



Merchant Securities

ACCOUNT OPENING APPLICATION FORM

CLIENT FACT FIND (COMPANY ACCOUNT)

Introduction

Before we act for you, it is important that we reach a shared understanding of your investment objectives and attitude to risk and that is the purpose of this fact find. We should like to be very clear: investment involves risk. As you will know, things do not always go to plan and the value of investments can go down as well as up. It is important to us therefore, that you make informed decisions, understand the risks and choose the most appropriate Merchant Securities Limited service for you.

When completing this Account Opening Application Form, if you are interested in our Advisory or Discretionary services, you are asked to decide on your **investment objectives** and **attitude to risk**; in doing this, please read the guidance on pages 10 to 13 of this form. We have also produced a separate “**Guide to Investments and Risk**” (on our website) to which you might also refer before you state your preferences in this Form. Execution-only clients are not required to complete all sections of this form.

Our Services

We offer 5 types of service:

1. Advisory Dealing Service
2. Advisory Managed Service
3. Discretionary Model Portfolio Managed Service
4. Discretionary Bespoke Portfolio Managed Service
5. Execution-only Dealing service

If there is anything you do not understand or if you have any questions, please speak to one of our Investment Advisers. Call: +44 (0)20 7628 2200.

Instructions - Please complete in block capitals. Kindly insert the relevant information with amounts rounded to the nearest thousand pounds (£000). All information will be treated as strictly confidential. State "NONE", or if the question is not applicable, then enter "N/A".

Company Details (Company name or name you wish to give to the account)

Account Name

Director 1 details

Title First Name

Initial Surname

Position in Company

Place and Date of Birth

National Insurance Number

Marital Status Single Co-habiting

Married Divorced Widowed

Country of Residence

Nationality

Country of Birth

Address

Post code

Tel (Home)

Tel (Work)

Tel Mobile

Email

Director 2 details

Title First Name

Initial Surname

Position in Company

Place and Date of Birth

National Insurance Number

Marital Status Single Co-habiting

Married Divorced Widowed

Country of Residence

Nationality

Country of Birth

Address

Post Code

Tel (Home)

Tel (Work)

Tel Mobile

Email

- If there are additional Directors/Persons, who are authorised to give us instructions please give details on a separate sheet
- Please provide a copy of the company's authorised signatories list
- We require a certified, up to date copy of the company's Memorandum and Articles of Association

Affiliations

Director 1 details

Are you a senior political figure, family member or close relative of a senior political figure?	<i>If yes, please provide details:</i>

Director 2 details

Are you a senior political figure, family member or close relative of a senior political figure?	<i>If yes, please provide details:</i>

Are you a director, 10% shareholder or policy making officer of a public company or is a family member such a person?	<i>If yes, please provide details:</i>

Are you a director, 10% shareholder or policy making officer of a public company or is a family member such a person?	<i>If yes, please provide details:</i>

Financial Details (Mandatory Information for Advisory & Discretionary Clients but not Execution-only)

Please complete the following section to help us understand the company's financial circumstances and to ensure we offer suitable investment opportunities

Income

Value of Company's net assets £

Company's annual turnover £

Current Investments

Please give details of any investment portfolio the company may currently have.

Assets	Amount
Investment property	£
Bank deposits	£
Investments	£
Other assets	£

Investment Experience (Mandatory Information, All Clients, Including Execution-only)

Product	Experience of holding and understanding of this type of investment (tick appropriate box(es) below to indicate your experience)	Number of years experience of the product	Trade frequency (please indicate the average number of times you have traded this product over the last 2 years)	Average trade size (in GBP)	Professional qualifications relating to the product?
Money market funds	<input type="checkbox"/> Hold <input type="checkbox"/> Have held <input type="checkbox"/> Understand				
Equities	<input type="checkbox"/> Hold <input type="checkbox"/> Have held <input type="checkbox"/> Understand				
Bonds (Corporate or Government)	<input type="checkbox"/> Hold <input type="checkbox"/> Have held <input type="checkbox"/> Understand				
Traded Foreign Exchange	<input type="checkbox"/> Hold <input type="checkbox"/> Have held <input type="checkbox"/> Understand				
Unit trusts	<input type="checkbox"/> Hold <input type="checkbox"/> Have held <input type="checkbox"/> Understand				
Exchange Traded Funds	<input type="checkbox"/> Hold <input type="checkbox"/> Have held <input type="checkbox"/> Understand				
Property funds	<input type="checkbox"/> Hold <input type="checkbox"/> Have held <input type="checkbox"/> Understand				
Structured products	<input type="checkbox"/> Hold <input type="checkbox"/> Have held <input type="checkbox"/> Understand				
Private equity Investments	<input type="checkbox"/> Hold <input type="checkbox"/> Have held <input type="checkbox"/> Understand				
Futures	<input type="checkbox"/> Hold <input type="checkbox"/> Have held <input type="checkbox"/> Understand				
Options	<input type="checkbox"/> Hold <input type="checkbox"/> Have held <input type="checkbox"/> Understand				
Warrants	<input type="checkbox"/> Hold <input type="checkbox"/> Have held <input type="checkbox"/> Understand				
CFDs	<input type="checkbox"/> Hold <input type="checkbox"/> Have held <input type="checkbox"/> Understand				
Spread Betting	<input type="checkbox"/> Hold <input type="checkbox"/> Have held <input type="checkbox"/> Understand				

Investment Objectives and Attitude to Risk (Mandatory Information for Advisory & Discretionary Clients but not Execution-only)

Please fill in this page to help us fully understand your investment objectives and tolerance to risk. Your selection below should reflect your current attitude towards risk. If you wish to update this at any time, please contact your Merchant Securities account executive.

- | | Y | N |
|--|--------------------------|--------------------------|
| • We have a short term outlook to investing money (fewer than 3 years) | <input type="checkbox"/> | <input type="checkbox"/> |
| • We have a long term investment outlook (3 years or more) | <input type="checkbox"/> | <input type="checkbox"/> |
| • We want to invest some or all of my money in short term, more speculative trading (see explanation on page 10) | <input type="checkbox"/> | <input type="checkbox"/> |
| • We want to build a diversified investment portfolio | <input type="checkbox"/> | <input type="checkbox"/> |
| • We want to generate £ <input style="width: 150px; height: 20px;" type="text"/> annual income from the funds invested | | |

We ask you below to select your **attitude to risk (ATR)**. Prior to deciding your ATR we ask you to read the information set out on pages (10 - 13). Please contact us if you do not understand anything contained in those pages prior to selecting your ATR.

Primary objective:	Please Tick As Appropriate	Attitude to Risk	Please Tick One Only
Investing for Longer-Term Growth of capital	<input type="checkbox"/>	Lower Risk	<input type="checkbox"/>
Investing for Income	<input type="checkbox"/>	Low/Medium Risk	<input type="checkbox"/>
Specific: e.g. pay school fees, for income in retirement - specify in box below	<input type="checkbox"/>	Medium Risk	<input type="checkbox"/>
Investing for Income & Growth	<input type="checkbox"/>	Medium / High Risk	<input type="checkbox"/>
Short-term trading (higher risk clients)	<input type="checkbox"/>	Higher Risk	<input type="checkbox"/>
Other, please specify on page 6	<input type="checkbox"/>		

Please detail below any specific income requirements i.e. both frequency and amount. Please note that income is normally paid in cash. If you have a preference to receiving income in scrip form (i.e. as additional shares/units) then please indicate below:

(Important Note: It is your responsibility to inform us if you subsequently change your objectives or attitude to risk)

Restrictions**Preferences**

Country or geographical

Ethical

Income tax or CGT

Time

Other

PLEASE USE THIS SECTION TO NOTIFY US OF ANY OTHER RELEVANT INFORMATION

Required Services	Please Tick One
Advisory Dealing Service	
<p>This service is for those wishing to retain overall control of their investments whilst benefitting from our knowledge and expertise. After establishing your investment objectives and risk category we will give you as much advice on individual investments as you require, but all decisions to invest are ultimately yours and require your prior approval. We will give advice on the basis of our best judgement at the time but we cannot be held responsible if any investment fails to achieve our or your expectations for it. Therefore, with this service, you take full responsibility for monitoring the balance and risk of your investments.</p>	
Advisory Managed Service	
<p>Your Investment Manager will monitor your investments to ensure that they stay in line with your pre-agreed investment objectives. We will give advice on the basis of our best judgement at the time but we cannot be held responsible if any investment fails to achieve our or your expectations for it. Proposed investment decisions are discussed with you in advance and require your prior approval. In matching your investments to your individual objectives and risk tolerances, you will be able to consider all asset</p>	
Discretionary Model Portfolio Service (“DMP”)	
<p>This service allows you to hand over the day to day management of your investment portfolio to our investment management team. We will monitor your portfolio and make the investment decisions on your behalf, based on our model portfolios and your individual objectives and personal attitude to risk.</p>	
Discretionary Bespoke Portfolio Service (“Bespoke”)	
<p>This service allows you to hand over the day to day management of your investment portfolio to our investment management team. We will monitor your portfolio and make the investment decisions on your behalf, designing an individual portfolio around your individual objectives and personal attitude to</p>	
Execution-Only Dealing Service	
<p>This service is for those who know when and what they want to buy and sell. Our role is simply to provide you with factual information, such as prices, and seek best execution of your instructions using our market knowledge and expertise. We will not give you any advice.</p>	

NB: We send all clients a statement of dealings and valuations twice a year, or on request. Our charges for the above services are detailed in ‘Appendix C’ of our terms of business.

Bank Details

Please note: to open an account we need the Company's bank details. Any funds payable to and from Merchant Securities account must be via this bank account.

Bank name	<input type="text"/>
Bank address	<input type="text"/>
Account Name	<input type="text"/>
Account No	<input type="text"/>
Sort Code	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>

Other Advisers

Adviser Name	Address	Contact	Type of Adviser	Do you want us to provide personal information on request?

If you want Merchant Securities Ltd to deduct and pay an advisers fees from your portfolio, please complete the instruction below :

Adviser	Initial fee to be paid to adviser	Ongoing fee to be paid to adviser	Client Signature

Receiving the company's instructions

Please specify below the individual(s) authorised to give us instructions on the company's behalf on a day-to-day basis. This would normally be a director, the company's investment officer or another person in a senior position.

Name(s)	<input type="text"/>
Position(s) in Company	<input type="text"/>
Signature of authorised person(s)	<input type="text"/>

Declaration and documentary disclosures

Please be advised that before we are able to open a new investment account we have to comply with the UK Anti-Money Laundering Regulations. The personal information provided on page 2 (and any supplementary sheets) may therefore be used for identity verification purposes. Please note, however, in certain circumstances we may have to request further documentary information from the company.

Certified Board Resolution

I _____ Company Secretary of _____ (the 'Company')

Confirm it was resolved as follows:

1. That an account be opened in the name of the Company.
2. That an agreement be entered into in connection with the opening of the account in such form as we shall require (the 'Agreement') and that all transactions entered into by the Company shall be subject to the terms of the Agreement as amended from time to time.
3. That each person whose names and signatures appear below (the 'Authorised Signatories') shall be and are hereby jointly and severally authorised to sign any document in connection with the opening of the account, including (but without limitation) the Agreement and any document creating, perfecting or relating to any mortgage, charge or encumbrance over the Company's assets and to give any oral or written instructions to us with respect to the Account including (but without limitation) instructions to effect or otherwise enter into transactions with or on behalf of the Company.
4. That any transactions of any description whatsoever previously entered into by the Company with or through us be and are hereby ratified and approved.
5. That these Resolutions be communicated to us and shall remain in force and that we shall be entitled to rely on the same until an amending resolution shall be passed and a copy certified by an officer of the Company shall have been received by us.
6. That this application form has been completed to the best of our knowledge and that the information provided is accurate.
7. Where appropriate, the provision of information, by means of our website (www.merchantsecurities.co.uk), but only where I/we have access to the internet.
8. We undertake to advise Merchant Securities Limited of any change in the company's circumstances relevant to the services provided to it.
9. Merchant Securities Limited may send us relevant communications by email, if you do not consent to this please tick this box. (Your personal data will remain confidential and will not be passed to any other company).

We expressly consent to the following:

10. Merchant Securities Limited may execute any order on the company's behalf in any instrument outside of either a regulated market or a multilateral trading facility
11. For Merchant Securities Limited not to make public any limit orders provided by us that are not immediately executed, unless we specifically instruct otherwise in relation to a specific limit order.

(Please note this consent is to be read in conjunction with our Execution Policy)

Print Name & title	Signature	Date
<input type="text"/>	<input type="text"/>	<input type="text"/>
Print Name & title	Signature	Date
<input type="text"/>	<input type="text"/>	<input type="text"/>
Print Name of Company Secretary	Signature	Date
<input type="text"/>	<input type="text"/>	<input type="text"/>

Investment Objectives

On page 5 we ask you to tick boxes to confirm your investment objectives and attitude to risk. In doing so, you will need to consider that investment returns take the form of either Capital Growth or Income with the relative bias between the two determined by the investor's individual objective. The following explanations are, by necessity, broad outlines, but it is important that you have the clearest possible understanding of them when agreeing your Investment Objectives with us.

Investing for Longer Term Growth:

If you choose this option, we shall understand by this that you have sufficient income from other sources and that investing for Income, for example, dividends on equities, or from fixed-income securities, is not your main objective. Investing for Longer term growth is to focus on capital appreciation and is for investors who are looking to hold diversified investments and are able to hold the investments for the longer-term (3 years plus).

Investing for Income or Income & Growth:

If you choose one of these options, you will need to explain the amount of income you require and the frequency of payments so that we can make suitable recommendations.

Investing for income is for investors who have a specific income requirement from their investments and who are looking to hold investments to provide income and who are able to hold the investments for the longer-term (3 years plus).

Investing for a combination of income and growth is for investors that wish to hold diversified investments and who are able to hold investments for the longer term (3 years plus), with no specific income requirements, but will receive whatever income is generated.

Short-term Trading of Equities (NB Higher Risk Clients Only):

Such clients are not concerned about Income or in building a portfolio of investments, but are interested in short-term trading and capital appreciation. Their objective is often very short-term, for example; one week, one month, and they are willing to take profits or losses early with no intention to hold for the longer term (i.e. three years plus). This trading strategy may result in clients having a high concentration of investments in a limited number of holdings. This will increase concentration risk - please see page 12 for more details.

Short-term trading, however defined, must be considered as a high-risk trading strategy.

Other:

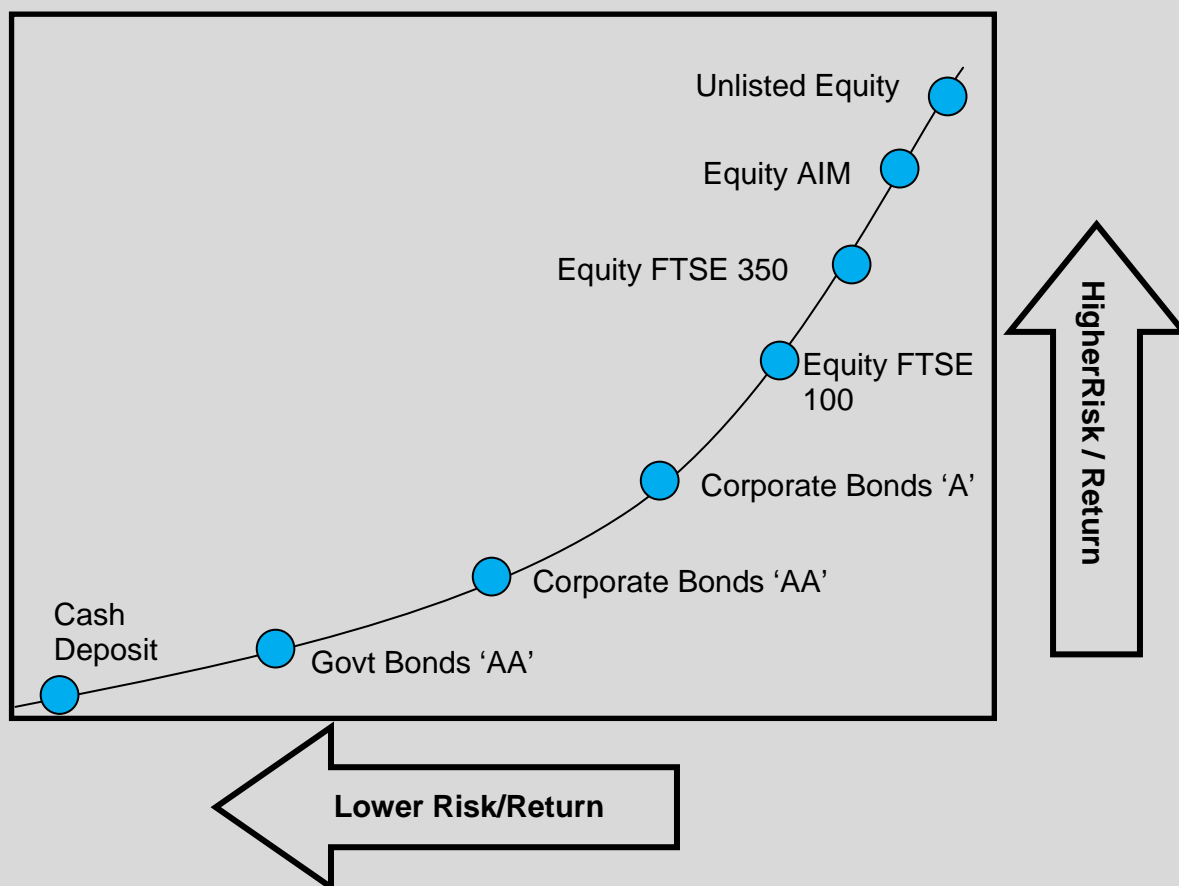
If your objective is none of the above, please detail your objective on page 6 of this Form, or speak to us about your specific requirements.

RISKS

On page 5 of this Form, we ask you to select your Attitude to Risk category. Your agreed risk category will be one of: Lower-Risk, Low/Medium-Risk, Medium-Risk, Medium/High-Risk or Higher-Risk.

The risk category you select and we agree on, will determine the type of investments we may recommend as suitable for you. In addition, you may stipulate that you do not wish to receive a recommendation from us nor wish to invest in a particular type of investment. For example; you may state that you do not wish to invest in certain companies such as tobacco companies, on ethical grounds.

TYPICAL RISK/RETURN EXPECTATIONS



It is important you understand the inherent risk of each investment and that any number of factors including external risks or events can have an adverse or positive impact on the price and value of the investment.

There are of course many other types of investments, for example; Collective Investment vehicles (Investment Trusts, Unit Trusts and OEICs), Derivatives (Options and Warrants) and Structured Investment Products. The inherent risk of all investments depend on many factors, which include; the size and nature of the issuer, the risk that the issuer might fail and whether or not the investment offers any capital protection.

In short, there is no simple description that covers all risks or eventualities. However, to aid understanding it is true to state that some investments are inherently more risky than others. The above Graph plots the relative risk versus return of Equity (Shares), Debt (Government and Corporate Bonds) and Cash.

Notwithstanding our obligation to only make suitable recommendations to you, you should be aware that as an Advisory Client, you are responsible for your investment decisions and for understanding the risks. We will give advice on the basis of our best judgement at the time, but we cannot be held responsible if any investment fails to achieve our or your expectations for it.

You should also be aware that your attitude to risk (“ATR”) and risk category might change over time. If you feel that your ATR has changed, you should inform us accordingly as it will affect the advice we may provide. For example your ATR might change from Medium to Higher-Risk, as you perhaps become more willing to accept the risk of investing in Higher-Risk investments. If this happens, it is important that you are making informed decisions and that you understand the risks.

No Restriction on Recommendations

There is no restriction on the type of investment we recommend to you other than as stipulated by you, for example, no tobacco companies. This means we might in certain circumstances recommend a Higher-Risk investment to a client with a Lower-Risk category, but in this case, only where the Higher-Risk investment is very small in relation to the overall value of your investments and cash on account. Clients are reminded that they are not bound to accept any recommendation and they can say ‘no’. We will not put pressure on clients if this is the case.

Concentration Risk

Concentration Risk simply means that the number of investments held and their relative weighting will determine how well risk is spread. This spread of risk is also called “diversification”. For example, if an investor only holds two investments of equal value, his risk is concentrated 50% each. If one investment were to fail, the investor would lose 50% of the value of his holdings. In this example, it is clear that there is little diversification of risk.

If you have limited funds to invest, it may not be possible to adequately spread your risk by diversification across a number of holdings unless you invest in a collective investment such as an Exchange Traded Fund, Investment Trust or Unit Trust. In addition, dealing costs payable to Merchant Securities may result in disproportionate costs in percentage terms to clients as minimum charges apply – please see our **Schedule of Charges** at the back of our **Terms of Business**.

Higher-Risk Investments

If you wish to trade solely or mainly in equities and other higher-risk investments we will require you to select “Higher-Risk” under Attitude to Risk on page 5 of this form.

Guide to Investments and Risk

For further guidance on investments and risk, please see our **“Guide to Investments and Risk”** on our website: www.merchantsecurities.co.uk.

We offer two types of service: Model Portfolio Managed Service and Bespoke Portfolio Managed service.

Discretionary Model Portfolio Managed Service

The Model Portfolio service allows clients to choose one of 5 models: Lower-risk, Low/Medium-Risk, Medium-Risk, Medium/High-Risk or Higher-Risk.

Discretionary Bespoke Portfolio Managed Service

The Bespoke Portfolio service differs from the Model Portfolio service in that your investment portfolio can be built precisely around your requirements and to meet your specific requirements for income or capital growth. To help you decide, please review your answers to the Attitude to Risk questions on page 5 and please call us if you are unsure.

How we manage Discretionary Portfolios

Our discretionary portfolio managers are not subject to any restriction on what type of investment they can choose, but you may specify restrictions if you wish. Furthermore, the exact mix of investments held across the portfolios will depend on the risk category of a client and that client's investment objectives.

Clients should note that even a Lower-Risk portfolio may contain a small percentage of higher-risk investments. There may also be times when the managers may use higher-risk investments to achieve the correct balance to the portfolio, or to manage risk.

Please discuss your requirements with one of our Investment Managers or your financial adviser acting on your behalf.

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Authorised and regulated by the Financial Services Authority. Member of the London Stock Exchange.
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