

BACK OFFICE PROCEDURES RELATING TO INITIAL MARGIN POSTED IN RESPECT OF UNCLEARED SWAPS

Dear Sir or Madam:

Commodity Futures Trading Commission (“CFTC”) rule 23.704 requires that we report quarterly to a counterparty that has not elected to require segregation in accordance with CFTC rules 23.702 and 23.703 of “Initial Margin” (as defined in CFTC rule 23.700) posted in respect of any swap (as defined by CFTC rules) between us and such counterparty that is not submitted for clearing.

To the extent that your firm [or accounts managed by your firm] are covered by CFTC rule 23.704, we are hereby reporting to you that, during the [previous calendar quarter][period of [date] through to [date]], our back office procedures relating to margin and collateral requirements were in compliance with any governing uncleared swap agreement then in effect.

You are not required to take any action in connection with this communication. This communication does not change any terms of any uncleared swap agreement between us. To the extent that such uncleared swap agreement is uncollateralized, the substance of this communication may not be relevant to you.

[Chief Compliance Officer at Swap Dealer]