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15 April 2013

Dear Sirs

FOA Collateral Opinion

You have asked us to give an opinion in respect of the laws of the Island of Guernsey ("**this jurisdiction**") in respect of the Security Interests given under Agreements in the forms specified in Annex 1 to this opinion letter (each an "**Agreement**") or under an Equivalent Agreement (as defined below).

Terms used in this opinion letter and not otherwise defined herein shall have the meanings ascribed to them in the Agreement.

We understand that your fundamental requirement is for the effectiveness of the Security Interest Provisions of the Agreement to be substantiated by a written and reasoned opinion. Our opinion on the validity of the Security Interest Provisions is given in paragraph 3 of this opinion letter.

References herein to "*this opinion*" are to the opinions given in paragraph 3.

1. TERMS OF REFERENCE AND DEFINITIONS

1.1 Subject as provided at paragraph 1.2, this opinion is given in respect of

1.1.1 Persons (including banks and financial institutions) which are constituted as companies limited by shares incorporated under the Companies (Guernsey) Law 2008 (as amended) (the "**Companies Law**"),

insofar as each may act as a counterparty (a "**Counterparty**") providing Collateral (as defined in paragraph 1.3) to a member firm of the Futures and Options Association (each a "**Firm**") under an Agreement.

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BRITISH VIRGIN ISLANDS CAYMAN ISLANDS GUERNSEY JERSEY
CAPE TOWN LONDON

PARTNERS:

C Anderson A Boyce T Carey R Clark T Corfield M Dunster F Fleming K Friedlaender
J Greenfield G Hall K Le Cras D Le Marquand B Morgan J Morgan
CONSULTANTS: N Carey M Eades

1.2 However, this opinion is also given in respect of Counterparties providing Collateral to a Firm that are any of the following, subject to the terms of reference, definitions, modifications and additional assumptions and qualifications set out in the applicable Schedule:

1.2.1 Parties acting as trustees of Trusts under the Trusts (Guernsey) Law, 2007 (Schedule 1); and

1.2.2 Parties acting as general partners of Limited Partnerships under the Limited Partnerships (Guernsey) Law 1995,

insofar as each may act as a Counterparty to a Firm under an Agreement.

1.3 This opinion is given in respect of cash and account-held securities which are the subject of the Security Interest Provisions ("**Collateral**"). The amount and value of such Collateral may fluctuate from time to time on a day to day, and possibly intra-day basis.

1.4 In this opinion letter:

1.4.1 "**Security Interest**" means the security interest created pursuant to the Security Interest Provisions;

1.4.2 "**Equivalent Agreement**" means an agreement:

- (a) which is governed by the law of England and Wales;
- (b) which has broadly similar function to any of the Agreements listed in Annex 1;
- (c) which contains the Core Provisions (with no amendments, or with Non-material Amendments); and
- (d) which neither contains (nor is modified, amended, or superseded by) any other provision which may invalidate, adversely affect, modify, amend, supersede, conflict with, provide alternatives to, compromise or fetter the operation, implementation, enforceability and effectiveness of all or part of the Core Provisions (in each case, excepting Non-material Amendments);

References to the "**Agreement**" in this letter (other than specific cross references to clauses in such Agreement and references in the first paragraph of this letter) shall be deemed also to apply to an Equivalent Agreement;

1.4.3 a "**Non-material Amendment**" means an amendment having the effect of one of the amendments set out at Annex 3;

1.4.4 "**enforcement**" means, in the relation to the Security Interest, the act of:

- (a) sale and application of proceeds of the sale of Collateral against monies owed, or
- (b) appropriation of the Collateral,

in either case in accordance with the Security Interest Provisions.

- 1.4.5 in other instances other than those referred to at 1.4.4 above, references to the word "**enforceable**" and cognate terms are used to refer to the ability of a Party to exercise its contractual rights in accordance with their terms. We do not opine on the availability of any judicial remedy and to that end the natural and ordinary meaning of the word "**enforceable**" and cognate terms is not to be applied in its construction. Any opinion as to enforceability and cognate terms in this jurisdiction is given specifically on the assumption that the relevant rights are enforceable under the laws of England and Wales or the State of New York (as the case may be), and on the basis that the laws of this jurisdiction will not prevent their enforcement.
- 1.4.6 "**Insolvency Proceedings**" means insolvency, bankruptcy or analogous proceedings (where, for the purposes of paragraph 3 of this opinion, the occurrence of such proceedings in respect of the Counterparty falls within the definition of Event of Default under the Agreement).
- 1.4.7 terms defined or given a particular construction in the Agreement have the same meaning in this opinion letter unless a contrary indication appears;
- 1.4.8 any reference to any legislation (whether primary legislation or regulations or other subsidiary legislation made pursuant to primary legislation) shall be construed as a reference to such legislation as the same may have been amended or re-enacted on or before the date of this opinion letter;
- 1.4.9 definitions of certain terms relating specifically to the Agreement or to the provisions thereof are set out at Annex 2; and
- 1.4.10 headings in this opinion letter are for ease of reference only and shall not affect its interpretation.

2. **ASSUMPTIONS**

We assume the following:

- 2.1 That the Agreements are legally binding and enforceable against both Parties under their governing laws.
- 2.2 That the Security Interest Provisions are enforceable under the governing law of the Agreement to create a Security Interest.
- 2.3 That the Security Interest Provisions are effective under the law of the place where the Collateral is located to create an enforceable Security Interest.
- 2.4 That each Party has the capacity, power and authority under all applicable law(s) to enter into the Agreement; to perform its obligations under the Agreement; and that each Party has taken all necessary steps to execute, deliver and perform the Agreement.
- 2.5 That each Party has obtained, complied with the terms of and maintained all authorisations, approvals, licences and consents required to enable it lawfully to enter into and perform its obligations under the Agreement and Transactions and to ensure the legality, validity, enforceability or admissibility in evidence of the Agreement in this jurisdiction.

- 2.6 That the Agreement has been properly executed by both Parties.
- 2.7 That the Agreement is entered into prior to the commencement of any "Insolvency Proceedings" in respect of either Party.
- 2.8 That the Agreement has been entered into, and each of the transactions referred to therein is carried out, by each of the Parties thereto in good faith, for the benefit of each of them respectively, on arm's length commercial terms and for the purpose of carrying on, and by way of, their respective businesses.
- 2.9 That the Agreement accurately reflects the true intentions of each Party.
- 2.10 That no provisions of the Agreement, or a document of which the Agreement forms part, or any other arrangement between the Parties, invalidate the enforceability or effectiveness of the Security Interest Provisions or the Rehypothecation Clause under the governing law of the Agreement.
- 2.11 That there is no other agreement, instrument or other arrangement between the Firm and the Counterparty which modifies or supersedes the Agreement.
- 2.12 That all acts, conditions or things required to be fulfilled, performed or effected in connection with the Agreement and the creation and perfection of the Security Interests thereunder pursuant to laws of any jurisdiction other than this jurisdiction have been duly fulfilled, performed and effected.
- 2.13 That there are no provisions of the laws of any jurisdiction (apart from this jurisdiction) which would be contravened by the execution or the delivery of the Agreement.
- 2.14 That any accounts and the assets expressed to be subject to a Security Interest pursuant to the Security Interest Provisions shall at all relevant times be located outside this jurisdiction.
- 2.15 That any cash comprising the Collateral is in a currency that is freely transferable internationally under the laws of all relevant jurisdictions.
- 2.16 That any property secured under the Security Interest Provisions is and will continue to remain legally and physically situate outside the Bailiwick of Guernsey.
- 2.17 That no provision of the Agreement that is necessary for the giving of our opinions and advice in this opinion letter has been altered in any material respect. In our view, an alteration contemplated in the definition of "Equivalent Agreement" above would not constitute a material alteration for this purpose. We express no view whether an alteration not contemplated in the definition of Equivalent Agreement would or would not constitute a material alteration of the Agreement.

3. **OPINIONS**

On the basis of the foregoing terms of reference and assumptions and subject to the qualifications set out in paragraph 4 below, we are of the following opinion.

3.1 **Valid Security Interest**

3.1.1 Following the occurrence of an Event of Default, including as a result of the opening of any Insolvency Proceedings, the law of this jurisdiction would not prevent the Non-Defaulting Party from enforcing the Security Interest in respect of the Collateral.

3.1.2 There is no rule of the laws of this jurisdiction which would impose a moratorium or stay which would prevent, delay or otherwise affect the right of the Non-Defaulting Party to enforce the Security Interest in respect of the Collateral. Note however that corporates in Guernsey can in circumstances be subject to insolvency procedures in other jurisdictions.

3.1.3 Following exercise of the Firm's rights under the Security Interest Provisions, the ranking of the Firm's rights to the proceeds of realisation of the Collateral in relation to the interests of the Counterparty and any other person would be a matter to be determined under the law of the place where the Collateral is situated.

3.2 **Further acts**

No further acts, conditions or things would be required by the law of this jurisdiction to be done, fulfilled or performed under the laws of this jurisdiction in order to enable the Non-Defaulting Party to enforce the Security Interest in respect of the Collateral.

4. **QUALIFICATIONS**

The opinions in this opinion letter are subject to the following qualifications:

4.1 **Investment Funds**

Dealings with companies incorporated in this jurisdiction that act as investment funds must be approached with special care to ensure that any intended transaction is within the scope of the fund's objectives and therefore within its legal capacity.

4.2 **Types of Companies**

Companies limited by shares in Guernsey may take the form of:

4.2.1 a cell company, which may be either:

(a) a protected cell company; or

(b) an incorporated cell company,

4.2.2 an incorporated cell of an incorporated cell company; or

4.2.3 a company which is neither of the above (a non-cellular company).

4.3 Protected Cell Companies

4.3.1 A protected cell company ("PCC") is a single legal person and the creation of a cell does not create, in respect of that cell, a legal person separate from the company. The PCC may create one or more cells for the purpose of segregating and protecting cellular and core assets in the manner provided under the Companies Law.

4.3.2 The assets of a PCC are either cellular assets or core assets, (the "core" is the PCC excluding its cells). It is the duty of the directors of a PCC to keep cellular assets separate and separately identifiable from core assets and to keep the cellular assets attributable to each cell separate and separately identifiable from the cellular assets attributable to other cells. The cellular assets of a cell comprise assets represented by the proceeds of that cell's share capital and reserves attributable to that cell and all other assets attributable to that cell. The core assets of a PCC comprise the assets of the company attributable to the core of the company and comprise assets represented by the proceeds of core share capital and reserves attributable to the core and all other assets attributable to the core. ("Reserves" include retained earnings, capital reserves and share premiums).

4.3.3 The directors of a PCC may cause or permit cellular assets and core assets to be held by or through a nominee or by a company the shares and capital interests of which may be cellular or core assets, or a combination of both.

4.3.4 A recourse agreement is a written agreement between a PCC and a third party which provides that, pursuant to an arrangement effected by the PCC, protected assets may be subject to a liability owed to that third party ("protected assets" are defined in the Companies Law as (a) any cellular assets attributable to any cell of a protected cell company, in respect of a liability not attributable to that cell, and (b) any core assets, in respect of a liability attributable to a cell).

4.3.5 Position of Creditors of a PCC

The position of creditors (subject to the terms of any recourse agreement) corresponds with the liabilities described below.

(a) Section 451 of the Companies Law provides that, subject to the provisions of subsection (2) (set out below) (and to the terms of any recourse agreement), where any liability arises which is attributable to a particular cell of a PCC (a) the cellular assets attributable to that cell are liable, and (b) the liability is not a liability of any protected assets.

(b) Subsection (2) of Section 451 of the Companies Law provides that in the case of loss or damage which is suffered by a particular cell of a PCC and which is caused by fraud perpetrated by or upon the core or another cell, the loss or damage is the liability solely of the company's core assets or (as the case may be) that other cell's assets, without prejudice to any liability of any person other than the company.

- (c) Any liability not attributable to a particular cell of a PCC is the liability solely of the company's core assets.
- (d) Notwithstanding the above provisions the liabilities of the cellular assets attributable to a particular cell of a PCC shall abate rateably until the value of the aggregate liabilities equals the value of those assets: but this does not apply in any situation where there is a recourse agreement or where any of the liabilities of the PCC's cellular assets arises from fraud such as is referred to in subsection (2).
- (e) Section 452 of the Companies Law provides that subject to subsection (2) (set out below) (and to the terms of any recourse agreement) where any liability arises which is attributable to the core of a PCC (a) the core assets are liable, and (b) the liability is not a liability of any protected assets.
- (f) Subsection (2) of Section 452 of the Companies law provides that in the case of loss or damage which is suffered by the core of a PCC and which is caused by fraud perpetrated by or upon a cell, the loss or damage is the liability solely of the cellular assets of that cell, without prejudice to any liability of any person other than the company.

4.3.6 Liquidation of a PCC

In a liquidation of a PCC, the liquidator is bound to deal with the PCC's asset so as to keep cellular assets separate and separately identifiable from core assets and to keep cellular assets attributable to each cell separate and separately identifiable from cellular assets attributable to other cells.

4.3.7 Receivership Orders in Relation to Cells

Subject to the provisions of section 459 of the Companies Law, if in relation to a PCC the Royal Court of Guernsey (the "**Royal Court**") is satisfied (a) that the cellular assets attributable to a particular cell of the company (and, where the company has entered into a recourse agreement, the assets liable under that agreement) are or are likely to be insufficient to discharge the claims of creditors in respect of that cell, (b) that the making of an administration order in respect of that cell would not be appropriate, and (c) that the making of an order under that section would achieve the purposes set out in subsection (3), the Royal Court may make an order under that section (a "*receivership order*") in respect of that cell. A receivership order is an order directing that the business and cellular assets of or attributable to a cell shall be managed by a person specified in the order (the "*receiver*") for the purposes of (a) the orderly winding up of the business of or attributable to the cell, and (b) the distribution of the cellular assets attributable to the cell (and, where the company has entered into a recourse agreement, the assets liable under that agreement) to those entitled to have recourse thereto. A receivership order (a) may not be made if (i) a liquidator has been appointed to act in respect of the PCC, or (ii) the PCC has passed a resolution for voluntary winding up, (b) may be made in respect of a cell subject to an administration order, and (c) shall cease to be of effect upon the appointment of a liquidator to act in respect of the PCC, but without prejudice to prior acts. No resolution for the voluntary

winding up of a PCC, any cell of which is subject to a receivership order, shall be effective without leave of the Royal Court.

4.4 **Incorporated Cell Companies**

- 4.4.1 An incorporated cell company ("ICC") is a single legal person. An incorporated cell is a single legal person separate from its incorporated cell company. An incorporated cell is not a subsidiary of its ICC. It is the duty of the directors of an ICC and its incorporated cells (a) to keep the assets and liabilities of the ICC separate and separately identifiable from the assets and liabilities of its incorporated cells, and (b) to keep the assets and liabilities of each incorporated cell separate and separately identifiable from the assets and liabilities of the other incorporated cells of the ICC. These duties are not breached by reason only that the directors cause or permit assets of the ICC or any of its incorporated cells to be collectively invested, or collectively managed by an investment manager, provided that the assets in question remain separately identifiable.
- 4.4.2 An ICC has no power, by virtue of its position as an ICC, to enter into transactions on behalf of any of its incorporated cells. An incorporated cell has no power, by virtue of its position as an incorporated cell, to enter into transactions on behalf of its ICC, or other incorporated cells of its ICC.
- 4.4.3 The directors and officers of an ICC and its incorporated cells must ensure that, in respect of every transaction that the ICC or incorporated cell enters into, it is stated whether the transaction is being entered into by the ICC or by an incorporated cell and, if it is by an incorporated cell, which incorporated cell.

4.5 **Transactions at an Undervalue, Preferences etc.**

- 4.5.1 We express no opinion on whether or not any Transaction under the Agreements may constitute a Transaction at an undervalue or a preference under the Companies Law.
- 4.5.2 Transactions may be set aside where they are determined to be a preference over other creditors in the event of insolvency of a company. The liquidator of a company may apply to the Royal Court for an order in respect of a company if the relevant company has given a preference six months (or in the case of a connected party two years) prior to either an application for compulsory winding up of the relevant company or the date of the passing by the company of a resolution to voluntarily wind up the company. In order for the Royal Court to make an order it must be of the opinion that the company may at the time of giving the preference or as a result of giving the preference be unable to pay its debts. A preference is given to a person if that person is one of the company's creditors or is a surety or guarantor for any of the company's debts or other liabilities and the company does anything, or permits anything to be done which improves the person's position in the company's liquidation.
- 4.5.3 Where the affairs of one party have been declared in a state of "Désastre" at a meeting of his arresting creditors held before a Jurat as Commissioner of the Royal Court, and where the presiding Jurat has reasonable cause to believe that any such agreement as aforesaid was entered into by the party whose affairs have been declared in a state of Désastre less than six months before the date of the meeting, the matter of the

agreement shall be referred to the Royal Court sitting as an Ordinary Court in such manner as shall be prescribed by rules made by the Royal Court under section 1 of the Law of Property (Miscellaneous Provisions) (Guernsey) Law, 1979; and where, on such a reference, the Royal Court is satisfied that the agreement was entered into less than six months before the date of the meeting and with a view of giving to the other party a preference over the other creditors of the debtor, the Royal Court may make an order directing that the agreement shall be treated as being fraudulent and void as against the other creditors of the debtor.

4.6 Discretions

Where any party to the Agreements is vested with a discretion or may determine a matter in its opinion, the Royal Court may require that such a discretion be exercised reasonably or that such an opinion be based on reasonable grounds.

4.7 Exculpation

The effectiveness of any provision exculpating any party from a liability or duty otherwise owed may be limited by law and confidentiality obligations may be overridden by the requirements of legal process of other applicable laws or regulations.

4.8 Breach of Other Agreements

We express no opinion as to whether the entering into the agreements constituted by the Agreements will or may result in any breach of or otherwise infringe any other agreement, deed or document (including the memorandum and articles of incorporation of the company) entered into by or binding on the company.

4.9 Warranties Representations and Statements

We express no opinion on the accuracy or completeness of any statements, representations or warranties of fact set out in the Agreements save insofar as an express opinion is given herein in respect thereof, which statements, representations and warranties we have not independently verified.

4.10 Title

We express no opinion as to the title of the company to, or the existence of, any property or assets which are the subject of the Agreements.

4.11 Amendments and Waivers

We express no opinion on any provision in the Agreements requiring written amendments and waivers thereof insofar as it suggests that all or other modifications, amendments or waivers could not be effectively agreed upon or granted by or between the parties.

4.12 Power of Attorney

Insofar as an Agreement grants or requires the grant of a power of attorney by the Company to a Party to the Agreement, the grant of such power of attorney must be in accordance with the requirements of the articles. If the articles are silent the Agreement must be executed by one

director. The absence of compliance with such requirements will mean that the power of attorney may not be valid and enforceable in Guernsey.

4.13 Foreign Security

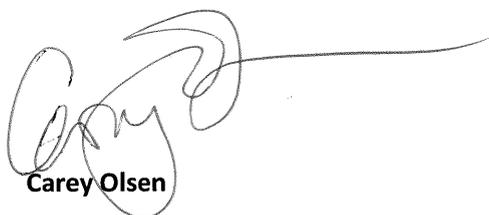
Under section 10.2 of the Security Interests (Guernsey) Law, 1993 it is declared (for the avoidance of doubt) that a person who is resident, domiciled or incorporated in Guernsey is not to be considered as lacking capacity, or as ever having lacked capacity, to give security governed by foreign law over property situated outside Guernsey, by reason only that the law of Guernsey does not permit security to be given by the method in the circumstances permitted by that foreign law.

There are no other material issues relevant to the issues addressed in this opinion which we wish to draw to your attention.

This opinion shall be governed by and construed in accordance with the laws of Guernsey as it exists at the date hereof with no obligation to keep the terms of the opinion under review. We have not made any investigation as to any other law other than the laws of Guernsey in force at and as interpreted at the date of this opinion and in particular we express no opinion as to whether the Agreements are enforceable in any jurisdiction outside Guernsey.

This opinion is given for the sole benefit of the Futures and Options Association and such of its members (excluding associate members) as subscribe to the Futures and Options Association's opinion library (and whose terms of subscription give them access to this opinion). This opinion may not be relied upon by any other person unless we otherwise specifically agree with that person in writing, although we consent to it being shown to such Futures and Options Association members' affiliates (being members of such persons' groups, as defined by the UK Financial Services and Markets Act 2000) and to any competent authority supervising such member firms and their affiliates in connection with their compliance with their obligations under prudential regulation.

Yours faithfully,



Carey Olsen

SCHEDULE 1
Parties acting as trustees of trusts

Subject to the modifications and additions set out in this Schedule 1 (*Parties acting as trustees of trusts*), the opinions, assumptions and qualifications set out in this opinion letter will also apply in respect of Parties which are Guernsey companies limited by shares acting as trustee. For the purposes of this Schedule 1 (*Parties acting as trustees of trusts*), "**Counterparty type**" means a Guernsey company limited by shares acting as trustee under the Trusts (Guernsey) Law 2007.

Except where the context otherwise requires, references in this Schedule to "*paragraph*" are to paragraphs in the opinion letter (but not to its Annexes or Schedules) and references to "*sections*" are to sections of this Schedule.

ADDITIONAL QUALIFICATIONS

The opinions in this opinion letter are subject to the following additional qualifications.

- 4.14 The laws of the Island of Guernsey do not recognise trusts (whether private trusts or those operating as authorised collective investment schemes) as entities with separate legal personality and accordingly a trust cannot:
- 4.14.1 sue or be sued in its own name;
 - 4.14.2 hold title to its assets or property in its own name;
 - 4.14.3 hold a bank account in its own name; and
 - 4.14.4 be considered as conducting business itself;
 - 4.14.5 and all such activities must be conducted in the name of its trustee. A trustee of an authorised collective investment scheme must be licenced under the Protection of Investors (Bailiwick of Guernsey) Law, 1987 (the "**POI Law**").
- 4.15 Under Guernsey law the liability of a trustee for its obligations under the Agreement may be limited to the assets comprised in the trust fund of the Fund regardless that English law is the governing law of the Agreement. This may apply whether proceedings are brought directly in the Royal Court or enforcement of a judgment obtained outside the Island is sought to be enforced in the Royal Court. Section 42 of the Trusts (Guernsey) Law, 2007 (the "Trusts Law") provides as follows:
- (1) *"Subject to subsection (3), where, in a transaction or matter affecting a trust, a trustee informs a third party that he is acting as trustee or the third party is otherwise aware of the fact, the trustee does not incur any personal liability and a claim by a third party in respect of the transaction or matter extends only to the trust property.*
 - (3) *Nothing in this section prejudices a trustee's liability for breach of trust or any claim for breach of warranty of authority."*

SCHEDULE 2 Parties acting as general partners of limited partnerships

Subject to the modifications and additions set out in this Schedule 2 (*Parties acting as general partners of limited partnerships*), the opinions, assumptions and qualifications set out in this opinion letter will also apply in respect of Parties which are Guernsey companies limited by shares acting as general partner of a limited partnership. For the purposes of this Schedule 2 (*Parties acting as general partners of limited partnerships*), "**Counterparty type**" means a Guernsey company limited by shares acting as general partner of a limited partnership under the Limited Partnerships (Guernsey) Law 1995.

Except where the context otherwise requires, references in this Schedule to "*paragraph*" are to paragraphs in the opinion letter (but not to its Annexes or Schedules) and references to "*sections*" are to sections of this Schedule.

ADDITIONAL QUALIFICATIONS

The opinions in this opinion letter are subject to the following additional qualifications.

- 4.16 Under section 20 of the Limited Partnerships (Guernsey) law, 1995 (the "LP Law"), any property of a limited partnership which is (a) transferred to, vested in or held on behalf of any general partner, or (b) transferred to or vested in the name of the partnership, shall be held or, as the case may be, deemed to be held by the general partner (and if more than one, jointly) on trust as an asset of the partnership in accordance with the terms of the partnership in which case the general partner will act as trustee of a trust. The laws of the Island of Guernsey do not recognise trusts as entities with separate legal personality and accordingly a trust cannot:
- 4.16.1 sue or be sued in its own name;
 - 4.16.2 hold title to its assets or property in its own name;
 - 4.16.3 hold a bank account in its own name; and
 - 4.16.4 be considered as conducting business itself;
 - 4.16.5 and all such activities must be conducted in the name of the general partner. A general partner of an authorised collective investment scheme must be licenced under the POI Law.
- 4.17 General Partners hold property for limited partners as trustee. Under Guernsey law the liability of a trustee for its obligations under the Agreement may be limited to the assets comprised in the trust fund of the fund regardless that English law is the governing law of the Agreement. This may apply whether proceedings are brought directly in the Royal Court or enforcement of a judgment obtained outside this jurisdiction is sought to be enforced in the Royal Court. Section 42 of The Trusts (Guernsey) Law, 2007 provides as follows:
- (1) *"Subject to subsection (3), where, in a transaction or matter affecting a trust, a trustee informs a third party that he is acting as trustee or the third party is otherwise aware of the fact, the trustee does not incur any personal liability and a claim by a third party in respect of the transaction or matter extends only to the trust property.*

(3) *Nothing in this section prejudices a trustee's liability for breach of trust or any claim for breach of warranty of authority.*

4.18 Under Section 14(1) of the LP Law, legal proceedings by, against or otherwise in relation to a limited partnership (including proceedings to enforce a foreign judgment by or against the partnership) may only be instituted by or against any one or more of the general partners; and, subject to limited exceptions, no limited partner shall be a party to or named in such proceedings.

ANNEX 1
FORM OF FOA AGREEMENTS

1. Professional Client Agreement (2007 Version), including Module G (*Margin and Collateral*) (the "**Professional Client Agreement 2007**")
2. Professional Client Agreement (2009 Version), including Module G (*Margin and Collateral*) (the "**Professional Client Agreement 2009**")
3. Professional Client Agreement (2011 Version) including Module G (*Margin and Collateral*) (the "**Professional Client Agreement 2011**")
4. Retail Client Agreement (2007 Version) including Module G (*Margin and Collateral*) (the "**Retail Client Agreement 2007**")
5. Retail Client Agreement (2009 Version) including Module G (*Margin and Collateral*) (the "**Retail Client Agreement 2009**")
6. Retail Client Agreement (2011 Version) including Module G (*Margin and Collateral*) (the "**Retail Client Agreement 2011**")
7. Eligible Counterparty Agreement (2007 Version) including Module G (*Margin*) (the "**Eligible Counterparty Agreement 2007**")
8. Eligible Counterparty Agreement (2009 Version) including Module G (*Margin*) (the "**Eligible Counterparty Agreement 2009**")
9. Eligible Counterparty Agreement (2011 Version) including Module G (*Margin*) (the "**Eligible Counterparty Agreement 2011**")

For the avoidance of doubt none of the forms of the Agreements listed at this Annex 1 include or incorporate the Title Transfer Securities and Physical Collateral Annex to the Netting Modules published by the Futures and Options Association.

Where the form of any Agreement listed in this Annex 1 (as published by the Futures and Options Association) (the "**FOA Published Form Agreement**") expressly contemplates the election of certain variables and alternatives, the Agreements listed above shall be deemed to include any such document in respect of which the parties have made such expressly contemplated elections (and have made any deletions required by such elections, where such deletions are expressly contemplated in the event of such election by the applicable FOA Published Form Agreement).

Each of the Agreements listed in this Annex 1 may be deemed to include Agreements identical to the relevant FOA Published Form Agreement, save for the substitution of Two Way Clauses in place of the equivalent terms in the FOA Published Form Agreement.

ANNEX 2
DEFINED TERMS RELATING TO THE AGREEMENTS

1. The "**Eligible Counterparty Agreements**" means each of the Eligible Counterparty Agreement 2007, the Eligible Counterparty Agreement 2009 and the Eligible Counterparty Agreement 2011 (each as listed and defined at Annex 1).
2. The "**Professional Client Agreements**" means each of the Professional Client Agreement 2007, the Professional Client Agreement 2009 and the Professional Client Agreement 2011 (each as listed and defined at Annex 1).
3. The "**Retail Client Agreements**" means each of the Retail Client Agreement 2007, the Retail Client Agreement 2009 and the Retail Client Agreement 2011 (each as listed and defined at Annex 1).
4. An "**Equivalent 2011 Agreement without Core Rehypothecation Clause**" means an Equivalent Agreement in the form of the Eligible Counterparty Agreement 2011, Retail Client Agreement 2011 or Professional Client Agreement 2011 but which does not contain the Rehypothecation Clause.
5. "**Core Provisions**" means:
 - (a) with respect to all Equivalent Agreements, the Security Interest Provisions; and
 - (b) with respect to Equivalent Agreements that are in the form of the Eligible Counterparty Agreement 2011, Retail Client Agreement 2011 or Professional Client Agreement 2011 (but not with respect to an Equivalent 2011 Agreement without Core Rehypothecation Clause), the Rehypothecation Clause.
6. "**Rehypothecation Clause**" means:
 - (i) in the case of Agreements in the form of the Professional Client Agreement 2011, clause 8.13 (**Rehypothecation**);
 - (ii) in the case of Agreements in the form of the Retail Client Agreement 2011, clause 8.15 (**Rehypothecation**);
 - (iii) in the case of Agreements in the form of the Eligible Counterparty Agreement 2011, clause 7.13 (**Rehypothecation**); and
 - (iv) in the case of an Equivalent Agreement, a clause that is identically the same in form and language as a clause referred to in any of the foregoing paragraphs (i) to (iii) of this definition (except insofar as variations may be required for internal cross-referencing purposes);
7. "**Security Interest Provisions**" means:
 - (a) the "**Security Interest Clause**", being:
 - (i) in the case of Agreements in the form of the Professional Client Agreement 2007, clause 8.6 (**Security interest**);

- (ii) in the case of Agreements in the form of the Professional Client Agreement 2009, clause 8.6 (***Security interest***);
 - (iii) in the case of Agreements in the form of the Professional Client Agreement 2011, clause 8.7 (***Security interest***);
 - (iv) in the case of Agreements in the form of the Retail Client Agreement 2007, clause 8.8 (***Security interest***);
 - (v) in the case of Agreements in the form of the Retail Client Agreement 2009, clause 8.8 (***Security interest***);
 - (vi) in the case of Agreements in the form of the Retail Client Agreement 2011, clause 8.9 (***Security interest***);
 - (vii) in the case of Agreements in the form of the Eligible Counterparty Agreement 2007, clause 7.6 (***Security interest***);
 - (viii) in the case of Agreements in the form of the Eligible Counterparty Agreement 2009, clause 7.6 (***Security interest***);
 - (ix) in the case of Agreements in the form of the Eligible Counterparty Agreement 2011, clause 7.7 (***Security interest***); and
 - (x) in the case of an Equivalent Agreement, a clause that is identically the same in form and language as a clause referred to in any of the foregoing paragraphs (i) to (ix) of this definition (except insofar as variations may be required for internal cross-referencing purposes);
- (b) the "**Power to Charge Clause**", being:
- (i) in the case of Agreements in the form of the Professional Client Agreement 2007, clause 8.10 (***Power to charge***);
 - (ii) in the case of Agreements in the form of the Professional Client Agreement 2009, clause 8.10 (***Power to charge***);
 - (iii) in the case of Agreements in the form of the Professional Client Agreement 2011, clause 8.10 (***Power to charge***);
 - (iv) in the case of Agreements in the form of the Retail Client Agreement 2007, clause 8.12 (***Power to charge***);
 - (v) in the case of Agreements in the form of the Retail Client Agreement 2009, clause 8.12 (***Power to charge***);
 - (vi) in the case of Agreements in the form of the Retail Client Agreement 2011, clause 8.12 (***Power to charge***);
 - (vii) in the case of Agreements in the form of the Eligible Counterparty Agreement 2007, clause 7.10 (***Power to charge***);

- (viii) in the case of Agreements in the form of the Eligible Counterparty Agreement 2009, clause 7.10 (***Power to charge***);
 - (ix) in the case of Agreements in the form of the Eligible Counterparty Agreement 2011, clause 7.10 (***Power to charge***); and
 - (x) in the case of an Equivalent Agreement, a clause that is identically the same in form and language as a clause referred to in any of the foregoing paragraphs (i) to (ix) of this definition (except insofar as variations may be required for internal cross-referencing purposes);
- (c) the "**Power of Sale Clause**", being:
- (i) in the case of Agreements in the form of the Professional Client Agreement 2007, clause 8.11 (***Power of sale***);
 - (ii) in the case of Agreements in the form of the Professional Client Agreement 2009, clause 8.11 (***Power of sale***);
 - (iii) in the case of Agreements in the form of the Professional Client Agreement 2011, clause 8.11 (***Power of sale***);
 - (iv) in the case of Agreements in the form of the Retail Client Agreement 2007, clause 8.13 (***Power of sale***);
 - (v) in the case of Agreements in the form of the Retail Client Agreement 2009, clause 8.13 (***Power of sale***);
 - (vi) in the case of Agreements in the form of the Retail Client Agreement 2011, clause 8.13 (***Power of sale***);
 - (vii) in the case of Agreements in the form of the Eligible Counterparty Agreement 2007, clause 7.11 (***Power of sale***);
 - (viii) in the case of Agreements in the form of the Eligible Counterparty Agreement 2009, clause 7.11 (***Power of sale***);
 - (ix) in the case of Agreements in the form of the Eligible Counterparty Agreement 2011, clause 7.11 (***Power of sale***); and
 - (x) in relation to an Equivalent Agreement, a clause that is identically the same in form and language as the clauses referred to in any of the foregoing paragraphs (i) to (ix) of this definition (except insofar as variations may be required for internal cross-referencing purposes);
- (d) the "**Power of Appropriation Clause**", being:
- (i) in the case of Agreements in the form of the Professional Client Agreement 2007, clause 8.12 (***Power of appropriation***);

- (ii) in the case of Agreements in the form of the Professional Client Agreement 2009, clause 8.12 (***Power of appropriation***);
 - (iii) in the case of Agreements in the form of the Professional Client Agreement 2011, clause 8.12 (***Power of appropriation***);
 - (iv) in the case of Agreements in the form of the Retail Client Agreement 2007, clause 8.14 (***Power of appropriation***);
 - (v) in the case of Agreements in the form of the Retail Client Agreement 2009, clause 8.14 (***Power of appropriation***);
 - (vi) in the case of Agreements in the form of the Retail Client Agreement 2011, clause 8.14 (***Power of appropriation***);
 - (vii) in the case of Agreements in the form of the Eligible Counterparty Agreement 2007, clause 7.13 (***Power of appropriation***);
 - (viii) in the case of Agreements in the form of the Eligible Counterparty Agreement 2009, clause 7.13 (***Power of appropriation***);
 - (ix) in the case of Agreements in the form of the Eligible Counterparty Agreement 2011, clause 7.12 (***Power of appropriation***); and
 - (x) in the case of an Equivalent Agreement, a clause that is identically the same in form and language as a clause referred to in any of the foregoing paragraphs (i) to (ix) of this definition (except insofar as variations may be required for internal cross-referencing purposes);
- (e) the "**Lien Clause**", being:
- (i) in the case of Agreements in the form of the Professional Client Agreement 2007, clause 8.13 (***General lien***);
 - (ii) in the case of Agreements in the form of the Professional Client Agreement 2009, clause 8.13 (***General lien***);
 - (iii) in the case of Agreements in the form of the Professional Client Agreement 2011, clause 8.14 (***General lien***);
 - (iv) in the case of Agreements in the form of the Retail Client Agreement 2007, clause 8.15 (***General lien***);
 - (v) in the case of Agreements in the form of the Retail Client Agreement 2009, clause 8.15 (***General lien***);
 - (vi) in the case of Agreements in the form of the Retail Client Agreement 2011, clause 8.16 (***General lien***);
 - (vii) in the case of Agreements in the form of the Eligible Counterparty Agreement 2007, clause 7.12 (***General lien***);

- (viii) in the case of Agreements in the form of the Eligible Counterparty Agreement 2009, clause 7.12 (**General lien**);
 - (ix) in the case of Agreements in the form of the Eligible Counterparty Agreement 2011, clause 7.14 (**General lien**); and
 - (x) in the case of an Equivalent Agreement, a clause that is identically the same in form and language as a clause referred to in any of the foregoing paragraphs (i) to (ix) of this definition (except insofar as variations may be required for internal cross-referencing purposes); and
- (f) the "**Client Money Additional Security Clause**", being:
- (i) in the case of Agreements in the form of the Professional Client Agreement 2007, clause 7.8 (**Additional security**) at module F Option 4 (where incorporated into such Agreement);
 - (ii) in the case of Agreements in the form of the Professional Client Agreement 2009, clause 7.9 (**Additional security**) at module F Option 1 (where incorporated into such Agreement);
 - (iii) in the case of Agreements in the form of the Professional Client Agreement 2011, clause 7.9 (**Additional security**) at module F Option 1 (where incorporated into such Agreement);
 - (iv) in the case of Agreements in the form of the Retail Client Agreement 2007, clause 7.8 (**Additional security**) at module F Option 4 (where incorporated into such Agreement);
 - (v) in the case of Agreements in the form of the Retail Client Agreement 2009, clause 7.9 (**Additional security**) at module F Option 1 (where incorporated into such Agreement);
 - (vi) in the case of Agreements in the form of the Retail Client Agreement 2011, clause 7.9 (**Additional security**) at module F Option 1 (where incorporated into such Agreement);
 - (vii) in the case of Agreements in the form of the Eligible Counterparty Agreement 2007, clause 6.8 (**Additional security**) at module F Option 4 (where incorporated into such Agreement);
 - (viii) in the case of Agreements in the form of the Eligible Counterparty Agreement 2009, clause 6.9 (**Additional security**) at module F Option 1 (where incorporated into such Agreement);
 - (ix) in the case of Agreements in the form of the Eligible Counterparty Agreement 2011, clause 6.9 (**Additional security**) at module F Option 1 (where incorporated into such Agreement); and

- (x) in the case of an Equivalent Agreement, a clause that is identically the same in form and language as the clauses referred to in any of the foregoing paragraphs (i) to (ix) of this definition (except insofar as variations may be required for internal cross-referencing purposes).
- 8. "**Two Way Clauses**" means each of the Futures and Options Association's Short-Form Two-Way Clauses 2007, the Short-Form Two-Way Clauses 2009, the Short-Form Two-Way Clauses 2011, the Long-Form Two-Way Clauses 2007, the Long-Form Two-Way Clauses 2009 and the Long-Form Two-Way Clauses 2011.

ANNEX 3
NON-MATERIAL AMENDMENTS

1. Any change to the numbering or order of a provision or provisions or the drafting style thereof (e.g. addressing the other party as "you", "Counterparty", "Party A/Party B") provided in each case that the plain English sense and legal effect both of each such provision and of the Agreement as a whole (including the integrity of any cross references and usage of defined terms) remains unchanged.
2. Any change to a provision or provisions by defining certain key terms (e.g. party, exchange, currency, defaulting party or non-defaulting party) and using these terms in large caps throughout the Agreement provided in each case that the plain English sense and legal effect both of each such provision and of the Agreement as a whole (including the integrity of any cross references and usage of defined terms) remains unchanged.
3. An addition to the list of events that constitute an Event of Default (e.g. without limitation, the failure to deliver securities or other assets, a force majeure, cross default or downgrading event, the death or incapacity of a Party or its general partner, any default under a specified transaction or a specified master agreement), such change may or may not be coupled with a grace period or the serving of a written notice on the Defaulting Party by the Non-Defaulting Party, such change may be expressed to apply to one only of the Parties.
4. Any change to an Insolvency Event of Default (i) introducing a grace period for the filing of a petition for bankruptcy proceedings (of e.g. 15 or 30 days), (ii) modifying or deleting any such grace period, (iii) requiring that the filing of the petition is not frivolous, vexatious or otherwise unwarranted or (iv) that the Non-Defaulting Party has reasonable grounds to conclude that the performance by the Defaulting Party of its obligations under the Agreement, Transactions, or both, is endangered.
5. Any change to an Insolvency Event of Default more particularly describing (i) the relevant procedures that would or would not constitute such Event of Default or termination event or (ii) the relevant officers the appointment of which would or would not constitute such Insolvency Event of Default.
6. Any change to an Insolvency Event of Default extending its scope to events occurring with respect to the credit support provider, an affiliate, a custodian or trustee of a Party.
7. Any change to an Insolvency Event of Default replacing such Event of Default with a provision aligned to Section 5(a)(vii) of the 1992 or 2002 ISDA Master Agreement (or relevant part thereof).
8. Any change to the Agreement requiring the Non-Defaulting Party when exercising its rights under the Security Interest Provisions (or other provisions) or making determinations to act in good faith and/or a commercially reasonable manner.
9. Any change clarifying that the Non-Defaulting Party must, or may not, notify the other Party of its exercise of rights under the Security Interest Provisions or other provision.