

August 2019

Please read this important information carefully.

Charles Schwab, U.K., Limited Account Agreement

This Agreement contains important terms and conditions that apply to your Charles Schwab U.K. Account. Please read it carefully and retain it for future reference. It consists of:

- this Covering Letter;
- the Charles Schwab U.K. Terms in Respect of Brokerage and Custody Services (set out in Part 1); and
- the Charles Schwab U.K. Account General Terms (set out in Part 2).

Some of the terms used in this Agreement have a special meaning—these are set out in the “Definitions” section below.

References in this Agreement to:

- we/us/our/Schwab—are to Charles Schwab & Co., Inc.; and
- Schwab U.K.—are to Charles Schwab, U.K., Limited.

The Charles Schwab U.K. Account: Key Points

The Charles Schwab U.K. Account consists of three types of service: Cash Services; Brokerage and Custody Services; and optional Margin Lending Services. These services are provided by different Schwab companies as set out below.

The purpose of this section is to explain which Schwab entity will be providing each of the Charles Schwab U.K. Account services and the terms and conditions that will apply to those services.

Each service is subject to its own terms and conditions, and each company will have a separate agreement with you on the terms and conditions for that service.

Service	What activities does this service cover?	Which Schwab entity provides the service?	Which terms and conditions apply to the service?	What is the governing law?
Brokerage and Custody Services	<ul style="list-style-type: none">• Buying and selling securities• Holding your securities (custody)	Charles Schwab, U.K., Limited	<ul style="list-style-type: none">• Covering letter• Charles Schwab U.K. Account—U.K. Terms in Respect of Brokerage and Custody Services (Part 1)	English law
Margin Services (lending)	<ul style="list-style-type: none">• Providing you with margin (lending) which can be used for:<ul style="list-style-type: none">◦ securities transactions;◦ short sales/short options; and◦ to cover debit balances on your Account.	Charles Schwab & Co., Inc.	<ul style="list-style-type: none">• Covering letter• Charles Schwab U.K. Account—General Terms (Part 2): Margin and Short Account Agreement• Charles Schwab U.K. Account—General Terms (Part 2)	State of California (U.S.)
Cash Services	<ul style="list-style-type: none">• Visa® Debit Card	Charles Schwab & Co., Inc.	<ul style="list-style-type: none">• Covering letter• Charles Schwab U.K. Account—General Terms (Part 2)• Use of the Visa® Debit Card is also subject to Charles Schwab & Co., Inc. Visa® Debit Card Agreement and Disclosure Statement. If you decide to become a Visa® Debit Card holder, you will receive your Charles Schwab & Co., Inc. Visa® Debit Card Agreement and Disclosure Statement with your new card.	State of California (U.S.)

Governing law

Different laws and regulations apply to the different Charles Schwab U.K. Account services. Where, in accordance with the table above, a service is provided to you by:

- Charles Schwab, U.K., Limited (Brokerage and Custody Services)—the terms and conditions that apply to the service will be governed by English law.
- The U.K. rules relating to the protection of retail clients will apply to these services, including the U.K. Financial Ombudsman Service and Financial Services Compensation Scheme (provided that you meet the eligibility criteria).
- Charles Schwab & Co, Inc. (Cash Services and Margin Services)—the terms and conditions that apply to the service will be governed by the laws of the United States, State of California.
- The U.K. rules relating to the protection of retail clients do not apply to these services; in particular, they will not be covered by the U.K. Financial Ombudsman Service or Financial Services Compensation Scheme. In addition, any cash held for you will be in a U.S. account and will not be treated as client money for the purposes of the U.K. rules, which means that the U.K. rules for the protection of client money will not apply.

Please contact a Schwab representative if you require further information about what regulatory protections apply to each of the services.

Minimum Requirements to Open and Maintain an Account

There may be minimum deposit requirements to open and maintain a Charles Schwab U.K. Account. The minimum deposit may consist of a check, money order, Electronic Fund Transfer and/or securities.

If your Account falls below the minimum value required to maintain the account, you authorise Schwab and/or Schwab U.K. to take such actions as are appropriate, in their discretion, to close your Account. Unless there is no balance in your Account, you will be given notice prior to closing your Account.

You authorise Schwab and/or Schwab U.K. to liquidate shares of any security, including, but not limited to, shares of any funds or other entities whose shares are in a continuous offering (“funds”) held for you that are not transferred to the issuer for any reason.

Upon closing your account, you will receive your certificates or a book-entry statement from the agent for non-fund securities held for you (if the physical certificates are being issued and transferred by the company and/or the Transfer Agent) or a check reflecting the cash balance in your account at the time it is closed, or both, in our sole discretion. If, after your Account is closed for any reason, Securities or Other Property from any source are credited to your Account, you authorise Schwab and/or Schwab U.K. to mail to you either certificates for non-fund securities or a check reflecting the cash balance in your Account, or both. In computing the cash balance of your Account at the time it is closed, any unpaid fees or charges (including account service fees), a certificate processing fee or other charges related to closing your Account may be deducted. You agree not to hold Schwab and/or Schwab U.K. responsible for any losses incurred in connection with the closing of your Account.

Terminating Your Schwab U.K. Account

You may close your Schwab U.K. Account anytime by giving Schwab U.K. notice and by ceasing to write checks and using the Visa® card. We or Schwab U.K. may in our sole discretion close your Account or terminate any or all services rendered under the Charles Schwab U.K. Account Agreement anytime and for any reason. Closing an account or terminating services will not affect your obligations incurred prior to closure or termination, including the obligation to pay Visa® transactions, checks or other charges.

Upon termination, you must destroy all Visa® Debit Cards and unused checks, and we and/or Schwab U.K. may hold your funds or securities until you have notified us in writing that all Visa® cards and checks are

destroyed. Subject to the preceding provisions of this section, the balance of your Account, minus the amount of any outstanding Visa® authorisations and interest charges, may be picked up at your local Schwab office or mailed to you (securities will be mailed). Funds held to cover outstanding authorised Visa® transactions, minus any debits resulting from such transactions, will be mailed to you 10 Business Days after your Account is closed.

Contacting You

Any written communications will be directed to the mailing address or facsimile number and oral communications to the telephone number you provided on your Account Application, or as you otherwise specify. Any communications directed to such an address, facsimile or telephone number, whether by mail, facsimile, telegraph, messenger, electronic mail, voice mail or otherwise, are considered delivered to you personally, whether or not you actually receive them.

Your Right to Cancel

If you have entered into the Charles Schwab U.K. Account Agreement without a face to face meeting with a representative, you may cancel the Agreement within 14 calendar days. The cancellation period starts on the date on which we agreed to provide the Charles Schwab U.K. Account to you or, if later, the date on which you received the Charles Schwab U.K. Account Agreement.

If you wish to cancel, you must provide notice in writing to Charles Schwab, U.K., Limited, 33 Ludgate Hill, London, EC4M 7JN. You will not have any further obligations under this Agreement, and you will not be charged any fee for cancelling. If, however, you have undertaken any transactions, then you will be responsible for any costs and charges associated with those transactions. You also acknowledge that Schwab and Schwab U.K. are not responsible for any losses you may incur due to changes in the market price of securities.

Regulatory Status

Charles Schwab, U.K., Limited is a U.K.-incorporated subsidiary of the Charles Schwab Corporation and is authorised and regulated by the U.K. Financial Conduct Authority. Firm Reference Number 225116. Registered in England and Wales No. 4709153. Registered Office: 78-84 Colmore Row, Birmingham, B3 2AB. Head Office: Charles Schwab, U.K., Limited, 33 Ludgate Hill, London, EC4M 7JN. FCA address: 25 The North Colonnade, Canary Wharf, London, E14 5HS.

Charles Schwab & Co., Inc. is a member firm of the Financial Industry Regulatory Authority (FINRA). As such, we are required to inform you of the availability of a FINRA Investor Brochure, which includes information on the FINRA Public Disclosure Program. You may contact the FINRA public hotline at 1-800-289-9999 or on the Internet at www.finra.org.

Definitions

- **Account**—Account means the brokerage Account established under your Schwab U.K. Account Application and Schwab U.K. Account Agreement.
- **Accounts of Your Household**—Accounts of Your Household are accounts that have been linked in accordance with Schwab’s householding guidelines. Schwab makes a reasonable effort to automatically link qualified accounts of persons with the same last name at the same home address, including accounts held at certain Schwab affiliates. You are responsible for identifying accounts that should be linked for purposes of determining Accounts of Your Household and Household Calculations.

Schwab aggregates the balances and activities of Accounts of Your Household to determine for brokerage accounts: commission rates, the interest rates that certain cash balances receive, whether those accounts may qualify for certain fee waivers, and whether those accounts may qualify for certain benefits or features (“**Household Calculations**”).

Schwab may consider other accounts to be in your household upon your request if account holders are in the same family, there is a

dependent relationship, or in certain other similar instances at Schwab's discretion. For example, if you or other members of your family who reside at your home address have a different last name (including a spouse, if applicable), you need to contact Schwab to request that we combine your accounts for purposes of Household Calculations. If an account is added to the Accounts of Your Household, any impact on Household Calculations may not take effect until the following quarter.

- **ATM Withdrawal**—A transaction in which you receive money from an ATM.
- **Authorisation Limit**—The maximum amount you may withdraw from your Charles Schwab U.K. Account.
- **Available Margin Loan Value**—The amount of credit we may extend to you based on the value of marginable securities held in your Margin and Short Account. Clients residing within Europe, including the U.K., are restricted from using their available margin loan value to withdraw funds from their accounts.
- **Bank**—BNY Mellon Investment Servicing Trust (IST) Company and/or its affiliates, the entity responsible for administering the Bank Services.
- **Banking Day**—ATM withdrawals: The Bank uses seven Banking Days each week for purposes of the security limits on the number and amount of withdrawals from ATMs you can make. Banking Days begin at midnight, U.S. Eastern Time.

Cash advances, purchases and authorisations: The Bank uses six Banking Days each week for these purposes U.S. Eastern Time. The period from Friday at 6:00 p.m. to Sunday at 6:00 p.m. U.S. Eastern Time is counted as one Banking Day.
- **Business Day**—Business Day is any day that the New York Stock Exchange and the Federal Reserve Bank of New York are open. (Although our offices may be open on certain bank holidays, these days are not considered Business Days for purposes relating to the transfer of funds.)
- **Cash Account**—The basic brokerage account we offer.
- **Cash Features**—Subject to eligibility requirements, the options that we offer to you for your uninvested cash: the Schwab One® Interest feature and the Money Fund Sweep feature.
- **Cash Services**—Checking account and Debit Card services provided by the Bank.
- **Day Trading**—Regular transmission of intraday orders to effect both purchase and sale transactions in the same security or securities.
- **Debit Balance**—An account balance representing money owed to us.
- **Debit Card**—The Schwab U.K. Visa® card is a debit card, not a credit card. This means that purchases and cash withdrawals you make with the card will be charged against assets in your Charles Schwab U.K. Account, rather than against a line of credit extended by the Bank.
- **Electronic Fund Transfer**—Any transfer of funds initiated or authorised by you through an electronic payment system such as the Automated Clearing House (“ACH”) Network, including the electronic fund transfers you can make with a Visa® Debit Card as described in the Charles Schwab & Co., Inc. Visa® Debit Card Agreement and Disclosure Statement or the electronic check conversions that occur when you authorise a merchant or other payee to make a one-time electronic payment from your Account using information from your check to pay for purchases or pay bills.
- **FCA Rules**—The rules (and guidance) made by the U.K. Financial Conduct Authority.
- **FDIC**—The Federal Deposit Insurance Corporation.
- **Free Credit Balance**—Defined for purposes of this Agreement as the uninvested cash in your Account, minus the following: (i) funds necessary to pay for purchase transactions due to settle within the two Business Days after funds are eligible to be swept to a Cash Feature; (ii) charges to your Account, including, but not limited to, Visa® transactions, ATM withdrawals, Electronic Fund Transfers, wire transfers and checking transactions; (iii) any unposted Visa® transactions; and (iv)

credit balances that are designated as collateral for your obligations, such as a cash balance resulting from a short sale. Proceeds from the sale of securities will not become a Free Credit Balance until the Business Day following settlement date. Credits that result from dividends or interest payments, deposits, wired funds, reorganization activities or other non-trade-related transactions will not become a Free Credit Balance until the next Business Day. In determining whether to sweep funds through Money Fund Sweep feature, we may, but are not obligated to, offset credits and debits against each other.

- **FSCS**—The U.K. Financial Services Compensation Scheme.
- **Good Delivery**—The delivery to us of freely transferable securities (that is, properly registered, endorsed and fully negotiable stock or bond certificates).
- **Household Balance**—Household Balance means the total combined value, over a given period of time, in the Accounts of Your Household, including margin balances and other outstanding debit balances like mortgage, Home Equity Line of Credit (“HELOC”) and credit card balances. For the purpose of determining commission rates, interest rates, and fee waivers, Schwab adds up your daily Household Balances and then divides the total amount by the number of days in the applicable period.
- **Household Calculations**—Schwab's calculation of fees, fee waivers, interest rates and other benefits and features that apply to the Accounts of Your Household.
- **Long Sale**—The sale of a security that you own.
- **Margin and Short Account Feature**—Adding this feature to your Charles Schwab U.K. Account allows you to borrow funds from Schwab, using acceptable securities or cash as collateral for the loan. You must have this feature to make short-sale transactions or to trade options. Charles Schwab, U.K., Limited clients are not eligible for margin.
- **Money Fund Sweep feature**—The Cash Feature that sweeps the Free Credit Balance in your Account into a Schwab Sweep Money Fund.
- **Other Property**—Money, instruments (including certificates of deposit and other financial instruments) and any other property or rights.
- **Schwab Account**—The basic brokerage account at Schwab that allows you to buy and sell stocks, bonds, mutual funds and other investments. This account does not include Bank Services such as checks and Visa®.
- **Charles Schwab U.K. Account Agreement**—The agreement you make with us and the Bank when you open a Charles Schwab U.K. Account, consisting of the Charles Schwab U.K. Application, this Charles Schwab U.K. Account Agreement and any other written agreements between you and us concerning your Charles Schwab U.K. Account, all as amended from time to time.
- **Schwab U.K. Application**—The application you submit to open a Charles Schwab U.K. Account.
- **Schwab Sweep Money Fund**—Each of the Schwab money market funds offered as part of the Money Fund Sweep feature.
- **Securities**—Securities of any kind and nature, including those you may deposit or redeposit with us for any reason (including safekeeping), as well as uncertificated securities, such as money market fund shares.
- **Short Sale**—The sale of a security you do not own at the time the order is placed.
- **Sweep**—The automatic investment of a Free Credit Balance by Schwab into a Cash Feature other than the Schwab One® Interest feature.
- **To close any or all transactions**—To complete or liquidate any or all unsettled transactions; to cancel open orders; to sell any or all Long Securities and Other Property, including options; to buy any or all Securities and Other Property that are short in the Schwab U.K. Account or required for delivery against any sale order or other obligation; and to purchase option contracts to close any outstanding short option positions.
- **You/Your/Account Holder**—Each person who signs the Charles Schwab U.K. Account Application.

Part 1

Charles Schwab U.K. Account Terms In Respect of Brokerage and Custody Services

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1. Client Categorisation

For the purposes of the Brokerage and Custody Services, unless otherwise notified, Schwab U.K. will treat you as a retail client. This means that you will receive the highest degree of consumer protection under the FCA Rules.

2. Provision of Services

Schwab U.K. will act as your broker to purchase and sell securities for your Account and on your instructions. It will also hold securities for you as your custodian. When acting as your broker, Schwab U.K. will generally execute transactions through its affiliate, Schwab and/or other intermediate brokers. Schwab will also act as Schwab U.K.'s sub-custodian when Schwab U.K. holds your securities.

When transferring assets from another firm, be advised that Schwab U.K. will not accept or honor any oral or written instructions from you to purchase or sell securities prior to its actual receipt of your assets and the completion of the transfer process. You may initiate orders relating to the transferred cash and/or securities only after the transfer process has been completed and the assets have been received by Schwab U.K. If you wish to transfer short positions from another firm, Schwab will attempt to lend you securities to cover your transaction at the other firm. If Schwab lends you securities, you may be required to pay it a fee for as long as you maintain the short position. The fee may change on a daily basis. If Schwab is unable to obtain shares to lend to you, you will not be permitted to transfer the short position to your Schwab Account.

3. Costs and Charges

General

The costs and charges that you must pay in relation to the Brokerage and Custody Services provided by Schwab U.K. are set out in the Schwab Pricing Guide.

You agree to pay Schwab U.K.'s commissions and transaction, processing, and other fees as they exist from time to time and apply to your transactions and services you receive. Schwab U.K.'s failure to deduct fees from your Account at the time you incur those fees does not waive its right to deduct those fees from your Account at a later time. Schwab U.K. may accept custody of certain assets not normally available through Schwab U.K.; it will charge fees for this service.

Schwab U.K. does not charge transaction fees on purchases and redemptions of shares of certain registered investment companies or commissions on certain exchange-traded products that participate in certain Schwab programs and services. Schwab U.K. is able to effect these transactions without charging a transaction fee/commission because its affiliates receive remuneration from the registered investment company, exchange-traded product, and/or their affiliate for services rendered by Schwab U.K. or its affiliates in connection with these shares.

Additional information about Schwab U.K. and Schwab's financial relationships with funds and exchange-traded products is available on www.schwab.com. Further information will be provided upon request.

Schwab U.K. may charge transaction fees under certain circumstances for which the customer has been or will be notified, including, but not limited to, Schwab U.K.'s short-term redemption policy, as in effect from time to time.

Schwab U.K. reserves the right, but has no obligation, to negotiate different prices or arrangements than those described in a Pricing Guide or elsewhere with account holders and with unaffiliated third parties acting as agents for certain account holders.

Taxes

You agree to pay any applicable national, federal, state and local taxes.

Changes to Pricing Guide

Schwab U.K. may modify a Pricing Guide or fee schedule applicable to a Service at any time. Schwab U.K. will provide notice to you of any

change in fee or new fee applicable to you in accordance with applicable laws and regulations. Your continued use of your Account or a Service following such a change in fee or new fee will evidence your consent.

Debit and Credit Cards

Some fees may be charged to a debit or credit card. By authorising Schwab U.K. to charge a debit or credit card, you are authorising Schwab U.K. or its respective designated representatives or agents to automatically continue charging that card (or any replacement credit card account if the original card is renewed, lost, stolen or changed for any reason by the credit-issuing entity, and such entity informs Schwab U.K. of such new replacement card account) for all fees and charges associated with your transactions or the products or Services you receive from Schwab U.K.

4. Services and Costs and Charges

Enrollment in a Service

Schwab U.K. offers a number of account types, service features and benefit packages, each of which is referred to as a "Service" for purposes of your Account Agreement. Each Service may have unique costs and charges and additional terms and conditions. By enrolling in a Service or otherwise using a Service and not discontinuing your enrollment in that Service, you agree to abide by the terms and conditions or supplemental agreement ("Terms of Service") applicable to such Service, in addition to the Account Agreement.

Some Services may have a special fee schedule that is not included in the applicable Pricing Guide. If so, Terms of Service that you receive at the time you receive or enroll in the Service will include that additional pricing information. You agree to review the Terms of Service and not to use or not to continue use of the Service if you do not agree to pay the applicable fees.

Householding Guidelines

Unless you notify Schwab U.K. otherwise, Schwab U.K. will make a reasonable effort to link qualified accounts of persons with the same last name at the same home address. Schwab U.K. may link other accounts upon your request if account holders are in the same family, there is a dependent relationship, or in certain other similar instances at Schwab U.K.'s discretion. Certain accounts may not be eligible for linking. The assets of linked accounts are not commingled, and all clients linking accounts retain control over, and responsibility for, their individual accounts.

Schwab U.K. is not responsible for identifying accounts that are eligible to be linked for purposes of determining the Accounts of Your Household. It is the obligation of fiduciaries to notify Schwab U.K. of accounts that should not be linked. You agree to contact Schwab U.K. if you are acting in a fiduciary capacity and want your fiduciary account aggregated as part of the Household Calculation or excluded from the Household Calculation. You may contact Schwab U.K. or your independent investment advisor ("advisor") for more information or to give Schwab U.K. instructions with respect to linking eligible accounts.

Certain fees and other items relating to your account are calculated by considering (i.e., aggregating) activities and balances in the Accounts of Your Household. You acknowledge and agree that it is your responsibility to review the applicable Pricing Guide or fee schedule and your account statements, and to consult with other members of your household who may have accounts with Schwab U.K. to determine whether Schwab U.K. should update or change its Household Calculations. While Schwab U.K. will make a good faith effort to identify and consider on its own the Accounts of Your Household in order to calculate any potentially applicable fee waivers, you acknowledge and agree that Schwab U.K. is not responsible for any claimed error in making Household Calculations if you fail to contact Schwab U.K. with concerns or questions about how Schwab U.K. is making Household Calculations. If there are other holders of Accounts of Your Household, you understand and acknowledge that Schwab U.K. may use general information about your Household Balance and activities to provide or explain Household Calculations or

Services available to you and those other holders of Accounts of Your Household. If you do not want your account data included with data from other Accounts of Your Household for such purposes, you agree to contact Schwab U.K.

5. Payment of Amounts Due

You agree to make payment of any amounts due to Schwab U.K. related to your Charles Schwab U.K. Account, including, but not limited to, any such amounts that result from instructions provided to Schwab U.K. by you, your agent or any attorney-in-fact under a power of attorney or advisor authorised to make transactions in your Charles Schwab U.K. Account. Schwab U.K. may elect anytime, with or without notice, to make any debit balance or other obligation related to your Account immediately due and payable. Schwab U.K. may report any past due account to a consumer and/or securities credit reporting agency. Schwab U.K. may also refer your Account to a collection agency.

6. Order Routing and Execution

You agree that Schwab U.K. may execute orders for you:

- by routing the order to a third party for execution, such as another broker (including Schwab); or
- by entering into the transaction on your behalf (acting as your agent).

Generally, Schwab U.K. executes orders by routing them to its U.S. affiliate, Schwab, which arranges for execution as set out below.

When Schwab U.K. routes orders or executes transactions for you, it will (unless indicated or agreed otherwise) follow its Best Execution Policy. Schwab U.K. considers the factors set out in the Best Execution Policy when evaluating execution quality.

Orders sent by Schwab U.K. to Schwab are executed as set forth herein. In arranging for the execution of Non-Directed Orders for equities and listed options, Schwab seeks out industry-leading execution services and access to the best-performing markets. Schwab routes orders for execution to unaffiliated broker-dealers, who may act as market maker or manage execution of the orders in other market venues, and also routes orders directly to major exchanges. Schwab considers a number of factors in evaluating execution quality among markets and firms, including execution price and opportunities for price improvement, market depth and order size, the trading characteristics of the security, speed and accuracy of executions, the availability of efficient and reliable order handling systems, liquidity and automatic execution guarantees, and service levels and the cost of executing orders at a particular market or firm. Price improvement occurs when an order is executed at a price more favorable than the displayed national best bid or offer. Schwab regularly monitors the quality of executions obtained to ensure orders are routed to market venues that have provided high-quality executions over time. Schwab may receive remuneration, such as liquidity or order flow rebates, from a market or firm to which orders are routed. Quarterly information regarding the markets to which Schwab routes orders and the remuneration received is available at www.schwab.com or in written form upon request. Information regarding the specific routing destination and execution time of your orders for up to a six month period is also available upon request. Schwab may execute fixed income orders for customers as agent or as principal for our own account. In the bond market, there is no centralized exchange or quotation service for most fixed income products. Prices generally reflect activity by market participants or dealers linked to various trading systems. A small number of corporate bonds are listed on national exchanges. Although Schwab seeks access to major trading systems, exchanges, and dealer markets in an effort to obtain competitive pricing, at any given time it is possible that securities could be available through other trading systems, exchanges, or dealers at superior or inferior prices compared to those available at Schwab. All prices are subject to change without prior notice.

Best Execution Policy

By accepting these terms, you consent to Schwab U.K. executing orders in accordance with its Best Execution Policy. Please see our **Best Execution Policy** for additional information.

Executing Orders Outside of a Regulated Market or MTF

You authorise Schwab U.K. to execute transactions on your behalf outside a Regulated Market or Multilateral Trading Facility. Schwab U.K. will do this if it considers it is in your best interests for the order to be executed this way, such as when it believes that it can achieve a better price for you.

Specific Execution Instructions

If you give Schwab U.K. specific dealing instructions in relation to a transaction (for example, if you ask Schwab U.K. to execute a transaction on a specific market) and Schwab U.K. agrees to execute the order on that basis, then it may not be possible for Schwab U.K. to obtain the best result that would have been available to you if it had followed its own execution process.

Aggregating Orders

Schwab U.K. may combine your orders with its own orders and the orders of other clients. Schwab U.K. will only do this if it believes that aggregating orders in this way is expected to be advantageous to all of the parties concerned. However, on some occasions, it may work to your disadvantage (for example, in relation to the price achieved).

If Schwab U.K. cannot fill a combined order in full, it will allocate the order to all parties in proportion, unless it reasonably considers that this would not be in your best interests or it is prevented from doing so by applicable law.

Limit Orders

You consent to Schwab U.K. exercising its discretion whether or not to publicise unexecuted Limit Orders in respect of shares admitted to trading on a Regulated Market.

7. Market and Limit Orders

You acknowledge a quote that you obtain at or prior to the time you place a market order is not a guarantee that all or part of your order will be executed at the quoted price. You acknowledge that when you place a market order, the price of the security may change between the time the order is placed and the time it is executed, and you agree not to hold Schwab U.K. liable for these price fluctuations (provided that it has acted in accordance with its Best Execution Policy). In addition, if you place a market order when the trading exchanges or marketplaces are closed, or for a security that has not traded on the public market before, you acknowledge that the security may open for trading at a price substantially higher or lower than the previous closing price or the anticipated price. You agree to pay or receive the prevailing market price at the time your market order was executed, even if the execution price is significantly higher or lower than you anticipated at the time you placed the order.

The price quotes you receive when placing an order apply only to orders for a small number of shares. You acknowledge that the price you will pay or receive may vary substantially if your order is larger than the number of shares to which a price quote applies.

Orders may be executed in multiple lots at different prices.

You can limit the risk of price fluctuations by placing a limit order. However, if you place a limit order, you are less likely to get an execution. Schwab U.K. can provide no assurance that your limit order will be executed at any particular time, or at all. If you do not understand the purpose or effect of either market or limit orders, you agree to call a Schwab U.K. representative to assist you.

8. Changing or Cancelling an Order

You acknowledge that it may not be possible to cancel a market or limit order once you have placed it, and you agree to exercise caution before placing all orders. Any attempt you make to cancel an order is simply a "request to cancel." Schwab U.K. processes your request to change or cancel an order on a best-efforts basis only and will not be liable to you if it is unable to change or cancel your order. Market orders, in particular, are subject to immediate execution, and as a general rule cannot be

cancelled once trading begins. No change or cancellation of market orders will be accepted through the Electronic Services. Moreover, Schwab U.K. cannot guarantee that cancellation requests for any pending orders, placed shortly before trading begins, will be honored. You understand that Schwab U.K.'s ability to process cancellation requests will be impacted by market conditions and trading volumes, both of which are out of its control. If you wish to try to change or cancel your market order, you agree to call a Schwab U.K. representative to assist you. Attempting to replace or change a market order through the Electronic Services can result in the execution of duplicate orders, which ultimately are your responsibility. If an order cannot be cancelled or changed, you agree that you are bound by the results of the original order you placed.

9. Fund Fees, Orders, Distributions and Redemptions

You agree that, in purchasing and redeeming shares of funds through Schwab U.K., Schwab U.K.'s policies and procedures will govern such transactions and not those of the fund as described in its prospectus, which may be either more or less beneficial to you as an investor. In particular, you agree that Schwab U.K.'s policies and procedures on minimum investment requirements, exchange of fund shares, dividend accrual and date for payment of accrued dividends upon redemption of a daily dividend fund may vary from those applicable to direct fund shareholders. You may also be charged a fund's redemption fee that would not be imposed by the fund on direct shareholders holding fund shares under the same circumstances.

Schwab U.K. charges short-term redemption fees on certain fund transactions and reserves the right to restrict individuals who engage in short-term trading of funds from purchasing some or all funds available through Schwab U.K. Its short-term redemption policy, including applicable fees and other restrictions, is available at www.schwab.com and upon request.

Schwab U.K. may also charge a transaction fee for certain fund transactions; you would not incur this fee if you purchased shares directly from a fund company. Your purchase and sale of fund shares may be subject to additional fees the fund imposes, such as sales loads and contingent redemption fees, that are separate from, and in addition to, the transaction and other fees charged to you by Schwab U.K. You agree to pay, and are solely responsible for payment of, all fees charged to you by Schwab U.K. and/or any fund.

Schwab U.K.'s deadline for receiving customer orders to place with a fund for execution at the price next calculated by the fund may be earlier than the deadline set by the fund in its prospectus. It is your responsibility to verify with Schwab U.K. the deadline by which you must place your order with it to obtain the next price calculated. Schwab U.K. generally will attempt to have orders received by it prior to its deadline accepted by the fund for execution at the price next calculated by the fund. However, you may receive a later price than the price next calculated by the fund if, due to operational incompatibilities with the fund or other limitations, Schwab U.K. is unable to support transmission of the order to the fund prior to the next price calculated by the fund. It is your responsibility to verify whether your order will receive the price next calculated by the fund prior to placing your order with Schwab U.K.

A fund may decline to execute an order for the price next calculated by it if Schwab U.K. does not place the order with the fund by a specified time. You agree that Schwab U.K. will not be liable to you for any losses, including lost profits, if the fund does not accept your order for execution at the price next calculated by the fund after Schwab U.K.'s deadline for any reason, including, but not limited to, computer system delays or failures, natural catastrophes or other emergencies, or human error resulting in its late placement of the order with the fund. If a fund declines to accept your order for execution at the price next calculated after Schwab U.K.'s deadline because it did not place the order with the fund by a specified time, Schwab U.K. reserves the right, but is not obligated, to place your rejected order with the fund for execution at the price next calculated by the fund after its acceptance of the order.

A fund may also decline a purchase order, in its sole discretion, if the purchase order exceeds a certain size or for any other reason, and

Schwab U.K. will not be liable for any losses, lost profits, or other damages that allegedly result from the fund's rejection of that purchase order. If a fund declines your purchase order for any reason other than the time Schwab U.K. placed the order with the fund, Schwab U.K. will cancel the order and, if practicable, attempt to notify you; Schwab U.K. will not make another attempt to place such a declined purchase order with the fund.

If you place an order to buy or sell a specific dollar amount of a fund, Schwab U.K. will calculate the number of shares bought or sold by dividing the dollar amount of the order by the price and rounding to the nearest three decimal places. Due to rounding, the actual value of the shares bought or sold may be slightly greater or less than the actual dollar amount of your order. If you place an order to buy or sell a specific number of shares of a fund, Schwab U.K. will calculate the dollar amount of the purchase or sale by multiplying the number of shares by the price and rounding to the nearest two decimal places. Due to rounding, the actual dollar amount may be greater or less than the actual share amount of your order.

There is no obligation to advance redemption proceeds and distributions related to fund shares to your account before they are received from the fund. If this happens, any advance will be provided by Schwab and will constitute an amount owed to Schwab, secured as described in the section entitled "Security for Indebtedness" in Section 6 of the Other Terms section of the General Terms until they are received from the fund. Schwab U.K. reserves the right to reverse the transaction pending receipt of payment from the fund. Schwab is not obligated to pay any interest on distributions from funds or other issuers (including, but not limited to, issuers of equity securities) until such distributions are received by Schwab.

If a fund exercises its right to redeem your shares "in kind" by delivering to Schwab U.K. portfolio securities in payment for your shares instead of cash, Schwab U.K. will hold these securities in your account subject to your instructions. If, however, Schwab U.K. does not normally custody or effect transactions in securities paid to you by your fund, it will take such action as it deems appropriate to effect delivery of such non-standard security to you or to an entity able to assume custody or effect transactions in the security. You agree to pay Schwab U.K.'s commission and transaction, processing, custody and other fees, and/or those of the entity to which your non-standard security is delivered, as they exist from time to time and apply to the transactions and services you receive in connection with these securities paid to you by the fund.

10. Rules and Regulations

Your Charles Schwab U.K. Account and any transactions you make are subject to Schwab U.K.'s house trading rules and policies and the following rules, regulations and policies, all as modified or amended from time to time:

- Applicable rules, regulations, customs and usage of any exchange, market, clearing house or self-regulatory organization; and
- Applicable European, national, federal and state laws, rules, regulations and treaties.

11. Use of Account

You may not use your account or any account-related service to process gambling transactions, or to conduct any other activity, that would violate applicable law. If Schwab U.K. is uncertain regarding the legality of any transaction, it may refuse or freeze the transaction in question while it investigates the matter.

Notwithstanding the foregoing, with respect to any retirement plan brokerage custodial account (including a Company Retirement Account ["CRA"] or Schwab Personal Choice Retirement Account® ["PCRA"]) subject to the terms of this Agreement, you as the plan's Trustee or other applicable plan fiduciary or agent, further acknowledge and agree that Schwab U.K. has no responsibility for determining whether any transaction or investment would constitute a prohibited transaction, generate unrelated business taxable income, or constitute a listed transaction or reportable transaction, as any of those foregoing terms

are defined in the U.S. Internal Revenue Code and regulations thereunder, or to inform you of the consequences and/or reporting requirements with respect to such transactions. Schwab U.K. will have no responsibility for determining whether an investment made in the Account earned income that is deemed to be unrelated business income which is subject to U.S. federal income tax, and will not prepare any returns or perform any tax reporting required as a result of liability incurred for tax on unrelated business taxable income.

12. Payment, Equity Deposit, Settlement and Liquidation

You agree to pay for all transactions you make and all authorized transactions in your Account. When you purchase securities on a cash basis, you agree to pay for the securities by settlement day. You agree that available funds in your Charles Schwab U.K. Account may be used to settle a transaction.

Schwab U.K. may require you to have cleared funds available in your cash account before it accepts your order. When you sell “long” securities, you must own the securities when you place the order. You also agree to make good delivery of the securities you are selling by settlement day.

If you do not make good delivery of your securities when making a sale, or if you do not tender the total purchase price when making a purchase, Schwab U.K. may take appropriate steps to complete, cancel or liquidate the transaction. This may include purchasing or borrowing the securities necessary to make the delivery. Failure to make good delivery includes the deposit of securities by you which are later found to be restricted, cancelled, reported lost or stolen, escheated or otherwise not freely transferable.

You are responsible for all debits, costs, commissions and losses arising from any actions Schwab U.K. must take to liquidate or close transactions in your Charles Schwab U.K. Account, or from your failure to make timely good delivery of securities. If you know or suspect that you have received an overpayment of funds or securities, or if you know or suspect that Schwab U.K. has not yet collected from your Account a fee you have incurred, you agree to notify Schwab U.K., in writing, as soon as you learn of the overpayment or uncollected fee. You further agree not to remove the overpayment of funds or securities or the uncollected fee from the account, or to return the entire overpayment or uncollected fee to Schwab U.K. if it has already been removed from your Account. You agree that you are required to return the full amount of the overpayment or uncollected fee to Schwab U.K., notwithstanding any oral representations made by any Schwab representative to the contrary. If you fail to do so, you will become liable to Schwab U.K. not only for the amount of the overpayment or uncollected fee, but also for the interest and expenses associated with its recovery.

Schwab U.K. may transfer Securities and Other Property from any non-retirement brokerage account in which you have an interest to any other non-retirement brokerage account in which you have an interest, regardless of whether there are other account holders on either account, in order to satisfy deficiencies in any such account or if Schwab U.K. thinks your obligations in any such account are not adequately secured.

For its protection against credit risks and other conditions, Schwab U.K. may, without prior notice, decline, cancel or reverse your orders or instructions, or it may place trading, disbursement and other restrictions on your account.

If Schwab U.K. holds for you bonds or preferred stock in street name or bearer form that are callable in part, you agree to participate in an impartial lottery allocation system of the called securities, according to the rules of the Financial Industry Regulatory Authority.

You are responsible for payment of all fees charged to your Account from time to time. You agree that Schwab U.K. may liquidate securities held in your Account to cover such fees or other indebtedness in the event that there are no available funds in your Account. You further agree to be responsible for all costs and commissions related to such liquidations. In addition, you agree that any dividends, capital gains payments, interest payments or other incoming funds, such as funds that would otherwise be invested through the Automatic Investment Plan

or dividend reinvestment, may be applied to cover fees or other indebtedness to Schwab U.K.

13. Execution-only Dealing

Unless otherwise notified, Schwab U.K. will be providing you with an execution-only service, executing orders following specific instructions from you, without providing any recommendations or advice.

In providing this service, Schwab U.K. is not required to assess the suitability of the investments you make, nor will it provide advice on the merits of the transactions. You will therefore not benefit from the protection under the FCA Rules relating to the assessment of suitability. Each order will be based on your own judgment only.

You may therefore wish to seek independent financial advice before instructing Schwab U.K. to execute an order.

14. Cash-in-Lieu Payments

If you receive fractional shares as the result of a stock split or other corporate action, Schwab U.K., in its sole discretion, may either sell the shares on the open market or to the issuer or transfer agent, and you are entitled to receive your pro rata portion of the proceeds of such sale. If sold on the open market, the sale price may differ from that offered to certain registered owners by the issuer or transfer agent.

15. Optional Dividends

When a U.S. company offers its shareholders a choice to receive a dividend either in cash or stock, Schwab U.K. will use your dividend reinvestment election as the basis for allocating future distributions. In other words, accounts that have elected to have their dividends reinvested on the affected security will be credited optional dividends with additional shares, while accounts that have elected to receive their dividends in cash will be paid optional dividends in cash.

16. Processing and Execution of Electronic Transactions

Schwab U.K. may elect to review electronic transactions manually before they are submitted. This manual review may result in a delay in execution. This delay may cause a difference between the execution price and the displayed quote at the time the order was entered. This delay may also result in a limit order becoming ineligible for execution.

17. Short Sales

You agree to designate a sell order as a “short sale” if, at the time you place the order, you either do not own the security being sold or are unable to deliver the security in a timely manner. You agree that short sale transactions are subject to certain regulatory rules and cannot be executed under certain market conditions. In addition, depending on market conditions, Schwab U.K. cannot guarantee that it will have shares available to facilitate a short sale. When you make a short sale, it is necessary to borrow securities in order to deliver the shares to the buyer.

You agree that Schwab U.K. may, at its discretion and without notice, “buy in” securities to cover any short security position in your account. Schwab U.K. may take this action either on a regular settlement, cash or next-day settlement basis.

If you are unable to cover a short security position (either through delivery of the security or through Schwab U.K. “buying in” the security) in enough time so that it can deliver the security to the lender (to whom it is obligated), you agree to reimburse Schwab U.K. for the losses it sustains as a result of your failure to deliver the security.

You acknowledge that entering into short sale transactions may require you to notify or report details of those transactions publicly or to the relevant regulatory authorities. You agree that you will be solely responsible for complying with these requirements.

18. Client Money

Client money received from you will be deposited directly into a client money account. Client money received in the course of holding assets

on your behalf will be promptly deposited into a client bank account. When money ceases to be client money, either through trade settlements in which Schwab U.K. is required to pay the counterparty on settlement date or through withdrawals of client money in which Schwab U.K. has already paid per client instructions, Schwab U.K. will promptly remove it from the client bank account. All client bank accounts are general client bank accounts for all Schwab U.K. clients at U.S. or U.K. regulated banks or credit institutions. Where client money arises in the course of the Schwab U.K. brokerage and custody services, for example, money you pay or receive as part of buying or selling securities, or amounts received in relation to your investments, such as cash dividends it will be treated as “client money” and held in client bank accounts. To ensure that Schwab U.K. maintains the ability to appropriately diversify client money across highly-rated, strongly-capitalised banks, we may deposit some client monies in fixed-term deposits for up to 95 days. It is important to note that this does not affect your ability to withdraw funds from, or place transactions on, your account. However, in the extremely unlikely event of default by Schwab U.K., there may be a delay in distributing the funds or, in the event of a default by a bank holding client money we may be prevented from withdrawing such monies.

Where Schwab U.K. receives client money and holds such money in client bank accounts it has entered into client bank account acknowledgement letters with the relevant bank to (1) put the bank, exchange, clearing house, intermediate broker, OTC counterparty or other person (as the case may be) on notice of a Schwab U.K. client's interests in such client money; (2) ensure that the client bank account or client transaction account has been opened in the correct form and is distinguished from any account containing money that belongs to the firm; and (3) ensure that the bank, exchange, clearing house, intermediate broker, OTC counterparty or other person (as the case may be) understands and agrees that it will not have any recourse or right against such client money.

You agree that:

- unless otherwise expressly agreed between Schwab U.K. and you under Schwab's Cash Features Program, no interest is payable on client money held in client money accounts. In the event that Schwab U.K. earns interest on client money deposits it shall be entitled to keep such interest;
- where Schwab U.K. is instructed to execute a buy order, Schwab U.K. will direct payment of client money required in relation to the order to the relevant broker, clearing house, exchange, counterparty, settlement agent or other third party;
- when instructing Schwab U.K. to execute a sell order, Schwab U.K. will arrange for the client money arising from sale proceeds from that order to be paid into the client bank account;
- Schwab U.K. will instruct that all client money arising from dividends and other forms of income, distributions or other money received in relation to your investments will be paid into the client bank account.

In certain circumstances, Schwab U.K. or an affiliate may transfer business in whole or in part, by assignment or otherwise to another entity within the group or outside of the group (for example as a consequence of a transfer of business on a sale). In such circumstances, you agree that client money held for you ceases to be client money for Schwab U.K., and we may transfer it to another person where such other person will hold it in accordance with the client money rules; or if not held in accordance with the client money rules, Schwab U.K. will exercise all due skill, care and diligence in assessing whether the person to whom the client money is transferred will apply adequate measures to protect the client money.

19. Custody

In addition to Schwab U.K.'s general power to delegate (see “**Delegation**” below), you authorise Schwab U.K., where it reasonably considers it appropriate, to employ sub-custodians or other agents to provide part of the custody service. You agree that any sub-custodian or

agent may, in turn, appoint its own sub-custodian or agent, where they consider this reasonably appropriate.

In particular, Schwab U.K. (as your custodian) will generally hold your assets with Schwab as its sub-custodian. Schwab U.K. will remain liable for the acts, omissions or insolvency of Schwab.

Where Schwab U.K. delegates to anyone outside of Schwab U.K. and its affiliates, then, provided Schwab U.K. has used its reasonable skill and care in selecting, using and monitoring the delegate, Schwab U.K. will not be liable for their acts, omissions or insolvency.

Where your assets are held by a sub-custodian (including Schwab), nominee or agent, Schwab U.K. cannot ensure that you will not lose any of your assets if the entity becomes insolvent. Schwab U.K. will take reasonable steps to ensure that their records show that the assets are held for you and that they do not belong to Schwab U.K., its affiliates or the delegate or agent itself.

Your assets may be held by Schwab U.K. or its sub-custodian in a single pooled account with the assets of other clients, subject to applicable law. In this case, while Schwab U.K. will maintain records to identify your interest in the assets that have been pooled, it may not be possible to identify your right to specific assets. If there is a default by Schwab U.K. or its sub-custodian and a shortfall then you may not receive all of your assets, and may have to share in the shortfall proportionately with other clients.

You authorise Schwab U.K. to arrange for some or all of your assets to be held outside of the U.K. Where it does so, your assets will be subject to the settlement, legal and regulatory systems that apply to the relevant overseas jurisdiction.

In some jurisdictions, local law might mean that it is not possible for your assets to be held separately from Schwab U.K.'s assets or any delegate or agent. There might be a greater risk of loss in these circumstances if the delegate becomes insolvent.

You authorise Schwab U.K. and any sub-custodian (including Schwab) to hold or transfer your assets (or entitlements to them) to depositaries, clearing/settlement systems or other participants in the relevant securities systems in the course of providing its services.

20. Transfer (Out) Fee and Account Minimums

Schwab U.K. may charge a fee when you request a transfer of assets from the Account to another financial institution (a “**TOA**”), as set out in the applicable Pricing Guide or fee schedule. A TOA occurs when you request (either personally or through another financial institution) that Schwab U.K. transfer securities out of the Account. A TOA of all the assets in the Account is a “full TOA”; a TOA in any amount less than this is a “partial TOA.” You may obtain a copy of the applicable Pricing Guide or fee schedule by calling +1-415-667-8400, or if your Account is managed by an independent investment advisor, please contact your advisor directly, or call Schwab Alliance at +1-415-667-8400. Schwab U.K. reserves the right to later charge fees or waive the minimum or fees on any account in circumstances that it deems appropriate.

21. Security for Amounts Due to Schwab U.K.

As security for the repayment of all present or future amounts owed to Schwab U.K. by any account holder under the Charles Schwab U.K. Account Agreement or otherwise, each account holder grants to Schwab U.K. a continuing security interest in and lien on, and a right of setoff with respect to, all Securities and Other Property that are, now or in the future, held, carried or maintained for any purpose in or through the Charles Schwab U.K. Account, and, to the extent of such account holder's interest in or through, any present or future account with Schwab U.K. in which the account holder has an interest.

If you owe money to Schwab U.K. as the result of activity in your Account and there are assets available in any account that you hold at Schwab or Schwab U.K. which could fully or partially satisfy the debt, you agree that upon Schwab U.K.'s written demand, you will execute all

documents necessary to effect a distribution from your account and agree to pay or cause such funds to be paid immediately to Schwab U.K. in order to satisfy your indebtedness to Schwab U.K.

22. Liquidation of Your Assets

Whenever it is necessary for Schwab U.K.'s protection or to satisfy a margin deficiency, debit or other obligation owed to it, Schwab U.K. may (but is not required to) sell, assign and deliver all or any part of the Securities and Other Property securing your obligations, or close any or all transactions in your Charles Schwab U.K. Account.

It is Schwab U.K.'s policy to attempt to contact you, when practicable, before taking any action described in this section; however, it reserves the right to take any such action without prior notice or demand for additional collateral and free of any right of redemption. Any prior demand, call or notice will not be considered a waiver of its right to sell or buy without demand, call or notice.

Schwab U.K. may choose which Securities or Other Property to buy or sell, which transactions to close and the sequence and timing of liquidation. Schwab U.K. may take such actions on whatever exchange or market and in whatever manner (including public auction or private sale) that it chooses in the exercise of its business judgment. You agree not to hold Schwab U.K. liable for the choice of which Securities or Other Property to buy or sell or of which transactions to close or for timing or manner of liquidation.

In certain circumstances Schwab U.K. may, at its sole discretion, liquidate your entire margin loan balance to satisfy a margin call. You agree not to hold it liable for taking such action.

Schwab U.K. may transfer Securities and Other Property from any non-retirement brokerage account in which you have an interest to any other non-retirement brokerage account in which you have an interest regardless of whether there are other account holders on either account, if Schwab U.K. determines that your obligations are not adequately secured or to satisfy a margin deficiency or other obligation. You agree to pay on demand any account deficiencies after liquidation, whether liquidation is complete or partial.

Schwab U.K. is entitled to exercise the rights described in this section at its sole discretion, including whenever any of the following occurs:

- Your Account balance falls below required minimums;
- Sufficient funds or securities are not available to pay for transactions in the account;
- A petition for bankruptcy or for the appointment of a receiver is filed by or against you;
- You die or become incapacitated or incompetent; or
- Your Charles Schwab U.K. Account is closed.

23. Your Responsibility for Understanding Terms of Securities

Certain securities may impart valuable rights that expire unless you take some action. For example:

- Warrants and stock purchase rights typically may be exercised only on or before a specified expiration date;
- Some convertible redeemable securities will be redeemed automatically unless you exercise your conversion rights before a specified redemption date;
- Some bonds may be redeemed, at the holder's option, only during specified periods; or
- Some securities may become the subject of tender or exchange offers, which are limited in time.

You are responsible for knowing the rights and terms of your securities, and for taking action to realize the value of your securities. However, if:

- Any such security is about to expire worthless; be redeemed, exchanged, converted, tendered or exercised; or remain at a value significantly less than the value you would have received if you had given us specific instructions; and
- Schwab U.K. has not received instructions from you; it may, at its discretion, but is not obligated to, sell, redeem, exchange, tender, convert or exercise the security for your Account. You will be charged a brokerage commission and/or fee for any such transaction.

Note: Although Schwab U.K. may take the actions described above, it is not obligated to do so or to notify you of impending expiration or redemption dates. You agree not to hold Schwab U.K. liable for any decrease in the value of your securities or other losses resulting from your failure to give Schwab U.K. instructions on how to respond to a tender offer, exchange offer or other offer or transaction.

24. Accuracy of Account Information

You confirm that:

- You are at least 18 years old;
- You have supplied accurate information in your Charles Schwab U.K. Account Application.
- No one except the account holders listed on the Charles Schwab U.K. Account Application (and, if community property is held, the account holders' spouses) has an interest in the Charles Schwab U.K. Account.

In addition, you agree to notify us promptly in writing of any important change in the information you supply us on the Schwab U.K. Account Application. In particular, you agree to notify us:

- If you are or become a director, 10% beneficial shareholder, policy-making officer or otherwise an "affiliate" (as defined in Rule 144 under the U.S. Securities Act of 1933) of a publicly traded company; or
- If you are or become affiliated with or employed by a securities exchange, or corporation controlled by a securities exchange or a member of a securities exchange or a securities association; or
- If there are significant changes to the net worth, income level or employment status you listed on the Account Application.

25. Custodial Account

If the Account is opened under either the Uniform Gifts to Minors Act or the Uniform Transfers to Minors Act (UGMA or UTMA), the Custodian represents that all assets in the Account belong to the beneficiary and that the Custodian will only use the assets for the beneficiary's benefit. The Custodian agrees to transfer and deliver to the beneficiary all securities and other property held in the Account promptly upon the beneficiary attaining the age specified by the governing state law for termination of the custodianship. The age of custodianship termination varies by state, although many states set the maximum age for termination at 21. If you do not indicate a termination age, the Account will be set up using the default age for termination in the Custodian's state of residence. If the termination age selected is different from the state's default age, the Custodian agrees and acknowledges that he (she) is responsible under UGMA or UTMA for determining the proper termination age and that Schwab U.K. is not responsible for doing so. If you have questions about the termination age, please consult your legal or tax adviser. Upon the termination of the custodianship, the Custodian agrees to provide Schwab U.K., upon request, with the beneficiary's address, phone number and any other information that may assist Schwab U.K. in contacting the beneficiary. The Custodian instructs Schwab U.K., without further notice or instruction from the Custodian, to register the Account into the beneficiary's name as soon as commercially practicable after the termination of the custodianship. In addition, the Custodian acknowledges that Schwab U.K. may restrict the Custodian's access to the Account upon termination of the custodianship. Accounts with less than \$100 in cash 30 days prior to the termination of the custodianship will be closed, and a check for the value of the Account will be mailed to the Custodian. The check will be made payable to the Custodian for the benefit of the Beneficiary.

26. Joint or Multiple Party Accounts

If there is more than one account holder, each account holder is jointly and severally liable for obligations arising under the Schwab U.K. Account Agreement or relating to the Schwab U.K. Account.

Each joint account holder has authority, acting individually and without notice to any other account holder, to deal with Schwab U.K. as fully and completely as if the account holder is the sole account holder. Schwab U.K. is authorized to follow the instructions of any joint account holder and to deliver funds, securities or other assets in the Charles Schwab U.K. Account to any joint account holder or upon any account holder's instructions. Schwab U.K. is not responsible for determining the purpose or propriety of an instruction it receives from any account holder or for the disposition of payments or deliveries among joint account holders.

Schwab U.K. reserves the right to require written instructions from all account holders, at its sole discretion. Schwab U.K. reserves the right, but is not obligated, to place trading, disbursement and other restrictions on an account in the event it receives notice of a dispute among, or conflicting instructions from, joint account holders.

Any notice Schwab U.K. sends to one account holder will be notice to all account holders.

27. Account Conversion

If your Charles Schwab U.K. Account is converted into another account at Schwab U.K., or one of its affiliates, whether by closing a Charles Schwab U.K. Account and opening another account or otherwise, you agree to read and be bound by the terms of the agreement governing that other account as currently in effect at the time of conversion and as amended thereafter from time to time. You acknowledge that account terms for such other account at Schwab, including account fees, other fees and charges, money market sweep features, interest rates and returns on cash may be different and either more or less beneficial than comparable terms for your Charles Schwab U.K. Account.

If you do not receive or understand the agreement governing the account into which your Charles Schwab U.K. Account is converted, please notify Schwab U.K.

28. Approval of Application, Credit Verification and Account Information

By submitting an account application, you authorize Schwab U.K. to:

- Verify your identity, creditworthiness and other information. To obtain verification, Schwab U.K. may contact your employer, obtain consumer and credit reports and make other inquiries, but it is not obligated to do so.
- Provide information about you and your Account to consumer and credit reporting agencies and collection agencies.

You further authorize Schwab U.K. to obtain copies of your consumer and credit reports at its discretion, at any time, for reasons including, but not limited to, the following:

- To collect a debit balance in your Account;
- To investigate, detect and prevent fraud involving you or your Account;
- If a deposit of securities to your Account is returned.

Schwab U.K. may deny your application to open an account or may decline to offer you certain services available under the Account Agreement in its sole discretion for any reason.

29. No Recommendation of Day Trading

Schwab U.K. does not promote directly or indirectly what is commonly referred to as "Day Trading." Schwab U.K.'s services that provide the means to place trades electronically should not be construed as an endorsement or promotion of Day Trading. Day Trading can be very risky and is not appropriate for customers with limited resources, limited investment or trading experience, or a low risk tolerance.

30. Good-till-Cancelled Orders

Good-till-cancelled ("GTC") orders will be automatically cancelled only at the close of business on the 60th calendar day after the date the order was entered or on the next Business Day thereafter if the 60th day is a weekend or holiday. You acknowledge that if you do not cancel an open GTC order, the transaction may be completed based on your original instructions anytime until the close of business on the 60th calendar day or next Business Day. For securities that pay cash dividends or that split, unless otherwise instructed, open GTC orders will be adjusted in accordance with stock exchange regulations.

31. After-Hours Trading and Other Terms and Disclosures

Schwab U.K. from time to time will inform you of terms and conditions for accessing or using products or services Schwab U.K. offers, including, but not limited to, accessing its website and participation in an after-hours trading session. Such terms and conditions, when accepted by you as indicated either by your actions or express acknowledgement, become part of your Account Agreement, and you agree to abide by the requirements of those terms and conditions.

Schwab U.K. also will inform you from time to time of important disclosures and notices pertaining to your access or use of Schwab U.K. products or services, including, but not limited to, the risks of buying or selling certain securities or trading in an after-hours session. You agree that your use of such products or services is an Acknowledgement that you have understood the disclosure, notice or policy, and that you agree to any action taken by Schwab U.K. in accordance with the stated disclosure, notice or policy.

Extended Hours Trading Session

Schwab's extended hours trading offering has two components: a pre-market session that operates from 7:00 a.m. to 9:25 a.m. U.S. Eastern Time, and an after-hours session that operates from 4:05 p.m. to 8:00 p.m. U.S. Eastern Time.

These sessions are completely independent from the regular market session.

Orders for the pre-market session may be entered beginning at 8:05 p.m. U.S. Eastern Time on the prior trading day, but will not be eligible for execution until the session officially opens at 7:00 a.m. U.S. Eastern Time on the following trading day. Orders for the after-hours trading session can be entered and will be eligible for execution beginning at 4:05 p.m. U.S. Eastern Time.

Other financial service providers may offer trading services outside of regular market hours that differ significantly from Schwab U.K.'s extended hours trading sessions.

Order Types

Schwab U.K. only accepts limit orders in extended hours trading sessions. Market orders will not be accepted.

Order Prices

Schwab U.K. does not accept limit orders in sub-penny prices. A sub-penny price is any price entered more than two digits to the right of the decimal (i.e., 0.123, 1.123, 10.1234, etc.).

Maximum Share Sizes

The maximum share size is 25,000 shares in extended hours trading sessions.

Electronic Services Agreement and Use Agreement

Your use of the extended hours trading session is governed by your existing account agreements with Schwab U.K. and Schwab, including the "Electronic Services Agreement." The information, news, research, quotations, and other content available to you during the extended hours trading session are also subject to the "Use Agreement." As a Schwab U.K. customer, you have previously consented to these agreements, which are available for your review under the Agreements link that appears on one or more pages in the Customer Center.

32. Delegation

Schwab U.K. may delegate any of its functions and responsibilities in relation to the Brokerage and Custody Services to its affiliates (with or without a power to sub-delegate further) if it reasonably considers them capable of performing those functions.

Where Schwab U.K. delegates or permits sub-delegation:

- it may be to persons or agents outside the U.K.;
- it will be in accordance with applicable law; and
- it will not affect Schwab U.K.'s obligations or liability to you.

33. Trade Reports, Confirmations, Statements and Other Account-Related Communications

Schwab U.K. will provide you with written confirmation of trades that are executed by:

- the first Business Day after execution; or
- the first Business Day after it receives confirmation from a third party who has executed the order.

Schwab U.K. will also provide you, on request, with information about the status of an order.

To the extent permitted by applicable law, Schwab U.K. will not be liable for any losses, lost profits or other damages that allegedly result from delays in or a failure to issue a trade confirmation or status update.

Schwab U.K. will also provide you with account statements.

Your account statements will include details of all assets held by Schwab U.K., and any cash held by Schwab, in your Account at the end of the relevant period.

You will receive statements for each month in which there is activity in your account. If there are assets but no activity in your account, you will receive a quarterly statement. It is your obligation to review your statements and receipts carefully, and to notify us promptly of any discrepancy between your records and transactions detailed on the statement.

On account statements and trade confirmations, Schwab U.K. calculates the quantity, unit price, and market price out to four decimal places if necessary. For settlement purposes, Schwab U.K. will round either up or down to the nearest penny any amounts owed to or from Schwab U.K.

You acknowledge that you have an affirmative duty to promptly review any and all trade confirmations and account statements for accuracy and completeness and to notify Schwab U.K. as soon as practicable of any items you believe to be in error. You agree to waive any objections to the trades, positions, funds transfers, checks, disbursements, fees and other information set forth on any confirmations and account statements unless you notify Schwab U.K. of an unauthorised transaction or other error in writing within 10 days of mailing. You agree that Schwab U.K. is not liable for any damages or market fluctuations resulting from an error you fail to timely report to it or to your delay in reporting an error to it.

You agree that Schwab U.K. may combine communications such as account statements, confirmations and other written communications related to account activity for your accounts in a manner that reduces the number of envelopes mailed to you, provided this complies with applicable law. Combined communications for accounts that have more than one account holder may be addressed solely to the first-listed account holder or to the account holder who has his or her tax identification number serve as the tax reporting identification number on the account (usually the first-listed account holder).

You agree to notify Schwab U.K. if you want any or all of your communications to be mailed separately. If you wish to combine communications for additional eligible accounts that are not automatically combined, please contact Schwab U.K. If you have an account for which you are acting in a fiduciary capacity, it is your responsibility to consider whether it is appropriate for envelopes to be mailed to you that might contain material relating to both your personal and fiduciary capacities.

You are responsible for reviewing all of your account statements, any amendments to your account agreement(s), any regulatory notices and any other information that is sent by Schwab U.K.

34. Non-Publicly Traded Securities and Worthless or Non-Transferable Securities

Holding Non-Publicly Traded Securities at Schwab U.K.

Schwab U.K. may, at its discretion, agree to accommodate requests from you to hold in your Account certain securities, such as hedge funds, private equity funds, private placements, and other securities that do not trade on securities exchanges or over-the-counter markets (hereinafter referred to as "**Non-Publicly Traded Securities**"). In consideration for accepting these Non-Publicly Traded Securities into your Account from time to time, and subject to such additional terms as may be presented to you at the time of the request, you agree that Schwab U.K.'s sole obligation with respect to such Non-Publicly Traded Securities will be to (1) obtain and maintain possession or control of such securities (in a manner required by applicable law), (2) file and provide reports and information as may be required under the Internal Revenue Code, and regulations thereunder of the Internal Revenue Service, and (3) otherwise perform any duties required by applicable law.

Schwab U.K. may ask you to remove any Non-Publicly Traded Security from your Account at any time and for any reason. In the event that Schwab U.K. asks you to remove a Non-Publicly Traded Security from your Account, and you do not request a distribution of the Non-Publicly Traded Security from your Account, remove it from your Account, or transfer it to another custodian within sixty (60) days after Schwab U.K. provides you written notice that it will no longer hold the Non-Publicly Traded Security, you authorise and direct Schwab U.K. to distribute or transfer the Non-Publicly Traded Security directly to you. If the Non-Publicly Traded Security is represented by a physical certificate in Schwab U.K.'s possession, Schwab U.K. will return the physical certificate to you. If the Account is a retirement plan brokerage custodial account (including a Company Retirement Account [CRA] or Schwab Personal Choice Retirement Account® [PCRA]) subject to the terms of this Agreement, the Non-Publicly Traded Security may be distributed upon direction of the Trustee or other applicable fiduciary or agent of the plan to the participant in whose Account the Non-Publicly Traded Security is invested, or to the extent not practicable, transferred to the Trustee or other applicable fiduciary or agent to hold the Non-Publicly Traded Security on behalf of the plan. If the Non-Publicly Traded Security is represented by a physical certificate in Schwab U.K.'s possession, Schwab U.K. will transfer the physical certificate to the participant (if so directed by the Trustee or other applicable fiduciary or agent for the plan) or to the Trustee or other applicable fiduciary or agent of the plan, as applicable. If the Non-Publicly Traded Security is not certificated, you agree that Schwab U.K. may remove the security from the Account by notifying the issuer to re-register the position in your name, or in the case of a retirement plan brokerage custodial account, in the name of the Trustee or other applicable plan fiduciary for benefit of the plan and remove Schwab U.K. as custodian. You agree to indemnify and hold Schwab U.K. harmless for your failure to remove or transfer a Non-Publicly Traded Security after Schwab U.K. has notified you that Schwab U.K. is no longer willing to hold the security in the Account. You agree that you are also solely responsible for any tax consequences associated with the removal of the Non-Publicly Traded Security from your Account.

You acknowledge that Schwab U.K.'s obligations are limited to maintaining possession or control in accordance with applicable law and do not include facilitation of transfers, sales, withdrawals, or any other activity related to the Non-Publicly Traded Securities (other than where required in accordance with applicable law). You further acknowledge that, unless notified in writing by confirmation or similar document, Schwab U.K. has not acted and will not act as broker or dealer in any purchase or sale of Non-Publicly Traded Securities held in your Account.

Before requesting that Schwab U.K. hold a Non-Publicly Traded Security in your Account, you agree that you will have performed a complete review of the Non-Publicly Traded Security and taken sufficient actions

to determine that the investment is appropriate for you and your own financial circumstances and that you are comfortable with the risk of loss, whether due to investment risk or the potential for fraud or misconduct. You agree that such reviews will involve the review of offering memoranda, organizational documents, and audited financial statements, and an investigation into the background and qualifications of the issuers and selling agents of each Non-Publicly Traded Security. By requesting Schwab U.K. to hold a Non-Publicly Traded Security, you represent that you have determined that such Non-Publicly Traded Security has been properly registered under EU, national, federal and state law as a security or is exempt from such registration. You acknowledge that Schwab U.K. will be relying on your investigation into these matters in considering your request to hold a Non-Publicly Traded Security in your Account.

You acknowledge that any documentation regarding a Non-Publicly Traded Security submitted to Schwab U.K. will be used solely for Schwab U.K.'s internal operational purposes. Schwab U.K. will not undertake to review or assume responsibility for the terms and conditions or contents set forth in such documentation, including, but not limited to, appropriateness or suitability, restrictions of ownership, rights of transfer, financial statements, or the adequacy of disclosure or compliance with applicable law, rules, and regulations. Any review performed by Schwab U.K. will solely be for its benefit in determining its ability to hold and service the Non-Publicly Traded Security.

You acknowledge that Schwab U.K. shall have no responsibility for monitoring the Non-Publicly Traded Security to assure compliance with its terms or disclosures, for taking any actions to collect on any amount owed to you, or for otherwise enforcing your rights with respect to the Non-Publicly Traded Security held in your Account (other than where required under applicable law). Schwab U.K. is under no obligation to take any action should there be a default, bankruptcy, or other impairment associated with a Non-Publicly Traded Security. You agree to notify Schwab U.K. as soon as reasonably practicable if you identify any problem with any Non-Publicly Traded Security that would interfere with Schwab U.K.'s ability to hold the Non-Publicly Traded Security or obtain and report values. You agree that Schwab U.K. has no responsibility or duty to investigate, evaluate, or report to you any information that Schwab U.K. may possess or may become aware of regarding any Non-Publicly Traded Security.

You also acknowledge that when you direct Schwab U.K. to wire or transfer funds to an issuer or sponsor of a Non-Publicly Traded Security, Schwab U.K. will not have any responsibility or liability if the issuer or sponsor involved does not provide the required receipt or confirmation of the investment in a manner that would allow Schwab U.K. to hold the security in your Account.

Valuing Non-Publicly Traded Securities on Statements

You understand that because there is generally no public or secondary market for Non-Publicly Traded Securities, the values reported on your Schwab U.K. statement may not represent market values. It is unlikely that you would be able to sell your interests in the Non-Publicly Traded Securities held in your Account or realize the amounts shown on your Schwab U.K. statement upon a sale of the Non-Publicly Traded Securities held in your Account. You acknowledge that it is very likely that the "resale" value of the Non-Publicly Traded Securities may be substantially lower than what is on your Schwab U.K. statement. You understand that these values displayed on your Charles Schwab U.K. account statements are provided for your convenience only, may have been reported as long as 18 months prior to statement preparation, and should not be relied upon as any indication of market value.

If you have instructed the issuers or sponsors of your Non-Publicly Traded Securities to report values to Schwab U.K., you agree that Schwab U.K. may, in its sole discretion, display on your Schwab U.K. statement the most recent values provided during the prior 18 months. You agree that Schwab U.K. may rely, without question or verification, on the values provided by the issuers or sponsors of Non-Publicly Traded Securities. You represent that during the course of your evaluation of the Non-Publicly Traded Securities, you have determined such valuations will be accurate and reliable. You understand that Schwab

U.K. does not verify or confirm such valuations and makes no representations that the values are reasonable, are accurate, or reflect your actual holdings.

In the event third-party data sources provide valuation of your Non-Publicly Traded Security to Schwab U.K., Schwab U.K. may display the value provided by a third party or a value derived from the third-party data on your statement. If there is a discrepancy between an issuer-provided value and a third-party value, Schwab U.K. may report the value of your Non-Publicly Traded Security as "N/A" or "Not Available." If valuations are not received or made available to Schwab U.K. during an 18-month period, Schwab U.K. reserves the right to require you to remove the Non-Publicly Traded Security from your Schwab U.K. statement in the manner described in this Agreement.

If Schwab U.K. reports a value received from an issuer on your Schwab U.K. statement, the value may not match what is provided to you by the issuers of the Non-Publicly Traded Security due to the timing of issuer statements and Schwab U.K.'s statement production schedule. In these situations the current valuation will be displayed on the following month's Schwab U.K. statement. If you notice any other discrepancy in valuations between your Schwab U.K. statement and any statement provided by the issuer of your investment, please review your statement footnotes to understand how the valuation was obtained and contact Schwab U.K. with any further questions.

Schwab U.K. may opt at any time, in its sole discretion, to remove a value for a Non-Publicly Traded Security from your statement and report a value of "N/A" or "Not Available."

Removal of Non-Publicly Traded Securities From Your Account

Schwab U.K. may ask you to remove any Non-Publicly Traded Security from your Account at any time and for any reason. In the event that Schwab U.K. asks you to remove a Non-Publicly Traded Security from your Account, and you do not request a distribution of the Non-Publicly Traded Security from your Account, remove it from your Account, or transfer it to another custodian within sixty (60) days after Schwab U.K. provides you written notice that it will no longer hold the Non-Publicly Traded Security, you authorize and direct Schwab U.K. to distribute or transfer the Non-Publicly Traded Security directly to you. If the Non-Publicly Traded Security is represented by a physical certificate in Schwab U.K.'s possession, Schwab U.K. will return the physical certificate to you. If the Account is a retirement plan brokerage custodial account (including a Company Retirement Account [CRA] or Personal Choice Retirement Account® [PCRA]) subject to the terms of this Agreement, the Non-Publicly Traded Security may be distributed upon direction of the Trustee or other applicable fiduciary or agent of the plan to the participant in whose Account the Non-Publicly Traded Security is invested, or to the extent not practicable, transferred to the Trustee or other applicable fiduciary or agent to hold the Non-Publicly Traded Security on behalf of the plan. If the Non-Publicly Traded Security is represented by a physical certificate in Schwab U.K.'s possession, Schwab U.K. will transfer the physical certificate to the participant (if so directed by the Trustee or other applicable fiduciary or agent for the plan) or to the Trustee or other applicable fiduciary or agent of the plan, as applicable. If the Non-Publicly Traded Security is not certificated, you agree that Schwab U.K. may remove the security from the Account by notifying the issuer to re-register the position in your name, or in the case of a retirement plan brokerage custodial account, in the name of the Trustee or other applicable plan fiduciary for benefit of the plan and remove Schwab U.K. as custodian. You agree to indemnify and hold Schwab U.K. harmless for your failure to remove or transfer a Non-Publicly Traded Security after Schwab U.K. has notified you that Schwab U.K. is no longer willing to hold the security in the Account. You agree that you are also solely responsible for any tax consequences associated with the removal of the Non-Publicly Traded Security from your Account.

Investor Protection Coverage

The U.S. Securities Investor Protection Corporation (SIPC) and U.K. Financial Services Compensation Scheme may not cover limited partnership interests or other similar types of Non-Publicly Traded Securities.

Please consult with your attorney or investment advisor with regard to your particular investment.

Worthless and Non-Transferable Securities

Schwab U.K. reserves the right to remove from your Account any security that is deemed to have been cancelled or otherwise invalidated. In determining that a security has been cancelled or invalidated, you agree that Schwab U.K. has derived information on such assets from you or from third parties and it is not responsible for the accuracy or reliability of any information regarding these assets. Cancelled or invalid securities may include, but are not limited to, bankruptcy or charter or registration revocation. Schwab U.K. will notify you if it has removed a cancelled or otherwise invalid security from your Account. Unless you provide Schwab U.K. with evidence of the validity of the security within sixty (60) days of the notice of removal, you agree to waive any claim to any future distribution from the security and agree to indemnify and hold Schwab U.K. harmless from any claims, liability, or damages resulting from the removal of such security. If you provide Schwab U.K. with evidence of the validity of the security from an independent third party within 60 days of receiving the notice of removal, Schwab U.K. will reinstate your position.

In addition, Schwab U.K. reserves the right to charge an additional servicing fee for securities for which Schwab U.K. cannot identify a transfer agent (a "Non-Transferable Security"). The existence of a Non-Transferable Security in your Account may be noted with a notation of "N/A" for the value of that position on your account statements.

35. No Investment Advice

You agree and acknowledge that:

- Unless Schwab U.K. otherwise agrees with you in writing, Schwab U.K. will act only as your broker-dealer and custodian: it will not provide you with investment advice or personalized recommendations;
- Unless Schwab U.K. otherwise agrees with you in writing, Schwab U.K. will not provide financial planning services to you or your Account, and any collection of your financial data by Schwab U.K., or analysis or evaluation of such data by Schwab U.K., and not in connection with establishing or implementing a financial plan;
- You, or you and an Investment Advisor other than Schwab U.K., if you have one, are responsible for determining the nature, potential value and appropriateness and suitability for you of any particular investment strategy, transaction (including futures transactions) or security (including equities and options). Schwab U.K. has no responsibility for any such determination: (1) unless it otherwise agrees with you in writing, (2) unless required by applicable law, or (3) unless Schwab U.K. or a Schwab U.K. representative gives advice directly to you that is clearly identified as a Schwab U.K. recommendation for you to enter into a particular transaction or transactions or to buy or sell a particular security or securities;
- You agree that any such Schwab U.K. recommendation will remain in effect only for as long as it tells you that it will remain in effect at the time it makes the recommendation;
- Unless Schwab U.K. otherwise agrees with you in writing, Schwab U.K. does not act as an investment manager and does not have any discretionary authority or obligation to review or make recommendations for the investment of securities or cash in your Account;
- You, or you and an Investment Advisor other than Schwab U.K., if you have one, will rely on multiple sources of information in making investment decisions for your Account, and any information Schwab U.K. may provide will not serve as the sole basis for any investment decision you make or made on your behalf;
- You, or you and an Investment Advisor other than Schwab U.K., if you have one, have an affirmative duty to monitor profits and losses in your Account and to modify your trading decisions accordingly;
- Schwab U.K. may make available, to you and your Account, enrollment in certain Schwab U.K. offerings which will be composed of specified investment advisory services for which you pay a quarterly asset-based fee, which will generally be charged based on the amount of certain

assets in your Account, or, in the case of financial planning services, a one-time flat fee. Other fees and charges may also apply, as set forth in a separate agreement you will enter into and that will become part of this Account Agreement;

- While Schwab U.K. may make available its own proprietary research, or other information, this does not constitute investment advice or a personalized recommendation that a security or transaction is suitable or appropriate for you or your Account. Additionally, while Schwab makes available research, analysis, news and other information prepared by third parties, this also does not constitute investment advice or a personalized recommendation by Schwab U.K. (or any third party) or a solicitation of any offer to buy or sell securities by Schwab U.K. (or any third party) or take any other action in respect of those securities. Schwab does not create or prepare any of this third-party information, and it gives no assurances as to its accuracy, quality or timeliness and does not warrant any results from use of any such information;
- Any research, analysis, news or other information made available through electronic channels (e.g., the Schwab.com website or email alerts) does not constitute investment advice or a personalized recommendation to you to buy or sell a particular security (or take other actions in respect of that security);
- Schwab U.K. does not give legal advice; and
- Schwab U.K. does not give tax or estate planning advice, but it may provide you with general tax and estate planning information and principles. You agree that these principles do not apply to your specific circumstances or take into account your comprehensive tax or estate planning situation. For that type of assistance, you agree to consult your own tax or legal advisor.

You agree not to hold Schwab U.K. liable for any trading losses, lost profits or other damages resulting from your use of any information Schwab U.K. may provide, whether it is prepared by Schwab U.K. or a third party.

36. Electronic Order Entry Services

From time to time, Schwab U.K. may make available services (referred to in this section as "**the services**") that allow you to place orders and obtain market data and other information via telephone, computer or other electronic means. You agree to use the services to enter your orders if time is of the essence. You agree that, for any orders you send to Schwab U.K. in writing, the timing of the order entry is not a priority for you and you understand that, although Schwab U.K. will use its best efforts to enter that order in a timely manner, it may not be entered immediately at the time the written order is received. You further agree that Schwab U.K. may determine, in its sole discretion, that a written order needs further clarification. You understand that such order may not be entered if Schwab U.K. is unable to contact you to discuss the order. Schwab U.K. encourages you to place all orders using the services. You agree that you are responsible for paying for all orders. Schwab U.K. may, in its sole discretion, remove particular securities from the list of securities that can be purchased using electronic services due to volatility or other market factors.

The services may require you to use a number or password to access your Schwab U.K. Account. You are responsible for the confidentiality and use of your access number, password and account number, and for all securities and other transactions initiated through these means. Any orders communicated to Schwab U.K. through these means will be considered to have been sent and authorised by you.

You also agree to notify Schwab U.K. immediately if you:

- Become aware of any loss, theft or unauthorised use of your access number, password or account number; or any unauthorised use of the services or the market data.
- Fail to receive a message that an order you initiated through the services has been received or executed.
- Fail to receive an accurate written confirmation of an order or its execution.
- Receive confirmation of an order that you did not place.

You agree to pay all subscription, service and use fees, if any, that Schwab U.K. charges for the services. Schwab U.K. may charge such fees as a debit to your Charles Schwab U.K. Account and the amount of these fees may be deducted from any credit balance in your account. In the alternative, you authorize Schwab U.K., in its discretion, to charge such fees to a credit card account number that you have provided for this purpose.

Schwab U.K. will not be liable for lost profits, trading losses or other damages resulting from the delay or loss of use of the services. In any case, its liability arising from any legal claim (whether in contract, tort or otherwise) relating to the services will not exceed the amount you have paid for use of the services.

37. Provision of Market Data

Schwab U.K. may convey to you by telephone, electronic or other means the last sale transaction data, bid and asked quotations, news reports, analysts' reports or research and other information relating to securities and the securities markets (collectively referred to in this section as "market data"). Schwab U.K. may charge a fee for providing this market data.

Schwab U.K. obtains market data from securities exchanges and markets and from parties that transmit market data (collectively referred to in this section as "the market data providers"). All market data is protected by copyright laws. Schwab U.K. provides market data for your personal non-commercial use; you may not sell, market or distribute it in any way, unless you have entered into written agreements with the appropriate market data providers.

Schwab U.K. receives the market data from industry sources that are believed to be reliable. However, the accuracy, completeness, timeliness or correct sequencing of the market data cannot be guaranteed either by Schwab U.K. or by the market data providers. Neither Schwab U.K. nor the market data providers will be liable for interruptions in the availability of market data or your access to market data.

The market data is provided "as is" and on an "as available" basis. There is no warranty of any kind, express or implied, regarding the market data. Schwab U.K. is not responsible for, and you agree not to hold it liable for, lost profits, trading losses or other damages resulting from inaccurate, defective or unavailable market data. In any case, its liability arising from any legal claim (whether in contract, tort or otherwise) relating to the market data will not exceed the amount you have paid for use of the services or market data. You agree that Schwab U.K. may correct any execution reported to you that was based on inaccurate market data provided to it by an exchange or a market center.

38. Assignment

Schwab U.K. may assign its rights and obligations under the Account Agreement) to any subsidiary, affiliate or successor by merger or consolidation without notice to you, or to any other entity after 30 days' written notice to you. The Charles Schwab U.K. Account Agreement is binding upon you and Schwab U.K.'s heirs, executors, administrators, successors and assigns, and it will benefit you and Schwab U.K.'s successors and assigns, if any.

39. Losses Due to Extraordinary Events

Schwab U.K. is not responsible and you agree not to hold it liable for losses caused directly or indirectly by conditions beyond its control, including, but not limited to: war, natural disasters, government restrictions, exchange or market rulings, strikes, interruptions of communications or data processing services, news or analysts' reports, market volatility or disruptions in orderly trading on any exchange or market.

40. Phone Channel Access

During non-business hours or during periods of peak demand, market volatility, systems upgrades or maintenance, or for other reasons, access to a Schwab U.K. representative via the phone channel may be limited or unavailable. Some clients may have their calls routed to automated telephone channels or informational messages. Schwab U.K.

may assign calling teams and specific phone numbers to support certain client groups based on certain factors, which may include asset levels and trading history. These client groups may be given preference in reaching a Schwab U.K. representative. Failure to provide us with a valid account number could also limit your access to a Schwab U.K. representative.

41. Acknowledgement of Obligations and Risks of Investing in Global Securities Traded on Non-U.S. Exchanges

Tax Reporting and Other Potential Tax-Related Consequences

Investing in non-U.S. securities, including those traded on U.S. domestic exchanges, may result in tax liability or tax reporting obligations to U.S. and/or foreign taxing authorities. You alone are responsible for the taxes resulting from your trades, including any tax liability arising as a result of non-U.S. legal obligations. Schwab U.K.'s ability to aid you in achieving the most favorable tax treatment will vary by jurisdiction. Schwab U.K. does not provide tax advice. Please consult with a tax advisor prior to investing in non-U.S. securities in your Schwab U.K. brokerage account(s).

Potential Trading and Ownership Restrictions Applicable to Global Securities

Non-U.S. stock exchanges and regulatory authorities require that you report, and in some cases seek pre-approval for, acquiring ownership in foreign listed securities above certain thresholds or in certain industries. Investments in foreign securities may be subject to trading restrictions and fees not usually encountered in the United States.

Governments, foreign stock exchanges, markets and/or individual securities may impose specific restrictions that prohibit or limit trading by individuals or entities. It is solely your responsibility to ensure that you will, at all times, comply with all applicable laws, obligations and restrictions in each of the jurisdictions in which you purchase and sell securities.

42. Consent to Electronic Delivery of Records and regulatory Information

As a condition of your eligibility to receive certain Schwab U.K. products, services or offers, or as a condition for you to set up access to your Account through the web or another Electronic Service, upon notice to you, Schwab U.K. may require that you accept delivery of trade confirmations, account statements, prospectuses, issuer information or other documents by electronic means such as electronic mail or through a website. You agree that, after such notice, your enrollment in or acceptance of such products, services or offers, or your new access to the web or Electronic Services, constitutes your consent to electronic delivery of trade confirmations, account statements, prospectuses, issuer information or other documents.

43. Unrelated Business Taxable Income Provisions (UBTI)

This term only applies only to Charles Schwab U.K. Account customers with tax-deferred accounts.

If any assets held in your Account generate unrelated business taxable income ("UBTI"), you have the sole responsibility for reporting such income to the Internal Revenue Service (IRS) and any other tax authorities and for complying with any other tax filing requirements resulting from receipt of such unrelated business taxable income. You agree that Schwab U.K. has no responsibility for such tax reporting and filing, and agree to indemnify and hold us harmless from any consequences, including penalties assessed by the IRS and any other tax authorities, resulting from receipt of such unrelated business taxable income. You also agree that if your Account holds assets that generate unrelated business income, your Account at all times will contain liquid funds to pay any tax imposed on unrelated business income at the time such tax obligation becomes due, and that, if necessary to satisfy any such tax obligation, you will liquidate assets or contribute sufficient amounts to the Account.

You further agree that to the extent funds are not available, Schwab U.K. is authorised to liquidate any investments in your Account necessary to generate the funds needed to satisfy your tax obligation. You understand and acknowledge that, in cases where the annual federal tax due is more than \$500, the IRS requires that quarterly estimated tax payments be made. You understand and acknowledge that Schwab U.K. will make such quarterly payments on behalf of your Account only if you direct us in writing to make these payments, and if you notify us of the amount you wish us to pay each quarter.

44. Monitoring Conversations

You, and any agent or representative acting on your behalf, agree that Schwab U.K. may, but is not obligated to, record telephone calls or listen to conversations you have with any Schwab U.K. or Schwab representative to comply with applicable law, to monitor the quality of the service you receive and to verify securities transaction information to banks, funds and other entities regarding the products or services Schwab U.K. offers or arranges on behalf of customers, or for other business reasons. You acknowledge that Schwab U.K. may not be able to locate a tape recording unless you can provide the date and time of the conversation and the full name of the representative to whom you spoke. You further agree that, subject to applicable law, Schwab U.K. has the sole right to determine how long tape recordings will be retained.

45. Trading or Disbursement Restrictions

You agree that Schwab U.K. may place trading, disbursement or other restrictions on your Account as Schwab U.K. deems necessary, including, but not limited to, the following circumstances: pursuant to a court order, tax levy or garnishment; at the request of a government agency or law enforcement authority; in the event that your Account is restricted (including, but not limited to, cash-up-front restriction because of trading or trade-related violations); or in the event of a dispute between joint tenants. You agree to abide by any such restriction and not to initiate trades or transactions which would violate the restriction. You agree to allow Schwab U.K. to liquidate securities in your Account to satisfy any court order, garnishment, tax levy or other legal obligation imposed by a court or government agency. You agree not to hold Schwab U.K. liable for any trading losses, lost profits, tax obligation or other damages resulting from liquidations or trading or disbursement restrictions imposed on your Account in connection with a court order, tax levy, garnishment or other legal proceeding. You agree Schwab U.K. may debit your Account a processing fee of \$35 for each garnishment, subpoena, court order, tax levy or other legal process on your Account.

46. Separability

If any term of this Agreement is found to be invalid or unenforceable, all other provisions will remain in full force.

47. Entire Agreement, Amendment and Waiver

The Schwab U.K. Account Agreement, including all disclosures, terms and agreements incorporated by reference, each as amended from time to time, is the complete statement of your agreement with us. In certain non-U.S. jurisdictions, Schwab U.K. may incorporate agreements deemed appropriate and advisable under local law. On prior or concurrent written notice to you, Schwab U.K. may modify or rescind existing provisions or add new provisions. By not closing and/or continuing to use your Account, you confirm your agreement to abide by the Schwab U.K. Account Agreement, as amended from time to time. Amendments will not affect rights or obligations either of us incur before the effective date of the amendment. No prior conduct, past practice or oral statement by any Schwab U.K. or Schwab employee or agent can amend or modify this written agreement, including, but not limited to, Schwab's right to liquidate or close positions in a margin account anytime and without notice as set forth in the Margin and Short Account Agreement.

Notwithstanding the foregoing, with respect to any Account subject to the terms of this Agreement that is a retirement plan or retirement plan brokerage Account (including a Company Retirement Account ["**CR**A"] or Personal Choice Retirement Account* ["**PCRA**"]), Schwab U.K. may

provide you (including independent Plan Trustees, Plan Sponsors, and/or other applicable plan fiduciaries or their agents) with notice of matters impacting your Account, which notice will include your direction, instruction, and authorisation with respect to the action to be taken (or not to be taken, as applicable) with respect to the particular matter related to your Account. Schwab U.K. will give you as much advance notice of the action to be taken (or not to be taken, as applicable) as is practicable under the circumstances. You will be deemed to have directed, instructed, and authorised us to take such action (or to not take such action, as applicable) if you fail to provide us with written communication to the contrary within the time period set forth in the notice to you. Your provision of such written communication to Schwab U.K. may result in termination of your Account, without penalty imposed by Schwab U.K.

Waivers of rights under the Charles Schwab U.K. Account Agreement must be expressed in writing and signed by the party waiving the rights. A waiver will apply only to the particular circumstance giving rise to the waiver and will not be considered a continuing waiver in other similar circumstances, unless the intention to grant a continuing waiver is expressed in writing. Schwab U.K.'s failure to insist on strict compliance with the Charles Schwab U.K. Account Agreement or any other course of conduct on our part is not considered a waiver of its rights under the Charles Schwab U.K. Account Agreement.

48. Certain Acknowledgements

You acknowledge and agree that Schwab is the principal underwriter of the Schwab Funds®. This affiliation does not limit the authority of Schwab U.K.'s representatives to provide you with information about any available investment vehicles, including third-party funds that are not affiliated with Schwab or Schwab U.K.

You further acknowledge that Schwab and its affiliates receive certain remuneration for providing services to the Schwab Funds® and Laudus Funds® ("**Schwab Affiliate Funds**") in various capacities, including investment advisory and administrative services, as set forth in the prospectuses of the Schwab Affiliate Funds, as amended from time to time. In addition, Schwab receives shareholder servicing payments from the Schwab Funds® and Laudus Funds® for the services Schwab provides to fund shareholders that are customers of Schwab.

49. Authorisation Granted to Advisors

For accounts managed by an advisor, any and all authorisations you grant to your advisor or other third parties with respect to your Account will apply to the successors and assigns of such advisor or other third party, subject to limitations of applicable law.

50. Electronic Copies

The electronically stored copy of your (or your agent's) signature, any written instructions or authorisations, the Account Application and the Agreement and Disclosures is considered to be a true, complete, valid, authentic and enforceable record, admissible in judicial or administrative proceedings to the same extent as if the documents and records were originally generated and maintained in printed form. You agree to not contest the admissibility or enforceability of Schwab U.K.'s electronically stored copy of such documents in any proceeding between you and Schwab U.K.

51. Language

These terms are supplied in English, and any communication between Schwab U.K. and you will be in English (including any documents provided by Schwab U.K.).

52. Schwab U.K.'s Liability to You

Nothing in the Charles Schwab U.K. Account Agreement will exclude or limit any liability:

- Schwab U.K. may have to you under the FCA Rules; or
- that applicable law does not allow to be excluded or limited.

Schwab U.K. will not be liable to you if it fails to take any action which it reasonably considers would breach applicable law or market practice. If there is a conflict between these terms and Schwab U.K.'s obligations under applicable law or market practice, it will take such action as it reasonably considers is required to comply with applicable law or market practice. Schwab U.K. will not be treated as having breached these terms as a result of such action.

Different liability provisions may apply in relation to the Cash Services and the Margin Services; please refer the applicable clauses of Charles Schwab U.K. Account General Terms (Part 1) for further details.

53. FSCS Protection

The Brokerage and Custody Services provided by Schwab U.K. are protected by the U.K. Financial Services Compensation Scheme ("FSCS"). You may be entitled to compensation from the scheme if Schwab U.K. cannot meet its obligations. This will depend on the type of business and the circumstances of the claim.

Most types of investments are covered by the scheme. Payments under the scheme are limited to 100% of the first £50,000 of your investments with Schwab U.K.

For further information about the compensation provided by the FSCS (including the amounts covered and eligibility to claim), please refer to the FSCS website www.fscs.org.uk or call 020 7741 4100 or 0800 678 1100.

Please note that the FSCS does not cover claims in relation to the Cash Services or the Margin Services.

54. Complaints

If you have a complaint about Schwab U.K. and the Brokerage and Custody Services, you should contact the Compliance Officer, Charles Schwab, U.K., Limited, 33 Ludgate Hill, London, EC4M 7JN. The Officer will advise if the complaint may be subsequently eligible to be referred to the Financial Ombudsman Service, and will provide a copy of the Internal Complaint Handling Procedure, if applicable, upon request.

Please note that complaints in relation to the Cash Services and the Margin Services are not covered by the Financial Ombudsman Service.

Conflicts of Interest Disclosure

From time to time during your relationship with Schwab U.K., there may be situations where the interests of Schwab U.K., its affiliates, its associates, or its staff conflict with your own interests. Similarly, your interests may be in conflict with the interests of other Schwab U.K. clients.

Schwab U.K. has implemented a conflicts of interest policy, together with appropriate internal procedures, in order to manage these potential conflicts.

If a potential conflict arises, Schwab U.K. will take reasonable steps to protect your interests in line with its conflicts of interest policy and internal procedures. However, if it is not able to manage the conflicts in a way which it believes sufficiently prevents a conflict harming from your interests, Schwab U.K. will disclose to you the nature and source of the conflict before undertaking the service, or if appropriate, it will refuse to act.

More details on Schwab U.K.'s conflict of interest policy, and how conflicts are managed, can be obtained by contacting us at +1-415-667-8400, or in the U.K. 00800-0826-5001.

Examples of conflicts that may arise

Examples of certain situations which may give rise to a conflict of interest include without limitation:

- where Schwab U.K. or its affiliates carry on business on behalf of other clients;

- executing a transaction in relation to a particular instrument for or with you where we have knowledge of other transactions (actual or potential) connected with that instrument.

Specific disclosures

- Schwab may participate in underwriting a new issue that you purchase.
- Schwab may execute your trade as a Principal Trade.
- Schwab U.K. may route customer orders to Schwab for execution, and Schwab may be compensated for order flow.
- Schwab may recommend or sell a collective investment scheme in which we act as or advise the trustee, investment manager or operator.
- Schwab U.K. clients who elect to borrow money on margin will pay margin interest which Schwab receives as income.

Where a potential conflict arises, we will take all reasonable steps to protect your interests and ensure fair treatment in line with the duties we owe you as our client. We have processes in place to handle such conflicts of interest, and to help us act with an appropriate degree of independence from our own interests when transacting with you or acting on your behalf.

Third party payments or benefits

Where Schwab U.K. or any of its affiliates make or receive any profit, commission or remuneration from or by reason of any transactions which we enter into on your behalf (where permitted by applicable law), neither Schwab U.K. nor its affiliates will account to you for these amounts. While Schwab U.K. will disclose details of these amounts to you as required by applicable law, they will not be set off against our fees, unless required by the applicable law.

Risk Warnings

1. General Trading Risks

- The performance of any of the investments described below is not guaranteed—the value of your investments can go down as well as up.
- Past performance is not a guide to future performance.
- Inflation can adversely impact the whole value of your investments, meaning you could have less buying power in the future.
- Market conditions can change dramatically in a short space of time. In some cases, this may mean that it is very difficult or impossible to fulfill an order where, for example, there is such volatility in the market that trading of certain securities is suspended or restricted.
- Certain investments may not be very liquid, meaning it can take much longer to execute an order to buy or sell, or the price for which they are bought and sold may be much higher or lower than more liquid securities.
- Foreign markets outside of the U.K., including the U.S., can be exposed to different risks.
- As cash in your Charles Schwab U.K. Account is held in U.S. dollars, there will be foreign exchange risks when you trade in non-U.S. dollar-denominated investments. There may also be foreign exchange risk if you convert the funds in your Charles Schwab U.K. Account back into your local currency. Changes in exchange rates could cause the value of your investment to fluctuate either in your favour or against you.
- On many exchanges, transactions are "guaranteed" by the exchange or the clearing house. However, this guarantee is unlikely to extend to you, meaning you may not be protected in the event of a counterparty to a transaction defaulting on their obligations.
- If Schwab U.K., or any intermediate broker used by Schwab U.K. to execute transactions (including Schwab), becomes insolvent, your positions may be liquidated or closed out without your consent. In some instances, you may not receive back any assets lodged as collateral and may have to accept payment in cash. Schwab U.K. can provide further details on request relating to the extent to which it and its

affiliates will accept liability for default by or insolvency of other firms involved in your transaction.

- Schwab U.K. and its affiliates (including Schwab) take no responsibility for your legal obligations and tax arrangements, and have not and will not provide you with any legal or tax advice. You are responsible for complying with all applicable laws and regulations. The tax treatment of investment products can be complex, and the amount due may change during the period of your investment. If you are unsure about any of your legal and tax obligations, you should seek independent legal and/or tax advice before placing any orders.
- You should make yourself aware of all the costs and charges which may apply in relation to your investments, as this will affect the total return you make on your investments (see our Pricing Guide for more information on costs and charges). If you do not fully understand the charges which may apply, please call +1-415-667-8400 for more information. Alternatively, you may wish to seek independent financial advice before trading.

2. Risks For Specific Products

Equities

What are they?

- Equities (also referred to as shares), represent a company's capital. When investing in a company's equities, you are effectively buying ownership of a proportion of that company.
- As well as the return which can be achieved through capital growth should a company increase in value, income may also be available in the form of dividends paid by the company.

What are the key risks?

- The value of your investment is fully linked to the financial performance of the company. If the company does not perform as expected, you may not receive dividends, and you may also suffer capital losses. In the worst case (for example, in an insolvency of the company or where there are other circumstances which lead to a significant decline in the company's value), you may lose the entire capital value of your investment.
- The level of risk associated with investment in a company's equities may vary according to its characteristics. Key characteristics which may increase the risk associated with particular equities include:
 - a low market capitalisation;
 - if the company produces or relies on a product that is undiversified or focussed on a limited range of markets as a major source of income;
 - a significant reliance on borrowing as a source of finance;
 - if the company has significant fixed costs, with no flexibility relating to output, production or turnover;
 - if the company's key income sources are seasonal or "cyclical" in nature;
 - if the company or its key products/services are at an early stage of development or otherwise have an unproven track record;
 - if the company is focussed primarily in emerging markets, particularly during poor market conditions, or in countries where legal property rights may be difficult to enforce.

These are not the only potential characteristics that may increase risk. The range of factors that may affect the value of a company's equities may be broad and complex, and the value is likely to reflect both macro-economic factors (for example, the economic performance of the markets in which it operates) and individual factors which are specific to the company.

- Price volatility in the equities market can change very quickly—you cannot assume that any historic trends will be a guide to future performance.
- There can be far less available liquidity for equities in unlisted companies and small companies, meaning the price you obtain on selling your investment could be much lower than what you originally paid. The

risk of significant losses increases if you are looking to realise an immediate sale.

- Investing in smaller companies not subject to the rules of a listing authority may also increase the investment risk, as they may not have an extensive trading history or experienced management team.
- In addition, concentrating your investments in specialist sectors could mean you are disproportionately exposed to sectoral risks.
- Some of these risks may be managed through appropriate diversification, for example by using an appropriately diversified investment vehicle (such as a fund product, which invests in a range of equities) or by diversifying your own holdings by investing in a range of individual equities.

Fixed Income Investments

What are they?

- Fixed income investments are debt instruments, whereby you are effectively loaning money to companies or governments, in exchange for fixed interest payments (also known as the "coupon") over the life of the investment. At the end of the term, the principal amount of the investment is paid back to you. There are several types of fixed income products available.
 - **Corporate Bonds:** The value of the investment is linked to how financially secure the company is, and how likely the company is both to pay the interest over the life of the bond and return the principal amount at the end of the life of the bond.
 - **Government Securities:** In the U.S., these are also known as "Treasuries" and are bonds backed by the U.S. Government. Treasuries are available with different maturities and yields. In the U.K., they are known as Gilts.
 - **Agency Bonds:** These are issued by a U.S. Government-sponsored enterprise ("GSE") or U.S. Government-owned corporations.
 - **Mortgage-backed Securities (MBS):** These are bonds which are secured by an underlying collection of mortgages. As with other bonds, income is available through payment of interest, but in addition a portion of principal is also repaid.

What are the key risks?

- Fixed income products are generally used to provide a reliable yield, or source of income, until the debt falls due for repayment (also known as the maturity).
- If fixed income investments are intended to be held until maturity, the key risk relates to the issuer's ability to repay both the coupon and the principal amount. If fixed income investments are intended to, or may be, traded before maturity, then an additional key risk is the potential change in their value.
- In particular, the value of fixed income products can be subject to a significant degree of volatility when interest rate expectations are changing.
- Other factors which can have a significant impact on the value of fixed income products include:
 - the issuer's credit rating—this rating reflects the view of their ability to repay the amounts payable when they fall due;
 - expectations about future interest and inflation rates in the market more generally;
 - the coupon;
 - the maturity; and
 - the seniority of a bond within the capital structure of a company (in other words, its position relative to other creditors of the company in an insolvency or similar scenario), and the quality of any security available (this can impact the total amount recoverable if the issuer is unable to repay).
- All bonds are subject to interest rate risk—if interest rates increase, then their value generally decreases.

- Generally, Treasuries and Gilts are regarded as a low risk investment, as they are backed by the U.S. Government and U.K. Government, and therefore the risk of default is considered to be relatively low—although they are still subject to risks associated with changes in their value.
- Corporate bonds are generally considered to be a higher risk investment—this is reflected in the higher yield offered than for government securities. They are subject to higher risks both in terms of the issuer’s ability to pay the coupon and principal amount, and increased volatility in relation to their value. In particular, “junk bonds” (issued by companies which are less financially secure) can offer higher returns, but are also high risk.
- While fixed income products are usually subject to less volatility than equities, if a borrower defaults under its repayment obligations, you may cease to receive income in the form of interest payments, and little to no capital may be recovered. You may therefore lose the entire capital value of the investment.

American Depositary Receipts (“ADRs”)

What are they?

- ADRs represent equities of a non-U.S. company listed on a U.S. stock exchange or available over the counter (“OTC”). They are denominated in U.S. dollars.

What are the key risks?

- ADRs are subject to similar risks to equities (see above) and, in particular, the performance of the company whose securities you are investing in. The total value of your investment can go down as well as up and you may lose the full capital value of the investment.

Funds

What are they?

- These are collective investment vehicles (in other words, funds) which allow investors to invest in a collection of equities and bonds.
- The fund generates investment returns through dividends on the equities and interest on fixed income products it holds. Investors receive periodic distributions from the fund.
- Each fund can specialise in certain investments, such as equities, or fixed income, or in particular markets (such as emerging markets), or in certain sectors.

What are the key risks?

- Funds will incur additional costs in the form of a management fee. Even if the value of the fund decreases or the fund does not perform well, the percentage of the fund payable to the manager will likely remain fixed. There may also be other fees associated with the running of the fund (such as trading and custody fees) which are paid by the fund and therefore indirectly borne by investors. These fees may reduce your overall returns.
- Higher management fees are not an indication of future higher returns on your investment.
- Those funds specialising in a certain market or industry will be disproportionately exposed to specific risks, such as political instability, and so will likely display greater volatility.
- In addition to the risks applicable specifically to mutual funds, these products will also be subject to similar risks as equities and fixed income products. Both the income and the total value of your investment can go down as well as up. Although it is much less likely that a mutual fund would become insolvent or default when compared to individual equities or fixed income investments, if this happened then you may lose the entire capital value of your investment.

Options

What are they?

- Options are a type of derivative contract which provide a time limited right to subscribe for (call) or dispose of (put) an asset (known as the

“underlying”) in the future at a price specified when the option is entered into.

What are the key risks?

- Investing in options can bring a high degree of risk, and each options contract will have its own specific characteristics you will need to be aware of, including:
 - the characteristics and risks/volatility of the underlying assets to which a contract is linked;
 - the relevant market quote conventions, such as the lot size of a contract and the value attributed to movements in the value of the underlying asset;
 - the sums you can afford to risk before you close out;
 - the interaction different investments in derivatives might have with one another;
 - any action you may need to take in order to exercise or opt for settlement at or before the expiry of the contract; and
 - the person that will be responsible for paying any sums owing to you either during the course of the contract or at maturity or expiry, and the likelihood that these sums will be repaid when they fall due.
- The premium paid for an option is usually lower than the total amount of the underlying asset, meaning these transactions can be highly leveraged. In some instances, you may lose the total amount of premium invested.
- A small movement in the price of the underlying asset can have a disproportionate impact on the price of an option, meaning the prices of options can be very volatile.
- You may need to post additional collateral over the life of the option to maintain your position. Failure to do so within a specified time frame may mean your position is closed out at a loss without your consent, and you will be liable for any deficit. You may lose the total amount of collateral posted if the market moves against you.

3. Margin Lending Risks

- If you have agreed to the optional Margin Services, which are provided by Schwab, then there may be additional risks associated with trading using that margin. You should ensure that you fully understand the terms of the Margin Services and those risks.
- Some of the key risks include:
 - Borrowing in order to fund a higher volume of trading (leverage) can increase your exposure to market volatility and magnify your potential losses.
 - The returns you make from trading may not cover the amount you have borrowed or the costs associated with the margin. You are required to repay the full amount of margin borrowed, even if the value of your investments falls.
 - The interest charged for providing the margin may vary and may reduce your investment returns.
 - The margin facility is denominated in U.S. dollars. You may be exposed to exchange rate (currency) risk where the investments you trade are denominated in other currencies.
 - The tax treatment of borrowing margin to fund trading may change.
- When you buy securities on margin, all securities and other assets in your Charles Schwab U.K. account are pledged as collateral to secure this loan. If the value of the collateral Schwab holds falls below a certain level, you will be required to provide additional collateral (known as a “margin call”), or Schwab may sell your securities or other assets to pay down the loan. This may be done without further notice to you. Schwab will decide, at its discretion, which assets are to be sold and the timing of the sale, and the amount it realises for the assets may be less than might otherwise be achieved.
- The minimum and ongoing amount of collateral that you are required to maintain in your account may vary. In particular, Schwab may at any time and without further notice impose more stringent requirements on positions that in its sole discretion involve higher levels of risk.

- Schwab retains discretion to determine whether, when and in what amounts it will require additional collateral.
- Please refer to the Margin and Short Account Agreement in the General Terms (Part 2) for further information on the terms that apply to the Margin Services.

4. Short Selling Risks

- “Short selling” refers to the act of selling securities that you do not own, but have borrowed (at a premium), on the assumption that you will be able to buy back the securities at a lower price than the price at which you sold it. Since short selling can only be done in a margin account, the amount of margin interest can be substantial. However, short selling can be a high risk strategy. There is no guarantee that securities will decline sufficiently in value for the sale to offset the cost of borrowing the securities in the first place in order to make a profit. If the price does not decline then you may lose all of the funds used for short selling. If the price of the securities increases, then you will also be liable for the increase in the price of the securities. This increase could be substantial, as there is no upper limit to the value of securities, meaning you could experience significant loss. It may also be difficult for you to repurchase and return the borrowed securities.
- Short selling as part of your trading strategy also may lead to large losses, because you may have to purchase a stock at a very high price in order to cover a short position.
- When you enter into short sales or short options this will be treated as a margin transaction, which means that you will be borrowing money from Schwab. As such, the disclosures above relating to collateral under “Margin Lending Risks” also apply in respect of short selling.

5. Extended Hours Trading Session Disclosure

Trading using your Charles Schwab U.K. Account during extended hours can carry additional risks.

Risk of Lower Liquidity

Liquidity refers to the ability of market participants to buy and sell securities. Generally, the more orders that are available in a market, the greater the liquidity in that market.

Liquidity is important because with greater liquidity it is easier for investors to buy or sell securities; as a result, investors are more likely to pay or receive a competitive price for securities purchased or sold.

There may be lower liquidity in extended hours trading as compared to regular trading hours. As a result, your order may only be partially executed, or not at all.

Risk of Higher Volatility

Volatility refers to the changes in price that securities undergo when trading. Generally, the higher the volatility of a security, the greater its price swings. There may be greater volatility in extended hours trading than in regular trading hours. As a result, your order may only be partially executed, or not at all, or you may receive an inferior price when engaging in extended hours trading than you would during regular trading hours.

Risk of Changing Prices

The prices of securities traded in extended hours trading may not reflect the prices either at the end of regular trading hours, or upon the opening the next morning. As a result, you may receive an inferior price when engaging in extended hours trading than you would during regular trading hours.

Risk of Unlinked Markets

Depending on the extended hours trading system or the time of day, the prices displayed on a particular extended hours trading system may not reflect the prices in other concurrently operating extended hours trading systems dealing in the same securities. Accordingly, you may receive an

inferior price in one extended hours trading system than you would in another extended hours trading system.

Risk of News Announcements

Normally, issuers make news announcements that may affect the price of their securities after regular trading hours. Similarly, important financial information is frequently announced outside of regular trading hours. In extended hours trading, these announcements may occur during trading and, if combined with lower liquidity and higher volatility, may cause an exaggerated and unsustainable effect on the price of a security.

Risk of Wider Spreads

The spread refers to the difference in price between what you can buy a security for and what you can sell it for. Lower liquidity and higher volatility in extended hours trading may result in wider than normal spreads for a particular security.

Appropriateness of Extended Hours Trading

Schwab U.K. does not warrant or recommend that extended hours trading is appropriate for you. As noted above, extended hours trading involves special risks, and it may not be appropriate for all investors. Investment decisions you make involving extended hours trading are your responsibility.

Potential Changes to Extended Hours Trading

Schwab U.K. reserves the right to change its extended hours trading session. You will need to keep up to date on these changes and review how they might affect your own investment decisions.

Clearly Erroneous Policy

Schwab U.K. may be subject to the Electronic Market’s “clearly erroneous policies.” A clearly erroneous trade occurs when someone has entered an order with an obvious error in any term, such as security identification, price, or number of shares. Upon request, the Electronic Market may review a transaction to determine if it was clearly erroneous and may reverse or “break” such a trade. This could have the effect of placing you in the position you were in before the transaction. If you wish to have a transaction reviewed, please contact a Schwab U.K. representative immediately, as you must make an appeal within 30 minutes of the execution time for a “break” to be considered.

Electronic Services Agreement and Use Agreement

Your use of the extended hours trading session is governed by your existing account agreements with Schwab, including the “Electronic Services Agreement.” The information, news, research, quotations, and other content available to you during the extended hours trading session is also subject to the “Use Agreement.” As a Schwab customer, you have previously consented to these agreements, which are available for your review under the Agreements link that appears on one or more pages in the Customer Center.

Best Execution Policy

The purpose of this section is to explain how Schwab U.K. will execute transactions for you. The following information is a summary of our Best Execution Policy, and is designed to provide an overview of how Schwab U.K. generally executes transactions in different investment types and the execution venues that are used.

Schwab U.K. is required under the U.K. regulatory system to take all reasonable steps to obtain, when executing orders, the best possible result for its clients taking into account the execution factors that are relevant to the order.

Execution Factors

Price

When Schwab U.K. is executing an order on behalf of a retail client, the best possible result must be determined in terms of the price of the financial instrument, and the total costs related to execution (the “total consideration”), including:

1. execution venue fees,
2. clearing and settlement fees, and
3. any fees paid to a third party involved in the execution of the order.

Schwab U.K.’s position is that the cost on any given executed transaction is reflected in the commission charge paid by you. Schwab U.K. publishes its full commission schedule to its customers and does not change based upon execution venue for an order. You will receive the same cost for your order regardless of where Schwab U.K. executes the trade.

You should note that it is not always possible to provide the best possible execution price with a reasonable amount of effort on every order. Schwab U.K.’s approach is to ensure that overall Schwab is routing orders to venues that consistently provide the best possible result to our customers (see “All Order Monitoring” below for more information).

Other execution factors

In addition to the immediate price of a transaction, Schwab U.K. may also take into consideration other execution factors where it believes this will assist in delivering the best possible return in terms of the total consideration paid by you.

These factors include:

1. speed
2. likelihood of execution and settlement
3. the size and nature of the order
4. market impact and
5. other implicit transaction costs

More generally, when Schwab U.K. executes an order for you, other execution factors include:

- The financial instrument—available liquidity will impact where orders can be sent.
- If you are a retail client—if so, then best execution is primarily determined by total consideration.
- Specific instructions—while Schwab U.K. will apply best execution to orders where you have given it specific instructions relating to execution, it may not be possible to obtain the best possible result if those specific instructions are complied with.
- Execution venues to which your order can be directed—there are variations in the costs of execution at each venue.

Dealing Arrangements for Different Instruments

Schwab U.K. routes orders in securities (including equities, fixed income and listed options) to its U.S. affiliate, Schwab, which executes the orders through third party execution venues as described below.

Equities

Schwab routes equity orders to large wholesale market making broker-dealers which, because of their size and scale, are able to add liquidity and develop and maintain the most efficient and effective order routing for purposes of achieving best execution.

Schwab’s order management system and processes are designed to take all reasonable steps to obtain, when executing orders, the best possible result for all clients, taking into account the execution factors. In directing its orders to these broker-dealers, Schwab provides greater liquidity and more price improvement opportunities as a result of

automatic execution and liquidity offered by the major wholesale market makers and their deep liquidity pools.

In this way, Schwab obtains higher levels of price improvement for clients through wholesale market makers than if Schwab routed directly to exchanges. Schwab’s order routing also considers speed and likelihood of execution, where appropriate for a particular order, to achieve the best possible result.

Exchange-Listed Options

Schwab routes exchange-listed options orders directly to large wholesale market makers. Those trades are subsequently executed on the exchange on the market maker’s choice, with a focus on execution quality for the orders.

Fixed Income

Schwab Bond Source (“SBS”) is Schwab’s proprietary fixed income order management system. It centralizes orders placed by clients and internal representatives, and is used by the Fixed Income Trading Desk for order review, routing and execution.

SBS promotes price competition by connecting to eight sources of liquidity representing thousands of quotes from hundreds of different dealers. This includes three major ATS/ECN platforms (KCG BondPoint, Tradeweb Direct, TMC Bonds), four direct dealer connections (Citigroup, Intl FC Stone, JP Morgan, Piper Jaffrey) and Schwab’s own proprietary markets.

The degree of liquidity provided from these sources varies across individual providers. Clients’ orders are placed versus matched with the best quote available at Schwab for their order criteria by displaying that price at order entry. Upon order entry, the system will perform a second pricing check of the liquidity sources to determine whether any new/improved quotes have been posted. It will then route the order for execution against the best quote available through these sources.

Execution Venues

The variations in the costs of execution venues will be taken fully into consideration in respect of obtaining the best possible result for you.

Information about the principal venues to which Schwab routes orders is available in Schwab U.K.’s Best Execution policy.

All Order Monitoring

Schwab U.K. monitors the activity that Schwab undertakes in monitoring the execution quality provided by the various execution venues to ensure that orders in all financial instruments are routed to venues that have provided high-quality executions over time (with the exception of those orders directed to a specific execution venue by its client).

Part 2:

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Part 2:

General Terms

Introduction

You may use the Visa® Debit Card and checks to pay for goods and services or to withdraw cash from your Charles Schwab U.K. Account.

We will deduct check transactions from your Charles Schwab U.K. Account in the following manner:

- Charges will be made, first against the cash assets in your account, which may consist of a Free Credit Balance, or shares of a Schwab Sweep Money Fund or another Schwab Money Market Fund™; then
- If the amount of the debit exceeds your cash assets, we will extend credit to you to the extent of the Available Margin Loan Value of your marginable securities.

We will pay interest on your Free Credit Balance awaiting investment, and we will charge interest on amounts you owe us.

Cash Services

1. Schwab's Cash Features Program

Schwab's Cash Features Program is the service described in the Cash Features Disclosure Statement that we provide to automatically invest, or "sweep," the Free Credit Balance in your Account into a liquid investment or to earn interest from Schwab on the Free Credit Balance in your Account. The Cash Features Program permits you to earn income while you decide how those funds should be invested longer term.

Cash Features refers to the following alternatives.

1. The "Schwab One® Interest" feature pays you interest on your Free Credit Balances; and
2. The "Money Fund Sweep" feature automatically invests in and redeems shares of a Schwab Sweep Money Fund; and

Schwab may change the eligibility criteria for Cash Features on advance written notice to affected clients, or make certain Cash Features available to clients that do not otherwise meet published criteria.

You will not receive a separate confirmation for transactions in your Cash Feature. Your Account statements will reflect all transactions in your Cash Feature (including purchases, redemptions, dividends, dividend reinvestments, deposits, and interest).

Changing Your Cash Feature

When you opened your Account, you selected a Cash Feature or were informed of the Cash Feature designated for your Account if you did not validly select an available Cash Feature.

You authorize Schwab to make deposits, withdraw cash, or purchase and redeem securities in accordance with the eligible Cash Feature you have designated or the Cash Feature that has been designated for your Account.

You may change your Cash Feature election to another eligible Cash Feature by contacting Schwab.

If you request a change from one Cash Feature to one of the alternatives available to you, Schwab will generally effect that change the following Business Day, but reserves the right to take longer if necessary to properly process your request. This may result in the loss of one or more Business Days' interest or dividends. During this time, we will earn and retain interest on your funds, generally at money market rates. See the "Float Disclosure" section for more information.

As a condition to changing your Cash Feature, Schwab will transfer the funds in your prior Cash Feature to your new Cash Feature. In other words, Schwab will redeem all shares in your Schwab Sweep Money Fund and place the proceeds or the funds in your new Cash Feature.

Changes to Your Cash Feature and the Cash Features Program by Schwab

You understand and agree that Schwab may (i) make changes to the terms and conditions of our Cash Features Program; (ii) make changes to the terms and conditions of any Cash Feature; (iii) change, add, or discontinue any Cash Feature; (iv) change your investment from one Cash Feature to another if you become ineligible for your current Cash Feature, your Cash Feature is discontinued, or such change is required pursuant to any regulatory requirement; and (v) make any other changes to the Cash Features Program or Cash Features as allowed by law. Schwab will notify you in writing of changes to the terms of the Cash Features, changes to the Cash Features we make available, or a change in the Cash Features Program prior to the effective date of the proposed change.

If you become ineligible for a particular Cash Feature or if Schwab discontinues your Cash Feature, then you authorize Schwab to designate another Cash Feature for which your Account is then eligible and transfer the funds from the ineligible or discontinued Cash Feature to the Cash Feature designated by Schwab for you. Schwab will notify you in writing prior to such change. The notice will describe the new terms and conditions of the Cash Features Program, your new Cash Feature, and the options available to you if you do not wish to accept the new Cash Feature. If you would like to choose another Cash Feature that is an available option, you agree to respond to us in the manner and within the time period set forth in the notice. If you do not respond within the specified time period, you agree that Schwab may treat your non-response as your acceptance of the new Cash Feature. Your authorization will remain in effect until you give us notice to the contrary. Your notice to us will not affect any obligations resulting from transactions initiated prior to our receipt of the notice.

A change in your Cash Feature may result in the loss of one or more Business Days' interest or dividends while your transaction is being processed. During this time, we will earn and retain interest on your funds, generally at money market rates. See the "Float Disclosure" section for more information.

Money Fund Sweep Feature

The "Money Fund Sweep" feature automatically invests in and redeems shares in a Schwab Sweep Money Fund as described in the Cash Features Disclosure Statement.

Investments in the Schwab Sweep Money Funds are subject to restrictions described in the applicable Schwab Sweep Money Fund's prospectus. For more complete information about a Schwab Sweep Money Fund, including charges and expenses, read the fund's prospectus carefully. An investment in a Schwab Sweep Money Fund is neither insured nor guaranteed by the Federal Deposit Insurance Corporation ("FDIC") or any other government agency.

Although investments in Schwab Sweep Money Funds provide a means of earning a return on cash, there can be no assurance that a Schwab Sweep Money Fund will be able to maintain a stable net asset value of \$1 per share. In the event that a Schwab Sweep Money Fund is no longer able to maintain the net asset value of its shares at \$1, then you authorize and instruct Schwab, without further notice to you, to redeem all of your Schwab Sweep Money Fund shares as soon as commercially practicable and deposit the proceeds in your Account.

Schwab Sweep Money Funds may, to the extent permitted by law, include money market funds for which Schwab or its affiliates receive transaction and other fees for providing services (such as investment advisory, administration, transfer agency, distribution, and shareholder services), and these fees will vary depending on the money market fund (or share class) used. No portion of these fees will reduce or offset the fees otherwise due to Schwab in connection with the Account unless required by law.

Pursuant to regulation or law, your account may be ineligible to invest in certain Sweep Money Funds.

Sweep Procedures for the Money Fund Sweep Feature

You authorize us to act as your agent to make deposits to purchase and sell shares in a Schwab Sweep Money Fund in accordance with the Cash Features Disclosure Statement.

A Free Credit Balance of one dollar (\$1) or more in your Account on any Business Day will be swept into a Schwab Sweep Money Fund, after the close of business on that Business Day and generally will not begin earning interest or dividends until the following Business Day. Proceeds from the sale of securities will be swept the Business Day following settlement, provided that the securities sold have been received in good deliverable form prior to the Settlement Date. Schwab has sole discretion to change when and how often sweeps occur upon advance written notice to you.

If, on any given day, the accrued daily dividend for your Schwab Sweep Money Fund as calculated for your Account is less than half of one cent (\$0.005), your shares will not earn a dividend for that day. In addition, if you do not accrue at least one daily dividend of \$0.01 during a pay period, you will not receive a money market dividend for that period.

If your deposit account or Schwab Sweep Money Fund, as applicable, accrues interest or dividends resulting from the investment of money represented by a check or other item that is later returned unpaid, we will debit your Account for the amount of the interest or dividends.

Schwab One® Interest Feature

The Schwab One® Interest feature pays you interest on cash awaiting investment. If you are receiving interest from Schwab under the Schwab One® Interest feature, you agree that the Free Credit Balance in your Account is maintained for purposes of making investments, and not solely for the purpose of receiving such interest. Schwab reserves the right to stop paying interest on your Account, close your Account, or take any other action if Schwab, in its discretion, concludes that your Free Credit Balances are maintained solely for the purpose of receiving interest.

The Schwab One® Interest feature is subject to the terms and conditions set forth in the Cash Features Disclosure Statement, including the manner of setting interest rates and the crediting of interest. If, on any given day, the interest that Schwab calculates for your Account in accordance with the foregoing is less than \$0.005, you will not earn any interest on that day.

Schwab will pay interest on remittances by check beginning on the first or second Business Day after the check is deposited, depending on the location of your bank. Interest will accrue even if a hold is placed on the check. However, if we have credited your Charles Schwab U.K. Account for interest on funds represented by a check or other item that is later unpaid, we will charge your Charles Schwab U.K. Account for the amount of the interest paid.

Limited Liability

If Schwab fails to sweep, or pay interest on, your Free Credit Balance according to the Cash Features Disclosure Statement, Schwab's liability is limited to the actual amount of interest or dividends you would have earned had the Free Credit Balance been invested, deposited, or credited in the manner described in the Cash Features Disclosure Statement.

You agree to hold us harmless if we do not make withdrawals or liquidate shares to satisfy debits in your Account. If you intend to send funds to settle securities transactions, we must receive these funds on the Business Day before the Settlement Date to prevent an automatic redemption.

2. Float Disclosure

You agree that Schwab may retain as compensation for services your Account's proportionate share of any interest earned on aggregate cash balances held in Schwab's bank account with respect to (1) assets awaiting investment or (2) assets pending distribution from your Account. Such interest retained by Schwab shall generally be at money market rates.

Assets awaiting investment or deposit include:

1. amounts deposited by you into your Account; and
2. any other uninvested assets held by your Account caused by an authorised instruction to Schwab to purchase or sell securities (which may, after the period described below, automatically be swept into a Schwab Sweep Money Fund or deposited into a Sweep Bank). With respect to such assets awaiting investment or deposit: (i) where such assets are received by Schwab on a Business Day and before deposit cutoff time for the local Schwab Investor Center with which the funds are deposited, such interest may be earned by Schwab through the beginning of the following Business Day; (ii) where such assets are received on a day which is not a Business Day, or where such assets are received after the local Schwab Investor Center's deposit cutoff time, such interest may be earned through the beginning of the second following Business Day.

When Schwab receives a request for a distribution from your Account, Schwab generally processes the request within two or three Business Days (unless the distribution is in connection with an unusual event such as death or divorce, in which case it generally will take longer to process the request). On the same day that the processing is completed, the amount of the distribution will be debited from your Account. The distribution check will be written and mailed on the following Business Day. You agree and acknowledge that Schwab will earn interest beginning on the date your Account is debited and ending on the date the check is presented for payment, the timing of which is beyond the control of Schwab. Upon request, Schwab will provide you a verbal update to determine the status of your outstanding distribution checks.

If you request a Schwab MoneyLink® transfer from your Account to another financial institution: (i) the amount of the transfer will be debited from your Account on the day that the transfer process is commenced; (ii) the funds will be received by the other financial institution within one to two Business Days of the date the transfer process is commenced; and (iii) you agree and acknowledge that Schwab may earn interest on that amount beginning on the date your Account is debited and ending on the date the Electronic Fund Transfer is received by the other financial institution and thereby debited from Schwab's bank account.

If you choose to change your Cash Feature from one Cash Feature to another, or if Schwab changes your Cash Feature from one Cash Feature to another, you will generally stop earning interest or dividends, as the case may be, on the day of your request. If you or Schwab designate a new Cash Feature before the close of business on a Business Day, your Free Credit Balances will be swept to your new Cash Feature after the close of business that Business Day, and generally will begin earning dividends or interest, as the case may be, on the following Business Day. If you or Schwab designate a new Cash Feature after the close of business or on a non-Business Day, your Free Credit Balances will be invested or deposited into your new Cash Feature after the close of business on the next Business Day, and generally will begin earning dividends or interest on the Business Day following the next Business Day. If you request that Schwab automatically send dividends, interest, or other payments directly to you, and the Account has a Schwab Sweep Money Fund as a Cash Feature, net payments will not accrue interest between the time they are credited to the Account and the time they are disbursed to you.

3. Authorisation Limit

The Authorisation Limit is the maximum amount you may withdraw from your Charles Schwab U.K. Account using your checks, ACH or Electronic Fund Transfers.

Schwab may put a hold on funds in your Account or otherwise restrict withdrawals or transfers from the account to a limit that is lower than the Authorised Limit, if there is risk of fraudulent, unusual or unauthorised activity based on certain parameters established by Schwab. Your Authorisation Limit is calculated each Business Day and is the sum of:

- Your Free Credit Balance, the value of any Schwab Sweep Money Fund, and the value of cash balances deposited in a Sweep Bank in your Charles Schwab U.K. Account; plus
- The Available Margin Loan Value of the marginable securities held in your Margin and Short Account; minus
- The amount of any Visa® drafts that have been authorised but not yet paid; and
- The amount required to settle any pending securities purchases in your Margin Account; and
- Accrued margin interest that has not yet been posted to your Account; and
- Deposits received by us for credit to your Charles Schwab U.K. Account on which a hold (as described in Section 7) has been imposed.
- Clients residing within Europe, including the U.K., are restricted from using their available margin loan value to withdraw funds from their accounts.

Proceeds of the sale of securities will not be included in the Authorisation Limit until the Business Day after settlement date.

4. Services and Fees

Enrollment in a Service

Schwab offers a number of account types, service features and benefit packages, each of which is referred to as a "Service" for purposes of your Account Agreement. Each Service may have unique fees and additional terms and conditions. By enrolling in a Service or otherwise using a Service and not discontinuing your enrollment in that Service, you agree to abide by the terms and conditions or agreement ("**Terms of Service**") applicable to such Service, in addition to this Account Agreement.

Householding Guidelines

Unless you notify Schwab otherwise, Schwab will make a reasonable effort to link qualified accounts of persons with the same last name at the same home address. Schwab may link other accounts upon your request if account holders are in the same family, there is a dependent relationship, or in certain other similar instances at Schwab's discretion. Certain accounts may not be eligible for linking. The assets of linked accounts are not commingled, and all clients linking accounts retain control over, and responsibility for, their individual accounts.

Schwab is not responsible for identifying accounts that are eligible to be linked for purposes of determining the Accounts of Your Household. It is the obligation of fiduciaries to notify Schwab of accounts that should not be linked. You agree to contact Schwab if you are acting in a fiduciary capacity and want your fiduciary account aggregated as part of the Household Calculation or excluded from the Household Calculation. You may contact Schwab or your independent investment advisor ("advisor") for more information or to give Schwab instructions with respect to linking eligible accounts.

Certain fees and other items relating to your account are calculated by considering (i.e., aggregating) activities and balances in the Accounts of Your Household. You acknowledge and agree that it is your responsibility to review the applicable Pricing Guide or fee schedule and your account statements, and to consult with other members of your household who may have accounts with Schwab to determine whether Schwab should update or change its Household Calculations. While Schwab will make a good faith effort to identify and consider on its own the Accounts of Your Household in order to calculate any potentially applicable fee waivers, you acknowledge and agree that Schwab is not responsible for any claimed error in making Household Calculations if you fail to contact Schwab with concerns or questions about how Schwab is making Household Calculations. If there are other holders of Accounts of Your Household, you understand and acknowledge that Schwab may use general information about your Household Balance and activities to provide or explain Household Calculations or Services available to you and those other holders of Accounts of Your Household. If you do not want your account data included with data from other Accounts of Your Household for such purposes, you agree to contact Schwab.

Fees and Incorporation of the Pricing Guides

Fees for particular Services and Accounts are generally set forth in a pricing guide or fee schedule, such as the *Charles Schwab Pricing Guide* or other pricing guide Schwab may provide as applicable to your account (collectively, the “**Pricing Guides**,” and individually, a “**Pricing Guide**”). The Pricing Guides are companions to this Account Agreement and are incorporated as part of this Account Agreement.

You agree to pay the Service fees as well as other fees that apply based on your transactions, activities and requests, as set forth in the Pricing Guide applicable to your account or as Schwab otherwise informs you. These other fees may include, but are not limited to, the following:

- Commissions, transactions (including mutual funds) and order handling fees;
- Account service fees;
- Cashiering services;
- Custody of certain assets;
- Reports relating to your account requested by you or that are required by law;
- Fees associated with transactions in Schwab proprietary non-sweep money funds (including Schwab Value Advantage Investments®);
- Termination and transfer fees; and
- Charges for failing to maintain minimum balance requirements.

Some Services may have a special fee schedule that is not included in the applicable Pricing Guide. If so, Terms of Service that you receive at the time you receive or enroll in the Service will include that additional pricing information. You agree to review the Terms of Service and not to use or not to continue use of the Service if you do not agree to pay the applicable fees.

You agree to pay all applicable fees, as well as any applicable federal, state and local taxes. Schwab's failure to deduct fees from your Account at the time you incur those fees does not waive Schwab's right to deduct those fees from your Account at a later time.

Schwab may modify a Pricing Guide or fee schedule applicable to a Service at any time. Schwab will provide notice to you of any change in fee or new fee applicable to you in accordance with applicable laws and regulations. Your continued use of your account or a Service following such a change in fee or new fee will evidence your consent.

Some fees may be charged to a debit or credit card. By authorising Schwab to charge a debit or credit card, you are authorising Schwab or its respective designated representatives or agents to automatically continue charging that card (or any replacement credit card account if the original card is renewed, lost, stolen or changed for any reason by the credit-issuing entity, and such entity informs Schwab of such new replacement card account) for all fees and charges associated with your transactions or the products or Services you receive.

Schwab reserves the right, but has no obligation, to negotiate different prices or arrangements than those described in a Pricing Guide or elsewhere with account holders and with unaffiliated third parties acting as agents for certain account holders.

Transfer (Out) Fee and Account Minimums

Schwab may charge a fee when you request a transfer of assets from the Account to another financial institution (a “**TOA**”), as set forth in the applicable Pricing Guide or fee schedule. A TOA occurs when you request (either personally or through another financial institution) that Schwab transfer securities or cash out of the Account. A TOA of all the assets in the Account is a “full TOA”; a TOA in any amount less than this is a “partial TOA.” You may obtain a copy of the applicable Pricing Guide or fee schedule by calling +1-415-667-8400, or if your Account is managed by an independent investment advisor, please contact your advisor directly, or the number above.

Schwab reserves the right to later charge fees or waive the minimum or fees on any account in circumstances that we deem appropriate.

5. Returned Items

If transactions in your Account reduce your Authorisation Limit below zero, we will return your check, ACH or Electronic Fund Transfer unpaid or decline the Visa® authorisation. We will charge a fee for any check or Electronic Fund Transfer we return unpaid.

6. When Check Deposits Are Available for Withdrawal or Transfer

When you deposit checks in your Charles Schwab U.K. Account, they will become available for withdrawal according to our availability schedule. Details of the schedule are available by logging in to your Schwab Account at www.schwab.com, calling us or stopping by a branch. However, even when deposited funds are not available for withdrawal, you will receive interest or dividends on these held funds according to Section 2. At our discretion, funds represented by the check also may be unavailable for settlement of securities transactions during the hold period.

We reserve the right to redeposit any checks that do not clear the first time due to insufficient funds, or any other reason, with or without prior customer notification.

7. Unauthorised Wire Transfers, Missing Checks, Unauthorised Signatures and Alterations

You must promptly examine your statement upon receipt. If you find that your records and ours disagree, or if you suspect that a wire transfer is unauthorised or a check or an endorsement is altered or forged, call us collect at once at +1-415-667-8400. You must also report missing or stolen checks to us immediately by calling the same number. Or you may write to us via Message Center within your account online, or at:

Charles Schwab & Co., Inc.,
Attn: International Operations
1945 Northwestern Drive
El Paso, TX 79912-1108
USA

If you do not notify us in writing of the suspected unauthorised wire transfer, forgery, alteration or fraudulent check transaction promptly, but in no event later than 10 calendar days after we send or make available to you notice of the transaction or your Account statement, whichever is received first, you agree that the statement activity and your Account balance are correct for all purposes with respect to those transactions and waive all claims against Schwab to recover any losses resulting from said unauthorised wire transfer, forgery, alteration or fraudulent check.

If you report to us that an unauthorised wire transfer, forgery, alteration or other unauthorised check transaction has occurred on your Account, you agree to cooperate with us in the investigation of your claim. This includes giving us an affidavit containing whatever reasonable information we require concerning your Account, the wire or check transaction and the circumstances surrounding the loss.

You agree that we have a reasonable period of time to investigate the facts and circumstances surrounding any such claimed loss and that we have no obligation to provisionally credit your Account.

8. Visa® Card, Cash Withdrawals and Check Transactions

On approval of your request, you will be sent checks and a Visa® Debit Card in accordance with your instructions. Schwab may charge transaction and processing fees that we deem appropriate. The Visa® card will remain the property of the Bank and may be cancelled anytime, or not be reissued, by the Bank or Schwab without prior notice. By using your Visa® Debit Card, you agree to be legally bound by the terms and conditions set forth in the Charles Schwab & Co., Inc. Visa® Debit Card Agreement and Disclosure Statement, which accompanies your new card.

If the check feature is terminated, your Visa® card is automatically cancelled.

9. Presenting Schwab U.K. Checks

Although Schwab U.K. checks are payable through the Bank, check cashing at the Bank's branches is not permitted. You should not expect the Bank to cash your Schwab U.K. checks as the Bank would a BNY Mellon check. Negotiate Schwab U.K. checks at the bank where you maintain your personal bank account.

10. Our Liability for Failure to Complete Transactions

If we do not complete a transaction to or from your Account on time or in the correct amount according to our agreement with you, we may be liable for your losses or damages. However, in no event shall Schwab be liable for any special, indirect or consequential damages, even if we have been informed of the possibility of such damages.

There are some exceptions. (There may be other exceptions not specifically mentioned here.) We will not be liable, for instance, if:

- The Authorisation Limit in your Charles Schwab U.K. Account is not enough to cover the transaction.
- Circumstances beyond our control (such as fire or flood) prevent the transfer, despite reasonable precautions that we have taken.
- Incorrect Electronic Fund Transfer instructions are provided to us by another institution.
- Any Electronic Fund Transfer, Automated Clearing House Network or any other third-party communication system from which Schwab requires information to complete transactions was not working properly.
- Your Charles Schwab U.K. Account is restricted (because of a court order or similar reason) and we are not permitted to make the transaction.
- An error in posting an amount or transaction occurs that is beyond our control.

11. Payment of Cash Transactions

Schwab U.K. cash transactions such as Visa® drafts, Electronic Fund Transfers and checks are processed according to Schwab's and its agents' authorisation and banking procedures. Visa® drafts, Electronic Fund Transfers and ATM Withdrawals are paid and charged against the cash assets in your Charles Schwab U.K. Account (which may be a Free Credit Balance, the proceeds of redemption of shares of a Schwab Sweep Money Fund or another Schwab Money Market Fund™ or the proceeds of a withdrawal from the Bank Sweep feature). To the extent the debit exceeds your cash assets, we will extend credit to you up to the amount of your Available Margin Loan Value. Such margin loans will be subject to all terms contained in our Disclosure of Credit Terms and Policies.

12. Transferring Funds Between Schwab Accounts

To transfer funds from your Charles Schwab U.K. Account to another Schwab brokerage account, Individual Retirement Account ("IRA") or Qualified Retirement Plan ("QRP")/Keogh Brokerage Account in your name, you may write a letter of authorisation specifying the account numbers involved and the amount you would like transferred.

You may also write a Schwab U.K. check, payable to the name of the account to which you would like the funds transferred, or to Charles Schwab & Co., Inc. You must designate on the check the account number to which you would like these funds deposited. In certain situations, Schwab may accept verbal instructions or other non-written authorisation to initiate transfers between Schwab accounts.

13. Authorisation to Charge Brokerage Accounts

You authorise us to charge your Charles Schwab U.K. Account for the amount of your Visa® drafts, ATM withdrawals, Electronic Fund Transfers and check transactions. If there is more than one account holder, you

authorise us to pay funds on the authority of only one account holder's signature.

By completing the appropriate section of your Schwab U.K. Application, you may authorise another person (who is not an account holder) to sign Schwab U.K. checks. To revoke such authorisation, you must give us written notice and return to us the checks given to the additional authorised user. You will be responsible for all check transactions made by any authorised person and for all Visa® transactions made by any person you have permitted to use your Visa® card, card number or PIN, even if the amount of actual use exceeds your authorisation or permission.

14. Stop Payment Orders

If a check you have written has not yet been paid from your account, you may request a stop payment by calling us at +1-415-667-8400, or by secure message via Message Center within your account online. You may also write to us at:

Charles Schwab & Co., Inc.,
Attn: International Operations
1945 Northwestern Drive
El Paso, TX 79912-1108
USA

If you call, we may also require you to put your request in writing and get it to us within 14 days after the call. Stop payment orders processed prior to 5:00 p.m. U.S. Eastern Time will normally become effective after one Business Day. Stop payment orders processed after 5:00 p.m. U.S. Eastern Time will become effective after two Business Days. Stop payment orders remain in effect for six months for any check up to or equaling \$1,000; for any check over \$1,000, a stop payment order will remain in effect for 30 months. Stop payment orders on two or more checks with consecutive numbers (range stops) will remain in effect for 30 months.

We purge the stop payment within one month after the expiration of the stop payment order, unless you renew the stop payment order. If the check is received after the stop payment order expires, we may pay the check.

To stop payment, we need the following:

- Account number
- Exact amount of the check
- Check number
- For two or more checks with consecutive numbers, the beginning and ending numbers

If you give us the amount of the check, we need the exact amount in dollars and cents. If you give us the wrong amount, we may pay the check.

We will charge a fee to your Charles Schwab U.K. Account for each stop payment order you place.

We will not be liable for failure to stop payment on a check unless we have received timely notice according to the above procedures.

Important: Under certain circumstances, payment of a check can be enforced even while a stop payment is in effect. For example, if a Schwab office or another person or entity becomes a "holder in due course" of a check that you ask us to stop, we may still pay the check.

Automated Clearing House ("ACH") Stop Payment Orders

From time to time, you may receive ACH debits to your Account from senders you previously authorised to debit your Account. You may ask us to stop payment on a future ACH debit to your Account if the item hasn't already been paid. You are responsible for notifying your sender that you have revoked your previous authorisation for ACH debits.

You may request an ACH stop payment order in writing or by telephone. If you call, we may also require you to put your request in writing and get it to us within 14 days after the call. Stop payment orders processed prior to 5:00 p.m. U.S. Eastern Time will normally become

effective after one Business Day. Stop payment orders processed after 5:00 p.m. U.S. Eastern Time will become effective after two Business Days. Stop payment orders remain in effect for six months.

We purge the stop payment within one month after the expiration of the stop payment order, unless you renew the stop payment order. If the ACH item is received after the stop payment order expires, we may pay the item.

For an ACH stop payment order, we need the following:

- Account number
- Exact amount of the ACH debit (if known)

We may also need the date the prior ACH debit from this sender posted to your account so that we can obtain the company name and company identification number used by your sender and printed on your statement. Otherwise, you can provide us with the company name and company identification number if you know it.

If you give us the amount of the ACH debit item, we need the exact amount in dollars and cents. If you give us the wrong amount, we may pay the item. If you do not know the amount, we can place the stop payment based on the company identification number of the sender, but this may stop all ACH items from this sender. If you give us the wrong company identification number or if the sender changes the company identification number, we may pay the item.

We will charge a fee to your Charles Schwab U.K. Account for each stop payment order you place.

For additional information on stopping a preauthorized transfer, including the telephone number and address to use, see Section 15 ("Your Right to Stop Payment of Preauthorized Transfers").

15. Your Right to Stop Payment of Preauthorized Transfers

If you have told us in advance to make regular payments out of your Schwab U.K. Account, you can stop any of these payments. Call us collect Monday through Friday, 10:00 a.m. to 7:00 p.m. U.S. Eastern Time, at +1-415-667-8400. Or you may write to us via Message Center within your account online, or at:

Charles Schwab & Co., Inc.,
Attn: International Operations
1945 Northwestern Drive
El Paso, TX 79912-1108
USA

in time for us to receive your request at least three Business Days before the payment is scheduled to be made. If you call, we may also require you to put your request in writing and get it to us within 14 days after the call. We will charge a fee directly to your Schwab U.K. Account for each stop payment order you give.

If these regular payments vary in amount, the person or organization that you are going to pay is required to tell you, 10 days before each payment, when it will be made and how much it will be.

If you order us to stop one of these payments at least three Business Days before the transfer is scheduled, and we do not do so, we will be liable for your actual, reasonable losses or damages.

For details on stopping ACH debits to your account, see Section 14 ("Stop Payment Orders").

16. Statements

You will receive statements for each month in which there is activity in your account. If there are assets but no activity in your account, you will receive a quarterly statement. The statements contain the following information:

- The check number, amount and date of payment of all checks.
- The date and amount of remittances and other credits to your Charles Schwab U.K. Account, including Electronic Fund Transfers.

- A description of all securities transactions and other brokerage activities.
- Margin loan interest charges, if any.
- The amount and rate of interest paid on your Free Credit Balance.
- The amount of any fees charged to your Charles Schwab U.K. Account.
- The amount and yield on money market fund balances.

It is your obligation to review your statements and receipts carefully, and to notify us promptly of any discrepancy between your records and transactions detailed on the statement.

17. Check Copies

We do not return your original checks to you; however, we provide the check number, amount and date of payment for each of the checks paid against your account on your account statement. We retain a record of all paid checks for seven years from the date the check posts to your account. You may request us to send you a copy of a particular check by calling us.

18. Unclaimed Property

To the extent applicable to your account, the unclaimed property law requires us to turn over to the state of your last known address (as shown in our records) personal property which is unclaimed by its owner for a set period of time. Personal property includes assets in customer accounts (including your Charles Schwab U.K. Account) as well as uncashed dividend checks and other Schwab checks payable to customers. In general, personal property is considered unclaimed if you have not performed at least one of the following activities within the period of time set by the state:

- Made a deposit, trade or withdrawal in your account.
- Written to or otherwise contacted us about your account.
- Otherwise shown an interest in your account.

Before we turn over the assets in your account (if any), we will, as required by law, send a notice to the address we currently show on your account statement. You may recover unclaimed property turned over to a state by contacting that state.

19. Nature of Obligations

The obligations of the Bank and Schwab are as stated in the Charles Schwab U.K. Account Agreement. Neither the Bank nor Schwab is liable for the obligations of the other.

20. Errors or Questions About Checking Transactions

Call us at once at +1-415-667-8400 if you think your statement is wrong, or if you need more information about a transaction listed on the statement. Or write to us via Message Center within your account online, or at:

Charles Schwab & Co., Inc.,
Attn: International Operations
1945 Northwestern Drive
El Paso, TX 79912-1108
USA

We must hear from you promptly and in any event no later than 30 calendar days for check transactions after the date you are sent the first statement on which the problem or error appeared. If you tell us orally, we may require you to send us your complaint or question in writing within 10 Business Days. We will need the following information:

- Your name, your complete Charles Schwab U.K. Account number, the date and amount of the transaction and the check number.
- A description of the error or transaction you are unsure about and any documentation relating to your claim that the transaction was in error. Explain as clearly as you can why you believe it is an error or why you need more information.
- The dollar amount of the transaction or suspected error.

You agree to cooperate with our reasonable requests for information as we investigate your claim. We may take up to 45 Business Days to investigate. For transactions for the purchase of goods and services at merchant locations, through the mail or by telephone, and transactions that occur outside the United States, we may take up to 90 Business Days to investigate.

If we ask you to put your complaint or question in writing and we do not receive it within 10 Business Days, we may not be able to complete our investigation. If we decide that there was no error, we will send you a written explanation within three Business Days after we finish our investigation. You may ask for copies of the documents that we used in our investigation.

The procedures set forth above relating to dispute resolution and crediting of accounts apply only to checking transactions and not to trading disputes.

21. Business Days

Our Business Days are Monday through Friday, excluding U.S. stock exchange holidays. Business hours may vary by department and office location.

22. Consumer Electronic Check Representation

If you write a check on a personal account that is returned unpaid because of insufficient or uncollected funds, the depositor of the check or the depositor's bank may resend ("represent") the check electronically. That is, the depositor or the depositor's bank may send the Bank an electronic instruction ("electronic represented check") to charge your Account in the amount of the check. If the Bank receives an electronic represented check from the depositor or the depositor's bank, the Bank will pay or return the electronic represented check as if the original paper check were being represented to it. The part of this Agreement titled "Electronic Fund Transfers" will not apply to any electronic represented check.

For an electronic represented check to be charged to your Account, all of the following must be true:

- The electronic represented check must relate to a paper check on a personal account that the Bank returned unpaid because of insufficient or uncollected funds;
- The paper check must not have contained an unauthorised signature or an alteration and must not have been a counterfeit;
- You must not have placed a stop payment on the paper check after BNY Mellon IST returned it unpaid but before it was collected electronically;
- The paper check must have been less than \$2,500.00 in amount;
- The paper check must have been dated 180 days or less before the date on which the electronic represented check is sent to the Bank;
- The electronic represented check must be for the face amount of the paper check only and may not include any collection fee charged by the depositor, the depositor's bank, or a collection agency;
- The payee of the paper check must have given you notice that, if the paper check was returned unpaid because of insufficient or uncollected funds, the paper check could be collected electronically;
- The electronic represented check must have been sent to the Bank no more than twice after the first time the Bank returned the paper check, or no more than once after the second time the Bank returned the paper check;
- The electronic represented check must be an "item" as defined in Revised Article 4 of the UCC (1990 Official Text);
- The electronic represented check must contain a pre-printed serial number;
- The electronic represented check must indicate on the face of the document that the item was returned due to "not sufficient funds," "NSF," "uncollected funds" or comparable language; and

- The electronic represented check must be drawn on a consumer account.

You may have the right to cause us to reverse any ineligible or unauthorised electronic represented check that we charged to your Account. If you want to reverse an electronic represented check because you placed a stop payment on the paper check to which the electronic represented check relates after the Bank returned the paper check unpaid but before it was collected electronically, you must notify Schwab within 15 days after we send or make available to you the periodic statement that reflects payment of that electronic represented check. If you want to reverse an electronic represented check for any other reason, you must give Schwab an affidavit within 15 days after we send or make available to you the periodic statement that reflects payment of that electronic represented check. In your affidavit, you must declare and swear under oath that the electronic represented check was ineligible or unauthorised. If Schwab receives your notice or affidavit within the 15-day period, we will recredit your account with the amount of the charge. Write to Schwab at:

Charles Schwab & Co., Inc.,
Attn: International Operations
1945 Northwestern Drive
El Paso, TX 79912-1108
USA

If you wish to stop payment of any electronic represented check, you must follow the procedures contained in this Agreement for stopping payment of checks, not the procedures contained in the section for stopping payment on Electronic Fund Transfers.

23. Errors or Questions About Your Electronic Fund Transactions

In case you think that there is an error in your statement about an Electronic Fund Transfer, call us toll free as soon as possible at +1-415-667-8400, or write to us via Message Center within your account online, or at:

Charles Schwab & Co., Inc.,
Attn: International Operations
1945 Northwestern Drive
El Paso, TX 79912-1108
USA

You may also call us collect at 1-317-596-4502.

We must hear from you no later than 60 calendar days after the date we sent the first statement on which the problem or error appeared. If you tell us orally, we may require you to send us your complaint or question in writing within 10 Business Days. We'll need the following information:

- Your name and account number,
- A description of the error or transaction you're unsure about,
- A clear explanation of why you believe it's an error or why you need more information, and
- The dollar amount of the transaction or suspected error.

We will tell you the results of our investigation within 10 Business Days after we hear from you and will correct any error promptly. If we need more time, however, we may take up to 45 days to investigate your complaint or question.

If you are a new customer and the error or question concerns an Electronic Fund Transfer that occurred within 30 days after the first deposit to the Charles Schwab U.K. Account was made, we will tell you the results of our investigation within 20 Business Days after we hear from you. If we need more time, we may take up to 90 days to investigate.

In addition, we may take up to 90 days to investigate if the error or question relates to an Electronic Fund Transfer that was initiated outside the United States.

If we decide we need the additional time to investigate your complaint or question, we will provisionally credit your account within 10 Business Days (or 20 Business Days for errors or questions relating to transactions that occurred within 30 days after the first deposit to the Charles Schwab U.K. Account was made) for the amount you think is in error, so that you will have the use of the money during the time it takes us to complete our investigation. If we ask you to put your complaint or question in writing and we do not receive it within 10 Business Days (or 20 Business Days if applicable), we may not credit your Account.

We will tell you the results within three Business Days after completing our investigation. If we decide that there was no error, we will send you a written explanation. You may ask for copies of the documents that we used in our investigation.

24. Use of Check Images and Substitute Checks

You agree that we may debit your Account for a check image of an original check presented for payment or collection. In this situation, we may debit your Account without receipt of, or review of, the original check associated with the check image. In our sole discretion, we may return to a presenting bank, returning bank or paying bank, or credit to your Account, a paper copy or paper representation of an original check (including without limitation an image replacement document or IRD, or a photocopy) drawn on or returned to your Account that does not otherwise meet the technical or legal requirements for a substitute check.

You agree that a check image that is received or created by the Bank in the check deposit, collection or return process shall be considered a "check" and/or an "item" for all purposes under this Agreement and applicable law.

In addition, a check that you write may be truncated in the check collection process and replaced with a substitute check. You authorize us to pay, process or return a substitute check in the same manner as "check" or "item" under this Agreement. Substitute checks are governed under the Check 21 Act and the terms of this Agreement, to the extent not modified by the Check 21 Act. Notwithstanding the foregoing, you understand that your checks are drawn on an omnibus account maintained by Schwab with the Bank, and that as a result, you are not considered a "consumer" as that term is used in the Check 21 Act.

You agree to indemnify and hold harmless us, our employees and agents from any loss, claim, damage or expense that you or any other person may incur directly or indirectly as a result of any action taken by us to process a check image or substitute check instead of the original check, including the destruction of the original check, as described above, to the extent permitted by applicable law.

25. Changes to These Rights and Responsibilities

From time to time, the rights and responsibilities in connection with Electronic Fund Transfers or Visa® Debit Card or ATM transactions may change. We'll notify you, as required by law, of any changes; however, we're not required to notify you in advance if the change is necessary for security reasons.

26. Refusal to Honor Checks

Neither we nor the Bank is responsible for any person's action in refusing to honor or accept your checks or for any person's action in taking possession of your checks.

27. Wire Transfers and Automated Clearing House ("ACH") Transfers

Sending Wire Transfers

The following provisions apply to wire transfers you send through Schwab. This section does not apply to ACH funds transfer services or Schwab MoneyLink® services, which are subject to separate terms and conditions.

A wire transfer is the process of carrying out a payment order that leads to the transfer of funds to a beneficiary. The payment order is the instruction you give us regarding a wire transfer. The beneficiary is the

person who receives the payment. The beneficiary may be you or another person.

We may charge fees for sending a wire transfer. For current fees, call +1-415-667-8400. If your account is managed by an advisor, please contact your advisor directly, or call the number above. Additional fees may be applied to a transfer by the receiving bank or an intermediary bank. We have no control over the intermediary or receiving bank's fee structure.

By providing us with a payment order in a manner that is acceptable to us, you authorize us to act on your behalf to initiate a wire transfer. Upon receiving a payment order from you by the applicable cutoff time, we will act on the payment order by transmitting payment instructions to the applicable bank. We have cutoff times for processing payment orders. We may treat payment orders we receive after a cutoff time as if received the next Business Day. Our cutoff times are available upon request.

We may provide you with one or more numbers, passwords, tokens, challenge questions, and/or other means of identification and authentication (collectively, a "Password") in connection with our wire transfer service. You agree to maintain the security and confidentiality of your Password and to notify us immediately if you have any reason to believe its security or confidentiality has been or may be breached.

We may elect to verify the authenticity and content of any payment order by placing a call to any authorized signer on your account and/or any other person you designate as your agent for that purpose. If we are unable to verify a payment order with an authorized person, we may refuse to execute the order. We also may reject any instruction that is not confirmed in accordance with any other security procedure that you and we agree upon. You agree that confirmation of your wire instruction by telephone, or online through our website or by wireless device (which consists of both electronically authenticating and authorising the wire instruction through encrypted channels), or our reliance on any password or other security procedure that you and we agree upon, shall be deemed to be a commercially reasonable security procedure, in light of the anticipated size, type, and frequency of your wire transfers.

We may process any payment order we believe is transmitted or authorized by you if we act in compliance with the agreed upon security procedure. You agree to be bound by any wire instruction, whether or not authorized, that is issued in your name and accepted by us in compliance with the security procedure.

Our security procedures are designed to verify the authenticity of wire instructions, not to detect any errors in their transmission or content. We assume no responsibility to detect errors in your instructions (e.g., duplicate transfers), even if we may take certain actions from time to time to do so.

We may reject payment orders. Any notice of rejection (whether given orally, electronically, or in writing) will be effective when given. We will not be liable to you for the rejection or obligated to pay you interest for the period before you receive the notice of rejection.

Pursuant to government regulations, we may be unable to send a wire transfer you requested to certain individuals or countries, or to individuals who are citizens of those countries. Also, your payment order may be delayed while we check to ensure that sending it to the designated recipient does not violate applicable laws or regulations. You agree that Schwab will not be liable for any losses in any of these circumstances.

We may select any intermediary bank, funds transfer system, or means of transmittal to send your payment orders. Our selection may differ from that indicated in your instructions.

It is important that you provide us with accurate and complete payment information. The beneficiary's bank (including us when we are the beneficiary's bank) may make payment to the beneficiary based solely on the account or other identifying number you provide, even if the name on the payment order differs from the name on the account. We, or an intermediary bank, may send a payment order to an intermediary bank or a beneficiary's bank based solely on the bank identifying number, even if you provide us with a different bank name. Neither we nor any

other bank has a duty to determine whether a payment order contains an inconsistent name and number. This means that you may not rely on the name of the person or bank that you provide us to ensure payment to the correct person. If you provide incorrect information, you could lose the amount transferred.

Terms Applicable to Sending Domestic Wire Transfers and Non-Consumer Foreign Wire Transfers

You agree to indemnify us against, hold us harmless from, and defend us against any losses, claims, costs, expenses, damages, or liabilities (including, but not limited to, attorneys' fees) arising out of or resulting from any action taken or omitted by us in accordance with this Agreement or your instructions. This obligation will survive the termination of this Agreement.

You must notify us at once if you think a wire transfer shown on your Account statement or other notice is incorrect or unauthorised. If you fail to notify us in writing within 10 calendar days after we send or make available to you the first notice or statement on which the problem or error appears, you agree that the transfer information set forth on the statement or notice will be deemed correct, and that you will be precluded, to the greatest extent permitted by law, from asserting any claim against Schwab in connection with, and waive any right to recover any losses resulting from, any unauthorised or erroneous transfer.

You cannot amend or cancel a payment order after we receive it. If you ask us to do this, we may make a reasonable effort to act on your request. But we will not be liable to you if, for any reason, a payment order is not amended or cancelled. You agree to reimburse us for any costs, losses, indemnity claims, or damages that we incur in connection with your request to amend or cancel a payment order.

If your payment order requires us to convert one type of currency to another (for example, from U.S. dollars to Euros), your funds will be exchanged for such other currency at the current rate of exchange according to our standard procedures. Currency exchange rates fluctuate over time, and you acknowledge and accept the risks of such fluctuations between the time you send us a payment order and the time the wire transfer is final.

Terms Applicable to Certain Consumer Foreign Wire Transfers

If you initiate a wire transfer that is subject to Regulation E primarily for personal, family, or household purposes to a recipient in a foreign country (a "**consumer foreign wire transfer**"), we will provide you with a disclosure of the details of the transaction, as well as information about your error resolution and cancellation rights. Note: Certain transfers made in connection with the purchase or sale of securities are not covered by Regulation E or this section.

What to do if you think there has been an error or problem with your consumer foreign wire transfer:

If you think there has been an error or problem with your wire transfer:

Call: +1-602-355-3426.

Write: Charles Schwab & Co., Inc.
Attn: International Operations
1945 Northwestern Drive
El Paso, TX 79912-1108
USA

You must contact us within 180 days of the date we promised to you that funds would be made available to the recipient. When you do, please tell us:

1. Your name and address and/or telephone number;
2. The error or problem with the transfer and why you believe it is an error or problem;
3. The name of the person receiving the funds and, if you know it, his or her telephone number or address;
4. The dollar amount of the transfer; and
5. The confirmation code or number of the transaction.

We will determine whether an error occurred within 90 days after you contact us, and we will correct any error promptly. We will tell you the results within three Business Days after completing our investigation. If we decide that there was no error, we will send you a written explanation. You may ask for copies of any documents we used in our investigation.

What to do if you want to cancel a consumer foreign wire transfer:

You have the right to cancel a consumer foreign wire transfer and obtain a refund of all funds paid to us, including any fees. In order to cancel, you must contact us at the phone number above within 30 minutes of payment for the transfer.

When you contact us, you must provide us with information to help us identify the transfer you wish to cancel, including the amount and location where the funds were sent. We will refund your money within three Business Days of your request to cancel a transfer as long as the funds have not already been picked up or deposited into a recipient's account.

Receiving Transfers

We may receive instructions to pay funds to your account, including wire transfers, transfers sent through an ACH system, and transfers that are processed directly to an account with us. We may receive funds transfers directly from the sender, through a funds transfer system such as an ACH system, or through some other communications system.

We will notify you that we have received wire transfers and ACH transfers by listing them on your Account statement rather than sending you separate notices with respect to each transfer. You can also access information about your transfers with our online service through Schwab.com.

ACH Provisional Payment Rule

Under ACH rules, funds transfers sent through an ACH system are provisional and may be revoked prior to final settlement. You agree that ACH transfers that involve your Account will be subject to the ACH rules.

If an ACH transfer is revoked before final settlement and we do not receive final settlement, we may charge your Account for any amount that was previously credited, and the person who sent the payment order will be considered not to have paid you. If this happens, we will not send you a separate notice; we will notify you of these credits and charges on your Account statement.

Liability

If we are obligated to pay you for loss of interest that results from our error or delay regarding a payment order that you place, we will calculate your compensation by using the rate that is applicable to your Account for the time in question.

In no event will we be liable for any special, indirect, or consequential damages (even if we have been informed of the possibility of such damages), including, without limitation, loss of profits or revenue, except as may be required by applicable law.

Compliance With Rules and Laws

You agree to comply with applicable payment system rules, including the Operating Rules of the National Automated Clearing House Association ("**NACHA**"), the laws and regulations of the United States, and any other applicable law.

28. Receipt of Deposits and Transfers

If we receive a deposit or transfer to your Account on a day that is not a Business Day, we may not credit your Account until the next Business Day. For purposes of this section, "Business Day" means Monday through Friday, except for U.S. stock exchange holidays and bank holidays. Schwab assigns a hold on incoming foreign wires preventing them from being moved to another account of investment for two days and does not pay interest on the funds during the hold period. (See Float Disclosure for more information.)

You authorise Schwab to accept checks (with or without endorsement) for deposit into your Account that we receive from your advisor. Your advisor may forward the physical check to us or transmit images of the check and other data to us electronically. You acknowledge your responsibility for any check given to your advisor for deposit into your Account. You further acknowledge and agree as follows: We may prescribe limitations or refuse to accept checks for deposit when forwarded to us by your advisor. Schwab has no responsibility for your advisor's handling of checks, including but not limited to (i) the security or safekeeping of checks, (ii) your advisor's creation of electronic images of checks, (iii) the forwarding or transmission of checks or check images to us, and (iv) any ambiguity, inaccuracy or omission in any check-related information provided to us. We may process check images electronically or convert them into paper substitute checks based on the information your advisor provides. Your advisor's forwarding of checks (or check images) to Schwab are instructions of your advisor with respect to which you have agreed to indemnify and hold us harmless as provided in the Application Agreement for your Account. You will verify that deposits have been correctly posted to your Account and notify Schwab immediately of any discrepancy.

29. Multiple Signers

If we establish an account for you which purports to require two or more signatures on any items drawn on the account, you acknowledge that such provision is solely for your personal or internal control purposes and shall not be binding on us. We may pay out funds from your Account if the check, item or other withdrawal instruction is signed by any one of the persons authorised to sign on the Account. We have no liability to you if we do so.

30. Check Legends

Some customers order checks printed with legends or notations, such as "not valid after 60 days" or "not valid over \$1,000." We may also receive checks on which restrictions or other notations are written. We may disregard these instructions. We aren't responsible for any losses, claims, damages or expenses that result from your placement of these or other notations on your checks, or from our disregarding them.

31. Demand Drafts

If you deposit a demand draft (an unsigned draft) into your Account, you warrant and guarantee that such draft is authorised by your payor.

32. Stale-Dated Checks

If a stale-dated check—that is, a check dated more than six months in the past—is presented for payment against your Account, we may pay the check and charge it to your Account. If you don't want us to pay a stale-dated check, you must place a stop payment order on it. (For more information, see Section 14 on Stop Payment Orders.)

33. Postdating Orders

If you write and postdate a check, we may pay it and charge it to your Account even if it's presented for payment before its date. You may ask us not to pay a postdated check before its date if the check hasn't already been paid. To do so, you must place a stop payment order on it. (For more information, see Section 14 on Stop Payment Orders.)

34. Check Processing Order

We may accept, pay, certify or charge to the indicated account checks and other items in any order we choose at our discretion. We may establish different priorities or categories for checks and other items and process checks and other items according to the priorities we establish. As examples, we may process checks in the order we receive them at the processing center, in check number order, or in dollar amount order (either from highest to lowest dollar amount or from lowest to highest dollar amount). We may also use some combination of these methods. We may change the order that we use to process checks and other items at any time without notice to you.

When you do not have enough available funds in your Account to cover all the items presented that day, some methods may result in more insufficient funds fees than other methods. We may choose our processing method in our sole discretion, regardless of whether additional fees may result.

35. Facsimile Signatures

If you choose to use a facsimile signature, you must provide us with a specimen facsimile signature of each person authorised to do so. You're responsible for any withdrawal from your Account that bears or appears to us to bear your facsimile signature, regardless of by whom or by what means the signature was placed on the check. If you choose to use a facsimile signature, you're responsible even if you have not presented us with a specimen facsimile signature, or if the size, color or style of the check, or the size, color or style of the facsimile signature is different from that of the check or facsimile signature you use. We may pay the withdrawal and charge your account for it. You agree to compensate us for all losses, claims, damages or expenses, including reasonable attorneys' fees that result from our payment of a withdrawal bearing a facsimile that resembles your facsimile signature.

Other Terms

1. Provision of Services

We may extend credit to you in accordance with applicable laws and regulations and our Disclosure of Credit Terms and Policies. You agree to use this credit primarily for business and investment purposes.

2. Disclosure of Credit Terms and Policies

All margin transactions are subject to our Disclosure of Credit Terms and Policies. You agree not to enter an order for a margin transaction until you have read and understood the Disclosure of Credit Terms and Policies.

3. Rules and Regulations

Your Charles Schwab U.K. Account and any transactions you make are subject to our house trading rules and policies and the following rules, regulations and policies, all as modified or amended from time to time:

- Applicable rules, regulations, customs and usage of any exchange, market, clearinghouse or self-regulatory organization; and
- Applicable federal and state laws, rules, regulations and treaties.

4. Use of Account

You may not use your account or any account-related service to process gambling transactions, or to conduct any other activity, that would violate applicable law. If we are uncertain regarding the legality of any transaction, we may refuse the transaction or freeze the amount in question while we investigate the matter.

Notwithstanding the foregoing, with respect to any retirement plan brokerage custodial account (including a Company Retirement Account ["CRA"] or Schwab Personal Choice Retirement Account® ["PCRA"]) subject to the terms of this Agreement, you as the plan's Trustee or other applicable plan fiduciary or agent, further acknowledge and agree that Schwab has no responsibility for determining whether any transaction or investment would constitute a prohibited transaction, generate unrelated business taxable income, or constitute a listed transaction or reportable transaction, as any of those foregoing terms are defined in the Internal Revenue Code and regulations thereunder, or to inform you of the consequences and/or reporting requirements with respect to such transactions. Schwab will have no responsibility for determining whether an investment made in the Account earned income that is deemed to be unrelated business income which is subject to federal income tax, and will not prepare any returns or perform any tax reporting required as a result of liability incurred for tax on unrelated business taxable income.

5. Payment of Indebtedness

You agree to make payment of any indebtedness related to your Schwab U.K. Account, including, but not limited to, any such indebtedness that results from instructions provided to Schwab by you, your agent or any attorney-in-fact under a power of attorney or advisor authorized to make transactions in your Charles Schwab U.K. Account. We may elect any-time, with or without notice, to make any debit balance or other obligation related to your Account immediately due and payable. We may report any past due account to a consumer and/or securities credit reporting agency. We may also refer your Account to a collection agency.

6. Security for Indebtedness

Note: This section does not apply to any tax qualified accounts subject to the prohibited transaction rules of the Internal Revenue Code or ERISA, or any indebtedness arising therefrom.

As security for the repayment of all present or future indebtedness owed to us by any account holder under the Charles Schwab U.K. Account Agreement or otherwise, each account holder grants to us a continuing security interest in and lien on, and a right of setoff with respect to, all Securities and Other Property that are, now or in the future, held, carried or maintained for any purpose in or through the Charles Schwab U.K. Account, and, to the extent of such account holder's interest in or through, any present or future account with us in which the account holder has an interest.

If you owe money to Schwab as the result of activity in your Account and there are assets available in any account that you hold at Schwab which could fully or partially satisfy the debt, you agree that upon Schwab's written demand, you will execute all documents necessary to effect a distribution from your account and agree to pay or cause such funds to be paid immediately to Schwab in order to satisfy your indebtedness to Schwab.

7. Interest on Debit Balances

We will charge interest on your debit balance according to our Disclosure of Credit Terms and Policies. We post accrued but unpaid interest charges to your Account each month. We compound the interest as described in our Disclosure of Credit Terms and Policies. We may also charge interest on debit balances in your Cash Account as described in the Disclosure of Credit Terms and Policies (see Section 2).

8. Loan Consent

You agree that Securities and Other Property held in your Margin Account, now or in the future, may be borrowed (either separately or together with the property of others) by us (acting as principal) or by others. Schwab may place any security held in your Account into the Margin Account portion of your Account. You agree that Schwab may receive and retain certain benefits (including, but not limited to, interest on collateral posted for such loans) to which you will not be entitled. You acknowledge that in certain circumstances, such borrowings could limit your ability to exercise voting rights or receive dividends, in whole or in part, with respect to the Securities and Other Property lent. You understand that for Securities and Other Property that are lent by Schwab, the dividends paid on such Securities and Other Property will go to the borrower. No compensation or other reimbursements will be due to you in connection with such borrowings. However, if you are allocated a substitute payment in lieu of dividends, you understand that such a payment may not be entitled to the same tax treatment as may have been applied to the receipt of a dividend. You agree that Schwab is not required to compensate you for any differential tax treatment between dividends and payments in lieu of dividends. Schwab may allocate payments in lieu of dividends by any mechanism permitted by law, including by using a lottery allocation system.

9. Liquidation

Whenever it is necessary for our protection or to satisfy a margin deficiency, debit or other obligation owed us, we may (but are not required to) sell, assign and deliver all or any part of the Securities and Other Property securing your obligations, or close any or all transactions in your Schwab U.K. Account.

It is our policy to attempt to contact you, when practicable, before taking any action described in this section; however, we reserve the right to take any such action without prior notice or demand for additional collateral and free of any right of redemption. Any prior demand, call or notice will not be considered a waiver of our right to sell or buy without demand, call or notice.

We may choose which Securities or Other Property to buy or sell, which transactions to close and the sequence and timing of liquidation. We may take such actions on whatever exchange or market and in whatever manner (including public auction or private sale) that we choose in the exercise of our business judgment. You agree not to hold us liable for the choice of which Securities or Other Property to buy or sell or of which transactions to close or for timing or manner of liquidation.

In certain circumstances we may, at our sole discretion, liquidate your entire margin loan balance to satisfy a margin call. You agree not to hold us liable for taking such action.

We may transfer Securities and Other Property from any non-retirement brokerage account in which you have an interest to any other non-retirement brokerage account in which you have an interest regardless of whether there are other account holders on either account, if we determine that your obligations are not adequately secured or to satisfy a margin deficiency or other obligation. You agree to pay on demand any account deficiencies after liquidation, whether liquidation is complete or partial.

We are entitled to exercise the rights described in this section at our sole discretion, including whenever any of the following occurs:

- The equity in your Account falls below required minimums;
- Sufficient funds or securities are not deposited to pay for transactions in the account;
- A petition for bankruptcy or for the appointment of a receiver is filed by or against you;
- An attachment is levied against any of your brokerage accounts with us;
- You die or become incapacitated or incompetent; or
- Your Charles Schwab U.K. Account is closed.

10. Remittance

If a check or other item you remit to us is returned unpaid, we will charge a fee to your Charles Schwab U.K. Account. For our protection, we may restrict your ability to draw on funds represented by a check or to apply such funds to settle a securities transaction.

11. Accuracy of Account Information

You represent and warrant that:

- You have attained the age of majority.
- You have supplied accurate information in your Charles Schwab U.K. Account Application.
- No one except the account holders listed on the Charles Schwab U.K. Account Application (and, if community property is held, the account holders' spouses) has an interest in the Charles Schwab U.K. Account.

In addition, you agree to notify us promptly in writing of any important change in the information you supply us on the Charles Schwab U.K. Account Application. In particular, you agree to notify us:

- If you are or become a director, 10% beneficial shareholder, policy-making officer or otherwise an “affiliate” (as defined in Rule 144 under the Securities Act of 1933) of a publicly traded company; or
- If you are or become affiliated with or employed by a securities exchange, or corporation controlled by a securities exchange or a member of a securities exchange or a securities association; or
- If there are significant changes to the net worth, income level or employment status you listed on the Account Application.

12. Custodial Accounts

If the Account is opened under either the Uniform Gifts to Minors Act or the Uniform Transfers to Minors Act (UGMA or UTMA), the Custodian represents that all assets in the Account belong to the beneficiary and that the Custodian will only use the assets for the beneficiary's benefit. The Custodian agrees to transfer and deliver to the beneficiary all securities and other property held in the Account promptly upon the beneficiary attaining the age specified by the governing state law for termination of the custodianship. The age of custodianship termination varies by state, although many states set the maximum age for termination at 21. If you do not indicate a termination age, the Account will be set up using the default age for termination in the Custodian's state of residence. If the termination age selected is different from the state's default age, the Custodian agrees and acknowledges that he (she) is responsible under UGMA or UTMA for determining the proper termination age and that Schwab is not responsible for doing so. If you have questions about the termination age, please consult your legal or tax adviser. Upon the termination of the custodianship, the Custodian agrees to provide Schwab, upon request, with the beneficiary's address, phone number and any other information that may assist Schwab in contacting the beneficiary. The Custodian instructs Schwab, without further notice or instruction from the Custodian, to register the Account into the beneficiary's name as soon as commercially practicable after the termination of the custodianship. In addition, the Custodian acknowledges that Schwab may restrict the Custodian's access to the Account upon termination of the custodianship. Accounts with less than \$100 in cash 30 days prior to the termination of the custodianship will be closed, and a check for the value of the Account will be mailed to the Custodian. The check will be made payable to the Custodian for the benefit of the Beneficiary.

13. Joint or Multiple Party Accounts

If there is more than one account holder, each account holder is jointly and severally liable for obligations arising under the Charles Schwab U.K. Account Agreement or relating to the Charles Schwab U.K. Account.

Each joint account holder has authority, acting individually and without notice to any other account holder, to deal with us as fully and completely as if the account holder is the sole account holder. We are authorized to follow the instructions of any joint account holder and to deliver funds, securities or other assets in the Charles Schwab U.K. Account to any joint account holder or upon any account holder's instructions. We are not responsible for determining the purpose or propriety of an instruction we receive from any account holder or for the disposition of payments or deliveries among joint account holders.

We reserve the right to require written instructions from all account holders, at our sole discretion. We reserve the right, but are not obligated, to place trading, disbursement and other restrictions on an account in the event we receive notice of a dispute among, or conflicting instructions from, joint account holders.

Any notice we send to one account holder will be notice to all account holders.

14. Account Conversion

If my Charles Schwab U.K. Account is converted into another account at Schwab, whether by closing my Charles Schwab U.K. Account and opening another account or otherwise, I agree to read and be bound by the terms of the agreement governing that other account as currently in effect at the time of conversion and as amended thereafter from time to time. I understand that account terms for such other account at Schwab, including account fees, other fees and charges, money market sweep features, interest rates and returns on cash may be different and either more or less beneficial than comparable terms for my Charles Schwab U.K. Account. If I do not receive or understand the agreement governing the account into which my Charles Schwab U.K. Account is converted, I will notify Schwab.

15. Approval of Application, Credit Verification and Account Information

By submitting an account application, you authorize us to:

- Verify your identity, creditworthiness and other information (and your spouse's if you live in a community-property state). To obtain verification, we may contact your employer (and your spouse's, if applicable), obtain consumer and credit reports and make other inquiries, but we are not obligated to do so.
- Provide information about you and your Account to consumer and credit reporting agencies and collection agencies.

You further authorize Schwab to obtain copies of your consumer and credit reports at its discretion, at any time, for reasons including, but not limited to, the following:

- To collect a debit balance in your Account;
- To investigate, detect and prevent fraud involving you or your Account;
- To help us evaluate whether to grant, extend or modify the terms and conditions of any credit you have applied for or received;
- If a deposit of funds or securities to your Account is returned.

We may deny your application to open an account or may decline to offer you certain services available under the Account Agreement in our sole discretion for any reason.

16. Assignment

We may assign our rights and obligations under the Account Agreement, or may assign any loans that we have made to you (including the security interests securing such loans), to any subsidiary, affiliate or successor by merger or consolidation without notice to you, or to any other entity after 30 days' written notice to you. If any loans we have made to you are assigned, you agree that we may comply with any entitlement orders originated by the assignee with respect to the collateral for such loans without any further consent from you. If the Bank assigns its rights and duties to other than a subsidiary or affiliate, you will return or destroy checks, and replacement checks will be issued. The Charles Schwab U.K. Account Agreement is binding upon you and our heirs, executors, administrators, successors and assigns, and it will benefit your, our and the Bank's successors and assigns, if any.

17. Arbitration

Required Arbitration Disclosures

Regulatory authorities require that any brokerage agreement containing a predispute arbitration agreement must disclose that this agreement contains a predispute arbitration clause. This Agreement contains a predispute arbitration clause. By signing an arbitration agreement, the parties agree as follows:

- All parties to this Agreement are giving up the right to sue each other in court, including the right to a trial by jury, except as provided by the rules of the arbitration forum in which a claim is filed.
- Arbitration awards are generally final and binding; a party's ability to have a court reverse or modify an arbitration award is very limited.

- The ability of the parties to obtain documents, witness statements and other discovery is generally more limited in arbitration than in court proceedings.
- The arbitrators do not have to explain the reason(s) for their award unless, in an eligible case, a joint request for an explained decision has been submitted by all parties to the panel at least 20 days prior to the first scheduled hearing date.
- The panel of arbitrators will typically include a minority of arbitrators who were or are affiliated with the securities industry.
- The rules of some arbitration forums may impose time limits for bringing a claim in arbitration. In some cases, a claim that is ineligible for arbitration may be brought in court.
- The rules of the arbitration forum in which the claim is filed, and any amendments thereto, shall be incorporated into this Agreement.

No person shall bring a putative or certified class action to arbitration, nor seek to enforce any predispute arbitration agreement against any person who has initiated in court a putative class action; or who is a member of a putative class who has not opted out of the class with respect to any claims encompassed by the putative class action until:

1. the class certification is denied;
2. the class is decertified; or
3. the customer is excluded from the class by the court.

Such forbearance to enforce an agreement to arbitrate shall not constitute a waiver of any rights under this Agreement except to the extent stated herein.

Arbitration Agreement

Any controversy or claim arising out of or relating to (i) this Agreement, any other agreement with Schwab, an instruction or authorisation provided to Schwab or the breach of any such agreements, instructions, or authorisations; (ii) the Account, any other Schwab account or Services; (iii) transactions in the Account or any other Schwab account; (iv) or in any way arising from the relationship with Schwab, its parent, subsidiaries, affiliates, officers, directors, employees, agents or service providers ("**Related Third Parties**"), including any controversy over the arbitrability of a dispute, will be settled by arbitration.

This arbitration agreement will be binding upon and inure to the benefit of the parties hereto and their respective representatives, attorneys-in-fact, heirs, successors, assigns and any other persons having or claiming to have a legal or beneficial interest in the Account, including court-appointed trustees and receivers. This arbitration agreement will also inure to the benefit of third-party service providers that assist Schwab in providing Services ("Third-Party Service Providers") and such Third-Party Service Providers are deemed to be third-party beneficiaries of this arbitration agreement.

The parties agree that this arbitration agreement will apply even if the application to open the Account is denied and will survive the closure of your Account and/or the termination of services rendered under this Agreement.

Such arbitration will be conducted by, and according to the securities arbitration rules and regulations then in effect of, the Financial Industry Regulatory Authority ("**FINRA**") or any national securities exchange that provides a forum for the arbitration of disputes, provided that Schwab is a member of such national securities exchange at the time the arbitration is initiated. Any party may initiate arbitration by filing a written claim with FINRA or such eligible national securities exchange. If arbitration before FINRA or an eligible national securities exchange is unavailable or impossible for any reason, then such arbitration will be conducted by, and according to the rules and regulations then in effect of, the American Arbitration Association ("**AAA**"). If arbitration before the AAA is unavailable or impossible for any reason, the parties agree to have a court of competent jurisdiction appoint three (3) arbitrators to resolve any and all disputes or controversies between or among the parties. Each party shall bear its own initial arbitration costs, which are determined by the rules and regulations of the arbitration forum. In the event

of financial hardship, the arbitration forum may waive certain costs in accordance with such rules. At the conclusion of the hearing, the arbitrators will decide how to assess the costs of the arbitration among the parties.

Any award the arbitrator makes shall be final and binding, and judgment on it may be entered in any court having jurisdiction. This arbitration agreement shall be enforced and interpreted exclusively in accordance with applicable federal laws of the United States, including the Federal Arbitration Act. Any costs, fees or taxes involved in enforcing the award shall be fully assessed against and paid by the party resisting enforcement of said award.

For FINRA arbitrations, FINRA will appoint a single public arbitrator in customer cases decided by one arbitrator. In customer cases decided by three arbitrators, investors have the option of choosing an arbitration panel with two public arbitrators and one non-public arbitrator (Majority-Public Panel Rule) or a panel of all public arbitrators (Optional All-Public Panel Rule). If the customer declines to elect a panel selection method in writing by the applicable deadline, the Majority-Public Panel Rule for selecting arbitrators will apply.

All notices from one party to the other involving arbitration shall be considered to have been fully given when so served, mailed by first-class, certified or registered mail, or otherwise given by other commercially accepted medium of written notification.

In addition to the above provisions, if a party to this Agreement is or becomes a non-U.S. resident at the time of any controversy subject to this arbitration agreement, such party acknowledges and agrees to the following additional provisions:

1. The rules of the organization administering the arbitration specifically provide for the formal designation of the place at which the arbitration is to be held.
2. Entering into this Agreement constitutes consent to submit to the personal jurisdiction of the courts of the state of California, U.S.A., to interpret or enforce any or all of these arbitration provisions. Judgment on any arbitration award may be entered in any court having jurisdiction, or application may be made to such court for judicial acceptance of the award and an order of enforcement, as the case may be.
3. The exclusive language to be used by the parties and the arbitrators in the arbitration proceedings shall be English. Any party wishing an interpreter shall make all arrangements directly with the interpreter and shall assume all costs of the service.
4. If a party is a foreign government or state, state-owned or state-operated enterprise or other instrumentality of a foreign government or state, such party waives all rights of sovereign immunity, and neither the Federal Act of State doctrine nor the doctrine of sovereign immunity shall apply insofar as any enforcement in courts located in the U.S.A. is concerned.

18. Losses Due to Extraordinary Events

We are not responsible and you agree not to hold us liable for losses caused directly or indirectly by conditions beyond our control, including, but not limited to: war, natural disasters, government restrictions, exchange or market rulings, strikes, interruptions of communications or data processing services, news or analysts' reports, market volatility or disruptions in orderly trading on any exchange or market.

19. Phone Channel Access

During non-business hours or during periods of peak demand, market volatility, systems upgrades or maintenance, or for other reasons, access to a Schwab representative via the phone channel may be limited or unavailable. Some clients may have their calls routed to automated telephone channels or informational messages. Schwab may assign calling teams and specific phone numbers to support certain client groups based on certain factors, which may include asset levels and trading history. These client groups may be given preference in

reaching a Schwab representative. Failure to provide us with a valid account number could also limit your access to a Schwab representative.

20. Acknowledgement of Obligations and Risks of Investing in Global Securities Traded on Foreign Exchanges

Tax Reporting and Other Potential Tax-Related Consequences

Investing in foreign securities, including those traded on domestic exchanges, may result in tax liability or tax reporting obligations to U.S. and/or foreign taxing authorities. You alone are responsible for the taxes resulting from your trades, including any tax liability arising as a result of foreign legal obligations. Schwab's ability to aid you in achieving the most favorable tax treatment will vary by jurisdiction. Schwab does not provide tax advice. Please consult with a tax advisor prior to investing in foreign securities in your Schwab brokerage account(s).

Potential Trading and Ownership Restrictions Applicable to Global Securities

Foreign stock exchanges and regulatory authorities require that you report, and in some cases seek pre-approval for, acquiring ownership in foreign listed securities above certain thresholds or in certain industries. Investments in foreign securities may be subject to trading restrictions and fees not usually encountered in the United States. Governments, foreign stock exchanges, markets and/or individual securities may impose specific restrictions that prohibit or limit trading by individuals or entities. It is solely your responsibility to ensure that you will, at all times, comply with all applicable laws, obligations and restrictions in each of the jurisdictions in which you purchase and sell securities.

21. Consent to Electronic Delivery of Records and Regulatory Information

As a condition of your eligibility to receive certain Schwab products, services or offers, or as a condition for you to set up access to your Account through the web or another Electronic Service, upon notice to you, Schwab may require that you accept delivery of trade confirmations, account statements, prospectuses, issuer information or other documents by electronic means such as electronic mail or through one of our websites. You agree that, after such notice, your enrollment in or acceptance of such products, services or offers, or your new access to the web or Electronic Services, constitutes your consent to electronic delivery of trade confirmations, account statements, prospectuses, issuer information or other documents.

Note: The following section applies only to Schwab U.K. customers with tax-deferred accounts:

22. Unrelated Business Taxable Income Provisions ("UBTI")

If any assets held in your Account generate unrelated business taxable income ("UBTI"), you have the sole responsibility for reporting such income to the Internal Revenue Service ("IRS") and any other tax authorities and for complying with any other tax filing requirements resulting from receipt of such unrelated business taxable income. You agree that Schwab has no responsibility for such tax reporting and filing, and agree to indemnify and hold us harmless from any consequences, including penalties assessed by the IRS and any other tax authorities, resulting from receipt of such unrelated business taxable income. You also agree that if your Account holds assets that generate unrelated business income, your Account at all times will contain liquid funds to pay any tax imposed on unrelated business income at the time such tax obligation becomes due, and that, if necessary to satisfy any such tax obligation, you will liquidate assets or contribute sufficient amounts to the Account.

You further agree that to the extent funds are not available, Schwab is authorised to liquidate any investments in your Account necessary to generate the funds needed to satisfy your tax obligation. You understand and acknowledge that, in cases where the annual federal tax due is more than \$500, the IRS requires that quarterly estimated tax

payments be made. You understand and acknowledge that Schwab will make such quarterly payments on behalf of your Account only if you direct us in writing to make these payments, and if you notify us of the amount you wish us to pay each quarter.

23. Monitoring Conversations

You, and any agent or representative acting on your behalf, agree that we may, but are not obligated to, record telephone calls or listen to conversations you have with any Schwab representative to monitor the quality of the service you receive and to verify securities transaction information to banks, mutual funds and other entities regarding the products or services we offer or arrange on behalf of customers, or for other business reasons. You acknowledge that we may not be able to locate a tape recording unless you can provide the date and time of the conversation and the full name of the representative to whom you spoke. You further agree that Schwab has the sole right to determine how long tape recordings will be retained.

24. Trading or Disbursement Restrictions

You agree that we may place trading, disbursement or other restrictions on your Account as Schwab deems necessary, including, but not limited to, the following circumstances: pursuant to a court order, tax levy or garnishment; at the request of a government agency or law enforcement authority; in the event that your Account is restricted (including, but not limited to, cash-up-front restriction because of trading or trade-related violations); or in the event of a dispute between joint tenants. You agree to abide by any such restriction and not to initiate trades or transactions which would violate the restriction. You agree to allow us to liquidate securities in your Account to satisfy any court order, garnishment, tax levy or other legal obligation imposed by a court or government agency. You agree not to hold Schwab liable for any trading losses, lost profits, tax obligation or other damages resulting from liquidations or trading or disbursement restrictions imposed on your Account in connection with a court order, tax levy, garnishment or other legal proceeding. You agree we may debit your Account a processing fee of \$35 for each garnishment, subpoena, court order, tax levy or other legal process on your Account.

25. Separability

If any term of this agreement is found to be invalid or unenforceable, all other provisions will remain in full force.

26. Entire Agreement, Amendment and Waiver

The Schwab U.K. Account Agreement, including all disclosures, terms and agreements incorporated by reference, each as amended from time to time, is the complete statement of your agreement with us. In certain non-U.S. jurisdictions, we may incorporate agreements deemed appropriate and advisable under local law. On prior or concurrent written notice to you, we may modify or rescind existing provisions or add new provisions. By not closing and/or continuing to use your Account, you confirm your agreement to abide by the Schwab U.K. Account Agreement, as amended from time to time. Amendments will not affect rights or obligations either of us incur before the effective date of the amendment. No prior conduct, past practice or oral statement by any Schwab employee or agent can amend or modify this written agreement, including, but not limited to, Schwab's right to liquidate or close positions in a margin account anytime and without notice as set forth in the Margin and Short Account Agreement.

Notwithstanding the foregoing, with respect to any Account subject to the terms of this Agreement that is a retirement plan or retirement plan brokerage Account (including a Company Retirement Account ["CRA"] or Schwab Personal Choice Retirement Account® ["PCRA"]), Schwab may provide you (including independent Plan Trustees, Plan Sponsors, and/or other applicable plan fiduciaries or their agents) with notice of matters impacting your Account, which notice will include your direction, instruction, and authorisation with respect to the action to be taken (or not to be taken, as applicable) with respect to the particular matter related to your Account. We will give you as much advance notice of the

action to be taken (or not to be taken, as applicable) as is practicable under the circumstances. You will be deemed to have directed, instructed, and authorised us to take such action (or to not take such action, as applicable) if you fail to provide us with written communication to the contrary within the time period set forth in our notice to you. Your provision of such written communication to us may result in termination of your Account, without penalty imposed by Schwab.

Waivers of rights under the Charles Schwab U.K. Account Agreement must be expressed in writing and signed by the party waiving the rights. A waiver will apply only to the particular circumstance giving rise to the waiver and will not be considered a continuing waiver in other similar circumstances, unless the intention to grant a continuing waiver is expressed in writing. Our failure to insist on strict compliance with the Charles Schwab U.K. Account Agreement or any other course of conduct on our part is not considered a waiver of our rights under the Charles Schwab U.K. Account Agreement.

27. Certain Acknowledgements

You acknowledge and agree that Schwab is the principal underwriter of the Schwab Funds®. This affiliation does not limit the authority of our representatives to provide you with information about any available investment vehicles, including third-party mutual funds that are not affiliated with Schwab.

You further acknowledge that Schwab and its affiliates receive certain remuneration for providing services to the Schwab Funds® and Laudus Funds® (“**Schwab Affiliate Funds**”) in various capacities, including investment advisory and administrative services, as set forth in the prospectuses of the Schwab Affiliate Funds, as amended from time to time. In addition, Schwab receives shareholder servicing payments from the Schwab Funds® and Laudus Funds® for the services Schwab provides to fund shareholders that are customers of Schwab.

28. Disclosure of Account Information

We may disclose your name and/or information about your Account or your transactions to our agents and affiliates. We may also disclose such information to third parties in certain circumstances, including:

- To banks, mutual funds and other entities that are involved with the products or services we offer or arrange on behalf of our customers;
- When it is requested by a third party to complete a transaction;
- To verify the existence or condition of your Account for a credit bureau or merchant;
- To comply with a subpoena, court order or request from a government agency or law enforcement authority;
- To evaluate your creditworthiness or the collectability of any debt you owe us;
- Pursuant to Rule 14b-1 under the Securities and Exchange Act of 1934, to companies in which you hold securities, unless we receive your written objection; or
- If you give us your permission.

29. SIPC Protection

The Securities Investor Protection Corporation (“**SIPC**”) provides up to \$500,000 of protection in accounts you hold in a separate account capacity (for instance, as custodian, joint tenant or sole owner), with a limit of \$250,000 for claims in cash balances. For further details, please see www.sipc.org. This protection does not cover fluctuation in the market value of your securities. Account protection is not provided for the accounts of banks or broker-dealers maintained for their own account.

To obtain information about SIPC, including an explanatory SIPC brochure, please contact SIPC at www.sipc.org or 1-202-371-8300.

30. Interest, Dividend and Other Payments

If you are entitled to receive dividend, interest or other payments on investment instruments, we, in our sole discretion, may choose to pay

such proceeds to you only upon receipt of payment by us from the issuer.

If the net amount of any dividend, interest or other payment set to be automatically disbursed to you by check is less than \$100, it will remain as a credit balance in the Account and will not be automatically sent to you. Weekly disbursements less than \$100 will accrue in your account until the end of the month and you will be sent a check if the combined total equals U.S. \$100 or more.

31. Back-Up Withholding

Backup withholding is a tax withholding on specific types of payments for federal tax and state tax purposes. Backup withholding may be mandatory in certain circumstances. Most U.S. citizens and residents otherwise known as U.S. persons, which includes (a) a partnership, corporation, company, or association created or organized in the United States or under the laws of the United States, (b) an estate (other than a foreign estate), or (c) a domestic trust as defined in the IRS regulations, will be exempt from backup withholding if they properly report their name and Taxpayer Identification Number to the payer using Form W-9, affirming their information matches the IRS records, and they have not been notified by the IRS that they are subject to mandatory backup withholding.

32. Authorisations Granted to Advisors

For accounts managed by an advisor, any and all authorisations you grant to your advisor or other third parties with respect to your Account will apply to the successors and assigns of such advisor or other third party, subject to limitations of applicable law.

33. Electronic Copies

The electronically stored copy of your (or your agent’s) signature, any written instructions or authorisations, the Account Application and the Agreement and Disclosures is considered to be a true, complete, valid, authentic and enforceable record, admissible in judicial, administrative or arbitration proceedings to the same extent as if the documents and records were originally generated and maintained in printed form. You agree to not contest the admissibility or enforceability of Schwab’s electronically stored copy of such documents in any proceeding between you and Schwab.

34. Processing and Execution of Electronic Transactions

We may elect to review electronic transactions manually before they are submitted. This manual review may result in a delay in execution. For securities transactions, this delay may cause a difference between the execution price and the displayed quote at the time the order was entered. This delay may also result in a limit order becoming ineligible for execution. For electronic funds transfers and wires, this manual review may delay when funds are paid or made available.

35. Independent Branch Leaders Who May Service Your Account

Some Schwab branch offices are operated by an Independent Branch Leader (“**IBL**”). Although IBLs are not employees of Schwab, they are registered representatives of Schwab and subject to Schwab policies and procedures. IBLs are identifiable by the inclusion of “independent” in their Schwab representative title, signage in their branches, and supporting detail under their “Your Consultant” designation on www.schwab.com. IBLs may hire their own employees to work in their branches. Like other Schwab representatives, IBLs will have access to customer information to help service accounts and sell Schwab products and services. Schwab will inform you if your Account is assigned to an IBL in your geographic area. Whether or not you are assigned to an IBL, you may request service at an IBL branch just like any other branch (for example, if you are traveling).

Accounts managed by an advisor will not be assigned to an IBL.

Margin and Short Account Agreement

When you buy securities on margin, or enter into short sales or short options, you are borrowing money from Schwab for part of your transactions. All securities and other assets in your Schwab accounts are pledged as collateral to secure this loan. These margin transactions are riskier and involve the possibility of greater loss than transactions where you are not borrowing money. If the value of your securities and other assets falls, you may be required to deposit more assets (a "margin call") to secure your loan or your securities, and other assets may be sold to pay down or pay off your loan without prior notice and at a loss or at lower prices than under other circumstances. If you sell securities short and the value of the securities rises, you may receive a margin call requiring you to deposit additional assets and we may sell other assets in your Account to satisfy your margin obligation, without prior notice and at a loss or at lower prices than under other circumstances.

You may not borrow on margin for purposes other than to carry out a transaction relating to one or more financial instruments.

You agree to carefully consider your own financial condition, tolerance for risk and investment objectives, as well as market conditions, before you decide to use margin credit or short account features. By applying for a margin account and/or placing an order on margin, you acknowledge that you have, along with the terms of the margin agreement, carefully considered all of these factors and have decided that margin financing is appropriate for you.

Therefore, before you utilize the Margin and Short Account Feature, you must carefully consider market conditions and your financial position and investment objectives. By applying for a margin account and/or placing an order on margin, you acknowledge that you have carefully considered your financial condition, investment objectives and tolerance for risk, along with the terms of the margin agreement, and have determined that margin financing is appropriate for you.

Disclosure of Credit Terms and Policies

The following Disclosure of Credit Terms and Policies is required by the Securities and Exchange Commission and is part of your Charles Schwab U.K. Account Agreement. It describes the terms under which we extend credit and charge interest and how your obligations are secured by property in your Charles Schwab U.K. Account.

1. Interest Charges

We will charge interest on a daily basis on the credit we extend to you. The daily interest charges are calculated by multiplying your "daily adjusted debit balance" by the "daily margin interest rate." Generally speaking, your daily adjusted debit balance is the actual settled debit balance in your Margin and Short Account, increased by the value of securities held short and reduced by the amount of any settled credit balance carried in your Cash Account.

We calculate your daily adjusted debit balance each day by adjusting your previous day's balance by any debits and credits to your Account and by changes in the value of short positions.

If your daily adjusted debit balance is reduced because you deposit a check or other item that is later returned to us unpaid, we may adjust your Account to reflect interest charges you have incurred.

We reserve the right to charge interest on debit balances in the Cash Account.

Periodically, we will send you a comprehensive statement showing the activity in your Account, including applicable interest charges, interest rates and adjusted daily debit balances.

2. Interest Rate Charged on Margin Balance

The "daily margin interest rate" is based on a 360-day year. It is calculated for each day by dividing the applicable margin interest rate shown in the table below by 360. Please note that the use of a 360-day year results in a higher effective rate of interest than if a year of 365 days were used. The most current margin rates are available at www.schwab.com/margin.

We offer variable interest rates. Interest will be calculated daily on the outstanding amount and you must pay accrued interest monthly in arrears. As per the schedule of interest rates on our website referred to above, the interest rate is determined by the actual size of the loan.

We set the Base Rate at our discretion with reference to commercially recognized interest rates, industry conditions relating to the extension of margin credit and general credit market conditions. The current Base Rate is available by calling us toll-free at +1-800-435-4000.

Your margin interest rate will be adjusted automatically and without notice to reflect any change in the Base Rate. If your interest rate increases for any reason other than a change in the Base Rate, we will give you written notice at least 30 days prior to that change. For accounts with the margin feature, Schwab reserves the right, but has no obligation, to negotiate with you or an advisor who manages a Schwab account for you, a different margin rate than shown above for your Account.

3. Compounding Interest Charges

We compound interest on a daily basis. Interest charges will accrue to your Account each day. We will include the charges in the next day's opening debit balance and charge interest accordingly. The interest rates described in Section 2 above do not reflect compounding of unpaid interest charges; the effective interest rate, taking into effect such compounding, will be higher.

4. Initial Margin Requirements

The Federal Reserve Board and various stock exchanges determine margin loan rules and regulations. We will not extend credit unless your equity in the Securities and Other Property in your Margin and Short Account is at least \$2,000, or such greater amount as may be required by applicable rules or regulations or our house policies. This minimum margin requirement may differ from the minimum amount required to open your Account.

When you purchase securities on margin, you agree to deposit the required initial equity by the settlement date and to maintain your equity at the required levels. The maximum amount we currently may loan for common stock (equity) securities is 50% of the value of marginable securities purchased in your Margin and Short Account; different requirements apply to non-equity securities, such as bonds or options. If the market value of stock held as collateral increases after you have met the initial margin requirements, your available credit may increase proportionately.

Conversely, if the market value decreases, your available credit may proportionately decrease.

Initial margin requirements may change without prior notice. We may impose anytime and without prior notice more stringent requirements on positions that in our sole discretion involve higher levels of risk; for example, higher limits may apply for thinly traded, speculative or volatile securities, or concentrated positions of securities.

You may purchase only certain securities on margin or use them as collateral in your Margin and Short Account. Most stocks traded on national securities exchanges, and some over-the-counter ("OTC") securities are marginable. At our discretion, we reserve the right not to extend credit on any security.

If the market value of a security drops below Schwab's per-share minimum, the margin maintenance requirement will be 100%. Please call Schwab or visit our website for our current margin requirements.

5. Margin Maintenance Requirements

You must maintain a minimum amount of equity in your Account to collateralize your outstanding loans and other obligations. Margin maintenance requirements are set:

- By the rules and regulations of the Financial Industry Regulatory Authority, the American Stock Exchange and other regulatory agencies to the jurisdiction of which we are subject; and
- According to our sole discretion and judgment. You agree to maintain in your Margin and Short Account collateral of the type and amount required by:
- Applicable exchange rules and federal regulations;
- Our Disclosure of Credit Terms and Policies; or
- As required by us, at our discretion.

Margin maintenance requirements may change without prior notice.

We may issue a “margin call” (that is, a notification to deposit additional collateral) if your Account equity falls below the margin maintenance requirement. This can happen for various reasons. The most common reasons are a decrease in the value of long securities held as collateral or an increase in the value of securities held short.

As a general guideline and when it is practicable to do so, we may (but are not required to) issue a margin call when the equity in your Margin and Short Account falls below Schwab’s minimum maintenance requirement. The amount of additional collateral we require usually is an amount sufficient to raise your equity to Schwab’s minimum maintenance requirement. Please call Schwab or visit our website for our current margin requirements.

We retain absolute discretion to determine whether, when and in what amounts we will require additional collateral. In some situations, we may find it necessary to require a higher level of equity in your Account. For example, we may require additional collateral if an Account contains:

- Only one security or a large concentration of one or more securities; or
- Low-priced, thinly traded or volatile securities; or if
- Some of your collateral is or becomes restricted or non-negotiable or non-marginable.

We also may consider market conditions and your financial resources.

6. Short Option Positions

If you write uncovered put or call option contracts, your Account is subject to both initial margin and margin maintenance requirements. For more detailed information on how we calculate these equity requirements, call your Schwab representative at +1-415-667-8400. If your Account is managed by an advisor, please contact your advisor directly or call the above number. In addition, if you write an uncovered call option contract and are allocated an exercise of the option, you may be required to borrow shares in order to satisfy the delivery requirement of the option contract. In that event, you will be treated as if you had sold the shares short and may be subject to margin fees and stock loan fees.

7. Short Sales

A short sale is a margin transaction subject to initial margin and margin maintenance requirements. In most cases, the initial equity requirement for the short sale of an equity security is 150% of the sales proceeds of the security, plus commissions. Equity securities selling for \$5 or less and odd lots usually may not be sold short. Different requirements apply to non-equity securities.

Generally, current margin maintenance rules require you to maintain equity in your Account equal to at least Schwab’s minimum maintenance requirement for the market value of each stock “short” in your Account. Please call Schwab or visit our website for our current margin requirements. The value of securities held short in your Account is “marked to the market” each day. Increases in the market value will increase your

daily adjusted debit balance (on which interest is charged) by the same amount, while decreases in the market value will decrease your daily adjusted debit balance by the same amount.

As a result of increases in your daily adjusted debit balance, the collateral held in your Account may become insufficient. (See “Margin Maintenance Requirements,” Section 5, and “Liens and Liquidation,” Section 8.) Short sale proceeds are part of the collateral securing our loan of the security to you, and you may not withdraw these proceeds from your Account. You are liable for all dividends paid on securities you have borrowed for the purpose of short sales.

For our protection, we may, at our discretion and without notice, immediately cover your short security positions by purchasing for your Account securities to replace those sold short.

We may cover your position because:

- The lender of the securities recalls them;
- We anticipate an inability to borrow or re-borrow these securities; or
- For any other reason.

If several accounts hold short positions in a security and not all of the positions are to be covered, we may select the positions to be covered on a random basis.

In covering a short position, we may at our discretion purchase securities for your Account either on a normal settlement basis, next-day or cash settlement basis. The price of securities purchased on a next-day or cash settlement basis is usually higher than that of those purchased on a normal settlement basis. The price of covering the short position may be higher than the price at which you sold short; therefore, you may sustain a loss on that transaction.

You are liable for commissions and other costs of short sale transactions and for any debit balance that remains after we cover or close out a short position.

When we borrow securities for your Account, we are obligated to return the securities to the lender on demand. If you are unable to cover a short position (either through delivery of the security or through our “buying in” your position) in enough time for us to deliver the security to its lender, you agree to pay us for the losses we sustain as a result of the failure to deliver. For instance, if you have a short position in a security that is subject to a tender offer and you are unable to cover the position in time for us to deliver the security to its lender, we may hold you responsible for the economic value of the tender offer.

8. Liens and Liquidation

At our election, all debit balances in your Account, including those resulting from extensions of margin credit, will be immediately due and payable.

In the Charles Schwab U.K. Account Agreement, you granted us a lien on all Securities and Other Property held or maintained for any purpose, including safekeeping, in your Charles Schwab U.K. Account or in any other present or future Schwab brokerage account in which you have an interest regardless of whether there are other account holders on any of the accounts. This lien secures the full performance of obligations owed to us by you or any joint account holder of your Charles Schwab U.K. Account, whether those obligations are incurred in connection with your Charles Schwab U.K. Account or any other brokerage account with us, and extends to property that may not be acceptable as margin collateral under Federal Reserve Board regulations.

If your equity falls below the applicable maintenance requirement, we may (but are not obligated to) notify you, by mail, telegram, telephone, or electronic or other means, of a margin call for an amount sufficient to bring your Account up to the equity level we require.

Margin calls require prompt delivery according to our instructions of either additional funds or acceptable securities. Failure to make a required deposit may result in the liquidation of part or all of the Securities and Other Property in your Account.

Notwithstanding any oral communications between you and us, we reserve the right to liquidate anytime (including on or before settlement date) if the equity in your Account falls below Schwab's minimum requirements. You will continue to be held liable on demand for any debit balance remaining after liquidation of assets in your Account. It may not be possible to notify you of a margin call or allow any time to deposit additional collateral.

Therefore, we reserve the right to initiate immediate liquidation procedures without notice.

You are responsible for monitoring the status of your Account, for ensuring that sufficient collateral is maintained in the Account and for liquidating positions to minimize losses. Any action we take or do not take to issue a margin call or liquidate collateral is undertaken solely to protect our interest as a creditor. You agree that we do not have any responsibility to issue a margin call, to liquidate positions in your Account or to select the securities to be liquidated or the manner or timing of the liquidation in order to prevent or minimize losses to you.

Electronic Services Agreement

This Electronic Services Agreement amends your brokerage account agreement(s) and replaces any prior agreement between you and Schwab regarding your use of the Electronic Services.

1. Use of Electronic Services

Scope of the Agreement

This Electronic Services Agreement (the "**Agreement**") between you and Schwab states the terms and conditions that govern your use of Schwab's Electronic Services. It is part of your brokerage account agreement. The term "we," when used below, means Schwab. The term "Electronic Services" includes all of Schwab's computer, telephonic, facsimile, email or wireless services or systems. This includes services and information accessible through Schwab, or service providers used by Schwab, including, but not limited to:

- Schwab's proprietary software such as Velocity® and StreetSmart Pro®;
- Schwab's website;
- Schwab's computers and networks that are accessible externally;
- Schwab by Phone™ and TeleBroker®;
- Schwab's wireless services, including Schwab Wireless; and
- Any other computer, telephonic or wireless securities trading services or information system Schwab provides to you, including successors to the systems described above.

Services Provided

Schwab's Electronic Services allow you to enter orders to buy and sell certain securities, stock options and mutual funds within your Schwab Account, and to access securities price quotations, investing information and your personal account information. The Electronic Services are accessible via computer, telephonic or wireless transmissions for use on compatible personal, home or small-business computers, including Internet appliances with modems, terminals and network computers, as well as various wireless devices. You understand that in order for Schwab's Electronic Services, including future services available from Schwab, to perform to your satisfaction, or at all, you are solely responsible for the hardware, software or other technology you use to access Schwab's Electronic Services. Schwab will not be responsible for any service difficulties resulting from your failure to possess technology adequate to use Schwab's Electronic Services to your satisfaction.

Your Agreement

By using Schwab's Electronic Services, you agree to comply with the terms and conditions of this Agreement. Schwab has the right to modify or terminate this Agreement in any way at any time, and we will provide you with notice of any modifications. You further agree to abide by any

rules, procedures, standards, requirements or other conditions we may establish in connection with the use of our Electronic Services or any other electronic communications services made available by Schwab.

2. Risks of Electronic Trading

Access to the Electronic Services may be limited or unavailable during periods of peak demand, market volatility, systems upgrades or maintenance, or for other reasons. If the Electronic Services are unavailable or delayed at any time, you agree to use alternative means to place your orders, such as calling a Schwab representative or visiting one of our branch offices. Schwab will not be liable to you if you are unable to access your account information or request a transaction through the Electronic Services. (See "Limitations of Liability," Section 5).

When you use the Electronic Services to place a trade order, you acknowledge that your order may not be reviewed by a registered representative before being routed to an exchange for execution and you also will not have the opportunity to ask questions or otherwise interact with a Schwab representative. By placing a trade order through the Electronic Services, you voluntarily agree to assume any added risk that may result from the lack of human review of your order in exchange for the reduced commissions and potentially greater convenience of electronic trading.

Schwab posts "Urgent Notification" on its website to alert you to various Electronic Services and market conditions issues. You agree that you will read any Urgent Notification before placing orders on Schwab's Electronic Services and will be deemed to have knowledge of any such Urgent Notification that is posted when you place an order.

3. Fast and Volatile Market Conditions

During periods of heavy trading and/or wide price fluctuations ("**Fast Markets**"), there may be delays in executing your order or providing trade status reports to you. In addition, if you place a market order in a Fast Market, there may be a significant difference in the quote you receive prior to or at the time you place the order and the execution price you receive.

If the Electronic Services are available, and you decide to place an order in fast or volatile market conditions, you agree to accept full responsibility for that order. If Schwab believes any particular stock is or may be volatile, Schwab may, but is not obligated to, decline to allow customers to place orders for that stock through the Electronic Services. In addition, Schwab reserves the right, but is not obligated, to prevent any IPO stock from being traded through the Electronic Services. In either of these situations, you or your advisor, if you have one, may be required to contact a Schwab representative to assist you with transactions in these stocks. Schwab is not liable to you for any losses, lost opportunities or increased commissions that may result from you being unable to place orders for these stocks through the Electronic Services.

4. Financial Market Information; No Warranty

Financial Information

Schwab's Electronic Services make available certain financial market data, quotes, news, research and opinions (including Research Reports, as defined below) or other financial information (collectively, "**Information**") that has been independently obtained by certain financial market information services, financial publishers, various securities markets including stock exchanges and their affiliates, investment bankers and other providers (collectively, the "Information Providers") or has been obtained by Schwab. Schwab does not guarantee or certify the accuracy, completeness, timeliness or correct sequencing of the Information made available through Schwab, the Information Providers or any other third party transmitting the Information (the "Information Transmitters"). You agree that neither Schwab, the Information Providers nor the Information Transmitters shall be liable in any way for the accuracy, completeness, timeliness or correct sequencing of the Information, or for any decision made or action taken by you relying upon the Information. You further agree that neither Schwab, the Information

Providers nor the Information Transmitters will be liable in any way for the interruption of any data, Information or other aspect of Schwab's Electronic Services. You understand that none of the Information (including Research Reports) available through Schwab's Electronic Services constitutes a recommendation or solicitation that you should purchase or sell any particular security.

Research Reports

Schwab's Electronic Services make available analyst research and opinions ("**Research Reports**") that may be prepared by Schwab or one of its affiliates, or by various third-party investment bankers or other entities providing analysis, research and opinions ("**Third-Party Research Providers**"). Schwab does not endorse or approve Research Reports prepared by Third-Party Research Providers and only makes such Research Reports available to you as a service and convenience. Schwab and the Third-Party Research Providers do not: (1) guarantee the accuracy, timeliness, completeness or correct sequencing of the Research Reports; or (2) warrant any results from your use of the Research Reports. The Research Reports have been prepared as of the date indicated and may become unreliable for various reasons including, for example, changes in market or economic circumstances. Schwab and each Research Provider is not obligated to update any information or opinions contained in any Research Report or to continue to offer Information or Research Reports regarding any company or security. You acknowledge that recommendations in the Research Reports to buy, sell, hold or otherwise consider particular securities are not, and should not be construed as, recommendations or advice to you designed to meet your particular objectives or financial situation. From time to time, Schwab and/or a Research Provider may be unable to provide Research Reports with respect to certain companies with which Schwab and/or a Research Provider, or their respective affiliates, have certain business relationships.

Disclaimer of Warranties

There is no warranty of merchantability, no warranty of fitness for a particular use and no warranty of non-infringement. There is no other warranty of any kind, express or implied, regarding the Information, including Research Reports or any aspect of Schwab's Electronic Services (including but not limited to information access and order placement or execution).

Agreement Not to Contact Analyst

You agree not to contact any individual or analyst who is an author of, or who is named on, any Research Report, or any representative of any Information or Research Provider.

Arbitration

You agree that any controversy which may arise between yourself and any Third-Party Information or Research Provider and any of their officers, directors, affiliates and employees shall be resolved in arbitration in accordance with the terms and conditions of the arbitration agreement(s) entered into between you and Schwab at the time you opened your Schwab account(s), and as amended from time to time.

Disclosure of Potential Relationships

Schwab and/or its employees or directors as well as consultants to Schwab may have or may have clients with positions in securities or companies referenced in Information, including Research Reports, and may, as principal or agent, buy from or sell to customers. From time to time, Schwab may perform investment banking or other services for, or solicit such services from, companies mentioned in Information.

Securities Professionals May Not Use Research Reports in Their Business

If you are a securities broker, dealer or investment banker, by requesting or receiving any Research Reports, you agree not to use any such Research Reports for any purpose related to your business.

5. Limitations of Liability

Limitation of Damages

Schwab, the Information Providers, Information Transmitters, Third-Party Research Providers and any other person involved in transmitting Information will not be liable under any circumstances for any consequential, incidental, special or indirect damages even if you advise them of the possibility of such damages. This includes, but is not limited to, claims for lost profits, trading losses and damages that may result from the use, inconvenience, delay or loss of use of the Information or for omissions or inaccuracies in the Information. As a condition to accessing or receiving the Information, you expressly agree to waive any claim you may have against Schwab, any Information Provider, Research Provider or any other persons involved in transmitting any Information Schwab makes available to you.

By accessing or receiving Information, you agree that the liability of Schwab, the Information Providers, the Third-Party Research Providers or any other persons involved in transmitting Information arising out of any legal claim (whether in contract, tort or otherwise) in any way connected with Schwab's Electronic Services or Information will not exceed the amount you originally paid for the Electronic Services related to your claim.

Some jurisdictions do not allow limitations on how long implied warranties last, the exclusion or limitation of incidental or consequential damages or the exclusion of certain implied warranties, so that these disclaimers and limitations may not apply to you. This agreement gives you specific legal rights. You may also have other rights which vary from jurisdiction to jurisdiction.

No Liability for Events Outside of Entities' Direct Control

Schwab, the Information Providers, Information Transmitters, Third-Party Research Providers and any other person involved in transmitting Information will not be liable for any loss that results from a cause over which that entity does not have direct control. Such causes include, but are not limited to: (1) the failure of electronic or mechanical equipment or communication lines; (2) telephone or other interconnect problems; (3) bugs, errors, configuration problems or the incompatibility of computer hardware or software; (4) the failure or unavailability of Internet access; (5) problems with Internet service providers or other equipment or services relating to your computer or network; (6) problems with intermediate computer or communications networks or facilities; (7) problems with data transmission facilities or your telephone, cable or wireless service; or (8) unauthorised access, theft, operator errors, severe weather, earthquakes, other natural disasters or labor disputes. Schwab is also not responsible for any damage to your computer, software, modem, telephone, wireless device or other property resulting in any way from your use of Schwab's Electronic Services.

6. Consent to Email Communications and Opting Out

By entering into a customer Account Agreement with Schwab or by subscribing to a Schwab Electronic Service, you are consenting to the receipt of electronic mail ("email") from us. We may send you emails about services and products we believe may be of interest to you. You may opt out of future emails about products or services by following instructions in our privacy policy, on our website, or contained in an email that you receive from us. We reserve the right, however, to email you important information relating to your Account, including regulatory communications.

7. Use of Proprietary Information

The Information provided is the property of Schwab, the Information or Third-Party Research Providers or their licensors and is protected by applicable copyright law. You agree not to reproduce, retransmit, disseminate, sell, distribute, publish, broadcast, circulate or commercially exploit the Information in any manner without the express written consent of Schwab, the Information or Third-Party Research Providers or any other person with the authority to give such consent. You agree that you will not use the Information for any unlawful purpose. You further agree to comply with all reasonable written requests from Schwab

intended to protect the Information and Third-Party Research Providers' and Schwab's respective rights in the Information and Electronic Services.

8. Use of Quotes

You agree to use the quotes only for your individual use in your business. You will not furnish the quotes to any person or entity other than an officer, partner or employee of your business.

If you are a securities professional, such as an investment advisor, you may occasionally furnish a limited number of quotes to your customers and clients, but solely in the regular course of your securities business. If you furnish quotes to your customers and clients who are not on your premises, you may do so solely: (i) in written advertisements, educational material, sales literature or similar written communications; or (ii) during telephonic voice communication not entailing the use of computerized voice synthesis or similar technology. You shall not permit any customer or client to take physical possession of "your equipment" (i.e., the equipment that you use to receive, display or otherwise use quotes). You shall abide by any additional limitations on use of quotes that Schwab may specify in the future.

9. Order Change or Cancellation Requests

You acknowledge that it may not be possible to cancel a market or limit order once you have placed it, and you agree to exercise caution before placing all orders. Any attempt you make to cancel an order is simply a request to cancel. Schwab processes your requests to change or cancel an order on a best-efforts basis only and will not be liable to you if Schwab is unable to change or cancel your order.

Market orders (including marketable limit orders), in particular, are subject to immediate execution and as a general rule cannot be cancelled once entered during market hours and shortly before market opening. If you wish to try to change or cancel your market order, you agree to call a Schwab representative to assist you. Attempting to cancel and replace or change a market order through the Electronic Services can result in the execution of duplicate orders, which ultimately are your responsibility. If an order cannot be cancelled or changed, you agree that you are bound by the results of the original order you placed.

10. No Legal or Tax Advice

You acknowledge that Schwab does not give legal advice or tax advice. However, we may provide you with general tax and estate planning information and principles. You agree that these principles do not apply to your specific circumstances or take into account your comprehensive tax or estate planning situation. For that type of assistance, you agree to consult your own tax or legal advisor.

11. Investment Advice

You agree and acknowledge that when you use the Electronic Services, you, or you and an Investment Advisor other than Schwab, if you have one, are responsible for determining the nature, potential value and suitability for you of any particular investment strategy, transaction (including futures transactions) or security (including equities and options). Schwab has no responsibility under any circumstance for any such determination unless we otherwise agree with you in writing or unless Schwab gives advice directly to you that is clearly identified as a Schwab recommendation for you to enter into a particular transaction or transactions, or to buy or sell a particular security or securities. You agree that any such Schwab recommendation will remain in effect only for as long as we tell you that it will remain in effect at the time we make the recommendation.

Orders May Not Be Manually Reviewed

You understand and acknowledge that when you place orders using Schwab's Electronic Services, those orders may be sent directly to an exchange without being viewed by an individual Schwab representative. You acknowledge that you bear the entire risk and agree to accept full responsibility for the orders you place. You further agree to release

Schwab from any liability for executing the orders you place using Schwab's Electronic Services.

12. Access, Passwords and Security

You will be responsible for the confidentiality and use of your access number(s), password(s) and account number(s). You agree not to hold Schwab liable for any damages of any kind resulting from your decision to disclose your access number(s), password(s) or account number(s) to any third party, including, but not limited to, entities that aggregate account information or website content, or persons who are or claim to be acting as your agent, proxy or Investment Advisor. If you inform Schwab or Schwab has reason to believe that the security of your Account password may be or has been compromised, we have the right to terminate your use of Electronic Services. You will be responsible for all orders entered through and under your access number(s), password(s) and account number(s), and any orders so received by Schwab will be deemed to have been received from you. All orders shall be deemed to be made at the time received by Schwab and in the form received.

You agree to notify Schwab immediately if you become aware of:

- Any loss or theft of your access number(s), password(s) and/or account number(s); or
- Any unauthorised use of any of your access number(s), password(s) and/or account number(s), or of the Electronic Services or any Information; or
- Any failure by you to receive a message that an order initiated by you through the Electronic Services has been received and/or executed through the Electronic Services; or
- Any failure by you to receive accurate written confirmation of an order or its execution within five Business Days after entering the order through the Electronic Services; or
- Any receipt of confirmation of an order that you did not place, or any similarly inaccurate or conflicting report or Information.

13. Data Transmission

You acknowledge that data, including email, electronic communications and personal financial data, may be accessed by unauthorised third parties when communicated between you and Schwab, Information Providers or Information Transmitters, using the Internet, other network communications facilities, telephone or any other electronic means. You agree to use software produced by third parties, including, but not limited to, "browser" software that supports a data security protocol compatible with the protocol used by Schwab. Until notified otherwise by Schwab, you agree to use software that supports the Secure Socket Layer ("SSL") protocol or other protocols accepted by Schwab and follow Schwab's logon procedures for Electronic Services that support such protocols. You acknowledge that Schwab is not responsible for notifying you of any upgrades, fixes or enhancements to any such software or for any compromise of data transmitted across computer networks or telecommunications facilities, including, but not limited to, the Internet.

14. Use of Software, Programs, Applications or Other Devices to Access Electronic Services

With the exception of applications commonly known as web browser software, or other applications formally approved by Schwab in writing, you agree not to use any software, program, application or any other device to access or log on to Schwab's computer systems, website or proprietary software or to automate the process of obtaining, downloading, transferring or transmitting any content, information or quotes to or from Schwab's computer systems, website or proprietary software.

15. Subscription, Service and Use Fees

You agree to pay all subscription, service and use fees, if any, that you are charged by Schwab or its designee for Schwab's Electronic Services. These fees may include, without limitation, any Research Report fees. You agree that these fees may be changed without notice. Schwab reserves the right to enter into fee-sharing arrangements with

applicable Information Providers, Information Transmitters, and Third-Party Research Providers.

Payment of Fees

Upon requesting a Research Report, you shall instruct Schwab or its designee to charge the related fee, if any, to a designated Visa® or MasterCard®. If appropriate, you may also elect to charge the fees to your Account. You agree to pay all costs (including attorneys' fees), if any, incurred by Schwab in collecting overdue fees from you. You also agree to pay all federal, state and local taxes resulting from your use or receipt of the Research Reports. You agree to grant Schwab a continuing security interest in the assets in your Schwab brokerage account(s), if any, to secure the timely payment of all fees owed by you for the Research Reports as well as any other amounts owing under this Agreement or your other agreements with Schwab. If Schwab charges you a fee for Research Reports, Schwab may assign this Agreement only with your consent, to the extent allowed by applicable law.

16. Account Restrictions

If there is a restriction on your Account(s) at Schwab, your use of the Electronic Services' trading functions will be so restricted with respect to such Account(s). Further, Schwab reserves the right in its sole discretion to require a cash or equity deposit at any time and to determine the adequacy of any such deposit prior to the execution of any transaction through the Electronic Services. Schwab will not be responsible for any delay or failure to provide the Electronic Services, including the execution of any securities order, in the event there is a restriction on your Account, you lack sufficient funds in your Account or you delay or fail to make a required cash or equity deposit.

17. Indemnification

You agree to defend, indemnify and hold Schwab, the Information Providers and the Information Transmitters harmless from and against any and all claims, losses, liability costs and expenses (including, but not limited to, attorneys' fees) arising from your violation of this Agreement, state or federal securities laws or regulations, or any third party's rights, including, but not limited to, infringement of any copyright, violation of any proprietary right and invasion of any privacy rights. This obligation will survive the termination of this Agreement.

18. Our Ability to Terminate Electronic Services

Schwab reserves the right to terminate your access to its Electronic Services or any portion of them (including, without limitation, the Information including Research Reports) in its sole discretion, without notice and without limitation, for any reason whatsoever. Schwab may terminate your access to its Electronic Services for reasons including, but not limited to, the unauthorized use of your account access information, breach of this Agreement, discontinuance of Schwab's access to any information or any other data from any Information Provider or Research Provider or termination of one or more agreements between Schwab and Information Providers, Third-Party Research Providers or Information Transmitters. Schwab, the Information Providers, the Third-Party Research Providers and the Information Transmitters shall have no liability to you for terminating your access to Schwab's Electronic Services; provided, however, that if Schwab's termination is without cause, Schwab will refund the pro rata portion of any fee you may have paid for the portion of the Information and/or Electronic Services not furnished to you as of the date of termination.

19. Electronic Communications

The Electronic Services you access by computer provide you with the capability to send electronic communications, such as email, directly to Schwab and interact within applicable areas of the Electronic Services. You agree to the following terms with respect to your use of electronic communications through the Electronic Services:

- You will not transmit securities trade orders to Schwab using electronic communications except through those electronic features designated by Schwab for the express purpose of placing trade orders. You acknowledge that Schwab will not act upon trade orders transmitted

through electronic communications other than orders you transmit through designated trade order features;

- Schwab shall be entitled, but is not obligated, to review or retain your electronic communications for, among other reasons, monitoring the quality of service you receive, your compliance with this Agreement and the security of the Electronic Services. Schwab is entitled to disclose your electronic communications to the same extent it may disclose other information about you or your Account(s) as provided elsewhere in your Account Agreement(s). In no event will Schwab be liable for any costs, damages, expenses or any other liabilities incurred by you as a result of such activities by Schwab;
- You will not use any electronic communication feature of the Electronic Services for any purpose that is unlawful, abusive, harassing, libellous, defamatory, obscene or threatening. You will not use the Electronic Services to solicit Schwab customers or others or participate in the solicitation of Schwab customers or others for any purpose;
- You will not upload, post, reproduce or distribute any information, software or other material protected by copyright or any other intellectual property right (as well as rights of publicity and privacy) without first obtaining the permission of the owner of such rights;
- You will not in any way express or imply that the opinions in your electronic communications are endorsed by Schwab without the prior written consent of Schwab;
- If you use the Electronic Services that you access by computer, you agree to provide Schwab with your email address, promptly provide Schwab with any changes to your email address and accept electronic communications from Schwab at the email address you specify; and
- You agree to be bound by any affirmation, assent or agreement you transmit through the Electronic Services you access by computer, including, but not limited to, any consent you give to receive communications from us solely through electronic transmission. You agree that, when in the future you click on an "I agree," "I consent" or other similarly worded "button" or entry field with your mouse, keystroke or other computer device, your agreement or consent will be legally binding and enforceable and the legal equivalent of your handwritten signature.

20. General

You acknowledge that, in providing you with the Electronic Services, Schwab has relied upon your agreement to be bound by the terms of this Agreement and any user or license agreement(s) related to or accompanying Electronic Services-related software. You further acknowledge that you have read, understood and agreed to be bound by the terms of: (i) the user license agreement of any Electronic Services-related software; and (ii) the terms of Schwab's brokerage account agreement(s) and any other agreement with Schwab that applies to your Account(s), all as currently in effect and amended from time to time.

21. Modifications

This Agreement may be modified by Schwab upon written notice to you; provided, however, that if Schwab sends you written notice, via electronic communication or otherwise, of a modification, you confirm your acceptance of the modification by not closing and/or by continuing to use your Account.

22. Governing Law

Different laws and regulations apply to the different Charles Schwab U.K. Account services. Where, in accordance with the table above, a service is provided to you by:

- Charles Schwab, U.K., Limited (Brokerage and Custody Services)—the terms and conditions that apply to the service will be governed by English law. The U.K. rules relating to the protection of retail clients will apply to these services, including the U.K. Financial Ombudsman Service and Financial Services Compensation Scheme (provided that you meet the eligibility criteria).

- Charles Schwab & Co, Inc. (Margin Services)—the terms and conditions that apply to the service will be governed by the laws of the United States, State of California.
- The U.K. rules relating to the protection of retail clients do not apply to these services; in particular, they will not be covered by the U.K. Financial Ombudsman Service or Financial Services Compensation Scheme.

Please contact a Schwab representative if you require further information about what regulatory protections apply to each of the services.

23. Third-Party Beneficiaries

You and Schwab acknowledge and agree that each Information Provider, Information Transmitter and Third-Party Research Provider is an intended third-party beneficiary of this ESA to the extent that the Electronic Services include Information or Research Reports (“**Third-Party Beneficiaries**”). Each Third-Party Beneficiary is entitled to rely upon all rights, representations, warranties and covenants made by you in this ESA to the same extent as if each Third-Party Beneficiary was a party to this ESA with respect to their own Information or Research Reports. For the avoidance of doubt, all rights and benefits granted under this Agreement to Schwab will also be deemed granted directly to each Third-Party Beneficiary as set forth above. Otherwise, no third party will be deemed to be an intended or unintended third-party beneficiary of this Agreement.

Applicability to Other Accounts

1. Schwab Personal Choice Retirement Account® (“PCRA”) and Retirement Business Services (“RBS”) Plan-Level Custody Account

With respect to retirement plan brokerage custodial accounts (including a Company Retirement Account [“**CRA**”] or Schwab Personal Choice Retirement Account® [“**PCRA**”]) subject to the terms of this Agreement, are subject to all terms and conditions in the Charles Schwab U.K. Account Agreement as amended from time to time, except for: (1) account minimums and references to the applicable Pricing Guide; (2) the “Margin and Short Account Agreement” and “Disclosure of Credit Terms and Policies” sections of the applicable Account Agreement; and (3) any references to Visa® and Visa® Debit Card. There may be additional provisions and amendments that do not apply to PCRA account holders and/or RBS plan-level custody account holders. Contact the Dedicated PCRA Call Center at +1-888-393-PCRA (7272) if you are a PCRA account holder with questions about applicable 1405 provisions and amendments. Contact a Schwab representative at +1-800-231-2855 if you are a retirement plan brokerage custodial account holder with questions about applicable provisions and amendments. PCRA account holders and RBS plan-level custody account holders should refer to the *Charles Schwab Pricing Guide for Retirement Plan Accounts* for information related to pricing.

Independent investment advisors are not owned by, affiliated with, or supervised by Charles Schwab & Co., Inc. Certain investment advisors such as Windhaven Investment Management, Inc. and ThomasPartners, Inc. are affiliated with Schwab.