

Milkstone Ltd and Midas Investment Management Ltd.
Appendices to Terms of Business for Professional Clients and/or Eligible Counterparty.

Version 1.

Appendix 1

Information on Midas's and Milkstone's Order Execution Policy (applicable to professional clients).

We have put in place arrangements, including an order execution policy, to enable us to deliver best execution. Information on this is set out below:

Scope: The order execution policy applies to clients of Midas and Milkstone for whom we execute orders on their behalf; or for whom we receive and transmit orders to other entities for execution, in financial instruments that are covered by MiFID (the Markets in Financial Instruments Directive). This will normally occur where we execute an order:

By dealing as your agent;
By dealing as a riskless principal on your behalf; or
By "working an order" on your behalf.

However in the wholesale OTC derivatives market (which includes derivatives in Equities, Commodities and Energy) it is normal market practice for buyers and sellers to "shop around" by approaching a number of broker/dealers for a quote. In these circumstances there is no expectation that the broker/dealer chosen will owe a duty of best execution.

The Best Execution Obligation: When executing an order on your behalf we will, subject to any specific instructions that you give us, take all reasonable steps to achieve the best possible result for you in accordance with MiFID and our order execution policy.

If you give us specific instructions as to how you wish your order to be executed and we accept them, we will follow these instructions. However, this may prevent us from obtaining the best possible result for the execution of that order.

Relevant Factors to be taken into account: In meeting our best execution obligation to you we will take into account a number of factors when deciding how and where to execute your order. These include:

- Price;
- Transaction costs;
- Speed of execution;
- Likelihood of execution and settlement;
- Order size;
- Characteristics of the Order and Execution Venues to which the order can be directed.

The relative importance of the execution factors varies between different financial instruments. In most circumstances we will generally give the highest priority to the total consideration, representing the price of the relevant instruments and the costs related to the execution of the transaction. However in certain circumstances we may determine that other execution factors have a greater importance in achieving the best result for your order.

Execution Venues: Our order execution policy details the various sources of liquidity (i.e. execution venues) which we access for delivering best execution in particular financial instruments. These execution venues include:

- Regulated markets and Exchanges;
- Multilateral Trading Facilities ("MTFs");
- Market makers and other liquidity providers.

More details about the execution venues included in our execution policy for individual instruments will be available on request.

Monitoring and Review: We will monitor the quality of our execution arrangements on an ongoing basis to identify and implement any appropriate improvements. We will review these arrangements on an ongoing basis and implement any appropriate enhancements. In addition, we will review these arrangements each year to help us continue to deliver the best execution for our clients.

Appendix 2

Information on Midas' and Milkstone's Policy for Managing Conflicts of Interest (applicable to eligible counterparties and professional clients).

In accordance with MiFID rules and Midas's and Milkstone's Conflicts of Interest policy we have put in place arrangements to manage the potential conflicts of interest that could arise between ourselves and our clients, information about which is detailed below:

Summary: Midas, as a multi-service provider, could find itself in situations where the interests of one client may compete with:

- Those of another client; or
- The interests of Midas, Milkstone and their employees.

In common with many financial institutions, Midas and Milkstone have arrangements in place to identify and manage conflicts which may arise during the course of its business activities.

What potential Conflicts of Interest apply? There are a number of instances where a conflict of interest may arise during the course of business activities. Typically, a conflict is considered to exist in a situation where the interest of a client could be adversely affected. The three main categories of potential conflict involve:

1. Those arising between a customer and another client;
2. Those arising between the Firm and its clients; and
3. The Firm's employees and the Firm itself or the interests of its clients.

Identification of Conflicts of Interest: Midas and Milkstone have appropriate internal controls (including a periodic review of business activities and specific transactions) to identify circumstances which might give rise to a conflict of interest. Midas and Milkstone have an ongoing management reporting process for potential and existing conflicts of interest. In addition, a record of potential conflicts that Midas or Milkstone have identified will be maintained and regularly updated.

Conflicts Management Arrangements: Midas and Milkstone are committed to maintaining and operating effective organisational and administrative arrangements to manage the conflicts of interest they have identified. Midas and Milkstone also undertake ongoing monitoring of business activities to ensure that internal controls are adequate. The following are examples of measures and controls adopted by the Midas and Milkstone in order to manage conflicts of interest:

- Internal Conflicts of Interest Policy (internal guidelines for employees);
- Personal Account dealing policy;
- Investment Research policy;
- Gifts and inducements;
- Information Barriers (physical separation, electronic segregation and wall crossing procedures);
- Escalation procedures;
- Supervision and remuneration; and
- Training.

Where Midas and Milkstone deem, with reasonable confidence, that their conflicts management arrangements might not be sufficient to prevent the risk of damage to a client, they will endeavour to disclose the general nature and/or source of the conflict of interest to the client, seeking consent to proceed. Failing this, in exceptional cases, Midas and Milkstone may decline to act.

Appendix 3

Settlement Arrangements

Midas have entered into an agreement with Pershing Securities Limited (“PSL” or “Pershing”) on behalf of ourselves and each of our clients whereby PSL has agreed to provide settlement, safe custody, nominee and associated services for clients whom we introduce to them. The current terms and conditions of PSL and the principal terms of the agreement with them (“the Pershing Agreement”) are summarised below. PSL may amend its terms and conditions from time to time by notice in writing to us. PSL is regulated by the Financial Services Authority (the FSA) and is a member of the London Stock Exchange and LIFFE. PSL is registered in England, company number 2474912, and has its registered office at Capstan House, One Clove Crescent, East India Dock, London E14 2BH.

By accepting this agreement, you agree that:

- We are authorised to enter into the Pershing agreement on your behalf as your agent on the terms summarised below (and such additional terms as we may determine);
- acceptance of these terms will constitute the formation of a contract between you and ourselves and also between you and PSL and that you will be bound by the terms of the Pershing agreement and the terms and conditions of PSL accordingly;
- we are authorised to give instructions to PSL and to agree any subsequent amendments to the Pershing agreement on your behalf;
- only Midas itself, and not Milkstone, is authorised to instruct PSL;
- PSL is authorised to transfer cash or Investments from your account to meet your settlement or other obligations to PSL.

Under the Pershing agreement you will remain a customer of ours but will also become a client of PSL for settlement and custody purposes only. We retain responsibility for compliance and regulatory requirements regarding our own operations and the supervision of your account. In particular, we remain responsible for approving the opening of accounts, money laundering compliance, accepting and executing securities orders, assessing the suitability of transactions, providing any Investment advice to you and for our on-going relationship with you. PSL neither provides Investment advice nor gives advice or offers any opinion regarding the suitability of any transaction or order. You should direct all enquiries regarding your account to us and not to PSL. PSL will not accept instructions from you directly. PSL reserves the right to refuse to hold any securities on your behalf in its safe custody and nominee service.

Joint account holders will be jointly and severally liable to PSL and PSL may discharge its obligations to make any payment or account to all such holders by making such payment or account to any one or more of them.

Where you are acting as an agent on behalf of another (whether disclosed to PSL or not) you will be, and at all times remain, liable to PSL as principal in relation to any transactions which are to be performed under these terms and PSL will treat you as its client under the FSA rules. You agree that you will be liable to PSL jointly and severally with any such underlying person in respect of all obligations and liabilities arising from instructions given to PSL.

Settlement of Transactions

All transactions are due for settlement in accordance with market requirements (as shown on the relevant contract note or advice). You undertake to guarantee that PSL will receive all cash and securities when due with respect to any transaction which it is to settle on your behalf and that all cash or Investments held by, or transferred to PSL will be and remain free of any lien, charge or encumbrance. All payments due to PSL will be made without set-off, counterclaim or deduction. All cash and Investments held by or transferred to PSL, (or its nominees) will be subject to a first fixed charge by way of security for your obligations to PSL.

Your Money

Your money will be held by PSL as client money, in accordance with the rules of FSA which, among other things, require them to hold your money in a client bank account, established with statutory trust status. Your funds will therefore be segregated from PSL's own funds at an approved bank, as defined in the FSA Handbook. The

approved bank may hold such money with other clients' money in a pooled account in the name of PSL A/C Client. This means that client money is held as part of a common pool of money, so you do not have a claim against a specific sum in a specific account; your claim is against the client money pool in general.

Client money in a foreign currency may be held in the country of origin, or the sterling equivalent protected in a UK bank. Money held in the country of origin will be held by an approved bank or depository, even though in a small number of countries, that bank or depository has failed to acknowledge that clients' funds will be afforded trust status, and as such has not accepted that it has no right of set off or counterclaim against money held in that client account, in respect of any sum owed on any other account of PSL. The legal and regulatory regime applying to such an approved bank or depository will be different to that of the United Kingdom. In the event of a default or failure of that foreign bank or depository, your money may be treated differently to the way in which it would be treated if it were held at an account in the United Kingdom.

In certain circumstances, PSL may hold your money in a bank outside the UK which does not meet the criteria of an approved bank. These circumstances are governed by strict conditions set out by the FSA. Any client money held for you at non-approved banks outside the UK must relate only to the settlement of transactions or the distribution of income. Client money will only be held in such banks because it is not possible to use approved banks due to the applicable law or market practice. In these circumstances, your money will only be held in such banks for as long as it takes to effect the necessary transactions. Such a bank may have failed to acknowledge that clients' funds will be afforded trust status, and as such has not accepted that it has no right of set off or counterclaim against money held in that client account, in respect of any sum owed on any other account of PSL.

The legal and regulatory regime applying to such a non-approved bank will be different to that of the United Kingdom. In the event of a default or failure of that foreign bank, your money may be treated differently to the way in which it would be treated if it were held at an account in the United Kingdom.

PSL is part of the Bank of New York Mellon group of companies, and may use a group bank to hold client money on your behalf. "Uninvested money" (i.e. money not immediately required to settle an Investment transaction) will attract interest at a rate of 2 per cent lower than the bank or depository's minimum deposit rate. Interest, calculated on a daily basis, will be credited every six months, but sums of less than £1 will not be distributed.

We may undertake a transaction for you that involves your money being passed by us or PSL to any third party in connection with that transaction, including (but not exclusively) an exchange, clearing house, intermediate broker, settlement agent or OTC counterparty located either in the UK, or in a jurisdiction outside the United Kingdom. In the event of your money being passed to a third party, including (but not exclusively) an intermediate broker, settlement agent or OTC counterparty, outside of the UK, the legal and regulatory regime applying to the intermediate broker, settlement agent, or OTC counterparty may be different to that of the United Kingdom. In the event of a default of that entity, your money may be treated differently to the way it would be treated if it were held in the United Kingdom.

In certain circumstances, PSL may hold client money for you which has been allocated to you but has not been claimed by you. PSL will cease to treat as client money any unclaimed balances after a period of six years. However, this will only occur if PSL has taken reasonable steps to determine that there has been no movement on the balance during this period (notwithstanding any payments or receipts of charges, interest or similar items). We or PSL will attempt to contact you at your last known address, and you will be given 28 days from the date of notification of the intention to cease to treat the balance as client money to make a claim. You should note that PSL undertakes to make good any valid claim against balances that were released from being treated as client money, upon the provision by you of information to evidence the validity of your claim.

Custody of your Investments

Acceptance of these terms provides authority for PSL to hold your Investment in safe custody, to transfer securities from your account to meet sales effected for your account, acceptance of offers, or other matters covered by this agreement.

a) UK registered securities which PSL are holding for you, will be held in either their physical possession, or in uncertificated form in CREST and if so, will be registered in the name of PSL's nominee company in accordance with the rules of FSA. PSL is responsible for the acts of its nominee to the same extent as for its own acts, including, for the avoidance of doubt, for losses arising from fraud, wilful default or negligence.

Should you instruct us in writing that Investments purchased through PSL be registered in the name of some other person (which must not be PSL or us, or an affiliate of PSL or us) whom you specify, the consequences of

registration carried out in accordance with your instructions, are entirely your risk. The legitimacy of such registrations also remains your responsibility.

b) You consent to the fact that overseas Investments may be registered or recorded in the name of an eligible custodian or in the name of PSL in one or more jurisdictions outside of the United Kingdom, where, due to legal requirements or the nature of market practice in the jurisdictions concerned, it is in your best interests, or it is not feasible to do otherwise. As a consequence of this, your Investments will not be segregated from Investments belonging to PSL and therefore, your protection may be less should a default occur on the part of the person in whose name the Investments belonging to you are so recorded. Investments belonging to you which are held overseas may be subject to different settlement, legal and regulatory requirements than those that apply in the United Kingdom. PSL will not be held liable in the event of a default by a custodian. However, PSL does not disclaim responsibility for losses arising directly from its own fraud, wilful default or negligence.

Investments registered or recorded in the name of a nominee or custodian (as outlined above) will be pooled with those of one or more of our other clients. Accordingly, your individual entitlements may not be identifiable by separate certificates, physical documents or equivalent electronic entries on the register. In the event of an irreconcilable shortfall following any default of the eligible custodian responsible for pooled Investments, you may not receive your full entitlement and may share in that shortfall pro-rata. A further effect of pooling can be that following an allocation or share issue that favours the small investor, your allocation may be less than it otherwise would have been, had your Investments been registered in your own name.

PSL uses a wide range of eligible custodians globally to hold your Investments. You should be aware that PSL may use another company in the group of companies to which PSL belongs as an eligible custodian.

Please note that your bearer Investments may not be held by PSL, but by a third party. Such third party will be an eligible custodian in accordance with the rules of FSA. PSL does not accept responsibility, in the absence of its own fraud, negligence or wilful default, for the safe custody obligations of any third party, but prudence will be exercised in the selection of such agents.

Because your Investments are held on a pooled basis, additional amounts may arise that would not otherwise have occurred had such Investments been registered in your own name (for example, following certain corporate actions). Consequently, you are not entitled to these additional amounts. PSL allocates such shares to an account which we administer and may use them to offset against any debits arising on dividends or other corporate events. Some companies provide benefits to shareholders relating to the nature of their business. These benefits will not necessarily be available to you automatically, as your stock will be registered in the name of a nominee company. Should you wish to receive these additional benefits, you should make the necessary arrangements with your broker.

All instructions regarding the administration of Investments held by PSL on your behalf should be made in writing, to us, for onward transmission to PSL. We do not accept from, or send instructions to, third parties unless a valid power of attorney has been established for this purpose.

PSL will be responsible for claiming and receiving dividends, interest payments and other entitlements accruing. We will be responsible for instructing PSL to:

1. exercise conversion and subscription rights,
2. deal with takeovers or other offers or capital reorganisations,
3. exercise voting rights.

The consequences of a failure on your part to provide instructions to us by the stated time once notification has been given are entirely your own responsibility.

On an annual basis, PSL will provide you with a statement detailing all Investments held on your behalf in safe keeping. This statement will also provide details of any cash balance held for you as client money by PSL. The value of any stock held as collateral, as identified on the annual statement is calculated using the mid-market closing price at the close of business on the date of the valuation. Holdings are reported on a trade date basis.

Any fees or costs payable by you in relation to the safe custody service will be notified to you on our current charging schedule.

Default Provisions

PSL will take a general lien or security interest over your Investments held in safe custody, except in relation to any charges relating to the administration or safekeeping of those Investments. Therefore, you confirm that in the event of PSL not receiving either cash or securities when due, in respect of any transaction which we are to settle or execute, or in the event of you or us not taking all such steps as may be necessary to secure the due and prompt execution and settlement of any such transaction, we or PSL may cancel, close out, terminate or reverse all or any contracts and sell, charge, pledge or otherwise dispose of any Investment held for you, at whatever price and in whatever manner we or PSL see fit in our or its absolute discretion, (without being responsible for any loss or diminution in price), and may enter into any other transaction, or do, or not do anything (including the application of client money to you) which would, or could have the effect of reducing, or eliminating any liability under any transaction, position or commitment undertaken for you. For the avoidance of doubt, any asset held for you can be realised in order to discharge any obligation you have to us or PSL, including any Investment held in safekeeping by PSL, and Investments held in the course of settlement. Should it be necessary to realise any assets as outlined, we or PSL will give you 3 business days' notice prior to taking such action.

Neither PSL nor we shall be liable to you in respect of any choice made by PSL or us in selecting the Investments sold. The proceeds of sale (net of costs) will be applied in or towards the discharge of your liabilities and PSL or us will account to you for any balance. In the event that such proceeds are insufficient to cover the whole of your liabilities, you will remain liable for the balance.

Liability

PSL shall not be liable for any loss arising other than as a result of its own negligence or wilful default or contravention of FSA rules and, in any event, will not be liable for any indirect or consequential loss (including loss of profit). PSL shall have no liability for any market or trading losses you may incur.

You undertake to indemnify PSL against any liability (including legal costs) it may incur arising from the provision of its services in relation to your account, any breach by you of the provisions of this agreement or the Pershing agreement or any failure to make delivery or payment when due.

PSL 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 PSL, including, without limitation, any failure of communication or computer systems or equipment or the suspension of trading by any exchange or clearing house.

Complaints

All complaints should be directed in the first instance to our Compliance Officer. If however, your complaint concerns an aspect of the service provided to you by PSL and you wish to copy your complaint to PSL directly, copies should be sent to:

The Compliance Officer,
Pershing Securities Limited,
One Clove Crescent,
East India Dock,
London,
E14 2BH.

We and PSL will endeavour 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 and PSL's internal complaints handling procedure. Upon resolution of your complaint, we or PSL 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 or PSL's final response, please note that you are entitled to refer your complaint to the Financial Ombudsman Service. A leaflet detailing the procedure is provided in our or PSL's final response.

Data Protection and Confidentiality of Information

PSL 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 purposes of credit enquiries or assessments.

The information we and PSL hold about you is confidential and will not be used for any purpose other than in connection with the provision of the services. 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 will only be disclosed outside the Bank of New York Mellon group of companies, of which PSL is a part, in the following circumstances:

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

Please be advised that, by signing this agreement (i.e. our Terms of Business), you will be consenting to the transmittal of your data outside of the EU/EEA.

In accordance with the Data Protection Act 1998, you are entitled, on payment of a fee, to a copy of the information PSL hold about you. 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 or PSL may correct it.

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 or PSL are required to do so by force of law or other regulatory requirement.

Record Retention.

In accordance with legal and regulatory requirements, PSL 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.

Amendment.

PSL reserves the right to alter these Terms and Conditions at any time, upon giving ten business days' notice in advance. You are deemed to have consented to any alteration that may be effected to these terms and conditions 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.