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The Futures & Options Association
2nd Floor
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8 January 2013

Dear Sirs

FOA Collateral Opinion

You have asked us to give an opinion in respect of the laws of Malta ("**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 generally, in respect of Parties which are companies formed and registered under Part V of the Companies Act, 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.

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 Credit institutions (Schedule 1);

1.2.2 Insurance Undertakings (Schedule 2);

1.2.3 Financial Institutions (Schedule 3);

1.2.4 Investment Firms (Schedule 4);

1.2.5 LPs (Schedule 5);

1.2.6 Traders (Schedule 6) ;

1.2.7 SICAVs (Schedule 7) ;

1.2.8 Parties acting as Trustees (other than Pension Schemes) (Schedule 8);

1.2.9 Parties acting as Trustees of Pension Schemes (Schedule 9).

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

1.3 For these purposes:

1.3.1 a "**Maltese company**" is a company which is formed and registered under the Companies Act.

1.4 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.

1.5 In this opinion letter:

1.5.1 "**Banking Act**" means the Banking Act, Cap 371 of the laws of Malta;

1.5.2 "**Civil Code**" means the Civil Code, Cap 16 of the laws of Malta;

1.5.3 "**Collateral Regulations**" means the Financial Collateral Arrangements Regulations, Subsidiary Legislation 459.01 of the laws of Malta;

1.5.4 "**Commercial Code**" means the Commercial Code, Cap 13 of the laws of Malta;

1.5.5 "**Companies Act**" means the Companies Act, Cap 386 of the laws of Malta;

1.5.6 "**Controlled Companies Act**" means the Controlled Companies (Procedure for Liquidation) Act, Cap 383 of the laws of Malta;

1.5.7 "**Credit Institutions Winding-Up Regulations**" means Credit Institutions (Reorganisation and Winding Up) Regulations, Subsidiary Legislation 371.12 of the laws of Malta;

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

(i) sale and application of proceeds of the sale of Collateral against monies owed, or

(ii) appropriation of the Collateral,

in either case in accordance with the Security Interest Provisions.

1.5.9 in other instances other than those referred to at **Error! Reference source not found.** 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 and without risk of successful challenge. We do not opine on the availability of any judicial remedy.

1.5.10 "**EU Insolvency Regulation**" means the EU Council Regulation No. 1346/2000 on insolvency proceedings;

1.5.11 "**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;

1.5.12 "**financial collateral arrangement**" has the same meaning as that provided to it in the Collateral Regulations;

1.5.13 "**Financial Institutions Act**" means the Financial Institutions Act, Cap 376 of the laws of Malta;

1.5.14 "**Investment Services Act**" means the Investment Services Act, Cap 370 of the laws of Malta;

1.5.15 "**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).

1.5.16 "**Malta Insurance Winding-Up Regulations**" means the Insurance Business (Reorganisation and Winding Up of Insurance Undertakings) Regulations, Subsidiary Legislation 403.15 of the laws of Malta;

1.5.17 "**MFSA**" means the Malta Financial Services Authority;

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

1.5.19 "**Pensions Act**" means the Special Funds (Regulation) Act, Cap 450 of the laws of Malta;

1.5.20 "**Security by Title Transfer Provisions**" means Articles 2095F to 2095J (Title XXIIIB) of the Civil Code;

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

1.5.22 "**Trusts and Trustees Act**" means the Trusts and Trustees Act, Cap 331 of the laws of Malta.

1.5.23 terms defined or given a particular construction in the Agreement have the same meaning in this opinion letter unless a contrary indication appears;

1.5.24 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;

1.5.25 certain terms relating specifically to the Agreement or to the provisions thereof are set out at Annex 2;

1.5.26 this opinion letter relates solely to matters of Maltese law and does not consider the impact of any other laws (including insolvency laws) other than Maltese law and is given on the basis of our knowledge of Maltese law as applied by Maltese courts as at today's date. We do not assume any obligation to advise you of any subsequent change in, or in the interpretation of, the laws of Malta.

1.5.27 this opinion letter and the opinions given in it are governed by the terms and conditions found on our website www.camilleripreziosi.com. All non-contractual obligations and other matters arising out of or in connection with this opinion letter are governed by Maltese law. We express no opinion in this opinion letter on the laws of any other jurisdiction.

1.5.28 no opinion is expressed on fiscal matters, including but not limited to the fiscal implications of entering into the Agreement.

1.5.29 no opinion is expressed on matters of fact;

1.5.30 headings in this opinion letter are for ease of reference only and shall not affect its interpretation; and

1.5.31 References to "**Core Provisions**" include Core Provisions that have been modified by Non-material Amendments (as defined herein)

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 to ensure the legality, validity, enforceability or admissibility in evidence of the Agreement in this jurisdiction.

2.6 That any Party requiring a licence or authorisation or recognition by the MFSA or other competent authority when carrying on its activity is so licensed, authorised or recognised under applicable law.

2.7 That the Agreement has been properly executed by both Parties.

2.8 That the Agreement is entered into prior to the commencement of any insolvency, bankruptcy or analogous proceedings in respect of either Party.

2.9 That at the time when the Agreement was entered into, neither Party had actual notice of the insolvency or other events of the same nature of the other Party.

2.10 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 arms' length commercial terms and for the purpose of carrying on, and by way of, their respective businesses.

2.11 That the Agreement accurately reflects the true intentions of each Party.

2.12 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.

2.13 That there is no other agreement, instrument or other arrangement between the Firm and the Counterparty which modifies or supersedes the Agreement.

2.14 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.

2.15 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.

2.16 That any accounts and the assets expressed to be subject to a Security Interest pursuant to the Security Provisions shall at all relevant times be located outside this jurisdiction.

2.17 That any cash comprising the Collateral is in a currency that is freely transferable internationally under the laws of all relevant jurisdictions.

2.18 That the Firm is vested with a right *in rem* (within the meaning of the EU Insolvency Regulation) over the Collateral.

2.19 That, in terms of the laws of the jurisdiction in which the Collateral is situated and/or regulated, the Firm is vested with a first ranking security interest over the Collateral.

2.20 That where a Counterparty is incorporated, registered or organised in this jurisdiction and is not a credit institution, insurance undertaking, investment undertaking holding funds or securities for third parties, or a collective investment undertaking, it has the '*centre of main interests*' in Malta, for the purpose of the EU Insolvency Regulation.

2.21 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 Non-Defaulting Party would be entitled to enforce 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.

3.1.3 The Firm's rights in respect of the proceeds of realisation of the Collateral would rank ahead of the interests of the Counterparty and any other person therein.

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 This opinion and the enforceability of the rights and remedies of each Counterparty are limited by and subject to the pleas counter-claim and prescription.

4.2 In the case of a company recovery procedure under the Companies Act, there is an automatic general moratorium for the duration of the procedure (i.e. up to 12 months, which can be extended by a further 12 months), during which generally creditors cannot take actions against the company. Such stays are also applicable to secured creditors. The law does not contemplate any stay or moratorium in connection with company reconstructions, but since such a compromise/arrangement contemplates a court sanctioning, effectively the compromise/arrangement could impose such a stay or moratorium. The company recovery procedures and company reconstructions are not listed in the EU Insolvency Regulation as being one of the insolvency proceedings applicable to this jurisdiction.

4.3 The EU Insolvency Regulation provides that the courts of the Member/EEA State within the territory of which the centre of a debtor's main interests is situated shall have jurisdiction to open insolvency proceedings and limits the instances when secondary proceedings can be opened in another Member/EEA State. In the case of company or legal person, the said regulation provides that, in the absence of proof to the contrary, the centre of main interest is the place of its registered office. Accordingly, in the event that the registered office of a Party being a company or legal person is in Malta but its centre of main interest is situated outside of Malta, the Insolvency Proceedings may not apply to such Party. Secondary proceedings may be opened in the Member/EEA State where the debtor has an establishment and are limited to the assets situated in that Member State. The EU Insolvency Regulation provides that the opening of Insolvency Proceedings will not affect the rights *in rem* of creditors or third parties in respect of assets belonging to the debtor which are situated within the territory of another Member/EEA State at the time of the opening of proceedings. This however does not preclude action for voidness, voidability or unenforceability. The said regulations do not apply to credit institutions, insurance undertakings, investment undertaking that provide services involving the holding of funds or securities for third parties, or to collective investment undertakings. Denmark did not participate in the adoption of the EU Insolvency Regulation, and is therefore not bound by it nor subject to its application.

4.4 In terms of the Article 303 of the Companies Act, the general rule is that there is a six month period before the effective date of dissolution of the relevant company within

which practically any transaction can be deemed to constitute a fraudulent preference against its creditors if it is considered to be: (i) a transaction at an undervalue; or (ii) if a preference is given. Any transaction, whether it is the granting of a privilege, hypothec or other charge, or a transfer or other disposal of property or rights or a payment, execution or any other act relating to property or rights made or done by or against a company or an obligation incurred by the company may be deemed to be a fraudulent preference if it is given in the six month period preceding the dissolution of the company unless the person in whose favour it is made, done or incurred, proves that he did not know and did not have reason to believe that the company was likely to be dissolved by reason of insolvency, and in the event of the company being so dissolved every such fraudulent preference will be void.

A security financial collateral arrangement would not be declared invalid or void or reversed on the sole basis that the said arrangement has come into existence or was provided within the six month suspect period determined under the fraudulent preference provisions of the Companies Act. Although to our knowledge the matter is untested ground in Malta, it would appear that any financial collateral arrangement entered into at an undervalue or if in relation to the financial collateral arrangement, a preference is given, then such transaction would be void.

4.5 Money judgments awarded by the courts of Malta, as well as any precautionary and executive warrants, are denominated in the lawful currency for the time being of Malta. However, the courts of Malta ordinarily entertain and accede to specific applications for the currency to be converted into and expressed in a foreign currency denomination. In these cases, the rate of exchange applied is ordinarily that obtained at the time when the obligation was due and not at the time of delivery of the judgment. There have been instances however where the courts of Malta have ordered that payment be made using the rate of exchange obtaining at the time of the delivery of the judgement.

4.6 Article 1028A of the Civil Code provides that "*Whosoever, without a just cause, enriches himself to the detriment of others shall, to the limits of such enrichment, reimburse and compensate any patrimonial loss which such other person may have suffered.*" Article 1029B then goes in to limit the application of the action (known as the *actio de in rem verso*) as follows: "*The actio de in rem verso may not be exercised where the person who suffers the loss may take another action to make up for such loss*". If it is deemed that a Counterparty was unjustifiably enriched, the Couterparty may be liable to restitution or clawback.

4.7 The MFSA is granted wide-reaching powers in relation to the affairs of persons licensed under the Malta Financial Services Authority Act, Cap 330 of the laws of Malta, the Banking Act, the Investment Services Act, the Financial Institutions Act, the Insurance Business Act, the Trust and Trustees Act and other regulated activities.

4.8 In Malta there is no rule or precedent upon which one can rely in reviewing or opining on such matters relating to law, and there is an appreciable likelihood of varying opinions, decisions and interpretations on the same issue of law by different courts; thus the rendering of opinions on the law is less certain by nature than in a jurisdiction which adopts the principle of precedent. Maltese civil law judges when interpreting

and applying foreign law might not interpret and apply that law in the same manner as judges of the relevant foreign jurisdiction.

4.9 It should be noted that contractual stipulations concerning the severability of certain provisions may not be binding and the question of whether or not provisions which may be invalid, illegal, prohibited or unenforceable may be severed from other provisions in order to save such other provisions would be determined by the courts of Malta at their discretion depending on the materiality of the provision or on whether the provision runs counter to a mandatory rule of Maltese law.

4.10 Under Maltese Law, an agreement granting a form of security generally only gives rise to an ancillary obligation which is dependent for its validity on the validity of the principal obligation. Accordingly, in the event that this were to be considered to be a matter of public policy, and in the event that Maltese courts were to be seized with the matter, security provided by a Maltese company is likely to be considered illegal, invalid, non-binding and unenforceable should the principal obligation itself be illegal, invalid, non-binding and unenforceable.

4.1 In terms of the Security by Title Transfer Provisions and the Collateral Regulations, the collateral taker is permitted to make use of the fungible collateral provided that this is expressly permitted by the agreement between the parties. Furthermore, the collateral taker is encumbered with certain fiduciary obligations in relation to the retention to title and, if agreed, possession of the collateral as security for the performance of the secured obligations, of applying the collateral or its value in settlement of the secured obligations and of returning the collateral or its equivalent in the case of fungible property on performance of the secured obligations or of returning any excess in value to the transferor in case of enforcement.

4.2 A novation of an obligation results in the loss of security for such obligation, unless express action is taken to avoid this. Maltese courts may consider this to be a matter of public policy.

4.3 In terms of Maltese law, the release of security by a creditor may only be re-instated with the consent of all the parties thereto. Maltese courts may consider this to be a matter of public policy.

4.4 The waiver or renunciation of certain rights, defences and remedies in the Agreement, may not be upheld by a Maltese court if such defences, rights and remedies are considered to be rules of public policy. It is to be noted that all procedural laws are treated as rules of public policy and thus the waiver of procedural rights and remedies in the Agreement may not be valid.

4.5 In the event that any other matter within the Agreement is considered to be against Maltese public policy, then, in relation to that particular issue of public policy, the choice of law will be disregarded and Maltese law will be applied.

4.6 A Maltese Court might not treat as conclusive certificates or determinations, those certificates and determinations which the Agreement states are to be so treated.

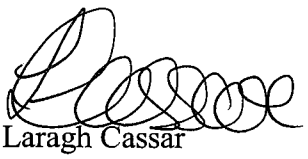
4.7 Any reference in this opinion letter to public policy refers to our understanding of public policy in Malta based on jurisprudence as at the date hereof. We should caution

that the Maltese legal system does not adopt the principle of binding precedents and that the position currently obtaining on matters of public policy may be determined differently by Maltese courts in the future.

There are no other material issues relevant to the issues addressed in this opinion letter which we draw to your attention. This opinion and any non-contractual obligations arising out of or in connection with it are governed by the terms and conditions described in our website www.camilleripreziosi.com.

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 opinions 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,



Laragh Cassar

Partner

Camilleri Preziosi

SCHEDULE 1
CREDIT INSTITUTIONS

Subject to the modifications and additions set out in this Schedule 1 (Credit Institutions), the opinions, assumptions and qualifications set out in this opinion letter will also apply in respect of Parties which are Credit Institutions. For the purposes of this Schedule 1 (Credit Institutions), "**Credit Institution**" means credit institutions licensed to carry on the business of banking in terms of the Banking Act.

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.

1. ADDITIONAL QUALIFICATIONS

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

1.1 Under the Banking Act, the MFSA is granted specific powers in relation to Credit Institutions, including the right to take charge of any of its assets, take control of its business, require it to wind up its business and appoint a liquidator for the purpose of winding up the affairs of the Credit Institution.

1.2 In terms of the Controlled Companies Act, Article 485 of the Commercial Code is rendered applicable to controlled Credit Institutions and provides that:

1.2.1 every act transferring property, (corporeal or incorporeal, renunciation of any succession, or of an acquired prescription), and every obligation incurred or other act made by the bankrupt under a gratuitous title for the purpose of defrauding his creditors, will be null and void as regards the body of creditors, of whatever kind they may be, even though the parties interested be in good faith.

1.2.2 every act of the same kind and every obligation, act or payment made or incurred under an onerous title can be annulled if there be fraud also on the part of the party interested; and

1.2.3 any such acquisition, obligation, act or payment shall be deemed to be fraudulent as regards the party interested, if it is proved that such party knew of the bankruptcy or of the existence of circumstances giving rise to a declaration of bankruptcy.

1.3 Furthermore, in terms of the Controlled Companies Act, where any act has been made or omitted to be made by a controlled asset (which could be the Credit Institution itself or any of its assets), or by the owner, director or manager of such asset, which results in the fraudulent deprivation of the rights of the creditors of such a controlled asset, the controller appointed in terms of the Banking Act shall be entitled, as the case may be, to ignore the act so made or to deem the act as having been made despite the omission to make such act.

1.4 Insolvency proceedings of credit institutions are regulated by Directive 2001/24/EC on the reorganisation and winding-up of credit institutions. The Credit Institutions Winding-Up Regulations implemented the provisions of the said directive. The said legislation provides that it is the home Member/EEA State of a credit institution that has exclusive jurisdiction to open winding-up proceedings and reorganisation measures in relation to credit institutions and their branches in other host Member/EEA States. The said proceedings will be governed, subject to certain exceptions, by the laws of the home Member/EEA State. The adoption of reorganisation measures or the opening of winding-up proceedings of a Credit Institution shall, in terms of the Credit Institutions Winding-Up Regulations, not affect the rights *in rem* of creditors or third parties in respect of assets (tangible/intangible/movable/immovable) including both specific assets and collections of indefinite assets as a whole which change from time to time belonging to the Credit Institution concerned which are situated within the territory of a Member/EEA State at the time of the opening of such measures or proceedings. This however does not preclude action for voidness, voidability or unenforceability.

SCHEDULE 2
INSURANCE UNDERTAKINGS

Subject to the modifications and additions set out in this Schedule 2 (Insurance Undertakings), the opinions, assumptions and qualifications set out in this opinion letter will also apply in respect of Parties which are Insurance Undertakings. For the purposes of this Schedule 2 (Insurance Undertakings), "**Insurance Undertakings**" means companies licensed to carry on the business of insurance (other than the business of reinsurance) in terms of article 7 of the Insurance Business Act which are incorporated and registered under the laws of this jurisdiction.

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.

1. ADDITIONAL QUALIFICATIONS

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

1.1 Under the Insurance Business Act, the MFSA is granted specific powers in relation to Insurance Undertakings, including the right to take charge of any of its assets, take control of its business, require it to wind up its business and appoint a liquidator for the purpose of winding up the affairs of the Insurance Undertaking.

1.2 The Malta Insurance Winding-Up Regulations implemented the provisions of Directive 2001/17/EC on the reorganisation and winding-up of insurance undertakings. The latter regulations, *inter alia,* state that the applicable home Member/EEA State has exclusive jurisdiction to open winding up and reorganisation proceedings. The said proceedings will be governed, subject to certain exceptions, by the laws of the home Member/EEA State. The adoption of reorganisation measures or the opening of winding-up proceedings of an Insurance Undertaking shall, in terms of the Malta Insurance Winding-Up Regulations, not affect the rights *in rem* of creditors or third parties in respect of assets (tangible/intangible/movable/immovable) including both specific assets and collections of indefinite assets as a whole which change from time to time belonging to the Insurance Undertaking concerned which are situated within the territory of a Member/EEA State at the time of the opening of such measures or proceedings. This however does not preclude action for voidness, voidability or unenforceability.

1.3 Furthermore, where it appears to the MFSA that an Insurance Undertaking is likely to dissolve and wind up or has given notice or is being dissolved and wound up, the MFSA will prohibit the free disposal of its assets irrespective of whether the assets are in Malta or not, however in the case where its head office is in another jurisdiction, such assets must relate to the Insurance Undertaking's business in this jurisdiction. Such assets will be made available only for meeting the liabilities of the Insurance Undertaking's business of insurance. Debts and other liabilities arising out of contracts of insurance attributable to its business of insurance will rank before any other claim against such assets (unless the value of the assets exceeds the liabilities). The provisions described in this paragraph, by virtue of the Insurance Business Act, prevail over any other law to the extent that such other law is inconsistent with them.

1.4 The Insurance Business Act prohibits the voluntary winding up of an Insurance Undertaking that carries on long term business (within the meaning of the Insurance Business Act). In the event that such an Insurance Undertaking is being dissolved and wound up (unless the value of the assets exceeds the amount of liabilities, the below restriction will not apply to the excess assets):

1.4.1 the assets representing the technical provisions maintained by the company in respect of its long term business shall be available only for meeting the liabilities of the company attributable to that business;

1.4.2 the other assets of the company shall be available only for meeting the liabilities of the company attributable to its other business.

1.5 Where reorganisation measures and winding up proceedings have been instituted, the rules relating to detrimental transactions do not apply where a person who has benefited from a legal act detrimental to all creditors provides proof that the act is subject to the law of the Member State or EEA State and that law does not allow any means of challenging that act in the relevant case.

SCHEDULE 3
FINANCIAL INSTITUTIONS

Subject to the modifications and additions set out in this Schedule 3 (Financial Institutions), the opinions, assumptions and qualifications set out in this opinion letter will also apply in respect of Parties which are Financial Institutions. For the purposes of this Schedule 3 (Financial Institutions), "**Financial Institutions**" means companies licensed to carry on the business of a financial institution in terms of the Financial Institutions Act which are incorporated and registered under the laws of this jurisdiction.

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.

1. ADDITIONAL QUALIFICATIONS

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

1.1 Under the Financial Institutions Act, the MFSA is granted specific powers in relation to Financial Institutions, including the right to take charge of any of its assets, take control of its business, require it to wind up its business and appoint a liquidator for the purpose of winding up the affairs of the Financial Institution.

SCHEDULE 4
INVESTMENT FIRMS

Subject to the modifications and additions set out in this Schedule 4 (Investment Firms), the opinions, assumptions and qualifications set out in this opinion letter will also apply in respect of Parties which are Investment Firms. For the purposes of this Schedule 4 (Investment Firms), "**Investment Firms**" means companies (not being a protected cell company) licensed to provide investment services in terms of the Investment Services Act.

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.

1. ADDITIONAL QUALIFICATIONS

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

1.1 Under the Investment Services Act, the MFSA is granted specific powers in relation to Investment Firms, including the right to require the Investment Firm to cease operations and to wind up its affairs and for the appointment of a person to take possession and control of all documents, records, assets and property belonging to or in the possession or control of the Investment Firm.

SCHEDULE 5
LPS

Subject to the modifications and additions set out in this Schedule 5 (LPs), the opinions, assumptions and qualifications set out in this opinion letter will also apply in respect of Parties which are Limited Partnerships. For the purposes of this Schedule 5 (LPs), "**Limited Partnerships**" means limited partnerships (partnership *en commandite*) organised pursuant to the Companies Act.

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.

1. ADDITIONAL QUALIFICATIONS

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

1.1 The opinions in this opinion letter are subject to the additional qualifications contained in Schedule 6 with the exception of section 1.3 thereof.

SCHEDULE 6
TRADERS

Subject to the modifications and additions set out in this Schedule 6 (Traders), the opinions, assumptions and qualifications set out in this opinion letter will also apply in respect of Parties which are Traders. For the purposes of this Schedule 6 (Traders), "**Traders**" means individuals acting in their capacity as traders within the meaning attributed thereto in the Commercial Code.

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.

1. ADDITIONAL QUALIFICATIONS

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

1.1 In terms of the Commercial Code, every act transferring property, whether corporeal or incorporeal, including any renunciation of any succession whatsoever or of an acquired prescription, and every obligation incurred or other act made by the bankrupt under a gratuitous title for the purpose of defrauding his creditors, is null and void as regards the body of creditors, of whatever kind they may be, even though the parties interested be in good faith. Every act of the same kind and every obligation, act or payment made or incurred under an onerous title can be annulled if there be fraud also on the part of the party interested. Furthermore, any such acquisition, obligation, act or payment shall be deemed to be fraudulent as regards the party interested, if it is proved that such party knew of the bankruptcy or of the existence of circumstances giving rise to a declaration of bankruptcy.

From the date of the declaration of bankruptcy made by the Trader himself or, as the case may be, from the date of the judgment declaring the bankruptcy, the bankrupt is *ipso jure* dispossessed of the administration of all his property, whether corporeal or incorporeal, and whether relating to his business or not. Generally, everything that devolves on the debtor after the bankruptcy falls under such dispossession.

1.2 Under Maltese law, debts owing by the bankrupt, not yet fallen due, even if privileged, secured by pledge, or hypothecary, become exigible upon the declaration of bankruptcy made by the trader himself or upon the judgment of the court declaring the bankruptcy.

1.3 The Collateral Regulations and the provisions thereof do not apply to Traders.

1.4 A mandate is terminated by, *inter alia,* the death, the interdiction or the incapacitation, whether general or special, from entering into contracts, the declaration of bankruptcy, or the *cession bonorum* either of the mandator or of the mandatary.

SCHEDULE 7
SICAVS

Subject to the modifications and additions set out in this Schedule 7 (SICAVs), the opinions, assumptions and qualifications set out in this opinion letter will also apply in respect of Parties which are SICAVs. For the purposes of this Schedule 7 (SICAVs), "**SICAVs**" mean investment companies with variable share capital incorporated under the Companies Act.

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.

1. ADDITIONAL QUALIFICATIONS

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

1.1 In terms of the Companies Act (Investment Companies with Variable Share Capital) Regulations, Subsidiary Legislation 386.02 of the laws of Malta, investment companies with variable share capital may be constituted as multi-fund companies (umbrella funds). Such multi-fund SICAVs may elect, in their memorandum of association, to have the assets and liabilities of each sub-fund comprised in that company treated for all intents and purposes of law as a patrimony separate from the assets and liabilities of each other sub-fund of such company. The said regulations lay down that proceedings relating to the Dissolution and Consequential Winding up of Companies and Company Reconstructions under the Companies Act relating to insolvency proceedings of a company shall apply *mutatis mutandis* to the sub-fund as though it were a distinct legal entity and with such modifications as are necessary to accommodate the fact that the sub-fund is not a company and any such proceedings in relation to one sub-fund shall have any effect on the assets of any other sub-fund of the company or the company itself.

SCHEDULE 8
TRUSTEES

Subject to the modifications and additions set out in this Schedule 8 (Trustees), the opinions, assumptions and qualifications set out in this opinion letter (as modified and added to pursuant to Schedule 6 (Traders) in the case of a Trustee that is a Trader) will also apply in respect of Parties which are Trustees.

For the purposes of this Schedule 8 (Trustees), a "**Trust**" means an express trust validly constituted under the Trust and Trustees Act, and "**Trustee**" means a person who is an individual, a Maltese company or a foreign company and acting as trustee of a Trust.

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.

1. MODIFICATIONS TO TERMS OF REFERENCE AND DEFINITIONS

1.1 In relation to Trustees, where a Party acts as Trustee of more than one Trust, no opinion is expressed in relation to the Agreement except to the extent that the terms of the Agreement apply separately in relation to each Trust.

1.2 A defaulting Party may for the purposes of this opinion be regarded as acting as Trustee only if it comprises a single trustee or a body of trustees, and references in this opinion to a Trustee include a body of persons acting jointly as Trustee.

2. ADDITIONAL QUALIFICATIONS

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

In addition to the qualifications set out in Schedule 5 (LPs) (in the case where the Trustee is a Limited Partnership), Schedule 6 (Traders) (in the case where the Trustee is a Trader), the opinions in this opinion letter are subject to the following additional qualifications:

2.1 In terms of the Trusts and Trustees Act, a trustee is not liable for a breach of trust committed prior to his appointment and by some other person. The Trustee is however obliged, on becoming aware of it, to take all reasonable steps to have such breach remedied. Accordingly, in the event that during the life of any Transaction, there is a change in Trustee(s) of the relevant Trust in respect of which a Party is acting as Trustee, the incoming Trustee will not be held liable for a breach of trust by its predecessors, subject to the obligation to take reasonable steps to remedy the breach.

2.2 A Trustee ceases immediately to be a Trustee immediately upon, *inter alia,* steps are taken for the winding up of, or declaration of bankruptcy, of the person acting as Trustee.

2.3 The MFSA is empowered to, *inter alia,* require that any Trustee be removed or replaced or require a Trustee to cease operations and to wind up its affairs, (in accordance with such procedures and directions laid down by the MFSA) and to take

possession and control of all documents, records, assets and property belonging to or in the possession or control of the Trustee. The MFSA may also generally require anything to be done or be omitted to be done, or impose any prohibition, restriction or limitation, or any other requirement, and confer powers, with respect to any transaction or other act, or to any assets, or to any other thing whatsoever.

SCHEDULE 9
TRUSTEES OF PENSION SCHEMES

Subject to the modifications and additions set out in this Schedule 9 (Trustees of Pension Schemes), the opinions, assumptions and qualifications set out in this opinion letter (as modified and added to pursuant to Schedule 8 (Trustees) will also apply in respect of Parties which are acting as Trustees of Pension Schemes.

For the purposes of this Schedule 9 (Trustees of Pension Schemes), "Pension Scheme" means an occupational scheme (as defined in and established in terms of the Pensions Act) and which is established as a trust under the laws of this jurisdiction.

1. ADDITIONAL QUALIFICATIONS

The opinions in this opinion letter are subject to the qualifications set out Schedule 8 (Trustees) and to the following additional qualifications.

1.1 Under the Pensions Act, the MFSA is granted specific powers in relation to Trustees of Pension Schemes, including the right to require the said Trustee to wind up the Pension Scheme by an established date and in accordance with an established procedure. Furthermore, the MFSA may require the Trustee to cease operations and wind up its affairs.

1.2 The MFSA is also generally empowered to issue any directives to regulate the activities of Trustees of Pension Schemes and it may impose such conditions as it deems appropriate in relation to the services of the said Trustee. The MFSA may also restrict or prohibit the free disposal of the assets of the Pension Scheme.

1.3 In the event of a Pension Scheme accepting sponsorship from sponsoring undertakings located within the EEA/Member States other than this jurisdiction, the Pension Scheme is required to have its technical funding requirements at all times fully funded in respect of the total range of occupational retirement plans operated by it of the Act does not apply. If this condition is not met, the MFSA may require ring-fencing of the assets and liabilities in accordance with Directive 2003/41/EC on the activities and supervision of institutions for occupational retirement provision.

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 (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.