

TERMS OF BUSINESS

1. INTRODUCTION

The following terms of business ("Terms") are legally binding between you and KBC Financial Products UK Limited ("FPUK") and will apply from the date you receive them in respect of any investment business (within the meaning of the Financial Services and Markets Act 2000 ("FSMA")) we effect with or for you subject to any amendment which we notify to you in writing from time to time. We are regulated by the Financial Services Authority (the "FSA").

In these Terms the term "affiliate" means all subsidiaries and holding companies (as defined in the Companies Act 1985) of KBC Financial Products UK Limited and any other affiliated entities.

2. CLIENT CLASSIFICATION

In providing our services we will treat you as a professional client for the purpose of the rules of the FSA. You have the right to request a different classification. FPUK will consider such requests on their merits, but is not obliged to accede to such requests. Please note in particular that FPUK does not deal with retail clients. FPUK will notify you at the time of any limitations to the level of client protection which reclassification would entail.

3. SERVICES

- 3.1 We will provide such investment services as may be agreed from time to time between us, including in particular purchasing and selling investments (as defined in the FSMA) and giving investment advice. Unless you otherwise notify us in writing, we will assume that there are no restrictions on the types of investment in which you wish to invest or on the markets on which you wish transactions to be executed.
- 3.2 We will generally not make personal recommendations to you and will not therefore consider the suitability of transactions for you based on your personal circumstances. Please note in particular that, unless otherwise specifically agreed with you, any comments we make about the merits of investments relate to the intrinsic merits of the investment generally and do not imply that the investment is suitable for your particular circumstances. If on any particular occasion you do wish us to give personal recommendations or investment advice to you which is based on your personal circumstances it is your responsibility to make that clear and to disclose to us those of your financial circumstances, investment objectives and other relevant matters which you wish us to take into account.
- 3.3 We may also provide other services if so agreed between us, including the provision of services which are not covered by these Terms alone and which may require supplementary or separate terms and documentation to be signed by you. In such cases, such supplementary or separate terms shall, unless otherwise specified therein, be supplementary to these Terms provided that in the event of a conflict between these Terms and such supplementary or separate documentation, the latter shall prevail.
- 3.4 All transactions in investments shall be subject to the rules and customs of the exchange or market and/or any clearing house through which the transactions are executed (if any), the rules and regulations of FSA, so far as they are applicable and to applicable law. If there is any conflict between these Terms and any such rules, customs or applicable law, the latter shall prevail.
- 3.5 Unless expressly otherwise agreed at the time of a transaction, we may in our discretion act as principal in a transaction with you or may act as agent either for you or for another person in executing the transaction.

4. INSTRUCTIONS

- 4.1 We may rely on any instructions, notices or requests of any person who is or is believed by us in good faith, to be a person designated or authorised by you to give such instructions, notices or requests. We may accept and act without further inquiry upon any instruction, notice or request given or which purports or is believed by us in good faith, to be given by or on behalf of you whether such instructions are in writing, oral or by fax.
- 4.2 We may in our absolute discretion record telephone conversations with you or your agents. Our records of telephone conversations with you or your agents shall be conclusive evidence of all instructions, notices or requests. Subject to paragraph 4.4 below, we may act on telephone instructions, notices or requests prior to receipt of any written confirmation thereof and you will not hold us responsible if we do not receive such written confirmation.
- 4.3 Instructions, whether confirming or revoking an instruction, notice or request, given to us shall not take effect unless actually received by us.

- 4.4 We shall be entitled, but not bound, to act upon a request from you to carry out a transaction or provide any other services for you under these Terms.
- 4.5 If we decline to effect a transaction we will endeavour to notify you accordingly, but will have no liability for any expense, loss or damage incurred by you by reason of any omission to do so.

5. AUTHORITY

- 5.1 You warrant to and undertake with us that:

(a) you have and will have all necessary consents, authorisations, approvals (and, if you are not an individual, powers in your constitution) and authorities to enable us to effect all transactions with or for you under these Terms; and

(b) in respect of each such transaction, all applicable law has been and will be complied with by you.

You agree to provide to us, forthwith upon demand, evidence reasonably satisfactory to us of such consents, authorities, powers and compliance.

- 5.2 You agree that, whenever you act as agent for another, in doing so you are expressly authorised by your principal to instruct us on these Terms and will be liable to us with your principal in respect of all obligations and liabilities arising from them.

- 5.3 We will not be bound to act in accordance with the instructions of any person other than you and our liabilities hereunder shall be fully discharged by performing them in your favour, notwithstanding any instructions we may receive from your principal or any notice we may receive that your authority to act on behalf of your principal has been revoked or varied or is otherwise invalid. References to "you" and "your" in these Terms shall be construed accordingly.

- 5.4 We will treat you alone as our client for the purposes of these Terms and rules of the FSA. Accordingly, any sub-accounts opened by you with us now or subsequently (even where the client identity is identified in the sub-account designation) will not be considered our "clients" for the purposes of the rules of FSA.

You understand, and will ensure that your clients understand, that we provide services to you alone and shall have no obligation to your underlying client to give investment advice, to judge the suitability of transactions, or to give warnings of any risks associated with them.

We may at our discretion enter into a separate agreement with your principal at your request. You will furnish us with full details of your principal and we will then notify you in writing of the extent (if at all) to which we are prepared to accept any obligations towards your principal. We expressly decline to accept any responsibility under the rules of the FSA towards any retail client on whose behalf you are acting.

6. NON US-STATUS

Unless you notify us to the contrary, you will be deemed to have represented, and we shall be entitled to assume that when you purchase any unseasoned securities subject to US selling restrictions (including but not limited to Regulation S and TEFRA D), either (a) you are not a US person and you are not acting for a US person when purchasing such securities or (b) at the time of purchase you are and any person for whom you are acting is exempt from such restrictions.

7. RISK WARNINGS

Schedule 1 sets out a general description of the nature and risks of designated investments, taking into account your classification as a professional client. FPUK may supplement or update this from time to time by sending you a revised copy.

8. CONFLICT OF INTEREST

- 8.1 As a multi-service institution providing a range of financial services across instruments and markets circumstances may arise in which we or our affiliates may have a material interest in a transaction with or for you or where a conflict of interest may arise between your interests and those of other clients or counterparties or ourselves. We operate our business on the principle that we must manage any conflicts of interest between us, including our employees, associates and other Group companies, and clients, and between one client and another, in a fair and commercial manner.

There may be circumstances where the arrangements that FPUK has in place with respect to conflicts management are insufficient to entirely cure a particular conflict of interest. In these circumstances FPUK may, in the best interests of a client, disclose the potential or actual conflict of interest to the client. In some situations, FPUK may decline to act where a conflict of interest may damage the interests of a client.

8.2 The following are examples of such conflicts of interest:

(a) buying or selling investments where we are or an affiliate is involved in a new issue, rights issue, takeover or similar transaction concerning the investment;

(b) executing a transaction with you in circumstances where we have knowledge of other actual or potential transactions in the relevant investment;

(c) issuing research, holding a position in, or trading, dealing or market-making in, investments purchased or sold by you;

(d) sponsoring, underwriting, sub-underwriting, placing, purchasing, arranging, acting as stabilising manager for, or otherwise participating in, the issue of investments purchased or sold by you;

(e) acting as adviser to or having any other business relationship with, or interest in, the issuer (or any of its affiliates or advisers) of any investments purchased or sold by you, or acting as adviser to any person in connection with a merger, acquisition or takeover by or for any such issuer (or affiliate);

(f) being the issuer of any investments purchased or sold by you or being (or being adviser to or having any other business relationship with) the trustee, custodian, operator or manager of, or investment adviser to any form of collective investment scheme in which interests are purchased or sold by you;

(g) acting as a provider of both a financial product and leverage;

(h) involvement in competing bids by multiple clients for a single target asset;

(i) issuing research on securities issued by you while also engaged in primary market activity for you;

(j) providing services to you while also undertaking proprietary and customer trading in securities issued by you;

(k) trading with you in investments or satisfying your order from our own or an affiliate's principal account;

(l) matching an order executed on your behalf with an order from another person, affiliate or client (in which case we may receive a commission or other remuneration from you and the other party);

(m) in relation to investments which are not 'readily realisable investments' as outlined under FSA's rules, being a member of an advisory or negotiating committee acting for a group of holders of those investments (of which you may be one) in negotiations with an issuer of such investments and gaining information affecting investments in that capacity;

(n) our being paid or paying a commission or fee by or to a third party for transactions we have introduced or arranged or had introduced to or arranged with us.

(o) when issuing research, marketing communications or other financial promotions (including sales notes) we or our affiliates may have long or short positions in any of the securities, underlying securities and/or derivative instruments (together 'securities') whose value is based on the price of the securities discussed therein and may buy or sell such securities either as agent or as principal. We or our affiliates may from time to time provide investment banking and capital markets services to the issuer(s) discussed therein.

8.3 Neither we nor any affiliate shall be liable to account to you for, or to disclose to you, any profit, charges or other remuneration made or received by us or any affiliate from, or by reason of, the transaction, or any connected transaction.

8.4 (a) Except as required by the rules of the FSA, neither we nor any affiliate need disclose to you or take into consideration any act, matter or thing:

(i) if any disclosure would or might be a breach of duty of confidence to any other person; or

(ii) which comes to the notice of any of our directors, employees or agents or those of any affiliates, and does not come to the actual notice of the individual or individuals executing the transaction or otherwise providing services to you; or

(iii) relating to the nature or extent of any interest we or any affiliate has in any investments; or

(iv) to the extent that a "Chinese wall" is in operation as described in 8.6.

(b) You acknowledge that we have not made, and you are not relying on, any statements, representations, promises or undertakings that are not contained herein. Any advice by any of our directors, officers, employees or agents to you in relation to any transaction shall be given in good faith without any obligation to communicate to you the basis on which he or it has made the judgement leading to such advice.

8.5 We may aggregate any order from you with the order of any other client, an affiliate or any employee of us or an affiliate. The effect of aggregation may work to your disadvantage in relation to a particular order.

8.6 As part of our arrangement for the effective management of conflicts of interests and fair treatment of all our clients, we may establish "Chinese walls", that is to say arrangements to restrict the flow of information between different parts of our business. In providing our service to you, we shall not be obliged to disclose to you or take into consideration any information, fact, matter or thing which is not known to our employees who deal with you by reason of the existence of such Chinese walls.

9. FEES

We shall be entitled to such fees and other charges in respect of the services which we provide, on such basis and payable or collectable in the manner and at the frequencies as may from time to time be agreed between us. These fees and other charges may be shared with an affiliate or third party. The amount or basis of such shared charges will be made available on request. Except as may be agreed no other payment is receivable by us or, to our knowledge our associates, in connection with any transaction executed by us with or for you, in addition to or in lieu of any fees and other charges.

We may pay or receive fees, commissions or non-monetary benefits to or from third parties (which may include affiliates). We will provide you with a summary of the essential arrangements in relation to such fees, commissions and non-monetary benefits and will provide further details on request.

10. SETTLEMENT

We will account to you for any transactions executed with you or on your behalf as follows:

10.1 Any payment due from you must be made promptly in freely transferable, cleared and immediately available funds without any deduction (whether in respect of set off, counter-claim, taxation or otherwise). If you are obliged by any applicable law to make such deduction, you must pay us such amount which after deduction shall ensure that the net amount actually received by us will equal the full amount which would have been received by us had no such deduction been required.

10.2 You will bear all costs and risks of payment and delivery by or to us or our order, whether upon settlement of any transaction, termination of these Terms or otherwise. We do not provide safe custody services. We do not accept responsibility for the safe custody of any documents of title relating to any investments we have placed with a custodian for you pending their return to you or delivery to your order. Where your assets are held overseas, there may be different settlement, legal and regulatory requirements in the relevant overseas jurisdiction from those that apply in the UK and there may be different practices for the separate identification of safe custody investments.

10.3 We will not be obliged to deliver any investments purchased by you except against payment or other cover acceptable to us.

10.4 Our obligation to settle any transaction or to deliver any investments purchased by you is conditional on receipt by us on or before the due date for settlement (or satisfaction of such receipt by our settlement agents) of all necessary documents or funds due to be delivered by you or on your behalf on such date. Money which we are holding for you will not earn interest.

10.5 After we have executed a transaction, we shall confirm the details thereof to you (which confirmation may be in electronic format or made available on a website, in which case such electronic format shall have the same effect as if served on you in written hard copy). The content of our confirmations will, in the absence of manifest error, be deemed conclusive and binding on you unless you object in writing within three business days of despatch

11. LIABILITY AND INDEMNITY

11.1 Subject to Clause 11.2, we will not be liable to you for any expense or liability suffered or incurred by you in connection with these Terms unless due to our recklessness, fraud or wilful default and you will indemnify us against any liability suffered or expense incurred by us as a result of providing any services to you (including any transactions we effect with or for you), unless due to our recklessness, fraud or wilful default

11.2 Nothing in Clause 11.1 will restrict our liability or require you to indemnify us to an extent prohibited by FSA's rules.

- 11.3 Either party ("Party A") will pay to the other party ("Party B") interest on any amount which is owing to Party B from the date such amount is due until the date such amount is paid to Party B. Such interest will accrue on a daily basis (both before and after any judgement) at the overnight market rate of interest for the money owed and in the currency it is owed as conclusively determined by us in our reasonable discretion.

12. SECURITY AND RIGHTS OF SET-OFF

If you default in or fail to perform or otherwise repudiate any transaction with us or any affiliate, be insolvent or become the subject of any winding-up order, or if any liquidator or administrator is appointed in respect of you, or if you otherwise become the subject of any equivalent procedures under any relevant liquidation, bankruptcy, re-organisation or similar law, we may without prior notice to you:

- (a) cancel or otherwise liquidate any transaction between us;
- (b) sell any of your property in our possession or under our control; and
- (c) set off any obligation to you against any of your obligations to us.

13. CLIENT MONEY

We do not expect to hold or receive money for you. However, any money we do hold or receive will be subject to the protections conferred by the Client Money Rules of the FSA. Unless otherwise agreed, no interest will be payable on any such money.

If we do hold or receive client money for you we may hold it either with an unaffiliated U.K. approved bank or, at our option, with any branch of KBC Bank N.V. or any other bank in our group either in the U.K. or outside the U.K. Please note that your client money may therefore be held outside the U.K. and that in such circumstances the legal and regulatory regime applying to the approved bank with which the client money is held will be different from that of the U.K. Where reasonably practicable in accordance with local market practice, we will seek to arrange that money held with third parties is held under arrangements which will result in the segregation of that money from the third party's own assets so that the same will be held, together with money held for other clients of the third party, for the clients of the third party (including you or us on your behalf) outside of the insolvency and therefore free from the claims of the third party's general creditors. You should, however, appreciate that it may not be possible to arrange for investments or cash to be held in this way, and this is particularly the case in relation to cash held by a third party as banker.

You agree that we may release your unclaimed money from client bank accounts after a period of six years where we have been unable to trace you. We undertake to make good any valid claim against any released balances.

14. EXECUTION

We will be responsible for ensuring "best execution" in accordance with the FSA Rules. Execution will be in accordance with our execution policy as from time to time in effect, a copy of which has been provided to you. By dealing with us you consent to the terms of our execution policy. Where you have provided express consent, we may execute orders in instruments admitted to a regulated market or multilateral trading facility outside of such market or facility.

You hereby expressly instruct us that whenever you place a limit order for shares traded on a regulated market, if the order is not immediately executed under prevailing market conditions, we are not required to make the order public in a manner which is easily accessible to other market participants.

15. ASSIGNMENT

These Terms are personal to you and may not be assigned to any other person.

16. COMMENCEMENT

These Terms shall take effect seven days after despatch by us to you or, if earlier, when you first instruct us or accept services from us after receiving these Terms.

17. CONFIDENTIALITY, DISCLOSURE, MONITORING AND RECORDING

- 17.1 We undertake to keep all information we receive in connection with these Terms private and confidential, even when you are no longer a client. Such information will only be disclosed where:

- (a) you give prior consent; or
- (b) we are required to by any regulatory authority or law to whom or to which we are subject.

17.2 We may also:

(a) use your information to administer, operate, monitor and analyse your account, assess any credit limit or decision;

(b) disclose your information to (i) other group companies, (ii) those who provide services to us or act as our agents, (iii) anyone to whom we propose to transfer any of our rights or duties under these Terms, and (iv) credit reference agencies or other organisations that helps us make credit decisions, verify identity, or reduce the incidence of fraud.

Please note that where we transfer information to third parties in countries outside the EEA your information will be subject to different data protection laws which may not be as strong as those in the EEA.

17.3 You should assume that any communications made between us by phone or other electronic means will be recorded and may be monitored. If you contact us electronically, we may collect your electronic identifier supplied by your service provider. Recordings remain our sole property and may be used by us as evidence in the event of a dispute.

18. UNSOLICITED COMMUNICATIONS

You agree that we may from time to time make direct contact with you by telephone, e-mail or otherwise without your express invitation in order to provide you with dealing or dealing related services.

19. AMENDMENTS

19.1 These Terms shall apply to all services relating to investments we provide to you (including any transactions we effect with or for you) to the exclusion of any other terms and conditions which might otherwise apply by virtue of any course of dealing unless we agree otherwise in writing.

19.2 These Terms and any existing amendment or supplementary agreement to them may be amended or revoked only by:

(a) written agreement between us; or

(b) notice of such amendment or revocation to you signed by or under the authority of the authorised signatories of us. We shall give you at least 10 days notice of any such amendment or revocation unless it is impracticable to do so and such amendment or revocation shall be deemed to have been accepted by you unless written notice of objection is received by us within 10 days of the date on which our notice is deemed to have been received by you.

Furthermore, no waiver of any provision shall be effective unless in writing and signed by the party granting the waiver.

19.3 Each provision of these Terms is severable from the Terms as a whole, and, if any provision is declared invalid, the remaining provisions shall remain in effect.

20. TERMINATION

20.1 Either party may terminate these Terms upon not less than seven days written notice to the other party, or with immediate effect if the other party has committed a material breach of applicable law or any applicable rules or customs of an exchange or market and/or clearing house. However, any such termination shall:

(a) be without prejudice to the completion of transactions already initiated and to all outstanding obligations which may have been incurred by one party for, or on behalf of, the other party. All transactions in progress or otherwise outstanding shall be settled in accordance with these Terms; and

(b) not affect any representations, warranties and indemnities given by either party, which shall survive such termination.

20.2 Any fees, expenses and other charges of ours accrued to the effective date of termination shall constitute an outstanding obligation for the purposes of this paragraph.

20.3 Service of notice of termination on us shall be effective only upon its actual receipt by us.

21. NOTICES AND OTHER COMMUNICATIONS AND DOCUMENTS

Any notice, instruction, demand or other communication ('Notice') may be given orally unless required in writing by these Terms or by applicable law or regulation.

21.1 Any Notice in writing maybe given as follows:

(a) by first class post (or airmail in the case of overseas mail) and will be deemed delivered two business days after posting. Proof of mailing to the correct address (as last notified by you to us) will constitute proof of delivery;

(b) by courier delivery and will be deemed delivered upon delivery. Proof that it was accepted by you or your agent will constitute proof of delivery;

(c) by facsimile, e-mail, telex or other instantaneous electronic communication and will be deemed delivered upon transmission. Proof that it was transmitted to the correct number or e-mail address or destination and (in the case of telex or facsimile) evidence that it was successfully transmitted will constitute proof of delivery

(d) to us at 111 Old Broad Street, London, United Kingdom, EC2N 1FP or such other address(es) as shall be notified to you in writing.

22. 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.

23. GOVERNING LAW AND JURISDICTION

23.1 These Terms and all transactions under or pursuant to them shall be governed by and construed in accordance with the laws of England.

23.2 The courts of England are to have jurisdiction to settle any disputes which may arise out of or in connection with these Terms and accordingly any legal action or proceedings arising out of or in connection with these Terms ("Proceedings") may be brought in such courts. You irrevocably submit to the jurisdiction of such courts and waive any objection to Proceedings in such courts, whether on the ground of venue or on the ground that the Proceedings have been brought in an inconvenient forum. This submission is for our benefit and shall not limit our right to take Proceedings in any other court of competent jurisdiction, nor shall the taking of Proceedings in one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction (whether concurrently or not).

24. IMMUNITY

You hereby irrevocably waive, to the fullest extent permitted by applicable law, with respect to yourself, your revenues and assets (irrespective of their use or intended use), all immunity on the grounds of sovereignty or other similar grounds from (i) suit (ii) jurisdiction of any court (iii) relief by way of injunction, order for specific performance or for recovery of property (iv) attachment of your assets (whether before or after judgement) and (v) execution or enforcement of any judgement to which your revenues or assets might otherwise be entitled in any suit, action or proceedings in the court of any jurisdiction and you irrevocably agree, to the extent permitted by applicable law, that you do not claim any such immunity in any suit action or proceeding.

Schedule 1

RISK DISCLOSURE

Under FSA's Rules you have been categorised as a Professional Client for the purposes of all services which we provide to you in relation to all investment products, including the following products:

- transferable securities
- money market instruments
- units in collective investment undertakings
- options, futures, swaps, forward rate agreements and any other derivative's contracts relating to:
 - commodities, whether cash and/or physical settled and whether or not traded on a regulated market and/or MTF
 - climatic variables, freight rates, commission allowances or inflation rates or other official economic statistics
- derivative instruments for the transfer of credit risk
- financial contracts for differences
- other derivative contracts

In deciding to deal with us in such products generally, and in any particular case, you will have already assessed the risks involved in those products and in any related services and strategies which, in any particular case may (as relevant) include any of, or a combination of any of, the following:

- credit risk
- market risk (including without limitation economic and political risks)
- liquidity risk
- interest rate risk
- FX risk
- business, operational and insolvency risk
- the risks of OTC, as opposed to on-exchange, trading, in terms of issues like the clearing house 'guarantee', transparency of prices and ability to close out positions
- contingent liability risk
- regulatory and legal risk
- settlement risk
- fraud risk

You should bear in mind that the risks inherent in a product may be increased by gearing, leverage or borrowing, by short selling and by certain other investment strategies. Composite instruments or holding a combination of instruments may in some cases increase the risks involved.

You should also bear in mind that holding financial instruments through clearing systems, depositaries and custodians may give rise to additional risks compared to holding the instrument directly.

The above risks may be greater when dealing in emerging markets and other lesser developed or regulated jurisdictions.

In relation to any particular product or service there may be particular risks which are drawn to your attention in the relevant terms sheet, offering memorandum or prospectus.

You may not rely on the above as investment advice based on your personal circumstances, nor as a recommendation to enter into any of the services or invest in any of the products listed above. Where you are unclear as to the meaning of any of the above disclosures or warnings, we would strongly recommend that you seek independent legal or financial advice.