

DISCRETIONARY MANAGEMENT AGREEMENT

This Agreement applies to the provision of Discretionary Investment Management services by the Manager (Cadogan Asset Management Limited) on behalf of its Clients. Please read this Agreement carefully, together with the Account Application, Terms of Business, Statement of Charges, Risk Warnings and any further communication you have received in relation to the provision of services from us. They set out the basis on which we will conduct our business with you and for you. This Agreement also contains a number of obligations and commitments on your part, including various undertakings and your agreement to be responsible for our charges and any costs and losses that we may incur in providing our services to you.

If there is anything you do not understand, or if you have any questions, please contact your account manager immediately.

Definitions

Cadogan Asset Management Limited (“Cadogan”) is authorised and regulated by the Financial Conduct Authority (“FCA”) with firm reference number 749342. Information on the FCA and the FCA register of firms and individuals can be accessed via the website www.fca.org.uk

Cadogan Asset Management Limited is registered in England and Wales with company number 10065415 and has its registered office at 15 Half Moon Street, London W1J 7DZ.

References to “we”, “us”, “our” or “Cadogan” shall be to the Manager.

Client Name

Client address

is / are an individual / partnership / body corporate and wishes to engage Cadogan in the provision of services relating to Discretionary Investment Management.

References to “you” shall be to the client.

1. The service we will provide

- 1.1 Cadogan shall provide the discretionary management services referred to in this agreement to you.
- 1.2 Cadogan will not offer you advice as to the suitability of any service it provides for you, it will only discuss and arrange with you the management of your investments, the levels of risk you would be prepared to take and the type of investment portfolio we might consider appropriate. For the avoidance of doubt, you should consider investment advice from a suitably qualified and regulated professional adviser (an IFA) before contemplating our service.
- 1.3 We will manage your investments (“the Assets”) solely at our own discretion, will use our own judgement on all matters relating to the Assets we manage for you and will not normally give reasons for making individual decisions unless you specifically ask for such reasons.
- 1.4 Unless instructed otherwise, this Agreement is to be read in conjunction with your Investment Profiling Review and our Terms of Business that forms the basis on how we will manage your account. These terms include accounts held by you directly, through an Individual Savings Account or Authorised Pension Arrangement.
- 1.5 Management of your account will accordingly be based on the information that you provide to us in your Client Information Form and Investment Profiling Questionnaire.
- 1.6 You grant the us full discretionary authority, without prior reference to you, to enter into transactions to buy and sell, collect income, apply dividends, subscribe, vote, accept takeovers, take up and exercise rights and generally manage the Assets on your behalf, subsequently providing you with both periodic transactional information and reports.
- 1.7 We warrant and undertake at all times to use all reasonable care and skill in the performance of our duties pursuant to this Agreement.
- 1.8 We will not commit you to transactions beyond the value of the cash and securities placed by you under our control unless this is previously agreed with you.
- 1.9 We will provide a relevant benchmark for you to monitor our performance, dependant on the portfolio or mix of Assets you ask us to manage.
- 1.10 Other than receiving periodic reviews, statements and valuations you will not normally be contacted with regard to the operation of your account.
- 1.11 You will receive statements showing the investments held and transactions effected within your investment portfolio every six months, unless you notify us that you would prefer to receive statement more often.

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- 1.12 We may execute transactions in the following types of investments (as such terms are defined in the glossary to the FCA's Handbook of Rules and Guidance):
- a) Securities in companies;
 - b) Securities in exchange traded funds;
 - c) Debt instruments issued by a government, public agency, municipal body or body corporate;
 - d) Securities in authorised unit trusts, investment companies with variable capital, authorised contractual schemes and overseas recognised schemes;
 - e) Debenture;
 - f) Depositary receipts or other types of instruments relating to investments under (a) or (b);
 - g) Spread bets;
 - h) Warrants;
 - i) Rolling spot forex contract;
 - j) Option (excluding commodity option and an option on a commodity future);
 - k) Future (excluding commodity future and rolling spot forex contract); and
 - l) Commodity options and options on a commodity future.
- 1.13 If you wish to exercise voting or other rights in respect of a particular investment we will exercise those rights on your behalf in accordance with your instructions.

2. Charges

- 2.1 You agree to pay our fees (including any VAT if applicable) as set out in our Statement of Charges which you acknowledge you have reviewed and agreed.
- 2.2 Your account will be subject to an initial investment fee and annual management fee; these are normally expressed as a percentage of the Assets we manage.
- 2.3 Our charges will be debited from your account with us as they fall due unless you notify us of another arrangement that would suit you better.
- 2.4 Trading commissions and fees, custody charges, ad-hoc charges, expenses and any taxes due as relevant are detailed within our Statement of Charges and are subject to change and variation from time to time. You will be notified of any changes to our charges at least one calendar month in advance of implementation.
- 2.5 Charges, as percentages, can often be confusing and we would refer you to our brochures and literature for examples of these in monetary terms and how they can influence the growth of investments.

3. Customer Identification

- 3.1 Anti-Money Laundering and FCA rules oblige us to satisfy ourselves that a customer or prospective customer is who they claim to be and the source of their investment funds be verified. The purpose of these procedures is to ensure that a firm does not carry out, or agree to carry out, financial services to a customer or potential customer unless the firm has proof of that person's identity and residential address.
- 3.2 We may undertake identification checks on you directly in order to satisfy ourselves that all relevant regulatory obligations have been satisfied.

You will be asked to provide information in order for us to correctly discharge our duties in regard to these rules.

4. Categorisation

- 4.1 We will categorise you as a 'Retail Client' as defined in the FCA Conduct of Business rules, unless you elect to be treated as a professional client or we specifically correspond with you to classify you otherwise. Although categorised as such, you may not necessarily be an eligible complainant under statutory dispute resolution procedures.

5. Dealing

- 5.1 All dealing will be carried out during normal dealing hours for the relevant exchange and at the best price available at the time of dealing.
- 5.2 We may combine your order with those of other clients (aggregation) and may combine orders in respect of different portfolios we manage in accordance with our order execution policy (details of which can be found in our Terms of Business and under separate cover in the Application Pack). At times this may work to your advantage and at others to your disadvantage.
- 5.3 The official record of a transaction is given in the form of a 'Trade Confirmation or Contract Note'. We will not, unless you elect otherwise, supply these to you, however details of transactions undertaken on your behalf in the previous six months will be reported in the half-yearly statements.

6. Suitability and Appropriateness

- 6.1 Cadogan shall complete a Client Information Form and Risk Profile Questionnaire in order to ascertain whether the investment portfolios are suitable for your needs and circumstances, irrespective of any previous risk information we may hold about you or that has been supplied to us.
- 6.2 Cadogan is entitled to rely on such suitability assessment in providing the discretionary investment services to you and will normally seek to update and, where appropriate, re-evaluate this information annually.
- 6.3 In agreeing to our service you agree to our requirement of annual updates to the suitability information we hold about you so that we may discharge our duties currently and in line with FCA policy.

7. Investment objectives and risk

7.1 Prior to undertaking any investment activity for you we must assess your attitude to risk and your capacity for investment loss. When looking at investment risk we often discuss a capacity for loss. We would summarise this as your ability to absorb falls in the value of your investment and if the loss of capital would have a detrimental effect on your standard of living.

7.2 The determination of your capacity for loss is an important part of the overall attitude to investment risk assessment we undertake.

We have selected a risk profiling system designed by FinaMetrica to measure both these important areas of your investments with us and our various portfolio structures. We use these measures to match a risk rated portfolio to the levels of risk and loss you are prepared to accept.

7.3 Cadogan is entitled to rely on such suitability assessment in providing the discretionary investment services to you and will normally seek to update and, where appropriate, re-evaluate this information annually.

7.4 In agreeing to our service you agree to our requirement of annual updates to the suitability information we hold about you so that we may discharge our duties currently and in line with FCA policy.

7.5 All investment services are subject to certain risks and further important information regarding risk factors are set out in our Terms of Business, Risk Profiling Review, Risk Warning Notices and marketing literature. We strongly recommend that you consider said risks and ensure that you understand those risks.

8. Power of Sale over your Investments

8.1 We reserve the right to sell or realise any investments or monies which we are holding or are due to receive on your behalf in order to meet any liabilities to us which you may have incurred and which have not been discharged by the due date.

8.2 We also reserve the right to close out contracts or positions which we may hold for you in instances where you have not fulfilled your obligation by the due date. Any such right is exercisable without further notice to you and in such manner and subject to such conditions as we consider appropriate.

9. Custody and Safekeeping of your Investments

9.1 Cadogan will register investments that we acquire for you in the name of our selected custodian. We shall be responsible for the selection, appointment and periodic review of the custodian in accordance with regulatory requirements. The terms on which the custodian shall hold your money and investments will be agreed directly between us and the custodian and, subject to our regulatory obligations, we shall not be responsible for any failure to perform our obligations under this agreement to the extent that this failure results from the failure of the custodian to provide services or information to us as contemplated under any Agreement.

9.2 You expressly agree that we can give the custodian instructions to effect transactions on your behalf in accordance with this agreement and to exercise any rights attaching to investments (including voting rights and rights to participate in corporate actions). You also authorise the custodian to arrange for the payment of our fees out of your investments, which may entail selling assets or realising cash within the portfolio.

Subject to our regulatory obligations, we will rely on information provided to us by the custodian for the purposes of reporting to you under our statement and valuation duties.

9.3 We may change the selection of the custodian from time to time by giving you notice in writing. Cadogan shall, in the exercise of its discretionary investment powers, be entitled to instruct the old custodian to transfer your investments and money to the new custodian without your consent.

10. Exclusion of Liability

10.1 We shall not be liable for any consequential, indirect, special, incidental, punitive or exemplary loss, liability or cost which you may suffer or incur arising out of our acts or omissions in connection with the services provided in connection with your investment portfolio, regardless of how that loss, liability or cost is caused and regardless of whether it was foreseeable or not.

10.2 We shall not be responsible for any losses to the extent arising from any information provided by you being untrue, inaccurate or incomplete.

10.3 We accept responsibility for loss to you only to the extent that such loss is due to our negligence, wilful default or fraud.

10.4 We will not be responsible for providing any advice in relation to personal taxation or for seeking to minimise any taxation liability you may have in relation to your investments.

10.5 We will have no liability in relation to any adverse tax consequences which may arise from the management or variation of your investments or for any depreciation in the value of the investments.

10.6 For the avoidance of doubt, nothing in these terms shall exclude or restrict any liability we have to you under any applicable law or regulation.

11. Complaints and Compensation

11.1 We have in place an internal complaints handling procedure and in the event of dissatisfaction you should address any complaint, in the first instance, to our Compliance Officer. A copy of our complaints handling procedure is available on request and is outlined further in our Terms of Business.

11.2 In the event that we are unable to resolve your complaints to your satisfaction, you may have the right to complain directly to the Financial Ombudsman Service, which is an independent service set up by law to resolve disputes between consumers and financial institutions. The FOS can be contacted at: South Quay Plaza, 183 Marsh Wall, London E14 9SR and www.financial-ombudsman.org.uk

11.3 You may be eligible to claim compensation from the Financial Services Compensation Scheme in the event of us or our custodian being unable to satisfy any payment obligations to you. Further details are available from the Financial Services Compensation Scheme: 7th Floor, Lloyds Chambers, Portsoken Street, London E1 8BN and www.fscs.org.uk.

12. Governing Law

This Agreement is governed by and shall be construed in accordance with the laws of England. Disputes arising under this letter shall be subject to the jurisdiction of the English courts to which we each submit.

13. Termination

- 13.1 This Agreement may be terminated immediately by you and after giving one month's written notice by us.
- 13.2 Termination will not affect any outstanding orders or transactions awaiting settlement or any legal rights or obligations that may already have arisen and you accept any losses realised in settling or concluding outstanding business.
- 13.3 After receiving written notice of termination of your account, we will not execute any further transactions except at your specific request in writing. Should you request termination of your account, we will levy a pro rata management fee from the date of the last fee point to the closure date.

In consideration of the information above and having confirmed I have read the details contained within Cadogan Asset Management Limited Terms of Business, Statement of Charges, Investment Profiling Review and Risk Warning Notices I confirm by signature hereunder I wish to proceed with the Investment Management Service.

I understand that during the course of evaluating this service Cadogan Asset Management Limited has neither offered, nor been asked to provide, any advice as to the suitability of the service for me and I have entered into this agreement after having sought Professional advice.

I understand that during the course of evaluating this service Cadogan Asset Management Limited has neither offered, nor been asked to provide, any advice as to the suitability of the service for me and I have entered into this agreement by my own volition both being fully aware of my responsibilities and the risks I am prepared to undertake.

It is agreed and accepted that the initial charge for this service will be levied at: percent of my initial investment assets.

It is agreed and accepted that the ongoing charge for this service will be levied at: percent of my investment assets as calculated on the due dates.

I understand my account will be subject to further fees and charges, which have been outlined for me and copies received by way of the Statement of Charges.

Name and Signature