

1. Introduction

These terms of business explain the relationship between you and DS Wealth. DS Wealth Discretionary Trading ("DSWDT"), is a trading name of Direct Sharedeal Limited incorporated and registered in Scotland with company number SC188017 whose registered office is at 4 West Regent Street, Glasgow, G2 1RW. Direct Sharedeal Limited is authorised and regulated by the Financial Services Authority a member of the London Stock Exchange and a HM Revenue and Customs Approved ISA Plan Manager.

They contain important information for you, some of which is required by law. If you are unsure about the meaning of any information provided please consult an independent financial adviser, other professional adviser or DSWDT.

These Terms of Business set out the Terms under which we shall provide your financial services. They replace any and all previous conditions. These Terms of Business constitute the formation of a contract between you and DS Wealth Discretionary Trading of 4 West Regent Street, Glasgow G2 1RW who will provide settlement, safe custody, nominee and associated services.

These Terms of Business will come into effect on the date upon which you sign the Application Form and the registration process is complete. Other services are available and are subject to additional Terms and Conditions. By accepting these terms you confirm that:

- (a) DSWDT will provide you with a Discretionary Trading service, settlement, safe custody, nominee and associated services;
- (b) You agree to be bound by these Terms and Conditions.

Identification. The parties to this contract are as shown in the title above.

Scope. DSWDT will supply discretionary investment management services on portfolios of quoted securities

Affordability. Following your participation in and approval of a fact finding process and discussion the Customer is satisfied that the investment plans are affordable.

Regulator. Through Direct Sharedeal Limited, DSWDT is authorised and regulated by the Financial Services Authority ("FSA"). The Customer may wish to visit the website maintained by the Financial Services Authority (www.fsa.gov.uk). The register available on that site shows details on DSWDT including the investment services it is authorised to carry out for clients. DSWDT is authorised to carry out discretionary investment services and give investment advice to clients and market counterparties with specific conditions.

Investment objectives. Following a fact finding process and discussion the Customer is satisfied that the investment objectives should be capital appreciation. No bench mark is to be specified for portfolio management purposes. Investment income and any interest is to accumulate in the accounts until otherwise advised by the Customer.

Discretion and Restrictions. DSWDT has complete discretion to manage the portfolio to achieve the investment objectives with no restrictions required by the Customer.

DSWDT will not act as a principal in a transaction with the Customer.

Payment for services. DSWDT will receive fees for the provision of services. DSWDT will charge a Commission at the rate of 0.3% in connection with any transaction executed by DSWDT, with or for the Customer.

Period of account. Statements showing

1. the market value of the gross portfolio and its composition together with;
2. a list of transactions since the last statement;
3. a measure of performance calculated by
 - comparing statement values at the start and the end of the period under report
 - as adjusted for transactions including new cash and withdrawals

will be submitted to the Customer on a half-yearly basis within 6 weeks of the half-year end. These statements will be provided either online, email or written form.

Underwriting. DSWDT may commit the Customer to any obligation to underwrite or sub-underwrite any issue or offer for sale of securities only after prior approval in writing or email form by the Customer.

Compensation. DSWDT meets the minimum capital requirements required by the FSA of Euros 50,000. DSWDT is covered by the Financial Services Compensation Scheme. Further information about compensation arrangements is available from the Financial Services Compensation Scheme.

2. Classification

On the basis of the information that you have supplied to us, we have classified you as a Retail Client for the purpose of FSA rules. This classification provides you with the highest level of protection available to you under those rules. If you are acting as agent for someone else, we will treat you alone as our customer for the purposes of FSA rules and you will be liable to that person in respect of your transactions.

3. Risk Warnings - General

3.1 This notice is provided to you as a Retail customer in compliance with rules of the Financial Services Authority (FSA). (Retail customers are afforded greater protections under these rules than other customers and you should be aware of your rights of access to the Financial Ombudsman Service and other benefits). Please remember that the price or values of investments can go down as well as up. You may not get back the amount invested. Past performance is not necessarily a guide for future performance.

3.2 Foreign Markets - Foreign markets will involve different risks from the UK markets. In some cases the risks will be greater. On request, DSWDT will provide an explanation of the relevant risks and protections (if any) which will operate in any foreign markets, including the extent to which it will accept liability for any default of a foreign firm through whom it deals. The potential for profit or loss from transactions on foreign markets or in foreign denominated contracts will be affected by fluctuations in foreign exchange rates.

3.3 Suspensions Of Trading - Under certain trading conditions it may be difficult or impossible to liquidate a position. This may occur, for example, at times of rapid price movement if the price rises or falls in one trading session to such an extent that under the rules of the relevant exchange, trading is suspended or restricted. Placing a stoploss order will not necessarily limit your losses to the intended amounts, because market conditions may make it impossible to execute such an order at the specific price.

3.4 Clearing House Protections - On many exchanges, the performance of a transaction by DSWDT (or third party with whom they is dealing on your behalf) is 'guaranteed' by the exchange or clearing house. However, this guarantee is unlikely in most circumstances to cover you, the customer, and may not protect you if DSWDT or another party defaults on its duty to you. On request, DSWDT must explain any protection provided to you under the clearing guarantee applicable to any on exchange derivatives in which you are dealing. There is no clearing house for traditional options, nor normally for off-exchange instruments, which are not traded under the rules of a recognised or designated investment exchange.

General risks warning concerning investment

1. The tax treatment of ISAs, Spread Betting, Contracts for Difference and SIPPs is subject to government legislation and as such may not be maintained.
2. The levels and bases of, and reliefs from, taxation may change in the future.
3. Rates of exchange may cause the value of investments to go up or down.
4. CFDs and Spread Bets are leveraged products and carry a high level of risk to your capital. Due to the leverage offered it is possible for you to incur losses in excess of your initial capital. These products are not suitable for all investors.

4. Risk warnings in respect of non-readily realisable investments.

This notice cannot disclose all the risks and other significant aspects of warrants and/or derivative products such as futures, options, and contracts for differences. Unless you understand their nature and the extent of your exposure to risk you should not open an account. You should also be satisfied that the product is suitable for you in the light of your circumstances and financial position. Certain strategies, such as a spread position or a straddle, may be as risky as a simple long or short position.

Although warrants and/or derivative instruments can be utilised for the management of investment risk, some of these products are unsuitable for many investors. Different instruments involve different levels of exposure to risk and in deciding whether to trade in such instruments you should be aware of the following points.

4.1 Warrants - A warrant is a time-limited right to subscribe for shares, debentures, loan stock or government securities and is exercisable against the original issuer of the underlying securities. A relatively small movement in the price of the underlying security results in a disproportionately large movement, unfavourable or favourable, in the price of the warrant. The prices of warrants can therefore be volatile.

It is essential for anyone who is considering purchasing warrants to understand that the right to subscribe which a warrant confers is invariably limited in time with the consequence that if the investor fails to exercise this right within the predetermined time-scale then the investment becomes worthless.

You should not buy a warrant unless you are prepared to sustain a total loss of the money you have invested plus any commission or other transaction charges.

4.2 Off-exchange warrant transactions - Transactions in off-exchange warrants may involve greater risk than dealing in exchange traded warrants because there is no exchange market through which to liquidate your position, or to assess the value of the warrant or the exposure to risk. Bid and offer prices need not be quoted, and even where they are, they will be established by dealers in these instruments and consequently it may be difficult to establish what is a fair price.

DSWDT must make it clear to you if you are entering into an off-exchange transaction and advise you of any risks involved.

4.3 Securitised derivatives - These instruments may give you a time-limited or absolute right to acquire or sell one or more types of investment which is normally exercisable against someone other than the issuer of that investment. Or they may give you rights under a contract for differences which allow for speculation on fluctuations in the value of the property of any description or an index, such as the FTSE 100 index. In both cases, the investment or property may be referred to as the "underlying instrument".

These instruments often involve a high degree of gearing or leverage, so that a relatively small movement in the price of the underlying investment results in a much larger movement, unfavourable or favourable, in the price of the instrument. The price of these instruments can therefore be volatile.

These instruments may have a limited life, and may (unless there is some form of guaranteed return to the amount you are investing in the product) expire worthless if the underlying instrument does not perform as expected.

You should only buy this product if you are prepared to sustain a total loss of the money you have invested plus any commission or other transaction charges.

You should consider carefully whether or not this product is suitable for you in light of your circumstances and financial position, and if in any doubt please seek professional advice.

4.4 Futures-Transactions in futures involve the obligation to make, or to take, delivery of the underlying asset of the contract at a future date, or in some cases to settle the position with cash. They carry a high degree of risk. The gearing or leverage often obtainable in futures trading means that a small deposit or down payment can lead to large losses as well as gains. It also means that a relatively small movement can lead to a proportionately much larger movement in the value of your investment, and this can work against you as well as for you. Futures transactions have a contingent liability, and you should be aware of the implications of this, in particular the margining requirements, which are set out in paragraph 9.

4.5 Options -There are many different types of options with different characteristics subject to the following conditions.

Buying options: involves less risk than selling options because, if the price of the underlying asset moves against you, you can simply allow the option to lapse. The maximum loss is limited to the premium, plus any commission or other transaction charges. However, if you buy a call option on a futures contract and you later exercise the option, you will acquire the future. This will expose you to the risks described under futures' and 'contingent liability investment transactions'.

Writing options: If you write an option, the risk involved is considerably greater than buying options. You may be liable for margin to maintain your position and a loss may be sustained well in excess of the premium received. By writing an option, you accept a legal obligation to purchase or sell the underlying asset if the option is exercised against you, however far the market price has moved away from the exercise price. If you already own the underlying asset which you have contracted to sell (when the options will be known as 'covered call options') the risk is reduced. If you do not own the underlying asset ('uncovered call options') the risk can be unlimited. Only experienced persons should contemplate writing uncovered options, and then only after securing full details of the applicable conditions and potential risk exposure.

Traditional options: Certain London Stock Exchange member firms under special exchange rules write a particular type of option called a traditional option. These may involve greater risk than other options. Two-way prices are not usually quoted and there is no exchange market on which to close out an open position or to effect an equal and opposite transaction to reverse an open position. It may be difficult to assess its value or for the seller of such an option to manage his exposure to risk.

Certain options markets operate on a margined basis, under which buyers do not pay the full premium on their option at the time they purchase it. In this situation you may subsequently be called upon to pay margin on the option up to the level of your premium. If you fail to do so as required, your position may be closed or liquidated in the same way as a futures position.

4.6 Contracts for differences -Futures and options contracts can also be referred to as contracts for differences. These can be options and futures on the FTSE 100 index or any other index, as well as currency and interest rate swaps. However, unlike other futures and options, these contracts can only be settled in cash. Investing in a contract for differences carries the same risks as investing in a future or an option and you should be aware of these as set out in paragraphs 4.4 and 4.5 respectively. Transactions in contracts for differences may also have a contingent liability and you should be aware of the implications of this as set out in paragraph 4.9.

4.7 Off-exchange transactions in derivatives -It may not always be apparent whether or not a particular derivative is arranged on exchange or in an off-exchange derivative transaction. DSWDT must make it clear to you if you are entering into an off-exchange derivative transaction.

While some off-exchange markets are highly liquid, transactions in off-exchange or non-transferable derivatives may involve greater risk than investing in on-exchange derivatives because there is no exchange market on which to close out an open position. It may be impossible to liquidate an existing position, to assess the value of the position arising from an off-exchange transaction or to assess the exposure to risk. Bid prices and offer prices need not be quoted, and, even where they are, they will be established by dealers in these instruments and consequently it may be difficult to establish what is a fair price.

4.8 Foreign markets - Foreign markets will involve different risks from the UK markets. In some cases the risks will be greater. On request, DSWDT must provide an explanation of the relevant risks and protections (if any) which will operate in any foreign markets, including the extent to which it will accept liability for any default of a foreign firm through whom it deals. The potential for profit or loss from transactions on foreign markets or in foreign denominated contracts will be affected by fluctuations in foreign exchange rates.

4.9 Contingent liability investment transactions -Contingent liability investment transactions, which are margined, require you to make a series of payments against the purchase price, instead of paying the whole purchase price immediately.

If you trade in futures contracts for differences or sell options, you may sustain a total loss of the margin you deposit with DSWDT to establish or maintain a position. If the market moves against you, you may be called upon to pay substantial additional margin at short notice to maintain the position. If you fail to do so within the time required, your position may be liquidated at a loss and you will be responsible for the resulting deficit.

Even if a transaction is not margined, it may still carry an obligation to make further payments in certain circumstances over and above any amount paid when you entered the contract.

Save as specifically provided by the FSA, DSWDT may only carry out margined or contingent liability transactions with or for you if they are traded on or under the rules of a recognised or designated investment exchange. Contingent liability investment transactions which are not so traded may expose you to substantially greater risks.

4.10 Collateral -If you deposit collateral as security with DSWDT, the way in which it will be treated will vary according to the type of transaction and where it is traded. There could be significant differences in the treatment of your collateral depending on whether you are trading on a recognised or designated investment exchange, with the rules of that exchange (and the associated clearing house) applying, or trading off-exchange. Deposited collateral may lose its identity as your property once dealings on your behalf are undertaken. Even if your dealings should ultimately prove profitable, you may not get back the same assets which you deposited, and may have to accept payment in cash. You should ascertain from DSWDT how your collateral will be dealt with.

4.11 Commissions- Before you begin to trade, you should obtain details of all commissions and other charges for which you will be liable. If any charges are not expressed in money terms (but, for example, as a percentage of contract value), you should obtain a clear and written explanation, including appropriate examples, to establish what such charges are likely to mean in specific money terms. In the case of futures, when commission is charged as a percentage, it will normally be as a percentage of the total contract value, and not simply as a percentage of your initial payment.

4.12 Suspensions of trading - Under certain trading conditions it may be difficult or impossible to liquidate a position. This may occur, for example, at times of rapid price movement if the price rises or falls in one trading session to such an extent that under the rules of the relevant exchange trading is suspended or restricted. Placing a stop-loss order will not necessarily limit your losses to the intended amounts, because market conditions may make it impossible to execute such an order at the stipulated price.

4.13 Clearing house protections -On many exchanges, the performance of a transaction by DSWDT (or third party with whom he is dealing on your behalf) is guaranteed by the exchange or clearing house. However, this guarantee is unlikely in most circumstances to cover you, the customer, and may not protect you if DSWDT or another party defaults on its obligations to you. On request, DSWDT must explain any protection provided to you under the clearing guarantee applicable to any on-exchange derivatives in which you are dealing. There is no clearing house for traditional options, nor normally for off-exchange instruments which are not traded under the rules of a recognised or designated investment exchange.

4.14 Insolvency -DSWDT's insolvency or default, or that of any other brokers involved with your transaction, may lead to positions being liquidated or closed out without your consent. In certain circumstances, you may not get back the actual assets which you lodged as collateral and you may have to accept any available payments in cash. On request, DSWDT must provide an explanation of the extent to which it will accept liability for any insolvency of, or default by, other firms involved with your transactions.

DSL shall have no liability to third parties relying on the content of this contract for any loss or damage arising out of the use or reliance on the information provided including without limitation, any loss of profit or any other damage, direct or consequential.

5. The Services We Will Provide

5.1 We may arrange transactions on your behalf in the following investments:

- (a) Shares in British or foreign companies;
- (b) Debenture stock, loan stock, bonds, notes, certificates of deposit, commercial paper or other debt instruments including government, public agency, municipal and corporate issues;
- (c) Warrants to subscribe for investments falling within (a) or (b) above (prior to doing so, you will be required to enter into a separate written agreement with us, outlining certain risk disclosure statements);
- (d) Depository receipts or other types of instruments relating to investments falling within (a), (b) or (c) above;
- (e) Options on investments falling within (a), (b) or (c) above provided the related transaction has no contingent liability;
- (f) Options on investments falling within (a), (b) or (c) including options on an option;
- (g) Futures on investments falling within (a), (b) or (c) above;
- (h) Units in unit trusts, mutual funds and similar schemes ('mutual funds'); and
- (i) Investments, which are similar or related to any of these investments.

5.2 We may arrange the aggregation of orders, which may, or may not, result in a more favourable price being obtained. We will only arrange this aggregation of your orders with other orders where we believe that doing so is in your best interests.

5.3 The Services will be provided in respect of investments traded on the Official List of the London Stock Exchange, the Alternative Investment Market, Plus Markets, Irish Stock Exchange, or such other recognised investment exchange or unquoted securities which we may agree with you from time to time.

5.4 Once accepted by us, your order is irrevocable, unless prior to execution at a particular order, you receive confirmation from us of any amendment or cancellation of your order. We will provide best execution as required by the FSA rules.

5.5 All contract notes, confirmations and other notices or communications under these Terms will be dispatched or transmitted to you at the address shown in our records and shall be conclusive & binding on you unless objection in writing is received by us within one business day from receipt by you.

5.6 We, an associate or our respective employees may communicate an unsolicited real time communication to you where we consider this to be appropriate. You agree that we may make such a communication.

5.7 When we accept your order, we will use reasonable endeavours to carry it out. However, we will not be liable for any loss or expense which you incur if we are unable to carry out an order for any reason (other than our negligence) or there is a delay or change in market conditions before the transaction is completed.

5.8 Where there is more than one person who is party to a joint account under these Terms any instruction, notice, demand, acknowledgement or request may be given by any one of you, and any such communication will be treated as binding on the other(s). If you give us conflicting instructions, we will not have to act on them. Any notice given by us under these Terms to any participant in a joint account will be deemed to be notice to each person interested in the account. If you are a party to a joint account your liability will be jointly and severally, on the death of an individual, or dissolution (if applicable) of any one of you, we may treat the survivor(s) as the only person(s) entitled to your money and investments.

6. Potential Conflict of Interest

6.1 You acknowledge that when we process an instruction from you, we or a connected person may have a material interest in relation to the investment or transaction concerned which may give rise to a conflict of interest.

6.2 You agree that in such circumstances;

- (i) We are not required to disclose any such interest to you: and
- (ii) We (or, where relevant, any connected person) may process your instruction and enter into the transaction notwithstanding such interest and we are not required to account to you for any income, gain, profit, benefit or other advantage arising from doing so provided that we do not contravene the rules of the FSA.

6.3 However, we require our employees to comply with an independence policy. This means that they must disregard any material interest or conflict of interest when providing our Services to you. Such a conflict may arise because;

- (i) We may deal in investments where a connected person is involved in a new issue, rights issue, takeover or similar transaction concerning the investment:
- (ii) We may match your transaction with that of another customer:
- (iii) We may trade or deal in investments purchased or sold by you.

7. Best Execution

7.1 We have a duty to provide best execution for you and we will take all reasonable steps to achieve this taking into account the execution factors. The factors we will consider are those which will allow us to obtain the best possible result in terms of total consideration (price and costs of execution) in accordance with the Rules of the FSA. In order to obtain the best outcome for you we will use the best trading venue from the list of venues we have elected to use. We will add or delete Venues in accordance with our obligation to provide you with the best possible outcome. Our Order Execution Policy and a list of Execution Venues is available upon request.

7.2 Should you provide specific execution instructions to us, this may prevent us from taking the steps that are necessary to achieve the best possible result in respect of the order to which the instructions relate.

8. Risk Warnings - Securities Subject to Stabilisation

8.1 This statement complies with FSA rules. DSWDT may from time to time carry out transactions in securities on your behalf, where the price may have been influenced by measures taken to stabilise it. You should read the following explanation carefully.

8.2 Stabilisation enables the market price of a security to be maintained artificially during the period when a new issue of securities is sold to the public. Stabilisation may affect not only the price of the new issue but also the price of other securities relating to it. The FSA allows stabilisation in order to help counter the fact that, when a new issue comes onto the market for the first time, the price can sometimes drop for a time before buyers are found. Stabilisation will be carried out by a 'stabilisation manager' (normally the firm responsible for bringing a new issue to the market). As long as the stabilisation manager follows a strict set of rules, he is entitled to buy back securities that were previously sold to investors or allotted to institutions, which have decided not to keep them. The effect of this may be to keep the price at a higher level than it would otherwise be during the period of stabilisation.

8.3 The Stabilisation Rules: limit the period when a stabilising manager may subsidise a new issue; fix the price at which he may stabilise (in the case of shares and warrants but not bonds); and require him to disclose that he may be stabilising but not that he is actually doing so. The fact that a new issue or a related security is being stabilised should not be taken as an indication of the level of interest from investors, nor of the price at which they are prepared to buy the securities.

9. Charges and Payments for Transactions

9.1 In addition to our charges you will be responsible for payment of;

- (i) any stamp and other duties, taxes of whatsoever nature, impositions and fiscal charges (in each case wherever in the world imposed), brokerage clearing and settlement fees, transfer fees, registration fees and all other liabilities, charges, costs and expenses payable or incurred by us on your behalf: and
- (ii) any applicable value added tax or similar charge.

9.2 We may impose certain additional charges as set out in our published rates which you shall be liable for in the event that you fail to comply with your obligations under these Terms. In particular, if you default in paying any amount when due, interest will be payable by you at the rate specified in our published rates, and in addition you will be charged for each letter concerning your breach of your obligations.

9.4 If we should enter into a transaction on your behalf using the London Stock Exchange

SETS trading system or any other trading system which imposes any liability on us (in whatever capacity) we reserve the right to make additional charges to reflect the additional risk we are incurring including (without limitation) a mark-up or mark-down on the price of the investment concerned (that is at a premium or discount to the amount at which we will actually purchase or sell the investment concerned). Should we do so you will be notified at the time and details of any additional charges will be shown on the contract note issued to you.

9.5 In addition to paying any commission and charges due to us you will reimburse us for any costs and expenses which we may incur which are directly attributable to you. These charges may include (without limitation) the costs of providing information to third parties (such as your accountants or auditors), valuations, or our involvement in legal proceedings brought against you.

10. Your Assets

10.1 DSWDT will hold client money. Money held by us on your behalf will be dealt with in accordance with the FSA (client money) rules, which requires us to hold your money in a separate bank account with an approved bank. Your money will be held by the approved bank with other clients' money in a pooled client account. Unless in settlement of an invoice for fees, all cheques should be made payable to DS Wealth. Any stock held by our custodian on your behalf will be held in DSL Nominees.

10.2 When you deal in investments overseas, you agree that we may hold your money at any approved bank or pass your money to an intermediate broker, settlement agent or counterparty outside the UK. In such circumstances, the legal and regulatory regime applying to the bank, broker, agent or counterparty with which your money is held will be different from that of the UK and in the event of a default of the bank, broker, agent or counterparty your money may be treated differently from the position which would apply if the money was in the UK.

10.3 Any balances due to you which are unclaimed by you on an account which has not been active for six years will cease to be client money and will be retained by us. We will take reasonable steps to locate you and give you at least 28 days notice should we intend to exercise these rights and should we do so we undertake to make good any valid claim that may be subsequently made against any balances we have retained in this way.

10.4 We will send you a statement about your funds and investments at least twice a year or annually if you have advised us of this in writing. This will be based upon the midprice of the investments held at the specified date. You may obtain an up to date statement at any time, which will be chargeable.

10.5 We shall be entitled at any time with or without notice to you to debit your Account for any amounts due to us. We will be entitled to set off any amount due to you against any amount due to us, paying you or you paying us the resultant net balance.

10.6 Your investments will be pooled with investments held for other investors. This means that your investments will not be identified by separate share certificates. If DSWDT defaults and, for example, there is not holding enough investments to satisfy its obligations to all its investors, the investments will be shared out among them approximately in proportion to their holdings. This will not affect your other legal rights. Dividends, interest payments and cash entitlements due to you will be paid promptly to your account. DSWDT will accept dividends in cash unless they agree otherwise.

11. Instructions

11.1 Where instructions are to be given to DSWDT these must be issued in writing to 2nd Floor, 4 West Regent Street, Glasgow, G2 1RW. Where these instructions are urgent the Customer will communicate the instruction as soon as possible using phone, fax and/or email followed by written instruction sent within 48 hours.

Telephone calls may be recorded by DSWDT where they consider it appropriate.

11.2 You agree to check all the documentation that we send to you in relation to your instructions. If there are any errors, you must let us know immediately. If we notice that there is an error in the documentation that we have sent to you in relation to your instructions, we will re-issue correct documentation immediately. You agree to return the original incorrect documentation to us and to repay any overpayments.

11.3 If you fail to comply with 11.1 you may be committing a criminal offence. We will charge you interest on the overpayment and we will have the right to purchase replacement investments. You will pay for the investments and any costs.

11.4 If we are negligent and we fail to accurately carry out your instruction, we will ask you to choose one of the following options in 11.4 or 11.5 (as appropriate).

11.5 Instructions to buy an investment. We will either:

- (i) buy investments to put you in the position that you would have been in if we had carried out your instructions correctly, or
- (ii) pay you the difference between the price that should have been paid for the investment and the price that you actually paid.

11.6 Instruction to sell an investment. We will either:

- (i) pay you the difference between the price that you obtained on the sale and the price that you should have obtained if we had carried out your instruction correctly, or
- (ii) if the value of the investment has risen from the price that you should have obtained, you can keep the investment so that you can sell it at the higher price.

11.7 You must take all reasonable steps to ensure the security of your account. We are not responsible for your acts or omissions, including losses arising from fraud, willful neglect or negligence.

11.8 We cannot sell investments for you unless you have the right to sell them. In giving us an instruction to sell an investment you are confirming that you own or have the right to sell that investment.

11.9 We may rely on and treat as binding any instruction, which we have accepted in good faith, and which we believe to be from you or someone entitled to instruct us on your behalf.

11.10 We may accept instructions from you verbally or in writing. However, we may, entirely at our discretion, require any instructions given verbally to be confirmed in writing. In the case of a joint account we shall require both account holders instructions prior to proceeding.

11.11 We may entirely at our own discretion accept limit orders from you. We may accept such orders on a 'fill or kill' basis or a 'good for the day' basis. We will use our reasonable endeavors to execute such orders; however, we do not guarantee that they will be executed even if the relevant price is met.

11.12 We may acknowledge your instructions verbally or in writing (i.e. by post or email).

Instructions may only be given during applicable market hours on Business Days. Any validly-submitted instructions received by us outside these hours will be processed on the following Business Day.

11.13 We will assume you have received a communication from us 2 days after we post it to you by 1st class post, 5 days after we post it to by 2nd class post, immediately if sent by fax or when it is received by your internet service provider if sent to you by email.

11.14 We reserve the right at any time to:

- (i) refuse any instructions:
- (ii) limit the size or value of any instruction:
- (iii) impose any or vary any dealing limit; and/or
- (iv) seek additional clarification or verification of instructions where we believe these are unclear. In particular, where investments are held in the name of another person, we may not act on your instructions until we have received satisfactory proof of your authority to deal for that other person.

11.15 You must send us any dividends or other benefits which you receive but are not entitled to, or when we claim them from you.

11.16 You will not be held responsible for deals placed using your account code if they have been placed after you have notified us of the loss, unauthorised use or disclosure of your details.

11.17 You agree to let us know immediately if you;

- (i) lose or disclose your account code, or if it is stolen or if you find out that someone has used your account code without permission
- (ii) do not receive confirmation by post that we have carried out your dealing instructions within three business days of you placing them
- (iii) receive confirmation of a deal which you did not place.

12. Settlement

12.1 Whenever we execute an equity order we will confirm the transaction by sending you a contract note in accordance with the FSA Rules showing amounts due to you or from you on the stated given settlement date and giving other essential details of the transaction.

12.2 In every case you are obliged to make available cleared funds prior to purchase, or if you are selling investments, to deliver to us the investments being sold at least two business days prior to the settlement date. Failure to fulfill your obligation may result in further charges as detailed in our published rates.

12.3 All transactions are undertaken with the object of actual settlement. We reserve the right not to settle transactions or accounts with you unless and until we have received all necessary documents or money.

12.4 Please note that should you fail to comply with your settlement obligations we may exercise all or any of the rights we reserve to apply the additional charges referred to in 9.3 above.

12.5 Any documents of title shall be dispatched to you by first class post or courier and to the latest address notified to us by you and at your sole risk, we shall have no responsibility for any failure in delivery to you on the part of the postal system. If within 28 days of the settlement date of your bargain you do not receive a certificate for a purchase and/or a balance certificate in respect of a sale you must telephone us immediately, we will accept no responsibility for any non-delivery outside this deadline where our records show the certificate has been dispatched.

13. Data Protection and Disclosure of Information

13.1 For the purpose of data protection legislation, as amended from time to time, you agree that our associates and we may process personal data relating to you (using computer systems or otherwise) in carrying out our duties under these Terms.

13.2 We have certain responsibilities under FSA rules to verify the identity of clients and may need to make certain enquiries and obtain certain information from you for that purpose. You confirm that all information you supply will be accurate and you consent to us passing on such information, as we consider necessary to comply with any reporting requirements.

13.3 You agree that we, and our associates, may hold all the information you provide on computer for administration, marketing and risk assessment purposes. We may also disclose your personal information to third party credit reference agencies in order to search their files. Such credit reference agencies will record the search. By signing the Client Information Form, you consent to your personal information being used in this manner. If you do not wish your information to be used for marketing purposes, please inform us accordingly.

13.4 We may use, store or otherwise process personal information provided by you or us in connection with the provision of the services for the purposes of providing the services, administering your account or for purposes ancillary thereto, including, without limitation, for the purpose of credit enquiries or assessments.

13.5 The information we hold about you is confidential and will not be used for any purpose except as stated in these Terms. Information of a confidential nature will be treated as such provided that such information is not already in the public domain. Information of a confidential nature may be used in the following circumstances:

- (i) where required by law or if requested by any regulatory authority or exchange having control or jurisdiction over us (or any associate);
- (ii) to investigate or prevent fraud or other illegal activity;
- (iii) to any third party in connection with the provision of services to you by us;
- (iv) for purposes ancillary to the provision of services or the administration of your account, including, without limitation, for the purpose of credit enquiries or assessments;
- (v) if it is the public interest to disclose such information; or
- (vi) at your request or with your consent.

13.6 By signing these Terms, you will be consenting to the transmittal of your data outside of the EU/EEA for the purposes outlined in 13.5 above.

13.7 In accordance with the Record Retention Statement below, you will not be at liberty to request the destruction or deletion of any record pertaining to yourself unless we are required to do so by force of law or other regulatory requirement. Under the Data Protection Act 1998 (the Act) and in order to facilitate our communications with you and our running of your affairs, you consent to our recording relevant personal information on our firm's computer system and when necessary disclosing such information to third parties in carrying out your instructions. We will supply to you at your request, on payment of a fee, a copy of the data relating to you and will provide you with a description of the data and the purposes for which it is processed, and with details of the source of the data and any potential recipients of the data. In the first instance, you should direct any such request to us. You should let us know if you think any information we hold about you is inaccurate, so that we may correct it.

13.8 DS Wealth and or Direct Sharedeal Limited may contact you about our products and services which we believe may interest you, unless you inform us otherwise in writing.

13.9 You agree we may record all telephone calls without your specific consent. These recordings shall remain our sole property and you agree that they will be conclusive in the case of any dispute that may occur.

13.10 In accordance with the legal and regulatory requirements, we will retain your records, for a minimum period of six years following the termination of any relationship between us. This period may be extended by force of law, regulatory requirement or agreement amongst us.

14. Complaints and Compensation

All complaints should be directed in the first instance to the company Compliance Officer at the following address:

DS Wealth, 2nd Floor, 4 West Regent Street, Glasgow, G2 1RW. We will endeavor to resolve your complaint as quickly as possible, but in any event will acknowledge receipt of your letter within five business days. The acknowledgement will include a full copy of our internal complaints handling procedure. Upon resolution of your complaint, we will send you a final response letter, which sets out the nature of that resolution and any applicable remedy. If, for any reason, you are dissatisfied with our final response, please note that you are entitled to refer your complaint to the Financial Ombudsman Service. A leaflet detailing the procedure will be provided in our final response.

We participate in the Financial Services Compensation Scheme and will provide you with details of the cover and protection that the scheme provides you with upon request. Further information is also available from the Financial Services Authority.

15. Treating Customers Fairly Principles

15.1 Strategy and Behaviours

- (i) Treating Customers Fairly is implicit to DSWDT's ethos of being a 'user friendly' stockbroker. This method of transacting business is core to our culture and the way that our people behave and do business.
- (ii) In setting our commercial objectives we will fully take account of our principals of treating Clients fairly.

15.2 Product & Service Design We will develop & market products and services based on a clear understanding of the requirements of the Clients. We will monitor market changes and we will respond accordingly to ensure the continued appropriateness of our products and services.

15.3 Customer Communication

- (i) We will provide information to customers about the benefits, risks and costs associated with our products and services to help them understand what they can reasonably expect.
- (ii) We will provide appropriate information in a way that aims to be clear, fair and not misleading.
- (iii) We will pay due regard to our customers' information needs in a timely way.

15.4 Customer Expectations

- (i) We will honour the promises we have made to our customers.
- (ii) We will identify common underlying causes of complaints and take actions to eliminate the root causes.

15.5 Intermediaries

- (i) We will communicate our Treating Customers Fairly principals to our Intermediaries so that they can take them into account in considering the practices they adopt in their dealings with customers.
- (ii) We will provide our intermediaries with appropriate information on our products

For further information about DSWDT's TCF principles, initiatives or further support please contact your DSWDT adviser.

16. Amendment

We reserve the right to alter these Terms at any time. Alterations may be made to make it fairer to you, more easily understandable, correct a mistake, cover a development in the service, reflect a change in market conditions or practice, reflect a change in the law or regulation or any code or application of practice, reflect a change in technology, cover a development or change on our service or facilities, ensure good management or competitiveness of our business or for any other reason that we may deem to be valid. You are deemed to have consented to any alteration that may be effected to these Terms if we do not receive notification otherwise from you, in writing, within the time that the changes were notified to you and their coming into effect.

17. Limitation of Liability

17.1 Unless caused by our fraud, wilful default or negligence, we will not be liable to you for any loss suffered by you in connection with these Terms; this includes any loss of profits, indirect, consequential or incidental damages, liabilities, claims, losses, awards, proceedings and costs.

17.2 We will not have any liability to you in the event that we do not act on your instructions or are unable to provide any service under these Terms as a result of some factor that is beyond our reasonable control (for example, act of God, failure of computer or related systems, failure of market systems or failure of any third party to provide any service to which these Terms relates).

17.3 DSWDT shall not be liable for any loss arising other than as a result of its own negligence or willful default or contravention of FSA rules and, in any event, will not be liable for any indirect or consequential loss (including loss of profit).

17.4 DSWDT shall have no liability for any circumstance or failure to provide any service if such circumstance or failure results from any event or state of affairs beyond the control of DSWDT, including, without limitation, any failure of communication or computer systems or equipment or the suspension of trading by any exchange or clearing house. Nothing in these Terms is intended to have the effect of excluding any liability to you, which by law or FSA rules cannot be excluded.

17.5 In the absence of instructions from you, DSWDT reserve the right to take any action we consider appropriate to protect our interests. If they do so we reserve the right to pass onto you any cost, loss and expenses that may be incurred in their doing so.

18. Indemnity

18.1 Subject to our duties and liabilities under the Financial Services and Markets Act 2000 and FSA rules, we shall not be liable for any loss or damage suffered by you in connection with the provision of any services to which these Terms apply except to the extent that such loss or damage results directly from our negligence, fraud or wilful default.

18.2 You agree to indemnify DSWDT and DSL Nominees against any liability or expense which may be incurred in the proper exercise of our powers and duties.

18.3 You agree that the only duties or obligations we owe you are those set out expressly in these Terms and that we do not owe you any other or further duties or obligations (whether arising from the fact that we are acting as your fiduciary or otherwise).

18.4 Nothing in these Terms excludes or restricts any obligation we have to you under the FSA Rules, the Financial Services and Markets Act 2000 or requires you to exempt or indemnify us against any breach by us of any such obligation.

18.5 Under no circumstances whatsoever shall we be responsible or liable for any claim, loss, damage, expense, or cost howsoever suffered arising in consequence of any breach, failure to perform or delay in performing any of our obligations to you arising from;

(i) any matter outside our control:

(ii) any breakdown in communications whether between us and you or between us and any exchange or any intermediate broker or other third party through whom we are dealing on your behalf or the failure or defective operation of any computer system; and

(iii) anything done or omitted to be done by us or the performance or the failure or delay in performance of any of our obligations arising from the absence or inaccuracy of any information provided to us by you or on your behalf or any exchange or any intermediate broker or other third party through whom we are dealing on your behalf.

18.6 Under no circumstances will we be responsible or liable for any consequential loss including but not limited to any loss of business opportunity arising directly or indirectly out of or in consequence of anything done or omitted to be done by us or the breach by us of any obligation due to you. Nor shall we be responsible or liable for the tax consequences of any transaction which we may effect for you.

19. Cancellation, Withdrawal & Termination

19.1 The Customer will be able to cancel this contract during a reflection period after concluding the agreement and receive a refund in full less an adjustment to reflect movements in the value of portfolio securities and transaction costs which take place in the period until cancellation or withdrawal takes place. The reflection period will be 7 days from the date of this contract. The portfolio will not be traded during this period unless you instruct otherwise.

19.2 In the event that you wish to terminate this contract a 1-month notice period will apply with payment to DSWDT for the closing period. Such termination will be without prejudice to the completion of transactions already initiated; if this is the case will be by written notice to DSWDT noting when the period of notice is to take effect.

19.3 In the event that DSWDT wishes to terminate the contract, a 1-month notice period will apply and DSWDT will inform the Customer in writing.

19.4 Transactions undertaken before notice of termination is received by DSWDT will be settled in the normal way. Following notice of termination DSWDT will not cause any new transactions to be carried out except as a result of the care and maintenance of the current or historic investments.

19.5 Any termination is subject to the settlement of any outstanding transactions and the payment of any charges and other amounts due (which become due and payable immediately). If you request us to re-register or transfer your securities, you will be liable to a fee to cover the cost. DSWDT will assist, where required, to ensure that a smooth handover of the management of the assets takes place.

19.6 If you want to close your account and terminate this agreement, you must send us written and signed notification of that. Your account will not be closed merely because there is a nil balance or you have sold all of your investments. If charges accrue on the deposit accounts, you will still be liable for them and we retain the right to debit your deposit account in the usual way.

19.7 We reserve the right to regard an account as dormant and therefore eligible for termination of this agreement if your account fits our dormancy criteria. Please contact us if you require further details of what this means.

19.8 If we exercise our right to end or suspend your use of the service we will not be liable for any losses, which may be suffered by you due to a decrease in the value of your investments between the date you purchased, and the date we sold them.

19.9 In the case of an individual, this Agreement will terminate automatically when we receive notification of your death.

19.10 This Agreement will automatically terminate in the event of DSWDT entering into insolvency, being convicted of criminal activity or being in material breach of its fiscal responsibilities.

20. General

20.1 No failure or delay by either of us in exercising any right, power or privilege in these Terms shall operate as a waiver thereof nor shall any single or partial exercise by us of any right, power or privilege preclude any further exercise thereof or the exercise of any other right, power or privilege.

20.2 The rights and remedies herein provided are cumulative and not exclusive of any rights and remedies provided by law. DS Wealth Discretionary Trading Service Terms of Business services in order that they may advise their customers appropriately.

20.3 You consent to our assigning, or transferring responsibility for the performance of any of our obligations in these Terms and the rights or benefits hereunder to such transferee as we may determine, provided such transferee shall (if required) be permitted to carry on the same business as us.

20.4 We may also appoint sub-contractors, agents or other parties and otherwise delegate such obligations and functions as we shall be required to perform in accordance with these Terms, as we shall in our absolute discretion determine.

20.5 Your rights under the Terms are personal to you and are not capable of assignation, your obligations under the Terms may not, without our prior written agreement, be performed by anybody else.

20.6 To avoid any misunderstanding;

- (i) in the event of there being any inconsistency between any of these Terms and any relevant rule of the FSA or any exchange or market (including any associated clearing house or clearance system) the relevant rule will take precedence:
- (ii) in these Terms any reference to any statute, subordinate legislation including without limitation the FSA rules or rules of any exchange or clearing house shall be to such statute, subordinate legislation or rules as amended or extended from time to time.

20.7 In the event that any provision or any part of any provision of these Terms is held to be unenforceable or illegal, in whole or in part, such provision or part shall to that extent be deemed not to form part of these Terms but the enforceability of the remainder shall remain unaffected.

20.8 The Contracts (Rights of Third Parties) Act 1999 shall not apply to these Terms and only the parties to it may enforce and benefit from these terms.

20.9 We may amend, suspend and/or terminate any or all of the Services at any time, where reasonably practicable we will give advance notice of this but this may not always be possible and/or practical for business reasons.

20.10 We may employ agents selected by us on any terms which we think appropriate.

20.11 Direct Sharedeal Limited and or DS Wealth may contact you from time to time in respect of other services which may be of interest to you, these communications may be by telephone, email or post.

21. Entire Agreement

These Terms are subject to Scottish Law and you agree to submit to the exclusive jurisdiction of the Scottish courts in the case of any dispute regarding them. These Terms sets out the all of the terms and conditions relating to our provision of these services to you subject to any subsequent amendments that may be notified. You agree that if any part of this agreement is found to be invalid or unenforceable by any court, this will not affect the rest of the agreement, which will remain in full force and effect.

GLOSSARY

AIM

The Stock Exchange introduced a new, less regulated, market in June 1995. This is the Alternative Investment Market (AIM). It is designed primarily to enable trading in new, small and growing companies. A Press Release dated 20 February 1995 confirmed that shares and securities on AIM do not fail to be treated as quoted or listed for tax purposes.

Clearing house

A company through which transactions on an exchange may be cleared.

Debenture

The investment, specified in article 77 of the Regulated Activities Order (Instruments creating or acknowledging indebtedness), which is in summary: any of the following which are not government and public securities:

- (a) debentures;
- (b) debenture stock;
- (c) loan stock;
- (d) bonds;
- (e) certificates of deposit;
- (f) any other instrument creating or acknowledging indebtedness.

Debt instrument

Debentures, debenture stock, loan stock, bonds, certificates of deposit or any other instrument creating or acknowledging indebtedness.

Exchange

A regulated market or designated investment exchange.

Execution-only transaction

A transaction executed by a firm upon the specific instructions of a client where the firm does not give advice on investments relating to the merits of the transaction.

Financial Ombudsman Service

The scheme provided under Part XVI of the Act (The Ombudsman Scheme) under which certain disputes may be resolved quickly and with minimum formality by an independent person.

Nominee company

A body corporate whose business consists solely of acting as a nominee holder of investments or other property.

PLUS Markets

A Recognised Investment Exchange established in 1995 specialising in smaller companies. There are around 800 companies listed on PLUS, many of them small, young companies with a high-tech bent. Admission to PLUS is decided by a panel of "wise men" and the only requirement is that companies must publish financial reports twice a year, so the risks are high. Liquidity of PLUS companies is poor as trades are carried out on a matched bargain basis - that is, you can only sell if there is a buyer for your shares - and the bid/offer spreads can be wide. PLUS shares are regarded as "business assets" for CGT purposes in the UK. The PLUS website is www.plusmarketsgroup.com.

Retail customer

A client who is not a professional client or an eligible counterparty, including:

- (a) an individual who is not a firm;
- (b) an overseas individual who is not an overseas financial services institution.

Safe custody investment

A designated investment, which is not the property of the firm, but for which the firm, or any nominee company controlled by the firm or by its associate, is accountable; which has been paid for in full by the client; and which ceases to be a safe custody investment when the firm has disposed of it in accordance with a valid instruction.

Settlement agent

A person with or through whom the firm effects settlement of UK-settled or foreign-settled transactions.

Share

The investment, specified in article 76 of the Regulated Activities Order (Shares etc), which is in summary: a share or stock in the share capital of:

- (a) any body corporate (wherever incorporated);
- (b) any unincorporated body constituted under the law of a country or territory outside the United Kingdom.

Stabilisation

Any purchase or offer to purchase relevant securities, or any transaction in associated instruments equivalent thereto, by investment firms or credit institutions, which is undertaken in the context of a significant distribution of such relevant securities exclusively for supporting the market price of these relevant securities for a predetermined period of time, due to a selling pressure in such securities.

Terms of business

A statement in a durable medium of the terms and conditions on which a firm will carry on a regulated activity with or for a client or retail customer.

Unit

The investment, specified in article 81 of the Regulated Activities Order (units in a collective investment scheme) and defined in section 237(2) of the Act (other definitions), which is the right or interest (however described) of the participants in a collective investment scheme; this includes:

- (a) (in relation to an AUT) a unit representing the rights or interests of the unit holders in the AUT;
- (b) (in relation to an ICVC) a share in the ICVC.

We look forward to managing your portfolio and would ask that you sign and return one of the agreements on the enclosed page and initial each page which signifies your agreement to these terms of business.