Company Registration No. 04353860

J.P. MORGAN PLASTICS LIMITED
(FORMERLY RBS SEMPRA PLASTICS LIMITED)

Report and Financial Statements

31 December 2009

Registered office 155 Bishopsgate, London, EC2M 3TZ

J.P. MORGAN PLASTICS LIMITED
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REPORT AND FINANCIAL STATEMENTS 2009

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J.P. MORGAN PLASTICS LIMITED
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REPORT AND FINANCIAL STATEMENTS 2009

DIRECTORS' REPORT

The directors present their report on the affairs of J P Morgan Plastics Limited - formerly RBS Sempra Plastics Limited - ('the company'), together with the financial statements and independent auditors' report, for the year ended 31 December 2009

PRINCIPAL ACTIVITIES & REVIEW OF THE BUSINESS

The company is a wholly-owned subsidiary of J P Morgan Metals Group Limited

The company acts principally as a provider of personnel to The Royal Bank of Scotland plc (RBS) to undertake commodity dealing and brokerage activities as representatives of, and in the name of, RBS It is reimbursed its costs and receives a share of the profits of these trading activities

In the current financial year, the company has continued to provide skilled personnel to RBS to undertake commodity dealing and brokerage as representatives of RBS

The company is governed by a board of directors As of year end three directors constituted the board of directors (2008 four directors)

The company has limited exposure to financial risks as detailed in the notes to the financial statements (note 9) and the nature of the business undertaken

RESULTS AND DIVIDENDS

The company made a profit before tax of $70,365 (2008 loss before tax of $178,391) This has been transferred to reserves The directors do not propose the payment of any dividend (2008 - $nil) The results for the year ended 2009 can be attributed mainly to decrease in administrative expenses As a percentage of turnover, administrative expenses were 88% for the year ended 2009 (2008 – 106%)

OUTLOOK AND FUTURE PROSPECT

After year end, the then ultimate holding company of J P Morgan Plastics Limited, The Royal Bank of Scotland Group plc, announced its intention to dispose of its interest in the company to J P Morgan Ventures Energy Corporation The transaction was completed on 1 July 2010

GOING CONCERN

The financial statements have been prepared on a basis other than that of a going concern However, the impact of any adjustments arising to these accounts as a result is considered immaterial We draw your attention to note 1 of the financial statements in this respect

KEY PERFORMANCE INDICATORS

The company fully recharges its expenses with a view to generating profits to enhance its capital position As such its revenues are a function of the level of costs incurred Such costs are managed in conjunction with the commodity trading activities performed on behalf of RBS

FINANCIAL INSTRUMENTS

The financial risk management objectives and policies of the company, and the exposure to market risk, credit risk, liquidity risk and cash flow risk are outlined in note 9

SUPPLIER PAYMENT POLICY

The company's policy is to settle terms of payment with suppliers when agreeing the terms of each transaction, ensure that suppliers are made aware of the terms of payment and abide by the terms of payment

PRINCIPAL RISKS AND UNCERTAINTIES

The principal risks and uncertainties are addressed in note 9 to the financial statements

DIRECTORS

The directors who served throughout the year and up to the date of signing are shown below

Michael Goldstein	Resigned 8 September 2009
Sid Tipples	
David Tregar	
Peter Sellars	

EMPLOYEES

The company does not have any employees but pays a service charge to another company in the RBS Sempra Commodities (RBSSC) group and to B&H Polymers, the partner in the licence share agreement, in respect of administrative services

DIRECTORS' INDEMNITIES

During the year the company made qualifying third party indemnity provisions for the benefit of its directors These remain in force at the date of this report

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgments and accounting estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006 They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

Disclosure of information to auditors

As far as each of the directors at the time the report is approved are aware

- there is no relevant audit information of which the company's auditors are unaware, and
- The directors have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006

By order of the Board

D P Tregar

Director

London
30 September 2010

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF J.P. MORGAN PLASTICS LIMITED (FORMERLY RBS SEMPRA PLASTICS LIMITED)

We have audited the financial statements of J P Morgan Plastics Limited for the year ended 31 December 2009 which comprise the Profit and Loss Account, the Balance Sheet and the related notes 1 to 14 The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2009 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006

Emphasis of matter - Financial statements prepared other than on a going concern basis

In forming our opinion on the financial statements, which is not qualified, we have considered the adequacy of the disclosure made in note 1 to the financial statements, which explains that the financial statements have been prepared on a basis other than that of a going concern

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- We have not received all the information and explanations we require for our audit

Mark Rhys (Senior Statutory Auditor)
For and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditors
London, United Kingdom

30 September 2010

J.P. MORGAN PLASTICS LIMITED
(FORMERLY RBS SEMPRA PLASTICS LIMITED)

PROFIT AND LOSS ACCOUNT
Year ended 31 December 2009

	Note	Year ended 31 Dec 2009 $	Year ended 31 Dec 2008 $
Turnover	1	800,480	948,458
Administrative expenses		(705,157)	(1,010,398)
OPERATING PROFIT/ (LOSS)	2	95,323	(61,940)
Interest receivable and similar income	4	69,463	94,226
Interest payable and similar charges	5	(94,421)	(210,677)
PROFIT / (LOSS) ON ORDINARY ACTIVITIES BEFORE TAX		70,365	(178,391)
Tax (expense) / credit on profit / (loss) on ordinary activities	6	(19,702)	50,840
PROFIT / (LOSS) AFTER TAXATION		50,663	(127,551)

There are no recognised gains or losses in either the current year or previous year other than the loss for each year, as stated above Therefore, no statement of total recognised gains and losses is required

J.P. MORGAN PLASTICS LIMITED
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BALANCE SHEET
Year ended 31 December 2009

	Note	31 December 2009 $	31 December 2008 $
CURRENT ASSETS			
Debtors	7	4,856,137	4,462,152
		4,856,137	4,462,152
CREDITORS: Amounts falling due within one year	8	(5,852,202)	(5,508,880)
NET CURRENT LIABILITIES		(996,065)	(1,046,728)
NET LIABILITIES		(996,065)	(1,046,728)
CAPITAL AND RESERVES			
Called up share capital	10	1	1
Profit and loss account	11	(996,066)	(1,046,729)
SHAREHOLDER'S DEFICIT		(996,065)	(1,046,728)

These financial statements of J P Morgan Plastics Limited, Registered Number 04353860 were approved by the Board of Directors on 30 September 2010

Signed on behalf of the Board of Directors

D P Tregar

Director

NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 December 2009

1. STATEMENT OF ACCOUNTING POLICIES

Basis of accounting

The financial statements, which should be read in conjunction with the directors' report, are prepared in accordance with applicable United Kingdom law and United Kingdom Generally Accepted Accounting Practice ("UK GAAP") The principal accounting policies which have been consistently adopted in the presentation of the accounts are set out below

Under Financial Reporting Standard ("FRS") 1 Paragraph b(i) (revised) the company is exempt from the requirement to prepare a cash flow statement on the grounds that more than 90% of the voting rights are controlled by a group company which includes the company in its own published and publicly available annual consolidated financial statements

Going Concern

Following the acquisition of the company by J P Morgan Ventures Energy Corporation, the directors consider that it is likely the company may cease its principal activities We draw your attention to Note 14 in this respect

As required by FRS 18 Accounting Policies, the directors have prepared the financial statements on a basis other than going concern However, the impact of any adjustments arising to these accounts as a result is considered immaterial No material adjustments arose as a result of ceasing to apply the going concern basis

Functional currency

It is considered that a fairer reflection of the company's activities is given by presenting the accounts in US Dollars, since the US Dollar is the main currency of the company's primary economic environment

Turnover

Turnover comprises reimbursement by the holding company of its costs, plus a share of the profits its employees generate

Financial instruments

The company classifies its financial instruments as financial instruments at fair value through profit or loss, held to maturity investments, loans and receivables and available for sale financial instruments The classification depends on the purpose for which the financial instruments were acquired or assumed Management determines the classification of its financial instruments at initial recognition and re-evaluates this designation at every reporting date

As of 31 December 2009, the company has no recognisable financial instruments at fair value through profit or loss or held to maturity investments

i Loans and receivables

These amounts include sundry receivables They are non-derivative financial assets or liabilities with fixed or determinable payments that are not quoted in an active market They are measured at amortised cost using the effective interest rate method less any impairment

ii Other debtors and creditors at amortised cost

Other debtors and creditors include sundry prepayments, accruals, receivables and payables with both third parties and related parties They are non-derivative financial assets or liabilities with fixed or determinable payments that are not quoted in an active market They are measured at amortised cost using the effective interest rate method less any impairment

The company has taken advantage of the exemption from complying with FRS 29 for subsidiary undertakings on the grounds that more than 90% of the voting rights are controlled by a group company which includes the company in its own published financial statements

NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 December 2009

1. ACCOUNTING POLICIES (CONTINUED)

Interest income and expense

Interest income arises from cash and intercompany balances Interest expense arises from financing activities and intercompany balances Interest income and expense are recognised in the profit and loss account using the effective interest method

Taxation

Current tax, including UK corporation tax, is provided at amounts expected to be recovered or paid using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date

Deferred tax is recognised in respect of timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date Deferred tax is measured on a non-discounted basis

Foreign currencies

Transactions in foreign currencies are recorded at the rates prevailing at the date of the transaction Forward foreign exchange contracts are valued at current market price Monetary assets and liabilities denominated in foreign currencies are translated at the rates of exchange prevailing at the balance sheet date All differences are taken to the profit and loss account

2 OPERATING PROFIT / (LOSS)

Operating profit / (loss) on ordinary activities before taxation is stated after charging

	Year ended 31 December 2009 $	Year ended 31 December 2008 $
Auditors' remuneration in respect of audit services	16,504	20,000
Auditors' remuneration in respect of other non-audit services	-	-
Service fees – paid to other group companies	250,000	250,000
Service fees – B&H Polymers	420,000	521,250
Amortisation of licence fee	-	83,333

The intangible fixed asset amortised as above in 2008, represented the rights under a licence agreement The company paid $1,500,000 in June 2006 to acquire the rights to market "Elixir", a brand of polyethylene terephthalate The cost was being amortised over six years, which represents the term of the licence agreement The licence agreement was transferred to RBS on 1 May 2008 As such, a depreciation charge of $ nil(2008 $ 83,333) was recognised in the year ended 31 December 2009

3. STAFF COSTS INCLUDING DIRECTORS

The directors did not receive emoluments in respect of their service to the company in the current year and prior year The company had no employees during the year, (2008 nil), but the company paid a service charge to another group company and to B&H Polymers, the partner in the licence share agreement, in respect of administrative services

4. INTEREST RECEIVABLE AND SIMILAR INCOME

	2009 $	2008 $
Interest due from other group undertakings	69,463	94,226

5. INTEREST PAYABLE AND SIMILAR CHARGES

	2009 $	2008 $
Interest due to other group undertakings	(94,421)	(210,677)

6. TAX (EXPENSE) / CREDIT ON PROFIT/ (LOSS) ON ORDINARY ACTIVITIES

	2009 $	2008 $
Tax on profit / (loss) on ordinary activities		
UK corporation tax (charge) / credit for the year	(19,702)	50,840
	(19,702)	50,840
Reconciliation of profit and loss tax charge		
Profit / (loss) on ordinary activities before tax	70,365	(178,391)
Tax charge on profit / (loss) on ordinary activities at standard rate of 28% (2008 28 5%)	(19,702)	50,840
Tax (expense) / credit on profit / (loss) on ordinary activities	(19,702)	50,840

NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 December 2009

7. DEBTORS

	2009 $	2008 $
Amounts fallıng due wıthın one year		
Amounts owed by group undertakıngs	4,856,137	4,156,559
Corporatıon tax – group relıef	-	305,593
	4,856,137	4,462,152

The company's corporatıon tax debtor represents amounts due from subsıdıarıes for group relıef

8. CREDITORS – AMOUNTS FALLING DUE WITHIN ONE YEAR

	2009 $	2008 $
Amounts owed to group undertakıngs	5,562,500	5,453,880
Corporatıon tax	19,702	-
Accruals and deferred ıncome	270,000	55,000
	5,852,202	5,508,880

9. FINANCIAL INSTRUMENTS

The use of financıal ınstruments ıs governed by the polıcıes approved by the Board of Dırectors, whıch provıde wrıtten prıncıples on the use of financıal derıvatıves consıstent wıth the company's rısk management polıcy As of 31 December 2009, the company has no recognısable financıal ınstruments at faır value through profit or loss or held to maturıty ınvestments

There are no terms or cırcumstances whıch may ındıvıdually sıgnıficantly affect the amount, tımıng and certaınty of future cashflows for the company

Financıal risk management objectıves and policies

The company regards the monıtorıng and controllıng of rısk as a fundamental part of the management process and therefore monıtors thıs rısk daıly, wıthın strıctly defined guıdelınes The evaluatıon of these rısks, and the settıng of polıcıes, ıs carrıed out by the Board of Dırectors, the Market Rısk Commıttee, the Credıt Rısk Commıttee, and the Operatıonal Rısk Commıttee and by senıor management

A more detaıled explanatıon of the rısks to whıch the company ıs exposed and ıts strategy for managıng these rısks ıs dıscussed below

Market rısk ıs the rısk of adverse change ın net assets or ıncome arısıng from movements ın commodıty prıces and volatılıtıes and foreıgn exchange rates The company does not have exposure to market rısk as of 31 December 2009

Credıt rısk refers to the rısk that counterparty wıll default on ıts contractual oblıgatıons resultıng ın financıal loss to the company As wıth market rısk, the company has adopted polıcıes governıng the management of credıt rısk The company retaıns ıntercompany balances wıth other companıes wıthın the Sempra and RBS groups

9. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (continued)

Liquidity risk refers to the risk that the company is unable to meet its obligations as they fall due owing to insufficient financial resources The company manages liquidity risk by maintaining adequate reserves and banking facilities and by continuously monitoring forecast and actual cash flows

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people and systems, or from external events It is inherent in every business operation and covers a wide spectrum of potential issues The company manages this risk by operating a controls based environment in which processes are documented, authorisation is independent and transactions are reconciled and monitored, this is supported by a programme of independent periodic review undertaken by internal audit

Interest rate risk represents the sensitivity of the company to changes in interest rates The company does not have interest rate borrowings and therefore is not overly exposed to interest rate risk

Capital risk The company's primary objective in managing capital is to ensure that it has capital which is permanent and which is able to absorb any losses arising from an extreme event

The company's capital is made up of the following

Share Capital (Note 10)
Profit and loss account (Note 11)

The company had no third party receivables and payables balances at 31 December 2009

10. CALLED UP SHARE CAPITAL

	2009 £	2008 £
Authorised 1,000 shares of £1 each	1,000	1,000
Allotted, called up and fully paid 1 ordinary share of £1 each	1	1

11. COMBINED RECONCILIATION OF MOVEMENT IN EQUITY SHAREHOLDERS' DEFICIT AND STATEMENT OF MOVEMENT IN RESERVES

	Year ended 31 December 2009			Year ended 31 December 2008		
	Share capital $	Profit and loss account $	Total $	Share capital $	Profit and loss account $	Total $
Opening shareholders' deficit	1	(1,046,729)	(1,046,728)	1	(919,178)	(919,177)
Profit / (loss) for the year	-	50,663	50,663	-	(127,551)	(127,551)
Closing shareholders' deficit	1	(996,066)	(996,065)	1	(1,046,729)	(1,046,728)

12. RELATED PARTY TRANSACTIONS

Advantage has been taken of the exemption under FRS 8 not to disclose transactions between entities within the intermediate group to which the company belonged during the period - RBSSC, since 100% of voting rights of those entities were controlled within this intermediate group and the intermediate group prepared consolidated financial statements which are made available to the public and which include the results of the company

Interest is charged on the intercompany balances between the company and RBS group companies The total net interest receivable by the company in respect of intercompany balances between the company and RBS for the year included in total interest receivable is $14,905 (2008 $30,175)

At 31 December 2009 there were intercompany balances between the company and RBS plc amounting to $651,205 (2008 $1,100,000)

13. ULTIMATE PARENT COMPANY AND CONTROLLING PARTY

The Royal Bank of Scotland Group plc, a company incorporated in Great Britain and registered in Scotland and listed on the London Stock Exchange, was the company's ultimate parent company during the period and also the parent of the largest group for which group accounts were prepared The intermediate holding company, and the parent of the smallest group for which group accounts were prepared is RBS Sempra Commodities Limited Liability Partnership Copies of all group financial statements are available from the company Secretary at 24/25 St Andrew Square, Edinburgh, Midlothian, EH2 1AF

On 1 December 2008, the UK Government through HM Treasury became the ultimate controlling party of The Royal Bank of Scotland Group plc The UK Government's shareholding is managed by UK Financial Investments Limited, a company wholly owned by the UK Government

14. EVENTS AFTER BALANCE SHEET DATE

On 17 February 2010 both the Royal Bank of Scotland Group plc and Sempra Energy agreed to sell their shares in the company, and some other related companies within the RBS Sempra Commodities LLP, to J P Morgan Ventures Energy Corporation The operations sold comprised the global oil, global metals, and European power and gas assets Completion occurred on 1 July 2010 Since 1 July 2010 the ultimate parent company has been JPMorgan Chase & Co