

Dated: [•]

ETFS Foreign Exchange Limited

ETFS Management Company (Jersey) Limited

and

[name of Authorised Participant]

Authorised Participant Agreement

relating to

Collateralised Currency Securities

This AGREEMENT is dated the _____ day of [] 201[•]

BETWEEN

ETFS Foreign Exchange Limited, a company incorporated and registered in Jersey with registered number 103518, of Ordnance House, 31 Pier Road, St Helier, Jersey JE4 8PW, Channel Islands (“**FXL**”);

ETFS Management Company (Jersey) Limited, a company incorporated and registered in Jersey with registered number 106921, of Ordnance House, 31 Pier Road, St Helier, Jersey JE4 8PW, Channel Islands (“**ManJer**”);

and

[*name of Authorised Participant*], a company incorporated and registered in [*England*] with registered number [], of [*address of Authorised Participant*], [*London*] [*postcode*] (“**AP**”).

WHEREAS

- A. FXL has established a programme for the issuance of Collateralised Currency Securities to be admitted to trading on the Main Market of the London Stock Exchange plc; and
- B. FXL wishes to appoint AP as one of the Authorised Participants in relation to the Collateralised Currency Securities.

IT IS AGREED as follows:

1. Definitions

- (a) Words and expressions used in this Agreement (including the Schedules hereto) and not otherwise defined bear the same meanings as where used in the Conditions or if not defined in the Conditions in the Facility Agreement (as defined below).
- (b) In addition, the following terms have the following meanings herein unless the context otherwise requires:

Administrator means R&H Fund Services (Jersey) Limited of Ordnance House, 31 Pier Road, St Helier, Jersey JE4 8PW, Channel Islands or such other person as may be appointed by FXL from time to time to perform administration services;

Agreed Application means an Agreed Application Order or an Agreed Application Notice;

Agreed Application Order means an application for the issue of a number of Collateralised Currency Securities given (or deemed to have been given) through the System in accordance with the Internet Order Procedures in respect of which the order type “Agreed Price at Set. Index” has been specified and as described in paragraph 8 of Part A of Schedule 5;

Agreed Application Notice has the meaning set out in paragraph 7 of Schedule 4;

Agreed Redemption Order means a request for the redemption of a number of Collateralised Currency Securities given (or deemed to have been given) through the System in accordance with the Internet Order Procedures in respect of which the order type “Agreed Price at Set. Index” has been specified and as described in paragraph 8 of Part B of Schedule 5;

Agreements means each of the Trust Instrument, the Security Deeds, the ISDA Master Agreements, Global Master Repurchase Agreements, Facility Agreement, Daily Adjustment Agreements, the License Agreement, this and all other Authorised Participant Agreements, the Registrar Agreement and the Services Agreement;

Application means an Agreed Application Notice or an Index Application Notice;

Application Amount means the amount determined in accordance with paragraph 11 of Schedule 4;

Application Order means an Index Application Order or an Agreed Application Order;

Approved Person has the meaning set out in clause 7(a);

AP Authorisation Level Form means a notice from AP to FXL in the form prescribed by FXL completed to FXL’s reasonable satisfaction;

AP Bank Accounts means in respect of each Relevant Currency the bank account established by AP for that Relevant Currency in accordance with Clause **Error! Reference source not found.**, or any substitute account duly notified by AP in accordance with Clause **Error! Reference source not found.**;

AP Settlement Failure means, in relation to any Collateralised Currency Securities, any failure by AP to comply with its obligations in respect of the Application for those Collateralised Currency Securities under this Agreement (including without limitation a failure to pay the Application Amount in respect of those Collateralised Currency Securities on the due date therefor in full cleared and immediately available funds in the currency of denomination of the relevant class of Collateralised Currency Security into the FXL Bank Account in accordance with this Agreement);

AP User Guide means a document entitled the Authorised Participant User Guide issued by or on behalf of FXL on or about the date of the amendment agreement pursuant to the terms of which this definition was added to this Agreement;

Authorised Participant means:

- (a) a person which (i) has entered into an Authorised Participant Agreement with FXL in accordance with the Facility Agreement in relation to Collateralised Currency Securities which has not been terminated; (ii) (except where such person is also or is an Affiliate of the Currency Transaction Counterparty) has entered into a corresponding Direct Agreement with the Currency Transaction Counterparty; and (iii) is not an Unacceptable Authorised Participant; and

(b) if it has entered into an Authorised Participant Agreement which has not been terminated for any reason, Morgan Stanley Securities Limited, Morgan Stanley & Co. International plc or an Affiliate of either thereof.

Authorised Person means an "authorised person" as defined in section 31(2) of FSMA;

Class Amount means, in respect of the issue of Collateralised Currency Securities of a particular class, the Price of one such Collateralised Currency Security on the relevant Pricing Date multiplied by the number of Collateralised Currency Securities of that class to be issued;

CNY Securities means each of ETFS Long CNY Short USD and ETFS Short CNY Long USD;

Conditions means the terms and conditions of the Collateralised Currency Securities, as included in a schedule to the Trust Instrument;

Confidential Information means (subject as provided in Clause 15):

- (a) with respect to the AP only:
 - (i) the business rules dated on or about 06 October 2014 produced by ETFSL relating to Collateralised Currency Securities as the same may be amended from time to time; and
 - (ii) each daily spreadsheet forwarded by ManJer and/or FXL to AP which details the methodology for pricing or valuing of Collateralised Currency Securities;
- (b) with respect to AP, FXL and ManJer, any documentation or other materials sent by such party (the **Sending Party**) to the other party (the **Receiving Party**) in connection with the Agreement marked as "Confidential" and which the Receiving Party has prior to such materials being sent, agreed in writing to treat as Confidential Information for the purposes of this Agreement.

Collateralised Currency Security has the meaning given to it in the Trust Instrument;

Direct Agreement means a separate agreement between the Currency Transaction Counterparty and AP relating to Currency Securities;

ETFSL means ETF Securities Limited, a company incorporated and registered in Jersey with registered number 88370, of Ordnance House, 31 Pier Road, St Helier, Jersey JE4 8PW, Channel Islands;

Exempt Person means, in respect of any activity, an "exempt person", as defined in section 417 of FSMA, in relation to such activity;

Facility Agreement means the MSIP Facility Agreement as defined in the Conditions;

Funding Rate means, in respect of any AP Settlement Failure, the rate representing the cost of funds to FXL as determined by FXL and notified to AP;

FSMA means the Financial Services and Markets Act 2000;

FXL Bank Account means in respect of each Currency Transaction Counterparty, the Relevant Issuer Account maintained by FXL for the purposes of Condition 13 in respect of FXL's dealings with that Currency Transaction Counterparty which is established in accordance with Clause **Error! Reference source not found.**, or a Custody Account or Cash Account forming part of the Relevant Issuer Account as notified by FXL, or any substitute account duly notified by FXL in accordance with Clause **Error! Reference source not found.**;

General Notice means any notice given in accordance with this Agreement other than a Pricing Notice;

Index Application means an Index Application Order or an Index Application Notice;

Index Application Notice has the meaning set out in paragraph 1 of Schedule 4;

Index Application Order means an application for the issue of a number of Collateralised Currency Securities given (or deemed to have been given) through the System in accordance with the Internet Order Procedures in respect of which the order type "Settlement Price" has been selected and as described in paragraph 2 of Part A of Schedule 5;

Index Redemption Notice means either (a) an Index Redemption Form or (b) an Index Redemption Order;

Index Redemption Order means a request for the redemption of a number of Collateralised Currency Securities given (or deemed to have been given) through the System in accordance with the Internet Order Procedures in respect of which the order type "Settlement Price" has been selected and as described in paragraph 2 of Part B of Schedule 5;

INR Securities means each of ETFS Long INR Short USD and ETFS Short INR Long USD;

Intellectual Property Rights means any right, title or interest in all copyright, trade marks, trade names, goodwill, patents, registered design rights, unregistered design rights, database rights, domain names, confidential information, trade secrets, know-how and any other intellectual or industrial property right of whatsoever in each case in any part of the world, whether or not registered or registrable for their full period of registration with all extensions and renewals including applications for registration or otherwise;

Internet Order Procedures means the procedures for Applications for and Redemptions of Collateralised Currency Securities set out in Schedule 5;

ISDA Master Agreement means any agreement which is an ISDA Master Agreement as defined in the Conditions;

License Agreement means the Index License Agreement dated 05 November 2009 between ETFSL and Morgan Stanley & Co. Incorporated as novated from ETFSL to ManJer under a novation and amendment agreement dated 05 April 2018;

Overseas Person means an "overseas person" as defined in article 3(1) of the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001;

Party means a party to this Agreement including that party's successors in title and assignees or transferees permitted in accordance with the terms of this Agreement;

Pricing Notice means an Index Application, an Agreed Creation Notice, a Redemption Form, a Withdrawal Notice (where applicable having regard to the relevant Facility Agreement), or any other notice required to be given or sent in accordance with Clause 10(a);

Primary E-mail Number means an email address set out in Clause 11(a), or any replacement thereof notified in accordance with Clause 11(d);

Primary Fax Number means a fax number set out in Clause 11(a), or any replacement thereof notified in accordance with Clause 11(d);

Programme means the programme for the issuance of Collateralised Currency Securities as described in the Prospectus and any subsequent prospectuses or other documents issued by FXL relating to Collateralised Currency Securities;

Programme Limit means the maximum numbers of Collateralised Currency Securities that are permitted to be issued whether due to the maximum Programme size filed with the UK Listing Authority or the maximum number of Currency Transactions available for creation by FXL;

Prospectus means the base prospectus dated 05 November 2009 relating to the Programme (which term shall include those documents incorporated in it by reference from time to time as provided in it) as from time to time amended, supplemented or replaced (but not including any information or documents superseded by any information so subsequently included, incorporated or replaced);

Redemption Notice means a Redemption Form or a Redemption Order;

Redemption Order means an Index Redemption Order or an Agreed Redemption Order;

Relevant Secured Property means, in respect of an Authorised Participant Agreement between FXL and AP in respect FXL's dealings with a Currency Transaction Counterparty, the Counterparty Collateral Pool which relates to such Currency Transaction Counterparty as secured by a Security Deed in favour of the Security Trustee subject to the Priority Schedule;

Revocation of Users Access Form means a notice from AP to FXL in the form prescribed by FXL completed to FXL's reasonable satisfaction;

Selling Restrictions has the meaning given in Clause 4(c);

Settlement Failure Date means with respect to an AP Settlement Failure, the day on which the relevant payment was due;

System means the system for requesting the Creation and Redemption of Currency Securities and the Creation and Closing of Currency Transactions via the Website;

Transaction Documents means the Trust Instrument, Services Agreement, Registrar Agreement, all Facility Agreements, ISDA Master Agreements, Global Master Repurchase Agreements, Collateral Administration Agreement, Custody Agreements, Security Deeds and Eligible Collateral Agreements (each as defined in the Conditions);

Trust Instrument means the trust instrument dated 05 November 2009 and made between FXL and The Law Debenture Trust Corporation p.l.c. constituting the Collateralised Currency Securities including the Conditions and other schedules thereto;

Website means the secure website maintained on behalf of FXL at <https://www.etfsecuritiesorders.co.je> or such other internet address as may be notified from time to time by FXL to the AP in the manner provided for Pricing Notices in Clause 10; and

Withdrawal Notice means a notice by AP to FXL requesting the withdrawal of all or part of an Index Application in the form and delivered in the manner as may be prescribed by FXL from time to time for the purposes of this Agreement (as may be contemplated under the relevant Facility Agreement).

The following rules shall apply to the interpretation of this Agreement unless the context otherwise requires:

- (i) headings to Clauses, paragraphs, and other provisions of this Agreement are inserted for ease of reference only and shall not affect the interpretation of this Agreement;
- (ii) any reference to a person or persons includes reference to any individual, corporation, partnership, joint venture, association, public body, governmental authority or other entity;
- (iii) words in the singular shall also include the plural and vice versa;
- (iv) any reference to a Clause or Schedule is a reference to a clause or Schedule of this Agreement;
- (v) any reference in a Schedule to a paragraph is (unless otherwise specified) a reference to a paragraph of that Schedule;
- (vi) any reference to this Agreement or to any other agreement or document includes a reference to this Agreement, or, as the case may be, such other agreement or document, as amended, varied, novated, supplemented or replaced from time to time;

- (vii) any reference in this Agreement to any statute or any provision of any statute includes a reference to any statutory modification or re-enactment thereof or any statutory instrument, order or regulation made thereunder or under any such modification or re-enactment; and
- (viii) unless otherwise indicated, any reference in this Agreement to a time is a reference to local time in London, England.

2. Appointment of AP as Authorised Participant

- (a) This agreement is an Authorised Participant Agreement as defined in the Conditions.
- (b) Subject to Clause 2(c) below, FXL hereby appoints AP as an Authorised Participant and AP is hereby authorised to create and redeem Collateralised Currency Securities in accordance with the terms hereof.
- (c) The appointment and authority in Clause 2(b) above, as it applies to an AP with respect to a Currency Transaction Counterparty, is conditional (save where the AP and the Currency Transaction Counterparty are the same person or Affiliates) upon FXL having been first notified by that Currency Transaction Counterparty confirming that (a) it consents to the appointment of such AP as an Authorised Participant and (b) the AP and that Currency Transaction Counterparty have entered into a Direct Agreement.

3. New Currency Contract Counterparties

- (a) On each occasion that FXL enters into a new Facility Agreement (the *New Facility Agreement*) with a Currency Transaction Counterparty (the *New Currency Transaction Counterparty*), FXL and AP will be deemed (without any further action being required to be taken by either of them) to have entered into a corresponding Authorised Participant Agreement relating to Collateralised Currency Securities on the terms set out in this Agreement (other than this Clause 3) with respect to the New Currency Transaction Counterparty and the New Facility Agreement, as construed in accordance with Clause 3(b). Accordingly, this Agreement will in fact comprise not a single agreement, but a series of separate, distinct and independent Authorised Participant Agreements relating to Collateralised Currency Securities entered into between AP and FXL pursuant to this paragraph.
- (b) For the purposes of determining the terms of each Authorised Participant Agreement deemed to have been entered into between FXL and AP pursuant to Clause 3(a), this Agreement (other than Clauses 3 and 14(f)) shall be construed as if references to “this Agreement” were references to such deemed Authorised Participant Agreement, references to the Currency Transaction Counterparty and the Facility Agreement were references only to respectively the New Currency Transaction Counterparty and the New Facility Agreement, references to Currency Transactions were references only to Currency Transactions between FXL and the New Currency Transaction Counterparty and (where the context requires) references to Collateralised Currency Securities were references only to Collateralised Currency Securities corresponding to such Currency Transactions.

- (c) FXL shall give to AP not less than 30 days' notice prior to entering into any New Facility Agreement.

4. Undertakings by AP; Acknowledgment

AP represents, warrants and covenants that:

- (a) it is an Authorised Person, an Exempt Person or an Overseas Person and is a participant of CREST and will maintain any such registrations, qualifications and membership in good standing and in full force and effect throughout the term of this Agreement;
- (b) it will enter into a Direct Agreement with the Currency Transaction Counterparty (unless it is the same person as or an Affiliate of that Currency Transaction Counterparty);
- (c) it will comply with the agreements and undertakings set out in Schedule 1 (the "Selling Restrictions") when making any offers, selling efforts, promotions or similar activities with respect to the Collateralised Currency Securities; and
- (d) if any payment made by AP to FXL in respect of an Application Amount is received into the FXL Bank Account after a withholding or deduction of any amount, AP shall pay into the FXL Bank Account, such additional amounts as will result in receipt by FXL after such withholding or deduction of the amount which would have been received by FXL had no such withholding or deduction been made.

AP acknowledges that it has been notified by FXL of the provisions of the Facility Agreement pursuant to which AP may be designated as an Unacceptable Authorised Participant (and so cease to be an Authorised Participant for the purposes of the Facility Agreement).

5. Representations, Warranties and Covenants by FXL and ManJer

ManJer and FXL represent, warrant and covenant that:

- (a) FXL will comply with the Listing Rules and the Prospectus Rules of the UK Listing Authority made under section 73(A) of the FSMA and any rules of the London Stock Exchange;
- (b) they will conduct their operations and marketing activities in a professional manner and comply with all applicable laws and regulations in any jurisdiction in which they carry on business or undertake any other activities;
- (c) they will develop and maintain a web-site and marketing materials of a high standard and comparable to those used by other exchange-traded products that are true, accurate and not misleading and are distributed, maintained and operated in accordance with, and conform with, all applicable laws and regulations and, if required, approved for the purposes of section 21 of FSMA;
- (d) they will promptly inform AP of any significant material developments with respect to FXL and Collateralised Currency Securities and on becoming aware of any significant material developments with respect to any Currency Transaction

Counterparty or Guarantor, and in particular will promptly notify AP in the event that either a Currency Transaction Counterparty or FXL gives notice to the other under clause 10.1, 10.2 or 10.3 of the relevant Facility Agreement;

- (e) where AP notifies FXL that demand exists for Collateralised Currency Securities in a jurisdiction where Collateralised Currency Securities are not issued or sold at such time, they will at their own cost use reasonable endeavours to obtain legal and tax advice in such jurisdiction, provided that the anticipated demand for Collateralised Currency Securities in FXL's opinion is sufficient to cover the anticipated cost of the advice and in accessing the demand;
- (f) the representations and warranties contained in Schedule 2 are true and accurate and shall remain so throughout the term of this Agreement;
- (g) they will comply with the undertakings in Schedule 2;
- (h) they will not amend or agree to amend any of the provisions of any Authorised Participant Agreement without first having given to all other Authorised Participants, prior written notice of the amendments and of the date on which such amendments are to become effective;
- (i) FXL will make all payments due to AP on Redemption of Collateralised Currency Securities in respect of which AP is the Security Holder in accordance with the Trust Instrument and the Conditions; and
- (j) they will appoint any further or additional Authorised Participant only on substantially the same terms as are set out herein, save that the omission or inclusion in the terms agreed with any Authorised Participant of the provisions of paragraphs (a) to (c) inclusive of Clause 8 of the form of Authorised Participant Agreement in the agreed form for the purposes of the Facility Agreement between FXL and Morgan Stanley and Co. International plc, shall not be considered a breach of this sub-clause.

6. Availability of Currency Transactions

- (a) FXL will use its reasonable endeavours to ensure that there is a sufficient available Volume of Currency Transactions of each class as is required to meet the demand for corresponding Collateralised Currency Securities of each type.
- (b) If, on any Pricing Day, Applications or Redemption Notices are received from more than one Authorised Participant for Collateralised Currency Securities in number exceeding the number of that class which can be accepted on that Pricing Day (due to FXL being unable to create or close sufficient Currency Transactions of that class or an AP not being an Authorised Participant with respect to one or more Currency Transaction Counterparties or for any other reason) then the number of Collateralised Currency Securities of that class to be allocated to each Authorised Participant for creation will be determined in accordance with Schedule 4 and for redemption will be determined in accordance with Condition 6.7.
- (c) FXL agrees that (save where FXL exercises its rights under Condition 10 of the Conditions) in respect of each Collateralised Currency Security which is issued or redeemed an Equivalent Currency Transaction or an Equivalent Closing Transaction

(as the case may be) shall be automatically entered into between FXL and the Currency Transaction Counterparty in accordance with the provisions set out in the relevant Facility Agreement(s).

7. Creation and Redemption Procedures

- (a) Concurrent with the execution of this Agreement and from time to time thereafter, AP shall deliver to the Administrator and FXL duly certified as appropriate by its secretary or other duly authorised official, a certificate in the form of Schedule 3 setting forth the names and signatures of all persons approved to give instructions relating to activity contemplated hereby or by any other notice, request or instruction given on behalf of AP (each such person an “**Approved Person**”).
- (b) Each of AP and FXL will comply with the creation procedures set out in Schedule 4, the redemption procedures set out in the Trust Instrument and the Conditions and any payment to be made pursuant to any Application or Redemption Notice will be made in accordance with those procedures and the Conditions.
- (c) AP agrees that for every Index Application or Agreed Creation Notice it gives to FXL as provided in Schedule 4, it will pay to the Issuer a fee, in such manner as the Issuer may direct, of an amount equal to £500 or such lesser amount as may be accepted by FXL either generally or on any particular occasion. AP further agrees that for the purposes of Condition 9.2, the Redemption Fee shall be £500 or such lesser amount as may be accepted by FXL either generally or on any particular occasion and shall be payable in such manner as the Issuer may direct.
- (d) To the extent that in relation to Application Orders or Redemption Orders certain provisions of Schedule 4 or the Trust Instrument and the Conditions are expressed in Schedule 5 not to apply, such provisions shall not apply thereto but subject thereto Schedule 4 and the Trust Instrument and the Conditions (respectively) apply to Application Orders and Redemption Orders as they do to other Applications and Redemption Notices. FXL will use its reasonable endeavours to make the System available on each Business Day but shall not have any liability to AP for any failure by FXL or its agents to maintain the availability or utility of the System. AP agrees to comply with its obligations under the AP User Guide and to operate the System in accordance with the AP User Guide. In the event of any conflicts between the provisions of the AP User Guide and this Agreement, this Agreement shall prevail.
- (e) The following provisions relating to the System shall apply:
 - (i) AP shall following execution hereof notify FXL by means of a duly executed AP Authorisation Level Form of the names of its employees (or the employees of any of its Affiliates) (**Authorised Users**) who are to have access to the Website, the authorisation level applicable to that Authorised User (as described in the AP User Guide), each internet protocol (IPv4 or IPv6) address (**IP Address**) from which such Authorised Users may access the Website and the means of communication of usernames and passwords to them and shall be responsible for the security of such usernames and passwords provided by such means.

- (ii) AP agrees that each Authorised User shall be deemed to be duly authorised to act for and on behalf of AP for the purpose of the System with the authority applicable to his authorisation level as described in the AP User Guide;
- (iii) AP shall notify FXL in writing by means of a duly executed Revocation of Users Access Form if:
 - (A) any person's status as an Authorised User is to be revoked or terminated;
 - (B) any such Authorised User's authorisation level is to be changed to a lower level; or
 - (C) the Authorised User should no longer be able to access the System from any IP Address (specifying the relevant IP Address),

in each case as soon as possible, in order to give FXL a reasonable opportunity to:
 - (I) terminate such Authorised User's access to the System;
 - (II) amend the authorisation level applicable to such Authorised User; or
 - (III) amend the IP Addresses from which such Authorised User may access the Website,as the case may be.
- (iv) AP shall from time to time notify FXL by means of a duly executed AP Authorisation Level Form if:
 - (A) any additional or alternative Authorised Users are to have access to the Website;
 - (B) such Authorised User's authorisation level is to be changed to a higher level; or
 - (C) the IP address(es) applicable to any Authorised User changes.
- (v) FXL reserves the right to terminate an Authorised User's access to the System immediately and without notice upon any breach by AP of this Agreement or any material breach by the Authorised User of the conditions referred to in paragraph (h) or otherwise as FXL may determine.
- (vi) FXL shall provide AP with or procure the provision to AP of a username and initial password for access to the Website for each of such Authorised Users. It shall be the responsibility of AP to ensure that each Authorised User logs into the System through the website as soon as practicable on receipt of such username and initial password and changes his or her password. AP shall ensure that passwords are not shared and are used for access to the Website only by employees of AP (or any of its Affiliates) who are authorised to do so.

AP shall ensure that all usernames and passwords (including all replacement passwords) are kept confidential and not disclosed to any person except to the relevant Authorised User. As soon as is practicable after becoming aware, or having a reasonable suspicion of the occurrence, of the unauthorised disclosure of a username or password, or of circumstances in which a username or password is at risk of being so disclosed, AP shall notify FXL and the Administrator of the same;

- (vii) AP will limit access to the Website using its usernames and passwords to those persons authorised by it for the purposes of this Agreement and will implement procedures to monitor, and will monitor, such access to ensure compliance with the terms of this Agreement; and
 - (viii) in the event of a dispute between AP and any Currency Transaction Counterparty in connection with activities conducted through the Website, FXL will make available all records of the System to the extent reasonably available to it, that are reasonably requested by the Currency Transaction Counterparty and relevant to such dispute.
- (f) Subject to compliance by AP with paragraphs (d) and (e), AP shall not be responsible for any unauthorised use of its passwords by any person who has obtained such passwords due to a failure by FXL or the Administrator to maintain the security of those passwords.
- (g) AP acknowledges that the AP User Guide and any other user manuals or other documentation marked confidential (whether in hard copy or electronic form) (collectively, the “**Material**”) which is delivered or made available to AP or any Authorised User regarding the System is the exclusive and confidential property of ManJer and its suppliers. AP shall keep the Material confidential by using the same care and discretion that AP uses with respect to its own confidential property and trade secrets; provided that AP or any Authorised User may disclose Material if and to the extent required to do so by any law, court, or regulatory agency or authority or stock exchange or in connection with any legal proceedings. AP may make such copies of the Material as are reasonably necessary for the Authorised Users to use the System and shall reproduce the proprietary markings of ManJer and/or its suppliers on any such copy (if applicable). The foregoing shall not in any way be deemed to affect the copyright status of any of the Material which may be copyrighted and shall apply to all Material whether or not copyrighted. FXL, ManJer AND ITS SUPPLIERS MAKE NO WARRANTIES (EXPRESS OR IMPLIED) CONCERNING THE MATERIAL OR ANY PRODUCT OR SERVICE INCLUDING, BUT NOT LIMITED TO, WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. Upon termination of this Agreement for any reason, AP shall return to FXL (provided that such Materials are in a form which is capable of return to FXL) all copies of the Material which are in AP’s possession or under its control, provided that AP may retain any automatically generated back-up copies and any back-up copy required for the purpose of, and for so long as required by, any law, court or regulatory agency or authority or stock exchange or its internal compliance and diligence procedures and policies, such back-up copies to be subject to the confidentiality requirements set out in this paragraph (g).

- (h) AP acknowledges that in using the System each Authorised User will be required to accept the following conditions:
- (i) that he represents warrants and undertakes to FXL and to ManJer that he is authorised on behalf of AP to access the System with the authority applicable to his authorisation level as described in the AP User Guide;
 - (ii) that he represents warrants and undertakes to FXL and to ManJer that he is the person to whom the username and password used to access the System were properly issued;
 - (iii) that he acknowledges that his access to the System may be terminated at any time without notice in the event that AP breaches this Agreement with FXL or he materially breaches any of the conditions of his access to the System or otherwise as FXL may determine;
 - (iv) that he agrees to use reasonable efforts to prevent the transmission by him through the System of any software or file which contains any viruses, worms, harmful component or corrupted data and agrees not to use any device, software, or routine to interfere or attempt to interfere with the proper working of the System;
 - (v) that he acknowledges that any Material which is delivered or made available to AP or any Authorised User regarding the System is the exclusive and confidential property of ManJer and its suppliers and that he shall keep the Material confidential by using the same care and discretion that he uses with respect to his employer's confidential property and trade secrets; provided that AP may disclose the Material if and to the extent required to do so by any law, court or regulatory agency or authority or stock exchange or in connection with any legal proceedings;
 - (vi) upon termination of his access to the System for any reason, he shall, provided that such documents and Materials are in a form which is capable of delivery, return to FXL all copies of the Material which are in his possession or under his control, provided that AP may retain any automatically generated back-up copies and any back-up copy required for the purpose of, and for so long as required by, any law, court or regulatory agency or authority or stock exchange or its internal compliance and diligence procedures and policies, such back-up copies to be subject to the confidentiality requirements set out in this paragraph (vi); and
 - (vii) such other conditions as FXL shall reasonably determine from time to time; provided that FXL shall provide AP with five Business Days' notice of any additional conditions to be imposed under this paragraph (h).

8. Indemnification

[Note: paragraphs (a) to (c) inclusive may be omitted if agreed between FXL and AP]

- (a) AP hereby agrees to indemnify and hold ManJer and FXL harmless if they, or any of their respective direct or indirect Affiliates, and their respective directors, officers,

employees and agents (each, an “**AP Indemnified Party**”) suffers any loss, liability, damages, costs and expenses (including legal fees) incurred by such AP Indemnified Party as a result of or in connection with any breach by AP of any of the Selling Restrictions.

- (b) FXL and ManJer, jointly and severally hereby agree to indemnify and hold harmless AP, if AP, each holding company and subsidiary of AP (as defined in section 1159 of the Companies Act 2006), or any of their respective direct or indirect Affiliates, and their respective directors, officers, employees, agents or any person who controls AP for the purpose of Section 15 of the Securities Act of 1933 of the United States (each a “**ManJer Indemnified Party**”) suffers any loss, liability, damages, cost and expense (including legal fees) as a result of any:
 - (i) breach or alleged breach by ManJer or FXL of any provision of this Agreement that relates to ManJer or FXL; or
 - (ii) failure or alleged failure by ManJer or FXL to comply with applicable laws in the context of the issue and redemption of Collateralised Currency Securities.
- (c) This Clause 8 shall not apply to the extent that any such loss, liability, damages, costs and expenses are incurred as a result or in connection with any negligence, bad faith or wilful misconduct on the part of the AP Indemnified Party or the ManJer Indemnified Party, as the case may be.
- (d) Save in respect of the provisions set out in (i) Schedule 4 and Schedule 5 hereto and (ii) the clauses and schedules in the Facility Agreement dealing with procedures for creations and closing of Currency Transactions thereunder, none of ManJer, FXL and AP shall be liable to each other or to any other person, including any party claiming by, through or on behalf of AP, for any loss, liability, damages, costs or expenses arising out of any mistake or error in data or other information provided to any of them by each other or any other person or out of any interruption or delay in the electronic means of communications used by them.

9. Termination

This Agreement may be terminated at any time by any party upon thirty days' prior written notice to the other parties *provided that* in each case Clauses 8 and 10 shall survive such termination.

10. Notices

Pricing Notices

- (a) Any Pricing Notice shall be in writing in English and shall be signed by or on behalf of the Party giving it (or its duly authorised representative). Any Pricing Notice to be given to FXL or AP shall be sent by e-mail to its Primary E-mail Address and may, but shall not be required to, be confirmed by fax sent to such Party's Primary Fax Number.
- (b) Any Pricing Notice to be given by one Party (the **Sender**) to another (the **Recipient**) shall be treated as given at the time the Recipient sends confirmation of receipt by e-

mail to the Sender provided that such confirmation shall be sent as soon as reasonably practicable upon receipt. A Pricing Notice duly sent by fax shall be deemed to have been received upon sending, subject to confirmation of uninterrupted and error-free transmission by a transmission report.

- (c) FXL will be entitled to assume that each Pricing Notice is genuine and will not be required to make any investigation or enquiry into the authenticity of any such notice.

General Notices

- (d) Any General Notice shall be in writing in English and shall be signed by or on behalf of the Party giving it (or its duly authorised representative). Any General Notice shall be delivered by hand, sent by prepaid recorded delivery or registered post (or registered airmail in the case of an address outside the United Kingdom), to the address given in Clause 10(f) (or such other address as the receiving Party has specified to the sending Party on at least five Business Days' notice) or sent by fax to the recipient's Primary Fax Number or by e-mail to the recipient's Primary E-mail Address.

- (e) Any General Notice shall, in the absence of earlier receipt, be deemed to have been received as follows:

- (i) if delivered by hand, at the time of actual delivery;
- (ii) if sent by prepaid recorded delivery or registered post (or registered airmail in the case of an address outside the United Kingdom), on the date it is delivered or its delivery is attempted; or
- (iii) if sent by fax, upon sending, subject to confirmation of uninterrupted and error-free transmission by a transmission report.

- (f) The addresses and numbers of the parties for the purposes of Clause 10(d) are:

Name of party	Address	Facsimile No.	Marked for the attention of
FXL and ManJer	Ordnance House 31 Pier Road St Helier Jersey JE4 8PW	██████████	██████████
AP	[Address of AP]	[fax of AP]	[name and title]
	with a copy to	[fax]	[name and title]

11. Contact Details

Primary Fax Numbers

- (a) The Primary Fax Numbers and Primary E-mail Addresses of AP, FXL and the Registrar for the purpose of this Agreement are as follows:

FXL:

Fax: [REDACTED]

Primary E-mail address: [REDACTED] with mandatory copies to [REDACTED]

AP:

Fax: [to be inserted]

Primary E-mail address: [●]

Registrar:

Fax: [REDACTED]

Primary E-mail address: [●]

- (b) FXL shall notify the Currency Transaction Counterparty of the Primary Fax Number of AP as required by the Facility Agreement.
- (c) Each Party shall at all times maintain for the purposes of this Agreement a working fax number as its Primary Fax Number, with a working fax machine attached thereto, and a working e-mail address as its Primary E-mail Address.

Change of Primary Fax Numbers, Primary E-mail Addresses

- (d) AP may notify a change to its Primary Fax Number or Primary E-mail Address, and FXL may notify a change to its or to the Registrar's Primary Fax Number or Primary E-mail Address, by giving notice thereof to the other Party, provided that such notice shall only be effective on the later to occur of:
- (i) the date specified in the notice as the date on which such change is to take place; or
 - (ii) the day which is five Business Days following the day on which notice of such change was given.

Alternate Means of Communication

- (e) Where this Agreement or the Conditions provide that a Notice must or may be sent to the Primary Fax Number and/or Primary E-mail Address of a Party or the Registrar, the notice may be sent in such other manner as the Parties or their duly authorised

representatives may agree in writing from time to time, in lieu of or in addition to sending it to the Primary Fax Number and/or Primary E-mail Address as provided herein.

12. Third Party Beneficiaries

A person who is not a party to this Agreement has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Agreement.

13. Governing law and Jurisdiction

- (a) This Agreement and any non-contractual obligations arising out of or in relation to this Agreement shall be governed by and construed in accordance with English law.
- (b) Each party hereby irrevocably agrees that the courts of England shall have non-exclusive jurisdiction to hear and determine any suit, action or proceeding, and to settle any disputes, which may arise out of or in connection with this Agreement (respectively, "**Proceedings**" and "**Disputes**") and, for such purposes, irrevocably submit to the jurisdiction of such courts.
- (c) Each party hereto, other than AP, agrees that the documents which start any Proceedings and any other documents required to be served in relation to those Proceedings may be served on it by being delivered on its behalf to its agent ("**Process Agent**") as notified to the other party in writing from time to time. At the date hereof the Process Agent of each of ManJer and FXL is ETF Securities (UK) Limited of 3 Lombard Street, London, EC3V 9AA. If for any reason the Process Agent of any party ceases to be able to act as such or no longer has an address in London, that party irrevocably agrees to appoint a substitute process agent acceptable to the other party and shall immediately notify the other party of such appointment. Nothing contained in this clause 13(c) affects the right to serve documents and process in any other matter permitted by law. This clause applies to Proceedings in England and to Proceedings elsewhere.
- (d) Each party hereto irrevocably waives any objection which it might at any time have to the courts of England being nominated as the forum to hear and determine any Proceedings, and to settle any Disputes, which may arise out of or in connection with this Agreement and agrees not to claim that the courts of England are an inconvenient or inappropriate forum.

14. Miscellaneous

- (a) As against the AP acting in its capacity as Authorised Participant, FXL and ManJer retain all property and development rights, including all Intellectual Property Rights, in all Collateralised Currency Securities (including any existing or future classes of Collateralised Currency Securities developed by ManJer and/or FXL).
- (b) AP acknowledges and agrees that, as a result of exercising its rights and performing its obligations as Authorised Participant under this Agreement, it does not acquire ownership of any property and development rights (including Intellectual Property Rights) owned by FXL or ManJer in connection with Collateralised Currency Securities.

- (c) A variation of this Agreement is valid only if it is in writing and signed by and on behalf of each party.
- (d) A party may not assign, transfer or create any trust in respect of, or purport to assign, transfer or create any trust in respect of, a right or obligation under this Agreement provided that AP may assign or transfer its rights and/or obligations hereunder to an Affiliate of AP and FXL may grant security in accordance with paragraph (g) and ManJer may assign or transfer its rights and/or obligations hereunder to an Affiliate of ManJer.
- (e) Nothing in this Agreement shall make any Party a partner or an agent of another Party.
- (f) This Agreement may be executed in any number of counterparts, which may be evidenced by facsimile transmission. All counterparts will be taken to constitute one instrument.
- (g) AP hereby acknowledges and consents:
 - (i) to FXL entering into a Security Deed in favour of the Security Trustee in respect of (among other things) this Agreement; and
 - (ii) to the assignment by FXL under such Security Deed to the Security Trustee by way of security for the performance and discharge of certain of its obligations of all its right, title, interest and benefit, existing now or in the future, in, to, under or in respect of this Agreement and all other rights, moneys and property whatsoever which may from time to time at any time be derived from or accrue with respect to this Agreement, subject to the provisions of the Security Deed; and
 - (iii) that under the terms of the Security Deed, the Security Trustee shall be entitled to exercise the rights of FXL under this Agreement.

15. Confidentiality

- (a) Each of AP, FXL and ManJer shall treat as confidential and shall not disclose or transmit to any third party except to their professional advisers Confidential Information. Confidential Information shall not include (A) any information that is available to the public or to the receiving party hereunder from sources other than the providing party; (B) any information that becomes public other than by a breach of this provision by the receiving party; or (C) any information that is independently developed by the receiving party without knowingly using or referencing Confidential Information received from the providing party.
- (b) Notwithstanding the foregoing, either party may disclose Confidential Information if such disclosure is (i) requested by any regulatory authority or court or (ii) required by law or court order to be disclosed by the receiving party, provided, if permitted by law, that the receiving party makes its best commercial effort to inform the providing party of such disclosure.
- (c) AP acknowledges that the Transaction Documents, although in the public domain, contain information and know-how which is integral to the businesses of FXL and

ManJer and which FXL and ManJer wish to limit the distribution and transmission of. AP agrees that it shall only transmit or forward any Transaction Documents to any other party to the extent reasonably necessary to perform its duties as Authorised Participant under this Agreement, and AP shall under no circumstances transmit or forward any Transaction Documents to a party where it is on notice, or could reasonably be deemed to have knowledge, that such Transaction Documents may be used in the development of competing exchange traded products.

16. Limited Recourse and Non-Petition

- (a) AP hereby agrees that it shall have recourse in respect of any claim against FXL under this Agreement only to sums derived from the Relevant Secured Property, subject always to the Security as defined in the Security Deed and any such claim by AP shall be reduced pro rata so that the total of all such claims does not exceed the aggregate value of the Relevant Secured Property after all claims secured on it under the Security Deed have been fully satisfied and discharged out of such Relevant Secured Property. The Security Trustee (or any other secured party) having realised the same, neither AP nor any person acting on its behalf shall be entitled to take any further steps against FXL to recover any further sums and no debt shall be owed by FXL to such person in respect of any such further sum. AP shall not be entitled to institute, or join with any other person in bringing, instituting or joining, insolvency proceedings (whether court based or otherwise) in relation to FXL, nor shall it have any claim in respect of any sum arising in respect of any Secured Property which relates to any other Currency Transaction Counterparty or any other assets of FXL.

17. Publication of Prospectus

- (a) Subject to Clause 17(b) below, AP will during the term of this Agreement make available, free of charge and by e-mail copies of the Prospectus and any pricing supplement or supplementary prospectus in accordance with PR3.2.2, PR3.2.4(2), PR3.2.5 and PR3.2.8 of the Prospectus Rules and/or Article 14(2)(b) of the Prospectus Directive.
- (b) For the purposes of the foregoing, FXL will during the term of this Agreement deliver to AP, free of charge and by e-mail such number of copies of the Prospectus as AP may from time to time reasonably request, including any pricing supplement or supplementary prospectus.

18. General Payment Provisions

Currency

- (a) All monies payable by AP under this Agreement (including without limitation any obligation on AP to pay Application Amounts in accordance with paragraph 13 of Schedule 4) shall be paid in cleared and immediately available funds in the currency of denomination of the relevant class of Collateralised Currency Securities and without set-off or counterclaim.

Interest

- (b) Following the occurrence of an AP Settlement Failure, interest shall accrue on any balance of the Application Amount not paid or otherwise discharged by way of set-off in accordance with this Agreement by or on behalf of AP from the Settlement Failure Date. Such interest shall accrue at the Funding Rate from and including the Settlement Failure Date and cease to accrue in relation to the balance of the Application Amount, (A) on the date on which the relevant Application is cancelled in whole or in part pursuant to paragraph 15(a) of Schedule 4 of this Agreement, or (B) if such Application is not so cancelled, on the date on which such balance is paid by or on behalf of AP into the FXL Bank Account; and
- (c) Interest determined pursuant to Clause 18(b) above shall be payable to FXL within 1 Repo Day of the later of the day on which it accrues and the day on which FXL notifies AP of the applicable Funding Rate, without the need for demand being made by FXL.

No double recovery

- (d) A Party may satisfy any of its payment obligations under this Agreement by procuring the payment of the outstanding amount into the relevant account on its behalf by another person.

Payments due on Days other than Business Days

- (e) Where a day on which a payment would otherwise be due and payable is not a Relevant Business Day, such payment shall be due and payable by the payer on the next following Relevant Business Day.

19. Bank accounts

- (a) AP shall, in respect of each Relevant Currency, establish and at all times maintain a bank account in such Relevant Currency (the “**AP Bank Accounts**”) to receive payments of Redemption Amounts in the Relevant Currencies, into which AP shall pay (or procure payment of) Creation Amounts. Such account shall be linked to the CREST Graphical User Interface access of the Registrar and shall be used to effect settlement of issues, Redemptions and cancellations of Collateralised Currency Securities through CREST and AP shall notify FXL and the Trustee of the details of such account from time to time.
- (b) AP shall as soon as possible after the Effective Date notify FXL and the Trustee of the account details of the AP Bank Accounts.
- (c) FXL has, in respect of each Relevant Currency, established and shall at all times maintain one or more FXL Bank Accounts to receive payments of Creation Amounts in the Relevant Currencies, into which FXL shall pay (or procure payment of) Redemption Amounts. Such account shall be linked to the CREST Graphical User Interface access of the Registrar or shall be held at an institution which maintains an account linked to such CREST Graphical User Interface or whose nominee maintains such an account and shall be used to effect settlement of issues, Redemptions and

cancellations of Collateralised Currency Securities through CREST. The details of the FXL Bank Accounts as at the date of this Agreement are as follows:

Account Name: [REDACTED]

Account No: [REDACTED]

Account Branch: [REDACTED]

Giving the following sub-account details in full when making payments to BNYM in USD, GBP or Euros as applicable:

Euro

Cash Correspondent Name: [REDACTED]

Account Name: [REDACTED]

Account Number: [REDACTED]

BIC Code: [REDACTED]

Ref: [REDACTED]

USD

Cash Correspondent Name: [REDACTED]

Account Name: [REDACTED]

Account Number: [REDACTED]

ABA: [REDACTED]

BIC Code: [REDACTED]

Ref: [REDACTED]

GBP

Cash Correspondent Name: [REDACTED]

Account Name: [REDACTED]

Account Number: [REDACTED]

BIC Code: [REDACTED]

Sort Code: [REDACTED]

Ref: [REDACTED]

- (d) AP may change the bank account which constitutes any AP Bank Account by giving notice thereof to FXL and the Trustee. FXL may change any bank account which constitutes an FXL Bank Account by giving notice thereof to AP and the Trustee.
- (e) A change of bank account notified in accordance with Clause 19 **Error! Reference source not found.** shall take effect on the later to occur of:
 - (i) the date specified in the notice as the date on which the change is to take place; or
 - (ii) the day which is five London Business Days following the day on which notice of the change was deemed received by each of the persons to which it was sent.

EXECUTED by the parties:

SIGNED by)
for and on behalf of)
ETFS FOREIGN EXCHANGE LIMITED)
)

SIGNED by)
for and on behalf of)
ETFS MANAGEMENT COMPANY)
JERSEY LIMITED)

SIGNED by)
for and on behalf of)
[insert name of authorised participant])

Schedule 1

Pursuant to clause 4(c), the Selling Restrictions are as follows:

1 General

No action to permit public offering

- 1.1 AP acknowledges that, save for the approval of the Prospectus by the UK Listing Authority in accordance with Part VI of the Financial Services and Markets Act 2000 (the “FSMA”) having been obtained, no action has been or will be taken (without the prior written consent of FXL) in any jurisdiction by it that would permit a public offering of Collateralised Currency Securities, or possession or distribution of any offering material in relation thereto, in any country or jurisdiction where action for that purpose is required.

AP acknowledges that FXL does not (i) represent that Collateralised Currency Securities may at any time lawfully be sold in compliance with any applicable registration or other requirements in any jurisdiction other than the United Kingdom, or pursuant to any exemption available thereunder, nor (ii) assume any responsibility for facilitating such sale.

AP will not offer or sell any Collateralised Currency Securities in any jurisdiction other than the United Kingdom in circumstances that would result in any legal or regulatory requirement being imposed on FXL save as expressly provided for in this Agreement.

1.2 **AP’s compliance with applicable laws**

AP undertakes to FXL that it will comply (and procure compliance) with all applicable laws and regulations in each country or jurisdiction in which it purchases, offers, sells or delivers Collateralised Currency Securities or has in its possession or distributes offering material, in all cases at its own expense.

1.3 **Selling and Listing Restrictions and Prohibited Investors:**

AP will not offer or sell any Collateralised Currency Securities to, and will not conduct any offers, selling efforts, promotions, marketing, advertising or other related activities in respect of any Collateralised Currency Securities in a manner that could denote, hold out or suggest that Collateralised Currency Securities may be suitable for investment by, any persons other than sophisticated, professional or institutional investors (it being agreed that the publication of the Prospectus in accordance with the provisions of Clause **Error! Reference source not found.**, and acts done for the purpose of compliance with listing rules, prospectus rules or disclosure and transparency rules in respect thereof, shall not of themselves be regarded as a breach of this undertaking).

2 **United States**

In relation to the Collateralised Currency Securities AP represents, warrants and undertakes to FXL that neither it nor any of its Affiliates (including any person acting on behalf of AP or any of its Affiliates):

- (a) has knowingly offered or sold or will offer or sell Collateralised Currency Securities within the US, to a US Person, to a Prohibited U.S. Person or a Prohibited Benefit Plan Investor, whether before, on or after the relevant Application date; or
- (b) has engaged or will engage in any "directed selling efforts" with respect to Collateralised Currency Securities.

Terms used in this paragraph 2 have the meanings given to them by Regulation S under the Securities Act of 1933 of the United States.

3 **European Economic Area**

3.1 AP represents, warrants and undertakes to FXL:

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each a "Relevant Member State"), that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the "Relevant Implementation Date") it has not made and will not make an offer of Collateralised Currency Securities to the public in that Relevant Member State except that it may, with effect from and including the Relevant Implementation Date, make an offer of Collateralised Currency Securities to the public in that Relevant Member State:

- (a) if the final terms in relation to the Collateralised Currency Securities specify that an offer of those Collateralised Currency Securities may be made other than pursuant to Article 3(2) of the Prospectus Directive in that Relevant Member State (a "**Non-exempt Offer**"), following the date of publication of a prospectus in relation to such Collateralised Currency Securities which has been approved by the competent authority in that Relevant Member State in accordance with the Prospectus Directive or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State in accordance with the Prospectus Directive, provided that any such prospectus has subsequently been completed by the final terms contemplating such Non-exempt Offer, in accordance with the Prospectus Directive, during the period beginning and ending on the dates specified in such prospectus or final terms, as applicable and provided further that FXL has consented in writing to its use for the purpose of that Non-exempt Offer;
- (b) at any time to any legal entity which is a qualified investor as defined in the Prospectus Directive;
- (c) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive); or

- (d) at any time in any other circumstances falling within Article 3(2) of the Prospectus Directive,

For the purposes of this paragraph 3, the expression an “**offer of Collateralised Currency Securities to the public**” in relation to any Collateralised Currency Securities in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Collateralised Currency Securities to be offered so as to enable an investor to decide to purchase or subscribe for Collateralised Currency Securities, as the same may be varied in that Relevant Member State by any measure implementing the Prospectus Directive in that Relevant Member State, the expression “Prospectus Directive” means Directive 2003/71/EC (as amended, including by Directive 2010/73/EU) and includes any relevant implementing measure in each Relevant Member State.

4 **United Kingdom**

4.1.1 *Financial promotion:* it has only communicated or caused to be communicated, and will only communicate or cause to be communicated, any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received by it in connection with the issue or sale of any Collateralised Currency Securities in circumstances in which section 21(1) of the FSMA does not apply to FXL or any Affiliate of FXL.

4.1.2 *General compliance:* it has complied and will comply with all applicable provisions of the FSMA and the United Kingdom financial services regime (including, without limitation, the obligation to treat customers fairly) with respect to anything done by it in relation to any Collateralised Currency Securities in, from or otherwise involving the United Kingdom.

5 **Jersey**

AP undertakes to FXL that it will not offer or sell any Collateralised Currency Securities to persons resident for income tax purposes in Jersey (other than financial institutions in the normal course of business).

Schedule 2

Pursuant to clauses 5(f) and 5(g), the Representations, Warranties and Undertakings of FXL and ManJer are as follows:

1 Representations and Warranties of FXL and ManJer

FXL and ManJer do, on the date of this Agreement, and shall on each date on which AP makes an Application and on each date on which the Application Amount is paid in respect of Collateralised Currency Securities be deemed, jointly and severally, to represent to, warrant to and to undertake for the benefit of the AP that:

- 1.1 **Due Incorporation:** FXL is duly incorporated and validly existing under the laws of Jersey, with full power and authority to conduct its activities as described in the Prospectus
- 1.2 **Residence:** FXL has complied and is in compliance with clause 20.1(W) of the Trust Instrument
- 1.3 **Validity of Agreements:** the execution and delivery of the Agreements by FXL has been duly authorised by FXL and the Agreements constitute, and upon due execution, authentication, issue and delivery, the Collateralised Currency Securities will constitute valid and legally binding obligations of FXL
- 1.4 **Consents:** all actions or things required to be taken, fulfilled or done (including without limitation the obtaining of any consent or licence or the making of any filing or registration) for the issue of the Collateralised Currency Securities, the carrying out of the other transactions contemplated by the Agreements or the compliance by FXL and/or ManJer (as the case may be) with the terms of the Collateralised Currency Securities and the Agreements, as the case may be, have been obtained and are in full force and effect
- 1.5 **Compliance:** the execution and delivery of the Agreements, the issue of the Collateralised Currency Securities, the carrying out of the other transactions contemplated by the Agreements and compliance with their terms do not and will not (i) conflict with or result in a breach of any of the terms or provisions of, or constitute a default under, the documents constituting FXL or any agreement or instrument to which FXL is a party or by which it or any of its properties is bound, or (ii) infringe any existing applicable law, rule, regulation, judgment, order or decree of any government, governmental body or court, domestic or foreign, having jurisdiction over FXL, or any of its properties
- 1.6 **Prospectus:** (i) the Prospectus contains all information with respect to FXL, the Collateralised Currency Securities and any related contract entered into by FXL that is material in the context of the issue and offering of the Collateralised Currency Securities (including all information required by applicable laws of Jersey and English law and the information that is necessary to enable investors and their professional advisers to make an informed assessment of the condition of FXL and the rights attaching to the Collateralised Currency Securities), (ii) the statements contained in it relating to FXL are in every material particular true and accurate and not misleading, (iii) there are no other facts in relation to

FXL or the Collateralised Currency Securities the omission of which would, in the context of the issue and offering of the Collateralised Currency Securities, make any statement in the Prospectus misleading in any material respect, and (iv) all reasonable enquiries have been made by FXL to ascertain such facts and to verify the accuracy of all such information and statements

- 1.7 **Litigation:** save as disclosed in the Prospectus, there are no pending actions, suits or proceedings against or affecting FXL or any of its properties which would be material.
- 1.8 **Events of Default:** no event has occurred or circumstance arisen that would (whether or not with the giving of notice, lapse of time and/or issue of a certificate) constitute an event described under the definitions of “Counterparty Event of Default”, “Issuer Insolvency Event” and “Defaulted Obligation” in the Conditions
- 1.9 **Substantial U.S. Market Interest:** FXL reasonably believes that there is no substantial U.S. market interest (as defined in Regulation S under the Securities Act) in its debt securities
- 1.10 **Directed Selling Efforts:** neither FXL nor any of its affiliates nor any persons acting on their behalf have engaged or will engage in any directed selling efforts (as defined in Regulation S under the Securities Act) with respect to the Collateralised Currency Securities and each of them has complied
- 1.11 **Collective Investment Scheme:** to the best of FXL’s knowledge and belief, and on the basis of appropriate legal advice and in the absence of any contradictory notices from the Financial Conduct Authority, FXL does not constitute a “collective investment scheme” or an “open-ended investment company” for the purposes of the Financial Services and Markets Act 2000 and any applicable secondary legislation made under it
- 1.12 **SETS and CREST:** the Collateralised Currency Securities qualify for trading and settlement within the SETS and CREST settlement and trading systems.

2 Undertakings of FXL and ManJer

Each of FXL and ManJer jointly and severally agree with AP that:

- 2.1 **Representations and Warranties:** it shall notify the AP promptly of any change affecting any of its representations, warranties, and agreements in this Agreement at any time and take such steps as may be reasonably requested by the AP, to remedy and/or publicise the same
- 2.2 **Restrictions:** it shall at all times comply with Clause 20 of the Trust Instrument
- 2.3 **Information:** it shall furnish to AP such information concerning FXL as AP may from time to time reasonably request or as would be required to be disclosed in the Prospectus
- 2.4 **Prospectus:** it shall not amend, supplement or replace the Prospectus without (subject to applicable law) first notifying the proposed amendment, supplement

or replacement to AP and shall furnish to AP copies of the Prospectus, each amendment to, supplement to or replacement thereof, each Supplementary Prospectus and, upon request, each document incorporated by reference and any additional marketing information

- 2.5 **CREST:** it will ensure that the Collateralised Currency Securities are at all times eligible for settlement in CREST and will comply with the rules of CREST from time to time
- 2.6 **Maximum Aggregate Amount:** it will ensure that as of (i) each date on which AP makes an Application and (ii) each date on which the Application Amount is paid in respect of Collateralised Currency Securities, the aggregate number of Collateralised Currency Securities outstanding will not exceed the Programme Limit (after giving effect to the issuance of such Collateralised Currency Securities and of any other Collateralised Currency Securities to be issued, and to the redemption of Collateralised Currency Securities to be redeemed on or prior to such date)
- 2.7 **Monitoring:** it shall deliver, register and furnish such documents, instruments, information and undertakings to, and obtain any consent from, any relevant agency, authority, central bank, department, government, minister, official, public or statutory corporation, or self-regulating organisation or stock exchange as may be necessary or advisable from time to time to comply with all relevant laws and directives that are relevant to any Collateralised Currency Securities or the Agreements
- 2.8 **Securities Act:** it shall not issue, offer or sell any securities under circumstances that would require the registration of any of the Collateralised Currency Securities under the Securities Act
- 2.9 **Meetings of Security Holders:** it shall give AP notice of any meeting of Security Holders (as defined in the Trust Instrument) as soon as reasonable practicable, and in any event, no later than the date on which notice is provided to the Security Holders and shall permit AP and its advisers to attend and speak at any such meeting

3 **Future undertakings of FXL**

- 3.1 FXL undertakes to AP to notify AP (in accordance with Clause 10(a)) upon either FXL or the Currency Transaction Counterparty giving a Material Adverse Change Notice to the other pursuant to the Facility Agreement.

Schedule 3

Pursuant to clause 7(a), the names and signatures of all persons approved to give instructions relating to activity contemplated hereby, by the Business Rules or by any other notice, request or instruction given on behalf of AP (each, an "Approved Person") are as follows:

Signature verification for [name of AP] in relation to Collateralised Currency Securities

I, [name of person], [title] for the above mentioned, confirm that the persons specified below are authorised signatories of [***name of Authorised Participant***] and that the signatures set out beside the names below are their true and exact signatures:

[name]
[title]

[name]
[title]

[name]
[title]

[name]
[title]

Signed: _____

[name]

[title]

Date: _____

Schedule 4

Index Application

1. AP may:
 - (a) in respect of Collateralised Currency Securities other than CNY Securities or INR Securities, on any Pricing Day between 8.00 am (London time) and 30 minutes before the Notice Deadline give (or cause to be given on its behalf) to FXL a notice in the form prescribed from time to time by the Issuer for the purposes of this paragraph (an **Index Application Notice**) for the issue by FXL of a specific number and class of Collateralised Currency Securities on such Pricing Day; and
 - (b) in respect of CNY Securities and INR Securities only, on any London Business Day immediately preceding a Pricing Day (T) between 8.00 am (London time) and 30 minutes before the Notice Deadline give (or cause to be given on its behalf) to FXL an Index Application Notice for the issue by FXL of a specific number and class of CNY Securities or INR Securities on such Pricing Day T.

The giving of such application shall constitute an Application.

2. An Index Application shall be invalid:
 - (a) to the extent that it does not specify a number and class of Collateralised Currency Securities to be issued by FXL;
 - (b) if it is received by FXL at any time other than between 8.00 am (London time) and 30 minutes before the Notice Deadline on a Pricing Day “(or, in the case of CNY Securities and INR Securities, a London Business Day) unless FXL agrees (in its absolute discretion) to apply paragraph 3 of this Schedule 4;
 - (c) to the extent that the Creation of Currency Transactions which would result from that Index Application would result in (i) any Creation Limit being exceeded, and the Currency Transaction Counterparty does not pursuant to the Facility Agreement agree to that Creation Limit being exceeded (save that such Index Application will not be capable of being invalidated under this sub-paragraph (c) in respect of the greatest increase in Volume in respect of the Currency Transaction of the relevant class or classes that would not result in such Creation Limit being exceeded) or (ii) any credit limit determined by the Currency Transaction Counterparty and applicable to AP (as contemplated in the Facility Agreement) being exceeded;
 - (d) to the extent that the Volume of an Equivalent Currency Transaction which would result from that Index Application would not equal or exceed the Minimum Creation Volume for any class of Collateralised Currency Security to which the Index Application relates and the Currency Transaction Counterparty does not pursuant to the Facility Agreement agree to the Creation notwithstanding such shortfall;

- (e) to the extent that on the date the relevant Index Creation Notice is deemed received by the Currency Transaction Counterparty pursuant to the Facility Agreement until the date such Index Creation Notice is confirmed in accordance with paragraph 3 of Schedule 2 of the Facility Agreement any of the following events has occurred and is still continuing as at the date of the relevant Index Application, namely:
- (i) an Event of Default or Potential Event of Default has occurred with respect to the Currency Transaction Counterparty or FXL (the **Affected Person**);
 - (ii) an event which is or, with the giving of notice or the lapse of time or both, would become a Termination Event in relation to the Equivalent Currency Transaction which would result from that Index Creation Notice under the relevant ISDA Master Agreement;
 - (iii) a Collateral Administrator Suspension Day; or
 - (iv) a Disruption Event in respect of the relevant class of Currency Transaction, and the Currency Transaction Counterparty does not agree with FXL pursuant to the Facility Agreement to the Creation of Currency Transactions which would result from that Index Application (or FXL does not agree to issue Collateralised Currency Securities pursuant to such Index Application) notwithstanding such event;
- (f) to the extent it is not confirmed in accordance with paragraph 4 below;
- (g) to the extent that it is for Collateralised Currency Securities of a class for which notice is still effective of a Compulsory Closing Date for that class of Currency Transactions and the Index Application is received or deemed received on or after: (i) where notice of a Compulsory Closing Date has been given in accordance with clause 10 of the Facility Agreement, the date of such notice; and (ii) where a Compulsory Closing Date has been notified in accordance with clause 12.6 of the Facility Agreement, the date which is three Business Days prior to the Compulsory Closing Date;
- (h) to the extent that a Final Daily Payment Amount in respect of a Currency Transaction of a class to which that Index Application relates has occurred or is scheduled to occur following the occurrence of a Disruption Event or Index Event;
- (i) the Currency Transaction Counterparty has given notice to FXL pursuant to the Facility Agreement of the existence of a Material Adverse Change, and no agreement has been reached by the Currency Transaction Counterparty and FXL under Clause 9 of the Facility Agreement in connection with such Material Adverse Change, and the Currency Transaction Counterparty does not agree pursuant to the Facility Agreement to the Creation of Currency Transactions which would result from that Index Application notwithstanding the existence of such Material Adverse Change,
- (j) to the extent that AP is not an Acceptable Authorised Participant or is declared an Unacceptable Authorised Participant under any Facility Agreement, unless FXL otherwise agrees,
- (k) to the extent that the Index Creation Notice specifies one or more classes of New Class Securities and a Currency Transaction Counterparty has given notice by no later

than 2.00 p.m. (London time) on the relevant Pricing Day that it has incurred or there is a reasonable likelihood that it will incur a materially increased cost of hedging Currency Transactions of a class corresponding to one or more classes of such New Class Securities as compared with the circumstances existing on the date of the Amendment and Restatement Agreement,

and, save as provided under sub-paragraph (d) above and paragraph 4, no Collateralised Currency Securities shall be issued in respect of or under that Index Application.

3. Where FXL, in its absolute discretion, agrees that this paragraph 3 shall apply, an Index Application which is received by FXL:

- (a) on a Pricing Day after 30 minutes before the Notice Deadline shall be deemed to be received by FXL at 8.00 a.m. on the following Pricing Day, unless FXL agrees to treat that Index Application as having been received prior to the Notice Deadline in which case it shall be deemed to have been received by FXL prior to 30 minutes before the Notice Deadline;
- (b) on an Index Disruption Day, shall be deemed to be received by FXL at 8.00 a.m. on the following Pricing Day, unless FXL receives from AP a Withdrawal Notice prior to the Notice Deadline on such Pricing Day. For the avoidance of doubt, where FXL receives such Withdrawal Notice no Collateralised Currency Securities shall be issued in respect of or under that Index Application.

Confirmation of Index Application

4. AP's Authorised Individual shall within 30 minutes of any Index Application relating to Collateralised Currency Securities, try to contact FXL's Authorised Individual by telephone to seek confirmation by FXL of such Application. FXL's Authorised Individual shall generally be available from 8.00am to 5.00pm and must be available from 1.30pm to 5.00pm on, in the case of an Index Application made pursuant to paragraph 1(a) of this Schedule 4, the Pricing Day on which such Index Application is made or deemed to be made or, in the case of an Index Application pursuant to 1(b) of this Schedule 4, the Pricing Day immediately following the London Business Day on which the Index Application is made or deemed to be made (in each case, the "Application Required Time"). FXL shall confirm such Index Application during the Application Required Time (or earlier), except where such Index Application is not valid under paragraph 2 above (other than by virtue of sub-paragraph 2(f)), provided that where sub-paragraph 2(b), (c), (d), (e), (h), (i) or (j) applies FXL may, but shall not be obliged to, confirm such Index Application; and if the Index Application was deemed received by FXL after the Notice Deadline FXL may, but shall not be obliged to, agree that such Index Application should be treated as though received prior to 30 minutes before the Notice Deadline (and in any event, FXL's Authorised Individual shall inform AP's Authorised Individual whether, and to what extent, FXL has confirmed or rejected such Index Application).

5. Where FXL confirms its acceptance of an Index Application, that Index Application (to the extent so accepted by FXL) shall be a valid Index Application.

6. If FXL considers that a purported Index Application is invalid, it shall notify AP of

that fact as soon as reasonably possible. For this purpose notification to AP by the Currency Transaction Counterparty pursuant to Schedule 2 to the Facility Agreement in relation to the corresponding Index Creation Notice shall be treated as notification by FXL.

Agreed Application

7. The Currency Transaction Counterparty and AP, at the instigation of AP, may give a notice to FXL (either jointly in the same notice, or in separate notices from each of them) (an *Agreed Creation Notice*) in the agreed form confirming that they agree to AP's application for the issue by FXL of a number and class of Collateralised Currency Securities specified in the notice(s) and the Creation of an Equivalent Currency Transaction between the FXL and the Currency Transaction Counterparty determined by reference to that number and class of Collateralised Currency Securities. The giving of such an Agreed Creation Notice by the Currency Transaction Counterparty and AP shall constitute an Application (an *Agreed Application Notice*).

8. If the Currency Transaction Counterparty and AP purport to send an Agreed Creation Notice by separate notices:

- (a) which are inconsistent with one another in relation to any of the items referred to in sub-paragraphs 10(a) or (b) of this Schedule; or
- (b) one of which is invalid under paragraph 10 of this Schedule,

those notices shall not constitute a valid Agreed Creation Notice and FXL shall reject the notices and advise the Currency Transaction Counterparty and AP accordingly as soon as reasonably practicable following receipt of the second of the two notices.

9. Where an Agreed Creation Notice is given by separate notices from AP and the Currency Transaction Counterparty, FXL shall be deemed to have received the Agreed Creation Notice at the time that it is deemed to receive the second of the two notices.

10. An Agreed Creation Notice shall be invalid:

- (a) if it does not set out the number and class of Collateralised Currency Securities to be issued;
- (b) if it does not set out the Payment Date for that Application, which shall be not earlier than one London Business Day following the day on which the Agreed Creation Notice is deemed received by FXL;
- (c) if the AP is not an Acceptable Authorised Participant or is declared an Unacceptable Authorised Participant under any Facility Agreement, unless FXL otherwise agrees;
- (d) if on the date it is received or deemed received by the Currency Transaction Counterparty pursuant to the Facility Agreement any of the following events has occurred and is continuing, namely:
 - (i) an Event of Default or Potential Event of Default with respect to the Currency Transaction Counterparty or FXL (the **Affected Person**);

- (ii) an event which is or, with the giving of notice or the lapse of time or both, would become a Termination Event in relation to the Equivalent Currency Transaction which would result from that Agreed Creation Notice under the relevant ISDA Master Agreement;
 - (iii) a Collateral Administrator Suspension Day; or
 - (iv) a Disruption Event in respect of the relevant class of Currency Transaction,
- and FXL does not agree to issue Collateralised Currency Securities pursuant to such Agreed Application notwithstanding such event and no Collateralised Currency Securities shall be issued pursuant to such Agreed Creation Notice.

Application Amount

11. The Application Amount with respect to an Application for Collateralised Currency Securities of any class shall be the amount (in the Relevant Currency for that class) equal to the sum of the Class Amounts in respect of the Collateralised Currency Securities of that class.

12. By 12 noon on the first London Business Day after the last Pricing Day in respect of any Index Application, FXL shall notify AP of the Application Amount payable in respect of that Application, determined as provided in paragraph 11.

Payment of Application Amount

13. AP shall by 4.00 pm (London time) on the Payment Date in respect of an Application pay the Application Amount in respect of that Application to FXL by causing such amount to be credited to the FXL Bank Account in the Relevant Currency for that class through CREST against delivery of such Collateralised Currency Securities, and FXL shall cause such Collateralised Currency Securities to be issued and delivered to AP through CREST against such payment, save in each case if and to the extent that AP or FXL has given a notice to withdraw in respect of any such Application in accordance with paragraphs 3 above or 14 below.

Non-Payment of Creation Amount

14. FXL shall, by 5.00 pm (London time) on the Payment Date in respect of an Application, notify the Currency Transaction Counterparty and AP if it has not received the Application Amount in respect of that Application and shall specify:

- (a) the class and number of Collateralised Currency Securities which such AP had requested to be issued;
- (b) the amount due as at the Payment Date in respect of such Application but not paid into the FXL Bank Account (**Application Shortfall**); and
- (c) the identity of the AP;

Further, where FXL makes any such notification, it shall by 4.00pm on the Repo Day next following such Payment Date (the **Shortfall Confirmation Deadline**) notify the Currency

Transaction Counterparty and AP whether or not AP has paid the Application Amount (constituting the Application Shortfall) by such time. Where FXL duly notifies the Currency Transaction Counterparty and AP that AP has not paid such Application Amount (constituting the Application Shortfall) by the relevant Shortfall Confirmation Deadline, such notice shall, unless FXL otherwise agrees, constitute a notice to withdraw in respect of the Application by the amount of the Application Shortfall.

15. Where a notice to withdraw is duly given in respect of any Application under paragraph 14, then:

- (a) such Application shall be cancelled by the amount of the Application Shortfall, and (without prejudice to any amounts payable under the Direct Agreement) the Parties shall have no further obligations to each other under or in respect of it;
- (b) other than as specified in Clause 18(b) of this Agreement no interest shall be payable to FXL in respect of such Application Shortfall; and
- (c) the number and classes of Collateralised Currency Securities relating to such Application Shortfall (as determined in paragraph 16 below) shall not be issued (without any payment obligation of FXL arising under this Agreement).

16. Unless FXL otherwise agrees in its absolute discretion, FXL shall allocate all Application Amounts received on such Payment Date to cause Collateralised Currency Securities to be issued and delivered in the following order of priority:

- (a) the deemed order of receipt by FXL of the Applications in respect of such Payment Date;
- (b) within an Application, in the order in which Collateralised Currency Securities in the same currency as the Application Shortfall are listed in such Application.

If, having allocated such Application Amounts, an amount remains which is less than the Price of a single Collateralised Currency Security for such class (an **Excess Amount**) FXL shall, no later than 10 Business Days after such Payment Date, pay the Excess Amount to the relevant AP.

Creation Limits – Order of Priority

17. For the purposes of the Creation Limits, Applications will be dealt with in order of their actual receipt by FXL (in the case of Index Applications) or deemed receipt by FXL in the case of Agreed Applications.

Listing Failure

18. If the UK Listing Authority refuses to admit to the Official List any Collateralised Currency Securities issued under this Agreement, FXL shall promptly upon becoming aware of that fact notify the Currency Transaction Counterparty and AP thereof in accordance with the procedure for sending notices under Clause 9(a).

19. If the Collateralised Currency Securities in question have not been issued to AP, FXL

shall immediately cancel such Collateralised Currency Securities and no amount shall be paid or payable by or on behalf of AP to FXL in respect of those Collateralised Currency Securities.

20. If the Collateralised Currency Securities in question have been issued to AP:
- (a) FXL shall treat such Collateralised Currency Securities as non-transferable except back to FXL and shall not accept or register any transfer thereof except back to FXL, and shall so instruct the Registrar;
 - (b) All amounts received by FXL on account of the Application Amount for such Collateralised Currency Securities shall be repaid by FXL into the Redemption Account of AP against delivery to FXL through CREST of such Collateralised Currency Securities; and
 - (c) the Parties shall, and FXL shall procure that the Registrar shall, give all necessary payment and delivery instructions to CREST for settlement of that transaction to take place on the date which would be the Payment Date in respect of any Redemption on the Pricing Date on or next following the date on which FXL gives notice for the purposes of paragraph 18 (or such other date as FXL may agree).

Notwithstanding the foregoing, where CNY Securities or INR Securities are cancelled in accordance with Paragraph 19 or transferred to FXL in accordance with this Paragraph, the AP shall pay on the Pricing Day next following the Listing Failure, an amount to FXL equal to the Additional Redemption Fee which would have been payable if such CNY Securities or INR Securities had been Redeemed.

Set-off

21. If at any time a Redemption Amount in a Relevant Currency is due to be paid by FXL in respect of a Redemption of Collateralised Currency Securities by AP and AP has failed to pay an Application Amount in that Relevant Currency on its due date and such Application Amount or part thereof remains outstanding, then FXL may elect, by giving written notice thereof to AP on or before the Shortfall Confirmation Deadline for that Redemption, to effect a set-off of those amounts in accordance with this paragraph 21, and upon FXL giving such notice:

- (a) if the relevant Redemption Amount is greater than the relevant outstanding Application Amount, FXL may apply sufficient of the relevant Redemption Amount to meet the relevant outstanding Application Amount in full, whereupon (i) the relevant outstanding Application Amount shall be deemed paid in full; (ii) FXL's obligation to pay to AP that portion of the relevant Redemption Amount so applied shall be deemed satisfied in full; and (iii) FXL shall pay to AP only the balance of the relevant Redemption Amount in accordance with the Conditions;
- (b) if the relevant Redemption Amount is less than the relevant outstanding Application Amount, FXL may apply all or any part of the relevant Redemption Amount to meet the relevant outstanding Application Amount in part, whereupon (i) the relevant Application Amount shall be deemed paid in such part; (ii) FXL's obligation to pay to AP the relevant Redemption Amount so applied shall be deemed satisfied to the

extent of any such application; and (iii) FXL shall not be entitled to give a notice of withdrawal in respect of the issue of Collateralised Currency Securities corresponding to that part of the Application Amount which has been so set off; and

(c) FXL shall procure that the Registrar will effect deliveries and payments (and, in the case of Collateralised Currency Securities in Uncertificated Form, amend their settlement instructions to CREST) such that:

(i) where paragraph 21(a) applies:

(A) the issue of Collateralised Currency Securities relating to the Application Amount which is set off in whole under paragraph 21(a)(i) is settled on a delivery free of payment basis, and

(B) the Redemption of Collateralised Currency Securities relating to the Redemption Amount is settled on a delivery versus payment basis (the amount of the payment being the amount of the balance of Redemption Amount payable by FXL under paragraph 21(a)(iii)); and

(ii) where paragraph 21(b) applies:

(A) the issue of the greatest number of Collateralised Currency Securities relating to the Application Amount the aggregate subscription price for which does not exceed the balance of the Application Amount that has been set off is settled on a delivery versus payment basis (the amount of the payment being the amount of the balance of Application Amount payable to FXL) and any difference between such aggregate subscription price and such balance so set off is paid by FXL into the Redemption Account, and

(B) the Redemption of Collateralised Currency Securities relating to the Redemption Amount which is set off in whole under paragraph 21(b)(ii) is settled on a delivery free of payment basis.

Schedule 5

Web-based Order System

Part A Application Orders

FXL shall give AP prior written notice of the date from which the System will be used for Application Orders in accordance with this Part A.

Index Application Orders

1. Index Application Orders may be given through the System on any Pricing Day (or in respect of CNY Securities and INR Securities only, on any London Business Day immediately preceding a Pricing Day) between 8.00 a.m. (London time) and 30 minutes before the Notice Deadline. Index Application Notices other than Index Application Orders shall not be given other than if the System is affected by a breakdown or other problem such that it is not possible to give Index Application Orders in accordance with this Part A or in such other circumstances as FXL may reasonably determine from time to time upon written notice to AP.
2. An Index Application Order given through the System in accordance with the AP User Guide and confirmed in accordance with paragraph 6 shall (subject as provided in this Part A) have the same effect as if an Index Application Notice with the same particulars had been delivered to FXL in accordance with paragraph 1 of Schedule 4 and confirmed in accordance with paragraph 4 of Schedule 4.
3. AP shall, subject to Clause 7(f), be deemed to have confirmed an Index Application Order if it has been accepted by a user on the Website using a username and password belonging to AP clicking "Approve" either with respect to that Index Application Order individually or in respect of a group of Index Application Orders including such Index Application Order.
4. An Index Application Order given through the System shall be invalid in the circumstances specified in paragraphs 2(a) to 2(e) and 2(g) to 2(k) of Schedule 4 and if it is not confirmed either in accordance with paragraph 4 of Schedule 4 or in accordance with paragraph 6, provided that for the purposes of paragraphs 2(b) to 2(e) and 2(i) of Schedule 4, confirmation by a Currency Transaction Counterparty in accordance with paragraph 6 below shall constitute the agreement of FXL and such Index Application Order shall not (unless otherwise invalid) be invalid if such confirmation is given.
5. In the event of an Index Application Order being given through the System and, as a result of a breakdown or other problem with the System, confirmation in accordance with paragraph 6 below is not possible, such that if in accordance with the Facility Agreement FXL completes and sends to the Currency Transaction Counterparty and AP an Index Creation Notice matching the details given in the Index Application Order, FXL shall confirm (or reject) the Index Creation Notice in accordance with paragraph 4 of Schedule 4, and paragraph 5 of Schedule 4 shall apply accordingly.

6. Where the Currency Transaction Counterparty has confirmed through the System an Index Creation Order in respect of an Equivalent Currency Transaction corresponding to the Collateralised Currency Securities the subject of an Index Application Order, then such Index Application Order shall be a valid Index Application, FXL shall be deemed to have confirmed it and such order need not also be confirmed by FXL pursuant to paragraph 4 of Schedule 4.

Agreed Application Orders

7. Agreed Application Orders may be given through the System. Agreed Application Notices other than Agreed Application Orders shall not be given unless the System is affected by a breakdown or other problem such that it is not possible to give Agreed Application Orders in accordance with this Part A or in such other circumstances as FXL may reasonably determine from time to time upon written notice to AP.
8. An Agreed Application Order is deemed to have been made by an AP and confirmed by FXL when the Currency Transaction Counterparty evidences its agreement to enter into an Equivalent Currency Transaction through the System in accordance with the AP User Guide by:
 - (a) where the AP has confirmed through the System that it will subscribe a number and class of Collateralised Currency Securities to be Issued, the Currency Transaction Counterparty confirming that it agrees to enter into with FXL an Equivalent Currency Transaction; and
 - (b) the Currency Transaction Counterparty confirming the Payment Date in respect of such Equivalent Currency Transaction, which date shall also be the Payment Date in respect of the Agreed Application Order (and which shall not be earlier than one Repo Day following the day on which the Agreed Application Order is deemed given),

which confirmation shall be given (and deemed to be given) when a Currency Transaction Counterparty's Authorised User clicks "Approve" in respect of an order displayed to the Currency Transaction Counterparty on the System as a "Confirmed Order". The foregoing provisions shall apply in lieu of paragraphs 8 to 10 of Schedule 4.

Part B

Redemption Orders

FXL shall give AP prior written notice of the date from which the System will be used for Redemption Orders in accordance with this Part B.

Index Redemption Orders

1. Index Redemption Orders may be given through the System on any Pricing Day (or in respect of CNY Securities and INR Securities only, on any London Business Day immediately preceding a Pricing Day) between 8.00 a.m. (London time) and 30 minutes before the Notice Deadline. Index Redemption Notices other than Index Redemption Orders shall not be given other than if the System is affected by a breakdown or other problem such that it is not possible to give Index Redemption Orders in accordance with this Part B or in such other circumstances as FXL may reasonably determine from time to time upon written notice to AP.
2. An Index Redemption Order given through the System in accordance with the AP User Guide and confirmed in accordance with paragraph 6 shall (subject as provided in this Part B) have the same effect as if an Index Redemption Form with the same particulars had been delivered to FXL in accordance with Condition 6.2.
3. AP shall, subject to Clause 7(f), be deemed for the purposes of this Agreement to have confirmed an Index Redemption Order if it has been accepted by a user on the Website using a username and password belonging to AP clicking "Approve" either with respect to that Index Redemption Order individually or in respect of a group of Index Redemption Orders including such Index Redemption Order.
4. Without prejudice to Condition 6.9, an Index Redemption Order given through the System shall be invalid (A) in the circumstances specified in paragraphs (a) to (i) of Condition 6.8 and (B) if it is not confirmed in accordance with paragraph 6 below, provided that for the purposes of paragraphs (c), (d), (e) and (g) of Condition 6.8, confirmation by FXL in accordance with paragraph 6 below shall constitute the agreement of FXL and such Index Redemption Order shall not (unless otherwise invalid) be invalid if such confirmation is given accordingly.
5. In the event of an Index Redemption Order being given through the System and, as a result of a breakdown or other problem with the System, confirmation in accordance with paragraph 6 below is not possible, such that if in accordance with the Facility Agreement FXL completes and sends to the Currency Transaction Counterparty and AP an Index Closing Notice matching the details given in the Index Redemption Order, FXL shall confirm (or reject) the Index Closing Notice in accordance with Condition 6.9, which Condition shall apply accordingly.
6. Where the Currency Transaction Counterparty has confirmed through the System an Index Closing Order in respect of an Equivalent Currency Transaction corresponding to the Collateralised Currency Securities the subject of an Index Redemption Order, then such Index Redemption Order shall be a valid Index Redemption Notice, FXL shall be deemed to have confirmed it and such order need not also be confirmed by FXL pursuant to Condition 6.9.

Agreed Redemption Orders

7. Agreed Redemption Orders may be given through the System. Agreed Redemption Notices other than Agreed Redemption Orders shall not be given unless the System is affected by a breakdown or other problem such that it is not possible to give Agreed Redemption Orders in accordance with this Part B or in such other circumstances as FXL may reasonably determine from time to time upon written notice to AP.
8. An Agreed Redemption Order is deemed to have been made by AP and confirmed by FXL when the Currency Transaction Counterparty evidences its agreement to enter into an Equivalent Closing Transaction through the System in accordance with the AP User Guide by:
 - (a) where the AP has confirmed through the System that it will redeem a number and class of Collateralised Currency Securities to be Redeemed, the Currency Transaction Counterparty confirming that it agrees to enter into with FXL an Equivalent Closing Transaction; and
 - (c) the Currency Transaction Counterparty confirming the Payment Date in respect of such Equivalent Closing Transaction, which date shall also be the Payment Date in respect of the Agreed Redemption Order (and which shall not be earlier than one Repo Day following the day on which the Agreed Redemption Order is deemed given),

which confirmation shall be given (and deemed to be given) when a Currency Transaction Counterparty's Authorised User clicks "Approve" in respect of an order displayed to the Currency Transaction Counterparty on the System as a "Confirmed Order". The foregoing provisions shall apply in lieu of Conditions 6.15 to 6.17.