

**NOTICE SUPPLEMENTING CITI'S TERMS OF BUSINESS FOR PROFESSIONAL CLIENTS  
AND ELIGIBLE COUNTERPARTIES IN RELATION TO THE FCA'S CLIENT ASSETS REGIME  
("CASS")**

Dear Client,

We refer to Citi's Terms of Business for Professional Clients and Eligible Counterparties (as amended or supplemented from time to time) (the "**TOB**"). This is a written notice supplementing the TOB in accordance with clause 24.1 of TOB and delivered to you in accordance with clause 22.2 of TOB (the "**Notice**"). These supplemental terms shall take effect from 1 June 2015.

Except to the extent that they are inconsistent with the definitions and interpretations of this Notice, the definitions and interpretations of the TOB shall apply to this Notice.

We wish to confirm with you the following:

7. Clause 11 *Client Money* in TOB is deleted in its entirety and replaced with the following:

- 11.1 Each of Citibank N.A., London Branch and Citibank International Limited (each a "**Citi Bank**" and together the "**Citi Banks**") is an approved bank for the purposes of the Client Money Rules. Subject to the limited circumstances under Clause 11.1A below, each of Citibank N.A., London Branch and Citibank International Limited acts as a banker rather than as a trustee in respect of money held in an Account with such entities and, accordingly, shall not hold your money in accordance with the Client Money Rules. In such case, if that Citi Bank fails, the Client Money Distribution Rules shall not apply and you will not be entitled to share in any distribution under the Client Money Distribution Rules. In particular, we shall not segregate your money from ours and we shall not be liable to account to you for any profits made by our use as a banker of such funds and the remainder of this Clause 11 shall not apply to your money.
- 11.1A Citibank N.A., London Branch and Citibank International Limited will only hold money for you as trustee rather than as banker where we (i) give notice to you, or (ii) cover a shortfall in the manner described under Clause 12.1A below, and in either case the remainder of this Clause 11 shall apply to your money.
- 11.2 Citigroup Global Markets Limited is not an approved bank for the purposes of the Client Money Rules and, as such, where Citigroup Global Markets Limited holds your money on your behalf, we will treat such money as client money in accordance with the Client Money Rules.
- 11.3 We may hold client money with Citi Banks or another bank.
- 11.4 Additionally, we may place money received from you in a qualifying money market fund, as defined in the Client Money Rules. As a result, any such money will not be held in accordance with the Client Money Rules and the units in the relevant fund will be held in accordance with the Custody Asset Rules (with any income arising on such units being held in accordance with the Client Money Rules or the Custody Asset Rules, as the case may be). Please let us know if you do not wish your money to be placed in a qualifying money market fund.
- 11.5 We may transfer client money to an intermediate broker, settlement agent or OTC counterparty that may be located outside the United Kingdom in accordance with the Client Money Rules. We shall accept no liability for the acts, failures to act or the insolvency of any third party with whom we place in respect of the client

money. In the event of the insolvency or any other analogous proceedings of a third party holding client money, we may only have an unsecured claim against the third party on your behalf and you will be exposed to the risk that the securities, cash or any other property received by us from the third party is insufficient to satisfy your claim and the claims of all other relevant clients.

- 11.6 Where we hold client money with a bank, or transfer your money to an intermediate broker, settlement agent or OTC counterparty, in each case located outside the United Kingdom, the legal and regulatory regime applying to such person may differ from that of the United Kingdom. In the event of the failure of such person, client money may be treated in a different manner from that which would apply if the money were held by a person located in the United Kingdom.
- 11.7 We will not pay interest to you on any uninvested cash in your Accounts or on any client money held by us for your account.
- 11.8 In the event that there is no movement on an Account for a period of six years in relation to your money and we are unable to contact you having made reasonable attempts to do so in accordance with the Client Money Rules, we will transfer the money to a registered charity of our choice. In these circumstances we will still be liable to pay these balances to you on presentation of a valid claim.
- 11.9 You may have no access to any compensation scheme unless otherwise notified to you in writing.
- 11.10 Citigroup Global Markets Limited, or Citibank N.A., London Branch or Citibank International Limited acting as trustee rather than banker in accordance with Clause 11.1, may transfer client money to an Affiliate or to a third party as part of a sale or transfer of all or part of our business, where that client money relates to the business being transferred. In such case, either the sums transferred will be held for you by the third party to whom they are transferred in accordance with the Client Money Rules or, if the sums will not be held in accordance with the Client Money Rules, we will exercise all due skill, care and diligence in assessing whether that third party to whom client money is transferred will apply adequate measures to protect these sums.

8. Clause 12 *Custody* in TOB is deleted in its entirety and replaced with the following:

- 12.1 We may agree to act as custodian or to arrange for your securities or other assets ("**Custody Assets**") to be held in safe custody. Where we do so, we will open, or cause to be opened, such Accounts as are required. Each Account will be segregated from our assets, unless otherwise stated herein.
- 12.1A To the extent required under the Custody Asset Rules, we may choose to hold an amount of money (the "**Cover Amount**") to cover a shortfall (as such term is used in the Custody Asset Rules) until the shortfall is resolved (unless otherwise agreed). Where the relevant shortfall reduces or is otherwise resolved, the Cover Amount (or the portion thereof in excess of the relevant shortfall) shall become immediately due and payable to us. In the event of termination of these Terms, you agree that payment to you of such money covering a shortfall will fully discharge our obligation to return Custody Assets to you which were the subject of that shortfall.

- 12.2 Where we hold registrable Custody Assets for you, normally such Custody Assets will be held in your name or in the name of an eligible nominee. However, where such Custody Assets are subject to the law or market practice outside the United Kingdom, in certain circumstances permitted by the Custody Asset Rules, we may register or record your Custody Assets in the name of the custodian or our name. If Custody Assets are held in our name, such Custody Assets may not be segregated from our assets and, in the event of a default by us, may not be as well protected from claims of our creditors (in comparison to if your Custody Assets had been segregated from our own assets).
- 12.3 Unless requested by you in writing, we will only arrange for Custody Assets that are financial instruments under the Rules to be deposited with a third party in a country outside the EEA that does not regulate the holding and safekeeping of financial instruments for the account of another person where the nature of the financial instruments or the financial services provided in connection with such financial instruments requires that they be so deposited.
- 12.4 We are expressly authorised to hold any documents of title to your Custody Assets as permitted by the Rules. Where we hold them in accordance with your written instructions, the consequences of doing so are entirely at your own risk.
- 12.5 You hereby acknowledge that Custody Assets may be held with a sub-custodian which is an Affiliate. You further acknowledge that your Custody Assets may be held with a sub-custodian which is not an Affiliate.
- 12.6 Where we arrange for your Custody Assets to be held outside the United Kingdom, there may be different settlement, legal and regulatory requirements and different practices for the separate identification of investments from those applying in the United Kingdom. In the event of the insolvency or any other analogous proceedings of a third party holding your Custody Assets, we may only have an unsecured claim against the third party on your behalf, and you will be exposed to the risk that the securities, cash or any other property received by us from the third party is insufficient to satisfy your claim and the claims of all other relevant clients.
- 12.7 Where we act as custodian, we shall accept deliveries of Custody Assets for your Account on one business days' notice from you and shall make deliveries of securities from your Account on four business days' notice from you, provided that you will not be entitled to withdraw, or effect the withdrawal of, any Custody Assets if the same are required for the purpose of settling Transactions or otherwise settling any Liabilities. We shall reasonably endeavour to accommodate your urgent delivery or receipt requirements.
- 12.8 In respect of rights pertaining to any Custody Assets held in custody, we:
- 12.8.1 shall claim all amounts in respect of income or distributions pertaining to your Custody Assets, and such income or distributions shall be client money or Custody Assets and will be treated as such under Clause 11 or Clause 12 as applicable. However, we shall not be responsible for claiming any entitlement or benefit you may have under any applicable taxation treaties or arrangements on your behalf; and

- 12.8.2 shall not be responsible for taking up any rights, exercising any conversion or subscription rights, dealing with take-over or other offers or capital re-organisations or exercising any voting rights with respect to any Custody Assets which we may hold or arrange to be held on your behalf, but shall reasonably endeavour to notify you of any such rights as we become explicitly aware and comply with any timely instructions provided by you to us.
- 12.9 We may pool your Custody Assets with those belonging to other of our clients. Where we do this, your individual client entitlements may not be separately identifiable by separate certificates, other physical documents of title or equivalent electronic record and so, in the event of an irreconcilable shortfall after our insolvency, clients whose assets have been pooled may share in that shortfall in proportion to their original share of assets in the pool. Any entitlements or other benefits arising in respect of pooled assets will be allocated pro rata to each client whose assets are so pooled.
- 12.10 We shall provide you with information relating to your Custody Assets which we or our nominee company hold on your behalf in your regular Account statements (deliverable as frequently as required by the Rules). Custody Assets shown on those statements will be valued by reference to the then market values or as otherwise indicated therein. Additional statements are available at your request and the cost of such statements shall be notified to you.
- 12.11 Your Custody Assets shall be subject to the Security Interest and a right of set-off, lien or other security interest as set out in these Terms.
- 12.12 We shall accept no liability to you for the acts, failures to act or the insolvency of any custodian or sub-custodian. Where the custodian or sub-custodian is a nominee controlled by us or by an Affiliate, we will be liable to the same extent as we may be liable for our own acts or failures to act.
- 12.13 In the event that there is no movement on an Account for a period of 12 years in relation to your Custody Assets, notwithstanding any asset servicing discretion exercised by us in the absence of instructions from you, and we are unable to contact you having made reasonable attempts to do so in accordance with the Custody Asset Rules, we will transfer the assets, or the liquidation proceeds, to a registered charity of our choice. In these circumstances we will still be liable to pay these balances to you on presentation of a valid claim.

Yours faithfully,

**CITIGROUP GLOBAL MARKETS LIMITED**

**CITIBANK N.A., LONDON BRANCH**

**CITIBANK INTERNATIONAL LIMITED**