COUNTER INDEMNITY – 'BLANKET' VERSION

Guidance Notes

These guidance notes are provided for the benefit of members (or depositors) who have been asked to complete a 'blanket' counter-indemnity in the form attached. The counter-indemnity is designed to protect Lloyd's in the event of it incurring any liability under indemnities it is required to give in order to make purchases or transfer certain assets to be held in a member's Funds at Lloyd's portfolio.

The provision of a counter-indemnity in this form will remove the need for the member/depositor to provide subsequent counter-indemnities to Lloyd's in respect of further purchases or transfers of assets whereby Lloyd's is required to enter into an indemnity.

Completion and execution

Please complete the name, address and membership number details in the grey boxes within the relevant counter-indemnity form.

The counter-indemnity is required to be executed **as a deed**. In order to do so, please ensure that you sign the document **in the presence of a witness**, with their signature, name, address and occupation.

Key provisions of the counter-indemnity

Clause 1: this is the clause which requires you to indemnify Lloyd's in respect of any liability it incurs from giving indemnities contained in an application form for the purchase or transfers of investments to be held in your FAL portfolio. As such application forms are completed in the name of Lloyd's (because Lloyd's is the trustee and legal owner of the investments held in FAL), it is the person giving the indemnities set out in the form.

Clause 7: it is a regulatory requirement that fund managers make available a Key Investor Information Document (KIID) for the funds that they manage. Application forms normally require the applicant to confirm that it has read and understood the KIID, and in addition, that *it has been made available to any underlying investors*. Accordingly, clause 7 requires you to confirm that you will request copies of the relevant documentation, which your investment manager/ broker should be able to make available to you.