediary shall not operate as a waiver in relation to another or continuing breach of the same term or of another or continuing failure to meet the same obligation by the Intermediary or in relation to a breach of any other provision of, or failure to meet any other obligation under, these Terms of Business by the Intermediary.

18 Recording of Telephone Calls

The Company and the Plan Manager may record any telephone calls.

19 Other Procedures

The provisions of any schedule attached hereto shall apply as if incorporated herein.

20 Governing Law

These Terms of Business shall be governed by and construed in accordance with English law. The Courts of England and Wales shall have exclusive jurisdiction to settle any dispute arising under these Terms of Business.

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