

We want to ensure that you understand the Terms & Conditions for the above service: this guide is produced with the aim to help. It is not a substitute to the full Terms & Conditions, which should be read and understood by you before completing the application form. Should you be in any doubt in your understanding of the full Terms & Conditions, your Financial Adviser will be able to assist you.

### **1 Introduction and Legal Status**

This section tells you what documents form part of your contract, and helps you to understand the terms used in the Terms & Conditions.

### **2 Customer Classification**

This tells you that we will treat you as a retail customer, as opposed to someone who trades in the market professionally, and that you have given Rensburg Sheppards the power of discretion to invest your portfolio as seen fit.

### **3 Overseas Residents**

Reminds you that this service is not available in some countries – if in doubt, speak to your legal adviser.

### **4 Investment Management and Dealing Services**

This section explains what you can expect Rensburg Sheppards will/will not do for you. It also makes clear our responsibilities in respect of Money Laundering and Taxation treaties for your portfolio.

### **5 Classification of Investment Objective and Risk**

All investments carry risk: generally, the greater the risk, the higher the gains or losses that ensue. This section explains that Rensburg Sheppards considers that whilst you are looking for growth of your portfolio, the nature of the investments are such that you are comfortable to invest in higher risk assets which therefore means the returns can be more volatile.

### **6 Investments in which we will transact**

You are choosing to invest in the Alternative Investment Market (AIM). This section tells you how many companies your portfolio will typically hold.

### **7 Our Charges**

This explains the charges you will have to pay and how they will be recovered; it also notifies you of how Rensburg Sheppards may also be remunerated by third parties as a result of us managing your portfolio.

### **8 Your Money**

When your money is not invested in AIM stocks, this section explains how and where it is held.

### **9 Interest**

Uninvested money attracts interest, this section explains how we calculate the interest due to you. Conversely, if you should owe Rensburg Sheppards money, you are advised how this is calculated and charged to you.

### **10 Portfolio Valuations**

Rensburg Sheppards provides periodic reports to show you how your investments are performing. This section explains the frequency of these reports, and how the valuation is calculated.

### **11 Custody of your investments**

You have entrusted your money to Rensburg Sheppards; in turn, this section tells you how the firm protects those investments by the use of Nominee Companies. If you use the Rensburg Sheppards nominee service, this section also tells you how you can get more detailed information on the individual companies performance should you wish by receiving their Annual Report and Accounts – though there is an administration charge for this additional service.

### **12 Rights issues, takeovers, scrip dividends and other entitlements**

Companies occasionally change their Issued Share Capital structure for legitimate business reasons; when this happens that company will write to its shareholders asking whether they wish to participate in that particular change. This section tells you in what circumstances Rensburg Sheppards will make the decision in respect of the change of capital structure on your behalf, and when it will not.

### **13 Right to retain your funds**

Sometimes Rensburg Sheppards will set off money owed by you against money due to you. The various circumstances when this would occur are covered here.

### **14 Power to sell or close out**

This section explains that in cases where Rensburg Sheppards has been unable to recover money due, you give the authority for the company to sell assets to meet the liability, providing you have been given four business days notice. You warrant on your part that it is your responsibility not to use the assets in the Inheritance Tax Planner as security or pledges for other financial transactions.

### **15 Conflicts of interest**

Rensburg Sheppards' employees are required to act independently for its customers: occasionally, this may not always be possible – this section gives the company the right not to notify you if there is a conflict of interest. Conversely, Rensburg Sheppards employees may refuse to carry out a transaction if it conflicts with your interests.

#### Registered Office

Quayside House Canal Wharf Leeds LS11 5PU  
Telephone +44 (0)113 245 4488  
Facsimile +44 (0)113 245 1777  
Email [info.leeds@rensburgsheppards.co.uk](mailto:info.leeds@rensburgsheppards.co.uk)  
Web [www.rensburgsheppards.co.uk](http://www.rensburgsheppards.co.uk)

#### Group Offices

Belfast Cheltenham Edinburgh Farnham Glasgow  
Leeds Liverpool London Manchester Reigate Sheffield  
Member firm of the London Stock Exchange. Member of LIFFE.  
Authorised and regulated by the Financial Services Authority.  
Rensburg Sheppards Investment Management Limited is registered  
in England. Registered No. 2122340.

### 16 Aggregation and Execution of orders

This section informs you of the processes we use to transact purchases and sales of shares for you amongst those for other customers of the firm.

### 17 Types of investment and risks you need to consider

In addition to the investment risks highlighted in section 5, this section explains the particular risks of investments likely to be bought on your behalf when using this service. Highlighted are issues of the investments being potentially difficult to sell because there is a limited market in them, difficult to value, or volatile in value.

### 18 Certificates

You accept the risk of loss of certificates when they are sent to you for shares not registered in Rensburg Sheppards' nominee service.

### 19 Cancellation Rights

Once you have entered into this service, you still have 14 days to change your mind and withdraw: this must be done in writing. You may incur a loss if the AIM shares acquired for you have fallen in value.

### 20 Third parties and nominated persons

This section explains what information we will provide about your portfolio and how we will transact with other parties (such as your Financial Adviser) that you have nominated.

### 21 Recording of telephone conversations

We reserve the right to record telephone conversations with you for both your protection and Rensburg Sheppards.

### 22 Liability

Rensburg Sheppards acknowledges responsibility in circumstances of a regulatory breach; however, you agree to indemnify or reimburse Rensburg Sheppards or its agents when acting on your behalf under this Agreement, unless there is negligence or fraud on our part. This section sets out the limits of Rensburg Sheppards' liability in respect of other elements of the service provided.

### 23 Force Majeure

Force Majeure literally means 'greater force'. This clause excuses Rensburg Sheppards from liability if some unforeseen event beyond its control prevents it from performing its obligations under the contract.

### 24 Illegality

This section lets you know that if any particular part of the Agreement becomes illegal, the remainder of the Agreement remains in force and is unaffected by the deleted section.

### 25 Changes

This section tells you how both parties may amend the Agreement.

### 26 Commencement

This section sets out the necessary requirements to commence the Agreement with you.

### 27 Termination

This section explains how the Agreement may be terminated in varying circumstances and the implications of termination.

### 28 Notices

This section informs you that all notices in relation to this Agreement will be in writing; it explains how this will happen.

### 29 Assignment

Whilst you cannot assign this Agreement, however, under restricted circumstances Rensburg Sheppards may do so: in such cases you would be given notice in writing.

### 30 Governing Law

This tells you that the Agreement is governed by the Law of England and Wales and is presented in English.

### 31 Indulgences

You are reminded that Rensburg Sheppards may not always enforce its rights under the contract but this should not be seen as a waiver.

### 32 Data Protection Act

This section sets out our responsibilities under the Act.

### 33 Contracts (Rights of Third Parties) Act 1999

This explains who has rights under this Agreement.

### 34 Record Retention

Explains that we will retain your records for at least three years following termination of any relationship with Rensburg Sheppards.