

Terms of Business

For Intermediaries Trading

Legg Mason Funds

Via Platforms

August 2018

Terms of Business

These Terms of Business set out the basis upon which the Company will accept and continue to accept Business from you, the Intermediary, in consideration of the mutual benefits and promises contained in these Terms of Business.

The Intermediary shall ensure that the Platform complies where relevant with these Terms of Business.

1. Definitions

1.1 The terms and expressions given in this clause 1 shall have the meanings set out opposite them for all purposes of these Terms of Business, as appropriate:

“Act”	means the Financial Services and Markets Act 2000 as from time to time amended or re-enacted;
“Administrator”	means the appointed administrator/transfer agent of the relevant Fund;
“Authorisation”	has the meaning given in clause 2.8;
“Business”	means the business of engaging in a regulated activity relating to the Funds (including for the avoidance of doubt in the United Kingdom one or more of the activities described in Part IV of the Act in relation to the Funds);
“Business Day”	has the meaning set out in the relevant Fund’s Prospectus;
“Cancellation Rules”	means the rules contained in Chapter 15 of the FCA’s Conduct of Business Sourcebook;
“Client Money Account”	means a bank account which meets the requirements of the FCA’s Client Assets Sourcebook, as from time to time amended;
“Client Money Rules”	means the Client Money Rules set out in the FCA’s Client Asset Sourcebook as from time to time amended;
“Company”	means Legg Mason Investments (Europe) Limited (whose registered office is at 201 Bishopsgate, London EC2M 3AB and which is authorised and regulated by the FCA);
“Cut-Off Time”	Means the cut-off time for a sub-fund of a Fund as set out in that Fund’s Prospectus;
“Data Protection Legislation”	means any applicable laws, rules, regulations, or obligatory guidelines including but not limited to the EU General Data Protection Regulation 2016/679, as may be amended, replaced

or superseded from time to time;

- “FCA”** means the Financial Conduct Authority (whose address is 25 The North Colonnade, Canary Wharf, London, E14 5HS) or any successor body;
- “the FCA Rules”** means the FCA’s Handbook or Rules and Guidance (including, for the avoidance of doubt, the Collective Investment Schemes Sourcebook) as from time to time amended or the handbook, rules or guidance of any successor body to the FCA as from time to time amended;
- “Fund(s)”** means where relevant in these Terms of Business the ICVC, LMGF plc or LMGS plc;
- “ICVC”** means Legg Mason Funds ICVC and where relevant in these Terms of Business its sub-fund(s);
- “Indemnified Party”** has the meaning given in clause 4.4;
- “Intermediary”** means an independent person, partnership, company or another professional adviser carrying on Business, including any appointed representatives of such an Intermediary;
- “Investor”** means where relevant in these Terms of Business each of the Intermediary’s clients who is offered and/or purchases Shares in a Fund;
- “LMGF plc”** means Legg Mason Global Funds plc and where relevant in these Terms of Business its sub-fund(s);
- “LMGS plc”** means Legg Mason Global Solutions plc and where relevant in these Terms of Business its sub-fund(s);
- “party” or “parties”** means where relevant in these Terms of Business either the Company or the Intermediary or both the Company and the Intermediary;
- “Platform”** means any platform (including platform services as defined in the FCA Rules) used by the Intermediary for dealing in the Funds in accordance with these Terms of Business;
- “Prospectus”** means the relevant Fund’s current English language prospectus and key investor information document (“KIID”) (or other document which may replace or supersede it from time to time), together with any other prospectus, summary prospectus or other document required for any country where the relevant Fund is registered or authorised for sale to the public;

“Settlement Day”

means, in respect of any contract relating a Fund other than the ICVC such timings as are set out in that Fund’s Prospectus and in respect of any contract relating to:

(a) the purchase of Shares in the ICVC, the date stated thereon as the day on which payment is due or, if no mention is made on the contract note of a date, the fifth Business Day following the day on which the contract was made, as required by the FCA Rules;

(b) the redemption of Shares in the ICVC, settlement will be made within five Business Days of the Administrator receiving properly completed documentation, the day of receipt of documentation counting as one day; and

“Share” or “Shares”

means shares in the Funds available via the Platform whether invested directly in the relevant Fund or indirectly.

- 1.2 Words and expressions, which are not specifically defined in these Terms of Business, shall have the same meanings as in the relevant Fund’s Prospectus, if applicable.
- 1.3 Any reference in these Terms of Business to a law, statute, statutory provision or rules of a designated agency or regulator includes a reference to such statute, statutory provision or rules as modified, restated or replaced from time to time.
- 1.4 A reference in these Terms of Business to a person includes an individual, corporation and unincorporated association having legal capacity.
- 1.5 Unless the context otherwise requires, words importing the singular shall include the plural, and vice versa.
- 1.6 Titles in these Terms of Business are for reference only and should not be interpreted as part of them.
- 1.7 For the avoidance of doubt, no provision in these Terms of Business shall require the Company to do anything which (in its reasonable opinion) would breach any applicable laws, rules or regulations.

2. Scope

- 2.1 These Terms of Business and the Prospectus are the only terms and conditions on which the Company will transact business with the Intermediary. They are legally binding and apply to any dealings in the Funds which the Intermediary may carry out directly with or through the Company or with or through a Platform. The Company will not accept business from the Intermediary on any other basis. These Terms of Business and the Prospectus constitute the entire agreement between the parties relating to its subject matter.

- 2.2 The Company has entered into these Terms of Business in its capacity as distributor of the Funds. To the extent relevant, the Company shall ordinarily regard the relevant Fund as its sole “client” (within the meaning of the FCA’s Rules), and not the Intermediary.
- 2.3 The Intermediary is only permitted to make available Shares of the Funds by way of public offering to the Intermediary’s Investors in the country or countries where the relevant Fund is registered or authorised for sale to the public.
- 2.4 Notwithstanding clause 2.2 above, where the Intermediary deals with the Company either directly or via a Platform on behalf of a specific underlying Investor (such as when it places an order for the purchase or sale of Shares on behalf of an Investor) or on its own behalf, the Company will regard the Intermediary as its “client” for that purpose. In that case, the Company shall classify the Intermediary as a professional client under the FCA’s Conduct of Business Sourcebook. The Intermediary has the right to request re-categorisation as an eligible counterparty (involving a lower level of protection) or a retail client (involving a higher level of protection).
- 2.5 The Company shall be entitled to treat the Intermediary or a Platform as the sole party with whom it is contracting (and its sole “client” where relevant), for all legal and regulatory purposes related to these Terms of Business. It will have no relationship with and owe no regulatory, contractual or other duties to any potential or actual Investor, to the fullest extent possible under applicable laws, rules or regulations.
- 2.6 The Intermediary shall comply with all applicable laws, rules or regulations which may apply to its business, including as regards its dealings with actual and potential Investors, its receipt of any commission, rebates or other fees, treating customers fairly, systems and controls and risk management, conflicts, suitability, its use of any Platform, its preparation and use of any literature, and its use of any website. The Intermediary shall comply with any agreement in place (if any) between itself and an Investor. The Intermediary shall not do anything which may render the Company or any company in the Company’s group, the relevant Fund or any representative of the relevant Fund in breach of any applicable laws, rules or regulations. The Intermediary shall ensure that it has robust systems and controls in place at all times to ensure compliance with this clause.
- 2.7 The Intermediary represents and warrants that it understands the requirements of all applicable laws, rules or regulations relating to bribery and corruption both in the United Kingdom and in any other jurisdictions which may have a connection to the services performed by the Intermediary in connection with these Terms of Business. The Intermediary further represents and warrants that it will fully and faithfully comply with all requirements of such laws, rules or regulations (including for the avoidance of doubt the United Kingdom’s Bribery Act 2010) in connection with all activities under or in any way connected with these Terms of Business and such requirements that the Company may notify to it.
- 2.8 The Intermediary represents and warrants and shall on request confirm to the Company in writing (or as otherwise required) that the Intermediary has all necessary authorisations, licenses, permissions, registrations, exemptions and consents (together, “Authorisation”) required by applicable laws, rules and

regulations to enable it to conduct the activities provided for under these Terms of Business in accordance with all applicable laws, rules and regulations. Should the Authorisation or the scope of Authorisation of the Intermediary be altered, suspended or revoked in any way, the Intermediary undertakes to notify the Company immediately in writing.

2.9 The Company will not accept Business either directly or via a Platform from an Intermediary who does not have or ceases to have an Authorisation. The Company reserves the right at its discretion to cease to accept Business from, or to refuse any particular Business proposed by, any person at any time. Where on occasion this discretion is exercised that person shall be informed promptly.

2.10 The Intermediary represents and warrants that it has not relied upon any representations other than those made by the Company and expressly set out in these Terms of Business. The Intermediary shall not make or purport to make any representation to an Investor in relation to the Company, a company in the Company's group or a Fund that is not contained within and wholly consistent with the Prospectus (unless it receives the Company's prior written consent).

3. **Intermediary as Agent of the Investor**

3.1 The Intermediary may act as agent of the Company only to the extent, if any, that the Intermediary is so permitted by the Company in writing and, subject to any such written permission, the Intermediary shall not act for or in the name of the Company or sign documents on behalf of the Company.

3.2 Where the Intermediary is permitted to act as agent of the Company under clause 3.1 above, the Intermediary shall be the agent of the Investor except in relation to the responsibilities of the Intermediary under these Terms of Business and clause 3.3 below shall apply whether or not the Intermediary receives payment from the Investor.

3.3 In all its dealings with its clients or Investors, the Intermediary shall act in accordance with its Authorisation and all applicable laws, rules and regulations.

3.4 Where relevant the Intermediary (as sub-distributor) and the Company (as distributor) shall act within the terms of the FCA's Regulatory Guide "The Responsibilities of Providers and Distributors for the Fair Treatment of Customers" (the "Guidance") in so far as the Company may from time to time prescribe the basis of compliance with aspects of the Guidance.

4. **Orders**

4.1 Orders for the sale or purchase of Shares placed or arranged by the Intermediary either directly or via a Platform must be made in accordance with the relevant Fund's Prospectus or by any other means agreed by the Company or the Administrator. Requests made in writing for the sale or purchase of Shares should be made using the appropriate application form and should be accompanied, where relevant with payment in accordance with the relevant Fund's Prospectus.

- 4.2 When placing an order for or arranging the sale or purchase of Shares, the Intermediary either directly or via a Platform shall:
- A. on request provide the full name and address of each Investor for whom the Intermediary is acting;
 - B. provide all information specified, and the representations required, in the application form of the relevant Fund;
 - C. at and in accordance with the Company's request, supply it with information requested to enable the Company to reasonably satisfy itself as to whether the order falls within the FCA Rules that govern when commission may and may not be paid by product providers such as the Company; and
 - D. provide such other information requested by the Company or the Administrator.

If such details/information are not provided by the Intermediary, the Company, the relevant Fund and/or the Administrator may at its/their discretion refuse to affect the transaction with the Intermediary or the Platform and the Intermediary shall be treated as acting as principal on the Intermediary's own account. The Intermediary shall in any case ensure that any information provided to the Company or the Administrator in relation to such matters is complete and correct.

- 4.3 All applications for the redemption, purchase or switching of Shares must be in accordance with the relevant Fund's Prospectus.
- 4.4 Unless otherwise agreed between (i) the Company or the Administrator and (ii) the Intermediary and/or a Platform, payment in respect of any contract effected by or through the Intermediary must be received by the Administrator in cleared funds on or before the Settlement Day. The Company shall be entitled, on giving prior notice to the Intermediary or a Platform, to cancel, in whole or in part, any contract in respect of which the amount due remains unpaid after the Settlement Day. This provision shall not be affected by any requirement to serve a cancellation notice in respect of the transaction in question.
- 4.5 The Intermediary shall keep the Company, any company in the Company's group, the relevant Fund, any management company of the relevant Fund or any representative of the relevant Fund (each, an "Indemnified Party") indemnified from all loss resulting to any of them as a result of any payment not being received by the Settlement Day.
- 4.6 For the purpose of this clause, loss shall include any loss resulting from the cancellation or the closing out of the contract and, without limitation by the foregoing, any other loss or expense caused to an Indemnified Party directly or indirectly by a failure of the Intermediary or a Platform Service to comply with clause 4.5 above provided that this clause shall not apply to the late payment for Shares to the extent that the delay results solely from the late settlement of the sale of Shares sold for the purpose of a switch to another fund distributed by the Company, and such delay does not result from any failure on the part of the Intermediary, a Platform or the Investor to comply with the normal dealing

procedure of the Fund including, if applicable, the provision, in due time, of a duly completed form of renunciation and other required documentation.

- 4.7 The Administrator will issue redemption proceeds in accordance with the relevant Prospectus.
- 4.8 All redemption proceeds for Shares shall be made in accordance with arrangements agreed with a Platform. The Company may, in its absolute discretion, accept and carry out written payment instructions issued and signed by all the registered holders without incurring further liability.
- 4.9 Subject to all applicable anti-money laundering laws, rules or regulations, payments to the Administrator are required to be made by electronic transfer by the Settlement Day of all purchases of Shares with an aggregate value of £50,000 (or equivalent currency amount) or more whether made up of a single transaction or, where permissible, a series of transactions.
- 4.10 In accordance with the Client Money Rules, the Intermediary or a Platform shall immediately pass to the Administrator all monies in respect of purchases of Shares given, transferred or sent to the Intermediary by an Investor.
- 4.11 The Intermediary undertakes to refuse any request to deal if such order is received after the relevant Cut-Off Time.
- 4.12 The Intermediary undertakes not to permit transactions which it knows to be or has reasons to believe to be related to market timing (or other form of trading deemed by the Company or the relevant Fund to be abusive). The Intermediary acknowledges that the Funds and their sub-funds are not designed to provide investors with a means of speculation on short term market movements and any such activity can be detrimental to efficient portfolio management and to the interests of all shareholders. The Intermediary undertakes to refuse any transaction by or for any of its Investors that it knows or suspects is linked to market timing activity.
- 4.13 The Intermediary undertakes to produce timely and to submit on request all documents and information evidencing that one or more orders for Shares have been received prior to the relevant Cut-Off Time.

5. **Commission**

- 5.1 All matters relating to the payment of commission to the Intermediary shall be governed by these Terms of Business, any arrangements agreed with a Platform Service and any applicable laws, rules or regulations.
- 5.2 Subject to the provisions of clause 5, the Company will credit or pay (or will arrange to credit or pay) commission on all Business submitted directly or via a Platform to the Company by the Intermediary and accepted by the Company, except where:
 - A. the Intermediary confirms in writing to the Company that he does not wish to receive commission; or

- B. the relevant Investor notifies the Company that he or she is dissatisfied with the service provided by the Intermediary; or
 - C. commission is not payable by the Company or receivable by the Intermediary for any reason; or
 - D. a dispute arises between the Intermediary and another intermediary or between or with a Platform regarding the entitlement to or amount of commission. In the event of a dispute the Company shall have the discretion to decide to whom and how much such commission shall be payable and may withhold payment pending resolution of such dispute.
- 5.3 Save as set out below, the Company shall pay (or shall arrange to pay) commission to a Platform at such rate or rates and at such time or times as shall from time to time be agreed.
- 5.4 The Company will credit or pay (or will arrange to credit or pay) commission on Business submitted to the Company by another independent financial adviser where it is accepted by the Company that the other independent financial adviser has relinquished his right to the commission in respect of that Business in favour of the Intermediary and no other person has any valid claim to such commission. The amount of such commission shall be as individually notified to the Intermediary or a Platform and disclosed in the appropriate disclosure documentation. The rates of commission may be amended from time to time, such amendments being notified to the Intermediary or a Platform.
- 5.5 Without prejudice to the payment of commission already accrued, due and payable, the Company reserves the right to reduce the rate of commission in respect of past or future transactions at any time on giving notice of any such reduction to the Intermediary or a Platform.
- 5.6 The Intermediary acknowledges and agrees that applicable laws, rules and regulations prohibit certain firms from receiving commission in respect of the sale of shares in funds in certain circumstances. The Intermediary also acknowledges and agrees that, in those circumstances, the Company is prohibited by applicable laws, rules and regulations from paying such commission. For this reason the Intermediary agrees as follows:
- A. the Intermediary shall only place an order on behalf of Investors to subscribe for Shares which bear commission, in respect of which the Intermediary is seeking commission, if the Intermediary is entitled to receive, and the Company is entitled to pay, such commission in the relevant circumstances under applicable laws, rules and regulations; and
 - B. without limitation, the Intermediary shall ensure that it does not receive or continue to receive commission where this is in breach of the Intermediary's or the Company's obligations under applicable laws, rules and regulations or the Intermediary's agreement with the relevant Investor (in each case in all material respects).

- C. The Intermediary shall immediately notify the Company if any ongoing payment by the Company to the Intermediary of a commission is not, or ceases to be, compliant with applicable laws, rules and regulations or the Intermediary's agreement with a relevant Investor in any material respect
- D. Commission payments shall be made in compliance with the FCA Rules and applicable laws, rules and regulations on inducements. The Company may refuse to pay if it reasonably considers this would be contrary to FCA Rules or applicable laws, rules and regulations.

This clause 5.6 shall survive termination of these Terms of Business.

- 5.7 The Intermediary shall not arrange or recommend any transaction in the Funds unless the Intermediary has made such disclosures to the Investor in respect of commission or other remuneration that will be received by the Intermediary (or a related party of the Intermediary or a Platform) and other matters as, at the relevant time, are required to be disclosed by such laws, rules or regulations applicable to the Intermediary.
- 5.8 If an Investor exercises a statutory right of cancellation, any commission (including any VAT where applicable) paid in respect of the transaction shall be repaid by the Intermediary to the Company. All or any amount of commission (and any VAT) otherwise due to be paid or repaid by the Intermediary (whether or not due to the exercise of a statutory right of cancellation) shall forthwith be paid or repaid (or arranged to be paid or repaid) by the Intermediary to the Company on demand or, at the Company's discretion, may be deducted by the Company from any amount of commission due from it to the Intermediary.
- 5.9 The Company may, in its discretion, cease paying commission:
 - A. if the Intermediary ceases to be authorised to carry on Business, the Intermediary's Authorisation is suspended or the Intermediary ceases to have any Authorisation required to enable it to carry on the Business in accordance with all applicable laws, rules or regulations; or
 - B. in respect of any transaction for a person for whom the Intermediary has ceased to be the agent or to be properly authorised; or
 - C. if the Intermediary shall die, become bankrupt, compound with or assign his estate or effects for the benefit of creditors, have his goods seized in execution or, where the Intermediary is a company, if it goes into liquidation or receivership or is subject to an administration order; or
 - D. if the Intermediary or any of its directors or partners (as applicable) is convicted of an offence of fraud or other dishonesty; or
 - E. if the Intermediary is subjected to an investigation under any applicable laws, rules or regulations; or
 - F. if, for any reason, arrangements with a Platform cease; or

- G. if the Company reasonably believes that for it to pay commission or for the Intermediary to receive commission in respect of a particular Investor would constitute a breach by the Company or the Intermediary respectively of applicable laws, rules or regulations or these Terms of Business.
- 5.10 In the event that the Company reasonably believes that it has paid commission or the Intermediary has received commission in breach of applicable laws, rules or regulations or these Terms of Business, the Company shall be entitled to require the Intermediary to repay on demand the amount of any such commission.
- 5.11 It is the responsibility of the Intermediary and/or, where the Intermediary is the appointed representative of a network, the appropriate network to advise the Platform as to the arrangements to be made in relation to commission received from or on behalf the Company. For the avoidance of doubt, the Company shall not be responsible for paying commission to any entity (including the Intermediary and any network) other than the Platform Service unless instructed by the Platform.
- 5.12 The statement of account issued by the Company or the Administrator (which may be contained in writing or electronically as agreed between the Company and the Platform) shall be the conclusive record of commission due to the Intermediary, save in the case of manifest error or omission.
- 5.13 Subject to any specific terms and conditions relating to any Fund or save as set out below, the Company will pay (or arrange to be paid) initial commission to a Platform within 30 days of the Business being accepted and cleared funds having been received by the Administrator. The Company or the Administrator will calculate commission quarterly for all Funds other than the ICVC and half yearly (as at 31 May and 30 November each calendar year) for the ICVC. Payment will be made shortly thereafter. The Company may defer payments until such minimum amounts as may be prescribed by the Company from time to time, are due and payable to the Intermediary. Intermediaries or a Platform will continue to be provided by the Company with statements of account containing details of all commission payments.
- 5.14 If the Intermediary notifies the Company that he does not wish to receive commission, the Company shall be discharged from all future obligations to pay commission in relation to the Intermediary to a Platform.
- 5.15 The Company will pay (or arrange payment of) commission payable to the Intermediary in accordance with this Agreement by direct credit transfer to a Platform. The Intermediary shall provide or arrange for the Platform to provide full banking details and any changes to banking arrangements in writing.
- 5.16 If an Investor registers a complaint which results in any transaction being reversed, no commission shall be payable to the Intermediary in respect of such Business and any commission already paid shall be forthwith repaid to the Company (or its nominee) or, at the Company's discretion, may be deducted by the Company from any other amount of commission due.
- 5.17 The Company shall seek in good faith to resolve any issues notified by the Intermediary or a Platform to the Company in relation to the calculation or payment

of commission. The Intermediary or the Platform must notify the Company of such issues as soon as is reasonably practicable and in any event within two years after the relevant commission payment is made or the relevant commission is due (the "Limitation Period"). The Intermediary agrees that after the expiry of the Limitation Period such issues shall not be raised by it or the Platform and accordingly any claims in relation to them (howsoever arising) cannot be brought and shall be barred and all remedies excluded.

- 5.18 Where the Intermediary has received commission in respect of a particular Investor's investment in Shares, the Intermediary shall retain records which are sufficient to evidence compliance with its obligations under clause 4.2 in relation to its receipt of commission for at least six years after either the relevant Shares were redeemed or it ceased to receive commission in respect of the Shares (whichever occurred first).
- 5.19 Clauses 5.8, 5.9, 5.10, 5.17 and 5.18 shall survive termination of these Terms of Business.

6. **Anti-Money Laundering**

- 6.1 The Intermediary acknowledges that all initial and ongoing responsibilities relating to "know-your-customer" requirements and the maintenance of anti-money laundering standards in compliance with applicable laws, rules and regulations are the Intermediary's sole responsibility, and in particular the Intermediary shall apply the requirements of the European Union's Fourth Money Laundering Directive as adopted under English or Irish law as applicable to the Fund applied for, in relation to all applications for Shares.
- 6.2 To the extent that anti-money laundering verification documentation is not provided, as appropriate to the Company or the Administrator in relation to an Investor, the Intermediary acknowledges that reliance shall be placed on the Intermediary's anti-money laundering verification and "know-your-customer" procedures and is required to provide to copies of such documentation as the Company or the Administrator may reasonably request.
- 6.3 The Intermediary acknowledges that it is its responsibility to monitor the transactions of its Investors in order to detect attempted or actual money laundering and, moreover, the Intermediary acknowledges that neither the relevant Fund, nor the Company have any responsibility to track the Intermediary's compliance with the foregoing at any time in connection with their respective roles regarding the offer, sale and execution of orders of the relevant Fund's Shares.
- 6.4 The Intermediary agrees promptly to provide the Company, the relevant Fund or the Administrator agent upon request, with information and documentation relating to its anti-money laundering policies and analysis. The Intermediary acknowledges and agrees that failure to provide documents and information in the Intermediary's possession or failure to otherwise cooperate with information requests made by the Company, the Fund or the Fund's transfer agent pursuant to this clause may be considered grounds for immediate termination of the relationship.

6.5 The Company, the relevant Fund and the Administrator each reserves the right to make further checks on the identity of third parties introduced by an Intermediary in addition to those already conducted by the Intermediary or a Platform.

7. **Documentation**

7.1 The Intermediary shall pass to an Investor, immediately and without any amendment, any documents required by the Company or the relevant Fund for the information of or completion by the Investor and shall pass to the Company, the relevant Fund or the Administrator immediately any information or documents provided by the Investor for that purpose.

7.2 The Intermediary shall not effect any purchase of Shares (whether direct or via a Platform) until the Intermediary has provided the Investor with a copy of the most recent relevant Prospectus and any other documents which the rules of the FCA require to be offered or supplied to an Investor or potential investor in relation to the relevant Fund. This includes the relevant KIID (which must be provided to Investors in good time prior to a subscription for Shares is made by them or on their behalf). If effecting a purchase of Shares, the Intermediary will also offer the Investor, free of charge, a copy of the relevant Fund's most recent annual report and, if later, the most recent half yearly report. The Intermediary shall promptly supply the Investor (or arrange for the Company to supply the Investor) with such of the aforesaid reports and documents as the Investor requests. The Company will promptly supply to the Intermediary or a Platform copies of any Fund's documents as may be required to enable the Intermediary to carry out the Intermediary's obligations under these Terms of Business.

7.3 The Intermediary undertakes to comply with any other disclosure requirements in force at the time of recommending, effecting or arranging a purchase or sale of Shares (whether direct or via a Platform) or otherwise conducting business with or for Investors, and will provide a statement confirming this to a Company on request.

7.4 The Intermediary acknowledges that the Company, the relevant Fund or any representative of the relevant Fund may have an obligation to send documents and communications directly to Investors.

7.5 Neither the Intermediary or a Platform shall issue any promotional material regarding the Company, the Funds) by any means unless the Company has supplied the promotional document or approved it in writing. The Intermediary must only use the most current promotional material made available by the Company. The material may only be used for the purposes expressly set out in these Terms of Business or otherwise with the prior written consent of the Company.

7.6 The Intermediary shall, when requested, provide the Company with a statement of:

- A. the Intermediary's FCA authorisation reference number, if any; and
- B. the terms of the Intermediary's permission notice and in particular whether or not the Intermediary is authorised to handle client money; and
- C. the information if required under clause 6; and

- D. in relation to any purchase, whether or not the Cancellation Rules apply to the transaction and, if not, why not.
- 7.7 The Company, the relevant Fund or the Administrator shall not be obliged to waive any deadline for the receipt of applications for any Business or any terms and conditions relating to any Business and the Company, the relevant Fund or the Administrator may in its absolute discretion reject any application for Business which is incomplete or which shall have been completed incorrectly.
- 7.8 The Intermediary and/or a Platform must produce to the Company, the relevant Fund or the Administrator on request such records, books, notices and other documents and information as may reasonably be required in order to enable compliance with any anti-money laundering requirements or requirement of any applicable laws, rules or regulations or any requirements of the Company, the relevant Fund or Administrator.
- 7.9 The Intermediary and a Platform shall promptly check contract notes and dealing confirmations provided to it and promptly notify the Company, the relevant Fund or the Administrator of any errors.

8. **Indemnity**

- 8.1 Without prejudice to the indemnity contained in clause 5.4 above, the Intermediary shall indemnify, and keep indemnified, each Indemnified Party from all direct losses (“Losses”) resulting arising from:
 - A. any failure by the Intermediary or a Platform to comply with any applicable laws, rules or regulations;
 - B. any breach by the Intermediary or a Platform of these Terms of Business;
 - C. the Intermediary or a Platform causing an Indemnified Party to fail to comply with any applicable laws, rules or regulations;
 - D. the provision to any Indemnified Party of incorrect information; and
 - E. the reliance of any Indemnified Party upon any term contained in agreements between the Intermediary and its Investors or the Intermediary and a Platform.
- 8.2 The Intermediary will only be liable to any Indemnified Party for Losses suffered by an Indemnified Party arising directly as a result of negligence, fraud or wilful default by the Intermediary or a Platform. In no event shall the Intermediary be liable for special, indirect or consequential damages or losses or for direct or indirect loss of profit, customers, goodwill, reputation or contracts on the part of any Indemnified Party.
- 8.3 The Company will only be liable to the Intermediary for losses suffered by the Intermediary arising directly as a result of negligence, fraud or wilful default by the Company. In no event shall the Company be liable for special, indirect or consequential damages or losses or for direct or indirect loss of profit, customers,

goodwill, reputation or contracts on the part of the Intermediary, a Platform or any Investor. Nothing in these Terms of Business shall exclude or limit any liability of the Company for any matter that it would be illegal or in breach of law for the Company to exclude or limit, or attempt to exclude or limit, or for fraud or fraudulent misrepresentation on the Company's part.

8.4 This clause 8 shall survive termination of these Terms of Business.

9. Service of documents

9.1 Unless another express provision of these Terms of Business provides otherwise, any notice, letter or other document shall be deemed to have been duly served upon the Intermediary if it is sent by post to or left at the address of the Intermediary these Terms of Business are sent to or as subsequently notified by the Intermediary to the Company in writing. Any letter or other document sent by first class post shall be deemed to have been served on the Business Day following that on which the envelope containing the same is posted and in proving such service it shall be sufficient to prove that such envelope was properly addressed, stamped and posted.

9.2 At its discretion, the Company may also serve a notice, letter or other document on the Intermediary using a facsimile number or email address previously provided by it to the Company for usual business purposes. Any such notice, letter or other document shall be deemed to have been validly delivered at the time it is sent by the Company, provided that no delivery failure notice is received.

9.3 The Intermediary must send any notice, letter or other document to the Company by post to or personal delivery to the following address:

Legg Mason Investments (Europe) Limited
201 Bishopsgate
London EC2M 3AB
United Kingdom

10. Variation and assignment

10.1 The Company reserves the right to vary these Terms of Business but, except insofar as required by applicable laws, rules or regulations and without prejudice to the Company's rights under clause 5.6:

- A. no variation shall affect orders made prior to the time of the variation; and
- B. not less than 10 business days' notice shall be given to the Intermediary of and prior to a variation, except in relation to clause 5.6 and in relation to any matters which may be varied by giving less notice.

10.2 The Intermediary shall not be entitled to subcontract or transfer any of his rights and obligations under these Terms of Business without the prior written consent of the Company.

10.3 The Company may assign the benefit and burden of these Terms of Business to one or more companies in the Company's group at any time and without prior notice to

the Intermediary (without prejudice to any liabilities or rights that have already accrued).

11. **Termination**

- 11.1 These Terms of Business may be terminated by the Intermediary or the Company serving written notice on the other at their principal place of business (or such other address as either party may intimate to the other). Notice shall be deemed to be served 48 hours after being sent by the first class prepaid post or where delivered in person, upon delivery. Termination will not affect transactions already in progress.
- 11.2 These Terms of Business will terminate immediately in the circumstances mentioned in clauses 5.9 A, C, D and F.

12. **Data Protection**

- 12.1 The parties recognise that they shall each be processing personal data in connection with the performance of their obligations and/or exercise of their rights under this Agreement and, as such, are joint controllers in respect of the Data Protection Legislation. Each party is jointly and severally liable to the applicable Data Subjects (defined below). The personal data is limited to that provided to each party directly by Data Subjects of the other party, namely employees, agents and representatives of each party and their work contact information and other job-related details, (e.g. name, title, work address, work email, work phone numbers, escalation points among management, delegates, and the like).
- 12.2 Either party may use, store, transfer or otherwise Process information about the other party or their employees, agents and representatives and, as applicable, the employees, agents and representatives of any Affiliates, if any (“Data Subjects”) in order to perform the obligations, and for the purposes described, in this Agreement. LMI(E)’s privacy notice may be found at this <http://www.leggmason.co.uk/intermediaryprivacynotice>. The parties shall independently comply with the obligations of the Data Protection Legislation regarding the personal data collected and processed, shall cooperate with each other to determine their respective duties, and if either party’s Data Subjects have questions or concerns, they may choose, but are not required, and each party shall so facilitate, to work with the other party to address any privacy or data protection concerns. Each party shall be responsible for obtaining any necessary consents or authorisations, if any, to the foregoing on behalf of itself and its employees, agents and representatives and, as applicable, the employees, agents and representatives of its Affiliates, if any, and for providing the privacy notice to the Data Subjects.
- 12.3 The Company may record telephone calls for security and training purposes and reserves the right to use such recordings as evidence in any proceedings.

13. **Intellectual Property**

- 13.1 Neither the Intermediary nor a Platform Service shall have any right, title or interest in the names “Legg Mason”, “Legg Mason Investment Funds Limited”, “Legg Mason Investments (Europe”) Limited” any Fund’s name(s) or any derivatives thereof. The Company may in its absolute discretion allow the Intermediary or a

Platform to refer to such names in the Intermediary's or a Platform's publicity material on such terms as the Company shall stipulate.

14. **Enforcement by Third Parties**

The parties to these Terms of Business do not intend that any of its terms shall be enforceable by virtue of the Contracts (Rights of Third Parties) Act 1999, or otherwise, by any person not a party to this Agreement, except that all contractual rights and remedies contained in this Agreement available to the Company are also available to the Funds, any management company of a Fund or a company in the Company's group or any of them as if it was itself party to this Agreement.

15. **Severability and Waiver**

If any provisions of these Terms of Business shall be held or made invalid by a court decision, statute or rule, or shall be otherwise rendered invalid, the remainder of these Terms of Business shall not be affected. The waiving by a Company of any rights arising out of a breach of any term of, or failure to meet any obligation under these Terms of Business on the part of the Intermediary or a Platform shall not operate as a waiver in relation to another or a continuing breach of the same term or of another or a continuing failure to meet the same obligation by the Intermediary or a Platform or in relation to a breach of any other provision of, or failure to meet any other obligation under, these Terms of Business by the Intermediary or a Platform.

16. **Entire Agreement**

These Terms of Business form the entire agreement between the parties in relation to their subject matter and supersede any and all prior agreements, whether written or oral, between the Intermediary and the Company with respect to the offering and sale of Shares (whether direct or via a Platform).

17. **Governing Law**

These Terms of Business shall be governed and construed in accordance with English law. The courts of England shall have exclusive jurisdiction over the parties with respect to any dispute or controversy between them arising under or in connection with these Terms of Business.