

TERMS OF BUSINESS

As a consequence of the Financial Services and Markets Act of 2000, Triad Securities Limited (the "Company") which is authorised and regulated by the Financial Conduct Authority ("FCA"), is required to set out the Company's terms of business. These terms of business will operate as the legally binding terms on which the Company will carry on investment business with or for you.

These terms of business contain important information regarding the way in which the Company will provide its services, advise you and deal for you. It is, therefore, very much in your interest to read them carefully.

If in any dealings the Company may have with you, you are acting as agent for any other person, the Company will treat only you as its customer for the purposes of FCA rules and its applicant for business for the purposes of the Money Laundering Regulations 2007 and successor regulations. Even where you have identified to the Company your principal, that identified principal will not be the Company's customer for the purposes of FCA rules, unless this is specifically agreed between us, and you undertake full responsibility for any identification procedure necessary under the Money Laundering Regulations 2007 and successor regulations in respect of your principal.

(1) Commencement

These terms of business come into force on the date of receipt by you as determined by the provisions of Clause 3 and shall apply in respect of all investment business carried on with or for you thereafter.

Unless the Company is informed in writing to the contrary you will be deemed to have accepted all the provisions of these terms of business.

(2) Nature of Services

The Company will as agent provide dealing services to you in the following investments (hereinafter referred to as "Securities"):

- (a) Shares in British or foreign companies;
- (b) Warrants to subscribe for investments falling within (a) above;
- (c) Depository receipts or other types of instruments relating to shares;
- (d) Debentures, convertible shares or bonds and straight bonds;
- (e) Investments which are similar or related to the above.
- (f) Contracts for differences

The Company may also provide other services if agreed.

The Company will introduce you to National Financial Services LLC. ("NFS") with which the Company has entered into an agreement for the provision to its clients of clearing, execution and other services relating to transactions in Securities. NFS is a member of the New York Stock Exchange and is registered as a brokerage firm with FINRA in the United States. When the Company introduces your business to NFS, only the Company's services and not those of NFS are regulated by the FCA. NFS's services will be provided on terms agreed between you and NFS from which the Company will receive commissions on the introduction of your business and they will be required to provide you with all the required regulatory confirmations and statements.

You allow the Company to make use of agents or intermediate brokers including Triad Securities Corp, which is a connected company of the Company.

The Company will not advise you about the merits or risks of a particular transaction and will provide dealing services on an execution-only basis. You should bear in mind that merely explaining the terms of an investment or its performance characteristics does not of itself amount to advice on the merits of the investment.

The Company may, at its discretion, provide information to you from time to time on the Company's own initiative. For the avoidance of doubt, such information is not, and should not be construed as, investment advice, and, under FCA rules, the Company will not be under any obligation to provide on-going advice in relation to the management of your investments nor to ensure that the transaction is suitable for you.

(3) **Communications**

You may communicate with the Company by letter, telephone, fax, email or in person. The Company may, at its discretion and without being required to give any explanation, refuse to execute orders given by or for you.

The Company shall communicate with you, at the address last notified to the Company, by any of the above means unless it is required to communicate in writing either under these terms of business or in accordance with the rules of a regulatory organisation.

Any communication from the Company sent by the following means shall, unless the contrary is proved, be deemed to have been received on the following dates:

By first class or air mail post - on the third business day after despatch; and

By telefax with confirmation of uninterrupted transmission - on the business day after despatch.

The Company shall be entitled to rely on the instructions of any person who is, or appears to the Company to be, a person designated by you or authorised by you to act as your agent for the purposes of any such communication.

The Company shall be entitled to rely on, and shall not be liable for any actions taken or omitted to be taken in good faith pursuant to any communication (or any communication purporting to be such or believed to be such by the Company) received from you which is not in writing.

The Company may record any telephone calls between you and the Company and such recordings may be retained and used by the Company for such period and such purposes as the Company shall think fit.

The Company will despatch to you a written confirmation of transaction within one business day of the execution unless otherwise agreed with you.

(4) **Agency and Material Interests**

The appointment by you of the Company as your agent confers on the Company all powers, authorities and discretions on your behalf which are necessary for, reasonably incidental to, or customary in the provision of the services to be provided hereunder and you hereby agree to ratify everything which the Company shall lawfully do in the exercise of such powers, authorities and discretions.

Your attention is drawn to the Conflicts of Interest Disclosure Statement set out at Appendix 1 to these terms of business.

(5) **Aggregation of Orders**

The Company may without specific prior reference to you combine for execution your orders with the orders of other clients. Although orders will only be aggregated where this is believed to be in the overall best interests of the Company's clients, this may result in a more favourable or less favourable price being obtained by you than would have been achieved had your orders been executed separately.

(6) **Short Sales in US Securities**

When placing any order to sell US securities for your account, you are responsible for indicating whether the sale is “long” or “short”, and you hereby authorise the Company to mark the order as such. You further agree to provide the Company with any information concerning any securities borrowing arrangements made by you and/or your Prime Broker in connection with any short sales.

Long sale – sale of a stock in your account or sale of a stock that you reasonably believe will be delivered by settlement date.

Short sale – sale of a stock not owned and which requires a locate before execution.

(7) **Commissions and Other Charges**

Commissions and other fees will be charged by the Company for its services at such rates as shall be mutually agreed from time to time (plus any applicable VAT at the rate then prevailing).

The Company may receive remuneration from or share charges with a third party in relation to transactions for you and the amount will be made available on request.

In addition you shall pay to the Company on demand all taxes, impositions and fiscal charges of any nature whatsoever which may be payable as a result of or in connection with any transaction in Securities, action or step taken by the Company under these terms of business (other than taxes of the Company in respect of its own profits or gains).

(8) **Your Money and Securities**

The Company's services under these terms of business do not include holding money on your behalf. The Company will not have custody of documents of title to your Securities. The Company shall have no liability in the event of the default of any connected company or any other company or entity:

- (a) which holds funds or Securities belonging to you;
- (b) which is the nominee holder of any of your registrable Securities; or
- (c) which holds documents of title or documents evidencing title to any of your Securities.

(9) **Default**

If:

- (a) you make default in or commit a breach of these terms of business; or
- (b) you make default in or commit a breach of the market requirements as defined in Clause 14; or
- (c) you die, or commit an act of bankruptcy, or an order is made or a resolution passed for your winding-up, or a meeting is convened for the purpose of considering a resolution that you should be wound up voluntarily; or
- (d) you convene a meeting for the purpose of making, or you propose to enter into, any arrangement or composition for the benefit of your creditors; or
- (e) you stop payment, or cease or threaten to cease to carry on your business or dispose or threaten to dispose of your undertaking or assets, or become unable to pay your debts

within the meaning of Section 123 of the Insolvency Act 1986, or any statutory modification or re-enactment thereof; or

- (f) any indebtedness or obligation of yours for the repayment or any borrowed monies becomes due and payable, or capable or being declared due and payable prior to the specified maturity date thereof, owing to any default thereunder or is not paid when due; or
- (g) an encumbrancee takes possession or a receiver or other similar officer is appointed in respect of any part of your undertaking or assets, or distress, execution or other process is levied or enforced or sued out upon or against any of your property; or
- (h) any security created by you becomes enforceable and the mortgagee or chargee takes steps to enforce the same; or
- (i) any other event occurs which in the opinion of the Company may jeopardise the Company's or any connected company's position in relation to any transaction in Securities;

then, the Company may, without referring to you take such action in relation to any transaction in Securities as it may, in its absolute discretion, consider necessary, desirable or expedient to comply with or perform, cancel or satisfy any transaction in Securities to protect the Company's position.

(10) **Liability for Loss and Indemnity**

The Company shall have no liability for loss, including loss of profit, costs or expenses suffered or incurred by you as a result of or in connection with the provision of services hereunder unless, and then only to the extent that, such loss, costs or expenses are caused by the negligence or wilful default on the part of the Company or its employees in the provision of such services. Without prejudice to the generality of, but subject to, the foregoing, the Company does not accept liability for any adverse tax consequences which may arise as a result of the purchase, retention or disposal of Securities by you.

Without prejudice to any other rights the Company may have under these terms of business or otherwise, you shall indemnify and keep indemnified the Company against any cost, expense, damage, loss or liability whatsoever which may be suffered or incurred by the Company as a result of any transaction in Securities, or other action or step taken by the Company under these terms of business (including the costs of enforcing the same) unless, and then only to the extent that, such cost, expense, damage, loss or liability is caused by the negligence or wilful default of the Company in the provision of such services.

You understand that in the event that the Company employs sub-agents it will only be responsible for exercising reasonable care in their selection.

Nothing contained in these terms of business shall exclude or restrict any duty or liability which the Company may have under the Financial Services and Markets Act 2000 or under the regulatory system (as defined in the rules of FCA).

(11) **Disclosure of Information**

You accept that the Company may be required by the rules of FCA or any successor regulatory authority or the provisions of any other relevant regulation or enactment of the United Kingdom or elsewhere, including, but not limited to the Companies Act 2006, the Criminal Justice Act 2003, the Financial Services and Markets Act 2000, the Money Laundering Regulations 2007 or the City Code on Take-Over and Mergers (as such legislation and regulation may be amended, supplemented or re-enacted from time to time), to disclose information about you or your investments obtained in the course of providing services hereunder and you hereby authorise the disclosure of such information accordingly.

(12) **Variation**

The Company reserves the right to vary any of these terms of business by sending you a written notice describing the relevant changes or by sending a copy of its amended terms. Such

amendments will become effective after the expiry of ten business days from the date on which the notice or revised terms of business are sent to you, unless it is impracticable in the circumstances to do so. All orders placed thereafter shall be governed by these terms of business as varied. References to these "terms of business" shall mean these terms of business as from time to time modified or amended in accordance with this Clause.

(13) **Termination**

These terms of business may be terminated forthwith by either party by giving written notice to the other party. Such termination to be effective, unless otherwise specified in the notice, on receipt by the other party of such notice, subject to any outstanding transactions being settled and any commissions or fees accruing to the Company (including any additional expenses incurred in connection with such termination) being paid. Any notice of termination by you must be addressed to the Company Compliance Officer. You agree that the indemnity provisions set out in Clause 10 shall survive any such termination of these terms of business and remain in full force and effect.

(14) **Market Requirements**

All transactions in Securities shall be subject to the constitution, by-laws, rules, regulations, customs, usages, rulings and interpretations of the relevant exchange or other market on which the transactions in Securities are executed and to all other applicable laws, including the regulations of any government or quasi-governmental agency ("market requirements"), but so that:

- (a) in the event of any conflict between these terms of business and any market requirements, the market requirements shall prevail;
- (b) the Company shall be entitled to take such actions or steps as it shall in its absolute discretion consider necessary to ensure compliance with the market requirements, including the taking of any action to avoid or mitigate any loss arising as a result of a change in the market requirements; and
- (c) all of the market requirements and any such actions or steps so taken by the Company shall be binding upon you as if expressly set out herein or authorised hereby.

(15) **Notification**

Any question, matter or dispute in relation to a transaction in Securities must be raised by you either orally or in writing forthwith upon receipt by you of the Company's confirmation that the transaction in Securities has been effected and unless the same is so raised by you in such manner such confirmation shall be conclusive and binding on you.

(16) **Best Execution**

Your attention is drawn to the Best Execution Disclosure Statement set out at Appendix 2 to these terms of business.

(17) **Authority, Consents, Compliance etc.**

- (a) You warrant and represent (if a body corporate, partnership, unincorporated body or pension fund) to the Company that you are by your memorandum and articles of association, deed of partnership, trust deed or other constitutional document, as the case may be, empowered to (and not prohibited from) entering into any agreement with the Company incorporating these terms of business.

- (b) You warrant that you will obtain, and maintain in effect, in relation to all transactions in Securities, all necessary consents of any governmental or other regulatory body or authority applicable to each transaction in Securities and that you will comply with the terms of the same and all applicable laws, regulations and directives of such bodies and authorities. You will forthwith on demand by the Company deliver to the Company copies of all such consents or such other evidence of any such consents and such evidence of any such consents and such evidence of compliance with such and with any such laws, regulations and directives as the Company may reasonably require.
- (c) With respect to Securities to which you purport to have title, you warrant that:
 - (i) you are, or are acting within the scope of your authority on behalf of, the absolute beneficial owner of such Securities; or
 - (ii) where you hold such Securities as, or are acting within the scope of your authority on behalf of, a trustee, you are fully empowered and duly authorised to enter into these terms of business and to apply such Securities in accordance with its terms, and that, in either case, such Securities are free from all liens, charges and encumbrances and restrictions on transfer; and you agree to indemnify the Company against any liability, loss, costs or expenses which the Company may suffer or incur as a result of any such warranty not being true and accurate in all respects.
- (d) You further warrant that: -
 - (i) information you have provided to the company is complete, accurate and not misleading in any material respect and you will upon the Company's request provide it with all such information as it may reasonably require (including financial information about yourself).
 - (ii) In the event of any material change in the circumstances or the information you have provided to the Company, you will promptly notify it.
 - (iii) You are not an officer or employee of a person who conducts investment business similar to the investments covered by these terms of business other than with the consent of that person in accordance with any applicable law.

(18) **Further Provisions**

(a) Force Majeure

The Company shall not be in breach of any of these terms of business if there is any total or partial failure of performance of its duties and obligations occasioned by any act of God, fire, act of government or state, war, civil commotion, insurrection, embargo, inability to communicate with market makers for whatever reason, failure of any computer system, prevention from or hindrance in obtaining any raw materials, energy or other suppliers, labour disputes of whatever nature or any other reason (whether or not similar in kind to any of the above) beyond the Company's control.

(b) Illegality

If any of these terms of business or any part thereof shall become or be declared illegal, invalid or unenforceable for any reason whatsoever, such term, provision or part shall be divisible and deemed to be deleted from these terms of business. Provided always that if any such deletion substantially affects or alters the commercial basis of these terms of business the parties shall negotiate in good faith to amend and modify them as may be necessary or desirable in the circumstances.

(c) Entire Agreement

These terms of business embody and set forth the entire agreement and understanding between the Company and you with respect to the services to be provided hereunder and supersede all prior oral or written agreements, terms, understandings or arrangements relating to its subject matter.

(d) Joint and Several Liability

If more than one person enters into these terms of business, the liability and obligations of such persons in relation to any transaction in Securities shall be joint and several. If an event described in Clause 9 shall be deemed to have occurred in respect of anyone of such persons, the Company may exercise its rights as set out in Clause 9 without being required to give notice of such an event to any of the other persons. The Company shall be entitled to accept instructions and give receipts and for all purposes deal with any one of such persons as agent of all of them.

(e) Acting as Agent

You undertake that if you are entering into any agreement incorporating these terms of business or an agreement acting as agent for or on behalf of another, then:

- (i) in doing so, you are expressly authorised by your principal;
- (ii) your principal will be jointly and severally liable with you to the Company in respect of all obligations and liabilities to be performed by you pursuant to and in respect of any such transaction in Securities entered into in accordance with such agreement incorporating these terms of business or an agreement; and
- (iii) notwithstanding sub-paragraph (ii) above, you will nevertheless be jointly and severally liable to the Company with your principal, as if you were a principal in respect of all such obligations and liabilities.

The Company shall not be bound to act in accordance with the instructions of any person other than you (but shall be entitled to act in accordance with all instructions given by you or purporting to be given by you) and the Company's liabilities hereunder shall be fully discharged by the Company performing such in your favour, notwithstanding any instructions that the Company may receive from your principal or any notice that the Company may receive that your authority to act on behalf of your principal has been revoked or varied.

(f) Assignment of Rights and Obligations

Your rights and obligations under these terms of business and any transactions entered into pursuant hereto are not capable of assignment.

(g) Time of Essence

Time shall be of the essence in relation to all matters arising hereunder or pursuant hereto.

(h) Rights and Remedies

The rights and remedies herein are cumulative and not exclusive of any rights or remedies provided by law. No failure to exercise or delay in exercising the same shall operate as a waiver thereof, nor shall any single or partial exercise thereof preclude any other or further exercise thereof.

(19) Governing Law

These terms of business shall be governed by and construed in accordance with the laws of England. In any dispute the High Court of Justice in England will have exclusive jurisdiction.

(20) Financial Services Compensation Scheme

If you are an eligible claimant you have access to the Financial Services Compensation Scheme ("FSCS") in relation to making a claim for compensation in the event that we default when conducting the designated investment business that you are engaging in with us. The qualifying conditions for compensation must be met in relation to your status and the nature of the default and you must assign your legal rights in the claim to the FSCS. In addition, there are prescribed time limits by which you must bring your claim to the FSCS. The FSCS can provide information to claimants and potential claimants about the way the FSCS works and the procedures that need to be followed when making a claim. The FSCS can be contacted at 7th Floor, Lloyds Chambers, 1 Portoken Street, London E1 8BN, or by telephone or fax (Tel: 020 7892 7300 or Fax: 020 7892 7301), or by e-mail (enquiries@fscs.org.uk).

(21) **Complaints**

If you have a complaint about us you should raise it in the first instance with our employee acting for you. If you are not satisfied with the response of our employee (or if you prefer not to raise the matter with our employee), you may raise the matter with our Compliance Officer.

July 2014

APPENDIX 1: Conflicts of Interest Disclosure Statement

In accordance with requirements of the Markets in Financial Instruments Directive (“MiFID”) and FCA regulation, the Company has in place a conflicts of interest policy and has in place arrangements to identify and manage conflicts of interest that may arise between the Company and its clients or between different clients.

The purpose of this disclosure is to summarise conflicts which may arise and how the challenges which conflicts may present are addressed. Potential conflicting interests or duties may arise, amongst other reasons, because:

- The Company acts as agent for the client in relation to transactions in which it is also acting as agent for the account of other clients and/or affiliated companies;
- The Company, in exceptional circumstances, deals in securities as principal with the client;
- The Company, acting as agent, matches an order of the client with an order of another client for whom it is acting as agent;
- A transaction is effected in securities issued by an affiliated company or the client or customer of an affiliated company;

The Company’s arrangements are designed to ensure that transactions which may involve a potential conflict are effected on terms which are not materially less favourable to you than if the potential conflict had not existed. Neither the Company nor any affiliated company will account to you for any profit, commission or remuneration made or received from or by reason of transactions, and these amounts will not be set-off against the Company’s fees except where this is required by FCA regulation. Where the Company does not consider that its arrangements are sufficient to manage a particular conflict, the Company will inform you of the general nature or source of the conflict so that you may decide how to proceed.

APPENDIX 2: Best Execution Disclosure Statement

From 1 November 2007, the Company is required to put arrangements in place to enable it to deliver the best possible result for clients when dealing with orders for them under its terms of business. For this purpose, the Company has introduced a best execution policy that applies from this date. The Company's best execution policy applies as follows from 1 November 2007.

When the Company deals under its terms of business with an order to buy or sell Securities constituting financial instruments as defined by MiFID, the Company will take all reasonable steps to do so in a way that achieves the best possible result for you in the circumstances in terms of price and other relevant execution factors. In regulatory terms, this may involve execution outside of a regulated market or multilateral trading facility. (Multilateral trading facilities are privately operated order matching systems which act in a way similar to an order driven market. Similar to regulated markets, these execution venues are subject to regulatory standards determined and governed by the requirements of MiFID.)

Where reliance is placed on third parties as regards execution of transactions the Company will take reasonable steps to ensure that the arrangements of the parties used are sufficient to provide appropriate execution quality. Where parties outside of the European Economic Area ("EEA") are used, you should note that standards in such markets may not be equivalent to those in the EEA, and in these markets the Company will take reasonable care to identify that the parties used provide an appropriate quality standard in the context of the arrangements available in the market in question.

The Company will monitor the effectiveness of its best execution policy and arrangements and implement any necessary changes from time to time. In particular, the Company will consider what changes could be made to its best execution policy and related arrangements to generate a better result for you. The Company will notify you of any material changes to its best execution policy and arrangements made from time to time, where they are relevant to you.

Please note, however, that the Company's best execution policy, a copy of the full terms of which is available on request from the Company, will not apply when you give the Company specific instructions as to how you would like your orders dealt with which prevents the Company from taking steps that it has designed to obtain the best possible result in the circumstances. This Disclosure is made subject to the section in its terms of business headed "Nature of Services" to which your attention is drawn.

This Disclosure is made in accordance with the FCA's New Conduct of Business Sourcebook (NEWCOB) 11.2 for Best Execution.

APPENDIX 3: Risk disclosure statements

Shares

A share is an instrument representing a shareholder's rights in a company. Shares may be issued in bearer or registered form and may be certificated or non-certificated. One share represents a fraction of a corporation's share capital. Dividend payments and an increase in the value of the security are both possible, although not guaranteed. The shareholder has financial and ownership rights which are determined by law and the issuing company's articles of association. Unless otherwise provided, transfers of bearer shares do not entail any formalities. However, transfers of registered shares are often subject to limitations.

Dealing in shares may involve risks including but not limited to the following:

- **Company risk:** a share purchaser does not lend funds to the company, but becomes a co-owner of the corporation. He or she thus participates in its development as well as in chances for profits and losses, which makes it difficult to forecast the precise yield on such an investment. An extreme case would be if the company went bankrupt, thereby wiping out the total sums invested.
- **Price risk:** share prices may undergo unforeseeable price fluctuations causing risks of loss. Price increases and decreases in the short-, medium- and long-term alternate without it being possible to determine the duration of those cycles. General market risk must be distinguished from the specific risk attached to the company itself. Both risks, jointly or in aggregate, influence share prices.
- **Dividend risk:** the dividend per share mainly depends on the issuing company's earnings and on its dividend policy. In case of low profits or losses, dividend payments may be reduced or not made at all.

Bonds

Bonds are negotiable debt instruments issued in bearer or registered form by a company or a government body to creditors and whose par value at issuance represents a fraction of the total amount of the debt. The duration of the debt as well as the terms and conditions of repayment are determined in advance. Unless stipulated otherwise, the bond is repaid either at maturity date, or by means of annual payments, or at different rates determined by drawing lots. The interest payments on bonds may be either fixed for the entire duration or variable and often linked to reference rates (e.g. FIBOR or LIBOR). The purchaser of a bond (the creditor) has a claim against the issuer (the debtor).

Dealing in bonds may involve risks including but not limited to the following:

- **Insolvency risk:** the issuer may become temporarily or permanently insolvent, resulting in its capacity to repay the interest or redeem the bond. The solvency of an issuer may change due to one or more of a range of factors including the issuing company, the issuer's economic sector and/or the political and economic status of the countries concerned. The deterioration of the issuer's solvency will influence the price of the securities that it issues.
- **Interest rate risk:** uncertainty concerning interest rate movements means that purchasers of fixed-rate securities carry the risk of a fall in the prices of the securities if interest rates rise. The longer the duration of the loan and the lower the interest rate, the higher a bond's sensitivity to a rise in the market rates.
- **Credit risk:** the value of a bond will fall in the event of a default or reduced credit rating of the issuer. Generally, the higher the relative rate of interest (that is, relative to the interest rate on a risk-free security of similar maturity and interest rate structure), the higher the perceived credit risk of the issuer.
- **Early redemption risk:** the issuer of a bond may include a provision allowing early redemption of the bond if market interest rates fall. Such early redemption may result in a change to the expected yield.
- **Risks specific to bonds redeemable by drawing:** bonds redeemable by drawing have a maturity that is difficult to determine, so unexpected changes in the yield of these bonds may occur.
- **Risks specific to certain types of bond:** additional risks may be associated with certain types of bond, for example floating rates notes, reverse floating rate notes, zero coupon bonds, foreign currency bonds, convertible bonds, reverse convertible notes, indexed bonds, and subordinated bonds. For such bonds, you are advised to make enquiries about the risks referred to in the issuance prospectus and not to purchase such securities before being certain that all risks are fully understood. In the case of subordinated bonds, you are advised to enquire about the ranking of the debenture compared to the issuer's other debentures. Indeed, if the issuer becomes bankrupt, those bonds will only be redeemed after repayment of all higher ranked creditors and as such there is a risk that you will not be reimbursed. In the case of reverse convertible notes, there is a risk that you will not be entirely reimbursed, but will receive only an amount equivalent to the underlying securities at maturity.