

9. INDEMNITY AND LIABILITY

You will indemnify us and keep us indemnified against all losses, expenses, costs and liabilities which arise as a result of or in connection with your breach of these Terms and Conditions (including, for the avoidance of doubt, any fines which may be imposed upon us as a result of late settlement of any transaction) or the proper provision by us of the services envisaged by these Terms and Conditions except to the extent that such losses arise as a result of our negligence, fraud or wilful default.

We will not be liable for any loss, expense, cost or liability (together 'Loss') suffered or incurred by you unless such Loss is suffered or incurred as a result of our negligence, fraud or breach of these Terms and Conditions. We will not be responsible for any consequential loss or loss of profit suffered or incurred by you whether arising from our negligence or otherwise.

If you fail to make any payment to us when it falls due, you shall pay interest (before and after judgement) on the outstanding amount at a rate equal to 1% per annum above the base rate of HSBC Bank from time to time (or such rate as may replace it). Such interest shall accrue and be calculated daily from the due date to the date of payment and shall be compounded monthly.

10. MONEY LAUNDERING

Our dealings with you will be covered by the various legal requirements relating to money laundering (collectively the 'Money Laundering Requirements'). Where we are required to verify your identity in accordance with the Money Laundering Requirements, we reserve the right not to undertake any transaction, or accept any cash or investments into your account, until such verification has been obtained.

11. COMPLAINTS PROCEDURE

If you have any complaint against us please contact our Compliance Director who will investigate your complaint. If you are not satisfied with our response, you may be eligible to refer your complaint to the Financial Ombudsman Service.

12. CHANGES TO THESE TERMS AND CONDITIONS

We reserve the right to amend these Terms and Conditions immediately at any time:

- (a) by agreement with you;
- (b) to reflect the introduction or development of new systems, methods of operation, services or facilities;
- (c) to reflect a change or expected change in market conditions, general market practice, or the cost of providing our services to our clients;
- (d) to reflect a change or an expected change in the law or taxation, or codes of practice or recommendations of the Financial Conduct Authority or other regulatory body;
- (e) to ensure that our business is run prudently and remains competitive;
- (f) to take account of a ruling by a court, ombudsman, regulator or similar body;
- (g) to make the Terms and Conditions fairer or clearer for you;
- (h) to enable us to harmonise our interest or charging arrangements; or
- (i) to rectify any mistake that might be discovered in due course. We will notify you of any changes as soon as practicable.

We may also amend these Terms and Conditions for any other reason by giving you at least seven days' notice of the change. Such notice and revised Terms and Conditions may be posted on our website, www.finncap.com. If you do not agree with any change notified to you in this way, you may terminate these Terms and Conditions without penalty. Any other changes to these Terms and Conditions will become effective once posted on our website.

13. CONFIDENTIALITY

Neither party to these Terms and Conditions shall, without the prior written consent of the other, use or disclose any information relating to the business, investments, finances or other matters of a confidential nature of the other party except to the extent that such use or disclosure is required by law or any regulatory authority or to enable the disclosing party properly to perform its obligations under these Terms and Conditions.

You agree that if you default on a debt we may disclose any information we have about you to a credit reference agency which may keep a record of our enquiry. The provisions of this clause shall continue to bind the parties after termination of these Terms and Conditions

14. CONTACT

You may contact us at our registered office, 60 New Broad Street, London EC2M 1JJ, or via our website, www.finncap.com, or email at info@finncap.com, or by telephone on 020 7220 0500.

Where we are required under FCA Rules or other applicable laws and regulations to make available to you our policies and procedures or summaries thereof, we may make those available at www.finncap.com. All policies and procedures, or summaries thereof may be updated and superseded by new versions from time to time, which shall be made available on our website.

15. TERMINATION

You are entitled to terminate these Terms and Conditions by giving us immediate written notice, as we may by giving you immediate written notice. No penalty will become due from either you or us in respect of the termination of these Terms and Conditions. If these Terms and Conditions are terminated, that will not affect any outstanding order or transaction or accrued charges under these Terms and Conditions or any legal rights or obligations which may already have arisen. Transactions in progress at the time of termination will be completed in accordance with these Terms and Conditions.

16. ENTIRE AGREEMENT

These Terms and Conditions (including any addendum or amendment thereto) contain the entire agreement between us and supersede all prior or contemporaneous oral or written communications, proposals and representations with respect to the services set out above. You acknowledge that you have not relied on any representations made by us that are not set out in these Terms and Conditions.

17. INVALIDITY OF PROVISIONS

Each provision of this agreement is severable and if any provision of this agreement is or becomes invalid or contravenes the prevailing Rules of the Financial Conduct Authority the remaining provisions shall not be affected.

18. GOVERNING LAW

These Terms and Conditions are governed by the law of England and Wales. You agree to submit to the non-exclusive jurisdiction of the English Courts in respect of any dispute arising out of these Terms and Conditions.



Helping ambitious companies grow

60 New Broad Street, London, EC2M 1JJ

www.finncap.com

Terms of Business
December 2017

► Terms of Business

1. THE SERVICES WE PROVIDE

finnCap Ltd (referred to in these Terms and Conditions as 'we', 'us' or 'finnCap') is authorised and regulated by the Financial Conduct Authority ("FCA"), London E14 5HS. We will provide general investment advisory (but not personal recommendations) and dealing services and related research in such designated investments as are determined by us from time to time. We may also provide other services as agreed between us from time to time. We may enter into transactions for you which commit you to underwriting, sub-underwriting or similar obligations in connection with a new issue, offer for sale, rights issue, take-over or similar transactions.

In deciding to deal with us in such products you will have assessed the risks involved in those products and any related services, which may include any one or more of any of the following: credit risk; market risk; liquidity risk; interest rate risk; FX risk; business, operational and insolvency risk; OTC trading risks, including clearing house 'guarantees' transparency and liquidity; contingent liability risk; and regulatory and legal risk. 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.

Your understanding is that when you give us orders you will not expect us to be responsible for advising you about the investment merits of the transaction concerned.

Unless we indicate to the contrary, we shall provide Best Execution as defined in FCA's Rules.

We will Trade Report via an Approved Publication Arrangements, as required by FCA. You agree to provide all necessary information to allow us to fulfil our Trade Reporting obligations.

We will Transaction Report to FCA, as required by FCA. You agree to provide all necessary information to allow us to fulfil our Transaction Reporting obligations.

We have classified you as a Professional Customer except where you qualify as an Eligible Counterparty under the rules of FCA, in which case we will notify you of this fact and you will be categorised and treated as an Eligible Counterparty. If you are categorised as an Eligible Counterparty, you agree that we will not provide you with trade confirmations.

You represent and warrant to, and for the benefit of, us that you are not a public sector body, local public authority or municipality or, if you are, that you qualify as, and have elected to be categorised and treated as, an Elective Professional.

You further represent and warrant to, and for the benefit of, us that you have a Legal Entity Identifier code, will renew and maintain that code, and will notify us of any changes to that code.

In respect of all the services provided by us to you, we will assume that you are acting as principal rather than agent unless you indicate otherwise. Where you are acting as an agent and you identify your principal to us, you agree that this principal will not be our indirect client and you confirm that, if you are subject to the Money Laundering Regulations 2003 or any similar legislation to implement the EU Money Laundering Directive, you will have complied with your obligations thereunder in respect of each such principal. We will treat only you, and not any of your principals, as our client for regulatory purposes. You will be jointly and severally liable to us with the relevant principal.

2. COMMENCEMENT OF THESE TERMS AND CONDITIONS

These Terms and Conditions shall come into force and be legally binding immediately prior to us providing any of the services described herein.

These terms and conditions shall remain in force until terminated in accordance with clause 15 (Termination) below.

3. INSTRUCTIONS

We may rely and act on any oral or written communication which purports to have been given (and which we reasonably believe has been given) by you or any person authorised by you but we will not be obliged to do so. The despatch of an instruction to us by post or electronic means does not guarantee its timely receipt. We will acknowledge your instructions by acting upon them unless we promptly inform you that we do not propose to do so.

Unless you have otherwise directed us in writing, we will send out confirmations of transactions to you as soon as possible, but in any event, no later than the first business day following execution of the transaction or, if the transaction is executed through a third party, no later than the first business day following receipt of confirmation of the transaction from that third party. Where requested, we may show a single price on a contract note or other confirmation, combining the unit price of the relevant investment and our charges in respect of that transaction. In the unlikely event that you disagree with the confirmation you must initially advise our compliance department by telephone within 24 hours of receipt and then also in writing within 7 days of receipt. If you do not receive a confirmation of trade within 3 days of the transaction date you should inform our compliance department as soon as possible. Failure to notify us within the above timescales may result in your exposure to liability.

Unless instructed otherwise, we shall assume that we may communicate with you by e-mail. Documents sent by e-mail will not be encrypted. If you have a requirement for a greater level of security in electronic communications, please notify us of this and we will endeavour to agree with you and implement a mutually acceptable e-mail protocol, incorporating encryption standards. We use an industry standard firewall containing virus protection, but cannot guarantee that all communications will be secure or free from infection. E-mails and any attachments will be scanned for viruses prior to leaving our network. Internet communications are not secure and we cannot guarantee the security or accuracy of any e-mails we send. We will not be responsible for any damages arising from any alteration of e-mails by a third party or as a result of any virus being passed on.

On request, we will send confirmations of transactions which we carry out on your behalf by e-mail to the e-mail address(es) we hold on your client file. We will not then send out hard copies of confirmations in the post. We will communicate with you in English. You agree that at the time you instruct us to sell any investments you will be, or you will be acting on behalf of the beneficial owner of the investments to be sold. We may record all telephone conversations we have with you or your agents, although we will not be obliged to do so. We will retain such recordings for six months. We may use such recordings in the event of any dispute between us.

Although the firm will normally be open during the trading hours of the London Stock Exchange, it may not be open during the trading hours of other exchanges and may be closed by events beyond our control.

4. AGGREGATION OF ORDERS

We may combine your order with our own orders and orders of other clients, where we reasonably believe that this will not operate to your disadvantage. However, on occasions aggregation may result in your obtaining a less favourable price.

5. CONFLICTS OF INTEREST

We require all members of our firm, when effecting transactions for our clients, to comply with our conflicts of interest management policy, obliging them to disregard any interest, relationship or arrangement that we may have in relation to the transaction or investment concerned.

The following are some examples of the type of interest, relationship or arrangement that could be involved:

- being the financial adviser to the company whose securities you are buying or selling, or acting for that company in a take-over bid by or for it;
- (b) sponsoring or underwriting a new issue involving the investment that you are buying or selling;
- (c) receiving commissions or business from the firm with which your order is placed or being involved in a rights issue, takeover or similar transaction concerning the investment; or
- (d) carrying out a transaction on your behalf in an investment in which one of our other customers has given instructions to buy or sell.

Your attention is also drawn to the fact, that when we effect a transaction for you, we could be matching your transaction with that of another client by acting on his or her behalf as well as yours. We may also act as a market maker in securities you are buying or selling.

6. OUR CHARGES

Our charges will be subject to negotiation and arrangement between ourselves and would usually fall between 10 and 20 bp. If applicable, taxes and other statutory charges will be payable by you.

You should be aware that other taxes and costs may exist that are not paid through us or imposed by us. Our conflicts of interest management policy is available on our website, www.finncap.com.

7. PERSHING SECURITIES LIMITED

7.1. To help us provide our services to you we have entered into an agreement with Pershing Securities Limited ("PSL") under which PSL provides clearing and settlement and other associated services to our clients ("the PSL Agreement") in order to carry out the investment transactions we execute or arrange for our clients.

7.2 PSL is a company registered in England, company number 2474912. Its registered office is at Royal Liver Building, Pier Head, Liverpool, Merseyside L3 1LL. PSL is authorised and regulated by the Financial Conduct Authority ("FCA") which is located at 25 The North Colonnade, Canary Wharf, London E14 5HS. PSL is also a member of the London Stock Exchange ("LSE").

7.3 By accepting these terms of business, you agree that:

- 7.3.1 we are authorised to enter into the PSL Agreement on your behalf, acting as your agent;
 - 7.3.2 accepting these terms means that there is a contract between you and us and also between you and PSL. As a result of that contract, you will be bound by both our terms of business and the PSL Agreement (as set out or summarised below);
 - 7.3.3 we may give instructions to PSL on your behalf as allowed by our terms of business and the PSL Agreement and may provide information about you to PSL. When PSL receives such instructions or information from us, PSL is entitled to rely on them without making any further checks or enquiries; and
 - 7.3.4 PSL is authorised to hold cash and investments on your behalf and can transfer such cash or investments from your account to meet your settlement or other obligations to PSL.
- 7.4 When you read these terms, it is important you understand that you will be a client or customer of ours, but you will also become a client of PSL for settlement and safe custody purposes.

Settlement of Transactions

7.5 When transactions are undertaken on your behalf, they will be due for settlement in accordance with market requirements and the relevant contract note or advice. These settlement terms will vary dependent upon the market and securities dealt in. The contract note will specify the settlement date.

As stated above, it is your responsibility to ensure that PSL receives the necessary investments, documents or cash (as the case may be) in order for PSL to settle the transaction on your behalf. PSL must receive any cash in cleared funds in sufficient time prior to the settlement date in order that it can make the necessary payment.

7.6 You hereby undertake that any cash or investments held by or transferred to PSL by you will be free from any right of a third party to make claims against that money or those investments.

7.7 Where you are acting as agent for your underlying clients, you represent and warrant that you have control over, and have full authority to use sufficient of your underlying client's resources to meet any obligations incurred by you on behalf of the underlying client in relation to any transaction and that you have full authority to direct the custodian, if any, of any of the underlying client's resources to meet any obligations so incurred. Further:

- 7.7.1 you represent and warrant to, and for the benefit of, PSL that you have been duly authorised by, and will continue to take all necessary steps to continue to be duly authorised by each person who is a party to a transaction in respect of which you request us to provide clearing and settlement services;
- 7.7.2 you represent and warrant to, and for the benefit of, PSL that you will notify us as soon as reasonably practicable on ceasing to be so authorised in respect of any such underlying client;
- 7.7.3 the underlying client's resources referred to above will be used to meet any obligations incurred by you on behalf of the underlying client in relation to any transaction; and
- 7.7.4 you will not effect any transaction for an underlying client if you have any reason to believe that the underlying client will not be able or willing to meet its obligations in connection with that transaction and will notify us as soon as reasonably practicable if you have any reason to believe that the underlying client will not be able or willing to meet its obligations in connection with any transaction.

Settlement of Your Investments

7.8 Acceptance of these terms provides authority for your custodian to transfer securities to PSL to meet sales effected for your account, acceptance of offers, or other matters covered by this Agreement.

Consequences of your default

- 7.9 If you fail to pay cash or investments (as relevant) when due to meet any settlement obligations or if you otherwise fail to meet any of your other obligations to PSL then you should be aware that there will be certain consequences as a result of such failure, as further described in the remainder of this clause 7.
- 7.10 You will not have a right to title or interest in any cash or investments received for your account. PSL will have no obligation to deliver or account to you for any such cash or investments and PSL will be entitled to retain any such cash or investments until such time that you have met your obligations.
- 7.11 PSL may, without providing any advance notice, use any cash, or sell any securities, held or received for your account and use the proceeds (after deducting any costs in doing so) to eliminate or reduce any unpaid obligations owed to PSL. Any surplus remaining after discharging the obligations owed to PSL will be paid to you. If the cash and proceeds of disposals do not cover all the obligations owed to PSL you will still owe PSL the balance.
- 7.12 PSL may, among other things, and without giving you further notice:
 - 7.12.1 enter into any other transaction (including those with the effect of closing-out a position, or reversing or cancelling a transaction previously entered into);
 - 7.12.2 take or refrain from taking further action which it considers would, or could, reduce or eliminate any liability under any transaction undertaken for you. PSL may take similar action where it reasonably considers that you have not, or are unlikely to perform your obligations under these terms.
 - 7.13 Where PSL exercises its rights to use your cash or dispose of your investments under clause 7.11 above, it will have no further obligation to you (and neither you nor we will have any right to require PSL to account to you, or to anyone else, for any investments or cash received when the relevant transaction is settled.

Limits on PSL's Liability to you and Indemnities you give to PSL

7.14 The liability of PSL (and where relevant its directors, employees or agents) to you for any loss or damage which you suffer in connection with these terms shall be limited to circumstances where any such loss or damage has arisen directly as a result of negligence, fraud or wilful default or a breach of the FCA Rules by PSL (or where relevant, its directors, employees or agents). In any event, PSL will not be liable to you for any indirect or consequential losses (howsoever arising). PSL will also not be liable for any loss that is a loss of profit or for any losses that arise from any damage to your business or reputation.

7.15 This means that PSL will only be liable for losses that arise as a result of its negligence, fraud or wilful default and then only, for any losses which:

- 7.15.1 arise naturally from a breach by PSL of its obligations; and
 - 7.15.2 which were reasonably foreseeable to PSL at the time these terms are entered into.
- 7.16 It is important that you understand that you are responsible for making sure that PSL does not suffer by reason of acting for you. You agree to make good and reimburse (indemnify) PSL and each of its directors and employees and agents ("Indemnified Persons"), after the deduction of any applicable taxes, for and against any liabilities, reasonable costs and expenses (including legal costs) and all duties and taxes (other than PSL's corporation tax) which are caused by:
- 7.16.1 PSL providing its services to you;
 - 7.16.2 material breach by you of any of these terms;
 - 7.16.3 default or failure by you to make a delivery of investments or payment when due; or
 - 7.16.4 any challenge to the validity of, or requirement for proof or ownership, or in respect of any fraud or forgery in relation to any investments delivered to PSL by you or on your behalf, or in relation to any document of transfer regarding such investments. This will include any electronic instruction or information, which appears to transfer such investments.
- 7.17 You will not be liable to indemnify PSL under this clause 7 and PSL will have no right or claim against you or us if any consequences to PSL are caused by its own negligence, wilful default, fraud or any breach of the FCA Rules.
- 7.18 PSL has no liability to you or us for failure to provide any of the services under these terms if that failure is caused wholly or partly by events beyond PSL's reasonable control. This includes (but is not limited to) any failure of communication, settlement, computer or accounting system or equipment, any failure or interruption in the supply of data, any political crisis or terrorist action, suspension or limitation of trading by any exchange or clearing house or any fire, pandemics, flood or other natural disaster. In any of these (or other similar) circumstances any or all of PSL's obligations will be suspended until the state of affairs giving rise to the failure of PSL is remedied.

7.19 The provisions in this clause 7 will continue to apply even if we or PSL stop providing services to you. They apply in addition to any other right of indemnity or claim of any Indemnified Person whether or not under these terms, and they will not be affected by any failure by PSL or anyone else to fully enforce their contractual rights, whether as to payment, time, performance or otherwise.

PSL's Conflicts of Interest

7.20 PSL, its associated group companies (associates) or nominees may provide services or enter transactions under these Terms in circumstances in which PSL or its associates have a material interest. This interest could be direct or indirect and PSL or its associates could also have a relationship with someone else, which may involve a conflict of interest or potential conflict of interest with you. Examples where such actual or potential conflicts may happen include situations where PSL or any of its associates:

- 7.20.1 is, or is acting on behalf of, the counterparty to a transaction that is executed by PSL (whether or not involving a fee or commission or increased or reduced price offered or received by PSL or its associates);
 - 7.20.2 has a long or short position in the relevant investment; or
 - 7.20.3 is otherwise connected to the issuer of the investment to which any instructions relate.
- 7.21 PSL may receive payments from fund managers if PSL provides services to those fund managers through the PSL Nexus Funds Trading Platform. Any payments of this kind are calculated by reference to the value of the assets that PSL holds in custody for its clients.
- 7.22 PSL may place money held for your account with a bank or other financial institution (in accordance with the FCA rules) and earn interest and retain some or all of that interest from that bank or financial institution.

7.23 A summary of PSL's conflicts policy (including further disclosure concerning the payments PSL may receive from fund managers) is published on PSL's website at www.pershing.co.uk under the heading of "compliance disclosures" (a hard copy is available on request from us).

7.24 You acknowledge that neither PSL nor any of its associates is required to disclose or account to you for any profit made as a result of acting in any manner described above.

Data Protection and Confidentiality of Information

7.25 We and PSL may store, use or otherwise process personal information about you which is provided by you or us on your behalf. The purposes for which it can store, use or process such personal information are providing investment and other services under these Terms, administering your account and other purposes closely related to those activities. This includes (but is not limited to) using information for the purposes of credit and other money laundering enquiries or assessments. In the United Kingdom both we and PSL operate and have made all appropriate notifications in accordance with applicable data protection legislation.

7.26 Any information that we and PSL hold about you is confidential to you and will only be used in connection with providing services under these Terms (and as may be set out in more detail in PSL's published privacy policy). Information of a confidential nature will be treated as such provided that such information is not already in the public domain. We or PSL will only disclose your information to third parties in the following circumstances:

- 7.26.1 if required by law or if requested by any regulatory authority or exchange having control or jurisdiction over you, us or PSL (or any associate of us or PSL);
 - 7.26.2 to investigate or to prevent fraud, market abuse or other illegal activity;
 - 7.26.3 in connection with the provision or services to you by us or PSL;
 - 7.26.4 for purposes closely related to the provision of the services or the administration of your account including without limitation for the purposes of credit enquiries or assessments.
- 7.26.5 If it is in public interest to disclose such information; or
- 7.26.6 at your request or with your consent.
- 7.27 You should note that by signing or otherwise accepting these Terms you agree that we and PSL are allowed to send your information internationally including to countries outside the EEA such as the United States of America. Some countries where your information is sent will offer different levels of protection in relation to personal information, not all of which will be as high as the UK. We and PSL will, however, always take steps to ensure that your information is used by third parties only in accordance with our and PSL's respective policies.

Amendment

7.28 PSL reserves the rights to alter these terms at any time. It will only do so after giving prior written notice to us in reasonable time for you to consider the impact of those changes, unless it is impractical in the circumstances to give such notice.

8. CLIENT MONEY

8.1 We will not usually hold any money on your behalf. However, where we do so, such money will be held by us in accordance with FCA's Client Money Rules. Among other things, this requires us to hold your money segregated from our money and at a bank approved by us for the purpose. No interest will be paid on such Client Money.

8.2 Money held by PSL for your account will be held in compliance with the FCA Client Asset Rules when these apply to the money. This means, amongst other things, that PSL will hold your money in a special designated client bank account which is an account kept separate from PSL's own funds.

8.3 When finnCap or PSL holds your money in a client account it may be pooled with money belonging to other clients of finnCap or PSL, respectively. Where funds are pooled in this way, you will not have a claim for the specific sum in a specific account. Your claim would be against the client money pool in general and if there is a deficiency in the pool you would share pro rata in that loss.