

GENERAL TERMS AND CONDITIONS

FOR INVESTMENT PLANS OFFERED BY JUBILEE FINANCIAL PRODUCTS LLP

Version 3 - April 2010



TERMS AND CONDITIONS

The Plan Manager provides the Plan to you on these General Terms and Conditions (the “General Terms”) as well as the Plan Specific Terms and Conditions (the “Specific Terms”), of which the Application Form is a part (together, the “Terms”):

1. Definitions

- 1.1 Capitalised terms used in the Specific Terms or the General Terms shall, unless otherwise defined in the Specific Terms, have the meaning given to them in these General Terms, and in the event of a conflict between the Specific Terms and the General Terms, the latter shall prevail. You should therefore read both before applying, and retain a copy of each should you decide to invest.
- 1.2 “**Account**” means your “ISA account” and/or “Direct Account”.
- 1.3 “**Application Form**” means the application for an ISA Account or a Direct Account.
- 1.4 “**Capital**” means the money that you initially invest in the Plan.
- 1.5 “**Direct Account**” means an Account that is not an ISA Account.
- 1.6 “**Extraordinary Event**” means a significant event which, at our discretion acting in a commercially reasonable manner, results in it no longer being possible to link the Plan to the Index.
- 1.7 “**Final Index Level**” means either (a) the Index Level on the Investment End Date, or if such a day is not a Scheduled Trading Day, then the next Scheduled Trading Day, or (b) in the case of a Plan for which the Plan Specific Terms and Conditions provide Averaging Dates, the arithmetic average of the Index Level on each Averaging Date, or if any such a day is not a Scheduled Trading Day, then the next Scheduled Trading Day.
- 1.8 “**FSA Handbook**” means the FSA Handbook of Rules and Guidance as amended from time to time, published by the Financial Services Authority.
- 1.9 “**Index Level**” means the value of the Index at the close of trading on any Scheduled Trading Day as published by the Index

Sponsor.

- 1.10 “**Initial Index Level**” means the Index Level on the Investment Start Date, or if such a day is not a Scheduled Trading Day, then the next Scheduled Trading Day.
 - 1.11 “**Investment Term**” means the time between Investment Start Date and Investment End Date, inclusive.
 - 1.12 “**Investments**” means the securities the Plan Manager invests in on your behalf, which are designed to provide the returns described in the Specific Terms.
 - 1.13 “**ISA Account**” means an Individual Savings Account for the relevant tax year as established in accordance with these Terms and Conditions.
 - 1.14 “**Plan**” means the plan to which the Specific Terms relate, consisting of the securities the Plan Manager invests in on your behalf, subscribed to via an ISA Account or Direct Account.
 - 1.15 “**Plan Manager**” means Jubilee Financial Products LLP (“Jubilee FP”), which is authorised and regulated by the Financial Services Authority.
 - 1.16 “**Scheduled Trading Day**” means a day on which each Exchange and Related Exchange are scheduled to be open for trading for their respective regular trading sessions, subject to the occurrence of a market disruption or Extraordinary Event.
- ## 2. Subscription and eligibility
- 2.1 On the receipt of a duly completed Application Form and payment the Plan Manager may accept your application subject to the Terms. The Plan Manager reserves the right to reject an application for any reason. The Plan is not available to US Persons. The Plan Manager will give you the right to cancel your Plan within 14 days of the Plan

Manager's acceptance of your Application Form in accordance with FSA requirements. You will be informed of your right to cancel in documents that the Plan Manager sends you. Alternatively you can write to Jubilee Financial Products LLP, BNY Mellon House, Ingrave Road, Brentwood, Essex CM15 8TG, providing your name, address and the Plan number with clear instructions to cancel your investment. If the Plan Manager receives your cancellation notice after the close of the offer period, it will return to you without interest any cash subscriptions in the Plan, less an allowance for a reduction in the market value of the Investments if applicable. You might not get back the amount originally invested in the Plan. Where you do not exercise your cancellation rights, or you do not exercise them within the period allowed for, the Plan will continue in line with the Terms.

- 2.2 You must subscribe to your ISA Account by a cheque drawn on your personal bank account, or by transfer of cash from an your personal bank account, or by transferring cash from an existing ISA account. Once the cash from the existing ISA accounts has been transferred, your Account will be subject to the Terms. A cancellation notice will be sent to you after the funds are received from your previous ISA manager. If, following an ISA transfer, you cancel your ISA Account, you may lose the favourable tax treatment applicable to ISAs.
- 2.3 The Plan Manager reserves the right to withhold any amounts under £1 which cannot be applied to the Plan. The remaining pence will NOT be returned to you.
- 2.4 All transactions relating to this Plan are covered by the Proceeds of Crime Act 2002 and the Money Laundering Regulations 2007 (as amended from time to time) and the guidance notes provided by the Joint Money Laundering Steering Group. The Plan Manager is responsible for compliance with these regulations. You may be asked for proof of identity and evidence of address when investing or on early withdrawal or Maturity. The Plan Manager may also make

enquiries of third parties in verifying identity. This would include electronic verification through a third party provider.

- 2.5 Individual Savings Accounts ('ISAs') can be either Stocks and Shares ISAs or Cash ISAs, as detailed in the Specific Terms.
- 2.6 You will immediately inform the Plan Manager in writing if you cease to be a qualifying individual for the purposes of the ISA Regulations 1998 (the "Regulations" as amended from time to time). The Plan Manager will notify you if, by reason of any failure to satisfy the provisions of the Regulations, an ISA has, or will, become void. The Plan Manager shall not accept any further amounts into an ISA Account if the Regulations no longer give you the right to invest in that ISA Account.
- 2.7 The Plan Manager will hold any cash in your Plan in a sterling deposit client money account or accounts in accordance with the FSA Handbook. All client account money will be held with the Royal Bank of Scotland and will be segregated from the funds belonging to the Plan Manager. Therefore, in the event of insolvency or default by the Royal Bank of Scotland, any shortfall in client money may be shared pro rata among all clients. During this period that the money is held on deposit clients will be able to seek compensation from the Financial Services Compensation Scheme in the event of the insolvency of the Royal Bank of Scotland. Interest will not be paid on monies held within client accounts. For the avoidance of any doubt no interest is payable on client money held after the Maturity Date or following an early withdrawal from the Plan.

3 During the term of your investment

- 3.1 On the Investment Start Date, the Plan Manager will purchase investments (the "Investments") for your Plan. The Investments will be securities with a fixed Maturity. These securities will be debt securities, bonds, preference shares, warrants or other securities which have been specifically structured to match the returns

described in the Specific Terms (the “Investment Objective”). The Plan will be debited immediately after Investments are purchased on your behalf and the Plan Manager will not be obliged to account for any interest earned pending settlement. Investment in the Plan will not commit your funds beyond the amount invested by you. When the Plan Manager purchases and sells Investments in accordance with these Terms, it will always be acting as your agent and not as the agent of the Issuer or the Counterparty.

- 3.2 The Investments are structured so that their value on the Investment End Date (and, if applicable, on any Early Redemption Dates) will correspond to the amount you are due to receive from your Plan in accordance with your Investment Objective. The Plan Manager will contact you prior to the Maturity Date (or in the case of a Plan terminated by Early Redemption, shortly after the Early Redemption has occurred) to inform you of any action required by you. The Plan Manager may, at its discretion, repay Maturity proceeds to you by transferring the funds into the bank or building society account from where the Capital originated. Should this occur, you will be informed in writing by the Plan Manager. You should note that once the Plan has matured, the proceeds from the Plan do not earn interest if held by the Plan Manager, and that transfer of the proceeds from the Plan Manager to you is subject to receipt by the Plan Manager of the relevant funds from the Issuer. The Plan Manager accepts no liability for the timely payment should the Issuer delay or fail to pay.
- 3.3 For UK residents, the proceeds of an ISA Account will not be subject to either UK Income Tax or UK Capital Gains Tax and any gains or losses on your investment will be disregarded for the purposes of UK Capital Gains Tax. Where Investments are held through a Direct Account you may be subject, depending on your personal circumstances, to UK tax on any income paid or any capital gain arising on disposal.

These statements are based on current legislation, regulations and practice, all of which may change. You should seek independent tax advice prior to making an investment.

- 3.4 Your Investments will be registered in the name of, and documents of title if any will be kept in the custody of, the Nominee, who is not authorised under the Financial Services and Markets Act 2000 and for whose acts and omissions the Plan Manager accepts responsibility. Such documents shall not be lent to any third party and money may not be borrowed on your behalf against the security of those documents.
- 3.5 Your Investments will be registered collectively in the name of the Nominee and although the amount of Investments that you hold will be recorded and separately identified by the Plan Manager, your holding may not be identifiable by separate documents or certificates of title. Therefore, in the event of insolvency or default, any shortfall in the Investments may be shared pro rata among all investors in the particular Plan.
- 3.6 At all times you or your nominated agent may request sight or a copy of entries in the Plan Manager’s records relating to your Investments in accordance with the rules of the FSA Handbook. Such records will be maintained for a minimum of seven years after the Investment Start Date.
- 3.7 The Plan Manager will supply you semi-annually with a report on the value of the Investments held through your ISA Account and/or your Direct Account.
- 3.8 You authorise the Plan Manager to provide the Inland Revenue with all relevant particulars of the Direct Account, ISA Account and its investments which the Inland Revenue may reasonably request at any time.
- 3.9 At all times during the continuance of the Plan, you will remain the beneficial owner of the Plan, and the Plan must not be used as security for a loan. You may not dispose of or transfer an interest in the Plan, and may

not create (or have outstanding) any charge or security on or over the Plan nor any Investment contained therein.

3.10 Should the Specific Terms relating to your Plan state that the Plan will pay an income, such income will be paid on or around the Income Payment Dates specified, subject to receipt by the Plan Manager of the relevant funds from the Issuer. The Plan Manager accepts no liability for the timely payment of income should the Issuer delay or fail to pay.

3.11 Should the Specific Terms relating to your Plan state that the Plan may be subject to Early Redemption, the relevant Early Redemption Bonus will be paid on or around 14 days after the Early Redemption Date, subject to receipt by the Plan Manager of the relevant funds from the Issuer. The Plan Manager accepts no liability for the timely payment of Early Redemption Bonus should the Issuer delay or fail to pay.

4 Disclosures, indemnities and disclaimer of liability

4.1 You will indemnify the Plan Manager and the Nominee against any liability or loss which the Plan Manager or the Nominee may suffer or incur (including taxes for which you are primarily liable and any expenses reasonably and properly incurred) in the proper course of administering your Account, except to the extent arising from any negligence, wilful default or fraud on the part of the Plan Manager or the Nominee.

4.2 The Plan Manager will exercise due care and diligence in managing your Plan. However, the Plan Manager and an agent with delegated authority (an “Associated Company”) will not be liable to you:

- (a) for any default by the Issuer or the Counterparty;
- (b) for any default by any securities depository with whom your Investments are deposited;
- (c) for any loss, depreciation or fluctuation in the value of the Investments held within your Plan, except as a result of

fraud, negligence or wilful default by the Plan Manager or any Associated Company;

(d) if the Plan Manager cannot carry out its responsibilities because of circumstances beyond its reasonable control; or

(e) for the acts or omissions of any professional adviser who arranged your investment in a Plan.

The Plan Manager will exercise its authority under these Terms in an appropriate way. However, whilst the Investments will be structured with a view to meeting your Investment Objective on the Investment End Date, the Plan Manager is unable to (and does not) ensure that your Investment Objective will be met. You acknowledge that you have read and understood these Terms and the risk and suitability factors set out in the brochure provided to you in connection with your Plan. In particular, you acknowledge that your entitlement under the Plan is dependent on the exact terms of issue of the Investments. These may contain provisions allowing for (a) adjustments to the timing of calculation of entitlements and (b) the termination of the Investments, including (without limitation) in circumstances where the Plan Manager is in default. No provision in these Terms will operate so as to exclude or limit the liability of the Plan Manager to the extent that this would be prohibited by law or the FSA Rules.

4.3 In the event of any failure, interruption or delay in the performance of its obligations resulting from breakdown, failure or malfunction of any telecommunications or computer service, industrial disputes, insolvency of third parties or failure of third parties to carry out their obligations, acts of governmental or supranational authorities, or any other event or circumstance whatsoever not reasonably within its control, the Plan Manager shall not be liable or have any responsibility of any kind for any loss or damage you incur or suffer as a result.

4.4 The value of the investments and the income

from them may fall as well as rise due to market movements and, where applicable, exchange rate fluctuations.

- 4.5 The levels and bases of taxation and reliefs from taxation can change at any time. The value of any tax reliefs will depend on individual circumstances.

5. Termination and withdrawal

- 5.1 The Plan or any Account comprised in it may be terminated immediately by the Plan Manager on giving written notice to you, if in its opinion, it is impossible to administer the Plan or that Account in accordance with the Regulations or you are in breach of the Regulations.

- 5.2 The ISA Account will terminate automatically with immediate effect if it becomes void under the Regulations. The Plan Manager will notify you in writing if the ISA becomes void.

- 5.3 The Plan Manager may terminate the Plan on one month's notice if you fail to pay any money due under the Terms or are in breach of any of the Terms.

- 5.4 You may terminate the Plan or any Account at any time by giving written notice to that effect to the Plan Manager. The notice must specify whether you wish the proceeds from the sale of the Investments to be paid directly to you or, for an ISA Account, to be transferred to another ISA manager. Such notice must be received no later than close of business two days prior to the next Dealing Date. Early encashment may result in a loss of capital. There will be a restricted market in the sale of Investments.

- 5.5 Dealing Dates for the Plan will be the 3rd and 13th business days of each month.

- 5.6 Termination of the Plan or any Account will be without prejudice to the settlement of any outstanding fees and will not affect any legal rights or obligations which may have already arisen or any provision of the Terms which is expressly or by necessary implication intended to survive termination. On termination, the Plan Manager will promptly account to you for the proceeds of sale of the Investments held through your Plans save

that it will be entitled to retain any funds required to pay any outstanding tax or other amounts payable from the Plan.

- 5.7 On your death, your ISA Account will lose its ISA status immediately and your Plan will be dealt with in accordance with the instructions of your personal representatives. The Plan Manager will continue to hold your assets until instructions are received from your personal representatives. Your personal representatives can sell your Investments or transfer them to your beneficiaries. The Plan Manager is entitled to deduct any withdrawal fees.

- 5.8 At your request, the ISA Account may be transferred to another ISA manager.

- 5.9 Partial withdrawals or partial transfers are not permitted.

- 5.10 The Plan Manager shall continue to treat unclaimed Maturity or allocated funds as client money, in accordance with the FSA Handbook, for a period of six years. (Interest will not be paid on such funds). The Investor consents to any money held in a client account for more than six years being released and no longer treated as client money in accordance with the client money regulations of the FSA Handbook.

6 The Plan Manager, third party agents and fees/commissions

- 6.1 The Plan Manager may employ agents in connection with the services it is to provide and may delegate any or all of its powers or duties to any delegate(s) of its choice in accordance with the Regulations. The Plan Manager will satisfy itself that any person to whom it delegates any of its functions or responsibilities under the Terms is competent to carry out those functions or responsibilities. The Plan Manager shall not be liable for the negligence or misconduct of any such agent or delegate, except where it has been negligent in its choice of such agent or delegate, not excluding or restricting any liability towards you to which, by virtue of the Regulations, the Financial Services and Markets Act 2000, or the FSA Handbook, the Plan Manager may

be subject.

6.2 Charges are determined by the price the Plan Manager pays for the Investments. Further information on this and commission which may be paid to your financial adviser is included in the information you will receive after subscribing to the Plan. The returns which you are due to receive are net of all anticipated charges and expenses (excluding any tax that you may be liable to pay, or charges we may reasonably require you to pay in respect of significant taxation changes). If you terminate your Plan before Maturity, no further charges will be deducted nor will those taken at the Investment Start Date be rebated. If you exercise your cancellation rights, you will receive a full refund of any charges. Please note that it is possible that you will be liable to pay additional taxes or costs that are not paid, or imposed, by us.

7. About The Terms

7.1 The Plan Manager may vary the Terms by giving you reasonable written notice:

- (a) to comply with any changes to the Regulations, other relevant legislation, HM Revenue & Customs practice and the FSA Rules (or the way they are applied);
- (b) to make them fairer to you or to correct a mistake (provided this correction would not adversely affect your rights); or
- (c) in order to manage your Plan more effectively, or to introduce additional facilities or options within your Plan. The Plan Manager will notify you of any such change as soon as is reasonably practicable after the change has been made, if you have not been given prior notice.

7.2 Notices will be duly given by the Plan Manager if sent to the last address notified to the Plan Manager by the Investor.

7.3 Nothing in the Terms shall restrict the Plan Manager's right to provide investment services to others.

7.4 The Terms shall be governed by English Law and will become effective on acceptance by the Plan Manager of your signed Application Form. The Plan Manager will write and speak to you in English during the duration of your investments. The Plan Manager will treat you as a retail customer for the purposes of the Terms.

8. Your communications and relationship with the Plan Manager

8.1 For your security and for training and monitoring purposes telephone conversations may be recorded.

8.2 The Principles for Businesses of our regulator, FSA, say that a firm must manage conflicts of interest fairly, both between itself and its customers and between one customer and another. The Plan Manager has a policy to assist it in meeting this principle, as it is required to do by the regulator. Further details can be found at www.jubileefp.com.

8.3 If you make a valid claim against your financial adviser or the Plan Manager for negligence or inappropriate advice in respect of the investments arranged for you under the Terms and they are unable to meet their liabilities in full, you may be entitled to compensation from the Financial Services Compensation Scheme. Note that if the performance of the investments does not match any illustrated benefits there will not, for that reason alone, be any entitlement to any compensation under the Financial Services Compensation Scheme. Compensation does not apply to defaults by the Issuer of the Investments.

Most types of investment business are covered for 100% of the first £30,000 and 90% of the next £20,000, so the maximum compensation is £48,000. Details of the cover provided by the Scheme are given in a leaflet which the Plan Manager will send to you at your request. Further information is available from the Financial Services Compensation Scheme, 7th Floor, Lloyds Chambers, Portsoken Street, London E1 8BN.

- 8.4 Complaints should be made to the Plan Manager. If your complaint is not dealt with to your satisfaction, you can complain to the Investment Division, Financial Ombudsman Service, South Quay Plaza, 183 Marsh Wall, London E14 9SR. Making a complaint will not prejudice your right to take legal proceedings.
- 8.5 For the purposes of the Financial Services (Distance Marketing) Regulations 2004,

the geographical address of Jubilee Financial Products Administration Centre is BNY Mellon House, Ingrave Road, Brentwood, Essex, CM15 8TG.

This document should be read in conjunction with the Plan Specific Terms and Conditions for the Plan in which you are considering investing. Jubilee Financial Products LLP does not offer investment or tax advice. Unless you understand the risks associated with this investment and the suitability for your circumstances, you should seek professional financial advice.

Jubilee Financial Products LLP is an independent asset management company authorised and regulated in the UK by the Financial Services Authority (FSA), with FSA registration number 486204.

The experience of our investment professionals allows us to create structured products appropriate for the current investment climate. Our independence means we are better able to manage clients' key exposures, sourcing products from multiple issuers rather than being tied to any one banking group.

If you would like further information on any of Jubilee FP's products and services, please call us on **0844 892 0905**, email us at **info@jubileefp.com** or visit our website at **www.jubileefp.com**

