

# ALLEN & OVERY

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Our Ref: EHM/CLG/ICM2:405626.1

30th November, 1998

International Swaps and Derivatives Association  
600 Fifth Avenue  
27th Floor  
Rockefeller Center  
New York, NY 10023  
U.S.A.

Dear Sirs,

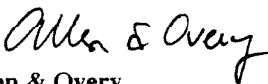
## Netting under English Law

We refer to your letter of 30th October, 1998, which refers to our memorandum of law of 11th March, 1998 (the "Memorandum") regarding the enforceability of the termination, bilateral close-out netting and multibranch netting provisions of the 1987 and 1992 ISDA Master Agreements.

We confirm that since that date there have not been any developments which could materially and adversely affect the conclusions reached in the Memorandum. The advice given in the Memorandum therefore continues to reflect our understanding of the law of England and Wales as of today's date.

In addition, we confirm that there are no developments pending as a result of which the current regulatory or legal environment concerning the enforceability of close-out netting may be expected to change in the foreseeable future.

Yours faithfully,

  
Allen & Overy

*A list of the names of partners and their professional qualifications is open to inspection at the above office.  
The partners are either solicitors or registered foreign lawyers.*

BELJING BRUSSELS BUDAPEST DUBAI FRANKFURT HONGKONG LONDON MADRID MILAN MOSCOW  
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