Galaxy Protected Commodities Plan 2

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Galaxy Protected Commodities Plan 2 – a quick review

There is little doubt that, as the result of developments that have taken place during the last 50 years, the world has become ever smaller and the pace of change ever more rapid. Driven by an expanding global population and increased wealth, the basic economic fundamentals of supply and demand mean that the need for raw materials (commodities) will become even greater – as these are finite in amount.

As a result, many market commentators believe we are in the early stages of a period of sustained growth in both the price of commodities and the attraction of these as an asset class. It is with this in mind that we are launching the Galaxy Protected Commodities Plan 2 with the aim of providing investors with the opportunity of participating in the potential growth in this market.

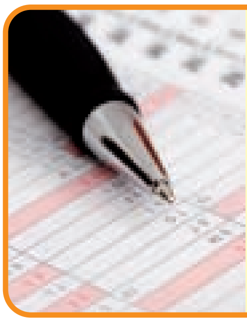
We appreciate that investors have a varying appetite for risk and returns and accordingly we are offering two options of the Plan, thereby enabling you to match your risk and rewards. The Capital Protected Growth Option provides for a minimum return of 100% of the capital invested, whilst the Protected Super Growth Option offers a minimum return of 90% of the capital invested to give the opportunity for greater returns. A brief summary of the two options are as follows:

Capital Protected Option

- A four-year investment
- 100% capital security at maturity
- 175% of any growth in a basket of commodities

Protected Super Growth Option

- A four-year investment
- 90% capital security at maturity
- 225% of any growth in a basket of commodities



Key Dates

Offer period – 9th July 2007 to 7th September 2007

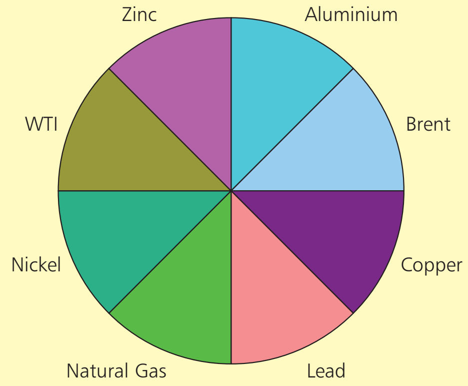
Start Date – 14th September 2007

Final Level – 14th September 2011

Maturity Date – 28th September 2011

How does the Plan work?

The Galaxy Protected Commodities Plan invests in securities, issued by a major financial institution, with a current credit rating of at least AA by Standard & Poor's, or equivalent credit rating agency, which are designed to provide the returns described in this brochure. The Plan is designed to provide a return based on a basket of eight commodities as set out below (see chart).



The Plan is designed to provide diversification through investing in a portfolio of commodities. At the same time, it also offers a significant uplift over investing directly, as well as offering protection to the original capital invested. To measure the returns we will, at the end of the four years, compare the Closing Levels of the constituents of the portfolio (the final levels) with their Opening Levels and apply the relevant uplift, depending on whether you have elected to invest in the Capital Protected or Protected Super Growth Option.

The Commodities Portfolio

The commodities utilised within the portfolio are all base (raw materials) commodities, which should benefit from previous under-investment in infrastructure in certain parts of the world, particularly in the emerging markets. Details of the individual commodities and the method of measurement are set out below:

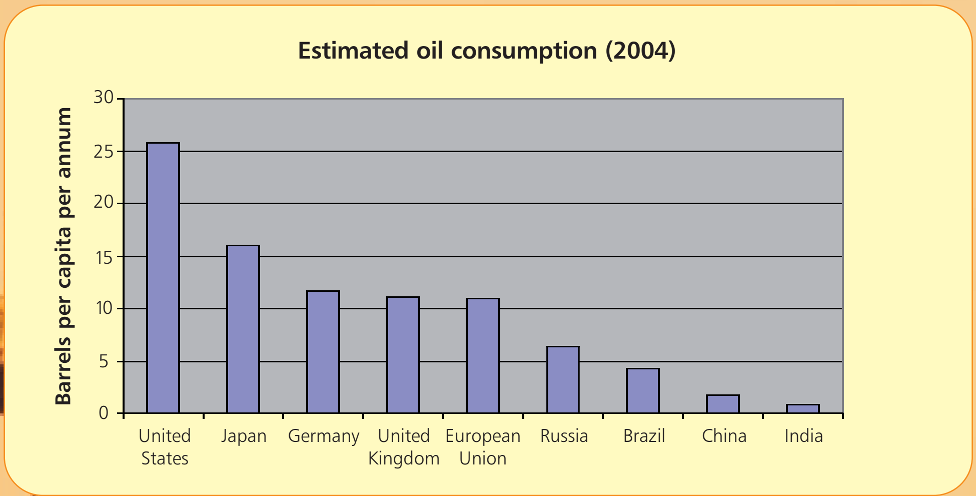
- **Aluminium:** Official London Metal Exchange Closing Cash Price per metric tonne
- **Brent:** Official Closing Price per barrel of Brent blend crude oil on the Exchange of the futures contract for delivery in respect of the first nearby month
- **Copper:** Official London Metal Exchange Closing Cash Price per metric tonne
- **Lead:** Official London Metal Exchange Closing Cash Price per metric tonne
- **Natural Gas:** Official Closing Price per MMBTU (Million British Thermal Units) of Natural Gas, for delivery at the Henry Hub in Louisiana on the Exchange of futures contract for delivery in respect of the first nearby month
- **Nickel:** Official London Metal Exchange Closing Cash Price per metric tonne
- **WTI:** Official Closing Price per barrel/or WTI Light Sweet Crude, first nearby month contract on NYMEX
- **Zinc:** Official London Metal Exchange Closing Cash Price per metric tonne of Special High Grade Zinc.

Why would I want to invest in commodities?

In addition to the more obvious factors that should continue to drive up the price of commodities, such as supply and demand, historical data suggests that unlike most other asset classes, commodities are probably one of the best methods of diversifying an equity or fixed-income portfolio.

By way of example, data shows that monthly energy-index returns usually move in the opposite direction from traditional asset classes. This information is, to a large extent, one of the main reasons why many multi-asset portfolio managers have, over recent years, made a strategic allocation into commodities and continue to do so.

As the world's major emerging markets, such as Brazil, Russia, India and China (known as the BRIC economies), expand through huge infrastructure projects and growing consumption, so does their use of various commodities. It is estimated that within 30 years there will be more cars on the roads of India and China than the rest of the world put together. Combine this with the fact that China is already the world's largest importer of copper and aluminium and that Chinese consumption of oil per head is still only about half that of Brazil (see chart below) and not even 10% that of the US, and it starts to become apparent how demand is likely to increase.



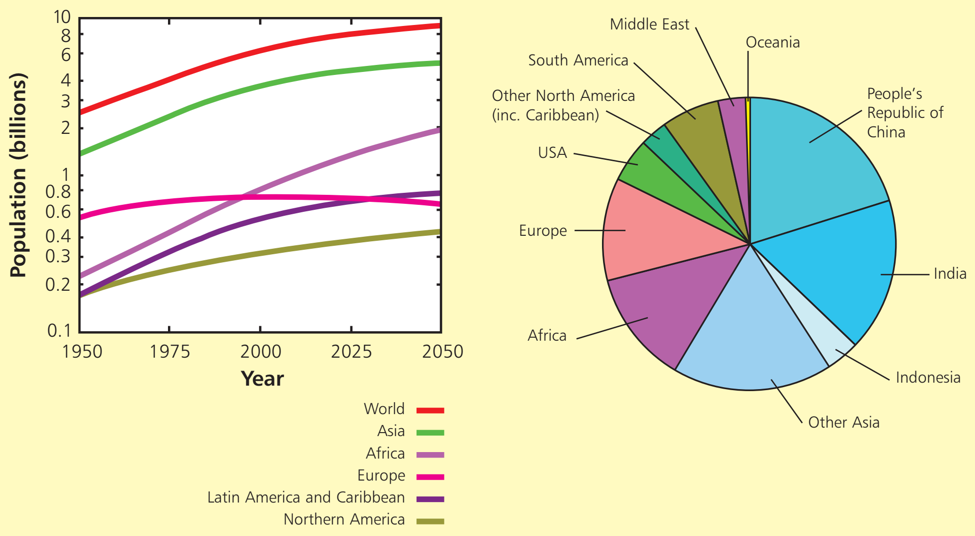
Source: Meteor Research Department

Whilst these comments portray a picture of rapidly expanding use of resources, it should always be acknowledged that a world recession could bring about lower prices. However, it is equally true that the developing nations could well compensate for a slowdown in economic activity in the developed world and thus keep prices positive. In addition, historical data suggests that market cycles in commodities tend to be long, often lasting many decades. In light of this and the fact that market commentators believe the current bull run started in 1999, it is believed that the market has many years of positive performance ahead.

Market research indicates that despite strong economic growth in China and India, the penetration of durable goods is still very low in comparison to more developed economies. Likewise, metals and oil consumption per head is likely to catch up significantly with the Overseas Economic Cooperation and Development (OECD) countries. In the view of leading commentators, domestic demand driven by growth in BRIC economies is likely to fuel the global demand for transportation, housing and infrastructure projects and thus the demand for the commodities to supply this growth. This transition from export-led to domestic-demand-led growth strongly underpins the long-term case for commodities.

As well as a growth in infrastructure, there is still the very real potential of continued growth in the world's population. In 2005 Asia accounted for over 60% of the world population with almost 3.8 billion people, with China and India alone comprising of 20% and 16% respectively. Africa followed with 840 million people, giving it 12% of the world population whilst Europe houses 710 million people (11%) and South America 371 million (5.3%). North America, currently the world's biggest user of commodities, is home to 514 million (8%).The remainder of the population lives in Oceania, which amounts to roughly 60 million (9%).

Distribution of world population in 2005



Source: Meteor Research Department

How is my Investment Return calculated?

The Investment Return under this Plan is linked to the performance of a portfolio of eight commodities, as laid out in the section 'The Commodities Portfolio' (see page 3). The growth in the value of the Portfolio will be measured by comparing the Closing Value of each commodity to its Opening Value, thereby determining the gain on each individual commodity. The Portfolio gain will be the sum of the average of the gains on each individual commodity.

Having calculated the return on the Portfolio, if the result is positive, we will then uplift the return by a further 75% or 125% depending on whether you have selected the Capital Protected or Protected Super Growth version of the Plan, giving a total return of either 175% or 225% of any growth in the Portfolio.

The Opening Value of each commodity will be the price at close of trading on 14th September 2007, or nearest monthly close where appropriate. The Final Value of each commodity will be the closing price on 14th September 2011.

Investment	Performance of Basket	Capital Protected Version - 175% of any growth	Protected Super Growth Version - 225% of any growth
£10,000	+90%	£25,750	£30,250
£10,000	+50%	£18,750	£21,250
£10,000	+30%	£15,250	£16,750
£10,000	+15%	£12,625	£13,375
£10,000	0%	£10,000	£10,000
£10,000	-5%	£10,000	£9,500
£10,000	-25%	£10,000	£9,000
£10,000	-50%	£10,000	£9,000

How is the Capital Return calculated?

The calculation of the Capital Return at maturity will depend on the option of the Plan you have chosen, as described below.

Capital Protected Option. You will receive 100% of your original investment. The capital return is not dependent on the movement in the prices of the Commodities Portfolio.

Protected Super Growth Option. You will receive 100% of your original investment as long as the Final Level of the Portfolio is the same as, or higher than, the Opening Level of the Portfolio, i.e., the average price of the Portfolio has not fallen.

If the average price of the Portfolio is lower, your capital will be reduced by 1% for each 1% the Final Level is lower than the Opening Level, up to a maximum reduction of 10%. This means that even if the average prices were to fall dramatically your minimum Capital Return will still be 90%.

Your Capital Return will be paid in addition to any investment return on your Plan. In common with any similar investment the security of your Plan depends on the security of the Note issuer. We consider it unlikely that such an institution will not meet their obligations. However, if they were unable to do so, you may not get back all of your investment.

Is this product right for me?

This Plan is designed for those investors who want to benefit from the potential growth of the commodities in the Portfolio and, in respect of the Protected Option only, are prepared to accept a degree of risk to their capital in return for the prospect of enhanced returns. Before investing, however, it is important that you are comfortable with the Plan and the risks that exist in return for the potential rewards.

You should also be aware that if you do not hold this Plan for the full term, you may not get back the amount you invested. In addition, please note that as this investment is linked to commodity prices it is different from depositing money in a building society or bank account. Access to your capital during the investment term is restricted.

To help you decide if this Plan is right for you, below is a brief list of pros and cons which you should consider before investing:

Yes, I wish to invest because:

- I am willing to invest for a set period of time, known as the investment term; (see page 2)
- I am not likely to need access to my money during the investment term; (see page 12)
- I want the potential to benefit from any rise in commodity prices but do not want to invest directly in the commodity markets; (see page 6)
- I know that the commodity prices can fall as well as rise and can be volatile; (see page 4/5)
- I understand that although the assets will be provided by a major investment bank with a current credit rating from Standard & Poor's of at least 'AA' there is a chance that they may default on the payments due and this means that I may lose some, or all, of my investment, known as the counterparty risk; (see page 6/10)
- I am prepared, and can afford to accept the investment risks; (see page 10)
- I have asked my Financial Adviser to answer any questions or queries I had.

No, I don't think I should invest because:

- I am not prepared to accept any risk of loss to my capital (only applicable to the Protected Option); (see page 6)
- I may need access to my money before the end of the investment term; (see page 12)
- I want an income from my investment
- I don't want to lose the dividend income that I may get if I invested in shares or other similar investments
- I don't want an investment where the returns are linked to commodity prices; (see page 3)
- I don't fully understand how the Plan works; (see page 3)
- I don't have any other savings or investments; (see page 12).

How is the Plan taxed?

Should you select to invest via a pension fund, it is our understanding that the returns will, under current legislation, be free of all tax.

Should you invest directly it is our understanding that the returns will, under current legislation, be subject to Capital Gains Tax (CGT). All UK residents have an annual CGT exemption which, for the tax year 2007/08, is £9,200. This means that total gains in the tax year in which the Plan matures will be added to any other gains for that year and provided the total of these is below the exemption level in the year of maturity, will be free of CGT. Any gain over this amount will be liable for tax at your highest marginal rate of tax in the year in which your Plan matures. Gains subject to CGT may be reduced by taper relief if the Plan is in force for more than three years.

Please note that the information contained in this brochure is based on our understanding of rates of tax, current legislation, regulations and practice, which are likely to change in the future.

What are the Charges?

There are no initial charges or ongoing charges on your Plan.
We will buy the underlying assets from the issuer at a price that makes an allowance for the cost of the capital protection under both options, along with all establishment and all administration costs and the cost of any commission we pay to authorised Financial Advisers.

Why Meteor?

Meteor was established with the aim of providing investors, be they individuals or institutions, and their advisers with financial solutions. This can be achieved either via our standard range of products or bespoke arrangements, which means we are able to meet their financial needs. Whilst the make-up of these solutions is not always straightforward, we aim to make our product terms and literature as clear and easy to understand as possible. We work closely with many leading financial institutions around the world with the objective of bringing our investors the most competitive and effective terms available.

In addition we are acutely aware of the need to provide a friendly and efficient service, as well as effective investment solutions and we are constantly striving to maintain these goals.

Other questions I need to know the answers to

We hope that the preceding pages have helped you to understand what the Plan is and how it works. We have set out below answers to some questions you may have in mind. Please read this section carefully, along with additional information and the Terms and Conditions that follow. The Terms and Conditions explain the terms on which we will administer the Plan.

What is my commitment?

To keep your money invested for the four-year term of the Plan.

What are the Risks involved with investing?

- The investment return you receive will depend on the movement in the prices of the eight commodities described on page 3 and it is possible that you might not receive any investment return at all. Please see the 'How is my Investment Return calculated?' section and table on page 6.
- Commodity prices could be volatile and could be affected by changes in interest rates, as well as international economic and political developments during the investment term.
- The Protected Super Growth Option of the Plan 2 is suitable only if you can afford to accept an element of risk to your capital. The capital return would be reduced by 1% for each 1% of the average price by which the commodities have fallen, to a minimum of 90% of the amount you have invested. Please see the 'How is the Capital Return calculated?' section on page 6.
- If your circumstances change and you need to withdraw your investment early we will have to sell your securities back to the Issuer and the value will depend on the price they are prepared to pay. You will also have to pay an administration charge.
- The underlying securities you purchase will be issued by a major financial institution, which has a current credit rating from Standard and Poor's or a similar rating agency, of at least AA, which denotes high financial strength. It is unlikely that such an institution would not be able to meet its obligations but you must be aware that if it were unable to do so you could lose some or all of your investment.
- If you tell us that you want to cancel your investment after we have bought the Notes you will only get back the value of the Notes when we sell them, which is likely to be less than your original investment.
- The values of any tax reliefs will depend on your individual circumstances. You should note that the levels and bases of taxation could change in the future.

How is my money invested?

Your investment will be used to buy securities that are designed to provide the capital and investment returns explained the brochure. The terms of the securities are fixed at outset so there is no ongoing investment management. This means that even if commodity prices fell dramatically during the investment term, we would not be able to sell the Notes back to the issuer without incurring heavy losses that would reflect the price falls, and an additional early encashment penalty.

What happens to my money prior to the investment date?

Upon receipt of cleared funds, any money received during the offer period will be invested on deposit in our client account and attract interest at the equivalent annual rate of 4% up until the purchase date of 14th September 2007, at which time the funds will be used to buy additional Notes on your behalf.

How much will any advice cost?

If you receive advice from an Independent Financial Adviser he or she will tell you how much the advice will cost. Even if you do not receive any advice, we may pay commission to the Independent Financial Adviser who introduces the business to us. The payment of commission will not affect the returns detailed in the brochure.

How will you keep me informed?

We will write to you to acknowledge your application within five working days. With the letter we will send you a summary of your investment and a notice of cancellation.

In September 2007 we will send you details of the securities you have bought. We will send you an annual statement showing the position on the anniversary of your Plan. You can, however, check the current price of the Notes at any time by looking at our website www.meteoram.com.

Can I change my mind about investing?

Yes, you can. When we acknowledge your application, we will send you a 'Notice of Your Right to Change your Mind'. You have 14 days from the day you receive this to send it back to us. If we receive this after we have bought the Note for your investment, you may get back less than you invested.

What happens to the Plan if I die?

If you die during the term of the Plan, we will deal with your investment, as instructed by your personal representatives. We will provide a value as at the date of death and will explain the options available, which will include re-registering the Note so that the investment can be held to maturity.

Should I see an Independent Financial Adviser?

We believe that it is important that you make sure that this investment is suitable for you. We do not provide such financial advice or guidance on tax issues and recommend that you do talk to an authorised Financial Adviser before making your mind up whether to apply.

What should I consider before investing?

You need to understand the risks

There is a risk to capital on the Protected Super Growth Option. If the Final Level of the basket of commodities is lower than the Opening Level, your capital will be reduced by 1% for each 1% fall, (in respect of the first 10% only). Even if the Final Level is more than 10% lower than the Opening Level, you would still receive 90% of the amount you invested.

You need to be aware that access to your money will be restricted

You should only invest in the Plan if, at outset, you believe that you will not need to access your capital for the four-year investment term. Should you need your money prior to the maturity date, this can be obtained but it is unlikely that you will receive back the full amount you originally invested.

Whether you need an income

As this Plan is designed for capital appreciation, it is not suitable if you need an income from your investment.

The effect of inflation

Inflation will reduce the real value of what you receive at the end of the term.

Whether you have any other savings and investments

As long as you are prepared to accept the investment risks, you should consider this Plan only as part of your Investment Portfolio. You should have savings that you can access immediately and without penalty to meet any emergency cash needs during the investment term.

Time Line

How can I invest?

Investment is easy and is available through various forms; in all cases the minimum investment is £10,000 with a maximum investment of £2m. (Higher amounts may be invested by prior arrangement.)

Individual Investment

This Plan may be held directly either as an individual, jointly (in equal proportions), or on behalf of a child under the age of 18.

Pension Funds

You may, subject to the terms of your scheme, hold this Plan as a permitted investment within any type of pension arrangement, including a SIPP and SSAS. As the Plan is designed for investment growth, there is only a minimal administration burden on Trustees. (Applications are available from Meteor or at **www.meteoram.com**.)

Companies, Trustees and Charities

This Plan may be held by either a company or charity, subject to relevant articles of association permitting such an investment. (Applications are available from Meteor or at **www.meteoram.com**.)

To invest you simply complete the appropriate application form. Before you do this you should have read the brochure thoroughly and made sure that you do understand the nature of the investment. The Suitability Considerations on Page 12 will act as a helpful reminder of the questions you should ask yourself.

Once you are happy that you wish to make the investment, please fill in and sign the application form and complete the cheque.

Cheques should be for the full amount you want to invest and be made payable to '**Meteor Capital Holdings Limited Client Account**'. Return this to your Financial Adviser or directly to us at 68 Lombard Street, London EC3V 9LJ. If you are sending in a Building Society cheque, please make sure that it has your name in brackets after this wording.

Additional Information

We are keen, as is the Financial Services Authority (FSA), the watchdog set up by Parliament, that you fully understand the fact that this Plan places your capital at risk. As you may lose some or all of the money you invest, it is important that you understand and accept these risks and the possible consequences. If you don't want to risk your capital, and are prepared to accept that you may get a lower rate of return, then you will need to look at less risky, capital-secure investments – for example, a savings account with a bank or building society.

To try and help you fully understand how capital-at-risk products work in general, set out below is a summary produced for the FSA for you to review. Should you need any further information or help once you have studied this, then we would be more than happy to assist or please feel free to contact the FSA Consumer Helpline on 0845 606 1234 or at www.fsa.gov.uk/consumer

What are capital-at-risk products?

These are usually share-based investments from banking, insurance or investment management firms, and can offer attractive returns. Your investment could do as well as planned, or maybe better. But if it does not, you could lose some or all of the money you put in (your capital). Capital-at-risk products usually invest in a variety of stockmarket investments such as shares or debt securities. Debt securities include corporate bonds which are loans to organisations such as companies or the government. Products that put your capital at risk include:

- stockmarket based investments. These include collective investment schemes (such as open-ended investment companies (OEICs) and unit trusts) and investment trusts;
- investment bonds and funds that invest in debt securities, such as corporate bond funds;
- investments linked to the performance of a stockmarket or some other factor such as a collection of shares. These are usually for a fixed number of years (the 'term') and can be arranged to provide income or growth or a combination of both.

As an alternative, you could invest directly in:

- shares, and so benefit from any dividends paid;
- debt securities, for which you get fixed or variable interest.

The value of direct holdings of shares and other securities can change sharply – down as well as up.

Depending on its particular terms and conditions, the value of an investment product linked directly or indirectly to the stockmarket may have lesser, similar or greater risk.

How do different capital-at-risk products usually work?

- Stockmarket-based investments

  A wide range of stockmarket-based investments are available. The performance of the investments depends on the investment strategy adopted and general stockmarket conditions. The value of stockmarket-based investments can alter sharply because they are linked to the performance of the underlying shares or bonds (i.e., what your money is actually invested in).

- Investment bonds and funds that invest in debt securities

  These vary widely and include distribution bonds, with-profits bonds, unit-linked bonds and corporate bond funds. The money you invest is usually put directly into the stockmarket (in London or overseas) or into fixed, or variable-interest funds.

- Investments linked to an Index or other factor

  With some fixed-term products, repayment of the capital to the investor (in full or in part) is linked by a special pre-set formula to the performance of an Index such as the FTSE100 or maybe a combination of Indices or some other factor – such as the performance of a collection of shares. We call them 'structured capital-at-risk products'. Some offer a specified level of income over a fixed period; while others offer growth that depends on the performance of an Index or other factor (see the examples below). These products, and the risks involved, can vary widely. For example, some may involve 'gearing' (the use of borrowing that can increase the amount you get back but will also increase the risks). Others can provide some element of capital protection.

An example of a structured income product is one that offers 6% income a year for five years, but also states that if the FTSE100 Index falls at the end of this period, the capital is reduced by 2% for each 1% fall in the Index. So if, after five years, the Index fell by 25%, someone who invested £5,000 would still have received 6% income a year over the five years (a total of £1,500) but the capital would have reduced to £2,500. So you would only get £4,000 from your original investment of £5,000.

An example of a structured growth product is one that offers 30% growth over five years, but also states that if the FTSE100 Index falls by more than 20% at the end of this period, then your capital is reduced by 1% for each 1% fall in the Index. So if, after five years, the Index fell by 50%, someone who invested £5,000 would still receive 30% as growth (£1,500) but the capital would have reduced to £2,500. So you would only get £4,000 from your original investment of £5,000.

What are the main risks involved with capital-at-risk products?

- Your capital can fall below the amount you put in. This loss may significantly increase if the product structure involves gearing (see opposite); so falls in the Index to which the investment is linked can result in an even greater reduction in the capital you invested.
- The rate of return advertised might be achieved only after a set period – perhaps five years; you may not know until that date how well your investment has performed.
- The rate of return you get may depend on specific conditions being met. Even professionals may not be able to judge accurately how likely that will be.
- If you take your money out early, you may get less than you put in: for example, there may be a penalty to be paid.

Points to think about before investing

- What is the difference between a capital-at-risk product and a savings account?

  When you put your money in a Bank or Building Society savings account, its original value doesn't change and you also get interest. The return will be comparatively low, which reflects the fact that you haven't risked your capital. With capital-at-risk products you may get higher returns, but you are putting your capital at risk and may end up with less than you put in.

- How do I know which product to choose?

  Consider your financial needs carefully: how much – if anything – can you afford to lose? And for how long can you afford to have your money tied up? Do your homework: shop around. Don't just look at headline information; check the detail. Capital-at-risk products are not right for you if you can't afford to lose money. But if you are willing to take risks to benefit from potentially higher rewards, there are many products to look at.

- What charges do I have to pay for these products?

  The charges vary and there may or may not be any. If there are charges, make sure you understand how they affect the value of your capital and income. Some funds deduct them from your initial investment. They may also take charges yearly, usually as a percentage of the total value of your ongoing investment.

- How long will my money be tied up?

  With most investments you should expect to tie up your money for some time. Some capital-at-risk products offer returns if you leave your capital with them for a fixed number of years. Other investments can continue indefinitely.

- Can I cash in my investment?

  Yes, you can usually cash in. But with some products you have to pay a penalty (known as a redemption penalty) if you cash them in before the maturity date. As a rule, never tie up money you may need in the short or medium term.

- If the investment period is fixed, what happens at the end of it?

  At the end of a fixed period your investment will mature and you should get its maturity value. But the maturity value may be reduced by charges or a final adjustment if, for example, it depends on the value of an index. Depending on the terms and conditions of the product, you could end up losing some or all of your capital. Also, any income or growth you have received may be subject to tax.

- Will I get the advertised rate of return?

  This depends on the terms and conditions under which you have invested. Often the advertised rate merely illustrates what is possible, and is no more certain than that.

Below is a checklist that may help you decide if this Plan is right for you

- ☑ Is it important to keep your capital intact?
- ☑ Remember that this investment is meant to be held for the long term and is not for savings you may need quickly.
- ☑ Remember that as this is a capital-at-risk product, it should usually only form part of your total portfolio of savings and investments; and the value of such investments (and the income or growth from them) may fall as well as rise.
- ☑ Take advice if you are unsure whether or not an investment is right for you.
- ☑ Remember it's your money, and your decision as to what to do with it.
- ☑ Don't invest unless you fully understand what you're investing in.
- ☑ Don't run a risk you can't afford.

Complaints

In the event you should wish to complain at any time about this product, or the service you have received then you may do so as summarised in the following terms and conditions. We would, however, draw your attention to the fact that the value of investments can shift unpredictably, and can fall as well as rise and that such a fall is not usually a valid reason for complaint.

Some technical terms explained

Bond	A form of debt issued by companies and governments to raise money. It is an agreement under which a sum is repaid to an investor after an agreed period of time.
Capital	The money you invest.
Collective investment	A way of pooling small contributions from lots of people into a single investment fund.
Corporate bond (also known as fixed interest securities)	Issued by companies when they want to borrow money.
Corporate bond funds	Funds that invest in a selection of individual company bonds.
Debt securities	Another name for a bond (see definition of 'bond').
Distribution bonds	A type of investment bond that provides a regular income.
Gearing	The use of borrowing potentially to increase the amount you get back, but which will also increase the risk.
Gilts, gilt-edged stock	Bonds issued by the government to help fund its spending. Gilts are also known as government bonds.
Investment bonds	Investment bonds are typically lump-sum investments with insurance companies that have a small amount of life assurance.
Investment trust	A company quoted on the Stock Exchange, whose sole business is investing in stocks and shares.
Open-ended investment company (OEIC)	A type of collective investment scheme structured as a company in which investors can buy and sell shares. The price of the shares is based on the value of the investments the company has invested in.
Rate of return	The change in the value of your investment taking into account both income and growth.
Shares (also known as equities)	A stake or share in a company.
Unit-linked bond	A type of investment bond (see definition of 'investment bond').
Unit trust	A type of collective investment scheme set up under trust. Its portfolio of investments is unitised and investors take a stake in the fund by buying these units. The price of a unit is based on the value of the investments the trust has invested in.
With-profits bond	A type of investment bond (see definition of 'investment bond').

Terms & Conditions

These Terms and Conditions apply to the Galaxy Protected Commodities Plan 2 ("The Plan").

1. Definitions

Application Form – The form that You must complete, for a Direct Investment or an investment by a pension fund, company or charity to be opened.

Business Day – any day other than a Saturday, Sunday, bank holiday or other UK public holiday.

Issuer – any issuer of such securities, its affiliates and directors

Plan – An investment, as described in the brochure and made up of securities (investments) and cash that we handle on your behalf.

Securities – The underlying qualifying investments of the Plan, arranged to provide the investments and capital returns set out in the Plan brochure.

Subscription – the amount(s) You pay into your Plan.

We, us, our – Meteor Capital Holdings Limited ("Meteor"). Meteor is authorised and regulated by the Financial Services Authority (FSA) and must follow its rules as amended from time to time ("the Rules"). If there are any differences between the Rules and these Terms and Conditions the Rules will apply.

You, your – the Plan holder(s) named on the Application Form.

2. Your Application

a. We may accept a fully and correctly completed Application Form and Subscription from You under the terms of this Agreement. We have the right to reject an application for any reason.

b. By signing the Declaration on the Application Form You confirm that the information You have provided is accurate and complete and that You have read the Plan brochure and any accompanying information supplied by us relating to this Plan and understand the nature of the investment.

c. By completing the Application Form, You instruct us to choose and buy Securities that have been designed to provide the benefits of the Plan as described in the Plan brochure.

3. How we deal with Securities

a. We will be responsible for buying and selling all securities and will carry out transactions on terms that are at least as favourable as those that we can set when dealing directly with the market maker.

b. We, or our associated companies, may choose and instruct brokers or dealers (including associated companies) to buy, sell and deal in Securities for your Plan, or we may do so ourselves as licensed dealers or brokers.

c. We may keep all commissions or profits arising from those transactions. Your Plan will be debited as soon as we buy investments on your behalf. We do not have to account for any interest earned pending settlements i.e. interest we earn on cash we hold while we are waiting to pay for Securities we have bought or to pay You for Securities we have sold.

d. The amount(s) we invest in Securities to be held in your Plan will not exceed the amount of cash and investments placed by You under our control.

e. We will be acting as your agent in arranging to buy, or sell, these Securities. We do not act as agent for the Issuer.

f. We may combine your order with orders of other clients when processing them. If this results in us concluding a number of transactions at different prices, all clients involved in the transactions will pay or receive the same average price. This could result in a less favourable price than if your transaction was carried out separately. We will take all reasonable steps to make sure that any such transaction is carried out on the best terms generally available in the market at that time. If You ask us to, we will provide details of how we work out the average price.

g. If, for any reason, we are unable to purchase securities to fulfil the commitments set out in the brochure your Subscription will be returned to You, with any interest accrued to the date of repayment.

h. In the event of any issuer becoming unable to meet its obligations to repay the amounts due You may not receive the amounts your Plan has been designed to pay and You could lose some, or all, of your Subscription.

i. You, or someone You nominate, can ask to see all entries in our records relating to your transactions, at any time. We will maintain these records for at least six years after the transaction date.

4. Conflicts of Interest

a. We will take all reasonable steps to identify conflicts of interests between the Company, including our managers, employees and any person linked directly or indirectly to us, and any client of ours, and also between clients;

b. There may be times when we, or one of our clients, have some kind of interest in the transaction that is being carried out. If this happens, or we become aware that our interest or that of our other clients conflicts with your interest we will tell You, and ask your permission, before any transaction is carried out

5. Your right to change your mind

a. You have the right to cancel your Plan within 14 days of receiving our acceptance letter and a notice of your right to change your mind.

b. If we have purchased Securities for your Plan before we receive your completed cancellation request the amount You will receive may be less than the amount of your Subscription, if the price at which we sell the Securities is lower than the price You paid for them.

6. Cash held

a. You may invest into the Plan only in line with the published terms.

b. We hold all money belonging to clients in a designated client account. This ensures that all clients' money is separate from the funds belonging to us.

c. We will pay You interest on your Subscription from the date the funds are credited to the client account. We will calculate interest at a reasonable rate and credit it to You if it goes over certain minimum. Interest on new Subscriptions, net of any deduction for income tax or the flat rate charge, will be rounded up to the nearest pound.

d. We will use your Subscription and interest added to purchase the Securities to be held in the Plan.

e. At maturity, or earlier redemption of the Securities, we will hold the proceeds in the client account, pending reinvestment of the proceeds in a new Plan with us.

7. The Plan Investments

a. You will be the beneficial owner of the Securities and of any cash held in the Plan.

b. We will register the Securities held in your Plan in the name of Meteor Nominees Limited who will maintain custody of them during the Plan term. Meteor Nominees Limited is a totally-owned non-trading subsidiary of Meteor. It is not authorised under the Financial Services and Markets Act 2000 and we take responsibility for its acts and omissions.

b. We will hold, or arrange for the safekeeping of, any certificate or other document issued which shows title to the Securities. We will not lend documents of title to any other person and money may not be borrowed on your behalf against the security of these documents.

c. Unless You tell us otherwise, we may, if the Regulations allow, make arrangements, when appropriate, to use the voting rights of your Securities.

d. About a month before the Plan Investments mature we will contact You to explain the various options available to You at maturity of your Plan.

8. Charges

a. The terms on which we will purchase Securities for You will reflect certain charges, fees and expenses. This will not affect the calculation of returns described in the Plan brochure.

b. We will not deduct any charges, fees or expenses from the Plan as long as it stays in force during the term of the Plan.

c. If You encash your Plan before the maturity date we will deduct an administration charge of, currently, £150.00 plus VAT.

d. We reserve the right to increase the charges set out in Conditions 8c in line with rises in the Retail Prices Index.

9. Taxation

a. You may, depending on your circumstances, have to pay tax on any interest or gain.

b. Where appropriate, we will take tax from interest that is credited to you and we will also account for this to HM Revenue and Customs.

c. The taxation information in this Condition is based on our understanding of current tax legislation, regulation and practice. Such tax legislation, regulation and practice are subject to Government legislation and may change in the future.

10. Keeping You informed

a. We will send You an acknowledgement of your Application Form within five working days of receipt.

b. We will send You an Initial Transaction Statement setting out details of the purchase of Securities for your Plan, shortly after they have been purchased.

c. We will give You a report and valuation of your Plan at yearly intervals, as set out in the brochure.

d. You can contact us by telephone, e-mail, fax or letter for any other information You want on the Plan.

e. We will only be able to provide You with information over the telephone if You have a telephone password and can confirm this to us.

f. If You ask we will send You any information we issue to holders of the securities in which You invest. If You ask us to we will invite You to vote at meetings. If You want to go to meetings in person, we will try to arrange this. We have the right to make a reasonable charge for providing these extra services

g. We may provide all information and correspondence in electronic format via email and/or web services. We may also offer alternative media for information and correspondence from time to time.

11. Closing your Plan

a. You may close your Plan at any time by giving us your written instructions. This will not affect any transactions we have already started to carry out. We will sell the securities at the next dealing date and issue payment for the net proceeds. We will usually carry out this procedure within 28 business days.

b. The value of your Securities will be dependent on the market price of your holdings at the date of sale. The price will be quoted by the market maker and will reflect the limited market in the Securities.

c. Before You close or transfer your Plan prior to maturity You should consider that the Plan is designed to be held for the full investment term.

d. We may end your Plan at any time in writing, by giving You notice. This will not affect any transactions we have already started to carry out.

e. Once this agreement has ended, we will not carry out any transactions, except to allow us to pay the proceeds of the Securities, in accordance with your instructions.

12. Death

a. If You die during the term of the Plan we act on the instructions of your personal representatives.

b. We will confirm the value of the Securities as at the date of death and will advise your personal representatives of our requirements.

c. If they elect to do so they are able to re-register the ownership of the Plan and hold it to the maturity date.

13. Prevention of Money Laundering

a. We may carry out electronic checks on your identity before we can accept an application from You or prior to selling securities on your behalf. This is so that we can be sure that we are taking instructions only from the correct person. This enables us to comply with the UK Money Laundering Regulations and the Rules and is for your protection.

b. It might be necessary for us to ask You for, and for You to provide, more information as part of this process.

14. Communications and unwanted calls

a. We will usually only communicate with and report to You in writing.

b. You give us permission to communicate by e-mail or to phone You if we need to do so but only at a reasonable hour.

15. Corporate and Trustee Planholders

a. If You are a company or corporate trustee You confirm that:

- You have the corporate authority to make a Subscription
- By making a Subscription You do not breach any of Your constitutional documents
- You have provided an up to date list of signatories

b. You agree to give us any documents and information that we ask for in support of your application.

c. If You are a trustee You confirm that:

- You are an authorised trustee of the relevant trust
- You have the authority and consent to make a Subscription
- By making a Subscription You do not breach the constituting trust documents
- You have provided an up to date list of trustees and signatories

d. You agree to give us any documents and information that we ask for in support of your application.

16. Liability

a. We will use reasonable care and skill to carry out the obligations set out in these Terms and Conditions and will be liable to You only for any negligence or deliberate fraud on our part, or that of any associated companies or any employees of one or more of those companies, if a Rule or a Regulation is broken. We will not be liable to You or have any responsibility for any loss or damage You suffer as a result of any event or circumstance that is not reasonably within our control. We will not be liable to You for any act or fraud by any person, firm or company through or with whom transactions are carried out on our behalf (other than any bankers, firms, companies or any employees of companies who are associated companies).

b. We will not be liable or have any responsibility of any kind for any loss or damage You suffer as a result of any failure, interruption or delay in carrying out our obligations resulting from:

- Breakdown or failure of any telecommunications or computer service;
- Industrial disputes;
- Failure of other people to carry out their obligations;
- Acts of governments or international authorities;
- Any other event or circumstance that is not reasonably within our control.

c. We maintain insurance cover to indemnify clients against (among other things) any of our employees dishonestly using funds or securities or other qualifying investments.

17. Complaint Handling

You may complain to the Compliance Officer about any aspect of your dealings with us, at the address shown within the Plan brochure. If You ask us to we will send You written details of how we will deal with your complaint. If You are not satisfied with the way we have dealt with your complaint You can complain to the Financial Ombudsman Service at South Quay Plaza II, 183 Marsh Wall, London E14 9SR. Making a complaint will not affect your right to take legal action.

18. Access to the Financial Services Compensation Scheme

a. We are covered by the Financial Services Compensation Scheme and You may be entitled to compensation from the scheme if we cannot meet our obligations. Your entitlement would depend 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. You can get more information about compensation arrangements from the Financial Services Compensation Scheme.

b. If the performance of the investments does not match any illustrated benefits, You will not, for that reason alone, be entitled to any compensation under the Financial Services Compensation Scheme.

19. Governing law

a. This Agreement will be governed by English law and will come into force when we receive your signed Application Form for a Plan.

20. Enforcement

a. If any of these Terms is held to be unenforceable this shall not affect the validity and enforceability of the remaining provisions. The unenforceable provision will be replaced by an enforceable provision which comes closest to the intention underlying the unenforceable provision and which is of similar economic effect.

b. If we fail, or choose not to, enforce any provision of these Terms and Conditions this will not constitute a waiver of our right to subsequently enforce such provision or any other provision of these Terms.

c. None of our employees, officers or agents may verbally alter, modify or waive any provision of these Terms and Conditions.

21. Data Protection statement

a. We may hold personal and financial information on computer and manual systems and use this to handle and service your investment and to put together statistics for assessment and analysis.

b. We may make your personal and financial information available:

- To other Associated Companies (as defined in Section 416 of the Income and Corporation Taxes Act 1988) to process this application (we or they may contact You by mail, phone or e-mail with products or services that may interest You);
- To your Financial Adviser by e-mail or other means, including a secure internet service;
- As we are obliged to under the requirements of any law, regulation or court order that we must follow;
- To You if You ask and in line with the Data Protection Act 1998.

22. Amendment to these Terms and Conditions

We may vary these Terms and Conditions from time to time by giving You at least one months notice of such change.

Issued by Meteor Asset Management Limited on behalf of Meteor Capital Holdings Limited, who approved the brochure.

Meteor Asset Management is an Appointed Representative of Meteor Capital Holdings Limited, which is authorised and regulated by the Financial Services Authority. FSA Number 459325.

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