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Slovak legal collateral opinion – Non Situs Version

The Futures & Options Association

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London EC3R 8DE

22 February 2013

Dear Sirs

FOA Collateral Opinion

You have asked us to give an opinion in respect of the laws of the Slovak Republic ("**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 Parties which are

1.1.1 Slovak companies (in Slovak: "*obchodné spoločnosti*") incorporated under the Slovak Act No. 513/1991 Coll., commercial code, as amended (the "**Commercial Code**"), including Slovak general partnerships (in Slovak: "*verejné obchodné spoločnosti*"),[1] or non-Slovak companies (other than a "Societas Europea" established pursuant to EU Regulation No. 2157/2001 on the Statute of a European company, as amended), including non-Slovak general partnerships (so long as they are legal entities (in Slovak: "*právnické osoby*")), incorporated or formed under the laws of another jurisdiction which

[1] Under law of this jurisdiction the general partnerships (in Slovak: "*verejné obchodné spoločnosti*") incorporated under the Commercial Code have corporate legal personality and thus fall, and are addressed in this opinion letter, within the category of the Slovak companies.

are companies and which have a branch (in Slovak: "*organizačná zložka*") established in this jurisdiction in accordance with the Commercial Code.

1.1.2 Slovak banks within the meaning of the Slovak Act No. 483/2001 Coll., on banks, as amended (the "**Act on Banks**") and non-Slovak banks incorporated or formed under the laws of another jurisdiction which have a branch (in Slovak: "*pobočka zahraničnej banky*") established in this jurisdiction in accordance with the Act on Banks, including a branch of a non-Slovak bank, which has its registered office in another EEA member state and benefits from a single licence in accordance with EU law (the "**EEA Credit Institution**") and a branch of a non-Slovak bank, which has its registered office in a state other than an EEA member state if the non-Slovak bank was duly licensed by the National Bank of Slovakia (the "**NBS**"). For the purposes of this opinion, the Slovak banks exclude the NBS, which is regulated by the Slovak Act No. 566/1992 Coll., on the National Bank of Slovakia, as amended, and the Export-Import Bank of the Slovak Republic, which is regulated by the Slovak Act No. 80/1997 Coll., on the Export-Import Bank of the Slovak Republic, as amended.

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.

In this opinion, reference to "Slovak company" or "non-Slovak company" does not include the companies whose business is subject to special regulation. In respect of banks, for example, reference is made to "Slovak bank" or "non-Slovak bank". For certain other types of regulated companies please refer to the applicable Schedule as listed in paragraph 1.2.

1.2 This opinion is also given in respect of Parties 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 Securities Dealers (Schedule 1);

1.2.2 Insurance Providers (Schedule 2);

1.2.3 Individuals (Schedule 3);

1.2.4 Fund Entities (Schedule 4);

1.2.5 Public Entities (Schedule 5);

1.2.6 Pension Fund Entities (Schedule 6); and

1.2.7 Building Savings Banks (Schedule 7)

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 (in Slovak: "*zaknihované*") 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 This opinion relates only to laws of this jurisdiction as applied by the courts of this jurisdiction as at the date of this opinion and does not consider the impact of any laws (including insolvency laws) other than the laws of this jurisdiction, even where, under the laws of this jurisdiction, any foreign law falls to be applied. We express no opinion in this opinion letter on the laws of any other jurisdiction. Our opinion is based upon the express words of the Agreement as they would be interpreted under the laws of this jurisdiction, and takes no account of how such words would be interpreted under, or the effect of, the governing law of the Agreement.

1.5 We express no opinion as to any provisions of the Agreement other than those to which express reference is made in this opinion.

1.6 We do not express any opinion as to any matters of fact.

1.7 In this opinion letter:

1.7.1 "**Insolvency Proceedings**" means the following insolvency laws and procedures to which a Party would be subject in this jurisdiction:

(a) in relation to a Slovak company or a non-Slovak company having a branch in this jurisdiction, restructuring and bankruptcy proceedings under the Slovak Act No. 7/2005 Coll., on bankruptcy and restructuring, as amended (the "**Bankruptcy Act**"). Furthermore, the EU Insolvency Regulation has direct effect in this jurisdiction;

(b) in relation to a Slovak bank or a non-Slovak bank (other than an EEA Credit Institution) having a branch in this jurisdiction, forced administration (in Slovak: "*nutená správa*") under the Act on Banks. Following the permission of the NBS, a Slovak bank or a non-Slovak bank (other than an EEA Credit Institution) having a branch in this jurisdiction might only be subject to bankruptcy proceedings under the Bankruptcy Act (i.e. the provisions of the Bankruptcy Act on restructuring do not apply to a Slovak bank or a non-Slovak bank (other than an EEA Credit Institution) having a branch in this jurisdiction). The administrator (in Slovak: "*správca*") within the meaning of the Act on Banks might, following the permission of the NBS, file a petition for the declaration of bankruptcy relating to a Slovak bank or a non-Slovak bank (other than an EEA Credit Institution) having a branch in this jurisdiction under the Bankruptcy Act. In addition, under the Bankruptcy Act, the NBS is given specific powers to file a petition for the declaration of bankruptcy relating to a Slovak bank or a non-Slovak bank (other than an EEA Credit Institution) having a branch in this jurisdiction. Any bankruptcy or restructuring proceedings with respect to an EEA Credit Institution

will be carried out in accordance with the laws, regulations and procedures applicable in the state in which the EEA Credit Institution has been licensed;

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

1.7.3 "**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;

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

1.7.5 "**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;

1.7.6 in other instances other than those referred to at 1.7.5 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;

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

1.7.8 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;

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

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

1.8 References to "Core Provisions" include Core Provisions that have been modified by Non-Material Amendments.

2. ASSUMPTIONS

We assume the following:

2.1 That the Agreements and Transactions 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 and Transactions; to perform its obligations under the Agreement and Transactions; and that each Party has taken all necessary steps to execute, deliver and perform the Agreement and Transactions.

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 and Transactions in this jurisdiction.

2.6 That the Agreement and Transactions has been properly executed by both Parties.

2.7 That the Agreement (including the Security Interest Provisions) is entered into and each Security Interest is created (i) prior to the commencement of any Insolvency Proceedings in respect of either Party, and (ii) prior to any liquidation proceedings under the Commercial Code.

2.8 That, when entering into the Agreement, neither Party is insolvent within the meaning of the Bankruptcy Act and that neither Party will become insolvent as a result of the entering into the Agreement.

2.9 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.

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

2.11 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.

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

2.13 That all acts, conditions or things required to be fulfilled, performed or effected in connection with the Agreement or any Transaction 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.

2.14 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.

2.15 That the Security Interests pursuant to the Security Interest Provisions is a security interest created over Collateral which remains the property of the Party that created such Security Interest.

2.16 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 and, in particular, that

2.16.1 the cash expressed to be subject to a Security Interest pursuant to the Security Interest Provisions shall at all relevant times be held in an account that is maintained outside this jurisdiction;

2.16.2 the securities expressed to be subject to a Security Interest pursuant to the Security Interest Provisions comprise account-held securities that shall at all relevant times be held in an evidence, in which the ownership right or other right *in rem* are recorded, maintained outside this jurisdiction.

2.17 That each Party when creating the Security Interest over the Collateral pursuant to the Security Interest Provisions, will have full legal title to such Collateral at the time of such creation, free and clear of any lien, claim, charge or encumbrance or any other interest of the party creating the Security Interest or of any third person (other than a lien routinely imposed on all securities in a relevant clearance or settlement system).

2.18 That all Collateral subject to the Security Interest is capable of being charged with the Security Interest and all acts or things required by the laws of any jurisdiction other

than this jurisdiction to be done to ensure the validity of each Security Interest over the Collateral pursuant to the Security Interest Provisions will have been effectively carried out.

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

2.20 That neither the execution of the Agreement or any Transaction by the Parties nor the performance of the obligations of the Parties under the Agreement or such Transaction conflicts with or will conflict with any term of their constitutive documents.

2.21 That the Slovak company has its "centre of main interest" in the Slovak Republic and the branch of a non-Slovak company constitutes an "establishment", in each case within the meaning of Regulation (EC) No. 1346/2000 on insolvency proceedings, as amended (the "**EU Insolvency Regulation**"), which applies to all EU member states other than Denmark.[2]

2.22 That all acts, conditions or things, including, without limitation, reflection in the records of the Parties, any filing or registration, required to be fulfilled, performed or effected for the Security Interest Provisions to be effective under all applicable law(s) (other than the laws of this jurisdiction) have been, or will in good time be, duly fulfilled, performed and effected.

2.23 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 Where the Defaulting Party is a Slovak company or a non-Slovak compay, or a Slovak bank or a non-Slovak bank (other than an EEA Credit Institution) having a branch in this jurisdiction, following the occurrence of an Event of Default, including as a result of the opening of any Insolvency Proceedings (other than as stated under paragraph 3.1.2 below), the Non-Defaulting Party would unlikely be entitled to enforce the Security Interest in respect of the Collateral, provided that the Non-Defaulting Party might be entitled to enforce the Security Interest in respect of the Collateral in the bankruptcy proceedings

[2] According to the EU Insolvency Regulation, an "establishment" shall mean any place of operation where the debtor carries out a non-transitory economic activity with human means and goods.

until the declaration of bankruptcy (in Slovak: "*vyhlásenie konkurzu*") in respect of the Defaulting Party.

3.1.2 Where the Defaulting Party is a Slovak bank or a non-Slovak bank (other than an EEA Credit Institution) having a branch in this jurisdiction, following the occurrence of an Event of Default resulting from the commencement of forced administration (in Slovak: "*zavedenie nútenej správy*") under the Act on Banks, the Non-Defaulting Party would be entitled to enforce the Security Interest in respect of the Collateral.

3.1.3 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 in the bankruptcy proceedings prior to the declaration of bankruptcy (in Slovak: "*vyhlásenie konkurzu*") in respect of the Defaulting Party or under circumstances set out in paragraph 3.1.2 above.

3.1.4 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 Our opinion is given to the extent that the Security Interest pursuant to the Security Interest Provisions qualifies as (i) a security financial collateral arrangement in relation to cash within the meaning of the Slovak Act No. 40/1964 Coll., civil code, as amended (the "**Civil Code**"); or (ii) a security financial collateral arrangement in relation to account-held securities within the meaning of the Slovak Act No. 566/2001 Coll., on securities and investment services, as amended (the "**Securities Act**"), both implementing the Directive 2002/47/EC on financial collateral arrangements, as amended (the "**Financial Collateral Directive**").

4.2 The following are the main characteristics of a security financial collateral arrangement under the Civil Code and the Securities Act, as applicable:

4.2.1 according to both the Civil Code and the Securities Act, both Parties to the security financial collateral arrangement have to fall within one of the categories set out in Annex 4 (*Eligible counterparties*).

4.2.2 the financial collateral can comprise of

(a) according to the Civil Code, an account receivable, deposit receivable (other than securities), other form of deposit receivables, and loan receivables; and

(b) according to the Securities Act, "securities" as defined by the Securities Act, including (i) shares (in Slovak: "*akcie*"); (ii) interim certificates (in Slovak: "*dočasné listy*"); (iii) units in common funds (in Slovak: "*podielové listy*"); (iv) bonds (in Slovak: "*dlhopisy*"); (v) deposit certificates (in Slovak: "*vkladové listy*"); (vi) treasury bills (in Slovak: "*pokladničné poukážky*"); (vii) pass books (in Slovak: "*vkladné knižky*"); (viii) coupons (in Slovak: "*kupóny*"); (ix) bills of exchange and promissory notes (in Slovak: "*zmenky*"); (x) cheques (in Slovak: "*šeky*"); (xi) traveller's cheques (in Slovak: "*cestovné šeky*"); (xii) bills of lading (in Slovak: "*náložné listy*"); (xiii) warehouse certificates (in Slovak: "*skladištné listy*"); (xiv) warehouse warrants (in Slovak: "*skladiskové záložné listy*"); (xv) goods warrants (in Slovak: "*tovarové záložné listy*"); (xvi) shares in cooperatives (in Slovak: "*družstevné podielnické listy*"); (xvii) investment certificates (in Slovak: "*investičné certifikáty*"); and (xviii) other types of securities designated as such under the laws of this jurisdiction, provided that only the securities under (i) to (iv), (vi), (xvi), to (xviii) can have a form of account-held securities.

If any Collateral did not fall within the categories according to the Civil Code or the Securities Act as described in paragraph 4.2.2, it is not entirely clear whether it would impair the enforceability of the Security Interest Provisions in relation to the Collateral that falls within the categories as described in paragraph 4.2.2.

The Securities Act provides that a security financial collateral arrangement in relation to account-held securities is created by entering into a written security financial collateral agreement and registration of the security financial collateral arrangement in the securities holder's account.[3] The Civil Code provides that a security financial collateral arrangement in relation to cash is created by entering into a security financial collateral agreement. In addition, the security financial collateral arrangement in relation to cash may, at anytime during its existence, be registered in the Central Notarial Register of Pledges kept pursuant to the Slovak Act No. 323/1992 Coll., on notaries and notarial activities, as amended. However, if there are several security arrangements created over cash, the security financial collateral arrangements registered in the Central Notarial Register of Pledges are satisfied based on the priority of their respective registration prior to other unregistered security financial collateral arrangements. Consequently, registration of the Collateral might be required by the laws of this jurisdiction to be done to ensure the validity and/or priority of each

[3] Moreover, the Securities Act provides that a security financial collateral arrangement in favour of the NBS is also created by entering into a loan transaction with the NBS for the duration of the respective commercial relationship.

Security Interest over the Collateral pursuant to the Security Interest Provisions to be effectively carried out.

4.3 To the extent that the Security Interest pursuant to the Security Interest Provisions does not qualify as a "security financial collateral arrangement" within the meaning of the Civil Code or Securities Act, it would likely be characterised as a "pledge" (in Slovak: "*záložné právo*") as a matter of the laws of this jurisdiction. In such case, the Party would neither be entitled to enforce the Security Interest in respect of the Collateral nor borrow, lend, dispose or otherwise use for its own benefit any Collateral as envisaged in the Security Interest Provisions and the Rehypothecation Clause respectively.

4.4 Under the Securities Act, the validity, effectiveness and enforcement of the Security Interest in account-held securities recorded in a register or on an account, including the validity and effectiveness of the respective security financial collateral agreement, must be governed exclusively by law of the country in which the relevant register or account is maintained. Consequently, the law of the country in which the relevant register or account is maintained applies not only to the proprietary aspects (e.g., perfection requirements), but also to the contractual aspects of a security financial collateral arrangement. Moreover, the choice of governing law by parties to a security financial collateral agreement is expressly prohibited by the Securities Act. As a result, it appears that there is a material risk that:

4.4.1 the choice of English law or the laws of the State of New York to govern the Agreement would not be recognised in respect of the Security Interest Provisions related to the account-held securities; and

4.4.2 an Insolvency Representative or a court in this jurisdiction would have regard to (i) English law in case of account-held securities recorded in a register or on an account maintained in England; and (ii) laws of the State of New York in case of account-held securities recorded in a register or on an account maintained in the State of New York.

In such case, the Non-Defaulting Party might not be entitled to enforce the Security Interest in respect of the Collateral in the form of account-held securities either at all or only subject to, and in accordance with, the law of the country in which the relevant register or account is maintained, as the law of that country would be applied by courts of this jurisdiction.

4.5 In respect of the security financial collateral arrangement in relation to cash, it might be argued that the courts of this jurisdiction could apply the Slovak Act No. 97/1963 Coll., on international private and procedural law, as amended (the "**IPPL Act**"). Under the IPPL Act, the proprietary aspect of a security over an asset should be governed by the law of the place where the asset is located (lex situs). However, there is uncertainty under laws of this jurisdiction as to how the location of receivables can be determined and what criteria other than the location (*lex situs*) may be relevant for the determination of the proprietary aspects of the Security Interest in receivables. Consequently, the proprietary aspects of the security financial collateral arrangement in relation to cash could be governed by the law of the country where the respective

account is maintained or by the law of the country where the account bank has its registered office.

4.6 If at any relevant times the cash expressed to be subject to a Security Interest pursuant to the Security Interest Provisions is held with an account bank that has its registered office in this jurisdiction and the claim of the holder of the account against the account bank for repayment of the balance standing to the credit of the account is governed by the laws of this jurisdiction, the Collateral may be deemed located in this jurisdiction and consequently the proprietary aspects as set out in qualification 4.5 may be governed by the laws of this jurisdiction.

4.7 The Bankruptcy Act does not expressly protect the security financial collateral arrangement from the effects of the bankruptcy or restructuring proceedings in respect of a Slovak company or a non-Slovak company having a branch in this jurisdiction. Nevertheless, if the Event of Default results from the commencement of the bankruptcy proceedings (in Slovak: "*začatie konkurzného konania*") pursuant to the Bankruptcy Act in respect of a Slovak company or a non-Slovak company having a branch in this jurisdiction, the Non-Defaulting Party might be entitled to enforce the Security Interest in respect of the Collateral provided that the Collateral consists of (a) cash; (b) receivables from an account maintained by a Slovak bank or a non-Slovak bank having a branch in this jurisdiction (both within the meaning of the Act on Banks); (c) state bonds; or (d) transferrable securities[4] within the meaning of Slovak law.[5]

Upon declaration of bankruptcy (in Slovak "*vyhlásenie konkurzu*"), the Non-Defaulting Party would unlikely be entitled to enforce the Security Interest in respect

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[4] The Bankruptcy Act refers to the definition of transferrable securities contained in the Slovak Act No. 594/2003 Coll., on collective investment, as amended (the "**Old Collective Investment Act**"), as the Old Collective Investment Act contained, at the moment of introducing the Bankruptcy Act into law of this jurisdiction (i.e. 14 January 2005), the sole legal definition of the transferable securities. The Old Collective Investment Act was repealed as of 1 July 2011 by the Slovak Act No. 203/2011 Coll., on collective investment (the "**Collective Investment Act**"). According to the Collective Investment Act, the transferrable securities include: (i) shares, interim certificates and other securities incorporating rights similar to those attached to shares issued by a domestic or foreign company in this jurisdiction or abroad; (ii) bonds and securities created through the transformation of credits or loans, issued in this jurisdiction or abroad; or (iii) other tradable securities issued in this jurisdiction or abroad incorporating the right to acquire the securities mentioned in (i) or (ii) above through subscription or exchange, with the exception of the techniques and instruments relating to transferrable securities or financial market instruments. We note, however, that since 1 August 2005, the Securities Act also contains a definition of the "transferrable securities". Although it could be argued that the term "transferrable securities" under the Bankruptcy Act should be construed in accordance with the Collective Investment Act on the basis of the express cross-reference in the Bankruptcy Act, no assurance can be given whether or not the courts of this jurisdiction would adopt this view. In any case, the definition of "transferrable securities" under the Securities Act does not substantially differ from the definition of the same under the Collective Investment Act.

[5] In addition, even if the Collateral does not fall within one of the categories under (a) to (d) above, the Non-Defaulting party would be, regardless of the commencement of the bankruptcy proceedings, entitled to continue in the exercise of the power to sell the Collateral through a voluntary auction pursuant to the Slovak Act No. 527/2002 Coll., on voluntary auction, as amended (the "**Voluntary Auction Act**"). However, since the Collateral consists of cash and securities located outside this jurisdiction and is provided under the Agreement governed by English law or the laws of the State of New York, it is unlikely that the power to sell the Collateral would be exercised in accordance with the Voluntary Auction Act.

of the Collateral on the basis that the Bankruptcy Act does not protect enforcement of a security financial collateral arrangement from the effects of the declaration of bankruptcy (in Slovak: "*vyhlásenie konkurzu*") in respect of a Slovak company or a non-Slovak company having a branch in this jurisdiction. Consequently, the general rules applicable to security interests would apply and the Non-Defaulting Party would only be entitled to enforce the Security Interest subject to, and in accordance with, the Bankruptcy Act.

Moreover, the provisions of the Bankruptcy Act regarding invalidity or ineffectiveness of undervalue and preferential transactions, as well as fraudulent transactions, will apply to the Security Interest Provisions and may thus potentially affect the Security Interest Provisions by rendering them invalid or ineffective or by preventing, delaying or otherwise affecting the exercise of the rights of the Non-Defaulting Party.

Under the Bankruptcy Act, the Insolvency Representative may challenge as ineffective following legal acts, including any Security Interest:

(a) any preferential transaction (i.e., a transaction resulting in a greater satisfaction of a creditor than that it would otherwise receive in bankruptcy, to the detriment of other creditors);

(b) any transaction at undervalue (i.e., a transaction by which the debtor undertook to render performance without consideration or for consideration the usual price of which is substantially lower than the usual price of performance that the debtor undertook to render); or

(c) any transaction defrauding creditors (i.e., a transaction by which the debtor intentionally curtailed satisfaction of a creditor provided that the intention was known to the other party or, given all the circumstances, must have been known to the other party).

The Insolvency Representative can challenge the preferential transactions and the transactions at undervalue entered into one year prior to the commencement of the bankruptcy proceedings (or, in respect of such transactions with connected parties, three years prior to the commencement of the bankruptcy proceedings). The Insolvency Representative can challenge transactions defrauding creditors undertaken five years prior to the commencement of the bankruptcy proceedings. For the preferential transactions and the transactions at undervalues, such challenge can only be successful if the debtor were either insolvent or became insolvent as the result of the transaction (the debtor's insolvency would be presumed in respect of the transactions with connected parties).

Consequently, please note that (i) if the Defaulting Party were insolvent within the meaning of the Bankruptcy Act when providing the Collateral or became insolvent as a result of the provision of the Collateral; and (ii) the Insolvency Representative were successful in challenging the Security Interest on the basis of the above anti-avoidance rules, the Non-Defaulting Party would not be entitled to enforce the Security Interest in respect of the Collateral.

4.8 If the Event of Default results from the commencement of restructuring proceedings (in Slovak: "*začatie reštrukturalizačného konania*") in respect of a Slovak company or a non-Slovak company having a branch in this jurisdiction, the Non-Defaulting Party would unlikely be entitled to enforce the Security Interest in respect of the Collateral on the basis that the Bankruptcy Act does not protect enforcement of a security financial collateral arrangement from the effects of the restructuring proceedings in respect of a Slovak company or a non-Slovak company having a branch in this jurisdiction. Consequently, the general rules applicable to security interests would apply and the Non-Defaulting Party would not be entitled to commence or continue the enforcement of the Security Interest in respect of the Collateral securing the claims of the Non-Defaulting Party against the Defaulting Party which must be filed with the administrator within the restructuring proceedings pursuant to the Bankruptcy Act (i.e. any claims arising prior to the publication of the court decision on the commencement of restructuring proceedings in the Commercial Gazette (in Slovak: "*Obchodný vestník*")).

4.9 If the Event of Default results from bankruptcy proceedings under the Bankruptcy Act in respect of a Slovak bank or a non-Slovak bank (other than an EEA Credit Institution) having a branch in this jurisdiction, the Non-Defaulting Party would be entitled to enforce the Security Interest in respect of the Collateral under the same conditions and to the same extent as in case of the Defaulting Party being a Slovak company or a non-Slovak company having a branch in this jurisdiction (please refer to paragraph 4.7), save that:

4.9.1 according to the Bankruptcy Act, a security financial collateral arrangement (i.e. the Security Interest) established between two "eligible counterparties" as described in paragraph 4.2.1 (i.e. the Non-Defaulting Party also falls within the definition of the "eligible counterparty") in relation to (a) cash; (b) receivables from account maintained by a Slovak bank; (c) state bonds; or (d) transferrable securities within the meaning of Slovak law[6] (the "**Protected Arrangement**") on the day of the declaration of bankruptcy in respect of the Defaulting Party, but after the publication of the court decision on the declaration of bankruptcy in the Commercial Gazette (in Slovak: "*Obchodný vestník*"), is deemed validly created if the Non-Defaulting Party demonstrates that it was not, nor could have been, aware of the declaration of bankruptcy; and

4.9.2 the Protected Arrangement may not be challenged as ineffective pursuant to the Bankruptcy Act on the basis that the Protected Arrangement has come into existence later than the obligation collateralized by such Protected Arrangement.

4.10 If the Event of Default results from the commencement of forced administration (in Slovak: "*zavedenie nútenej správy*") under the Act on Banks by the NBS against a Slovak bank or a non-Slovak bank (other than an EEA Credit Institution) having a branch in this jurisdiction, the Non-Defaulting Party would only be entitled to

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[6] See footnote 4 above.

enforce the Security Interest provided that the Agreement is entered into between two "eligible counterparties" as described in paragraph 4.2.1 (i.e. the Non-Defaulting Party also falls within the definition of the "eligible counterparty") and the Collateral falls within the categories as described in paragraph 4.2.2.

4.11 In any case, subject to the creation of the Protected Arrangement as described in paragraph 4.9.1, the Non-Defaulting Party would unlikely be entitled to enforce the Security Interest in respect of the Collateral provided after the commencement of any Insolvency Proceedings against the Defaulting Party (or the Collateral provided after any liquidation proceedings under the Commercial Code).

4.12 Given the absence of available court decisions regarding the security financial collateral arrangements, it is difficult to determine how the courts of this jurisdiction would construe and apply the relevant legal provisions and no assurance can be given that the courts of this jurisdiction would arrive at the same conclusions as those contained in this opinion.

4.13 The Civil Code provides for a general rule that any transaction is invalid if its contents or purpose contradicts or circumvents any law (i.e., not only the Civil Code) or if such transaction contravenes good morals. Since it is not entirely clear how the general rule applies to entities whose business is subject to special regulation, there is a risk that the Agreement or any Security Interest would be invalid if the Agreement or such Security Interest contradicted or circumvented such special regulation, including any prudential or conduct of business rules as well as any other regulatory rules or restrictions contained in such special regulation.

4.14 While we do not express any view as to whether both the execution of the Agreement or the creation of any Security Interest by a Slovak bank or a branch of a non-Slovak bank and the performance of the obligations of the Slovak bank or the branch of the non-Slovak bank under the Agreement complies with or will comply with any prudential or conduct of business rules as well as any other regulatory rules or restrictions presently in force and applicable to the Slovak bank or the branch of the non-Slovak bank, we note that the Act on Banks provides that Slovak banks and branches of non-Slovak banks may not enter into agreements on terms that are significantly disadvantageous to them (in particular agreements that bound them to an economically unjustifiable performance or a performance manifestly inadequate to the consideration provided, or that provide for manifestly inadequate security to secure their receivables).

4.15 The Bankruptcy Act provides that a receivable denominated in a currency other than Euro shall be converted into Euro at the foreign exchange reference rate determined and published by the European Central Bank or the NBS on the day the bankruptcy was declared. Consequently, if the Liquidation Amount is payable by the Defaulting Party, it will have to be converted into Euro when the Non-Defaulting Party files the corresponding claim with the court of this jurisdiction.

4.16 Where a Party is vested with a discretion or may determine a matter in its opinion, the laws of this jurisdiction may require that:

4.16.1 such discretion is granted in respect of a sufficiently clearly defined matter; and

4.16.2 such discretion is exercised reasonably or such opinion is based on reasonable grounds.

4.17 Any provision in the Agreement providing that any calculation or certification is to be conclusive and binding will not be effective if such calculation or certification is fraudulent and will not necessarily prevent judicial enquiry into the merits of any claim by any party thereto. The concept of prima facie evidence may not be recognised under laws of this jurisdiction.

4.18 Under the Civil Code, a creditor of a party may ask the court to declare that the party's legal act that curtails satisfaction of the creditor's enforceable claim is ineffective against the creditor if:

4.18.1 the act was made during the last three years;

4.18.2 the party made the act with the intention to curtail its creditors; and

4.18.3 the party's counterparty must have been aware of this intention.

It is also possible to challenge a transaction entered into by a party within last three years if the party assumed an obligation without an adequate consideration provided that:

(a) the party became insolvent on a cash-flow basis as a result of the transaction; or

(b) the transaction was entered into with the intention to defer or frustrate a payment to a creditor without any ground; or

(c) the transaction was entered into with the intention to assume a debt that the party would not be able to discharge upon its maturity.

Whilst we express no opinion as to whether any particular Security Interest could be declared ineffective on the basis that it meets the above conditions, we are not aware of any reason why the Security Interest Provisions itself should be found ineffective on that basis.

4.19 Where a Defaulting Party is a Slovak company or a non-Slovak company and the centre of its main interests is in an EU member state other than this jurisdiction or Denmark, the EU Insolvency Regulation will apply. In such a case the courts of this jurisdiction have no jurisdiction to implement insolvency proceedings except in a case where the Party has an establishment (within the meaning in the EU Insolvency Regulation) in this jurisdiction, and then only to implement insolvency proceedings governed by laws of this jurisdiction in relation to the assets situated (or deemed under the EU Insolvency Regulation to be situated) in this jurisdiction.

4.20 Where a Defaulting Party, which is a Slovak company or a Slovak bank, has its assets situated in a non-EU member state, an Insolvency Representative in this jurisdiction could include such assets into bankruptcy proceedings opened in this jurisdiction provided that the laws of the non-EU member state allow for such inclusion.

4.21 The opinions expressed in this opinion letter are subject to the effects of any United Nations, European Union or Slovak sanctions or other similar measures implemented or effective in this jurisdiction with respect to the Counterparty which is, or is controlled by or otherwise connected with, a person resident in, incorporated in or constituted under the laws of, or carrying on business in a country to which any such sanctions or other similar measures apply, or is otherwise the target of any such sanctions or other similar measures.

4.22 If the effect of proceedings in a forum outside this jurisdiction is to extinguish claims or liabilities under the governing law of those claims or liabilities, the courts of this jurisdiction may recognise the extinction of those claims or liabilities.

4.23 We express no opinion as to any liability or any other matter relating to tax or similar duty.

4.24 Certain transactions entered into by parties connected through a director, a procurists, other persons entitled to act on behalf of the parties, and any close persons (in Slovak: "*blízka osoba*")[7] to such persons, are subject to strict rules under the Commercial Code, the breach of which can cause the transaction being null and void.

4.25 Certain transactions entered into by affiliated parties (e.g. a party being a founder of or a direct holder of equity interest in the other party, close persons to or any person controlling or controlled[8] by any of these persons) are subject to strict rules under the Commercial Code, the breach of which can cause the transaction not being effective between the parties, and consequently unenforceable.

4.26 The Bankruptcy Act provides for statutory subordination of contractual penalties and any claims, which are or used to be owned by a person, which is or used to be a related party (in Slovak: "*spriaznená osoba*")[9] to the debtor. Any security established over subordinated claims will be deemed ineffective.

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[7] Generally under law of this jurisdiction, a "close person" means a relative in the direct line of descent, a sibling or a spouse; other persons within a family or a similar relationship shall be considered to be close persons if a detriment suffered by one of them would be reasonably perceived by the other person as its own detriment.

[8] Generally under law of this jurisdiction, a "controlled person" is an entity in which certain other entity (a "controlling person") owns a simple majority of the voting rights through an equity interest or as a result of holding shares to which the majority of voting rights is attached or, as a result of the entering into agreements with other parties, may exercise the majority of the voting rights.

[9] According to the Bankruptcy Act, a "related party" to a legal entity is (i) the statutory body or a member of the statutory body, a managing employee (within the meaning of Act No. 311/2001 Coll., the labour code, as amended), a procurist (in Slovak: "*prokurista*") or a member of the supervisory board of the legal entity; (ii) an entity which holds a qualified interest in the legal entity; (iii) the statutory body or a member of the statutory body, a managing employee, a procurist or a member of the supervisory board of a legal entity

4.27 If required by the Slovak Act No. 211/2000 Coll., on free access to information, as amended, certain agreements must be mandatorily published. Such agreements only become effective the following day of their mandatory publication (provided that none of the exceptions applies).

4.28 The opinions expressed in paragraph 3 are subject to general principles of laws of this jurisdiction, without limitation, including the following:

4.28.1 pursuant to the Commercial Code, damages shall be paid in money. Restitution into the original state will only be ordered to the plaintiff's application where this is both possible and customary;

4.28.2 under the Commercial Code, certain terms of an agreement may be left open for later determination provided, however, that such determination is not dependent solely on the discretion of one party. Accordingly, it may be difficult to enforce terms of the Agreement that attempt to vest one party with discretion over a determination of a matter that could be viewed as a term of the agreement. Accordingly, it is not clear whether court of this jurisdiction would enforce provisions providing that any calculation, determination or certification effected by a party to an agreement is to be conclusive and binding;

4.28.3 under the Civil Code, no one may agree to waive rights that may only arise in the future;

4.28.4 under the Commercial Code, no one may waive the right to claim damages prior to the occurrence of the event that may cause the damages to arise;

4.28.5 a party to a contract may be able to avoid its obligations under a contract (and may have other remedies) where it has been induced to enter into that contract by a mistake as to a decisive circumstance relating to the contract, where the mistake was caused by, or known to, the other party or where the other party caused the mistake intentionally; and

4.28.6 concepts of clarity, materiality, reasonableness and good faith, as interpreted and applied by the courts of this jurisdiction.

4.29 A party whose interests conflict with the interests of another party may not represent the latter party as an attorney and the latter party may not validly waive its right to revoke a power of attorney which appoints the former party at any time.

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listed under (ii); (iv) a close person to any of the individuals listed under (i) to (iii); or (v) another legal entity in which the legal entity or any of entities listed under (i) to (iv) holds a qualified interest. In addition, a "related party" to an individual is a close person to the individual as well as a legal entity in which the individual or a close person to the individual holds a qualified interest. A "qualified interest" means a direct or indirect interest representing at least 5 per cent. of the share capital of a legal entity or voting rights in a legal entity or the possibility of a management control of a legal entity comparable to such 5 per cent. interest, and an "indirect interest" means an interest held through an intermediary legal entity in which the holder of the indirect interest holds a qualified interest.

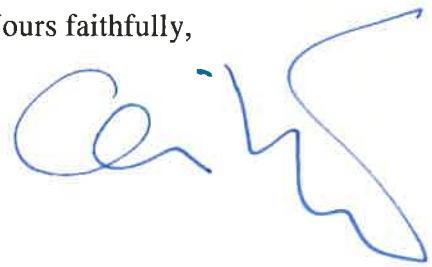
4.30 The Slovak Foreign Exchange Act (No. 202/1995 Coll., as amended) provides for a state of emergency in the foreign exchange economy. During the state of emergency, when the ability to make payments to foreign countries is immediately and seriously jeopardized, it is forbidden *inter alia* to make any payments from the Slovak Republic abroad. However, the Government may declare a state of emergency only if (a) there is an unfavourable trend in the balance of payments; and (b) this trend seriously jeopardizes the ability to make payments to foreign countries or the internal currency balance of the Slovak Republic. The state of emergency shall elapse no later than three months after the day on which it was announced. As far as we are aware the state of emergency in foreign exchange economy has never been declared in the Slovak Republic.

4.31 The Slovak Economic Mobilisation Act (No. 179/2011 Coll., as amended) provides for measures in states of emergency and other crisis situations. There are circumstances under that Act in which a Party may be obligated to contribute its tangible assets towards relief efforts.

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

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,



SCHEDULE 1
SECURITIES DEALERS

Subject to the modifications and additions set out in this Schedule 1 (*Securities Dealers*), the opinions, assumptions and qualifications set out in this opinion letter will also apply in respect of Parties which are Securities Dealers. For the purposes of this Schedule 1 (*Securities Dealers*) "**Securities Dealers**" mean Slovak securities dealers (in Slovak: "*obchodníci s cennými papiermi*") within the meaning of the Securities Act (other than a bank within the meaning of the Act on Banks) and non-Slovak securities dealers incorporated or formed under the laws of another jurisdiction (other than a foreign bank within the meaning of the Act on Banks) which have a branch (in Slovak: "*organizačná zložka*") established in this jurisdiction in accordance with the Securities Act, including a branch of a non-Slovak securities dealer, which has its registered office in another EEA member state and benefits from a single licence in accordance with EU law (the "**EEA Securities Dealer**") and a branch of a non-Slovak securities dealer, which has its registered office in a state other an EEA member state if the non-Slovak securities dealer was duly licensed by the NBS.

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 The definition of "Insolvency Proceedings" in paragraph 1.7.1 is deemed deleted and replaced with the following:

> "*"**Insolvency Proceedings**" means the following insolvency laws and procedures to which a Party which is a Securities Dealer would be subject in this jurisdiction:*
>
> *(a) in relation to a Slovak securities dealer and a non-Slovak securities dealer (other than an EEA Securities Dealer) having a branch in this jurisdiction, forced administration (in Slovak: "*nútená správa*") under the Securities Act;*
>
> *(b) bankruptcy proceedings under the Slovak Act No. 7/2005 Coll., on bankruptcy and restructuring, as amended (the "**Bankruptcy Act**"). Following a permission of the NBS, a Securities Dealer might only be subject to bankruptcy proceedings under the Bankruptcy Act (i.e. the Securities Dealer might not be subject to restructuring proceedings under the Bankruptcy Act). The forced administrator might, following the permission of the NBS, file a petition for the declaration of bankruptcy relating to a Slovak securities dealer and a non-Slovak securities dealer (other than an EEA Securities Dealer) having a branch in this jurisdiction under the Bankruptcy Act. In addition, under the Bankruptcy Act, the NBS is given specific powers to file a petition for the declaration of bankruptcy relating to a Securities Dealer;*"

2. MODIFICATIONS TO ASSUMPTIONS

2.1 The assumption in paragraph 2.21 is deemed deleted and replaced with the following:

*"That the Other Securities Dealer (as defined in section 4) has its "centre of main interest" in the Slovak Republic and the branch of a non-Slovak Other Securities Dealer constitutes an "establishment", in each case within the meaning of Regulation (EC) No. 1346/2000 on insolvency proceedings, as amended (the **"EU Insolvency Regulation"**), which applies to all EU member states other than Denmark."* [10]

3. MODIFICATIONS TO OPINIONS

On the basis of the terms of reference and assumptions and subject to the qualifications (in each case set out in this opinion letter as modified, or added to, by this Schedule), we are of the following opinion:

3.1 Valid Security Interest: Securities Dealers

3.1.1 Where the Defaulting Party is a Securities Dealer, following the occurrence of an Event of Default, including as a result of the opening of any Insolvency Proceedings (other than as stated under section 3.1.2 below), the Non-Defaulting Party would unlikely be entitled to enforce the Security Interest in respect of the Collateral, provided that the Non-Defaulting Party might be entitled to enforce the Security Interest in respect of the Collateral in the bankruptcy proceedings until the declaration of bankruptcy (in Slovak: "*vyhlásenie konkurzu*") in respect of the Defaulting Party.

3.1.2 Where the Defaulting Party is a Slovak securities dealer or a non-Slovak securities dealer (other than an EEA Securities Dealer) having a branch in this jurisdiction, following the occurrence of an Event of Default resulting from the commencement of forced administration (in Slovak: "*zavedenie nútenej správy*") under the Securities Act, the Non-Defaulting Party would be entitled to enforce the Security Interest in respect of the Collateral.

3.1.3 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 in the bankruptcy proceedings prior to the declaration of bankruptcy (in Slovak: "*vyhlásenie konkurzu*") in respect of the Defaulting Party, which is a Securities Dealer, or under circumstances set out in section 3.1.2 above.

3.1.4 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.

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[10] According to the EU Insolvency Regulation, an "establishment" shall mean any place of operation where the debtor carries out a non-transitory economic activity with human means and goods.

4. ADDITIONAL QUALIFICATIONS

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

*"As the Securities Act provides that a client's assets (in Slovak: "*majetok klienta*") placed with a Slovak securities dealer or a non-Slovak securities dealer (other than an EEA Securities Dealer) having a branch in this jurisdiction do not form part of the assets of the Slovak securities dealer or the non-Slovak securities dealer (other than an EEA Securities Dealer) having a branch in this jurisdiction, the client's assets should not, according to the Bankruptcy Act, form the part of the bankruptcy estate of the Slovak securities dealer or the non-Slovak securities dealer (other than an EEA Securities Dealer) having a branch in this jurisdiction. Following the suspension of the Securities Dealer right to dispose with the client's assets as a result of a decision in the course of the bankruptcy proceedings under the Bankruptcy Act, the client is entitled to either (i) have the securities and financial instruments returned (and the Securities Dealer is obliged to return the securities and financial instruments provided it does not detriment claims of other clients); or (ii) be reimbursed by the Slovak Investment Guarantee Fund under the conditions set out in the Securities Act.*

*As the EU Insolvency Regulation excludes from its scope only the Securities Dealers which provide services involving the holding of funds or securities for third parties, the EU Insolvency Regulation will likely apply to the Securities Dealers which do not provide such services. The insolvency regime of those Securities Dealers which do not hold funds or securities for third parties will therefore correspond to the insolvency regime of Slovak companies. For the purposes of this Schedule 1 (Securities Dealers) it will be distinguished between the "**Securities Dealers Holding Funds for Third Parties**" and the "**Other Securities Dealers**" where applicable."*

5. MODIFICATIONS TO QUALIFICATIONS

Furthermore, the qualifications at paragraph 4 are deemed modified as follows.

5.1 The qualification in paragraph 4.7 is deemed deleted and replaced with the following:

*"The Bankruptcy Act does not expressly protect the security financial collateral arrangement from the effects of the bankruptcy proceedings in respect of a Securities Dealer. Nevertheless, if the Event of Default results from the commencement of the bankruptcy proceedings (in Slovak: "*začatie konkurzného konania*") pursuant to the Bankruptcy Act in respect of a Securities Dealer, the Non-Defaulting Party might be entitled to enforce the Security Interest in respect of the Collateral provided that the Collateral consists of (a) cash; (b) receivables from an account maintained by a Slovak bank or a non-Slovak bank having a branch in this jurisdiction (both within*

the meaning of the Act on Banks); (c) state bonds; or (d) transferrable securities[11] *within the meaning of Slovak law.*[12]

Moreover, according to the Bankruptcy Act, a security financial collateral arrangement (i.e. the Security Interest) established between two "eligible counterparties" as described in paragraph 4.2.1 (i.e. the Non-Defaulting Party also falls within the definition of the "eligible counterparty") in relation to (a) cash; (b) receivables from account maintained by a Slovak bank; (c) state bonds; or (d) transferrable securities within the meaning of Slovak law (the ***"Protected Arrangement"****) on the day of the declaration of bankruptcy in respect of the Defaulting Party, but after the publication of the court decision on the declaration of bankruptcy in the Commercial Gazette (in Slovak: "*Obchodný vestník*"), is deemed validly created if the Non-Defaulting Party demonstrates that it was not, nor could have been, aware of the declaration of bankruptcy.*

*However, upon declaration of bankruptcy (in Slovak: "*vyhlásenie konkurzu*"), the Non-Defaulting Party would unlikely be entitled to enforce the Security Interest in respect of the Collateral on the basis that the Bankruptcy Act does not protect enforcement of a security financial collateral arrangement from the effects of the declaration of bankruptcy (in Slovak: "*vyhlásenie konkurzu*") in respect of a Securities Dealer (i.e. the Bankruptcy Act only protects creation of the Protected Arrangement as described above). Consequently, the general rules applicable to security interests would apply and the Non-Defaulting Party would only be entitled to enforce the Security Interest subject to, and in accordance with, the Bankruptcy Act.*

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[11] The Bankruptcy Act refers to the definition of transferrable securities contained in the Slovak Act No. 594/2003 Coll., on collective investment, as amended (the "**Old Collective Investment Act**"), as the Old Collective Investment Act contained, at the moment of introducing the Bankruptcy Act into law of this jurisdiction (i.e. 14 January 2005), the sole legal definition of the transferable securities. The Old Collective Investment Act was repealed as of 1 July 2011 by the Slovak Act No. 203/2011 Coll., on collective investment (the "**Collective Investment Act**"). According to the Collective Investment Act, the transferrable securities include: (i) shares, interim certificates and other securities incorporating rights similar to those attached to shares issued by a domestic or foreign company in this jurisdiction or abroad; (ii) bonds and securities created through the transformation of credits or loans, issued in this jurisdiction or abroad; or (iii) other tradable securities issued in this jurisdiction or abroad incorporating the right to acquire the securities mentioned in (i) or (ii) above through subscription or exchange, with the exception of the techniques and instruments relating to transferrable securities or financial market instruments. We note, however, that since 1 August 2005, the Securities Act also contains a definition of the "transferrable securities". Although it could be argued that the term "transferrable securities" under the Bankruptcy Act should be construed in accordance with the Collective Investment Act on the basis of the express cross-reference in the Bankruptcy Act, no assurance can be given whether or not the courts of this jurisdiction would adopt this view. In any case, the definition of "transferrable securities" under the Securities Act does not substantially differ from the definition of the same under the Collective Investment Act.

[12] In addition, even if the Collateral does not fall within one of the categories under (a) to (d) above, the Non-Defaulting party would be, regardless of the commencement of the bankruptcy proceedings, entitled to continue in the exercise of the power to sell the Collateral through a voluntary auction pursuant to the Slovak Act No. 527/2002 Coll., on voluntary auction, as amended (the "**Voluntary Auction Act**"). However, since the Collateral consists of cash and securities located outside this jurisdiction and is provided under the Agreement governed by English law or the laws of the State of New York, it is unlikely that the power to sell the Collateral would be exercised in accordance with the Voluntary Auction Act.

Moreover, the provisions of the Bankruptcy Act regarding invalidity or ineffectiveness of undervalue and preferential transactions, as well as fraudulent transactions, will apply to the Security Interest Provisions and may thus potentially affect the Security Interest Provisions by rendering them invalid or ineffective or by preventing, delaying or otherwise affecting the exercise of the rights of the Non-Defaulting Party.

Under the Bankruptcy Act, the Insolvency Representative may challenge as ineffective following legal acts, including any Security Interest:

(a) any preferential transaction (i.e., a transaction resulting in a greater satisfaction of a creditor than that it would otherwise receive in bankruptcy, to the detriment of other creditors);

(b) any transaction at undervalue (i.e., a transaction by which the debtor undertook to render performance without consideration or for consideration the usual price of which is substantially lower than the usual price of performance that the debtor undertook to render); or

(c) any transaction defrauding creditors (i.e., a transaction by which the debtor intentionally curtailed satisfaction of a creditor provided that the intention was known to the other party or, given all the circumstances, must have been known to the other party).

The Insolvency Representative can challenge the preferential transactions and the transactions at undervalue entered into one year prior to the commencement of the bankruptcy proceedings (or, in respect of such transactions with connected parties, three years prior to the commencement of the bankruptcy proceedings). The Insolvency Representative can challenge transactions defrauding creditors undertaken five years prior to the commencement of the bankruptcy proceedings. For the preferential transactions and the transactions at undervalues, such challenge can only be successful if the debtor were either insolvent or became insolvent as the result of the transaction (the debtor's insolvency would be presumed in respect of the transactions with connected parties). However, the Bankruptcy Act provides that the Protected Arrangement may not be challenged as ineffective pursuant to the Bankruptcy Act on the basis that the Protected Arrangement has come into existence later than the obligation collateralized by such Protected Arrangement.

Consequently, please note that (i) if the Defaulting Party were insolvent within the meaning of the Bankruptcy Act when providing the Collateral or became insolvent as a result of the provision of the Collateral; and (ii) the Insolvency Representative were successful in challenging the Security Interest on the basis of the above anti-avoidance rules, the Non-Defaulting Party would not be entitled to enforce the Security Interest in respect of the Collateral."

5.2 The qualifications in paragraph 4.8 and 4.9 are deemed deleted.

5.3 The qualification in paragraph 4.10 is deemed deleted and replaced with the following:

"*If the Event of Default results from the commencement of forced administration (in Slovak: "*zavedenie nútenej správy*") under the Securities Act by the NBS against a Slovak securities dealer or a non-Slovak securities dealer (other than an EEA Securities Dealer) having a branch in this jurisdiction, the Non-Defaulting Party would only be entitled to enforce the Security Interest provided that the Agreement is entered into between two "eligible counterparties" as described in paragraph 4.2.1 (i.e. the Non-Defaulting Party also falls within the definition of the "eligible counterparty") and the Collateral falls within the categories as described in paragraph 4.2.2.*"

5.4 The qualification in paragraph 4.11 is deemed deleted and replaced with the following:

"*In any case, subject to the creation of the Protected Arrangement as described in paragraph 4.7, the Non-Defaulting Party would unlikely be entitled to enforce the Security Interest in respect of the Collateral provided after the commencement of any Insolvency Proceedings against the Defaulting Party (or the Collateral provided after any liquidation proceedings under the Commercial Code).*"

5.5 The qualification in paragraph 4.14 is deemed deleted and replaced with the following:

"*While we do not express any view as to whether both the execution of the Agreement or the creation of any Security Interest by a Securities Dealer and the performance of the obligations of the Securities Dealer under the Agreement complies with or will comply with any prudential or conduct of business rules as well as any other regulatory rules or restrictions presently in force and applicable to the Securities Dealer, we note that the Securities Act provides that Securities Dealers must act in accordance with principles of fair business dealings with professional care in the interests of the clients when providing investment services or ancillary services and carrying out investment activities.*"

5.6 The qualification in paragraph 4.19 is deemed deleted and replaced with the following:

"*Where a Defaulting Party is the Other Securities Dealer and the centre of its main interests is in an EU member state other than this jurisdiction or Denmark, the EU Insolvency Regulation will apply. In such a case the courts of this jurisdiction have no jurisdiction to implement insolvency proceedings except in a case where the Party has an establishment (within the meaning in the EU Insolvency Regulation) in this jurisdiction, and then only to implement insolvency proceedings governed by laws of this jurisdiction in relation to the assets situated (or deemed under the EU Insolvency Regulation to be situated) in this jurisdiction.*"

5.7 The qualification in paragraph 4.20 is deemed deleted and replaced with the following:

"*Where a Defaulting Party, which is a Slovak securities dealer, has its assets situated in a non-EU member state, an Insolvency Representative in this jurisdiction could include such assets into bankruptcy proceedings opened in this jurisdiction provided that the laws of the non-EU member state allow for such inclusion.*"

SCHEDULE 2
INSURANCE PROVIDERS

Subject to the modifications and additions set out in this Schedule 2 (*Insurance Providers*), the opinions, assumptions and qualifications set out in this opinion letter will also apply in respect of Parties which are Insurance Providers. For the purposes of this Schedule 2 (*Insurance Providers*) "**Insurance Providers**" mean

(a) Slovak insurance companies (in Slovak: *"poisťovne"*) within the meaning of the Slovak Act No. 8/2008 Coll., on insurance business, as amended (the "**Insurance Act**") and non-Slovak insurance companies incorporated or formed under the laws of another jurisdiction which have a branch (in Slovak: "*pobočka*") established in this jurisdiction in accordance with the Insurance Act, including a branch of a non-Slovak insurance company, which has its registered office in other EEA member state and benefits from a single licence in accordance with EU law (the "**EEA Insurance Undertaking**") and a branch of a non-Slovak insurance company, which has its registered office in a state other than an EEA member state if the non-Slovak insurance company was duly licensed by the National Bank of Slovakia (the "**NBS**") and to the extent of such licence only. For the purposes of this opinion, the Slovak insurance companies exclude the Export-Import Bank of the Slovak Republic, which is regulated by the Slovak Act No. 80/1997 Coll., on the Export-Import Bank of the Slovak Republic, as amended; and

(b) Slovak health insurance companies (in Slovak: "*zdravotné poisťovne*") (the "**Health Insurance Companies**") within the meaning of the Slovak Act No. 581/2004 Coll., on health insurance companies, as amended (the " **Health Insurance 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. MODIFICATIONS TO TERMS OF REFERENCE AND DEFINITIONS

1.1 The definition of "Insolvency Proceedings" in paragraph 1.7.1 is deemed deleted and replaced with the following:

"*"**Insolvency Proceedings**" means the following insolvency laws and procedures to which a Party which is an Insurance Provider would be subject in this jurisdiction:*

*(a) in relation to a Slovak insurance company or a non-Slovak insurance company (other than an EEA Insurance Undertaking) having a branch in this jurisdiction, forced administration (in Slovak: "*nútená správa*") under the Insurance Act. Following a permission of the NBS, a Slovak insurance company or a non-Slovak insurance company (other than an EEA Insurance Undertaking) having a branch in this jurisdiction might only be subject to bankruptcy proceedings under the Slovak Act No. 7/2005 Coll., on bankruptcy and restructuring, as amended (the "**Bankruptcy Act**") (i.e. the Slovak insurance company or the non-Slovak insurance company (other than an EEA*

*Insurance Undertaking) having a branch in this jurisdiction might not be subject to restructuring proceedings under the Bankruptcy Act). The forced administrator (in Slovak: "*nútený správca*") within the meaning of the Insurance Act might, following the permission of the NBS, file a petition for the declaration of bankruptcy relating to a Slovak insurance company or a non-Slovak insurance company (other than an EEA Insurance Undertaking) having a branch in this jurisdiction under the Bankruptcy Act. Any bankruptcy or restructuring proceedings with respect to an EEA Insurance Undertaking will be carried out in accordance with the laws, regulations and procedures applicable in the state in which the EEA Insurance Undertaking has been licensed;*

*(b) in relation to a Health Insurance Company, forced administration (in Slovak: "*nútená správa*") under the Health Insurance Companies Act. Following a permission of the Healthcare Surveillance Authority, a Health Insurance Company might only be subject to bankruptcy proceedings under the Bankruptcy Act (i.e. the Health Insurance Company might not be subject to restructuring proceedings under the Bankruptcy Act);"*

2. MODIFICATIONS TO ASSUMPTIONS

2.1 The assumption in paragraph 2.21 is deemed deleted.

3. MODIFICATIONS TO OPINIONS

On the basis of the terms of reference and assumptions and subject to the qualifications (in each case set out in this opinion letter as modified, or added to, by this Schedule), we are of the following opinion:

3.1 Valid Security Interest: Insurance Providers

3.1.1 Where the Defaulting Party is an Insurance Provider, following the occurrence of an Event of Default, including as a result of the opening of any Insolvency Proceedings (other than as stated under section 3.1.2 below), the Non-Defaulting Party would unlikely be entitled to enforce the Security Interest in respect of the Collateral, provided that the Non-Defaulting Party might be entitled to enforce the Security Interest in respect of the Collateral in the bankruptcy proceedings until the declaration of bankruptcy (in Slovak: "*vyhlásenie konkurzu*") in respect of the Defaulting Party.

3.1.2 Where the Defaulting Party is a Slovak insurance company or a non-Slovak insurance company (other than an EEA Insurance Undertaking) having a branch in this jurisdiction, following the occurrence of an Event of Default resulting from the commencement of forced administration (in Slovak: "*zavedenie nútenej správy*") under the Insurance Act, the Non-Defaulting Party would be entitled to enforce the Security Interest in respect of the Collateral.

3.1.3 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 in the bankruptcy proceedings prior to the declaration of bankruptcy (in Slovak: "*vyhlásenie konkurzu*") in respect of the Defaulting Party, which is an Insurance Provider, or under circumstances set out in section 3.1.2 above.

3.1.4 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.

4. ADDITIONAL QUALIFICATIONS

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

"*The EU Insolvency Regulation excludes from its scope, among others, insurance undertakings. It is unclear whether the Health Insurance Companies qualify as insurance undertakings within the meaning of the EU Insolvency Regulation. We are of the view that the term "insurance undertaking" only refers to entities covered by the Directive 73/239/EEC (Non-Life Insurance Directive)*[13]*, as amended, and the Directive 2002/83/EC (Life Insurance Directive), as amended. The Non-Life Insurance Directive does not apply to insurance forming part of a statutory system of social security. Consequently, the Health Insurance Companies (which provide public health insurance forming this jurisdiction's statutory system of social security) would unlikely qualify as insurance undertakings within the meaning of the EU Insolvency Regulation and thus, the EU Insolvency Regulation would likely cover the Health Insurance Companies. One could argue, however, that the Health Insurance Companies are not covered by the EU Insolvency Regulation since they are subject to special arrangements and the Healthcare Surveillance Authority has powers of intervention similar to the powers the NBS has in respect of the Slovak insurance companies, which are excluded from the scope of the EU Insolvency Regulation. Since no assurance can be given whether a Slovak court would apply the EU Insolvency Regulation to the Health Insurance Companies, we do not address application of the EU Insolvency Regulation to the Health Insurance Companies in this opinion.*"

5. MODIFICATIONS TO QUALIFICATIONS

Furthermore, the qualifications at paragraph 4 are deemed modified as follows.

5.1 The qualification in paragraph 4.7 is deemed deleted and replaced with the following:

"*The Bankruptcy Act does not expressly protect the security financial collateral arrangement from the effects of the bankruptcy or restructuring proceedings in*

[13] The Directive 2009/138/EC (Solvency II) will replace the Non-Life Insurance Directive with effect from 1 January 2014.

*respect of a Health Insurance Company. Nevertheless, if the Event of Default results from the commencement of the bankruptcy proceedings (in Slovak: "*začatie konkurzného konania*") pursuant to the Bankruptcy Act in respect of a Health Insurance Company, the Non-Defaulting Party might be entitled to enforce the Security Interest in respect of the Collateral provided that the Collateral consists of (a) cash; (b) receivables from an account maintained by a Slovak bank or a non-Slovak bank having a branch in this jurisdiction (both within the meaning of the Act on Banks); (c) state bonds; or (d) transferrable securities[14] within the meaning of Slovak law.[15]*

*Upon declaration of bankruptcy (in Slovak: "*vyhlásenie konkurzu*"), the Non-Defaulting Party would unlikely be entitled to enforce the Security Interest in respect of the Collateral on the basis that the Bankruptcy Act does not protect enforcement of a security financial collateral arrangement from the effects of the declaration of bankruptcy (in Slovak: "*vyhlásenie konkurzu*") in respect of a Health Insurance Company. Consequently, the general rules applicable to security interests would apply and the Non-Defaulting Party would only be entitled to enforce the Security Interest subject to, and in accordance with, the Bankruptcy Act.*

Moreover, the provisions of the Bankruptcy Act regarding invalidity or ineffectiveness of undervalue and preferential transactions, as well as fraudulent transactions, will apply to the Security Interest Provisions and may thus potentially affect the Security Interest Provisions by rendering them invalid or ineffective or by preventing, delaying or otherwise affecting the exercise of the rights of the Non-Defaulting Party.

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[14] The Bankruptcy Act refers to the definition of transferrable securities contained in the Slovak Act No. 594/2003 Coll., on collective investment, as amended (the "**Old Collective Investment Act**"), as the Old Collective Investment Act contained, at the moment of introducing the Bankruptcy Act into law of this jurisdiction (i.e. 14 January 2005), the sole legal definition of the transferable securities. The Old Collective Investment Act was repealed as of 1 July 2011 by the Slovak Act No. 203/2011 Coll., on collective investment (the "**Collective Investment Act**"). According to the Collective Investment Act, the transferrable securities include: (i) shares, interim certificates and other securities incorporating rights similar to those attached to shares issued by a domestic or foreign company in this jurisdiction or abroad; (ii) bonds and securities created through the transformation of credits or loans, issued in this jurisdiction or abroad; or (iii) other tradable securities issued in this jurisdiction or abroad incorporating the right to acquire the securities mentioned in (i) or (ii) above through subscription or exchange, with the exception of the techniques and instruments relating to transferrable securities or financial market instruments. We note, however, that since 1 August 2005, the Securities Act also contains a definition of the "transferrable securities". Although it could be argued that the term "transferrable securities" under the Bankruptcy Act should be construed in accordance with the Collective Investment Act on the basis of the express cross-reference in the Bankruptcy Act, no assurance can be given whether or not the courts of this jurisdiction would adopt this view. In any case, the definition of "transferrable securities" under the Securities Act does not substantially differ from the definition of the same under the Collective Investment Act.

[15] In addition, even if the Collateral does not fall within one of the categories under (a) to (d) above, the Non-Defaulting party would be, regardless of the commencement of the bankruptcy proceedings, entitled to continue in the exercise of the power to sell the Collateral through a voluntary auction pursuant to the Slovak Act No. 527/2002 Coll., on voluntary auction, as amended (the "**Voluntary Auction Act**"). However, since the Collateral consists of cash and securities located outside this jurisdiction and is provided under the Agreement governed by English law or the laws of the State of New York, it is unlikely that the power to sell the Collateral would be exercised in accordance with the Voluntary Auction Act.

Under the Bankruptcy Act, the Insolvency Representative may challenge as ineffective following legal acts, including any Security Interest:

(a) any preferential transaction (i.e., a transaction resulting in a greater satisfaction of a creditor than that it would otherwise receive in bankruptcy, to the detriment of other creditors);

(b) any transaction at undervalue (i.e., a transaction by which the debtor undertook to render performance without consideration or for consideration the usual price of which is substantially lower than the usual price of performance that the debtor undertook to render); or

(c) any transaction defrauding creditors (i.e., a transaction by which the debtor intentionally curtailed satisfaction of a creditor provided that the intention was known to the other party or, given all the circumstances, must have been known to the other party).

The Insolvency Representative can challenge the preferential transactions and the transactions at undervalue entered into one year prior to the commencement of the bankruptcy proceedings (or, in respect of such transactions with connected parties, three years prior to the commencement of the bankruptcy proceedings). The Insolvency Representative can challenge transactions defrauding creditors undertaken five years prior to the commencement of the bankruptcy proceedings. For the preferential transactions and the transactions at undervalues, such challenge can only be successful if the debtor were either insolvent or became insolvent as the result of the transaction (the debtor's insolvency would be presumed in respect of the transactions with connected parties).

Consequently, please note that (i) if the Defaulting Party were insolvent within the meaning of the Bankruptcy Act when providing the Collateral or became insolvent as a result of the provision of the Collateral; and (ii) the Insolvency Representative were successful in challenging the Security Interest on the basis of the above anti-avoidance rules, the Non-Defaulting Party would not be entitled to enforce the Security Interest in respect of the Collateral."

5.2 The qualification in paragraph 4.8 is deemed deleted and replaced with the following:

"*If the Event of Default results from the commencement of forced administration (in Slovak "*zavedenie nútenej správy*") under the Health Insurance Act in respect of a Health Insurance Company, the Non-Defaulting Party would unlikely be entitled to enforce the Security Interest in respect of the Collateral on the basis that the Health Insurance Act does not protect a security financial collateral arrangement from the effects of the forced administration in respect of a Health Insurance Company. Consequently, the general rules applicable to forced administration of Health Insurance Companies would apply."*

5.3 The qualification in paragraph 4.9 is deemed deleted and replaced with the following:

"*If the Event of Default results from bankruptcy proceedings under the Bankruptcy Act in respect of a Slovak insurance company or a non-Slovak insurance company (other than an EEA Insurance Undertaking) having a branch in this jurisdiction, the Non-Defaulting Party would be entitled to enforce the Security Interest in respect of the Collateral under the same conditions and to the same extent as in case of the Defaulting Party being a Health Insurance Company (please refer to paragraph 4.7), save that:*

*4.9.1 according to the Bankruptcy Act, a security financial collateral arrangement (i.e. the Security Interest) established between two "eligible counterparties" as described in paragraph 4.2.1 (i.e. the Non-Defaulting Party also falls within the definition of the "eligible counterparty") in relation to (a) cash; (b) receivables from account maintained by a Slovak bank; (c) state bonds; or (d) transferrable securities within the meaning of Slovak law (the "**Protected Arrangement**") on the day of the declaration of bankruptcy in respect of the Defaulting Party, but after the publication of the court decision on the declaration of bankruptcy in the Commercial Gazette (in Slovak: "*Obchodný vestník*"), is deemed validly created if the Non-Defaulting Party demonstrates that it was not, nor could have been, aware of the declaration of bankruptcy; and*

4.9.2 the Protected Arrangement may not be challenged as ineffective pursuant to the Bankruptcy Act on the basis that the Protected Arrangement has come into existence later than the obligation collateralized by such Protected Arrangement."

5.4 The qualification in paragraph 4.10 is deemed deleted and replaced with the following:

"*If the Event of Default results from the commencement of forced administration (in Slovak: "*zavedenie nútenej správy*") under the Insurance Act by the NBS against a Slovak insurance company or a non-Slovak insurance company (other than an EEA Insurance Undertaking) having a branch in this jurisdiction, the Non-Defaulting Party would only be entitled to enforce the Security Interest provided that the Agreement is entered into between two "eligible counterparties" as described in paragraph 4.2.1 (i.e. the Non-Defaulting Party also falls within the definition of the "eligible counterparty") and the Collateral falls within the categories as described in paragraph 4.2.2.*"

5.5 The qualification in paragraph 4.14 is deemed deleted and replaced with the following:

"*While we do not express any view as to whether both the execution of the Agreement or the creation of any Security Interest by a Slovak insurance company or a branch of a non-Slovak insurance company and the performance of the obligations of the Slovak insurance company or the branch of the non-Slovak insurance company under the Agreement complies with or will comply with any prudential or conduct of business rules as well as any other regulatory rules or restrictions presently in force and applicable to the Slovak insurance company or the branch of the non-Slovak*

insurance company, we note that the Insurance Act provides that Slovak insurance companies and branches of non-Slovak insurance companies (other than EEA Insurance Undertakings) may not enter into agreements on terms that are significantly disadvantageous to them (in particular agreements that bound them to an economically unjustifiable performance or a performance manifestly inadequate to the consideration provided, or that provide for manifestly inadequate security to secure their receivables)."

5.6 The qualification in paragraph 4.19 is deemed deleted.

5.7 The qualification in paragraph 4.20 is deemed deleted and replaced with the following:

"*Where a Defaulting Party, which is a Slovak insurance company or a Health Insurance Company, has its assets situated in a non-EU member state, an Insolvency Representative in this jurisdiction could include such assets into bankruptcy proceedings opened in this jurisdiction provided that the laws of the non-EU member state allow for such inclusion.*"

SCHEDULE 3
INDIVIDUALS

Subject to the modifications and additions set out in this Schedule 3 (*Individuals*), the opinions, assumptions and qualifications set out in this opinion letter will also apply in respect of Parties which are Individuals. For the purposes of this Schedule 3 (*Individuals*) "**Individuals**" mean individuals who are entrepreneurs (in Slovak: *"podnikatelia"*) within the meaning of the Commercial Code with a place of business in 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. MODIFICATIONS TO TERMS OF REFERENCE AND DEFINITIONS

1.1 The definition of "Insolvency Proceedings" in paragraph 1.7.1 is deemed deleted and replaced with the following:

*""**Insolvency Proceedings**" means the restructuring and bankruptcy proceedings under the Slovak Act No. 7/2005 Coll., on bankruptcy and restructuring, as amended (the "**Bankruptcy Act**") to which a Party which is an Individual would be subject in this jurisdiction;"*

2. MODIFICATIONS TO ASSUMPTIONS

2.1 We assume that when entering into, and performing, the Agreement and Transactions, the Individual has acted within, and in connection with, its trade or other business activity.

2.2 The assumption in paragraph 2.21 is deemed deleted and replaced with the following:

*"That the Individual has its "centre of main interest" in the Slovak Republic within the meaning of Regulation (EC) No. 1346/2000 on insolvency proceedings, as amended (the "**EU Insolvency Regulation**"), which applies to all EU member states other than Denmark."*

3. MODIFICATIONS TO OPINIONS

On the basis of the terms of reference and assumptions and subject to the qualifications (in each case set out in this opinion letter as modified, or added to, by this Schedule), we are of the following opinion.

3.1 Valid Security Interest: Individuals

3.1.1 Where the Defaulting Party is an Individual, following the occurrence of an Event of Default, including as a result of the opening of any Insolvency Proceedings, the Non-Defaulting Party would unlikely be entitled to enforce the Security Interest in respect of the Collateral, provided that the Non-Defaulting Party might be entitled to enforce the Security Interest in respect of the Collateral in the bankruptcy proceedings until the declaration of

bankruptcy (in Slovak: "*vyhlásenie konkurzu*") in respect of the Defaulting Party.

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 in the bankruptcy proceedings prior to the declaration of bankruptcy (in Slovak: "*vyhlásenie konkurzu*") in respect of the Defaulting Party, which is an Individual.

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.

4. ADDITIONAL QUALIFICATIONS

No additional qualifications.

5. MODIFICATIONS TO QUALIFICATIONS

Furthermore, the qualifications at paragraph 4 are deemed modified as follows.

5.1 The qualification in paragraph 4.7 is deemed deleted and replaced with the following:

"*The Bankruptcy Act does not expressly protect the security financial collateral arrangement from the effects of the bankruptcy or restructuring proceedings in respect of an Individual. Nevertheless, if the Event of Default results from the commencement of the bankruptcy proceedings (in Slovak:* "začatie konkurzného konania*") pursuant to the Bankruptcy Act in respect of an Individual, the Non-Defaulting Party might be entitled to enforce the Security Interest in respect of the Collateral provided that the Collateral consists of (a) cash; (b) receivables from an account maintained by a Slovak bank or a non-Slovak bank having a branch in this jurisdiction (both within the meaning of the Act on Banks); (c) state bonds; or (d) transferrable securities*[16] *within the meaning of Slovak law.*[17]

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[16] The Bankruptcy Act refers to the definition of transferrable securities contained in the Slovak Act No. 594/2003 Coll., on collective investment, as amended (the "**Old Collective Investment Act**"), as the Old Collective Investment Act contained, at the moment of introducing the Bankruptcy Act into law of this jurisdiction (i.e. 14 January 2005), the sole legal definition of the transferable securities. The Old Collective Investment Act was repealed as of 1 July 2011 by the Slovak Act No. 203/2011 Coll., on collective investment (the "**Collective Investment Act**"). According to the Collective Investment Act, the transferrable securities include: (i) shares, interim certificates and other securities incorporating rights similar to those attached to shares issued by a domestic or foreign company in this jurisdiction or abroad; (ii) bonds and securities created through the transformation of credits or loans, issued in this jurisdiction or abroad; or (iii) other tradable securities issued in this jurisdiction or abroad incorporating the right to acquire the securities mentioned in (i) or (ii) above through subscription or exchange, with the exception of the techniques and instruments relating to transferrable securities or financial market instruments. We note, however, that since 1 August 2005, the Securities Act also contains a definition of the "transferrable

*Upon declaration of bankruptcy (in Slovak "*vyhlásenie konkurzu*"), the Non-Defaulting Party would unlikely be entitled to enforce the Security Interest in respect of the Collateral on the basis that the Bankruptcy Act does not protect enforcement of a security financial collateral arrangement from the effects of the declaration of bankruptcy (in Slovak: "*vyhlásenie konkurzu*") in respect of an Individual. Consequently, the general rules applicable to security interests would apply and the Non-Defaulting Party would only be entitled to enforce the Security Interest subject to, and in accordance with, the Bankruptcy Act.*

Moreover, the provisions of the Bankruptcy Act regarding invalidity or ineffectiveness of undervalue and preferential transactions, as well as fraudulent transactions, will apply to the Security Interest Provisions and may thus potentially affect the Security Interest Provisions by rendering them invalid or ineffective or by preventing, delaying or otherwise affecting the exercise of the rights of the Non-Defaulting Party.

Under the Bankruptcy Act, the Insolvency Representative may challenge as ineffective following legal acts, including any Security Interest:

(a) any preferential transaction (i.e., a transaction resulting in a greater satisfaction of a creditor than that it would otherwise receive in bankruptcy, to the detriment of other creditors);

(b) any transaction at undervalue (i.e., a transaction by which the debtor undertook to render performance without consideration or for consideration the usual price of which is substantially lower than the usual price of performance that the debtor undertook to render); or

(c) any transaction defrauding creditors (i.e., a transaction by which the debtor intentionally curtailed satisfaction of a creditor provided that the intention was known to the other party or, given all the circumstances, must have been known to the other party).

The Insolvency Representative can challenge the preferential transactions and the transactions at undervalue entered into one year prior to the commencement of the bankruptcy proceedings (or, in respect of such transactions with connected parties, three years prior to the commencement of the bankruptcy proceedings). The Insolvency Representative can challenge transactions defrauding creditors

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securities". Although it could be argued that the term "transferrable securities" under the Bankruptcy Act should be construed in accordance with the Collective Investment Act on the basis of the express cross-reference in the Bankruptcy Act, no assurance can be given whether or not the courts of this jurisdiction would adopt this view. In any case, the definition of "transferrable securities" under the Securities Act does not substantially differ from the definition of the same under the Collective Investment Act.

[17] In addition, even if the Collateral does not fall within one of the categories under (a) to (d) above, the Non-Defaulting party would be, regardless of the commencement of the bankruptcy proceedings, entitled to continue in the exercise of the power to sell the Collateral through a voluntary auction pursuant to the Slovak Act No. 527/2002 Coll., on voluntary auction, as amended (the "**Voluntary Auction Act**"). However, since the Collateral consists of cash and securities located outside this jurisdiction and is provided under the Agreement governed by English law or the laws of the State of New York, it is unlikely that the power to sell the Collateral would be exercised in accordance with the Voluntary Auction Act.

undertaken five years prior to the commencement of the bankruptcy proceedings. For the preferential transactions and the transactions at undervalues, such challenge can only be successful if the debtor were either insolvent or became insolvent as the result of the transaction (the debtor's insolvency would be presumed in respect of the transactions with connected parties).

Consequently, please note that (i) if the Defaulting Party were insolvent within the meaning of the Bankruptcy Act when providing the Collateral or became insolvent as a result of the provision of the Collateral; and (ii) the Insolvency Representative were successful in challenging the Security Interest on the basis of the above anti-avoidance rules, the Non-Defaulting Party would not be entitled to enforce the Security Interest in respect of the Collateral."

5.2 The qualification in paragraph 4.8 is deemed deleted and replaced with the following:

"*If the Event of Default results from the commencement of restructuring proceedings (in Slovak: "*začatie reštrukturalizačného konania*") in respect of an Individual, the Non-Defaulting Party would unlikely be entitled to enforce the Security Interest in respect of the Collateral on the basis that the Bankruptcy Act does not protect enforcement of a security financial collateral arrangement from the effects of the restructuring proceedings in respect of an Individual. Consequently, the general rules applicable to security interests would apply and the Non-Defaulting Party would not be entitled to commence or continue the enforcement of the Security Interest in respect of the Collateral securing the claims of the Non-Defaulting Party against the Defaulting Party which must be filed with the administrator within the restructuring proceedings pursuant to the Bankruptcy Act (i.e. any claims arising prior to the publication of the court decision on the commencement of restructuring proceedings in the Commercial Gazette (in Slovak: "*Obchodný vestník*"))."*

5.3 The qualifications in paragraphs 4.9 and 4.10 are deemed deleted.

5.4 The qualification in paragraph 4.11 is deemed deleted and replaced with the following:

"*In any case, the Non-Defaulting Party would unlikely be entitled to enforce the Security Interest in respect of the Collateral provided after the commencement of any Insolvency Proceedings against the Defaulting Party (or the Collateral provided after any liquidation proceedings under the Commercial Code).*"

5.5 The qualification in paragraph 4.14 is deemed deleted.

5.6 The qualification in paragraph 4.19 is deemed deleted and replaced with the following:

"*Where the centre of the Individual's main interests is in an EU member state other than this jurisdiction or Denmark, the EU Insolvency Regulation will apply. In such a case the courts of this jurisdiction have no jurisdiction to implement insolvency proceedings except in a case where the Individual has an establishment (within the meaning in the EU Insolvency Regulation) in this jurisdiction, and then only to implement insolvency proceedings governed by laws of this jurisdiction in relation to*

the assets situated (or deemed under the EU Insolvency Regulation to be situated) in this jurisdiction."

5.7 The qualification in paragraph 4.20 is deemed deleted and replaced with the following:

"*Where a Defaulting Party, which is an Individual, has its assets situated in a non-EU member state, an Insolvency Representative in this jurisdiction could include such assets into bankruptcy proceedings opened in this jurisdiction provided that the laws of the non-EU member state allow for such inclusion.*"

SCHEDULE 4
FUND ENTITIES

Subject to the modifications and additions set out in this Schedule 4 (*Fund Entities*), the opinions, assumptions and qualifications set out in this opinion letter will also apply in respect of Parties which are Fund Entities. For the purposes of this Schedule 4 (*Fund Entities*) "**Fund Entities**" mean Slovak asset management companies (in Slovak: "*správcovské spoločnosti*") within the meaning of the Slovak Act No. 203/2011 Coll., on collective investment (the "**Collective Investment Act**").[18]

The Collective Investment Act also regulates Slovak common funds (in Slovak: "*podielové fondy*"). Since the common fund is not a legal entity, an asset management company manages the common fund.

Consequently, we understand that the Firm will enter into the Agreement and any Transaction with the Fund Entities.

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 The definition of "Insolvency Proceedings" in paragraph 1.7.1 is deemed deleted and replaced with the following:

> *""**Insolvency Proceedings**" means the following insolvency laws and procedures to which a Party which is a Fund Entity would be subject in this jurisdiction:*
>
> *(a) forced administration (in Slovak: "*nútená správa*") under the Securities Act;*
>
> *(b) bankruptcy proceedings under the Slovak Act No. 7/2005 Coll., on bankruptcy and restructuring, as amended (the "**Bankruptcy Act**"). Following a permission of the National Bank of Slovakia (the "**NBS**"), a Fund Entity might only be subject to bankruptcy proceedings under the Bankruptcy Act (i.e. the Fund Entity might not be subject to restructuring proceedings under the Bankruptcy Act). In addition, under the Bankruptcy Act, the NBS is given specific powers to file a petition for the declaration of bankruptcy relating to a Fund Entity;"*

2. MODIFICATIONS TO ASSUMPTIONS

2.1 The assumption in paragraph 2.21 is deemed deleted.

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[18] The Slovak asset management companies correspond to "management companies" within the meaning of the Directive 2009/65/EC on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS). There are no Slovak entities which correspond to "investment companies" within the meaning of the same.

3. MODIFICATIONS TO OPINIONS

On the basis of the terms of reference and assumptions and subject to the qualifications (in each case set out in this opinion letter as modified, or added to, by this Schedule), we are of the following opinion.

3.1 Valid Security Interest: Fund Entities

3.1.1 Where the Defaulting Party is a Fund Entity, following the occurrence of an Event of Default, including as a result of the opening of any Insolvency Proceedings (other than as stated in section 3.1.2 below), the Non-Defaulting Party would unlikely be entitled to enforce the Security Interest in respect of the Collateral, provided that the Non-Defaulting Party might be entitled to enforce the Security Interest in respect of the Collateral in the bankruptcy proceedings until the declaration of bankruptcy (in Slovak: "*vyhlásenie konkurzu*") in respect of the Defaulting Party.

3.1.2 Where the Defaulting Party is a Fund Entity, following the occurrence of an Event of Default resulting from the commencement of forced administration (in Slovak: "*zavedenie nútenej správy*") under the Securities Act, the Non-Defaulting Party would be entitled to enforce the Security Interest in respect of the Collateral.

3.1.3 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 in the bankruptcy proceedings prior to the declaration of bankruptcy (in Slovak: "*vyhlásenie konkurzu*") in respect of the Defaulting Party, which is a Fund Entity, or under circumstances set out in section 3.1.2 above.

3.1.4 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.

4. ADDITIONAL QUALIFICATIONS

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

"*The Collective Investment Act provides that common fund assets do not form part of the bankruptcy estate of the Fund Entity. If the decision on bankruptcy of the Fund Entity is issued, the administrator is required to cooperate with the NBS, the depository or the forced administrator (both within the meaning of the Collective Investment Act) in respect of commencement of forced administration over the common funds or winding up of the common funds.*"

5. MODIFICATIONS TO QUALIFICATIONS

Furthermore, the qualifications at paragraph 4 are deemed modified as follows.

5.1 The qualification in paragraph 4.7 is deemed deleted and replaced with the following:

*"The Bankruptcy Act does not expressly protect the security financial collateral arrangement from the effects of the bankruptcy proceedings in respect of a Fund Entity. Nevertheless, if the Event of Default results from the commencement of the bankruptcy proceedings (in Slovak: "*začatie konkurzného konania*") pursuant to the Bankruptcy Act in respect of a Fund Entity, the Non-Defaulting Party might be entitled to enforce the Security Interest in respect of the Collateral provided that the Collateral consists of (a) cash; (b) receivables from an account maintained by a Slovak bank or a non-Slovak bank having a branch in this jurisdiction (both within the meaning of the Act on Banks); (c) state bonds; or (d) transferrable securities[19] within the meaning of Slovak law.[20]*

*Moreover, according to the Bankruptcy Act, a security financial collateral arrangement (i.e. the Security Interest) established between two "eligible counterparties" as described in paragraph 4.2.1 (i.e. the Non-Defaulting Party also falls within the definition of the "eligible counterparty") in relation to (a) cash; (b) receivables from account maintained by a Slovak bank; (c) state bonds; or (d) transferrable securities within the meaning of Slovak law (the "**Protected Arrangement**") on the day of the declaration of bankruptcy in respect of the Defaulting Party, but after the publication of the court decision on the declaration of bankruptcy in the Commercial Gazette (in Slovak: "Obchodný vestník"), is deemed*

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[19] The Bankruptcy Act refers to the definition of transferrable securities contained in the Slovak Act No. 594/2003 Coll., on collective investment, as amended (the "**Old Collective Investment Act**"), as the Old Collective Investment Act contained, at the moment of introducing the Bankruptcy Act into law of this jurisdiction (i.e. 14 January 2005), the sole legal definition of the transferable securities. The Old Collective Investment Act was repealed as of 1 July 2011 by the Slovak Act No. 203/2011 Coll., on collective investment (the "**Collective Investment Act**"). According to the Collective Investment Act, the transferrable securities include: (i) shares, interim certificates and other securities incorporating rights similar to those attached to shares issued by a domestic or foreign company in this jurisdiction or abroad; (ii) bonds and securities created through the transformation of credits or loans, issued in this jurisdiction or abroad; or (iii) other tradable securities issued in this jurisdiction or abroad incorporating the right to acquire the securities mentioned in (i) or (ii) above through subscription or exchange, with the exception of the techniques and instruments relating to transferrable securities or financial market instruments. We note, however, that since 1 August 2005, the Securities Act also contains a definition of the "transferrable securities". Although it could be argued that the term "transferrable securities" under the Bankruptcy Act should be construed in accordance with the Collective Investment Act on the basis of the express cross-reference in the Bankruptcy Act, no assurance can be given whether or not the courts of this jurisdiction would adopt this view. In any case, the definition of "transferrable securities" under the Securities Act does not substantially differ from the definition of the same under the Collective Investment Act.

[20] In addition, even if the Collateral does not fall within one of the categories under (a) to (d) above, the Non-Defaulting party would be, regardless of the commencement of the bankruptcy proceedings, entitled to continue in the exercise of the power to sell the Collateral through a voluntary auction pursuant to the Slovak Act No. 527/2002 Coll., on voluntary auction, as amended (the "**Voluntary Auction Act**"). However, since the Collateral consists of cash and securities located outside this jurisdiction and is provided under the Agreement governed by English law or the laws of the State of New York, it is unlikely that the power to sell the Collateral would be exercised in accordance with the Voluntary Auction Act.

validly created if the Non-Defaulting Party demonstrates that it was not, nor could have been, aware of the declaration of bankruptcy.

*However, upon declaration of bankruptcy (in Slovak: "*vyhlásenie konkurzu*"), the Non-Defaulting Party would unlikely be entitled to enforce the Security Interest in respect of the Collateral on the basis that the Bankruptcy Act does not protect enforcement of a security financial collateral arrangement from the effects of the declaration of bankruptcy (in Slovak: "*vyhlásenie konkurzu*") in respect of a Fund Entity (i.e. the Bankruptcy Act only protects creation of the Protected Arrangement as described above). Consequently, the general rules applicable to security interests would apply and the Non-Defaulting Party would only be entitled to enforce the Security Interest subject to, and in accordance with, the Bankruptcy Act.*

Moreover, the provisions of the Bankruptcy Act regarding invalidity or ineffectiveness of undervalue and preferential transactions, as well as fraudulent transactions, will apply to the Security Interest Provisions and may thus potentially affect the Security Interest Provisions by rendering them invalid or ineffective or by preventing, delaying or otherwise affecting the exercise of the rights of the Non-Defaulting Party.

Under the Bankruptcy Act, the Insolvency Representative may challenge as ineffective following legal acts, including any Security Interest:

(a) any preferential transaction (i.e., a transaction resulting in a greater satisfaction of a creditor than that it would otherwise receive in bankruptcy, to the detriment of other creditors);

(b) any transaction at undervalue (i.e., a transaction by which the debtor undertook to render performance without consideration or for consideration the usual price of which is substantially lower than the usual price of performance that the debtor undertook to render); or

(c) any transaction defrauding creditors (i.e., a transaction by which the debtor intentionally curtailed satisfaction of a creditor provided that the intention was known to the other party or, given all the circumstances, must have been known to the other party).

The Insolvency Representative can challenge the preferential transactions and the transactions at undervalue entered into one year prior to the commencement of the bankruptcy proceedings (or, in respect of such transactions with connected parties, three years prior to the commencement of the bankruptcy proceedings). The Insolvency Representative can challenge transactions defrauding creditors undertaken five years prior to the commencement of the bankruptcy proceedings. For the preferential transactions and the transactions at undervalues, such challenge can only be successful if the debtor were either insolvent or became insolvent as the result of the transaction (the debtor's insolvency would be presumed in respect of the transactions with connected parties). However, the Bankruptcy Act provides that the Protected Arrangement may not be challenged as ineffective pursuant to the Bankruptcy Act on the basis that the Protected Arrangement has come into existence later than the obligation being collateralized by such Protected Arrangement.

Consequently, please note that (i) if the Defaulting Party were insolvent within the meaning of the Bankruptcy Act when providing the Collateral or became insolvent as a result of the provision of the Collateral; and (ii) the Insolvency Representative were successful in challenging the Security Interest on the basis of the above anti-avoidance rules, the Non-Defaulting Party would not be entitled to enforce the Security Interest in respect of the Collateral."

5.2 The qualifications in paragraphs 4.8 and 4.9 are deemed deleted.

5.3 The qualification in paragraph 4.10 is deemed deleted and replaced with the following:

"*If the Event of Default results from the commencement of forced administration (in Slovak: "*zavedenie nútenej správy*") under the Securities Act by the NBS against a Fund Entity, the Non-Defaulting Party would only be entitled to enforce the Security Interest provided that the Agreement is entered into between two "eligible counterparties" as described in paragraph 4.2.1 (i.e. the Non-Defaulting Party also falls within the definition of the "eligible counterparty") and the Collateral falls within the categories as described in paragraph 4.2.2.*"

5.4 The qualification in paragraph 4.11 is deemed deleted and replaced with the following:

"*In any case, subject to the creation of the Protected Arrangement as described in paragraph 4.7, the Non-Defaulting Party would unlikely be entitled to enforce the Security Interest in respect of the Collateral provided after the commencement of any Insolvency Proceedings against the Defaulting Party (or the Collateral provided after any liquidation proceedings under the Commercial Code).*"

5.5 The qualification in paragraph 4.14 is deemed deleted and replaced with the following:

"*While we do not express any view as to whether both the execution of the Agreement or the creation of any Security Interest by a Fund Entity and the performance of the obligations of the Fund Entity under the Agreement complies with or will comply with any prudential or conduct of business rules as well as any other regulatory rules or restrictions presently in force and applicable to the Fund Entity, we note that the Collective Investment Act, for example, provides that Fund Entities must act with professional care in the best interests of the unit holders and in the interest of market stability when administering common funds.*"

5.6 The qualification in paragraph 4.19 is deemed deleted.

5.7 The qualification in paragraph 4.20 is deemed deleted and replaced with the following:

"*Where a Defaulting Party, which is a Fund Entity, has its assets situated in a non-EU member state, an Insolvency Representative in this jurisdiction could include such assets into bankruptcy proceedings opened in this jurisdiction provided that the laws of the non-EU member state allow for such inclusion.*"

SCHEDULE 5
PUBLIC ENTITIES

Subject to the modifications and additions set out in this Schedule 5 (*Public Entities*), the opinions, assumptions and qualifications set out in this opinion letter will also apply in respect of Parties which are Public Entities. For the purposes of this Schedule 5 (*Public Entities*) "**Public Entities**" mean the Slovak Republic existing as a sovereign state from 1 January 1993; and the following regional self-governing units:

(a) Slovak self-governing regional units (in Slovak: "*samosprávne kraje*") within the meaning of the Slovak Act No. 302/2001 Coll., on self-governing regional units, as amended.

(b) Slovak municipalities (in Slovak: "*obce*") within the meaning of the Slovak Act No. 369/1990 Coll., on municipalities, as amended;

(c) The capital city of the Slovak Republic, Bratislava (in Slovak: "*hlavné mesto Slovenskej republiky Bratislava*") and its districts within the meaning of the Slovak Act No. 377/1990 Coll., on the capital city of the Slovak Republic, Bratislava, as amended; and

(d) The city of Košice (in Slovak: "*mesto Košice*") and its districts within the meaning of the Slovak Act No. 401/1990 Coll., on the city of Košice, as amended

(the Public Entities listed under (b) to (d) above the "**Municipalities**").

In this opinion, the Public Entities exclude any state funds established by law or otherwise for any specific purpose (e.g., the State Housing Development Fund, the National Nuclear Fund).

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 The definition of "Insolvency Proceedings" in paragraph 1.7.1 is deemed deleted and replaced with the following:

> "*"**Insolvency Proceedings**" means the rehabilitation regime (in Slovak: "*ozdravný režim*") and forced administration (in Slovak: "*nútená správa*") under the Slovak Act No. 583/2004 Coll., on budgetary rules for self-governing territorial units, as amended (the "**Budgetary Rules Act**"), to which a Party which is a Municipality would be subject in this jurisdiction;*"

2. MODIFICATIONS TO ASSUMPTIONS

2.1 The assumption in paragraph 2.21 is deemed deleted.

3. MODIFICATIONS TO OPINIONS

3.1 Valid Security Interest: Public Entities

3.1.1 Where the Defaulting Party is a Municipality, following the occurrence of an Event of Default, including as a result of the opening of any Insolvency Proceedings, the Non-Defaulting Party would unlikely be entitled to enforce the Security Interest in respect of the Collateral.

3.1.2 Where the Defaulting Party is a Public Entity (other than a Municipality), following the occurrence of an Event of Default, the Non-Defaulting Party would be entitled to enforce the Security Interest in respect of the Collateral.

3.1.3 Where the Defaulting Party is a Public Entity (other than a Municipality), 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.

3.1.4 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.

4. ADDITIONAL QUALIFICATIONS

No additional qualifications.

5. MODIFICATIONS TO QUALIFICATIONS

Furthermore, the qualifications at paragraph 4 are deemed modified as follows.

5.1 The qualification in paragraph 4.2.1 is deemed deleted and replaced with the following:

"*according to both the Civil Code and the Securities Act, both Parties to the Agreement have to fall within one of the categories set out in Annex 4 (*Eligible counterparties*), including "public authorities of an EU member state or other EEA member state". However, the term "public authority" is not expressly defined under Slovak law. Although we are of the view that the term "public authority" comprises the Public Entities, no assurance can be given whether or not the courts of this jurisdiction would adopt this view.*"

5.2 The qualification in paragraph 4.7 is deemed deleted and replaced with the following:

"*If the Event of Default results from the commencement of rehabilitation regime (in Slovak:* "zavedenie ozdravného režimu"*) in respect of a Municipality, the Non-Defaulting Party would unlikely be entitled to enforce the Security Interest in respect of the Collateral in the form of cash on the basis that the Budgetary Rules Act does*

not protect a security financial collateral arrangement from the effects of the rehabilitation regime in respect of a Municipality. Consequently, the general rules applicable to the rehabilitation regime of Municipalities would apply and the Municipality would be required to dispose with its funds only in accordance with approved rehabilitation budget and subject to the prior written consent of its chief controller."

5.3 The qualification in paragraph 4.8 is deemed deleted and replaced with the following:

"*If the Event of Default results from the commencement of forced administration (in Slovak: "*zavedenie nútenej správy*") in respect of a Municipality, the Non-Defaulting Party would unlikely be entitled to enforce the Security Interest in respect of the Collateral in the form of cash on the basis that the Budgetary Rules Act does not protect a security financial collateral arrangement from the effects of the forced administration in respect of a Municipality. Consequently, the general rules applicable to forced administration of Municipalities would apply and the Municipality would be required to transfer all funds to a designated bank account and the disposal with such funds by the Municipality would be subject to the prior written consent of the forced administrator.*"

5.4 The qualifications in paragraphs 4.9 and 4.10 are deemed deleted.

5.5 The qualification in paragraph 4.11 is deemed deleted and replaced with the following:

"*In any case, the Non-Defaulting Party would unlikely be entitled to enforce the Security Interest in respect of the Collateral provided after the commencement of any Insolvency Proceedings against the Defaulting Party (or the Collateral provided after any liquidation proceedings under the Commercial Code).*"

5.6 The qualification in paragraph 4.14 is deemed deleted and replaced with the following:

"*While we do not express any view as to whether both the execution of the Agreement or the creation of any Security Interest by a Public Entity and the performance of the obligations of the Public Entity under the Agreement complies with or will comply with any statutory or regulatory rules or restrictions presently in force and applicable to the Public Entity, we note that the Slovak Act No. 278/1993 Coll., on administration of state assets, as amended (the "**Act on Administration of State Assets**"), for example, provides that administrators of state assets must use the state assets in accordance with the Act on Administration of State Assets to fulfil their tasks within their scope of activities or in connection with such activities.*"

5.7 The qualifications in paragraphs 4.19 and 4.20 are deemed deleted.

SCHEDULE 6
PENSION FUND ENTITIES

Subject to the modifications and additions set out in this Schedule 6 (*Pension Fund Entities*), the opinions, assumptions and qualifications set out in this opinion letter will also apply in respect of Parties which are Pension Fund Entities. For the purposes of this Schedule 6 (*Pension Fund Entities*) "**Pension Fund Entities**" mean

(a) Slovak pension management companies (in Slovak: "*dôchodkové správcovské spoločnosti*") within the meaning of the Slovak Act No. 43/2004 Coll., on pension savings, as amended (the "**Pension Savings Act**"); and

(b) Slovak complementary pension companies (in Slovak: "*doplnkové dôchodcovské spoločnosti*") within the meaning of the Slovak Act No. 650/2004 Coll., on complementary pension savings, as amended (the "**Complementary Pension Savings Act**").

The Pension Savings Act and the Complementary Pension Savings Act also regulate Slovak pension funds (in Slovak: "*dôchodkové fondy*") and Slovak complementary pension funds (in Slovak: "*doplnkové dôchodkové fondy*"), respectively (together the "**Pension Funds**"). Since the Pension Funds are not legal entities, a pension management company or a complementary pension company, as the case may be, manage the Pension Funds.

Consequently, we understand that the Firm will enter into the Agreement and any Transaction with the Pension Fund Entities.

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 The definition of "Insolvency Proceedings" in paragraph 1.7.1 is deemed deleted and replaced with the following:

> *"**"Insolvency Proceedings"** means the bankruptcy proceedings under the Slovak Act No. 7/2005 Coll., on bankruptcy and restructuring, as amended (the **"Bankruptcy Act"**) to which a Party which is a Pension Fund Entity would be subject in this jurisdiction (i.e. the Pension Fund Entities might not be subject to restructuring proceedings under the Bankruptcy Act). Under the Bankruptcy Act, the National Bank of Slovakia (the **"NBS"**) is given specific powers to file a petition for the declaration of bankruptcy relating to a Pension Fund Entity;"*

2. MODIFICATIONS TO ASSUMPTIONS

2.1 The assumption in paragraph 2.21 is deemed deleted and replaced with the following:

> *"That the Pension Fund Entity has its "centre of main interest" in the Slovak Republic within the meaning of Regulation (EC) No. 1346/2000 on insolvency proceedings, as*

*amended (the "**EU Insolvency Regulation**"), which applies to all EU member states other than Denmark."*

3. MODIFICATIONS TO OPINIONS

On the basis of the terms of reference and assumptions and subject to the qualifications (in each case set out in this opinion letter as modified, or added to, by this Schedule), we are of the following opinion.

3.1 Valid Security Interest: Pension Fund Entities

3.1.1 Where the Defaulting Party is a Pension Fund Entity, following the occurrence of an Event of Default, including as a result of the opening of any Insolvency Proceedings, the Non-Defaulting Party would unlikely be entitled to enforce the Security Interest in respect of the Collateral, provided that the Non-Defaulting Party might be entitled to enforce the Security Interest in respect of the Collateral in the bankruptcy proceedings until the declaration of bankruptcy (in Slovak: "*vyhlásenie konkurzu*") in respect of the Defaulting Party.

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 in the bankruptcy proceedings prior to the declaration of bankruptcy (in Slovak: "*vyhlásenie konkurzu*") in respect of the Defaulting Party, which is a Pension Fund Entity.

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.

4. ADDITIONAL QUALIFICATIONS

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

"*The Pension Savings Act provides that pension fund assets do not form part of the bankruptcy estate of the Slovak pension management company. If the decision on bankruptcy of the Slovak pension management company is issued, the administrator is required to cooperate with the NBS, the depository or the forced administrator (both within the meaning of the Pension Savings Act) in respect of commencement of forced administration over the pension funds.*

Similarly, the Complementary Pension Savings Act provides that complementary pension fund assets and assets credited to the unassigned payments account (in Slovak: "účet nepriradených platieb"*) do not form part of the bankruptcy estate of the Slovak complementary pension company. If the decision on bankruptcy of the Slovak*

complementary pension company is issued, the administrator is required to cooperate with the NBS, the depository or the forced administrator (both within the meaning of the Complementary Pension Savings Act) in respect of commencement of forced administration over the complementary pension funds.

The EU Insolvency Regulation does not exclude pension entities from its scope. Consequently, the EU Insolvency Regulation would likely cover the Pension Fund Entities. However, no assurance can be given that the courts of this jurisdiction would adopt this view."

5. MODIFICATIONS TO QUALIFICATIONS

Furthermore, the qualifications at paragraph 4 are deemed modified as follows.

5.1 The qualification in paragraph 4.7 is deemed deleted and replaced with the following:

"*The Bankruptcy Act does not expressly protect the security financial collateral arrangement from the effects of the bankruptcy or restructuring proceedings in respect of a Pension Fund Entity. Nevertheless, if the Event of Default results from the commencement of the bankruptcy proceedings (in Slovak:* "začatie konkurzného konania*") pursuant to the Bankruptcy Act in respect of a Pension Fund Entity, the Non-Defaulting Party might be entitled to enforce the Security Interest in respect of the Collateral provided that the Collateral consists of (a) cash; (b) receivables from an account maintained by a Slovak bank or a non-Slovak bank having a branch in this jurisdiction (both within the meaning of the Act on Banks); (c) state bonds; or (d) transferrable securities*[21] *within the meaning of Slovak law.*[22]

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[21] The Bankruptcy Act refers to the definition of transferrable securities contained in the Slovak Act No. 594/2003 Coll., on collective investment, as amended (the "**Old Collective Investment Act**"), as the Old Collective Investment Act contained, at the moment of introducing the Bankruptcy Act into law of this jurisdiction (i.e. 14 January 2005), the sole legal definition of the transferable securities. The Old Collective Investment Act was repealed as of 1 July 2011 by the Slovak Act No. 203/2011 Coll., on collective investment (the "**Collective Investment Act**"). According to the Collective Investment Act, the transferrable securities include: (i) shares, interim certificates and other securities incorporating rights similar to those attached to shares issued by a domestic or foreign company in this jurisdiction or abroad; (ii) bonds and securities created through the transformation of credits or loans, issued in this jurisdiction or abroad; or (iii) other tradable securities issued in this jurisdiction or abroad incorporating the right to acquire the securities mentioned in (i) or (ii) above through subscription or exchange, with the exception of the techniques and instruments relating to transferrable securities or financial market instruments. We note, however, that since 1 August 2005, the Securities Act also contains a definition of the "transferrable securities". Although it could be argued that the term "transferrable securities" under the Bankruptcy Act should be construed in accordance with the Collective Investment Act on the basis of the express cross-reference in the Bankruptcy Act, no assurance can be given whether or not the courts of this jurisdiction would adopt this view. In any case, the definition of "transferrable securities" under the Securities Act does not substantially differ from the definition of the same under the Collective Investment Act.

[22] In addition, even if the Collateral does not fall within one of the categories under (a) to (d) above, the Non-Defaulting party would be, regardless of the commencement of the bankruptcy proceedings, entitled to continue in the exercise of the power to sell the Collateral through a voluntary auction pursuant to the Slovak Act No. 527/2002 Coll., on voluntary auction, as amended (the "**Voluntary Auction Act**"). However, since the Collateral consists of cash and securities located outside this jurisdiction and is provided

*Upon declaration of bankruptcy (in Slovak: "*vyhlásenie konkurzu*"), the Non-Defaulting Party would unlikely be entitled to enforce the Security Interest in respect of the Collateral on the basis that the Bankruptcy Act does not protect enforcement of a security financial collateral arrangement from the effects of the declaration of bankruptcy (in Slovak: "*vyhlásenie konkurzu*") in respect of a Pension Fund Entity. Consequently, the general rules applicable to security interests would apply and the Non-Defaulting Party would only be entitled to enforce the Security Interest subject to, and in accordance with, the Bankruptcy Act.*

Moreover, the provisions of the Bankruptcy Act regarding invalidity or ineffectiveness of undervalue and preferential transactions, as well as fraudulent transactions, will apply to the Security Interest Provisions and may thus potentially affect the Security Interest Provisions by rendering them invalid or ineffective or by preventing, delaying or otherwise affecting the exercise of the rights of the Non-Defaulting Party.

Under the Bankruptcy Act, the Insolvency Representative may challenge as ineffective following legal acts, including any Security Interest:

(a) any preferential transaction (i.e., a transaction resulting in a greater satisfaction of a creditor than that it would otherwise receive in bankruptcy, to the detriment of other creditors);

(b) any transaction at undervalue (i.e., a transaction by which the debtor undertook to render performance without consideration or for consideration the usual price of which is substantially lower than the usual price of performance that the debtor undertook to render); or

(c) any transaction defrauding creditors (i.e., a transaction by which the debtor intentionally curtailed satisfaction of a creditor provided that the intention was known to the other party or, given all the circumstances, must have been known to the other party).

The Insolvency Representative can challenge the preferential transactions and the transactions at undervalue entered into one year prior to the commencement of the bankruptcy proceedings (or, in respect of such transactions with connected parties, three years prior to the commencement of the bankruptcy proceedings). The Insolvency Representative can challenge transactions defrauding creditors undertaken five years prior to the commencement of the bankruptcy proceedings. For the preferential transactions and the transactions at undervalues, such challenge can only be successful if the debtor were either insolvent or became insolvent as the result of the transaction (the debtor's insolvency would be presumed in respect of the transactions with connected parties).

Consequently, please note that (i) if the Defaulting Party were insolvent within the meaning of the Bankruptcy Act when providing the Collateral or became insolvent as a result of the provision of the Collateral; and (ii) the Insolvency Representative were

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under the Agreement governed by English law or the laws of the State of New York, it is unlikely that the power to sell the Collateral would be exercised in accordance with the Voluntary Auction Act.

successful in challenging the Security Interest on the basis of the above anti-avoidance rules, the Non-Defaulting Party would not be entitled to enforce the Security Interest in respect of the Collateral."

5.2 The qualifications in paragraphs 4.8 through 4.10 are deemed deleted.

5.3 The qualification in paragraph 4.11 is deemed deleted and replaced with the following:

"In any case, the Non-Defaulting Party would unlikely be entitled to enforce the Security Interest in respect of the Collateral provided after the commencement of any Insolvency Proceedings against the Defaulting Party (or the Collateral provided after any liquidation proceedings under the Commercial Code)."

5.4 The qualification in paragraph 4.14 is deemed deleted and replaced with the following:

"While we do not express any view as to whether both the execution of the Agreement or the creation of any Security Interest by a Pension Fund Entity and the performance of the obligations of the Pension Fund Entity under the Agreement complies with or will comply with any prudential or conduct of business rules as well as any other regulatory rules or restrictions presently in force and applicable to the Pension Fund Entity, we note that the Pension Savings Act and the Complementary Pension Savings Act, for example, provide that the Pension Fund Entities must act with professional care in the best interests of the beneficiaries and in the interest of their protection when administering the Pension Funds."

5.5 The qualification in paragraph 4.19 is deemed deleted and replaced with the following:

"Where the centre of main interests of the Pension Fund Entity is in an EU member state other than this jurisdiction or Denmark, the EU Insolvency Regulation will apply. In such a case the courts of this jurisdiction have no jurisdiction to implement insolvency proceedings except in a case where the Individual has an establishment (within the meaning in the EU Insolvency Regulation) in this jurisdiction, and then only to implement insolvency proceedings governed by laws of this jurisdiction in relation to the assets situated (or deemed under the EU Insolvency Regulation to be situated) in this jurisdiction."

5.6 The qualification in paragraph 4.20 is deemed deleted and replaced with the following:

"Where a Defaulting Party, which is a Pension Fund Entity, has its assets situated in a non-EU member state, an Insolvency Representative in this jurisdiction could include such assets into bankruptcy proceedings opened in this jurisdiction provided that the laws of the non-EU member state allow for such inclusion."

SCHEDULE 7
BUILDING SAVINGS BANKS

Subject to the modifications and additions set out in this Schedule 7 (*Building Savings Banks*), the opinions, assumptions and qualifications set out in this opinion letter will also apply in respect of Parties which are Building Savings Banks. For the purposes of this Schedule 7 (*Building Savings Banks*) "**Building Savings Banks**" mean Slovak building savings banks (in Slovak: "*stavebná sporiteľňa*") within the meaning of the Slovak Act No. 310/1992 Coll., on building savings, as amended (the "**Building Savings Act**"). Since the Building Savings Bank is a Slovak bank within the meaning of the Act on Banks,[23] the reference to a Slovak bank in the opinion letter is deemed to include also a Building Savings Bank.

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 The definition of "Insolvency Proceedings" in paragraph 1.7.1 is deemed deleted and replaced with the following:

> *""**Insolvency Proceedings**" means the forced administration (in Slovak: "*nútená správa*") under the Act on Banks to which a Party which is a Building Savings Bank would be subject in this jurisdiction. Following a permission of the National Bank of Slovakia (the "**NBS**"), a Building Savings Bank might only be subject to bankruptcy proceedings under the Slovak Act No. 7/2005 Coll., on bankruptcy and restructuring, as amended (the "**Bankruptcy Act**") (i.e. the Building Savings Bank might not be subject to restructuring proceedings under the Bankruptcy Act). In addition, under the Bankruptcy Act, the NBS is given specific powers to file a petition for the declaration of bankruptcy relating to a Building Savings Bank;".*

2. MODIFICATIONS TO ASSUMPTIONS

2.1 The assumption in paragraph 2.21 is deemed deleted.

3. MODIFICATIONS TO OPINIONS

On the basis of the terms of reference and assumptions and subject to the qualifications (in each case set out in this opinion letter as modified, or added to, by this Schedule), we are of the following opinion.

3.1 Valid Security Interest: Building Savings Banks

3.1.1 Where the Defaulting Party is a Building Savings Bank, following the occurrence of an Event of Default, including as a result of the opening of any

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[23] As opposed to a regular Slovak bank, the scope of licence of a Building Savings Bank is limited to the activities set out in the Building Savings Act.

Insolvency Proceedings (other than as stated under section 3.1.2 below), the Non-Defaulting Party would unlikely be entitled to enforce the Security Interest in respect of the Collateral, provided that the Non-Defaulting Party might be entitled to enforce the Security Interest in respect of the Collateral in the bankruptcy proceedings until the declaration of bankruptcy (in Slovak: "*vyhlásenie konkurzu*") in respect of the Defaulting Party.

3.1.2 Where the Defaulting Party is a Building Savings Bank, following the occurrence of an Event of Default resulting from the commencement of forced administration (in Slovak: "*zavedenie nútenej správy*") under the Act on Banks, the Non-Defaulting Party would be entitled to enforce the Security Interest in respect of the Collateral.

3.1.3 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 in the bankruptcy proceedings prior to the declaration of bankruptcy (in Slovak: "*vyhlásenie konkurzu*") in respect of the Defaulting Party, which is a Building Savings Bank, or under circumstances set out in section 3.1.2 above.

3.1.4 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.

4. ADDITIONAL QUALIFICATIONS

No additional qualifications.

5. MODIFICATIONS TO QUALIFICATIONS

The qualification in paragraph 4.19 is deemed deleted.

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 lie***n);

(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.

ANNEX 4
ELIGIBLE COUNTERPARTIES

"Eligible counterparties" include the following:

(a) public authorities of an EU member state or other EEA member state;

(b) NBS or a foreign central bank, European Central Bank, International Monetary Fund, European Investment Bank, an international development bank, Bank for International Settlement;

(c) a Slovak bank, Slovak securities dealer, Slovak asset management company, Slovak insurance company, Slovak electronic money institution, Slovak collective investment entity;

(d) a foreign bank, foreign securities dealer, foreign asset management company, foreign insurance company, foreign electronic money institution, foreign collective investment entity (i.e. a foreign fund or a foreign management company);

(e) any person other than a person under sub-paragraphs (c) and (d) above which is subject to prudential supervision and is carrying out as its main business activity one of the activities to be carried out by a bank, as well as a foreign entity with a similar line of business;

(f) any person other than a person under sub-paragraphs (c) and (d) above which is subject to prudential supervision and is carrying out as its main business activity acquisitions of interests in assets, as well as a foreign entity with a similar line of business; and

(g) a central depositary of securities, payment system operator, settlement agent, clearing institute, joint representative of bond holders or other debt securities holders as well as a foreign entity with a similar line of business, including a person whose business activity is the settlement and clearing of transactions in financial instruments or activities of a central counterparty (even if it is not a foreign central depositary).