

Capita IRG Trustees Limited
The Registry
34 Beckenham Road
Beckenham
Kent
BR3 4TU
England

V.A.T. number-618184140

Dated: _____, 2006

Primary Health Properties PLC

Share Service

Terms and Conditions

This document sets out all the terms and conditions (“Terms and Conditions”) of the Share Service provided by Capita IRG Trustees Limited (“CIRGT” or “Service Provider”). It replaces any previous terms and conditions which you may have received and contains the entire agreement between you and CIRGT relating to the subject matter of these Terms and Conditions at the date set out below. These Terms and Conditions are legally binding on all persons who are or become Investors of the Share Service and together with the Application Form form a legal agreement (“the Agreement”) between you and CIRGT.

The Share Service is operated and administered by CIRGT, or any successor administrator that may be appointed. CIRGT is authorised and regulated by the Financial Services Authority (“FSA”) and is entered on the FSA Register with registration number 184113. Further information may be obtained from the FSA’s Register by visiting the FSA’s website <http://www.fsa.gov.uk/register> or by contacting the FSA on 0845 606 1234.

Enquiries about the Share Service, or these Terms and Conditions, should be addressed to CIRGT either by post to Capita IRG Trustees Limited, PHP Share Service, The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU or by calling the CIRGT Shareholder Helpline on 0870 162 3135.

1. Definitions

In these Terms and Conditions the following words and expressions have the meanings and interpretation set out below:

“Applicable Regulations”	means all the statutory and other rules (including FSA Rules and FSMA), regulations and provisions in force from time to time, applicable to us or to the provision of the Share Service, including the rules, principles and codes of practice stipulated by any regulatory authority to which we are subject;
“Application Form”	means the application form to be completed and signed by any person requesting to become an Investor or joint Investor;
“Business Day”	means any day which is not a Saturday or Sunday and on which the London Stock Exchange is open for business;
“Client Money”	means client money as defined in the FSA’s Rules;
“Company” or “PHP”	means Primary Health Properties PLC, Ryder Court, 14 Ryder Street, London SW1Y 6QB, whose Shares are quoted on the Daily Official List of the London Stock Exchange;
“Counter Cheque”	means a cheque drawn by a financial institution;
“CREST”	the computer based system operated by CRESTCo Limited (a subsidiary of Euroclear SA) for the transfer of uncertificated securities;
“FSA”	means the Financial Services Authority;
“FSA Rules”	means the rules and guidance published by the FSA from time to time;
“FSMA”	means the Financial Services and Markets Act 2000, as amended from time to time.
“Identity Guidelines”	means the guidelines setting out the evidence needed to identify Investors which can be found at the end of these Terms and Conditions;
“Lump Sum Payments”	means the lump sum payments into the Share Service as described in clause 5;
“Monthly Dealing Day”	means the 11th day of a month or, if not a Business Day, the next following Business Day;
“Nominee”	means CIRGT or Capita IRG Trustees (Nominees) Limited, a wholly-owned subsidiary of CIRGT (or any other nominee appointed from time to time by CIRGT or by any successor to CIRGT);
“Personal Cheque”	means a cheque or other payable order where the Investor has sole or joint title to the underlying funds (i.e. the cheque is drawn on the Investor’s own account or a joint account);
“Regular Monthly Payments”	means the regular payments into the Share Service as described in clause 4;
“Shares”	means ordinary shares in the issued share capital of Primary Health Properties PLC.
“Share Account”	means the client account, which we open for each Investor or joint Investor, in order for that Investor to have access to the Share Service;
“Share Account Number”	means the unique reference number given to every Share Account;
“Share Service”	means the Primary Health Properties Share Service as described in these Terms and Conditions;
“Top-Up Payment”	means a top-up payment into the Share Service as described in clause 4;
“we/us”	means CIRGT and, where relevant, the Nominee, or any successor company appointed to replace us;
“Weekly Dealing Day”	means the Thursday of each week, or if not a Business Day, the next following Business Day;
“you” or “Investor”	means the person(s) who invest in the Shares through the Share Service and on whose behalf we are holding the Shares and “your” and “yourself” shall be construed accordingly

Reference to any statute or statutory provision includes a reference to that statute or statutory provision as from time to time amended extended or re-enacted.

2. How to join the Share Service

Who is eligible?

This Share Service is only open to EU residents who are aged 18 or over.

If you are resident outside the United Kingdom (which excludes the Channel Islands and the Isle of Man) you are responsible for ensuring that you do not contravene any applicable local legislation so that you may validly join the Share Service. You are also responsible for observing all relevant formalities to enable you to buy shares through the Share Service.

How to become an Investor

- (i) In order to become an Investor, you must complete and sign an Application Form and return it to us. You should choose either the Regular Monthly Payment option or the Lump Sum Payment option (or take simultaneous advantage of both). Your Application Form should be accompanied by:
 - (a) the relevant documents referred to in the Identity Guidelines attached to the Application Form and
 - (b) your Personal Cheque and/or direct debit mandate (as detailed in clauses 4, 5 and 6).
- (ii) By applying to join the Share Service, you agree to be bound by these Terms and Conditions.
- (iii) Once your completed Application Form has been accepted by us, we will open a Share Account in your name(s) and an acknowledgement of acceptance will be sent to you. You will be provided with Share Account Number. You are responsible for keeping your Share Account Number secure and you must not disclose details to any other person.

If you are in any doubt as to the action you should take, you should seek advice from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised pursuant to the Financial Services and Markets Act 2000.

Verification of Identity and Account Opening

- (i) To comply with UK Applicable Regulations (including compliance with the Money Laundering Regulations 2003), we are required to verify the identity of our customers. The provision of the Share Service to you and Share Account opening is subject to our satisfactory completion of due diligence. By applying to become an Investor, you agree to provide evidence of identity in accordance with the Identity Guidelines and authorise us to make credit reference, identity (including searching the electoral roll), fraud and other such searches and enquiries that may be necessary for these purposes of opening the Share Account. The credit reference agency may check the details you supply against any particulars on any database (public or otherwise) to which they have access. They may also use your details in the future to assist other companies for verification purposes. You also authorise us to undertake further similar searches at regular intervals. A record of the search will be retained. You may also be required to provide additional information. Please see clause 27 for our protection of information policy.
- (ii) We may refuse to open the Share Account for you without informing you of our reasons for doing so and you agree that we will have no liability to you for any loss you may incur if we decide not to open a Share Account in your name.

Joint holders

- (i) We will open joint Share Accounts for up to four joint holders, and all references in these Terms and Conditions to "you" or an "Investor" apply to each joint holder individually, except where the context otherwise requires.
- (ii) All joint holders wishing to become Investors must sign the Application Form. We will accept changes to an Investor's details (change of address, change of regular monthly payment amount, etc.) only from the first named holder, so long as such instruction is in writing and mentions the Share Account Number, the name and address of the first-named holder and the names of all other joint holders. We will only accept sale or transfer instructions in respect of Shares which are signed by or on behalf of all the joint holders.
- (iii) Each joint holder agrees that:
 - (a) all obligations, undertakings and agreements on our part are given to the joint holders taken together and not separately to each of them; and
 - (b) all obligations, undertakings, agreements and liabilities arising out of or pursuant to these Terms and Conditions constitute joint and several obligations of each joint holder.

3. How the Share Service works

- (i) When applying to join the Share Service, you may choose to take advantage of the Regular Monthly Payment option or the Lump Sum Payment option or take simultaneous advantage of both of these options, provided that the requirements of each option is satisfied. These investment options are explained in greater detail in clauses 4 and 5 of these Terms and Conditions.
- (ii) There is no minimum period for Share Service participation.
- (iii) You may make occasional Top-Up Payments at any time (please see clause 4 for more details).
- (iv) Cash dividends received on behalf of Investors (and other sums received in respect of your Shares) will not be distributed but will be used to purchase further Shares on the next Monthly Dealing Day, for both Regular Monthly and Lump Sum investors (less commission and stamp duty reserve tax at the applicable rate (currently 0.5%)). The minimum amount which may be reinvested is the price of one Share, plus stamp duty reserve tax at the applicable rate (currently 0.5%) and our commission.

Dividend reinvestments are deemed to have been received as cash dividends for tax purposes and you will be taxed as if you had received cash. An approved tax voucher will be issued to Investors.
- (v) Dividends or residual cash following the purchase of Shares amounting to less than the cost of purchasing a Share (the price of one Share, plus stamp duty reserve tax at the applicable rate (currently 0.5%) and our commission) will be held in a Client Money bank account on behalf of the Investor until any further cash is available for investment.

4. Regular Monthly Payment Option

Any Investor may make Regular Monthly Payments into the Share Service to purchase Shares subject to the following conditions:

- (i) The minimum Regular Monthly Payment is £50 per month;
- (ii) The initial Regular Monthly Payment must be made by Personal Cheque to be submitted at the same time as the completed direct debit mandate;
- (iii) All Regular Monthly Payments (after the initial Regular Monthly Payment) will be due monthly and collected by direct debit by the Service Provider, on the 3rd day of the month (if it is a Business Day) or on the next following Business Day (if the 3rd is not a Business Day);
- (iv) Payments made by new applicants must be accompanied by a duly completed, dated and signed Application Form (and the relevant documents referred to in the Identity Guidelines attached to the Application Form);
- (v) Regular Monthly Payments will be used to purchase Shares on or around the Monthly Dealing Day. Payments not received on the 3rd day of any month (or, if not a Business Day, the next following Business Day), will not, unless the Service Provider in its sole discretion decides otherwise, be eligible for investment until the following month;
- (vi) Investors may, from time to time, suspend or cease or increase or decrease (subject to the minimum amount specified in sub-clause 4 (i) above) the Regular Monthly Payment by writing to the Service Provider with details of their Share Service account number, their full name and address (or their full name and address and the full names of other joint holders, in the case of joint holdings) and specifying the revised Regular Monthly Payment amount (for increase or decrease of the Regular Monthly Payment).

Please note that as Regular Monthly Payments are collected from your account on or around the 3rd day of each month, instructions to suspend or cease or increase or decrease Regular Monthly Payments must be received at least 4 clear Business Days in advance. Otherwise, your instructions will take effect from the following month.
- (vii) Existing Investors who make Regular Monthly Payments in accordance with sub-clause 4 (i) above may make Top-Up Payments of £250 or more, at any time, by writing to the Service Provider with details of their Share Service account number, their full name and address (or their full name and address and the full names of other joint holders, in the case of joint holdings), and enclosing a Personal Cheque for the relevant amount made payable to "Capita IRG Trustees Limited A/c PHP". There is no need to send in a new Application Form;
- (viii) Top-Up Payments of £5,000 or more will be invested on the fourth Business Day after the day of receipt (subject to cheque clearance). Top-up payments below £5,000 will be invested on the next Weekly Dealing Day after allowing at least 3 Business Days after the day of receipt for cheque clearance.

5. Lump Sum Payment Option

Any Investor may make Lump Sum Payments into the Share Service to purchase Shares subject to the following conditions:

- (i) The minimum initial Lump Sum Payment is £500. Subsequent Lump Sum Payments are subject to a minimum of £250;
- (ii) All payments must be made by a Personal Cheque made payable to: "Capita IRG Trustees Limited A/c PHP";
- (iii) Payments made by new applicants must be accompanied by a duly completed, dated and signed Application Form (and the relevant documents referred to in the Identity Guidelines attached to the Application Form). Existing Investors making lump sum payments need not fill in an Application Form but should supply details of their Share Account Number and their full name and address (or their full name and address and the names of all other holders, in the case of joint holdings);
- (iv) Payments of £5,000 or more will be invested on the fourth Business Day after the day of receipt (subject to cheque clearance). Lump sum below £5,000 will be invested on the next Weekly Dealing Day after allowing at least 3 Business Days after the day of receipt for cheque clearance.

6. Payments by cheque, direct debit

- (i) All Personal Cheques must be denominated in pounds sterling and drawn on a UK bank account.
- (ii) All bank drafts or Counter Cheques must be denominated in pounds sterling and drawn on a UK-based bank or financial institution. The reverse side of the bank draft or Counter Cheque must be endorsed and stamped by the paying institution to the effect that the Investor has sole or joint title to the underlying funds.
- (iii) We will usually wait 3 Business Days for all cheques or bank drafts to clear. However, we reserve the right to deal before receipt of cleared funds. In such case, if cleared funds are not received from you within five Business Days of receipt of your Application Form or other instruction from you, we may sell or realise the relevant Shares without further notice to you in order to meet any liabilities which we may have incurred on your behalf. In the event of such a sale or realization, we shall be entitled to transfer such Shares to such persons as we shall specify and, recover any shortfall from you.
- (iv) All payments by direct debit mandate must be from a UK bank or building society account denominated in pounds sterling. This Agreement shall only provide for the Share Service to be funded from an account held by the Investor (or an account held jointly by the Investor with one or more other persons) and the Investor shall be seen as the "Applicant for Business" in terms of applicable UK anti-money laundering legislation and guidance.

7. Purchase of Shares

- (i) The Service Provider will purchase, at its discretion as to timing and price (subject to both the other provisions of these Terms and Conditions and all Applicable Regulations to which it may be subject from time to time), the maximum possible whole number of Shares on behalf of the Investor on one or more days on which the Service Provider deals. The Service Provider will at all times comply with its duty to provide best execution as required by the FSA Rules. It shall use its reasonable endeavours to fulfill all orders but shall not be liable for failure to do so for reasons beyond its control. Instructions may be aggregated with others, which may result in a more or less favourable price than might have been obtained if an Investor's instruction had been effected separately. Shares may also be purchased for Investors in separate transactions and, if need be, on separate days which may also result in a more or less favourable price than might have been obtained if a Investor's instruction had been effected in a single transaction. If it is necessary to purchase Shares at different prices, an average price will be calculated for all the Shares purchased.
- (i) Subject to the other provisions of these Terms and Conditions neither the Service Provider, nor its agents (except for any obligation that it owes a Investor under any applicable rules or legislation in force from time to time) shall have any liability for any loss or damage arising from any price at which Shares are purchased in the market under the Share Service, or the terms or timing of any such purchases, or any decision not to make such purchases (save in respect of liability which results from fraud, wilful default or negligence).
- (iii) As soon as reasonably practicable after the date of each purchase under the Lump Sum Payment option, and any purchase from a Top-Up Payment to the Regular Monthly Payment option, we will send an advice note to the Investor detailing the amount available for investment (after deduction of commissions and duties), the date of purchase, the number of Shares purchased on the Investor's behalf, the price paid per Share and the total cost of the purchase. No other confirmations (as defined in the FSA Rules) or share certificates will be sent in respect of purchases effected through the Share Service.

8. Holding of Shares

- (i) The Service Provider (or the Nominee) will be the registered holder of Shares purchased through the Share Service on behalf of Investors. subject to the provisions of the Company's Articles of Association and any other document governing the terms on which the Shares are issued or transferred. You will remain the beneficial owner of the Shares which means that, subject to our legal obligations, we will treat the Shares as if they belonged to you. CIRGT will be responsible to you for any acts or omissions of the Nominee in connection with your Shares (except in the case of fraud by the Nominee).
- (ii) Although details of your Shares are recorded separately, your Shares will not be identifiable by separate certificates or other physical documents of title, and will be pooled with the Shares held on behalf of all the Investors. In the event of default by the Service Provider or its Nominee, any shortfall in Shares registered in the name of the Service Provider (or Nominee) may be shared pro rata by all Investors on whose behalf the Shares are so registered, which could result in Investors receiving back less than is held on their behalf.
- (iii) You agree to provide promptly in connection with your holding of Shares any information which the Company is entitled to request from a shareholder in respect of those Shares registered in CIRGT (or the Nominee's name) - for example, information required to satisfy nationality declaration requirements or the disclosure of information relating to beneficial ownership of the Company's share capital.

9. Operation and Administration of the Share Service

- (i) The Service Provider will be responsible to Investors for (a) the safe custody of money and Shares received; (b) the distribution of statements regarding purchases or sales made on behalf of Investors and (c) the maintenance of the necessary records.
- (ii) The Service Provider may, at its discretion, employ any other agent or agents to provide administrative services to the Share Service on its behalf and the Service Provider may delegate all or any of its rights and functions in relation to the Share Service to its agent or agents from time to time.
- (iii) All movements of Shares which may include sales, purchases and transfers to and from the Share Account are subject to any applicable rules of the London Stock Exchange plc or other market on which the transaction is effected.
- (iv) You may not cancel or change any instructions (howsoever transmitted to us) in relation to a transfer of Shares once they have been sent to us. We may refuse to act on instructions from you:
 - (a) which are not given on the correct form or given on a form that has been incorrectly completed;
 - (b) which are not given in writing or are incomplete, or
 - (c) if we believe that complying with such instructions would breach the FSMA, the FSA Rules or any other applicable legal requirement.We may also delay acting on your instructions if we reasonably feel that it is necessary (i) to obtain additional information from you to comply with any Applicable Regulations (including compliance with the Money Laundering Regulations 2003) or (ii) to investigate any concerns we may have as to the validity of your instructions. Where further enquiries are required, you authorise us to make credit reference, identity (including searching the electoral roll), fraud and other enquiries that we reasonably deem necessary for these purposes. We accept no liability for any financial loss arising from such a delay. Instructions that are not accepted will be returned to you, where appropriate.
- (v) Except where otherwise stated in these Terms and Conditions, we will only act on written instructions which contain your Share Account number. You should quote your Share Account Number in all communications with us relating to your Share Account (for example any change of address or instructions to transfer your Shares).
- (vi) In the case of joint holdings all correspondence will be sent to the address of the first named holder. All instructions, with the exception of sales, transfers and withdrawals, where all holders must sign, will be accepted from the first-named holder only.

10. Client Classification

Each Investor will for the purposes of the FSA Rules be classified as a Private Customer. These Terms and Conditions and Application Form will, for the purposes of satisfying the FSA Rules, be regarded as the Terms of Business, and any person so applying to join the Share Service agrees to be bound by them.

11. Our service

- (i) We will not conduct designated investment business (as defined in the FSA Rules) with you on our premises or in person. We offer only the Share Service.
- (ii) We will deal with you on an execution-only basis at all times. We shall not provide you with any advice on the merits or suitability of you deciding to have us purchase Shares and hold them through the Share Service, or any transaction contemplated by these Terms and Conditions.
- (iii) We will never provide you with any investment, trading, tax or financial advice or any investment management services. Nothing in these Terms and Conditions should be taken as a recommendation to buy, sell or hold shares in PHP or any company. **You should rely on your own judgment when deciding whether or not to enter into any transaction contemplated by this Agreement or seek any advice or assistance you may need from an appropriate independent professional adviser.**

12. Charges

Charges made for operation of the Share Service are as follows;

- (i) For all purchases, stamp duty reserve tax (currently 0.5% of the value of the Shares purchased);
- (ii) For Regular Monthly Payments (and investment of dividend or other sums received in respect of your Shares), a commission of 0.5% of the value of the Shares purchased each month (subject to a minimum of £1.50 per month);
- (iii) For Lump Sum Payments or Top-Up Payments, a commission of 0.5% of the value of the Shares purchased (subject to a minimum of £15 per payment);
- (iv) For sales of Shares, a commission of 1% of the value of the Shares sold (subject to a minimum of £15 per transaction);
- (v) For transfers out of the Share Service into your own name, an administration fee of £15 (inclusive of VAT) and
- (vi) Duplicate documentation or cheques and additional Share Service Account statements can be provided on request at a charge of £10 plus VAT for duplicate statements or statements in addition to the regular six-monthly statements, £10 (+ VAT) for replacement sale cheques, £10 (+ VAT) for duplicate tax vouchers and £2 (+ VAT) for all additional tax vouchers requested at the same time.
- (vii) Commissions and duties as set out under (i), (ii), (iii) and (iv) will be deducted from subscriptions or sale proceeds as the case may be. Charges as set out under (v) above are payable when the transfer instruction is given. Charges under (vi) will be billed directly to the Investor.

- (viii) VAT will be levied (where applicable) at the prevailing rate.
- (ix) The above commissions, charges and duties may be reviewed periodically and may be amended by giving Investors not less than 30 days' notice.
- (x) The Service Provider or any of its agent or agents may receive additional payments from the Company in respect of the Share Service and neither the Service Provider nor any agent or agents shall be accountable to the Investors for any such amounts.

13. Important Note

- (i) **As with all Stock Exchange investments, the market price of PHP shares may fluctuate according to supply and demand, market conditions and other factors. The past performance of PHP shares is no indication of their future performance. The value of shares in PHP and any income from them can fall as well as rise and you should be aware that there is a risk that you might not get back the full amount of your investment or even lose your capital investment.**
- (ii) **Investing in the Shares through the Share Service should be considered as part of a diversified portfolio.**
- (iii) **Taxes may affect the net value of your investments and income received from them. Levels and bases of, and relief from taxation are subject to change as UK tax legislation may change from time to time. There is no guarantee that the tax and regulatory characteristics of your investment in the Shares through the Share Service will not change in the future and, if this were to happen, you could incur additional taxes or costs.**

14. Client Money

- (i) Any money received or held by the Service Provider on behalf of each Investor is classified as Client Money, as required by the FSA Rules.
- (ii) Client Money will be held with an approved bank (as defined in the FSA's Rules) in a separate non-interest bearing client account until invested pursuant to the Share Service. Any un-invested cash balance will be carried forward without interest and added to the Investor's next payment for investment. In the event that the Service Provider is unable to purchase sufficient Shares required for any transaction under the Share Service within any period provided for under these Terms and Conditions, the relevant un-invested cash will be carried forward without interest until the relevant Shares may be purchased.
- (iii) Client Money will be pooled with that held on behalf of other Investors. These monies will not accrue interest at any time. It should be noted that whilst the balance of each Investor's Share Service will be recorded separately, should there be a default or failure of any person (other than the Investor) such as, but not limited to, either the Service Provider or a bank, which results in a Pooling Event as described under the FSA's Client Assets Rules, all client accounts held by the Service Provider may be pooled. The funds may then be distributed on a pro-rata basis to all Investors, which could result in Investors receiving back less than that which is held on their behalf before such an event.
- (iv) Money will cease to be Client Money when it is paid to the Investor. However the Service Provider is obliged to continue to treat as Client Money any sums drawn in favour of the Investor by cheque or other payable order (the "order") until such time as the order is presented and paid by the Service Provider's bank.
- (v) You agree that we may from time to time transfer your money to an intermediate broker, a settlement agent, an exchange or a clearing house located in the United Kingdom to pay sums due in respect of transactions effected with or through such persons on your behalf. We shall not be liable for any failure whatsoever, and however caused, by such persons to return your money which is held by them unless it was caused by our fraud, wilful default, negligence or breach of the FSA Rules or FSMA.
- (vi) You agree that any funds due to you which are unclaimed after six years will cease to be treated as Client Money, as defined under the FSA Rules, and we shall be entitled to remove any such balance from your Client Money account and retain it subject to us having taken reasonable steps to locate you and to give you at least 28 days from the date of notification to make a claim. We undertake to make good any valid claim which may subsequently be made against any balances retained in this way and reserve the right to request such evidence as we feel reasonably necessary to confirm the identity of the person claiming these funds in order to validate any claim prior to settlement in respect of funds so removed from the Client Money account and will not be liable for any losses or claims for interest whatsoever in respect of such amounts unless it was caused by our fraud, wilful default, negligence or breach of the FSA Rules or FSMA.
- (vii) On leaving the Share Service, funds will only be issued to the Investor. Payment of funds to third parties will not be permitted.

15. Compliance with Applicable Regulations

- (i) The Terms and Conditions and all transactions between you and us are subject to Applicable Regulations. If there is any conflict between these Terms and Conditions and any Applicable Regulations, the Applicable Regulations will prevail to the extent necessary to avoid the conflict. Nothing in these Terms and Conditions will exclude or restrict any obligations which we have to you under the Applicable Regulations.
- (ii) We may refrain from doing anything which could or might, in our reasonable opinion, be contrary to any Applicable Regulations which is binding upon us, or which would or might otherwise in our reasonable opinion render us liable to any person. We may do anything which, in our reasonable opinion, is necessary to comply with any such Applicable Regulations or to avoid any such liability.
- (iii) CIRGT provides the Share Service in the United Kingdom where it is authorised and regulated by the FSA, and nothing in these Terms and Conditions requires or implies that such services will be provided in any territory in which CIRGT is not appropriately authorised.

16. Voting and General Meetings, Report and Accounts and Other Communications

- (i) We will send you information about shareholder meetings of the Company every time we receive notice that a shareholder meeting is being convened. We will also provide an instruction form ("**Form of Instruction**") and you will be able use this to instruct the Service Provider how to cast votes in respect of the Shares held in your Share Account on any poll called at the meeting. In such case, we must have received the relevant instructions from you on a correctly completed Form of Instruction before the deadline notified to you on such form. In the absence of your instructions, no votes will be exercised in respect of your Shares.
- (ii) Except as provided for in this clause, we will have no duty or responsibility to attend shareholders' meetings on your behalf or to vote in respect of your Shares.
- (iii) Depending on the Articles of Association of the Company, you may also be able to instruct the Service Provider to appoint yourself or another person of your choice, including the chairman of the meeting, as your proxy in respect of the Shares held in the Share Account. This will enable you or the proxy to attend and vote on a poll and, provided this is possible legally and is permitted by the Articles of Association of the Company, on a show of hands.
- (iv) Investors will also receive copies of annual and interim reports and all other communications which are sent to shareholders by the Company (subject to the Service Provider receiving sufficient copies from the Company).
- (v) A statement of account as at 30th April and 31st October showing the Shares held by a Investor under the Share Service and transactions effected on his or her behalf during the period covered by the account and the value of those Shares as at the end of the period (and any uninvested cash balance) will be dispatched to the Investor at least twice a year.
- (vi) Investors may request a statement prepared at any date other than 30th April and 31st October, subject to payment of the prevailing fee.
- (vii) The Investor hereby acknowledges and agrees that, unless as otherwise specified under these Terms and Conditions, the Investor does not wish the Service Provider to supply written confirmations recording the details of each transaction effected on his or her behalf under the Share Service as soon as it happens, but will instead receive such details in the aforementioned statements of account.

17. Liens, etc, Transfer and Withdrawal of Shares

- (i) You may not create (and the Service Provider will neither accept nor acknowledge) any lien, charge, encumbrance, interest or any other instrument of trust in respect of any Shares or money held on your behalf through the Share Service.
- (ii) Investors are not entitled to transfer or otherwise assign their participation in the Share Service.
- (iii) You can withdraw Shares from the Share Service and transfer them into your name or sell them by sending us a completed Sale/Transfer Out Form. The instruction should confirm the number of shares to be sold and specify whether they are to be sold or transferred into your name. Sale/Transfer Out Forms may be obtained by writing to Capita IRG Trustees Limited, PHP Share Service, The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU or by contacting the CIRGT Shareholder Helpline on **0870 162 3135**. Transfers of only part of an Investor's Shares held through the Share Service will be permitted however clause 19(v)(c) may apply in the event that the value of your Shares held through the Share Service remain less than £50 for more than 3 months.
- (iv) Shares withdrawn from the Share Service and transferred into your name will be registered in your name on the main register of shareholders of the Company and a share certificate will be issued to you by the Company in accordance with the relevant provisions of its Articles of Association.
- (v) Shares to be sold with a total value of £5,000 or more will be sold on the day of the receipt of your instructions, provided it is a Business Day and receipt is before 10.00am. If receipt is after 10.00am, the shares will be sold on the following Business Day. Shares to be sold with a total value of less than £5,000 will be sold on the next available Weekly Dealing Day.
- (vi) CIRGT will instruct its nominated broker to sell shares, and will aim to send you the proceeds, less selling charges within four Business Days of the sale. Payment will be made by Cheque, in pounds sterling, to the Investor(s).
- (vii) The Service Provider will use its reasonable endeavours to fulfil all orders but shall not be liable for failure to do so for reasons beyond its control. Instructions may be aggregated with others, which may result in a more or less favourable price than might have been obtained if an Investor's instruction had been effected separately. Shares may also be sold for Investors in separate transactions and, if it is necessary, on separate days. If it is necessary to sell Shares at different prices, an average price will be calculated for all the Shares sold.

18. Designating your Share Account(s)

- (i) You may add a designation in the account designation section on the Application Form (for example, the initials of children or grandchildren), to assist you in identifying your different holdings of PHP Shares. Shares will be held in the name of the Investor who remains the beneficial owner of the Shares as far as the Service Provider is concerned.
- (ii) The account designation can be any series of numeric or alphabetic characters, up to a maximum of eight characters. However, account designations that spell or appear to spell either the name of another person or an offensive word will not be accepted and will be returned for correction before the application will be considered. In any event the decision of the Service Provider will be final.

19. Cancellation, Withdrawal and leaving the Share Service

- (i) An Investor has fourteen (14) days to cancel from the date the Service Provider notifies him or her that it has accepted the Investor's application to join the Share Service ("Cancellation Period"), but the Investor expressly requests the Service Provider to operate the Share Service during the Cancellation Period so that any purchases of shares made on behalf of the Investor in that period will not be cancellable. If you wish to withdraw from the Share Service after expiry of the Cancellation Period, you will need to follow the withdrawal procedure set out in paragraphs (ii), (iii) and (iv) below.
- (ii) You may remove all or part of your Shares from the Share Service at any time by notifying us on the appropriate form at the address provided in clause 26. Your instructions will take immediate effect on receipt but will not cancel or amend any instructions you have already sent to us.
- (iii) If you remove all of your Shares from the Share Service, your Agreement with us will terminate. If we cease to hold Shares for you, you will no longer be an Investor. You will need to complete and sign a new Application Form if, at a later date, you wish to invest in Shares through the Share Service.
- (iv) Withdrawing all or part of your Shares from the Share Service will not affect any of your rights or obligations arising prior to the date of such withdrawal or which arise in consequence of such withdrawal or which relate to our provision of the Share Service to you and all such rights and obligations shall continue to be subject to the Terms and Conditions prevailing at the time of the withdrawal. You will be required to pay any charges that are reasonably incurred for transferring Shares from the Share Service (see also clause 12), but will not be required to make any additional payment to us in respect of the termination of your Agreement with us.
- (v) We may withdraw the Share Service from you and terminate our Agreement with you on not less than 30 days' written notice if, in our reasonable opinion, (a) you are in material breach of these Terms and Conditions or (b) the Nominee is unable to comply with any obligations to which it may be subject in respect of your Shares under the Company's Articles of Association or (c) the aggregate value of your Shares held through the Share Service is less than £50 for a period of more than 3 months (based on the daily mid-market closing price).
- (vi) The provision of the Share Service is at the discretion of the Company. If the agreement between the Company and CIRGT for the provision of the Share Service terminates, our Agreement with you will automatically terminate and we will notify you of this in writing.
- (vii) No penalty will be payable by either party on termination of these Terms and Conditions. On termination by either party and after the relevant notice period, we will arrange for your Shares to be transferred into your name on the register of shareholders as soon as practicable and shall with immediate effect (but subject to sub-clauses 19 (ix) and (x)) cease to process instructions from you. You will be sent a share certificate by the Company in respect of your holding of Shares. We may deduct all amounts due to us before transferring to you any credit balances on your Share Account.
- (viii) If after an Investor dies, we receive a grant of probate or letters of administration or if an Investor become bankrupt and we receive a notice of the appointment of a trustee in bankruptcy (or overseas equivalent), we will arrange for the Investor's Shares to be transferred into the name of, as relevant, the executors, administrators or trustee in bankruptcy and this Agreement between the Investor and us will terminate.
- (ix) Termination of your Agreement with us will be without prejudice to the completion of transactions already initiated. All transactions in progress will be executed in accordance with your instructions and such transactions will be subject to our current charges (see clause 12).
- (x) Where an Investor has been making payments under the Regular Monthly Payment option and participation in the Share Service is terminated less than 4 Business Days before the 3rd day of any month, the Regular Monthly Payment may still be debited from your account. If the Investor's participation in the Share Service is terminated less than 1 Business Day before the Monthly Dealing Day, any uninvested cash in the Investor's Share Account will be deemed available for investment during that month and may be invested pursuant to the Share Service. Termination will be without prejudice to transactions already initiated.

20. Conflicts of Interest

- (i) You acknowledge and agree that when we (or our agents or delegates) enter into a transaction for you, we may:
 - (a) share charges with our affiliated companies and other third parties, or receive and retain remuneration from them in respect of transactions carried out on your behalf. Details of any such remuneration or sharing arrangements are available to you on request;
 - (b) be acting as agent or making arrangements for you on your instructions in relation to transactions in which we are also acting for other customers; or
 - (c) be in a position where we have some other material interest in relation to the transaction.
- (ii) Where we have a relationship that gives (or may give) rise to a conflict of interest in relation to a transaction, we will take steps required under the FSA Rules to ensure fair treatment of you as our customer.

21. Termination or Transfer of the Share Service

- (i) The Service Provider may at any time terminate the Share Service on giving not less than 30 days notice in writing to all Investors to their address in the Share Service at the time of such notice. On termination of the Share Service, all Shares held under the Share Service and any uninvested cash will be transferred to the Investors who are entitled to receive them at no cost.
- (ii) In the event of termination of the Share Service, the Service Provider will, subject to the completion of any outstanding transactions and payment of all accrued fees and expenses, transfer the Shares and any uninvested cash, held in the Share Service to the Investor. If the Investor so elects, the Service Provider will sell the Shares held in the Share Service and transfer the cash proceeds, after deducting dealing charges, together with any relevant uninvested cash to that Investor.

- (iii) You cannot assign any of your rights in the Share Account. We may at any time transfer all or any of our rights and obligations under these Terms and Conditions to any person (the "Transferee") who is in our reasonable opinion able to perform our obligations under these Terms and Conditions. Upon the transfer, the Transferee will send a transfer notice to you specifying the date (the "Transfer Date") on and from which the Transferee will assume our rights and obligations under these Terms and Conditions. Any changes to the Terms and Conditions which will be necessary because of the transfer, for example change of address and banking details will be set out in the transfer notice. The transfer will not affect any rights you may have against us which relate to the period before the Transfer Date.

22. Default

- (i) We may in our absolute discretion refuse to accept any further orders or instructions from you and/or terminate this Agreement upon any of the following events (a "Specified Event"):
 - (a) you do not perform your obligations to us under this Agreement or any transaction contemplated by this Agreement;
 - (b) a bankruptcy petition is presented to the Court in respect of you;
 - (c) any regulator of our business or its rules requires; or
 - (d) we reasonably believe that any of the circumstances set out in (a) to (c) above are likely to happen and we reasonably believe that such action would be necessary or desirable to protect our position.
- (ii) Upon the happening of a Specified Event and without prejudice to CIRGT's other rights, we may at our discretion, without notice:
 - (a) refuse to perform or reverse any outstanding transaction between us;
 - (b) sell any of your Shares or other assets held by us (the time, place and method of any sale and the price shall be at our discretion and we shall inform you of the outcome of the sale);
 - (c) buy in Shares or other investments, bring any claim for damages or exercise any other right which we may have at law or otherwise or take any other action which appears appropriate to avoid or reduce our risk of loss; and/or
 - (d) combine, close or consolidate all or any of your accounts with us or any of our Affiliated Companies and off-set any and all amounts owed to, or by, us or any of our Affiliated Companies in such manner as we may reasonably determine.

You will bear any costs or associated costs of sale and for any costs, losses, damages or expenses (including without limitation any legal fees) reasonably incurred or suffered by us as a direct or indirect consequence of a Specified Event or our taking any action as a consequence of such Specified Event.

23. Variation/Replacement of these Terms and Conditions

- (i) We may, from time to time, make any changes to these Terms and Conditions (including charges and fees) and will give you at least 30 days prior notice of any change that could affect your rights against us or liabilities to us. In particular, we may vary these Terms and Conditions for the following reasons:
 - (a) to comply with Applicable Regulations;
 - (b) to reflect decisions of the Financial Ombudsman Service;
 - (c) to comply with new industry guidance and codes of practice;
 - (d) to reflect changes in the Bank of England base rate, other specified market rates or indices or tax rates;
 - (e) to rectify errors, inaccuracies or ambiguities; or to take account of any corporate restructuring within the Capita group of companies;
 - (f) to reflect alterations in the scope and nature of the Share Service provided to you under these Terms and Conditions resulting from the alterations made to our agreement with the Company or our system capabilities or administration procedures.
- (ii) If you have received our written notice and do not agree with the proposed changes, you may terminate our Agreement at any time without charge (see clause 19 above). Any change will be deemed to have been accepted by you if you have already instructed us to trade on your behalf after the change has taken effect.

24. Issues of New Shares and Other Offers

- (i) The Service Provider will, subject to the terms of issue and to any legal or other restrictions, endeavour to arrange for each Investor to have an opportunity to take up, at the Investor's expense, or if appropriate to dispose of, Shares offered by way of rights, open offer or otherwise relating to Shares owned by such Investor under the Share Service. Any Shares allotted to the Service Provider pursuant to the Investor's instructions in respect of such rights, open offer or otherwise or pursuant to a scrip or bonus issue relating to Shares owned by an Investor under the Share Service shall, in the case of types of Shares admitted to the Share Service on the date of allotment or issue, be and continue to be held under the Share Service in the same manner as the Shares which gave rise to the right and subject to these Terms and Conditions and, in the case of types of securities not admitted to the Share Service on the date of allotment or issue, be transferred to the Investor at the Investor's expense, which expense may include the Service Provider's handling charge.
- (ii) In the event of a takeover, a capital reorganisation, conversion or other corporate action relating to the Company, we will endeavour to notify you promptly (however we will not be liable if any notification by us does not reach you in time, for any reason). We will however not be obliged to do anything in such an event unless the Company gives us adequate notice and we receive written instructions from you in reasonable time to allow us to take action in respect of the Shares held in your Share Account.

- (iii) In the absence of your instructions, we will not accept a takeover offer or other offer for any of the Shares held in your Share Account, except where your Shares are compulsorily acquired. In the event of a compulsory acquisition, we will accept the basic terms of the acquisition on your behalf, but will not exercise choices or elections, in the absence of your specific instructions received before relevant deadline.
- (iv) Where the Company issues offer documents in respect of an optional corporate action we are not obliged to forward such documents to you. To obtain offer documents you should contact the Company directly.
- (v) We will not be responsible for taking any corporate action in respect of the Shares held in your Share Account and may allow the event to lapse if your instructions:
 - (a) are not received by us by the stated time or are received too late for processing;
 - (b) are incomplete or given by a third party who does not have the relevant authority; or
 - (c) require payment on your behalf and you have insufficient funds in your Share Account.
- (vi) Unless we receive instructions to the contrary, you authorise us to take all actions described below:
 - (a) make payments to ourselves or others for properly incurred expenses in handling your Shares or other matters relating to our duties under these Terms and Conditions;
 - (b) receive and collect all income with respect to Shares and to credit cash receipts to your Share Account;
 - (c) execute in your name such ownership and other certificates as may be required to obtain the payment of income from the Shares;
 - (d) pay or cause to be paid from your Share Account any and all taxes and levies imposed on the Shares by any governmental authority in connection with custody of and transactions in such Shares; and
 - (e) use reasonable efforts to promptly reclaim any foreign withholding tax relating to the Shares.

25. Limitation of liability and Indemnity

- (i) We will take all reasonable care and skill in the operation and administration of the Share Service. If we cannot provide the Share Service due to circumstances beyond our reasonable control (including, but not limited to, because of breakdown, failure or malfunction of any computer systems, telecommunications links, industrial disputes, postal delays, failure of third parties to carry out their obligations, the suspension of trading by any exchange or clearing house, the acts of governmental or regulatory authority (including changes to Applicable Regulations), the absence of, or inaccuracy in any information provided to us by you or on your behalf, or natural disasters) ("Force Majeure"), we will, where possible, take such reasonable steps as we can to bring those circumstances to an end as soon as possible. Neither CIRGT nor the Nominee shall be liable for any losses or expenses suffered by you as a result of Force Majeure or as a result of a delay or failure in the provision of the Share Service caused by such Force Majeure.
- (ii) Notwithstanding any other provision of these Terms and Conditions, but subject to sub-clause 24(vii), CIRGT and the Nominee accept no liability for any type of special, incidental, indirect or consequential damage or loss suffered by you (nor for any loss of profits, opportunity or goodwill) save where such liability arises from fraud, wilful default or negligence.
- (iii) Neither CIRGT nor the Nominee is acting as agent for the Company and they accept no responsibility for the Company's acts and omissions, including any decision by the Company to suspend or terminate the Share Service.
- (iv) Neither CIRGT nor the Nominee will be required to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties or in the exercise of any of its rights or powers under these Terms and Conditions. If, notwithstanding this provision, either CIRGT or the Nominee does so, CIRGT will be entitled upon notice to you to make such deductions from the Shares or any income or capital arising from them or to sell all or any of the Shares and make such deductions from the proceeds of sale as may be required to reimburse any loss or liability suffered.
- (v) We will not be responsible for any acts or omissions of the Company, or any broker, settlement agent, depository, clearing or settlement agent or system.
- (vi) Neither CIRGT nor the Nominee accepts responsibility for any delays or liabilities suffered by you as a result of the operation, failure or suspension of the CREST System, the insolvency or other default of CRESTCo Limited or of any participants in the CREST System or any other clearing system used by us or the failure by any CREST settlement bank to make, receive, credit or debit any payment. Neither CIRGT nor the Nominee accept responsibility for any delays and liabilities suffered by you as a result of the suspension or removal of the sponsor by CREST as a CREST sponsor, unless the suspension or removal is due to negligence, wilful default or fraud on the part of CIRGT or the Nominee.
- (vii) Nothing in this Agreement shall exclude or limit:
 - (a) our liability for death or personal injury resulting from the negligence caused by us or the Nominee; or
 - (b) liability for any losses or expenses (including loss of Shares) suffered by you as a direct result of the negligence, wilful default or fraud of either CIRGT or the Nominee; or
 - (c) any other liability which cannot be excluded or limited by law, including the FSA Rules and FSMA.

26. Communications Between You And Us

- (i) Except as otherwise stated in these Terms and Conditions, all communications sent by you under these Terms and Conditions must be given in writing and sent to:

Capita IRG Trustees Limited
PHP Share Service
The Registry,
34 Beckenham Road,
Beckenham, Kent, BR3 4TU

 You will be responsible for all instructions in respect of transactions contemplated by these Terms and Conditions and for the accuracy of all information given to us.
- (ii) All communications sent by us will be sent to your last address as recorded on the Share Service register. Communications sent to you by post will be treated as received by you on the second Business Day following the day they were sent in the case of an address in the United Kingdom, or on the fifth Business Day following the day they were sent in the case of an address outside of the United Kingdom. It is the responsibility of any joint holder who has been sent the communication or payment to inform and account to the other joint holders.
- (iii) You are responsible for keeping your details on the Share Service register up-to-date, by notifying us in writing of any change of name, address, bank account details, telephone number and providing us with the supporting documentation where required (e.g. in the case of a change of name, the deed poll or marriage certificate).
- (iv) Any documents or cheques sent to you by us and any documents or cheques sent by you to us will be sent at your risk and we accept no liability prior to receipt by us of any document or cheque or, where relevant, after despatch of any document or cheque to you. All communications in respect of the Share Service must be in English.

27. Protection of information

- (i) The Data Protection Act 1998 provides protection to individuals by governing, amongst other things, the way in which personal data is held and used. Individuals are also afforded rights of access to such information held about them.
- (ii) CIRGT hereby warrants that it will comply with its notification obligations under the Data Protection (Notification and Notification Fees) Regulations 2000 and that it will protect your personal data in accordance with the principles of the Data Protection Act 1998.
- (iii) You agree that we may:
 - (a) keep personal details which you or others have provided to us, and any information we know from running your account on a database, and use such information to carry out the Share Service described in these Terms and Conditions and dealing with your enquiries and requests connected with the Share Service; and
 - (b) may disclose information concerning you to the Company, the Nominee, the company's registrar, CRESTCo Limited (if entitled to such information) all of which may disclose the information to regulatory, tax or governmental authorities as appropriate; to any person with legal, administrative or regulatory power over us in respect of the Nominee Service, to the broker, or Affiliated Companies who are involved in carrying out functions related to the Share Service administration including such Affiliated Companies which are outside of the EEA in countries (including India) which do not have similar protections in place regarding your personal data and its use. However, we are committed to protecting the confidentiality and security of information we collect about you and we will ensure that such transfers are made in accordance with the requirements of the Data Protection Act 1998.
- (iv) You agree that the purposes for which we may process your personal data may be amended from time to time to include other uses or disclosures of personal data subject to us notifying you of such amendment.
- (v) Under the Data Protection Act 1998, you are entitled, on payment of a fee (of £10 currently), to a copy of the information we hold about you. If you believe that any information held about you is incorrect or incomplete, you may request it to be completed or corrected. Please address any requests for information under this clause to the Data Protection Officer, Capita IRG Trustees Limited, PHP Share Service, The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU and quoting your full name and address and Share Account number.
- (vi) By using the Share Service you agree that information relating to you may be disclosed to other Affiliated Companies so that you may be told about any products or services which might be of interest to you. You may request that information is not used for this purpose by writing to the Data Protection Officer, Capita IRG Trustees Limited, PHP Share Service, The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU and quoting your full name and address and Share Account number.

28. Complaints and Compensation Scheme

- (i) If you think that you have reason to make a complaint please write in the first instance to:

Capita IRG Trustees Limited
PHP Share Service
The Registry
34 Beckenham Road,
Beckenham, Kent, BR3 4TU

Your complaint will be fully investigated and a full resolution sought. Our complaints procedure is available upon request, but a copy will be provided automatically to you in the event of a complaint being received.

- (ii) If you are unhappy or dissatisfied with our handling or findings in relation to your dispute or complaint you may refer the matter to the Financial Ombudsman Service for further investigation at Financial Ombudsman Service, South Quay Plaza, 183 Marsh Wall, London E14 9SR.
- (iii) We reserve the right to take any action necessary, which is the subject of a dispute or complaint notified to us, for the purpose of limiting the amounts involved in such dispute or complaint. We will inform you if we exercise this right, which shall be without prejudice to either your rights and remedies or our rights and remedies. Any action taken by us pursuant to this clause 28 (iii) will not be deemed to be an admission on our part.
- (iv) CIRGT is a member of the Financial Services Compensation Scheme ("Scheme"). You may be entitled to compensation from the Scheme if we cannot meet our obligations. A leaflet with further details is available on request from the Scheme. This depends on the type of business and the circumstances of the claim. Most types of investment business are covered for 100% of the first £30,000 and 90% of the next £20,000, so the maximum compensation is £48,000. The amounts of compensation may be changed from time to time and you should check your entitlement with the Scheme. Further information about compensation arrangements is available from the Scheme. You can contact the Scheme by calling their Helpline on 0207 892 7300, logging onto their website at www.fscs.org.uk or writing to the Financial Services Compensation Scheme, 7th Floor, Lloyds Chambers, 1 Portsoken Street, London E1 8BN.

29. General

- (i) We are not acting as agent for the Company in providing the Share Service. We are not acting as principal in relation to any transactions with you.
- (ii) We will not take notice of any trust affecting the Shares whether express, implied or constructive.
- (iii) No conduct or delay on our part shall be taken as a waiver or variation of any rights which we may have unless we waive or vary a particular right in writing. No waiver or variation on a particular occasion will operate as a waiver or variation of our rights in respect of any other matter.
- (iv) If we have sent documents to your address on two separate occasions and they have been returned, we will not send any more documentation to you until you provide us with your correct address.
- (v) If any of the provisions of these Terms and Conditions is held invalid, illegal or unenforceable for any reason, such provision shall be severed and the remainder of the provisions in these Terms and Conditions shall continue in full force and effect as if they had been executed with the invalid provision eliminated.
- (vi) The descriptive headings to clauses and paragraphs are inserted for convenience only and have no legal effect and shall be ignored in the interpretation of these Terms and Conditions.
- (vii) Nominee has the right to enforce these Terms and Conditions in accordance with the provisions of the Contracts (Rights of Third Parties) Act 1999. Except for the Nominee, nothing in these Terms and Conditions shall confer or is intended to confer on any third party any benefit or the right to enforce any terms contained herein for the purposes of the Contracts (Rights of Third Parties) Act 1999.
- (viii) If we arrange your Shares to be held in one or more jurisdictions outside of the United Kingdom, there may be different settlement, legal and regulatory requirements in overseas jurisdictions from those applying in the United Kingdom and there may be different practices for the separate identification of the Shares.
- (ix) This Agreement is subject to English law and you submit to the exclusive jurisdiction of the English courts.