

Private Banking

LLOYDS BANK PRIVATE BANKING

Trust, Foundation, Partnership and Company
Terms & Conditions for Relative Return Strategies,
Portfolio Administration Service and Banking Services



LLOYDS BANK

Terms & Conditions – Relative Return Strategies and Portfolio Administration Service

1. Your rights

- 1.1 We promise to use all reasonable care and skill at all times in the performance of this Agreement.
- 1.2 Subject to any contrary provisions in this Agreement, you can give instructions to withdraw Securities or money from your Portfolio at any time on reasonable notice and on giving us sufficient information.

We retain the right to stipulate a minimum amount for a partial withdrawal, a minimum value for the remaining Portfolio, a minimum advance notice period for requesting cash withdrawals, a daily maximum monetary limit on making cash withdrawals as well as such other conditions or restrictions as we may in our absolute discretion stipulate from time to time.

- 1.3 You may terminate this Agreement at any time simply by advising us in writing. Please see section 16 for further details.
- 1.4 As described in the Banking Services Terms and Conditions, you will earn interest paid by the Bank on credit balances, other than in circumstances set out below. The relevant interest rates will be determined by the Bank and will vary from time to time.

Where applicable, credit interest is calculated on the cleared value balance of the account as at the close of business daily and will be credited to the principal of the relevant account on a monthly, quarterly or annual basis as appropriate to that type of account or upon closure of the account, if applicable. Interest may not be paid on certain accounts if the credit balances fall below a minimum amount which the Bank may stipulate from time to time. These minimum amounts (where applicable), the basis on which interest is calculated and the frequency with which it will be credited are described in the Bank's current Tariff, a copy of which is available to you on request from our website, international.lloydsbank.com/private-banking. Notice of any change to the interest rates set out in the Bank's current Tariff will be displayed on the Bank's website.

- 1.5 If you want to make a complaint about this Agreement or the Services provided by us please follow the procedures detailed in the brochure entitled 'If you need to complain' available from your relationship manager.
- 1.6 Cancellation rights do not apply.

2. Definitions

In these Terms and Conditions, unless otherwise indicated, the following words have the following meanings:

- 2.1 'Agreement, this', the agreement created when we confirm our acceptance of a duly completed application form in respect of the Service, which comprises the documents listed in section 23.1.
- 2.2 'Approved Bank', the kind of bank defined as such by the Regulations.
- 2.3 'Approved Custodian', an approved custodian as defined by the Regulations.
- 2.4 'Applicable Law', the law of any jurisdiction subject to which we make an investment for the Portfolio.
- 2.5 'Assets', the assets comprised in the Portfolio from time to time.
- 2.6 'Associate', an undertaking in the Lloyds Banking Group or an appointed representative of any undertaking in the Lloyds Banking Group.
- 2.7 'Bank, the', is Lloyds Bank International Limited.
- 2.8 'Contract Note', a written record of any transaction executed in connection with the Service.
- 2.9 'CREST', the electronic settlement system for UK and Irish securities operated by Euroclear UK & Ireland Limited or any successor system for the time being.
- 2.10 'Encumbrance', any mortgage, charge, pledge, lien or other instrument or mode of security.
- 2.11 'Investment Objectives', the aims with regard to investment which you have set out in your application form or as subsequently varied by agreement between us in writing.
- 2.12 'Islands', Jersey or Guernsey, as applicable.
- 2.13 'Island Law', the law of that one of the Islands in which we hold an account for you.
- 2.14 'Island Courts', the courts which administer the Island Law.

- 2.15 'Lloyds Banking Group', any of the companies in the Lloyds Banking Group plc group of companies.
- 2.16 'Lloyds Bank Private Banking', is a registered business name of Lloyds Bank International Limited.
- 2.17 'Nominee', means one or more of the nominee companies whom we or a custodian may appoint to hold Securities on your behalf.
- 2.18 'Person', an individual, a body corporate, a partnership, a foundation, a trustee or an unincorporated association.
- 2.19 'Portfolio', the Securities and/or moneys for the time being held by us or our agents for the purpose of management or administration under the Service.
- 2.20 'Regulations, the', the legislation in relation to the conduct of investment business in or from within Jersey or under Island Law as amended from time to time.
- 2.21 'Regulatory Authority', the Jersey Financial Services Commission or the Guernsey Financial Services Commission, as appropriate.
- 2.22 'Securities', investments which we may advise on or will accept for inclusion in, or will deal in for the account of, your Portfolio including (without limitation) shares, debentures, securities of governments or other bodies or authorities, units or shares in collective investment schemes, hedge funds or participations in investment schemes, warrants, loans, deposits, monetary instruments, insurance policies and annuities, and any rights or interests in any of the foregoing and such other types of property as we may from time to time determine either generally or in any specific case or cases.
- 2.23 'Service, the' or 'Services, the', the Relative Return Strategies Service or the Portfolio Administration Service, which we provide to you pursuant to this Agreement.
- 2.24 'Stock Exchange', a stock exchange upon which any Securities which are or have been part of or are proposed to be part of the Portfolio are listed.
- 2.25 'Tariff', either the 'Your guide to our fees and charges' booklet or the 'Guide to Interest Rates', in force from time to time, for the service in question or such other document as we or the Bank introduces to replace either or all of them.
- 2.26 'We' or 'we', Lloyds Bank International Limited trading as Lloyds Bank Private Banking.
- 2.27 'You' or 'you', the applicant(s) named in the application form in respect of the Service. Words importing the singular shall be deemed to include the plural and words importing the masculine shall include the feminine.

3. Your Portfolio

- 3.1 We will advise you of the initial value and composition of your Portfolio when your application form in respect of the Service is signed or as soon as practical thereafter.
- 3.2 Placing your Portfolio under our management constitutes a representation upon which we may rely that:
 - 3.2.1 you have the power to enter into and perform your obligations under this Agreement and that it is valid, legal and binding upon you;
 - 3.2.2 save as disclosed to us in writing, the Assets introduced into the Portfolio are your own property or property over which you have control free from any lien, charge or other Encumbrance;
 - 3.2.3 you undertake that, unless with our prior consent, you will not dispose of, encumber or otherwise deal with any of the Assets in the Portfolio before the relevant Asset has been withdrawn from the Portfolio.
- 3.3 We may at our absolute discretion, agree to accept further money or Securities into your Portfolio at any time.

4. The Services

- 4.1 Relative Return Strategy Service

In this Service we will keep the Portfolio under review and you grant us absolute discretion without reference to you to manage and to make purchases and sales for the Portfolio on your behalf in accordance with the Investment Objectives, as agreed in writing from time to time.

4.2 The Portfolio Administration Service

In this Service, we will administer the Portfolio and exercise rights and powers attaching to the Securities only upon your specific instructions, or at our discretion in circumstances where section 11.2 applies. We will accept your specific instructions subject to the overall terms of this Agreement provided we do not consider them unreasonable, impractical, given at too short a notice or likely to involve any unacceptable liability. We reserve a residual discretion (without obligation) in the case of rights or powers attaching to the Securities if you do not instruct us. We will not give advice on transactions and we do not keep the Portfolio under review.

4.3 General

- 4.3.1 We may at our discretion allow you to choose a combination of Relative Return Strategy Service and Portfolio Administration Service in which case separate portfolios will be required.
- 4.3.2 Where your Investment Objectives permit us to effect transactions for the Portfolio in relation to investments, the price of which may be under stabilisation or investments which are not readily realisable, your attention is drawn to the information contained in the section headed 'Important Notes'.
- 4.3.3 If you elect to be a Portfolio Administration Service client you understand that we will not deal for you in futures, options, warrants, contracts for differences or margin transactions unless all documents required by the regulatory authority have been previously completed by you, returned to and received by us.
- 4.3.4 In the event of you having a liability in one currency which is to be matched by an Asset in a different currency, or where an Asset under management is denominated in a currency other than the agreed base currency of the Portfolio, you acknowledge and are aware that a movement of exchange rates may have an independent effect, which may be favourable or unfavourable, on the gain or loss otherwise experienced on the Asset.
- 4.3.5 Funds placed under our management may, within the Investment Objectives, be invested in securities traded on stock markets approved by us.
- 4.3.6 In accepting these terms you understand and agree that the value of each holding in your Portfolio as well as the value of your whole Portfolio may go down as well as up as a result of market or currency movements. Income from the Portfolio may be similarly affected.
- 4.3.7 In managing the Portfolio we may at our absolute discretion enter into sale and purchase contracts of currency (whether on a spot, forward or other basis) on your behalf in an effort to mitigate movements of currency exchange rates which may have an unfavourable effect on any of the Assets in the Portfolio but we shall not be under an obligation to do so.
- 4.3.8 Where you subscribe for the Relative Return Strategy Service we shall determine in our discretion whether to receive dividends in cash or in new shares. Where you subscribe for the Portfolio Administration Service you may instruct us to receive new shares instead of a cash dividend in respect of all of, but not just some of, the Securities in your Portfolio. If, however, we receive no instructions from you (or for whatever reason it is not practicable for your dividend to be received in the form of new shares) we will arrange for you to receive cash dividends.
- 4.3.9 If after acting for you and other clients we are left with fractions of shares, you authorise us to deal with them in the way which we consider will have the fairest effect on the treatment of fractional entitlements of all registered holders concerned.
- 4.3.10 We shall be under no obligation to arrange for you to receive copies of company or unitholders' annual reports and accounts, circulars to shareholders or notices.
- 4.3.11 We shall have no responsibility to arrange for you to attend shareholders' or unitholders' meetings or to direct how we or our Nominee should vote on your behalf at such meetings.
- 4.3.12 We will send all communications to you at the latest address you have given us and will not be under any further duty in respect of service of notices on you.
- 4.3.13 Telephone conversations may be recorded and monitored to help us maintain quality of service.
- 4.3.14 This Agreement is in English. You agree that we can communicate with you in English about this Agreement once the contract is made.

5. Borrowing

In order to cover settlement and fees and charges obligations you consent to the creation by the Bank of an overdraft repayable by you. The Bank will not create an overdraft for any other purpose and we will not commit you to supplement the funds in the Portfolio.

6. Accounts

- 6.1 A capital account and an income account (applicable where income has been nominated in the application form in respect of the Service) will be opened to facilitate the administration of the Portfolio. Where applicable, you will earn interest on credit balances in your accounts in accordance with section 1.4 above.
- 6.2 You hereby authorise us to:
- 6.2.1 take any necessary action to ensure that the Regulations are complied with where your money is held in client bank accounts thereunder;
- 6.2.2 settle purchases as your agent using our own money. If so, you will owe us a debt for such sum and when an equal amount of your money is credited to a settlement account, we may transfer it to ourselves. Pending such transfer you hereby grant to us a first fixed equitable charge, pledge, lien and right of set off in respect of the relevant Securities comprising the Portfolio, having full title thereto and having the power and authority to do so in your own discretion, free from all other rights exercisable by third parties and in accordance with all other duties owed to third parties, as a continuing security for such debt;
- 6.2.3 credit you on settlement day from our own money with anticipated proceeds of sale. If so, you will retain title to the relevant Securities until market settlement and you hereby direct us to receive for our own account the relevant sale proceeds. Pending such receipt you hereby grant to us a first fixed equitable charge, pledge, lien and right of set off in respect of the relevant Securities comprising the Portfolio, having full title thereto and having the power and authority to do so in your own discretion, free from all other rights exercisable by third parties and in accordance with all other duties owed to third parties, as continuing security for such credited advance;
- 6.2.4 act as your agent in connection with sections 6.2.2 and 6.2.3 above for you and in your name to assign and/or transfer for our benefit and into our sole name or to the Nominee such Securities, to sell the same and to apply the proceeds of sale thereof in discharge of your liability to us.
- 6.3 Any debit balances are repayable by you on demand. Termination of this Agreement will always (subject to your legal rights) constitute such a demand.
- 6.4 You agree that, if we hold foreign currency for you, we may, with your consent, use a client bank account with an Approved Bank other than the Bank, notwithstanding that money in such an account may not be protected as well as if it is in the Island in which your Portfolio is held provided that we take reasonable care in the selection of such an Approved Bank. We will not be liable for its defaults.
- 6.5 For the avoidance of doubt, we confirm that any existing authority you have given to us or any other company connected with the Lloyds Banking Group concerning matters unconnected with these Services is not overridden by this Agreement.

7. Custody

- 7.1 You agree that Securities in your Portfolio may be registered in the name of the Nominee or in the name of any other company or institution which in either case is an 'Approved Custodian' as such term is defined in the Regulations. Our obligations are subject to having received (and having acknowledged receipt of) the Securities concerned.
- 7.1.1 You agree that Securities in your Portfolio may be registered in the name of the Nominee or in the name of any other company or institution which in either case is an 'Approved Custodian' as such term is defined in the Regulations. Our obligations are subject to having received (and having acknowledged receipt of) the Securities concerned.
- 7.1.2 You also agree to such Securities being held collectively with the securities of other clients in certificated form or within the CREST system or other appropriate system.
- 7.2 We will accept liability for our acts and omissions and for the acts and omissions of those Nominees, custodians and depositories which are our Associate. We will exercise reasonable care in selecting and supervising other custodians. To the extent that other custodians or their sub custodians do not accept liability for their own acts and omissions, we will accept liability as though they were an Associate.

- 7.3 You agree that, in order to hold your investments within CREST or another appropriate system, we may adopt such form of membership within that system for ourselves and our Associates or the Nominee and take advantage of such other functions and services offered by the operators of such systems as we may consider appropriate or desirable in each case.
- 7.4 Your Securities may be registered collectively in the name of the Nominee, which will be an 'Approved Custodian' as such term is defined in the Regulations. Although the amount of your holding will be recorded and separately identified by us, your entitlement may not be identifiable by separate documents or certificates of title.
- 7.5 Where any Securities are held in safe custody outside the United Kingdom, different settlement, legal and regulatory requirements, and different practices relating to the custody and segregation of those Securities, may apply.
- 7.6 We will not lend to, or deposit by way of collateral with, a third party your Securities or the documents/certificates of title to them or any other property of yours. Nor will we borrow money or securities on the security of them on your behalf nor, subject to section 4.3.7 carry out any hedging transaction without your prior written consent or instructions.

8. Instructions

- 8.1 We are authorised to accept instructions in accordance with your instructions in section 8 of your application form.
- 8.2 Please direct all communications to your relationship manager at the office providing the Service to you. No notice will be treated as having been given to us until we have actually received it.
- 8.3 If you wish us to accept instructions from a third party, please complete our standard third party authority form.
- 8.4 We may at our discretion accept instructions other than in original written form (which includes: telephone and facsimile).

9. Delegation or assignment

- 9.1 We may, where considered appropriate, use outsourced agents (which may be our Associates) in the course of providing the Service. Use of an outsourced agent will not diminish our liability to you in accordance with this Agreement (regardless of whether the outsourced agent we choose is our Associate) and will not result in further obligations on your part. We may also delegate any part of the Service to another party in a way which makes that other party responsible to you. If we delegate any part of the Services in this way, we will not be liable for the defaults of that other party in connection with the part of the Service for which they are responsible (provided that we have exercised reasonable care in selecting them and subject to the Regulations). However, where we delegate any part of the Services to our Associates, we will remain responsible in cases of their wilful default or gross negligence in accordance with clause 15.1.
- 9.2 We may at any time on written notice to you transfer all or any of our rights, powers and duties hereunder to any person, whereupon references to us in this Agreement should, where appropriate, be read as references to that person.

10. Personal information and other clients

- 10.1 We shall not disclose, now or at any time hereafter whether or not this Agreement has been terminated, to any person other than an Associate (except with your authority or to comply with any applicable law, court order or any regulatory authority request including, without limitation the law of any jurisdiction subject to which an investment is made for the Portfolio and the requirements of any Stock Exchange upon which any Securities which are or have been part of or are proposed to be part of the Portfolio are listed) or to third parties where reasonably necessary for the purpose of providing the Services, any information relating to your business, assets, or finances or other matters of a confidential nature of which we have come into possession during the period of this Agreement. However, we may disclose such information to an Associate.
- 10.2 Data protection legislation applies in each Island. We will comply with any data protection laws currently in force in each Island. Lloyds Bank Private Banking is registered with the Jersey Data Protection Commissioner pursuant to the Data Protection (Jersey) Law 2005 or any amendment of or replacement of that legislation.
- 10.3 There will be no duty on us, or any Associate, to disclose to you, or take into consideration when acting for you, any confidential information about another person or anything which does not and could not reasonably be expected to have come to the personal notice of the individual advising you or dealing on your account.
- 10.4 The Service provided to you is not exclusive. We are free to perform it for other clients and to retain fees and other benefits for so doing.

11. Compliance

- 11.1 You warrant and undertake that the money and/or other Assets introduced to the Portfolio have been and will continue to be lawfully introduced and are not and will not be derived from or otherwise connected with any activity which is illegal or unlawful in their country of origin or in the Islands.
- 11.2 We will not be required in any part of the Services to act in such a way as, in our opinion, might infringe any relevant law, rule, regulation or code or give rise to the risk of criticism for impropriety or departure from good market practice.
- 11.3 It will be for you to obtain all necessary exchange control or other official or regulatory approvals for any handling of the Portfolio or the accounts linked to the Service.
- 11.4 You have responsibility to make tax returns to revenue authorities in jurisdictions where you are accountable. We will provide supporting documentation on request.
- 11.5 We shall not be liable for any tax liability suffered by you, as a result of decisions made in the course of management of the Portfolio.
- 11.6 We recommend that you seek independent tax advice prior to establishing your Portfolio and thereafter.
- 11.7 Tax reporting and withholding for clients who are subject to the tax regime of certain other countries (including UK and US).
- 11.7.1 We (or other companies in the Lloyds Banking Group) may be required by legislation or by agreement with tax authorities to report certain information about you (or, if you are a corporate, about your direct and indirect owners or, if you are a trust, about your trustees and beneficiaries) and your relationship with us, including information about your accounts:
- to the tax authorities in the Channel Islands and the Isle of Man, which may then pass that information to the tax authorities in another country where you may be subject to tax; or
 - directly to the tax authorities in other countries (such as UK and US) where we reasonably think or are required to presume you are subject to tax.
- 11.7.2 Where we are required to report information about you and/or your relationship with us, including information about your accounts, this information includes (but is not limited to) the account number, the amount of interest paid or credited to the account, the account balance or value, your name, address, country of residence and social security number or taxpayer identification number. In addition, we may need you to provide us with further information, documents or certifications about your identity, tax residence, nationality and status.
- 11.7.3 If we are required to report information about your accounts, you agree that:
- you will provide additional information or documents we need from you and that confidentiality rights under applicable data protection, bank secrecy or similar laws will not apply to information we report or obtain from you to comply with our obligations;
 - if you do not provide us with information or documents we need, we may be required by certain jurisdictions to (i) apply a withholding tax to amounts, including interest, we pay to you; or (ii) close your account; or (iii) transfer the account to an affiliate in another jurisdiction; and
 - we will not be liable to you for any loss you may suffer as a result of our complying with legislation or agreements with tax authorities in accordance with this condition, unless that loss is caused by our gross negligence, wilful default or fraud.
- 11.8 We will be permitted to telephone you in any circumstances without your express invitation and to make personal calls on you by prior appointment. If any investment is entered into in the course, or as a consequence, of an unsolicited or 'cold' call you will not have any right under the Island Law to treat that agreement as unenforceable.
- 11.9 We conduct our business in accordance with all legal and regulatory requirements under Island Law. These include all anti-money laundering requirements which require us to disclose information that would otherwise be confidential where required so to do by Island Law or an order of court or other relevant authority.

12. Reporting

- 12.1 We will provide you with a Contract Note containing the essential details of any sale or purchase transaction as soon as practicable following a transaction.

- 12.2 We will provide, at least every six months, a periodic statement of financial affairs (SOFA). If you are an Portfolio client, the SOFA will include a valuation of your Portfolio, details of any transactions carried out in the preceding period, any cash positions held and a suitable comparison indicator of the performance of the Portfolio with the movement of the market. If you are a Portfolio Administration Service client, the SOFA will include details of any transactions carried out and any cash positions held.
- 12.3 Values (wherever possible market values) will be taken as appropriate for each Asset. We will not be responsible for any errors or omissions in information obtained from outside sources.

13. Fees and expenses

- 13.1 You agree to pay the fees and charges under this Agreement, which are set out in the latest edition of our published Tariff, from time to time in force and are subject to periodic revision. Notice of any changes to the fees and charges set out in our Tariff will be sent to you in writing or displayed on our website, international.lloydsbank.com/private-banking, at least thirty days before the changes take place. The annual management charges are calculated quarterly in arrears on the average Portfolio value in the quarter. To calculate the average value for a Portfolio for a quarter ending March, June, September or December, we add together the values of the Portfolio at the end of each month in that quarter and divide by three. The percentage fee applied to this average Portfolio value is one quarter of the annual percentage fee set out in the Tariff or one quarter of the minimum fee whichever is the greater. Annual management charges will normally be taken within 17 days of the quarter end.
- Any Portfolio closed within a charging period will be charged on a pro-rata basis. They will supplement, and not be abated by, any other remuneration receivable by us (or any Associate of ours) in connection with any transactions effected by us with or for you and you consent to the retention of any such remuneration by us.
- 13.2 We may make additional charges upon having given notice of such charges to you, for any extra services supplied in addition to those specified in this Agreement.
- 13.3 You hereby authorise us to withdraw all such fees, charges (including additional charges under section 13.2 above), interest, expenses and liabilities from your Portfolio, without any necessity to give notice and to effect any realisations from the Portfolio which we think fit in order to meet such sums in whole or in part.
- 13.4 Please note that we are required to advise you of the possibility that there may be other costs or taxes imposed by third parties in connection with this product/Service.

14. Connections

Your relationship with us is as described in this Agreement and nothing will impose any fiduciary or equitable duty on us or an Associate, which would prevent us or it while providing services for you, from acting as principal, agent, counterparty or dealing with or for associates or other clients. In particular:

- 14.1 You accept that we may effect transactions with or for you without prior reference in respect of which we or an Associate deal as principal or dual agent or otherwise have directly or indirectly a material interest or a relationship with another party which might involve a conflict of duty to you. We will use our reasonable endeavours to avoid any conflict of duty but if it cannot be avoided, we will ensure that the terms of any transaction are no less favourable to you than when effected for the account of your Portfolio with a third party dealing at arm's length, by placing your interests before ours.
- 14.2 We or an Associate may from time to time enter into so-called 'soft commission agreements' with any brokers through whom we might at our discretion effect transactions on your behalf. Under such agreements, in return for a minimum amount of business, we are granted goods or services, such as research reports or access to information terminals, which may assist us in providing services to you or to our other clients. We will enter into such arrangements only when they are consistent with our policy to obtain best execution, taking into account such factors as price, including dealer spread, the size, type and difficulty of the transaction involved, the broker's general execution and operational facilities and the broker's risk in positioning the securities involved. It is understood that if we enter into soft commission arrangements, the commissions paid may be higher than those which might otherwise have been paid if those goods or services had not been provided.
- 14.3 We may acquire or dispose for your Portfolio units or shares in a collective investment scheme for which we or an Associate may be adviser or custodian, or which is operated by an Associate.

- 14.4 The Portfolio may contain Securities in which an issue or offer for sale was underwritten, managed or arranged by an Associate during the last twelve months or, where we consider that it is in your best interests, Securities issued by an Associate, notwithstanding that this may involve a potential conflict with our duties to you under these Terms and Conditions.
- 14.5 We may make recommendations or effect transactions relating to life policies, units or shares in a collective investment scheme where commission is payable to us or an Associate by the product company, in which case you will be given the information required by the Regulations or the codes of practice applicable to us, prior to the relevant transaction being made.
- 14.6 Neither any Associate nor we will be liable to account to you for, or (save in respect of fees or commission charged and subject to the Regulations) to disclose, any profit obtained by reason of any transaction with or for you. Commission may be payable by us to an Associate out of fees received from you. We may receive a share of commission payable to an Associate by you. You consent to the retention by us of any such profit, commission or fees.
- 14.7 Subject to any payment of interest to you provided for by this Agreement, any Associate and we shall be entitled to retain any profit accruing from the moneys in the accounts in the Services and you consent to the retention by any Associate or by us of such profit.
- 14.8 We may, when dealing for you, deal at the same time with similar securities or moneys for other clients or in other capacities and, if it is in the overall best interests of you and all the other clients concerned, may aggregate, mix or net off so that the Securities or moneys dealt with for the account of your Portfolio shall mean that part of the total which is attributable to the Portfolio. Aggregation may result in a number of transactions at different prices and we may then average out such transactions so that all clients involved pay or receive the same average price.
- We may effect trading between clients' accounts but only when there is a benefit in so doing to all clients involved in the transaction.

15. Limits of responsibility

- 15.1 No warranty is given as to the performance or profitability of any Securities or moneys held or acquired in connection with the Service nor can responsibility be accepted for any decrease in, or loss of opportunity to increase, its value except in cases of our wilful default or gross negligence.
- Liability will be accepted for errors of fact or judgement or lawful acts or omissions only in cases of such wilful default or gross negligence by us or our Associates. Neither we nor any other member of Lloyds Banking Group shall otherwise be liable for any loss to you if it is not reasonably foreseeable. However, this clause will not exclude or restrict any duty or liability which we may have or owe to you under the law.
- 15.2 We do not accept responsibility for losses arising from industrial action or any cause beyond our reasonable control including, but not limited to, market conditions, inability to communicate with any relevant person or any insolvency, breakdown, failure or degradation of any settlement or transmission system or market or the providers of custody services or of any computer hardware or software used by an operator or any participant in any such system or market or, in the case of Securities held within such systems, the failure by any settlement bank to make, receive, credit or debit any payment.
- 15.3 You are responsible for paying our reasonable costs and/or expenses (and those of our respective nominees, custodians or Associates) incurred as a result of the Service being provided to you or which would not have been incurred otherwise. This clause will not apply if these costs and/or expenses were caused by us intentionally acting wrongly or being negligent in any way. Any sums claimed in respect of your indemnity may be recovered pursuant to section 13.3 above.
- 15.4 We may refuse to accept a payment into an account, or make a payment from it, if we reasonably believe that doing so might cause us (or another company in the Lloyds Banking Group) to breach a legal requirement or might expose us (or another company in the Lloyds Banking Group) to action from any government or regulator. We reserve the right to refuse to accept a payment into an account or make a payment from it if, in our absolute discretion, we deem such refusal necessary for legal, regulatory, security, contractual or any other reason which shall be determined by us in our sole discretion. We also reserve the right to reverse or recall any payment into or payment from your account if we have reasonable grounds for believing such payment has been made fraudulently or illegally or otherwise in breach of the Terms and Conditions. We may delay or defer accepting a payment into an account or making a payment from an account whilst we undertake such investigations as we, in our absolute discretion, deem necessary for legal, regulatory, security, contractual or any other reason which shall be determined by us in our sole discretion. We will not be liable

for any loss, damage, cost or expense suffered by you as a result of our refusing to accept a payment into an account or to make a payment from an account, or reversing or recalling a payment into an account or a payment from an account, or delaying or deferring acceptance of a payment into an account or making a payment from an account.

- 15.5 You undertake, even where this Agreement has been terminated, to ratify everything done by us under your authority.

16. Termination

- 16.1 We may terminate this Agreement at any time by service of notice to you in writing at least thirty days prior to the termination date. Subject to the following provisions of this clause 16, you may terminate this Agreement at any time by instructing us in writing to close your Portfolio.
- 16.2 Once we have received instructions from you to terminate this Agreement, or from the termination date set out in the notice we have given to you to terminate this Agreement, our authority will then continue for as long as, and only so far as, it necessary to enable your Portfolio to be closed by transfer to you of the Assets or the proceeds of sale of the Assets as you may, without delay, direct (or in the absence of direction, at our discretion).
- 16.3 If Securities are transferred, we will re-register them in your name at your cost forthwith. You agree to accept the transfer of Securities of the same class and denomination as those held in your Portfolio.
- 16.4 If there are any possible outstanding liabilities or commitments affecting your Portfolio, we may either require you or an acceptable nominee of yours to assume them or retain Securities (with a power of sale) or cash sufficient in our opinion to meet them.
- 16.5 Termination is without prejudice to:
- 16.5.1 your or our rights and liabilities outstanding or arising pending return of your Portfolio;
- 16.5.2 the completion of instructions already initiated, pending which the Portfolio may be retained by us.
- 16.6 Once we have received instructions from you to terminate this Agreement, or from the termination date set out in the notice we have given to you to terminate this Agreement, if and for so long as the return of your Portfolio has not for any reason been completed, we will be entitled to hold it as nominee for you and to charge you our normal fee for acting as nominee. We will be under no duty to administer any of the Assets and under no liability for any loss resulting. We will charge the fee due from the last charges date prior to the date on which we receive your instruction to terminate this Agreement, or (where we have terminated this Agreement) the last charges date prior to the termination date set out in the notice we have given to you, until our final confirmation that your Portfolio closure is complete.
- 16.7 We also retain the right to make an additional charge for the work involved in clearing our full responsibilities to you.

17. Continuation upon death of a sole beneficiary of nominee ship

In the event of the death of a sole beneficiary of assets held on trust by a nominee, we may close the Portfolio by transferring the Assets to the personal representative of the deceased (upon production of such evidence of probate or letters of administration and as to status and on completion of such formalities as we require).

18. Additional conditions applying to Trustees only

Where 'you' consists of two or more trustees, the following provisions will apply:

- 18.1 If we receive unclear or conflicting instructions, we shall not be required to act on your instructions until the ambiguity or conflict is resolved to our satisfaction.
- 18.2 If any trustee tells us of a dispute between any of you, we may refuse to act on your instructions until those instructions have been confirmed by each trustee.
- 18.3 If there is a dispute in relation to trust property and we are obliged by court order to prevent you from accessing Assets held in the Portfolio until the dispute has been resolved (or until the relevant court orders otherwise), then we may comply with such order and we may apply the Assets to comply with any court order arising from the dispute, without your prior consent.
- 18.4 We will send all correspondence relating to the Portfolio to the correspondence address provided to us in the application form, until notified otherwise. We may give any information about the account to all or any of you.
- 18.5 If any of you die or cease to be a trustee, we may treat the continuing trustee(s) as having full power to administer the trust, including in relation to carrying on the trust activities and dealing with the trust

assets. This applies unless we receive written notice to the contrary from you or any of the continuing trustees.

- 18.6 When a trustee ceases to be a trustee, each of you (including the trustee who retires, is removed, or otherwise ceases to act) remains separately responsible to us to repay all and any debts owing to us in connection with this Agreement until the continuing trustee(s) have notified us of the change of trustee(s) and confirmed to us in writing that they are to be bound by this Agreement as trustee(s) and to the exclusion of the person who has ceased to be a trustee.
- 18.7 When a new trustee is appointed, this Agreement shall apply to the new trustee and the continuing trustee(s) jointly, and the continuing trustee(s) shall notify us of the change of trustee without delay and shall ensure that the new trustee completes an application form in connection with the Portfolio to acknowledge agreement to this Agreement.

19. Additional conditions applying to partnerships only

- 19.1 In the event that you are the partners of a partnership, you will each be jointly and severally liable for all monies owing to us.
- 19.2 If we receive unclear or conflicting instructions, we shall not be required to act on your instructions until the ambiguity or conflict is resolved to our satisfaction.
- 19.3 If any partner tells us of a dispute between any of you, we may refuse to act on your instructions until those instructions have been confirmed by each partner.
- 19.4 We will send all correspondence relating to the Portfolio to the correspondence address provided to us in the application form, until notified otherwise. We may give any information about the account to all or any of you.
- 19.5 If any of you die or cease to be a partner, in the absence of written notice to the contrary, this Agreement shall continue and we will treat any surviving or continuing partner as having full power to give us instructions on behalf of all of the remaining partners as if there had been no change to the partnership.

20. Joint cases

Where 'you' consist of two or more persons, the following provisions will apply: (insofar as these are not inconsistent with sections 18 and 19 above):

- 20.1 your liabilities to us will be joint and several;
- 20.2 notice to one or more of you will count as notice to all;
- 20.3 we may treat any request from you to accept instructions from one or some of you as valid and continuing until we receive notice of revocation by any one of you and meanwhile will not be liable for so acting on the ground that the person(s) nominated lacked or ceased to have authority;
- 20.4 we will not normally make enquiries about the purpose of any payment instruction or other instruction or confirm the instructions with the other joint clients, unless we are required to do so by law or a regulator;
- 20.5 where we receive unclear or conflicting instructions, we shall not be required to act upon those instructions until the ambiguity or conflict is resolved to our satisfaction.

21. Exclusion of Supply of Goods and Services (Jersey) Law 2009

To the extent permitted by law, no statutory terms (which shall include warranties, conditions or other contractual provisions), rights, duties or liabilities imposed under the Supply of Goods and Services (Jersey) Law 2009 shall apply in relation to the Services.

22. Severability

- 22.1 If at any time one or more of the provisions of this Agreement becomes invalid, illegal or unenforceable in any respect, that provision shall be severed from the remainder and the validity, legality and enforceability of the remaining provisions of this Agreement shall not be affected or impaired in any way.
- 22.2 If any provision is so found to be invalid, illegal or unenforceable in any respect, the parties agree that it shall be applied in a manner that achieves such provision's intended effect to the greatest extent valid, legal and enforceable.

23. General conditions of this Agreement

- 23.1 This Agreement comprises your application form together with the latest edition of our published Tariff from time to time in force as well as our Terms and Conditions.
- 23.2 Words and phrases used in it have the meanings given to them in the Regulations and those, which are listed in section 2, 'Definitions', have the meanings ascribed to them there. References to statutory or regulatory provisions extend to any amendment or re-enactment of such provisions.

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- 23.3 We may amend any of these Terms and Conditions if and when it is necessary or appropriate to do so in order:
- 23.3.1 to comply with legal, fiscal or regulatory requirements;
 - 23.3.2 to rectify errors, inaccuracies or ambiguities;
 - 23.3.3 to take account of any corporate reorganisation within the Lloyds Banking Group of companies; or
 - 23.3.4 to reflect alterations in the scope and nature of the Service, which we are able to provide to you under this Agreement in accordance with our systems capabilities and routines, and having regard to market practice and overall client demands.
- 23.4 If we change the Terms and Conditions to your disadvantage, we will give at least thirty days' notice to you in writing before we make the change. We may make any other changes which shall be effective immediately upon giving written notice to you. If we have made a major change or a lot of minor changes in any one year, we may provide you with a copy of the new Terms and Conditions or a summary of changes.
- 23.5 We may freeze your Portfolio if we know or have reasonable grounds to believe that:
- 23.5.1 there is a dispute over the ownership of any of the Assets in the Portfolio;
 - 23.5.2 any dispute between joint owners of the Portfolio has arisen;
 - 23.5.3 you have died or are incapacitated; or
 - 23.5.4 we are required to do so in order to comply with any applicable laws or orders of any competent authority or if the execution of an instruction could reasonably be expected to expose the Bank to civil or criminal prosecution in any jurisdiction.
- This means that we will not allow any person to withdraw Assets from your Portfolio, deposit additional monies into the Portfolio (unless we agree) or carry out other transactions until the matter that caused us to freeze the Portfolio has been resolved to our satisfaction (for example, by our being satisfied that the Portfolio is not being used for illegal purposes or that the dispute is settled).
- 23.6 We will not be liable to you or any other person for any loss (including loss of profit), damage, cost or expense arising as a result of our freezing the Portfolio in accordance with clause 23.5.
- 23.7 We and other members of the Lloyds Banking Group may be subject to legislation adopted to implement sanctions and embargos imposed by the international community including the United Kingdom, European Union, United Nations and United States of America. We may decline to accept payment instructions and may refuse to make any payment or take any action in connection with a payment instruction if it would result, or in our reasonable opinion is likely to result, in a breach by us or any other member of the Lloyds Banking Group or any of our or their employees of any sanction or embargo whether or not imposed in the United Kingdom, and we will not be liable for any loss (including loss of profit), damage, cost or expense for any such reason. We may disclose to the relevant authorities such information in relation to any instruction or payment as may be required.
- 23.8 The law of Jersey applies to this Agreement, depending on where the account is held or from where the product or Service is provided. The Courts of such jurisdiction shall have non-exclusive jurisdiction over any proceedings in connection with any disputes in relation to this Agreement.

Important Notes

1. Stabilisation

Our representatives or we may from time to time effect on your behalf transactions in securities the price of which may have been influenced by bids made or transactions effected for the purpose of stabilising the price of those securities. You should read the explanation below carefully. Its purpose is to enable you to judge whether you wish your funds to be invested at all in such securities and, if you do, whether you wish to authorise us generally to effect transactions in such securities on your behalf without further reference to you or whether you wish to be consulted before any particular transaction is effected on your behalf.

Stabilisation is a process whereby the market price of a security is pegged or fixed during the period in which a new issue of securities is sold to the public. Stabilisation may take place in the securities of the new issue or in other securities related to the new issue in such a way that the price of the other securities may affect the price of the new issue or vice versa.

The reason stabilisation is permitted is that when a new issue is brought to market the sudden glut will sometimes force the price lower for a period of time before buyers are found for the securities on offer.

As long as the 'stabilising manager' (normally the issuing house chiefly responsible for bringing a new issue to market) obeys a strict set of rules, he is entitled to buy securities in the market that he has previously sold to investors or allotted to institutions who were included in the new issue but who have decided not to continue participating. The effect of this may be to keep the price at a higher level than would otherwise be the case during the period of stabilisation.

UK statutory stabilisation rules limit the period in which a stabilising manager may stabilise 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 (but not that he is) stabilising.

The fact that a new issue or a related security is being stabilised does not in itself mean that investors are not interested in the issue, but neither should the existence of transactions in an issue where stabilisation may take place be relied upon as an indication that investors are interested in the new issue or interested in purchasing at the price at which transactions are taking place.

2. Investments not readily realisable

If there is no recognised market for an investment, it may be difficult to deal in it or to obtain reliable information about its value or the extent of the risks to which it is exposed.

If the receipt of sale or redemption proceeds in respect of a realisation of investment may be delayed owing to the nature or frequency of dealing in the investment then the Bank would only be able to transmit such proceeds to you once it has received them.

3. Use of derivatives In managing your Portfolio

We may at our absolute discretion undertake derivatives transactions (e.g. futures, options) in line with your Investment Objectives but we shall not be under any obligation to do so. These strategies would generally be used for the one of the following reasons:

to manage your Portfolio more efficiently, to mitigate risk within your Portfolio or to create new positions in line with the risk profile of your Portfolio. We would not take unlimited risks, specifically avoiding for example strategies involving the selling of uncovered options. When using these instruments we would consider the equivalent exposure in terms of the underlying cash instrument, consolidating these exposures in an appropriate manner with the other instruments in your Portfolio to ensure the Portfolio is managed at all times in accordance with your Investment Objectives and risk profile associated with this investment objective.

Important Terms & Conditions – Banking Services

1. Introduction

The following sets out certain principal Terms and Conditions governing the relationship between the Bank and the Client in connection with the Client's use of the Services.

The Bank reserves the right, at any time, to change the Terms and Conditions. A copy of the Terms and Conditions in force at any time and a current copy of the Tariff will be available for inspection at the Bank during Business Hours. The Client will be bound by any revision of the Terms and Conditions. If the Bank changes the Terms and Conditions to the Client's disadvantage, the Bank will give at least thirty day's notice to the Client before it makes the change. The Bank may make any other changes which shall be effective immediately upon giving written notice to the Client. If the Bank has made a major change or a lot of minor changes in any one year, it may provide the Client with a copy of the new Terms and Conditions or a summary of changes.

These Terms and Conditions are in English. The Client agrees that once this Agreement is made, communications from the Bank about this Agreement will be in English.

If the Client wishes to make a complaint about this Agreement or the Services provided by the Bank, the Client should follow the procedures detailed in the brochure entitled 'If you need to complain' which is available from your relationship manager.

2. Definitions

In these Terms and Conditions, unless otherwise indicated, the following words have the following meanings:

- 2.1 'Agreement, this', the agreement created when we confirm our acceptance of a duly completed application form in respect of the Services.
- 2.2 'Bank' or 'We'/ 'we', Lloyds Bank International Limited trading as Lloyds Bank Private Banking successors and/or assigns.
- 2.3 'Business Hours', the hours that the Bank is open to conduct normal business.
- 2.4 'Business Day', any day that the Bank is open to conduct normal business.
- 2.5 'Client' or 'You'/ 'you', either an individual, a trustee, a foundation, a partnership or a corporation or any combination of these to whom the Bank provides its Services.
- 2.6 'Current Account', any account where money is available without notice being required.
- 2.7 'Relative Return Strategy Service' or 'Portfolio Administration Service', the Relative Return Strategy Service or Portfolio Administration Service which we may from time to time provide to a Client.
- 2.8 'Islands', Jersey or Guernsey if applicable.
- 2.9 'Island Law', the law of that one of the Islands in which we hold an account for you.
- 2.10 'Lloyds Banking Group', any of the companies in the Lloyds Banking Group plc group of companies.
- 2.11 'Lloyds Bank Private Banking', is a registered business name of Lloyds Bank International Limited.
- 2.12 'Portfolio', the securities and/or monies for the time being held by us or our agents for the purpose of management or administration under the Relative Return Strategy Service or the Portfolio Administration Service.
- 2.13 'Relevant Base Rate', the base rate of the Bank of England, US Federal Reserve, European Central Bank or of such other central bank, institution, organisation or entity as we may at our discretion select and notify to you from time to time.
- 2.14 'Services, the', the normal services and products provided by the Bank excluding any Relative Return Strategy Service.
- 2.15 'Tariff', either the 'Your guide to our fees and charges' booklet or the 'Guide to Interest Rates', in force from time to time, for the service in question or such other document as the Bank introduces to replace either or all of them.
- 2.16 'Term Deposit account', a fixed rate savings account where money is deposited by a Client with the Bank for an agreed term during which the money is not available to that Client until the end of the term.

Words importing the singular shall be deemed to include the plural and words importing the masculine shall include the feminine.

3. Account opening formalities

- 3.1 The Bank shall be at liberty, in its sole discretion, to refuse to open an account and/or to provide its Services for the Client, and the Bank shall not be under any obligation to give reasons for any such refusal.
- 3.2 The Bank may, in its sole discretion, open accounts for the Client expressed in pounds sterling and/or other currencies which the Bank may elect to accept.
- 3.3 The Client shall complete to the Bank's satisfaction the Bank's usual account opening documentation prior to any account being opened, service rendered and funds received.
As an essential element of the account opening process, the Bank is obliged to carry out 'Know Your Customer' procedures, in accordance with Island Law and regulatory requirements with respect to verification of the Client's identity.
- 3.4 In opening and maintaining an account for the Client and providing its Services to the Client, neither the Bank nor any of its agents, officers or employees shall be under any liability as a result of:
 - 3.4.1 taking or omitting to take any action in relation or pursuant to these Terms and Conditions or any other agreement with the Client; or
 - 3.4.2 failing to recognise false, forged or altered instructions or documentation; or
 - 3.4.3 the incapacity of the Client, save in the case of fraud, gross negligence or wilful misconduct on the part of the Bank, its agents, officers or employees.

- 3.5 Neither the Bank nor its agents, officers or employees shall be liable to the Client if, for any reason or cause beyond the control of the Bank, the operation of an account or the Bank's ability to account to the Client for any moneys is restricted or otherwise affected to the detriment of the Client including, without limitation, exchange restrictions, prohibitions or suspension of means to effect payment or requirements of any governmental authority. The Bank may, in its sole discretion, fulfil its obligations to the Client by establishing a credit in favour of the Client with or by assigning a proportionate part of any moneys owing to the Bank by a correspondent bank in the relevant currency provided that the whole of the indebtedness and liabilities of the Client to the Bank shall, at such time, have been discharged and satisfied.
- 3.6 Neither the Bank nor its agents, officers or employees shall be responsible for any loss or damages arising as a result of mail or other communication system delays or failures arising out of the use of external clearing systems.
- 3.7 The Bank can vary the interest rates at any time. Notice of any change to the interest rates set out in the Bank's Tariff will be displayed on the Bank's website, international.lloydsbank.com/private-banking. The new rates will come into force as soon as the Bank displays them on its website. The Client can also contact their relationship manager for details of current interest rates.

4. Instructions

- 4.1 Subject to the appropriate mandate, the Bank may accept instructions from the Client to make payments, transfer funds between accounts, establish or close accounts and establish fixed deposit contracts, buy/sell, or accept/deliver shares, bonds or other securities and to provide any other service as the Bank may introduce from time to time. When a third party has been empowered to operate the account(s) of the Client, that party may give instructions to the Bank in accordance with the mandate from the Client.
- 4.2 Where the Bank receives unclear or conflicting instructions, the Bank shall not be required to act upon those instructions until the ambiguity or conflict is resolved to the Bank's satisfaction.
- 4.3 The Bank will effect instructions by the Client only during Business Hours and on a Business Day.
Instructions which involve a foreign bank or other party will only be effected on days when such banks or parties are open for business.
- 4.4 In the case of several different instructions from the Client the total value of which would exceed the credit balance available or any pre-arranged borrowing limit, the Bank is entitled to decide at its discretion as to which instructions shall wholly or partly be executed, irrespective of their dates or of the time of receipt thereof by the Bank.
- 4.5 Without prejudice to section 4.6 the Bank shall only act on instructions received in writing (in English) and signed by the Client and/or in accordance with any mandate issued to the Bank.

- 4.6 Where the Client wishes the Bank to act upon instructions given by telephone or by facsimile, the Client shall first execute the standard letter of indemnity of the Bank to cover such instructions.
- 4.7 The Bank shall, in the absence of specific instructions, have the right to determine the method that it will use to effect the Client's instructions (for example, mail or telegraphic transfers) and the identity of any correspondent banks and/or agents necessary to effect such instructions.
- 4.8 Standing order instructions will only be accepted against Current Accounts.
- 4.9 The Bank will (unless it in its sole discretion decides otherwise) only act on the Client's instructions if there is sufficient available credit balance on the Client's account, or where the Client is within a pre-arranged borrowing limit.
- 4.10 Where we provide the Client with the Relative Return Strategy Service or Portfolio Administration Service, in order to cover settlement and fees and charges obligations of the Client under such Relative Return Strategy Service or Portfolio Administration Service, the Client consents to the creation by the Bank of an overdraft repayable by the Client in respect of the Client's account. The Bank will not create an overdraft for any other purpose in connection with the Relative Return Strategy Service or the Portfolio Administration Service.
- 4.11 Cash withdrawals are available on request subject to receipt by the Bank of the appropriate mandate from the Client giving the Bank at least 72 hours' advance notice of the Client's requested withdrawal and identifying a branch of the Bank in the Channel Islands or in the Isle of Man ("Islands Branch") from which the Client wishes to collect their cash. If specifically requested by the Client in their mandate, the Bank may (but is not obliged to) agree, at its absolute discretion, to arrange for the Client's cash to be made available for the Client's collection at a named Lloyds Banking Group branch based in the United Kingdom ("UK Branch").
- All cash withdrawals are subject to a daily maximum monetary limit which may vary depending on the currency requested and from time to time, and must be collected from the relevant Islands Branch or, where agreed, from the relevant UK Branch. The Client should contact their relationship manager for details.**
- 4.12 The receipt by the Bank of notification of the death of a sole beneficiary of assets held on trust by a nominee will terminate all mandates with the Bank. It will be necessary for anyone wishing to deal with the deceased's account(s) to take out a Jersey or Guernsey Grant of Probate or Letters of Administration on which stamp duty in Jersey or Guernsey is payable, except where the Bank may, in its sole discretion, waive the requirement for Jersey or Guernsey Grant of Probate or Letters of Administration on receipt of satisfactory indemnities where:
- 4.12.1 the account holder dies domiciled outside Jersey or Guernsey; and
- 4.12.2 the aggregate value of the deceased's Jersey or Guernsey Estate held at the Bank does not exceed £10,000 or such other amount prescribed from time to time.
- 4.13 In the event of the incapacity of a Client which is not a corporation, the Bank may continue to provide banking and other services to such Client until being notified in writing of such incapacity.
- 4.14 We may refuse to accept a payment into an account, or make a payment from it, if we reasonably believe that doing so might cause us (or another company in the Lloyds Banking Group) to breach a legal requirement or might expose us (or another company in the Lloyds Banking Group) to action from any government or regulator. We reserve the right to refuse to accept a payment into an account or make a payment from it if, in our absolute discretion, we deem such refusal necessary for legal, regulatory, security, contractual or any other reason which shall be determined by us in our sole discretion. We also reserve the right to reverse or recall any payment into or payment from your account if we have reasonable grounds for believing such payment has been made fraudulently or illegally or otherwise in breach of the Terms and Conditions. We may delay or defer accepting a payment into an account or making a payment from an account whilst we undertake such investigations as we, in our absolute discretion, deem necessary for legal, regulatory, security, contractual or any other reason which shall be determined by us in our sole discretion. We will not be liable for any loss, damage, cost or expense suffered by you as a result of our refusing to accept a payment into an account or to make a payment from an account, or reversing or recalling a payment into an account or a payment from an account, or delaying or deferring acceptance of a payment into an account or making a payment from an account.

- 4.15 If the Bank knows or has reasonable grounds to suspect that the Client's account is being used for illegal purposes or that a dispute over the ownership of monies in the Client's account, or any dispute between joint account holders has arisen or that the sole beneficiary of assets held on trust by a nominee account holder has died, the Bank may freeze the Client's account. This means that the Bank will not allow any person to withdraw money from the Client's account, deposit money into the Client's account (unless the Bank agrees) or carry out any other transactions until the Bank is satisfied that such account is not being used for illegal purposes or that the dispute is settled or Jersey grant of probate has been obtained, and the Bank shall incur no liability for any loss or loss of profit to the account holder or any other person or otherwise in such event.

5. Tariff

When you become a Client, the Bank will give you details of our Tariff.

Notice of any changes to the fees and charges set out in the Bank's Tariff will be sent to the Client in writing or displayed on the Bank's website, international.lloydsbank.com/private-banking, at least thirty days before the change takes effect. Any charges applicable will be debited to the Client's account as they fall due for payment. The Bank is required to advise you of the possibility that there may be other costs or taxes imposed by third parties in connection with this product/Service.

6. Interest

- 6.1 Interest (whether on credit or debit balances) is calculated on the cleared value balance of the account as at the close of business daily.
- 6.2 The Client will earn interest on credit balances, other than in the circumstances set out below. The relevant interest rates will be determined by the Bank and will vary from time to time. Unless other instructions are held, interest on credit balances, other than for a Term Deposit account, is paid by the Bank by crediting it to the principal of the relevant account on a monthly, quarterly or annual basis as appropriate to that type of account or upon closure of the account, if applicable. Interest may not be paid on certain accounts if the credit balance falls below a minimum amount which the Bank may stipulate from time to time.
- These minimum amounts (where applicable) are set out in the Bank's current Tariff, a copy of which is available to the Client on request or from our website, international.lloydsbank.com/private-banking. Term Deposit account interest is paid at the maturity of the deposit or the date of closure of the deposit should this occur by arrangement prior to the maturity date. **The Client should provide instructions to the Bank detailing where interest is to be paid prior to maturity of the Term Deposit account. In the absence of such instructions interest and principal will be reinvested for a similar period.**
- 6.3 Termination of a Term Deposit account during the fixed term will incur breakage costs unless the Bank agrees otherwise in writing.
- 6.4 Interest on overdrawn Current Accounts is charged at a margin above the Relevant Base Rate or other appropriate rates as varied from time to time. This is collected by charging the amount due to the relevant account as determined by the Bank in its sole discretion. All other debit interest (e.g. for loans) will be charged at a rate and at a time agreed between the Bank and the Client as stipulated in the relevant facility agreement.
- 6.5 The basis on which interest is calculated and the frequency with which it will be debited or credited is set out in the Bank's current Tariff, a copy of which is available to you on request or from our website, international.lloydsbank.com/private-banking

7. Statements

- 7.1 Statements of accounts, other than Term Deposit accounts, will be issued, as appropriate, in accordance with the Terms and Conditions for a particular account but generally at least quarterly.
- 7.2 The Client may request copy statements subject to a charge in accordance with the Tariff, or as otherwise agreed by the Bank.
- 7.3 Unless requested otherwise, the Bank will send all statements by post to the address given for the Client in the Bank's records.
- 7.4 The Client shall be responsible for checking the details shown on account statements upon receipt and must notify the Bank immediately of any discrepancy. If the Client fails to advise the Bank of any discrepancy appearing on a statement within thirty days of its deemed receipt by the Client, the Bank shall be entitled, as against the Client, to treat the transactions shown thereon as authorised by the Client and the relevant account statements as being accurate and binding on the Client.

- 7.5 Where the Bank inadvertently makes an incorrect entry to the account of the Client (and whether or not the Client shall have given notice of the same to the Bank) the Bank shall be entitled to correct such incorrect entry by debit or credit to the Client's account and the sole liability of the Bank to the Client in respect of any such error shall be to account for any interest that would have been due to the Client had the error not been made or to reimburse to the Client any interest and/or other charges levied solely as a result of such error. In the event of this occurring the Bank will notify the Client of any such entries.

8. Cheques received for credit to accounts

- 8.1 From time to time the Client may tender to the Bank, either directly or through another bank, cheques, drafts and other instruments for credit to the Client's account with the Bank. The Bank, unless otherwise agreed with the Client, will collect these items for the Client.
- 8.2 Where the Client's account is credited with value for the proceeds of such cheques, drafts or other instruments, the Bank reserves the right to debit that amount to the Client's account if it is subsequently dishonoured by the drawer's bank, for whatever reason, at any time in the future (i.e. with full recourse). Should the account have insufficient funds to cover such a debit, the Bank shall have full recourse to the Client and the Client agrees to immediately reimburse the Bank with any shortfall.
- 8.3 The Bank may accept cheques, drafts and other instruments which are drawn in favour of the Client or to bearer and may in its sole discretion refuse any payable to a third party even though endorsed.
- 8.4 In relation to foreign cheques, drafts or other instruments handed to the Bank for collection or negotiation the Client acknowledges that foreign cheques, drafts or other instruments payable abroad, are subject to local law and in certain circumstances the Client will be liable to be called upon to reimburse the correspondent bank abroad, in respect of certain items including, but not limited to, forged cheques, endorsements, or material alterations, discovered after the foreign cheque, draft or other instrument has been paid. Such liability can remain outstanding for some considerable time, in some cases up to six years or more. Therefore the Bank will maintain a full right of recourse against the Client and the Client agrees to immediately reimburse the Bank with any shortfall. The right of recourse shall be in addition to that, which the Bank has in respect of any foreign cheque, draft or other instrument, which are subject to an advance or negotiation and which are subsequently returned unpaid for normal banking reasons including, but not exclusively, insufficient funds or because the account has been closed.
- 8.5 Collection of foreign cheques, drafts or other instruments will be subject to the Uniform Rules for Collection of the International Chamber of Commerce publication in force on the date the collection is received by the Bank. The Bank will make these Rules available for inspection, at the Client's request upon reasonable notice.

9. Continuation

- 9.1 Where an account is held by two or more trustees:
- 9.1.1 If any trustee dies or ceases to be a trustee, the Bank may treat the continuing trustee(s) as having full power to administer the trust, including in relation to carrying on the trust activities and dealing with the trust assets. This applies unless the Bank receives written notice to the contrary from any of the continuing trustees.
- 9.1.2 When a trustee ceases to be a trustee, each trustee (including the trustee who retires, is removed, or otherwise ceases to act) remains separately responsible to the Bank to repay all and any debts owing to the Bank in connection with this Agreement until the continuing trustee(s) have notified us of the change of trustee(s) and confirmed to us in writing that they are to be bound by this Agreement as trustee(s) and to the exclusion of the person who has ceased to be a trustee.
- 9.1.3 When a new trustee is appointed, this Agreement shall apply to the new trustee and the continuing trustee(s) jointly and the continuing trustee(s) shall notify the Bank of the change of trustee without delay and shall ensure that the new trustee completes an application form in connection with the Portfolio to acknowledge agreement to this Agreement.
- 9.2 Where a Client is a partner in a partnership:
- 9.2.1 If any partner dies or ceases to be a partner, in the absence of written notice to the contrary, this Agreement shall continue and we will treat any surviving or continuing partner as having full power to give us instructions on behalf of all of the remaining partners as if there had been no change to the partnership.

10. Confidentiality

- 10.1 Subject to the terms of this section, the Bank will hold in confidence information about the Client and the Client's accounts. Disclosure by the Bank will only be made:
- 10.1.1 with the Client's authority; or
- 10.1.2 where it is necessary for the Bank to obtain Lloyds Banking Group credit approval for a credit facility for the Client; or
- 10.1.3 where the Bank is required to disclose information pursuant to a Royal Court of Jersey or Guernsey Order; or
- 10.1.4 where the Bank is otherwise required or permitted by law to do so; or
- 10.1.5 to credit reference agencies; or
- 10.1.6 to other companies within the Lloyds Banking Group (unless the Client requests otherwise in writing).
- 10.2 The Bank will comply with any Data Protection legislation in each Island.
- Lloyds Bank Private Banking is registered with the Jersey Data Protection Registrar pursuant to the Data Protection (Jersey) Law 2005 or any amendment of or replacement of that legislation. Lloyds Bank International Limited – Guernsey branch, is registered in Guernsey with the Guernsey Data Protection Commissioner pursuant to the Data Protection (Bailiwick of Guernsey) Law 2001.**
- 10.3 The Bank conducts its business in accordance with all legal and regulatory requirements under Island law. These include all anti-money laundering requirements which require the Bank to disclose information that would otherwise be confidential where required to do so by Island law, order of court or other relevant authority and as suggested, required or advised by the Jersey Financial Services Commission and the Guernsey Financial Services Commission from time to time in Guidance Notes issued by them or otherwise.

11. Combination of accounts; set off

The Bank reserves the right to combine or consolidate the accounts of the Client. The Bank may, at any time (including before the maturity date of any Term Deposit account) and without prior notice to the Client, apply any credit balance to which the Client is entitled on any account in the Client's name with the Bank in satisfaction of any sum due and payable by the Client. For this purpose, the Bank may purchase, with moneys standing to the credit of an account, any other currency necessary to make the application.

12. Foreign exchange

- 12.1 Where the Bank agrees to undertake a foreign exchange transaction for the Client such transaction will be executed by the Bank on a spot value basis on the day of receipt of instructions from the Client provided that such instructions are received within Business Hours and dealing is not restricted by market practices or normal time limits.
- This will be effected at the Bank's prevailing buying or selling rate of exchange for the relevant currency and reference herein to the spot value means a transaction for settlement two Business Days after the dealing date.**
- 12.2 The Bank may undertake to effect foreign exchange transactions on a forward basis where settlement would be in excess of two Business Days from the dealing date subject to such conditions as the Bank shall specify at the relevant time.
- 12.3 The Bank will treat as an instruction to enter into foreign exchange transactions on behalf of the Client any transaction or instruction where the Bank receives money for, or is requested to effect payments from, the Client's account in a different currency from that in which the Client's account is maintained. The Bank will exchange the moneys received into the currency of the account, or exchange the moneys on the account into the currency of the requested payment, without further reference to the Client, unless the Client has issued other specific instructions to the Bank to the contrary.
- 12.4 Where the Bank accepts a stop order for the sale or purchase of foreign currency, the Order will be valid for a maximum period of one month when it will automatically expire unless renewed by the Client in writing. The Bank reserves the right to refuse to accept such stop orders without needing to divulge the reason for so doing.

13. Conflicts of interest

- 13.1 The Bank may effect transactions for the Client through the agency of and/or with a counterparty which is an organisation or person otherwise associated with the Bank even if a conflict of interest may arise, and the Bank may effect any such transaction without prior reference to the Client.

The Bank may also effect transactions in which the Bank has a direct or indirect material interest without reference to the Client. The Bank or an associated company, or a director, officer or employee of any such company may from time to time have a position in or underwrite or deal in one or more of the securities on which the Bank may have provided investment advice or dealt on a discretionary basis. The Bank may also act as principal in any transaction with the Client.

- 13.2 The Bank may agree to pay commission or other fees to any intermediary who has introduced the Client or business from such Client to the Bank and the Bank shall be under no duty to disclose the existence of such intermediary or the amount of such commission or fees to the Client.

14. Termination

- 14.1 The Bank shall have the right to close an account at any time after thirty days prior notification to the Client without being required to give any reason for so doing. As soon as is reasonably practicable after the date of closure the Bank will send to the Client by ordinary post a cheque for the balance of and in the currency of the account. If the Bank is unable, at the time of closure, to make payment to the Client, because of any reason or cause beyond the Bank's control, the Bank may nevertheless treat the relationship of banker and customer as terminated and the Bank shall have no liability to make payment to the Client except to the extent it is subsequently able to do so.
- 14.2 The contract with the Client comprising these Terms and Conditions shall be terminated forthwith upon closure of the Client's account, provided that:
- 14.2.1 any sums payable by the Client to the Bank, including without limitation all amounts due in respect of periodic fees, shall be immediately payable;
- 14.2.2 any forward or contingent transaction or liability outstanding shall, at the discretion of the Bank, be closed out, otherwise made due and payable or completed and the Bank shall be at liberty to retain sufficient moneys from those due to the Client for this purpose; and
- 14.2.3 termination shall be without prejudice to the completion of transactions already initiated or to any liability (actual or contingent) already incurred by the Client to the Bank.
- 14.3 The Client has the right to cancel this contract at any time. In order to cancel the contract, please write to the Bank.

If the Client makes use of the product/Service before the Client exercises the right to cancel, the Bank will charge for the benefit of using the product/Service received by the Client up to the date of cancellation on a pro-rata basis based upon the time elapsed.

15. Assignment

The Bank may at any time assign its rights and obligations under these Terms and Conditions, any mandate executed by the Client and any agreement with or concerning the Client or an account of the Client to any person, whereupon reference to the Bank in this Agreement should, where appropriate, be read as reference to that person.

16. Notices

All written notices and other communications to the Client from the Bank shall be deemed to be duly given or made when delivered (in the case of personal delivery), 2 days after posting (in the case of posted letter), 1 hour after transmission (in the case of facsimile provided that the correct facsimile number is dialled) to the last address or facsimile number, as the case may be, on the Bank's records provided always that notices subject to a hold mail mandate shall be deemed received in accordance with the terms of that mandate.

17. Common law

These Terms and Conditions set out certain principal terms governing the relationship between the Bank and Client. The Terms and Conditions do not exclude Terms and Conditions implied by law between banker and customer save where such implied terms are inconsistent with the Terms and Conditions in which case the Terms and Conditions shall prevail.

18. Bankers reference

Where the Bank is authorised or requested by the Client to give a bankers reference to another:

- 18.1 the Bank may in its sole discretion refuse to do so; and
- 18.2 the Bank shall not be liable to the Client or to any third party in respect of any statement made by it in such reference.

19. Exclusion of Supply of Goods and Services (Jersey) Law 2009

To the extent permitted by law, no statutory terms (which shall include warranties, conditions or other contractual provisions), rights, duties or liabilities imposed under the Supply of Goods and Services (Jersey) Law 2009 shall apply in relation to the Services.

20. Severability

- 20.1 If at any time one or more of the provisions of this Agreement becomes invalid, illegal or unenforceable in any respect, that provision shall be severed from the remainder and the validity, legality and enforceability of the remaining provisions of this Agreement shall not be affected or impaired in any way.
- 20.2 If any provision is so found to be invalid, illegal or unenforceable in any respect, the parties agree that it shall be applied in a manner that achieves such provision's intended effect to the greatest extent valid, legal and enforceable.

21. Governing law and jurisdiction

The laws of Jersey or the laws of the island of Guernsey apply to this Agreement, depending on where the account is held or from where the product or Service is provided. The Courts of such jurisdiction shall have non-exclusive jurisdiction over any proceedings in connection with any disputes in relation to this Agreement.

Important information about your personal information

This information is not part of your Terms and Conditions with us.

Personal data

Who we are

Your information will be held by Lloyds Bank International Limited which is part of the Lloyds Banking Group. More information on the Lloyds Banking Group can be found at [lloydsbankinggroup.com](https://www.lloydsbankinggroup.com)

How we share your information with Group Companies

Your personal information will be shared within the Lloyds Banking Group so that we and any other companies in our Group can look after your relationship with us. By sharing this information it enables us to better understand your needs, run your accounts, and provide products in the efficient way that you expect.

Using information for fraud prevention

We will share your personal information with fraud prevention agencies. If false or inaccurate information is provided and fraud is identified, details of this fraud will be passed to these agencies to prevent fraud and money laundering. Further details explaining how information held by the fraud prevention agencies may be used can be obtained by reading the Privacy Statement at international.lloydsbank.com/privacy or contacting your local branch.

Undertaking credit searches

We may obtain information about you from credit reference agencies, fraud prevention agencies, and Group records to check your credit status and identity. The agencies will record our enquiries which may be seen by other companies who make their own credit enquiries. This may affect your ability to obtain credit elsewhere in the near future. We may also use credit scoring.

Undertaking credit searches on a joint application

When you opened your account(s), your application may have been assessed using credit reference agency records relating to you and anyone with whom you have a joint account or similar financial association. If a joint application has been made and such a link did not already exist then one may have been created. These links will remain until you successfully apply for a 'notice of disassociation' at the credit reference agencies.

If you provided information on behalf of a joint applicant we understand you had their permission to do so and they have agreed that we are authorised to search, link and record information about them at credit reference agencies.

Checking your identity

We may ask you to provide physical forms of identity verification when you open your account(s). Alternatively, we may search credit reference agency files in assessing your application(s). The agency also gives us other details and information from the Electoral Register to verify your identity. The agency keeps a record of our search, whether or not your application proceeds. Our search is not seen or used by lenders to assess your ability to obtain credit.

How we use your information to contact you about products & services

Lloyds Banking Group companies may use your information to contact you by mail, telephone, email or text message about products and services that may be of interest to you. If you do not wish to receive this information please let us know.

Further information

It is important that you understand how the personal information you give us will be used. Therefore, we strongly advise that you read our Privacy Statement, which you can find at international.lloydsbank.com/privacy or you can ask us for a copy. Please let us know if you have any questions about the use of your personal information.

Please go to lloydsbank.com/international
or call us on +44 1534 845 550

Important Information

Issued by Lloyds Bank International Limited trading as Lloyds Bank Private Banking. Registered Office and principal place of business: PO Box 160, 25 New Street, St. Helier, Jersey JE4 8RG. Lloyds Bank International Limited. Registered in Jersey No. 4029. Regulated by the Jersey Financial Services Commission. We abide by the Jersey Code of Practice for Consumer Lending.

Lloyds Bank International Limited is a participant in the Jersey Bank Depositors Compensation Scheme. The Scheme offers protection for eligible deposits of up to £50,000. Eligible deposits are deposits held by private individuals and charities. Depositor protection does not extend to corporations, small to medium sized enterprises, partnerships and trusts. The maximum total amount of compensation is capped at £100,000,000 in any 5 year period. Full details of the Scheme and banking groups covered are available on the States of Jersey website www.gov.je/dcs or on request.

The Guernsey branch of Lloyds Bank International Limited is licensed to conduct banking, investment and insurance intermediary business by the Guernsey Financial Services Commission under the Banking Supervision (Bailiwick of

Guernsey) Law 1994, the Protection of Investors (Bailiwick of Guernsey) Law 1987 and the Insurance Managers and Insurance Intermediaries (Bailiwick of Guernsey) Law 2002. Business Address: PO Box 53, 1 Smith Street, St. Peter Port, Guernsey GY1 4BD.

Lloyds Bank International Limited is a participant in the Guernsey Banking Deposit Compensation Scheme. The Scheme offers protection for 'qualifying deposits' up to £50,000, subject to certain limitations. The maximum total amount of compensation is capped at £100,000,000 in any 5 year period. Full details are available on the Scheme's website: www.dcs.gg or on request from Telephone: +44 (0) 1481 706359 or Post: PO Box 53, 1 Smith Street, St. Peter Port, Guernsey GY1 4BD.

Please note that, in relation to banking services which we provide, you might not be eligible for compensation under a deposit protection guarantee scheme available in your country of residence. If in doubt, contact your local banking regulator, visit their website or seek independent advice.



LLOYDS BANK