

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

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 December 2014.

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:

"**Client Money Distribution Rules**" means the provisions of the Rules relating to the distribution of client money;

"**Custody Asset Rules**" means the provisions of the Rules relating to Custody Assets;

"**PRA**" means the United Kingdom Prudential Regulation Authority or any regulatory authority that may succeed it as a United Kingdom regulator.

1. The definition of "**FSA**" in part I of annex I to TOB shall be deleted in its entirety and replaced with the definition of "**FCA**" as follows:

"**FCA**" means the United Kingdom Financial Conduct Authority or any regulatory authority that may succeed it as a United Kingdom regulator;

2. The definition of "**Rules**" in part I of annex I to TOB shall be deleted in its entirety and replaced with the following:

"**Rules**" means the rules of the FCA and/or PRA as from time to time in force;

3. All references in TOB to "Citibank International plc" should now read as being references to "Citibank International Limited".

4. Clause 2.1 in TOB shall be deleted in its entirety and replaced with the following:

2.1 We are authorised by the PRA and regulated by the FCA and the PRA and each of us is an authorised person under the FSMA. The Rules are not incorporated into these Terms.

5. The reference to "the FSA" in clause 2.4 TOB should now read as being reference to "the FCA and/or PRA".

6. Clause 10 *Margin, Collateral and Client Assets* in TOB shall be deleted in its entirety and replaced with the following:

10.1 You agree to make all applicable premium and margin payments ("**Collateral**") and perform all other obligations relating to any Transaction as may be required from time to time by us or the Market on which such Transaction occurs. Collateral

may be provided in such securities or cash as is acceptable to us, together with such charging, transfer and other documentation as we may require in our discretion.

- 10.2 Where we agree to accept securities as Collateral, you shall transfer to us such Collateral with full title guarantee free from any adverse interest (other than a lien routinely imposed on all securities in a clearing system in which such securities may be held). Such Collateral will not be held in accordance with the Custody Asset Rules, it will not be registered in your name and we do not accept responsibility for the safe custody of documents of title or certificates evidencing title nor for any act or omission of any person who is nominee holder of, or who directly or indirectly holds, or is responsible for the safe custody of documents of title or certificates evidencing title to, such Collateral. Where we agree to accept cash as Collateral, you shall transfer to us full ownership of such Collateral so that all right, title and interest in and to such cash will pass to us outright. Such Collateral will not be held in accordance with the Client Money Rules.
- 10.3 In the event that you enter into an industry standard master agreement, or other product-specific agreement, which provides for securities or cash to be transferred to us with full title, you acknowledge that neither the Custody Asset Rules nor the Client Money Rules will apply to the holding by us of such securities or cash and that, in the event of our insolvency, you will be a general creditor and such securities or cash may not be available to be paid to you.
- 10.4 Our obligation to return Collateral to you shall be satisfied by delivery to you of equivalent Collateral.
- 10.5 You expressly authorise us to convert funds from one currency into another currency as we consider appropriate for the purposes of or in connection with the exercise of any of the actions referenced by Clauses 10.1 to 10.4. You are not permitted to withdraw any Collateral recorded as being held in the Accounts without our express consent; and to the extent that we expressly consent to the withdrawal of cash and/or non-cash Collateral recorded as being held in the Accounts in accordance with this Clause 10.5, such withdrawal shall be subject to the amount of cash and non-cash Collateral credited to the Accounts immediately following such withdrawal being greater than or equal to the amount of Collateral required by us from you. You may request in writing the termination of the arrangements set out in Clauses 10.1 to 10.4 but no termination may take effect until we have provided written notice to you that we agree to terminate such arrangements.
- 10.6 In addition to Collateral, we may enter into or we may require you to enter into any credit support document which we consider necessary or desirable at our sole discretion, including, without limitation, any guarantee, hypothecation agreement, margin or security agreement, letter of credit or any other document containing an obligation on a third party, or on you in favour of any Citi Company supporting any of your obligations under these Terms.

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

- 11.1 Each of Citibank N.A., London Branch and Citibank International Limited is an approved bank for the purposes of the Client Money Rules and, subject to Clause

11.2 below, acts as a banker rather than as a trustee in respect of money held in an Account with such entities. Accordingly, Citibank N.A., London Branch and Citibank International Limited (the “**Citi Banks**”) shall not hold your money in accordance with the Client Money Rules and, 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. The remainder of this Clause 11 shall not apply to your money held by Citibank N.A., London Branch or Citibank International Limited as banker. Each of Citibank N.A., London Branch and/or Citibank International Limited (as applicable) will only hold money for you as trustee rather than as banker where we give notice to you.

- 11.2 Where your money is held by Citigroup Global Markets Limited, or by Citibank N.A., London Branch or Citibank International Limited where we have given notice to you in accordance with Clause 11.1 above, we shall treat such money as client money in accordance with the Client Money Rules and the remainder of this Clause 11 shall apply.
- 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 where we have given notice to you 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 shall be 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.
- 12.2 You hereby authorise us to register or arrange the registration of your Custody Assets in any name permitted by the Rules. Normally, your Custody Assets will be held in your name or in the name of an eligible nominee. However, where Custody Assets are subject to the law or market practice outside the United Kingdom and it is in your best interest to do so or is not feasible to do otherwise because of the nature of the applicable law or market practice, 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). We may, where you provide us with written instructions to that effect, register your Custody Assets in another name. The consequences of doing so are entirely at your own risk.
- 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, 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 twelve 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.

9. Clause 20.13 in TOB shall be deleted in its entirety and replaced with the following:

- 20.13 The disclosures made in these Terms are made on behalf of the following Citi Companies. Those for which an FCA registration number is stated are regulated by FCA (www.fca.org.uk or telephone 0845 606 9966) in relation to all of the services within the scope of the E-Commerce Rules that they may provide to you, and entered in the FCA's Register:

FCA Registration Numbers are as follows:

Citigroup Global Markets Limited 124384

Citibank N.A., London Branch 124704

Citibank International Limited 122342

Company Registration Numbers are as follows:

Citigroup Global Markets Limited 1763297

Citibank N.A., London Branch BR1018

Citibank International Limited 1088249

VAT Identification Number: GB 429 625 629

Yours faithfully,

CITIGROUP GLOBAL MARKETS LIMITED

CITIBANK N.A., LONDON BRANCH

CITIBANK INTERNATIONAL LIMITED