

Risk warnings

Investments made under this agreement are in one company only and should, therefore, be considered as one part of a balanced portfolio. Please remember that the value of shares and the income from them can fall as well as rise and you may not recover the amount of money you invest. Past performance is no guide to future performance and if you are in any doubt about the suitability of the investment you should contact an authorised financial adviser.

1. Introduction

This document sets out the terms and conditions on which Lloyds TSB Registrars will act as your nominee in respect of your shares in the Company. The terms and conditions will apply when we have accepted your application to have your shares in the Company held in our nominee service.

2. Definitions

- (a) **"Bank"** Lloyds TSB Bank plc, which is authorised and regulated by the Financial Services Authority under reference 119278. The main business of Lloyds TSB is banking. Our registered office in the UK is at 25 Gresham Street, London, EC2V 7HN, registered in England and Wales number 2065;
- (b) **"Company"** means GlaxoSmithKline plc;
- (c) **"CREST"** the computerised system operated by CRESTCo Limited for the transfer of uncertificated securities under the Uncertificated Securities Regulations 2001;
- (d) **"FSA"** Financial Services Authority;
- (e) **"FSA Rules"** the rules made by the FSA which apply to the services provided to you by us under this Agreement, as amended from time to time;
- (f) **"NomineeCo"** Lloyds TSB Registrars Corporate Nominee Limited or any other Lloyds TSB Group company that we may choose;
- (g) **"shares"** any class of fully paid up share in the Company held for you by NomineeCo from time to time.
- (h) **"We, us, our"** the Bank, acting through its Lloyds TSB Registrars division;
- (i) **"You, your"** you, the holder of shares in the Company, and if more than one person, the joint holders jointly and severally. It also includes your personal representatives.

3. Nominee service

- (a) We agree that we will hold your shares as your nominee subject to the provisions of the Company's Articles of Association or any other documents or regulations which govern the terms on which the shares are issued.
- (b) Your shares will be registered and held in the name of NomineeCo, an associate company of ours for whose acts and omissions we shall be responsible, which will hold your shares as we direct. You will remain the beneficial owner of the shares. (This means that, although the shares are registered in the name of NomineeCo, they really belong to you.)
- (c) We will maintain a register of all those people whose shares in the Company are registered in the name of NomineeCo and for whom NomineeCo acts as nominee in respect of shares, in accordance with the terms of this Agreement. Please note that, although details of your shares are recorded in our sub-register, your investments may not be identifiable by separate certificates or other physical documents of title or equivalent electronic record, and in the event of default, any shortfall in investments registered in the name of NomineeCo may be shared pro rata by all investors whose investments are so registered.
- (d) For regulatory purposes, you will be treated as a 'private customer' although you may not have rights under the Financial Ombudsman Service or the Financial Services Compensation Scheme if you do not meet the necessary conditions.

4. Dividends and other entitlements

Subject to all applicable laws and regulations and to any agreements between ourselves and the Company which might stop us from doing so:

- (a) Provided we have been put in funds by the Company, we will, as soon as reasonably practicable, send you the amount of any cash dividend receivable on your Shares by electronic payment in sterling (or other means that we may decide from time to time, which may include by cheque if your bank mandate details are not available). Dividend payments and any other monies awaiting distribution to you will be held in a non-interest bearing account with the Bank in the name of NomineeCo. In this case, such money will be held by us as banker and not as trustee and, as a result, will not be held in accordance with the client money rules contained in the FSA Rules. We will be entitled to pay any monies unclaimed after twelve years to a charity or charities of our choice. If we receive the funds in a currency other than sterling, we may convert them into sterling at our spot rate.
- (b) If we are required by law to deduct tax from any payment receivable by you, we will only pay the net amount.
- (c) If any monies become due to you in connection with the shares, other than distributions under paragraph (a) above, we will send you the amount of any cash payment received on your shares by electronic payment in sterling (or other means that we may decide from time to time, which may include by cheque if your bank mandate details are not available) as soon as reasonably practicable. Monies will be held in a non-interest bearing account with the Bank in the name of NomineeCo. If any such amount is still unclaimed by you after twelve years, we will be entitled to pay that amount to charity.
- (d) We may make a charge to send a replacement payment. We will notify you of this and ask you to send us a cheque in payment. When the cheque has cleared we will send the replacement payment to you.
- (e) If arrangements are made which allow you to take up any rights in the Company requiring further payment from you, you must, if you wish us to take up such rights on your behalf, put us in cleared funds, in sterling or other relevant currency that we specify, before the relevant payment date or such other date that we may notify you in respect of such rights.
- (f) We will allow you, if possible, to accept distributions which are made up of additional shares in the Company.
- (g) In the event of a demerger, capital reorganisation or restructuring of the Company, we will consider what to do and contact you at the time. We will not be obliged to do anything in such an event unless the Company gives us adequate notice and pays any costs we may incur. Possible courses of action may include:
 - (i) if the resultant company offers a nominee service, supply you with the terms and conditions of that service and include your shares in that service unless you notify us to the contrary; or
 - (ii) if no such nominee service is offered, endeavour to arrange for you to hold shares in the resultant company in accordance with the document governing the demerger or restructuring.
- (h) In the absence of your instructions we will not accept a takeover offer or other offer for your shares, except where the shares are compulsorily acquired. We will accept all compulsory purchase notices in respect of the shares. In that instance we will accept a cash offer if it is one of the alternatives but we will not be liable to you for any tax or other liability that may be payable as

a result. In the absence of a cash offer, we will not accept a loan stock alternative in the absence of your specific instruction.

- (i) The Company may send you summary financial statements at or about the time they are sent to shareholders. We will not be responsible for the Company fulfilling this obligation. However, we will endeavour to obtain full copies of the Company's annual review and accounts for you on request as long as we are able to obtain sufficient copies from the Company.
- (j) Any shares in the Company allocated to NomineeCo will be reallocated on a pro-rata basis. Fractions will be aggregated and sold and we may keep the proceeds or they may be given to charity.

5. Voting and information

- (a) We will endeavour to arrange for you to be able to attend and vote on a poll at general meetings of the Company, as far as reasonably possible or practicable. You may also instruct NomineeCo to exercise a vote in accordance with your instructions in a poll vote. In the absence of your instructions, no votes will be exercised in respect of your shares. Any instructions you give us regarding voting in respect of your shares must be received by us at least 4 business days before the relevant meeting, unless otherwise advised by us. We may, at our absolute discretion, allow you to lodge your instruction electronically.
- (b) We will send you a statement of the number of shares we hold for you when you join the nominee service and at least once a year afterwards, together with details of their market value at the date of the statement. If you require interim confirmation of your holding in writing, we may make a charge to supply it. You may check your holding at any time on our website at <http://www.shareview.co.uk>.

6. Dealings in your shares

- (a) A share dealing service will be available to you in respect of the shares. We will act on the instructions of broker(s) nominated by the Company on your behalf if you wish to sell your shares using this service. Such share dealing will be transacted under the terms and conditions of the broker(s) nominated by the Company. The terms and conditions of this service are available from the Company on request.
- (b) We will transfer your shares back to you or to a third party on your instructions in certificated form if you wish to deal in your shares using any broker(s) other than the broker(s) nominated by the Company. A fee will be payable for this re-transfer. Details of the amount of this fee and how it will be collected will be sent to you together with the transfer form you will need to complete and return.
- (c) You may transfer any further shares in the Company that you have purchased or become entitled to, to us to hold under this Agreement at any time.
- (d) You may give us instructions on any day that we are open for business between the hours of 9:00 a.m. and 5:00 p.m.
- (e) The charges for the sharedealing service are as amended from time to time and are available on request from the share dealing service provider(s).

7. Tax

You are responsible, and we will not be liable, for paying any taxes or duties there may be due in respect of your shares. We may in future, if appropriate, offer a tax reclaim service, for which we will make a charge.

8. Joint holders and trusts

- (a) NomineeCo will not hold shares for more than four joint holders. We may, but shall not be bound to, accept instructions signed by one or more joint holders rather than all of you.
- (b) We and NomineeCo will not take notice of any trust affecting the shares whether express, implied or constructive.

9. Security over the shares

- (a) Your shares will not be lent to or deposited by way of collateral with another party. No money will be borrowed for you against the security of your shares.
- (b) You will not assign or transfer to any other person your interest in the shares. We and NomineeCo will not be bound to take notice of, nor to see to the carrying out of, any trust, mortgage, charge, pledge or claim in favour of any other person. A receipt from you (or from your personal representatives) for the shares will free us and NomineeCo from responsibility. We may ignore any notice we receive of the right, title, interest or claim of any other person to an interest in those shares, except where the interest is conferred by bankruptcy, death or court order.

10. Instructions and notices

- (a) Any contract made between you and us pursuant to these terms and conditions will be in the English language and communications from us will be in English.
- (b) All instructions and notices to us under these Terms and Conditions must be given to us in writing (which does not include facsimile or electronic means) at the following address:

**The Manager, GlaxoSmithKline Nominee Service,
Lloyds TSB Registrars, The Causeway
Worthing, West Sussex BN99 6DA.**

We may, at our sole and absolute discretion, dispense with the requirement for written notice if we consider the circumstances justify it.

- (c) We shall send notices, other documents and payments to the first named holder at the address on our sub-register, or to the holder and address most recently notified to us for that purpose. We will not be obliged to send you any documents if in our view their distribution in your country may be forbidden by law. All documents and payments by cheque or electronic means sent to you are done so at your risk. If for any reason payments by electronic means cannot be effected we will send the payment by cheque. We shall not be concerned about arrangements for sharing information and accounting between the joint holders themselves.
- (d) You will notify us of any dispute or court proceedings relating to your shares or your beneficial interest in the shares. If we become aware of a dispute between you and a third party, or between the joint holders, over ownership of your shares, we will have discretion to accept instructions only upon production of an agreement signed by the disputing parties or Court Order. If such an agreement or order is made affecting your shares, you agree to supply us with a copy as soon as possible afterwards.

11. Confidentiality, records and data protection

You agree that we may keep the personal details you or others give us, and what we know from running your account, on a Lloyds TSB Registrar's database. This information will be used to provide you with services.

In accordance with the Data Protection Act 1998 you are entitled, on payment of a fee, to a copy of the information we hold about you. You should let us know if you think any information we hold about you is inaccurate, so we may correct it.

The information we hold about you is confidential and will only be disclosed outside Lloyds TSB Registrars in the following circumstances:

- Where the law permits or it is in the public interest
- To investigate or prevent fraud
- To our agents in connection with running accounts and services for you
- At your request or with your consent
- To the Company so they may update their own records about you

When you speak to us on the phone, some calls may be monitored or recorded in case we need to check we have carried out your instructions correctly and to help improve our quality of service.

12. Assignment

We may delegate any of our duties to any other member of the Lloyds TSB Group. In accepting these Terms and Conditions you agree that we may transfer our obligations under this Agreement to any such group company, if that other group company writes to you and undertakes to carry out all our duties and obligations under this Agreement. If it does so, you agree that we will be released from all those duties and obligations that such group company has undertaken to carry out. We shall satisfy ourselves that any delegate or assignee is competent to carry out those functions and duties delegated or transferred. We reserve the right to appoint any other member of the Lloyds TSB Group as NomineeCo.

13. Cancellation and termination

You will have the right to end this agreement at any time. To end the agreement you must notify us in writing. Your instructions will take effect immediately upon receipt but will not affect the completion of any transactions already initiated. This right to cancel is longer than your statutory right, under which you have 14 days to cancel. Unless you instruct us otherwise, any shares held in the plan will be transferred into a holding in your own name and you will be sent a share certificate. All transactions are subject to the usual fees.

We may, at our discretion, end this Agreement at any time by giving 'three months' notice to you. The Agreement will terminate automatically on the termination of the agreement under which we provide nominee services to the Company. Termination by us will not affect the completion of transactions already initiated.

14. Charges

(a) There is currently no fee for our providing you the custody service under this agreement. We may make a charge for transferring your Shares to and from NomineeCo as well as for any other services under this Agreement. Our fees and charges relating to other services provided under this Agreement are set out in this document. The current amounts of these charges are subject to review from time to time and change on notice. The amounts of our charges under this Agreement at any time are available from us on request.

(b) If we incur any other expenses as a result of complying with changes in legislation and other regulatory requirements which affect the service and which are not covered by our charges or our agreement with the Company we may recover those expenses from all shareholders in this service pro rata to their holding. We will be entitled 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 deduction from the proceeds of sale as may be required to recover such expenses.

15. Variation

We may vary the terms of this Agreement from time to time and will where possible give you at least one month's notice of any variation. In particular, we may amend the terms of this Agreement:

- (a) to comply with legal, fiscal or regulatory requirements;
- (b) to rectify errors, inaccuracies or ambiguities;
- (c) to take account of any corporate reorganisation within the Lloyds TSB Group of companies; and
- (d) to reflect alterations in the scope and nature of the service which we are able to provide to you under this Agreement in accordance with:
 - our agreement with the Company;
 - the rules and regulations governing CREST and our membership of CREST;
 - our systems capabilities;
 - routines and administration procedures; and
 - having regard to market practice and overall customer demands.

16. Exclusion of liability

- (a) Neither we nor NomineeCo will be responsible (unless caused by our breaching FSA Rules or our fraud, wilful default or negligence) for any losses or expenses you incur under this Agreement. Even if we wilfully default or are negligent, we shall not be liable for any loss attributable to any failure to disclose changes of address, name, bankruptcy or other personal details or to any defects in your title to the shares not caused by us.
- (b) The amount of our or NomineeCo's liability for any claim you have against us will not exceed the value of your shares when the claim arises plus interest at 2% over our base rate from the time the claim arises until we pay the amount of our liability.
- (c) Neither we nor NomineeCo are acting as agents for the Company, and accept no responsibility for the Company's acts and omissions.
- (d) Neither we nor NomineeCo shall be liable for acting in accordance with a Court Order, or for not acting in accordance with a Court Order of which we have not been notified (whatever jurisdiction may govern the Court Order).
- (e) We and NomineeCo reserve the right to delay taking any action on any particular instructions from you, in order to obtain further information from you, to comply with any regulatory or legal requirement or to investigate any concerns about the validity or any other matter relating to the instruction and accept no liability for financial loss arising from such a delay.
- (f) Neither we nor NomineeCo shall be liable for forged or fraudulent instructions and we shall be entitled to assume signatures purporting to be yours are genuine, and provided that we and NomineeCo have acted with all due care in accepting those instructions. If in any particular case we agree to accept instructions by telephone or electronic means, we may assume the identity of the caller or sender is genuine unless it should be obvious to anyone that it was not, and provided that we and NomineeCo have acted with all due care in accepting those instructions.
- (g) Neither we nor NomineeCo will be liable or have any responsibility of any kind for any loss or damage incurred or suffered by you in the event of Force Majeure. "Force Majeure" means any failure, interruption or delay in the performance of our obligations resulting from breakdown, failure or malfunction of any telecommunications or computer service, or CREST, industrial disputes, failure of third parties to carry out their obligations, acts of governmental or supranational authority (including changes to laws and regulations), or any other event or circumstance whatsoever not reasonably within our control.
- (h) Neither we nor NomineeCo have any responsibility whatsoever to you or any other person as regards any deficiency which might arise because we are subject to or accountable for any tax in respect of any or any part of the shares or any income or capital distribution or other payment arising from them or any proceeds of sale. We will be entitled to make such deductions from your

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 in order to comply with our obligations to account for any tax liability in respect of them.

- (i) We and NomineeCo are entitled to enter into any agreement with or give any undertakings to any relevant taxation authority concerning the taxation status of the transactions effected pursuant to this Agreement and to do all such things as may be required under the terms of any such agreement or undertakings.
- (j) We and NomineeCo may refrain from doing anything which could or might, in our reasonable opinion, be contrary to any law of any jurisdiction or any rules or regulations or requirement of any regulatory authority or other body 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 is, in our reasonable opinion, necessary to comply with any such law, regulation or requirement or which is in our opinion necessary to avoid any such liability.
- (k) Neither we nor NomineeCo will be required to expend or risk our own funds or otherwise incur any financial liability in the performance of any of our duties or in the exercise of any of our rights or powers under this Agreement.
- (l) Nothing in this Agreement shall exclude any liability of us which is required by the FSA Rules, and to the extent that the FSA Rules require that we be liable for any matter, this Agreement shall be read accordingly. We shall be liable for acts and omissions of any nominee company controlled by us or an affiliated company (as defined in the FSA Rules).

17. Indemnities

(a) You will be liable for and will indemnify us and NomineeCo and our respective agents, officers and employees for any and all liabilities arising from or incurred in connection with any act performed in accordance with this Agreement in relation to your Shares, except for liabilities caused by or resulting from any wilful default or negligence or fraud of us or NomineeCo. We will be entitled 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 discharge your obligations under this clause.

(b) Your obligations under clause 17(a) shall survive any termination of this Agreement in whole or in part and any resignation or replacement of us or NomineeCo.

(c) Should any amount paid or payable under this Agreement by you be required by law to be paid under any deduction or withholding of tax, you will pay such sums as will after any such deduction or withholding leave us with the same amount as we would have had if no such deduction or withholding had been made. Such payments and adjustments shall be made as may be necessary to give effect to this clause 17(c).

18. Material interests and conflicts

We may possibly carry out transactions with or for you in which we (or an associate) deal as principal or dual agent or otherwise have a material interest or a relationship with another party which might involve a conflict with our duty to you or result in a payment being received by us or an associate. We will not be able to consult you about this but will try to ensure that the terms of any transaction are as favourable to you as those carried out with a third party at arm's length. Nothing in these Terms and Conditions shall prevent us carrying out nominee services for anybody else.

19. Law

This Agreement is governed by English law and subject to the jurisdiction of the courts of England and Wales.

20. Complaints and compensation

If you have any complaints about the service we provide under this Agreement you may complain to us or to the Financial Ombudsman Service. Further details of how you may complain, or any compensation you may be entitled to under the UK Financial Services Compensation Scheme are available from us by writing to:

**The Manager, Service Quality Team,
GlaxoSmithKline Nominee Service, Lloyds TSB Registrars,
PO Box 4608, Worthing, West Sussex. BN99 6NZ.**

Complaints we cannot settle may be referred to the Financial Ombudsman Service where you are eligible. Full details of how you may complain are available in our brochure 'How to voice your concerns' which will be forwarded to you with our acknowledgement of your complaint.

Lloyds TSB Bank plc is a member of the Financial Services Compensation Scheme established under the Financial Services and Markets Act 2000. You may be entitled to compensation from the scheme if we cannot meet our obligations. This depends on the type of business and the circumstances of the claim. The Scheme covers for example Corporate Sponsored Nominees, Individual Savings Accounts and Sharedealing.

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.

A leaflet with further details is available on request from the scheme. Call their Helpline on 020 7892 7300, log onto their website at www.fscs.org.uk or write to the Financial Services Compensation Scheme, 7th floor Lloyds Chambers, Portoken Street, London E1 8BN.

21. Commencement

This Agreement will commence on our accepting the transfer of your shares to NomineeCo.

22. Third party rights

Nothing in this Agreement will confer or is intended to confer any benefits on, or be enforceable by, any third parties whatsoever for the purposes of the Contracts (Rights of Third Parties) Act 1999.

List of charges

Transfer out to a certificate / another CREST account	£10 + VAT
Duplicate statement	£10 + VAT

Lloyds TSB Registrars is a division of Lloyds TSB Bank plc which is authorised and regulated by the Financial Services Authority and a signatory to the Banking Codes.