

LEGACY RESERVES LP  
Form 424B5  
August 25, 2011

PROSPECTUS SUPPLEMENT  
(To Prospectus dated July 14, 2011)

Filed Pursuant to Rule 424(b)(5)  
SEC File No. 333-174488

## Legacy Reserves LP

### Units Representing Limited Partner Interests

### Having an Aggregate Offering Price of Up to \$60,000,000

We have entered into an equity distribution agreement with Knight Capital Americas, L.P. relating to the units representing limited partner interest offered by this prospectus supplement. In accordance with the terms of the equity distribution agreement, we may offer and sell units having an aggregate offering price of up to \$60,000,000 from time to time through Knight Capital Americas, L.P. as our sales agent.

Sales of the units, if any, will be made by means of ordinary brokers' transactions at market prices, in block transactions, or as otherwise agreed upon by the sales agent and us.

We will pay the sales agent an aggregate commission of up to 2.0% of the gross sales price per unit sold through it as agent under the equity distribution agreement.

Knight Capital Americas, L.P. is not required to sell any specific number or dollar amount of units but will use its reasonable efforts, as our agent and subject to the terms of the equity distribution agreement, to sell the units offered, as instructed by us. The offering of units pursuant to the equity distribution agreement will terminate upon the earlier of (i) the sale of all units subject to the equity distribution agreement and (ii) the termination of the equity distribution agreement by either Knight Capital Americas, L.P. or us.

Our units are listed on The Nasdaq Global Select Market under the symbol "LGCY." The last reported sale price of our units on The Nasdaq Global Select Market on August 24, 2011 was \$27.16 per unit.

Investing in our units involves risks. See "Risk Factors" beginning on page S-2 of this prospectus supplement and page 3 of the accompanying prospectus.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus supplement or the accompanying prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

## Knight

August 25, 2011

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You should rely only on the information contained or incorporated by reference in this prospectus supplement and the accompanying prospectus prepared by us or on our behalf. Neither we nor Knight Capital Americas, L.P. have authorized anyone to provide you with additional or different information. We are not making an offer to sell our units in any jurisdiction where the offer is not permitted. You should not assume that the information contained in this prospectus supplement or the accompanying prospectus is accurate as of any date other than the date of such document or that any information we have incorporated by reference is accurate as of any date other than the date of the document incorporated by reference. Our business, financial condition, results of operations and prospects may have changed since these dates.

We provide information to you about this offering of our units in two separate documents that are bound together: (1) this prospectus supplement, which describes the specific details regarding this offering, and (2) the accompanying prospectus, which provides general information, some of which may not apply to this offering. Generally, when we refer to this “prospectus,” we are referring to both documents combined. If information in this prospectus supplement is inconsistent with the accompanying prospectus, you should rely on this prospectus supplement.

You should carefully read this prospectus supplement and the accompanying prospectus, including the information incorporated by reference, before you invest. These documents contain information you should consider when making your investment decision. None of Legacy Reserves LP, Knight Capital Americas, L.P. or any of their respective representatives is making any representation to you regarding the legality of an investment in our units by you under applicable laws. You should consult with your own advisors as to legal, tax, business, financial and related aspects of an investment in the units.

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## SUMMARY

This summary highlights information from this prospectus supplement and the accompanying prospectus. It does not contain all the information that you should consider before investing in the units. We urge you to read carefully the entire prospectus supplement, the accompanying prospectus and the documents we have incorporated by reference, and our financial statements and the notes to those statements, before making an investment decision.

Unless the context otherwise indicates, references to “us,” “we,” “our,” and like terms refer to Legacy Reserves LP, together with its consolidated subsidiaries.

## THE PARTNERSHIP

We are an independent oil and natural gas limited partnership headquartered in Midland, Texas, and are focused on the acquisition and development of oil and natural gas properties primarily located in the Permian Basin, Mid-Continent and Rocky Mountain regions of the United States. We were formed in October 2005 to own and operate the oil and natural gas properties that we acquired from our founding investors (“Founding Investors”) and three charitable foundations in connection with the closing of our private equity offering on March 15, 2006. On January 18, 2007, we completed our initial public offering.

Our operations are conducted through, and our operating assets are owned by, our subsidiaries. Our operations are managed by Legacy Reserves GP, LLC, our general partner.

Our principal executive offices are located at 303 W. Wall Street, Suite 1400, Midland, Texas 79701 and our telephone number is (432) 689-5200.

## THE OFFERING

Units Offered	Units with an aggregate sales price of up to \$60,000,000.
Use of Proceeds	We will use the net proceeds (after the payment of any offering expenses and the sales agent’s commissions) from our sale of units covered by this prospectus for general partnership purposes, which may include repayment of indebtedness, capital expenditures or acquisitions.
Risk Factors	See “Risk Factors” and other information included in this prospectus supplement and the accompanying prospectus for a discussion of factors you should carefully consider before deciding to invest in our units.
Exchange Listing	Our units are traded on The Nasdaq Global Select Market under the symbol “LGCY.”
Material Tax Considerations	For a discussion of material federal income tax considerations that may be relevant to prospective unitholders who are individual citizens or residents of the United States, please read “Material Tax Considerations” in this prospectus supplement and “Material Tax Considerations” in the accompanying prospectus.

## RISK FACTORS

An investment in our units involves risk. You should carefully read the risk factors set forth in our annual and quarterly reports filed with the Securities and Exchange Commission ("SEC"), together with all of the other information included in, or incorporated by reference into, this prospectus supplement and the accompanying prospectus, when evaluating an investment in our units.

## USE OF PROCEEDS

We will use the net proceeds (after the payment of any offering expenses and the sales agent's commissions) from our sale of units covered by this prospectus for general partnership purposes, which may include repayment of indebtedness, capital expenditures or acquisitions.

As of August 22, 2011, an aggregate of approximately \$420.0 million of borrowings were outstanding under our revolving credit facility. In addition, there were \$0.1 million of letters of credit outstanding. The weighted average interest rate on the total amount outstanding at August 22, 2011 was 2.81%. Our revolving credit facility matures on March 10, 2016. We use our revolving credit facility to fund capital expenditures and working capital requirements and for general partnership purposes.

## MATERIAL TAX CONSIDERATIONS

The tax consequences to you of an investment in our units will depend in part on your own tax circumstances. For a discussion of the principal federal income tax considerations associated with our operations and the purchase, ownership and disposition of our units, please read "Material Tax Considerations" beginning on page 54 of the accompanying prospectus. Please also read the risk factors set forth in our Annual Report on Form 10-K for the year ended December 31, 2010 and subsequent filings with the SEC for a discussion of the tax risks related to purchasing and owning our units. You are urged to consult your own tax advisor about the federal, state, foreign and local tax consequences particular to your circumstances.

Ownership of units by tax-exempt entities, including employee benefit plans and individual retirement accounts (known as IRAs), and foreign investors raises issues unique to such persons. Please read "Material Tax Considerations — Tax-Exempt Organizations and Other Investors" in the accompanying prospectus.

## PLAN OF DISTRIBUTION

We have entered into an equity distribution agreement with Knight Capital Americas, L.P. under which we may offer and sell units having an aggregate offering price of up to \$60,000,000 from time to time through Knight Capital Americas, L.P., as our sales agent. We have filed the equity distribution agreement as an exhibit to a current report on Form 8-K, which is incorporated by reference in this prospectus supplement. The sales, if any, of units made under the equity distribution agreement will be made by means of ordinary brokers' transactions on The Nasdaq Global Select Market at market prices, in block transactions, or as otherwise as agreed upon by the sales agent and us. As sales agent, Knight Capital Americas, L.P. will not engage in any transactions that stabilize the price of our units.

We will designate the maximum amount of units to be sold through Knight Capital Americas, L.P. on a daily basis or otherwise as we and Knight Capital Americas, L.P. agree and the minimum price per unit at which such units may be sold. Subject to the terms and conditions of the equity distribution agreement, Knight Capital Americas, L.P. will use its reasonable efforts to sell on our behalf all of the designated units. We may instruct Knight Capital Americas, L.P. not to sell any units if the sales cannot be effected at or above the price designated by us in any such instruction. We or Knight Capital Americas, L.P. may suspend the offering of units at any time and from time to time by notifying the other party.

Knight Capital Americas, L.P. will provide to us written confirmation following the close of trading on The Nasdaq Global Select Market each day in which units are sold under the equity distribution agreement. Each confirmation will include the number of units sold on that day, the gross sales proceeds, the net proceeds to us (after regulatory transaction fees, if any, but before other expenses) and the compensation payable by us to the sales agent. We will report at least quarterly the number of units sold through Knight Capital Americas, L.P. under the equity distribution agreement, the net proceeds to us (before expenses) and the compensation paid by us to Knight Capital Americas, L.P. in connection with the sales of the units.

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We will pay Knight Capital Americas, L.P. a commission of up to 2.0% of the gross sales price per unit sold through it as our agent under the equity distribution agreement. We have agreed to reimburse Knight Capital Americas, L.P. for certain of its expenses.

Settlement for sales of units will occur on the third business day following the date on which any sales were made in return for payment of the net proceeds to us. There is no arrangement for funds to be received in an escrow, trust or similar arrangement.

If we or the sales agent have reason to believe that our units are no longer an “actively-traded security” as defined under Rule 101(c)(1) of Regulation M under the Securities Exchange Act of 1934, as amended, that party will promptly notify the other and sales of units pursuant to the equity distribution agreement or any terms agreement will be suspended until in our collective judgment Rule 101(c)(1) or another exemptive provision has been satisfied.

The offering of units pursuant to the equity distribution agreement will terminate upon the earlier of (1) the sale of all units subject to the equity distribution agreement or (2) the termination of the equity distribution agreement by us or by the sales agent.

In connection with the sale of the units on our behalf, Knight Capital Americas, L.P. may be deemed to be an “underwriter” within the meaning of the Securities Act of 1933, as amended (Securities Act), and the compensation paid to Knight Capital Americas, L.P. may be deemed to be underwriting commissions or discounts. We have agreed to provide indemnification and contribution to the sales agent against certain liabilities, including civil liabilities under the Securities Act.

Knight Capital Americas, L.P. and its affiliates have, from time to time, performed, and may in the future perform, various financial advisory and commercial and investment banking services for us and our affiliates, for which they have received and in the future will receive customary compensation and expense reimbursement.

In compliance with the guidelines of the Financial Industry Regulatory Authority, Inc., or FINRA, the maximum discount or commission to be received by any FINRA member or independent broker-dealer may not exceed 8% of the aggregate offering price of the units offered pursuant to this prospectus supplement. We intend to use a portion of the proceeds of this offering to repay amounts outstanding under our revolving credit facility. Because FINRA views the units offered hereby as interests in a direct participation program, this offering is being made in compliance with Rule 2310 of the FINRA Rules.

### LEGAL MATTERS

The validity of the units offered in this prospectus supplement will be passed upon for us by Andrews Kurth LLP, Houston, Texas. Certain legal matters will be passed upon for the sales agent by Vinson & Elkins, L.L.P., Houston, Texas.

### EXPERTS

- The audited consolidated financial statements of Legacy Reserves LP from Legacy Reserves LP’s Annual Report on Form 10-K for the year end of December 31, 2010, have been incorporated by reference herein in reliance on the report of BDO USA, LLP, an independent registered public accounting firm, incorporated herein by reference, given on the authority of said firm as experts in auditing and accounting.
- Information incorporated by reference and included in this prospectus supplement regarding our estimated quantities of oil and natural gas reserves was prepared by LaRoche Petroleum Consultants, Ltd., independent petroleum engineers, geologists and geophysicists, as stated in their reserve reports with respect thereto.

WHERE YOU CAN FIND MORE INFORMATION

We have filed a registration statement with the SEC under the Securities Act that registers the securities offered by this prospectus. The registration statement, including the exhibits, contains additional relevant information about us. The rules and regulations of the SEC allow us to omit from this prospectus some information included in the registration statement.

We file annual, quarterly, and other reports and other information with the SEC under the Securities Exchange Act of 1934, as amended (the "Exchange Act"). You may read and copy any materials we file with the SEC at the SEC's Public Reference Room at 100 F Street, N.E., Washington, D.C. 20549. Please call the SEC at 202-551-8090 for further information on the operation of the Public Reference Room. The SEC maintains an Internet website at <http://www.sec.gov> that contains reports, proxy and information statements, and other information regarding issuers, including us, that file electronically with the SEC. General information about us, including our annual report on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K and amendments to those reports, is available free of charge through our website at <http://www.legacylp.com> as soon as reasonably practicable after we electronically file them with, or furnish them to, the SEC. Information on our website is not incorporated into this prospectus or our other securities filings and is not a part of these filings.

INCORPORATION BY REFERENCE

The SEC allows us to "incorporate by reference" information into this document. This means that we can disclose important information to you by referring you to another document filed separately with the SEC. The information incorporated by reference is considered to be part of this prospectus supplement, and information that we file later with the SEC will automatically update and supersede the previously filed information. We incorporate by reference the documents listed below and any future filings made by us with the SEC pursuant to Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act, excluding information deemed to be furnished and not filed with the SEC, until all the securities are sold, prior to the termination of the offerings under this prospectus supplement:

- Annual Report on Form 10-K for the year ended December 31, 2010, filed on March 4, 2011 and Quarterly Reports on Form 10-Q for the quarters ended March 31, 2011 and June 30, 2011, filed on May 6, 2011 and August 4, 2011, respectively;
- Current Reports on Form 8-K, filed on February 22, 2011, March 17, 2011, April 21, 2011, May 16, 2011, and August 25, 2011; and
- The description of our units contained in our registration statement on Form 8-A (File No. 001-33249), filed on January 10, 2007.

Each of these documents is available from the SEC's website and public reference rooms described above. Through our website, <http://www.legacylp.com>, you can access electronic copies of documents we file with the SEC, including our annual reports on Form 10-K, quarterly reports on Form 10-Q and current reports on Form 8-K and any amendments to those reports. Information on our website is not incorporated by reference in this prospectus supplement. Access to those electronic filings is available as soon as practical after filing with the SEC. You may also request a copy of those filings, excluding exhibits, at no cost by writing or telephoning Investor Relations, Legacy Reserves LP, at our principal executive office, which is: 303 W. Wall St., Suite 1400, Midland, Texas 79701; Telephone: (432) 689-5200.

PROSPECTUS

Legacy Reserves LP  
Legacy Reserves Finance Corporation

\$200,000,000

Units Representing Limited Partner Interests  
Debt Securities

We may offer, from time to time, in one or more series, the following securities under this prospectus:

- units representing limited partnership interests in Legacy Reserves LP; and
- debt securities, which may be secured or unsecured senior debt securities or secured or unsecured subordinated debt securities.

Legacy Reserve Finance Corporation may act as co-issuer of the debt securities. All other direct or indirect subsidiaries of Legacy Reserves LP, other than “minor subsidiaries” (except Legacy Reserves Finance Corporation) as such item is interpreted in securities regulations governing financial reporting for guarantors, may guarantee the debt securities.

Our units are listed on The NASDAQ Global Select Market, or NASDAQ, under the symbol “LGCY.” We will provide information in a prospectus supplement, for the trading market, if any, for any debt securities we may offer. The aggregate initial offering price of the securities that we offer by this prospectus will not exceed \$200,000,000.

We may offer these securities in amounts and at prices and on terms to be determined by market conditions and other factors at the time of our offerings. This prospectus describes some of the general terms that may apply to these securities and the general manner in which these securities may be offered. Specific terms of any securities to be offered and the specific manner in which we will offer such securities will be provided in one or more supplements to this prospectus. A prospectus supplement may also add, update, or change information contained in this prospectus.

You should carefully read this prospectus and any applicable prospectus supplement before you invest. You also should read the documents we have referred you to under the headings “Where You Can Find More Information” and “Incorporation By Reference” of this prospectus for information on us and our financial statements.

This prospectus may not be used to consummate sales of securities unless accompanied by a prospectus supplement.

Investing in our securities involves a high degree of risk. Limited partnerships are inherently different from corporations. For a discussion of the factors you should consider before deciding to purchase our securities, please see “Risk Factors” on page 3 of this prospectus, any risk factors contained in any applicable prospectus supplement, as well as any additional risk factors that may be contained in the documents incorporated by reference herein and therein.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The date of this prospectus is July 14, 2011.



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In making your investment decision, you should rely only on the information contained in this prospectus, any prospectus supplement and the documents we have incorporated by reference. We have not authorized anyone to provide you with different information. We are not making an offer of these securities in any state where the offer is not permitted. You should not assume that the information contained in this prospectus or any prospectus supplement, as well as or that the information contained in any document incorporated by reference herein or therein, is accurate as of any date other than its respective date.

## ABOUT THIS PROSPECTUS

This prospectus is part of a registration statement on Form S-3 that we filed with the Securities and Exchange Commission, or SEC, utilizing a “shelf” registration process or continuous offering process. Under this shelf registration process, we may offer from time to time up to \$200,000,000 in total aggregate offering price of units or debt securities in one or more offerings.

This prospectus provides you with only a general description of the securities that we may offer. This prospectus does not contain all of the information set forth in the registration statement of which this prospectus is a part, as permitted by the rules and regulations of the SEC. Each time we offer securities, we will provide you with a prospectus supplement that will describe, among other things, the specific number, amounts and prices of the securities being offered, the specific manner in which they may be offered and the terms of the offering, including in the case of debt securities, the specific terms of the securities. The prospectus supplement may include additional risk factors or other special considerations applicable to those securities. The prospectus supplement may also add, update, or change information contained in this prospectus. If there is any inconsistency between the information in this prospectus and any prospectus supplement, you should rely on the information in the prospectus supplement.

The rules of the SEC allow us to incorporate by reference information into this prospectus and any prospectus supplement. Any information incorporated by reference is considered to be a part of this prospectus and any applicable prospectus supplement, and information that we file later with the SEC that is incorporated by reference herein will automatically update and supersede this information. Additional information, including our financial statements and the notes thereto, is incorporated in this prospectus by reference to our reports filed with the SEC. See “Where You Can Find More Information” and “Incorporation By Reference.” In particular, you should carefully consider the risks and uncertainties described under the heading “Risk Factors” in this prospectus and those included in our periodic reports, which are all incorporated by reference in this prospectus, or otherwise included in any applicable prospectus supplement. Before investing in any of our securities, you are urged to carefully read this prospectus and any applicable prospectus supplement relating to the securities offered to you, together with the information and documents described under the headings “Where You Can Find More Information” and “Incorporation By Reference” of this prospectus and the information and documents incorporated by reference in the prospectus supplement.

References in this prospectus to “Legacy Reserves,” “Legacy,” “we,” “our,” “us,” or like terms refer to Legacy Reserves LP and its subsidiaries unless the context otherwise requires.

## CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

This prospectus and the documents we incorporate by reference herein contain forward-looking statements that are subject to a number of risks and uncertainties, many of which are beyond our control, which may include statements about:

- our business strategy;
- the amount of oil and natural gas we produce;
- the price at which we are able to sell our oil and natural gas production;
- our ability to acquire additional oil and natural gas properties at economically attractive prices;
- our drilling locations and our ability to continue our development activities at economically attractive costs;
- the level of our lease operating expenses, general and administrative costs and finding and development costs, including payments to our general partner;
- the level of our capital expenditures;
- the level of cash distributions to our unitholders;
- our future operating results; and
- our plans, objectives, expectations and intentions.

All of these types of statements, other than statements of historical fact included in this prospectus, are forward-looking statements. In some cases, you can identify forward-looking statements by terminology such as “may,” “could,” “should,” “expect,” “plan,” “project,” “intend,” “anticipate,” “estimate,” “predict,” “potential,” “pursue,” “target,” “continue,” the negative of such terms or other comparable terminology.

The forward-looking statements contained in this prospectus and any documents incorporated by reference are largely based on our expectations, which reflect estimates and assumptions made by our management. These estimates and assumptions reflect our best judgment based on currently known market conditions and other factors. Although we believe such estimates and assumptions to be reasonable, they are inherently uncertain and involve a number of risks and uncertainties that are beyond our control. In addition, management’s assumptions about future events may prove to be inaccurate. All readers are cautioned that the forward-looking statements contained in this prospectus are not guarantees of future performance, and our expectations may not be realized or the forward-looking events and circumstances may not occur. Actual results may differ materially from those anticipated or implied in the forward-looking statements due to factors set forth under the heading “Risk Factors” in this prospectus, in our filings with the SEC, including those factors described in our most recent annual report on Form 10-K, quarterly reports on Form 10-Q and current reports on Form 8-K that are incorporated by reference into this prospectus, or those factors otherwise included in any applicable prospectus supplement. The forward-looking statements in this prospectus speak only as of the date of this prospectus; we disclaim any obligation to update these statements unless required by securities law, and we caution you not to unduly rely on them.

#### ABOUT LEGACY RESERVES LP

We are an independent oil and natural gas limited partnership headquartered in Midland, Texas, and are focused on the acquisition and development of oil and natural gas properties primarily located in the Permian Basin, Mid-Continent and Rocky Mountain regions of the United States. We were formed in October 2005 to own and operate the oil and natural gas properties that we acquired from our founding investors (“Founding Investors”) and three charitable foundations in connection with the closing of our private equity offering on March 15, 2006. On January 18, 2007, we completed our initial public offering.

Our operations are conducted through, and our operating assets are owned by, our subsidiaries. Legacy Reserves Finance Corporation, our wholly owned subsidiary, has no material assets or any liabilities other than as a co-issuer of our debt securities. Its activities are limited to co-issuing our debt securities and activities incidental to its role as a co-issuer.

Our principal executive offices are located at 303 W. Wall Street, Suite 1400, Midland, Texas 79701 and our telephone number is (432) 689-5200.

#### THE SUBSIDIARY GUARANTORS

Certain of our subsidiaries may fully and unconditionally guarantee our payment obligations under any series of debt securities offered using this prospectus. Financial information concerning our subsidiary guarantors and any non-guarantor subsidiaries will, to the extent required by SEC rules and regulations, be included in our consolidated financial statements filed as part of our periodic reports pursuant to the Exchange Act.

## RISK FACTORS

Limited partner interests are inherently different from the capital stock of a corporation, although many of the business risks to which we are subject are similar to those that would be faced by a corporation engaged in a similar business. Before you invest in our securities, you should carefully consider the following risk factors, those included in our most-recent annual report on Form 10-K, in our quarterly reports on Form 10-Q and in our current reports on Form 8-K that are incorporated herein by reference and those that may be included in the applicable prospectus supplement, together with all of the other information included in this prospectus, any prospectus supplement and the documents we incorporate by reference.

If any of these risks were actually to occur, our business, financial condition, results of operations, or cash flow could be materially adversely affected. In that case, our ability to make distributions to our unitholders or pay interest on, or the principal of, any debt securities, may be reduced, the trading price of our securities could decline and you could lose all or part of your investment.

### Risks Related to our Business

We may not have sufficient available cash to pay the full amount of our current quarterly distribution or any distribution at all following establishment of cash reserves and payment of fees and expenses, including payments to our general partner.

We may not have sufficient available cash each quarter to pay the full amount of our current quarterly distribution or any distribution at all. The amount of cash we distribute in any quarter to our unitholders may fluctuate significantly from quarter to quarter and may be significantly less than our current quarterly distribution. Under the terms of our partnership agreement, the amount of cash otherwise available for distribution will be reduced by our operating expenses and the amount of any cash reserves that our general partner establishes to provide for future operations, future capital expenditures, future debt service requirements and future cash distributions to our unitholders. Further, our debt agreements contain restrictions on our ability to pay distributions. The amount of cash we can distribute on our units principally depends upon the amount of cash we generate from our operations, which will fluctuate from quarter to quarter based on, among other things:

- the amount of oil, NGL and natural gas we produce;
- the price at which we are able to sell our oil, NGL and natural gas production;
- the amount and timing of settlements on our commodity and interest rate derivatives;
- whether we are able to acquire additional oil and natural gas properties at economically attractive prices;
- whether we are able to continue our development projects at economically attractive costs;
- the level of our lease operating expenses, general and administrative costs and development costs, including payments to our general partner;
- the level of our interest expense, which depends on the amount of our indebtedness and the interest payable thereon; and
- the level of our capital expenditures.

If we are not able to acquire additional oil and natural gas reserves on economically acceptable terms, our reserves and production will decline, which would adversely affect our business, results of operations and financial condition and our ability to make cash distributions to our unitholders.

We may be unable to sustain distributions at the current level without making accretive acquisitions or substantial capital expenditures that maintain or grow our asset base. Oil and natural gas reserves are characterized by declining production rates, and our future oil and natural gas reserves and production and, therefore, our cash flow and our ability to make distributions are highly dependent on our success in economically finding or acquiring additional recoverable reserves and efficiently developing and exploiting our current reserves. Further, the rate of estimated decline of our oil and natural gas reserves may increase if our wells do not produce as

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expected. We may not be able to find, acquire or develop additional reserves to replace our current and future production at acceptable costs, which would adversely affect our business, results of operations, financial condition and our ability to make cash distributions to our unitholders.

Our future growth may be limited because we distribute all of our available cash to our unitholders, and potential future disruptions in the financial markets may prevent us from obtaining the financing necessary for growth and acquisitions.

Since we will distribute all of our available cash (as defined in our partnership agreement) to our unitholders, our growth may not be as fast as businesses that reinvest their available cash to expand ongoing operations. Further, since we depend on financing provided by commercial banks and other lenders and the issuance of debt and equity securities to finance any significant growth or acquisitions, potential future disruptions in the global financial markets and any associated severe tightening of credit supply may prevent us from obtaining adequate financing from these sources, and, as a result, our ability to grow, both in terms of additional drilling and acquisitions, will be limited.

Increases in the cost of or failure of costs to adjust downward for drilling rigs, service rigs, pumping services and other costs in drilling and completing wells could reduce the viability of certain of our development projects.

Higher oil and natural gas prices may increase the rig count and thus the cost of rigs and oil field services necessary to implement our development projects while also decreasing their availability. Increased capital requirements for our projects will result in higher reserve replacement costs which could reduce cash available for distribution. Higher project costs could cause certain of our projects to become uneconomic and therefore not to be implemented, reducing our production and cash available for distribution. Decreased availability of drilling equipment and services could significantly impact the planned execution of our scheduled development program.

If commodity prices decline and remain depressed for a prolonged period, a significant portion of our development projects may become uneconomic and cause write downs of the value of our oil and gas properties, which may adversely affect our financial condition and our ability to make distributions to our unitholders.

Lower oil and natural gas prices may not only decrease our revenues, but also reduce the amount of oil and natural gas that we can produce economically. For example, the drastically lower oil and natural gas prices experienced in the fourth quarter of 2008 rendered more than half of the development projects we had planned at such time uneconomic and resulted in a substantial downward adjustment to our estimated proved reserves. Further, deteriorating commodity prices may cause us to recognize impairments in the value of our oil and gas properties. In addition, if our estimates of development costs increase, production data factors change or drilling results deteriorate, accounting rules may require us to write down, as a non-cash charge to earnings, the carrying value of our oil and natural gas properties for impairments. We may incur impairment charges in the future, which could have a material adverse effect on our results of operations in the period taken.

Due to regional fluctuations in the actual prices received for our production, the derivative contracts we enter into may not provide us with sufficient protection against price volatility since they are based on indexes related to different and remote regional markets.

**Equity  
Incentive  
Plan Awards:  
Number of  
securities  
underlying  
unexercised  
unearned  
options<sup>(#)</sup>    Option  
Exercise  
Price    Option  
Expiration  
Date    Number of  
shares or  
units of stock  
that have not  
vested    Market  
value of  
shares or  
units that  
have  
not vested  
\$(2)    Equity  
Incentive  
Plan Awards:  
Number of  
unearned  
shares, units**

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or other  
rights that  
have not  
vested Equity  
Incentive  
Plan

Awards:  
Market or  
payout  
value of  
unearned  
shares,  
units or  
other  
rights  
that have

not vested

Robert Anderson 8,020 \$34.46<sup>(7)</sup> April 10,  
2012 12,584 \$  
41.00  
<sup>(9)</sup>

April 4,  
2014 5,305<sup>(14)</sup> \$  
49.80  
<sup>(21)</sup>

April 23,  
2017  
17,938  
<sup>(15)</sup>

3,588  
<sup>(3)</sup>

\$  
24.80  
<sup>(10)</sup>

April 13,  
2018  
9,515  
<sup>(3)</sup>

\$

1.97

in total

<sup>(11)</sup>

April 13,  
2018  
1,241  
<sup>(22)</sup>

\$13.13<sup>(23)</sup> June 30,

2012 8,524<sup>(18)</sup> 354,257 17,048<sup>(19)</sup> 708,514 4,960<sup>(20)</sup> 206,137 9,920<sup>(13)</sup> 412,275

Montalto 11,171

\$34.46

April 10,

2012 12,585 \$41.00 April 4,

2014 11,345<sup>(14)</sup> \$49.80 April 23,

2017 22,782<sup>(15)</sup> \$24.80 April 13,

2018 8,609<sup>(16)</sup> \$

1.00  
in total

April 13,  
2018 9,869<sup>(18)</sup> 410,155 19,738<sup>(19)</sup> 820,311 6,264<sup>(20)</sup> 260,331 12,528<sup>(13)</sup> 520,663

**Notes to Outstanding Equity Awards at Fiscal Year End Table**

- (1) All options have a grant date ten years prior to the expiration date shown. All options cliff vest after three year vesting period following the grant date, subject to the attainment of the relevant performance objectives. The amount reflected indicates the maximum number of shares that would vest upon attainment of all performance objectives.
- (2) Calculated using the Common Shares price as at January 29, 2011 of \$41.56.
- (3) This grant did not vest on April 13, 2011 as the performance conditions were not achieved.
- (4) 16.3% of this grant vested on April 13, 2011.
- (5) This grant will vest on February 1, 2012, March 15, 2012, June 1, 2012, March 15, 2013, March 15, 2014.
- (6) US dollar amount reflected in the table above is a currency conversion on the date of grant from the actual per share exercise price of £15.05.
- (7) US dollar amount reflected in the table above is currency conversion on the date of grant from the actual per share exercise price of £24.00.
- (8) US dollar amount reflected in the table above is a currency conversion on the date of grant from the actual per share exercise price of £19.50.

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- (9) US dollar amount reflected in the table above is a currency conversion on the date of grant from the actual per share exercise price of £22.25.
- (10) US dollar amount reflected in the table above is a currency conversion at the date of grant from the actual per share exercise price of £13.00.
- (11) US dollar amount reflected in the table above is a currency conversion at the date of grant from the actual exercise price of £1.00.
- (12) This grant will vest on June 16, 2013.
- (13) This grant will potentially vest on January 30, 2013.
- (14) This grant vested on April 23, 2010.
- (15) This grant vested on April 13, 2011
- (16) 91.7% of this grant vested on April 13, 2011.
- (17) This grant will vest on October 1, 2012.
- (18) This grant will vest on June 15, 2012.
- (19) This grant will potentially vest on January 30, 2012.
- (20) This grant will vest on April 1, 2013.
- (21) US dollar amount reflected in the table above is a currency conversion at the date of grant from the actual per share exercise price of £24.88.
- (22) This grant will vest on January 1, 2012.
- (23) US dollar amount reflected in the table above is a currency conversion at the date of grant from the actual exercise price of £7.735.

**Additional Information Concerning Option and Share Awards**

**i) Share Option Plans Pre Fiscal 2010**

Prior to the Scheme of Arrangement in 2008, the Company operated an executive share option plan known as the Signet Group plc 1993 Executive Share Option Scheme (the 1993 Scheme ). Under the 1993 Scheme no further options may be granted but existing options are exercisable for shares until the scheme expires in 2013. In 2003 new plans were introduced by the Company which replaced the 1993 Scheme: the Signet Group plc UK Inland Revenue Approved Share Option Plan 2003; the Signet Group plc International Share Option Plan 2003; and the Signet Group plc US Share Option Plan 2003 (collectively the 2003 Plans ). Although no further options may be granted under the 2003 Plans, existing options continue to be exercisable for shares. Further details of the plans and the applicable performance conditions are set out below.

The Company established replacement plans, substantially similar to the 2003 Plans, which were approved in principle by Shareholders at the Annual General Meeting of Shareholders held on August 19, 2008 called to approve the implementation of the Court approved Scheme of Arrangement. These are the Signet Jewelers Limited UK Approved Share Option Plan 2008, the Signet Jewelers Limited International Share Option Plan 2008 and the Signet Jewelers Limited US Share Option Plan 2008 (collectively the Replacement Plans ).

However, no option awards have been granted under the Replacement Plans, and since the adoption of the Omnibus Incentive Plan and its approval by Shareholders at the Annual General Meeting of Shareholders held on June 16, 2009, no new options may be granted under the Replacement Plans, which were replaced by the Omnibus Incentive Plan, which is described below.

**Performance-Based Share Option Grants Prior to Fiscal 2010**

Vesting of performance-based share options granted prior to grants made in Fiscal 2010 is dependent upon achievement of cumulative earnings per share ( EPS ) goal over the three-year performance period following the grant.



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Share option and long term incentive plan grants to named executive officers are set out in the Outstanding Equity Awards at Fiscal Year End Table above and the Option Exercises and Shares Vested Table below. The option exercise price of the options awarded to Messrs. Boyd and Anderson were actually granted in pounds sterling. See the table above for currency conversion information.

**Grants to Named Executive Officers**

For the grants made in Fiscal 2008, which were the last grants made under the 2003 Plans and based upon the comparator company surveys conducted, in both the US and the UK a share option grant equivalent to 400% of base salary was made to Signet's Chief Executive and a grant of options equal to 120% of base salary to the Group Finance Director. Similarly, on the basis of survey data and performance the Chief Executive Officers of the US and the UK divisions were awarded grants of options equal to 160% and 80% of base salary respectively and a grant of options equal to 100% of base salary was made to the US COO.

The conditions set by the Compensation Committee for the exercise of options granted under the 1993 Scheme were that for vesting to take place, a post inflation minimum growth in earnings per share of 10% over any consecutive three year period had to be achieved. Under the 2003 Plans, for vesting to take place, a post inflation minimum growth in earnings per share of 10% from a fixed base year applied over a three year period, or, only for the grants made in Fiscal 2006, 12.55% over a four year period, or 15.92% over a five year period has to be achieved. The performance conditions were chosen as the Compensation Committee believed them to be in line with market practice. These conditions have been met in respect of the options granted between October 1997 and April 2004; the performance criteria having been satisfied in each case over the first three year period following the grant of the options apart from the options granted in April and July 2003. The performance criteria for the options granted in Fiscal 2004 were satisfied in the fourth year of the grant. These options are reflected in the table above. The performance criteria for the options granted in Fiscal 2008 have not been satisfied and the awards have lapsed. The Binomial option-pricing model was used to determine the fair value for options granted in the last three years and is shown in the Summary Compensation Table above.

Options generally become exercisable no earlier than the third anniversary of the date of grant and generally expire on the earlier of (i) the tenth anniversary of the date of grant, (ii) the date of termination of the participant's service with Signet, (iii) six months following the date of the participant's termination of service with Signet due to ill health or disability, or (iv) the expiration date set forth in the participant's award agreement. Options that have not already vested will only vest and become exercisable on the dates detailed subject to satisfaction of the specified performance criteria.

**ii) Long Term Incentive Plan ( LTIP ) Pre-Fiscal 2010**

Shareholders gave approval, in 2008, to the Signet Group plc 2008 Long Term Incentive Plan (the Replacement LTIP ) which was a replacement for the Signet Group plc 2005 Long Term Incentive Plan (the 2005 LTIP ), which in turn was a replacement for the Signet Group plc 2000 Long Term Incentive Plan (the 2000 LTIP ) which had expired in 2005 (together the LTIPs ).

Options and awards continue to subsist under the 2000 LTIP and 2005 LTIP.

No LTIP awards have been granted under the Replacement LTIP and since the adoption of the Omnibus Incentive Plan and its approval by Shareholders at the Annual General Meeting held on June 16, 2009, no new awards may be granted under the Replacement LTIP, this plan having been replaced in turn by the Omnibus Incentive Plan, which is described further below.

The performance measures as they apply under the 2005 LTIP as agreed by the Committee depends upon the profit growth exceeding the minimum threshold inflation level, in which case the amount of the award will be calculated on a straight line basis from that level up to a specified inflection point, which for Fiscal 2009, the

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final time an award was made under this plan, was 8%. At that point 37.5% of the award will vest, and then at an accelerated rate on a straight line basis up to the maximum level of award at 12%. This maximum is equal to a specified percentage of base salary at the time at which the award vests.

If the minimum threshold inflation level of profit growth is achieved but the maximum award has not been earned, then the award may be increased on the basis of the return on capital employed ( ROCE ) performance. In no event, however, can any such increase result in the applicable maximum award amount.

When the performance conditions have been satisfied, 50% of the amount which vests will be payable in cash and the other 50% will consist of the grant of an option to acquire shares in the Company, the number of share being determined by using the middle market price on the day preceding the grant of the award. For the Fiscal 2009 awards, that share price of the Company was \$24.80. The UK participants can normally exercise their option at any time after vesting until the tenth anniversary of the grant of the award. For US participants, the options are deemed exercised immediately upon issuance. The applicable performance criteria for the Fiscal 2009 grant have been met to the extent of 92% of the maximum entitlement for the eligible US employees and 16% for the eligible Group employees. The targets were not met for the UK employees. Messrs. Burman and Mr. Boyd did hold awards under the Company's long term incentive plan award entitling them to certain stock and cash (in Mr. Boyd's case on a pro-rata basis).

The first table below shows the percentages and the inflection points which have been specified for the existing awards and indicates the relevant profits and ROCE to be used for measurement. The second table shows the percentages of salary to be paid to the named executive officers for exceeding the specified profit growth and the percentages of salary paid for every 0.5% ROCE exceeds the specified level.

**LTIP performance criteria**

	Fiscal 2009 award		
	Corporate %	UK %	US %
<b>Minimum performance for any vesting:</b>			
Profit measure		Profit growth in excess of threshold inflation level	
ROCE measure	15.4	26.4	14.2
Profit growth performance measure			
Profit growth rate inflection point	8.0	8.0	8.0
Profit growth for maximum vesting	12.0	12.0	12.0
ROCE performance measure:			
Specified ROCE required	16.4	27.4	15.2

**Performance criteria****Profit growth**

	% Salary paid for profit growth				
	Terry Burman Fiscal 2009	Walker Boyd Fiscal 2009	Mark Light Fiscal 2009	Robert Anderson Fiscal 2009	William Montalto Fiscal 2009
At Inflection point	59.3	28.9	37.5	25.5	26.3
At Maximum vesting	158.0	77.0	100.0	68.0	70.0

**ROCE Performance**

	% salary for each 0.5% ROCE exceeds specified level				
	Terry Burman Fiscal 2009	Walker Boyd Fiscal 2009	Mark Light Fiscal 2009	Robert Anderson Fiscal 2009	William Montalto Fiscal 2009
	11.3	4.6	8.0	2.7	5.3

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**iii) Omnibus Incentive Plan Fiscal 2010 and Later**

In accordance with the undertaking given in the circular to Shareholders dated July 24, 2008 which detailed the proposed Scheme of Arrangement to establish Signet Group plc as a wholly owned subsidiary of Signet Jewelers Limited during Fiscal 2009, the Compensation Committee reviewed the existing Company's incentive plans. In doing so it took into account the re-domicile and change of primary listing, the increasing involvement of Signet in the US and the compensation policies of comparator companies, together with the desire to implement policies more in line with companies who have their primary listing in the US. Having completed this review, the Committee considered that it was appropriate to realign its compensation practices with those more usual in the US maintaining its commitment that a considerable element of compensation should be incentive based. As a result the Omnibus Incentive Plan was approved by Shareholders at the Annual General Meeting in 2009. Following approval by Shareholders of the Omnibus Incentive Plan, no further grants or awards may be made under the existing share plans and the LTIP, although existing awards still subsist.

**Table of Contents****OPTION EXERCISES AND SHARES VESTED**

This table shows the numbers and value of share options exercised by the named executive officers in Fiscal 2011 and the time based restricted stock and performance based restricted stock units and share options that vested in Fiscal 2011.

Name	Option Awards		Stock Awards	
	Number of shares acquired on exercise	Value realized on exercise \$	Number of shares acquired on vesting	Value realized on vesting \$
<b>Terry Burman</b>	191,101	1,958,398		
<b>Michael W. Barnes</b>			116,392	5,044,429 <sup>(1)</sup>
<b>Walker Boyd</b>			18,312	555,938 <sup>(2)</sup>
<b>Ronald Ristau</b>				
<b>Mark Light</b>	731	15,408		
<b>Robert Anderson</b>	30,665	468,694 <sup>(2)</sup>		
<b>William Montalto</b>				

(1) Based on the closing market price of a share on the trading day before January 19, 2011.

(2) An exchange rate of £1: US\$1.55 was used to determine the exercise value as these share options were exercised in pound sterling.

**Table of Contents****PENSION BENEFITS**

Name	Plan name	Number of years credited service	Actuarial present	
			value of accumulated benefits	Payments during last fiscal year
			\$	\$
<b>Terry Burman</b>				
<b>Michael W. Barnes</b>				
<b>Walker Boyd</b>	Signet Group Pension Scheme	18	1,883,663	
<b>Ronald Ristau</b>				
<b>Mark Light</b>				
<b>Robert Anderson</b>	Signet Group Pension Scheme	10	610,917	
<b>William Montalto</b>				

Signet has established a number of retirement plans for eligible employees in each division. In the UK, the primary retirement plan is the Signet Group Pension Scheme. The named executive officers of the Company are eligible to participate in the plan and the main benefits are discussed below.

**Company Pension and Deferred Compensation**

Pension benefits in respect of the UK based named executive officers are determined on a pounds sterling basis but are disclosed here using an average exchange rate of £1:\$1.55 and are set out below.

**Pension Benefits for Mr. Boyd**

	Fiscal 2011
	\$
Change in accrued benefits up to the date of retirement (gross of inflation)	2,651
Change in accrued benefits up to the date of retirement (net of inflation)	2,651
Accrued benefits upto the date of retirement	116,061
Transfer value of change in accrued pension (net of inflation) up to the date of retirement	58,931
Transfer value of accrued benefits at the beginning of the year	2,282,623
Transfer value of accrued benefits up to the date of retirement	1,883,663
Change in transfer value of accrued benefits <sup>(1)</sup>	(398,960)

**Pension Benefits for Mr. Anderson**

	Fiscal 2011
	\$
Change in accrued benefits during the year (gross of inflation)	(1,531)
Change in accrued benefits during the year (net of inflation)	(2,610)
Accrued benefits at the end of the year	33,260
Transfer value of change in accrued pension (net of inflation)	N/A
Transfer value of accrued benefits at the beginning of the year	659,327
Transfer value of accrued benefits at the end of the year	610,917
Change in transfer value of accrued benefits <sup>(1)</sup>	(48,410)

(1) Calculated in accordance with the UK Occupational Pension Schemes (Transfer Value) Regulations 2008.



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### **Retirement**

Mr. Boyd elected to take early retirement in June, 2010. His early retirement benefit under the Signet Group Pension Plan is \$83,948 per year. He also took a lump sum payment of \$549,435 under the Plan and a single lump sum of \$449,631 under the FURBS Plan.

The relevant rules of the Signet Group Pension Scheme provide that early retirement requires an actuarial reduction, which should be applied to reduce the pension payable on early retirement. However it had been the policy over many years to waive the reduced actuarial valuation to long serving employees as they retire, provided that they were within five years of their normal retirement age. The Company as the actuary makes assumptions for the waiving of early retirement actuarial reduction in his costing calculations. It was agreed by the Company therefore that in accordance with the historical practice that the normal retirement date actuarial basis be applied in Mr. Boyd's case, so that the actuarial valuation of pension is not reduced as a result only of early retirement but rather is based upon an actuarial factor that would have been used if retirement had taken place at normal retirement age, 22 months later.

### **Pension Valuation**

The pension valuation is based upon the following factors:

The pension accrual value shown is the amount which would be paid annually on retirement based on service to the end of the year;

Transfer values have been calculated in accordance with the Occupational Pension Schemes (Transfer Value) Regulations 2008;

The transfer value of accrued pensions do not allow for discretionary pension increases on service prior to April 6, 1997;

The value of net increase represents the incremental value to the named executive officer of his service during the year, calculated on the assumption service terminated at the year-end. It is based on the accrued pension increase;

The change in the transfer value includes the effect of fluctuations in the transfer value due to factors beyond the control of the Company and named executive officers, such as stock market movements, economic conditions and changes in the transfer value basis;

Mr. Anderson's total accrued pension and the value of the accrued pension as at January 30, 2010 and January 29, 2011 are based on the benefits accrued for all service in the Signet Group Pension Scheme. Mr. Anderson's benefits have been restricted to the UK HMRC maximum allowing for his retained benefits with Marks & Spencer, his previous employer; and

Voluntary contributions paid by named executive officers and resulting benefits are not shown.

Table of Contents**NON-QUALIFIED DEFERRED COMPENSATION**

Name	Executive contribution in last fiscal year	Registrant contribution in last fiscal year	Aggregate earnings in last fiscal year	Aggregate withdrawals/distributions	Aggregate balance at last fiscal year end
	\$	\$	\$	\$	\$
<b>Terry Burman</b>		341,162	20,461	20,874	687,244
<b>Michael W. Barnes</b>					
<b>Walker Boyd</b>					
<b>Ronald Ristau</b>					
<b>Mark Light</b>	6,639		17		6,656
<b>Robert Anderson</b>					
<b>William Montalto</b>	4,692		12		4,704

The US based named executive officers are participants of the Company's two deferred compensation plans described below. Contributions made by Signet's US division in respect of Mr. Burman during the last fiscal year totaled \$341,162 and were contractually required. No contributions were made for Mr. Barnes, Mr. Ristau, Mr. Light or Mr. Montalto. To the extent he elects to participate, Mr. Barnes is contractually entitled to receive the matching contribution.

The Company established two unfunded, non-qualified Deferred Compensation Plans, one of which permits certain management and highly compensated employees or directors to elect annually to defer all or a portion of their remuneration and earn interest on the deferred amounts (the "DCP"), and the other of which was frozen at the end of 2004 as to new participants and new deferrals (the "Frozen DCP"). In Fiscal 2012, participants will be eligible to receive a matching contribution of up to a maximum of 50% of an employee's contribution, up to 10% of their eligible compensation deferred to the DCP, beginning on the first pay date in April.

The main features of the DCP are:

Participation is open to directors and executive officers of the US division as well as other vice presidents and director-level employees of the Company;

Currently directors of the US division may defer all of their cash compensation;

Currently employees may defer up to 50% of their salary and up to 90% of their cash annual incentive or bonus compensation but the plan permits deferrals of up to 100% of all compensation;

In Fiscal 2011, the Company made no contribution (other than under the contractual arrangements with Mr. Burman). The Company does not guarantee a specific return on money deferred;

Deferred compensation is notionally invested by the trustee in various mutual funds as directed by Signet, which follows the directions of participants;

The value in the participant's account (and Signet's responsibility for payment) is measured by the return on the investments selected by the participant;



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Deferrals may be paid out upon separation from service or on specified in-service dates; participants must elect to make deferrals in advance of the period during which the deferred compensation is earned; and

Most participants, including all executive officers, will not receive any distribution from the plan until six months following termination of services.

Mr. Burman retired on January 29, 2011. As of that date, Mr. Burman was entitled to approximately \$687,244 under the DCP. In addition, he will have earned interest on this amount during any required delay period applicable to specified employees pursuant to Section 409A. Mr. Burman no longer has any amounts due to him under the Frozen DCP. He was also entitled to receive his balance under the 401(k) Plan in accordance with the terms of such plan.

**Table of Contents****TERMINATION PAYMENTS**

The following table shows payments, the value of accelerated vesting of equity compensation and the value of benefits that would have been provided, or that would have accrued, to the named executive officers in the event of a termination of employment or if a change in control of the Company had occurred on January 29, 2011 and on the further assumption that the employment of the named executive officer was involuntarily terminated without cause at that time.

Name	Early vesting of stock option grants awarded pre 2009 <sup>(1)</sup>	Early vesting of restricted stock units <sup>(1)</sup>	Cash severance payment \$ <sup>(2)</sup>	Welfare benefits \$	Total \$
<b>Terry Burman</b>	345,943		3,111,568		3,457,511
<b>Michael W. Barnes</b>		7,196,613	1,050,000	23,119 <sup>(3)</sup>	8,269,732
<b>Walker Boyd</b>	74,256		270,907		345,163
<b>Ronald Ristau</b>		428,510	1,355,120		1,783,630
<b>Mark Light</b>	1,266,826	2,199,028	1,898,820	23,119 <sup>(4)</sup>	5,387,793
<b>Robert Anderson</b>	350,939	1,459,665	910,662		2,721,266
<b>William Montalto</b>	665,434	1,011,877	1,220,000	19,534 <sup>(5)</sup>	2,916,845

- (1) The value of early vesting of share options and of performance-based restricted share units was determined using \$41.56 per share, the closing value of the Company's Common Shares on January 29, 2011. In the event of a change in control, such units may vest at the maximum number of shares.
- (2) Cash severance payments were determined by applying the provisions of the relevant employment agreements. As a result, amounts include annual bonus payments for Fiscal 2011 paid in April/May 2011 and disclosed in the Summary Compensation Table: \$3,111,568 to Mr. Burman; \$0 to Mr. Barnes; \$270,907 to Mr. Boyd; \$705,120 to Mr. Ristau; \$1,035,720 to Mr. Light; \$346,785 to Mr. Anderson; and \$610,000 to Mr. Montalto.
- (3) Pursuant to Mr. Barnes's employment agreement, consists of medical insurance premiums of \$23,119.
- (4) Pursuant to Mr. Light's employment agreement, consists of estimated lump sum payment equal to the COBRA premium of \$23,119.
- (5) Pursuant to Mr. Montalto's employment agreement, consists of estimated lump sum payment equal to the COBRA premium of \$19,534. The provisions of the relevant employment agreements are as follows:

Mr. Burman had an employment agreement with the Company that terminated on January 29, 2011, the last day of Fiscal 2011.

Mr. Boyd had a rolling employment agreement that would have terminated on April 21, 2012, his 60th birthday. However, at Mr. Boyd's election, his employment terminated in June 2010.

Mr. Anderson has a rolling employment agreement which can be terminated on one year's notice in writing by either party or terminates on his 65th birthday (May 5, 2023). In the case of early termination, the Company is obligated to pay in a lump sum, the aggregate of:

- (i) salary to be paid in lieu of notice, or where notice has been given, for any balance of the notice period; and
- (ii) any accrued but unused vacation days.

Mr. Light has a rolling employment agreement and the Company may terminate the agreement at any time by notice in writing. In the case of termination, the Company is obligated to continue to pay:

- (i) salary for 12 months from the date of termination;



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- (ii) any annual bonus and/or LTIP payment earned for a completed fiscal year prior to the effective date of termination;
- (iii) a pro-rata portion of the annual bonus for the fiscal year in which the date of termination occurs;
- (iv) any accrued but unused vacation days; and
- (v) a lump sum payment equal to the cost of the COBRA premium for 12 months of coverage at the same level as in effect immediately prior to the date of termination.

The employment agreement contains confidentiality and non-competition clauses.

Mr. Montalto has a rolling employment agreement and the Company may terminate the agreement at any time by notice in writing. In the case of termination, the Company is obligated to continue to pay:

- (i) salary for 12 months from the date of termination;
- (ii) any annual bonus and/or LTIP payment earned for a completed fiscal year prior to the effective date of termination;
- (iii) a pro-rata portion of the annual bonus for the fiscal year in which the date of termination occurs;
- (iv) any accrued but unused vacation days; and
- (v) a lump sum payment equal to the cost of the COBRA premium for 12 months of coverage at the same level as in effect immediately prior to the date of termination.

The employment agreement contains confidentiality and non-competition clauses.

Entitlement to any share options or LTIP awards is governed by the rules of the relevant scheme, and these service contracts all contain confidentiality and non-competition clauses.

Mr. Ristau has a rolling employment agreement and the Company may terminate the agreement at any time by notice in writing. In the case of termination:

- (i) the Company is obligated to continue to pay salary for 12 months from the date of termination.
- (ii) Mr. Ristau would also be entitled to earn a bonus and Omnibus Incentive Plan award on a pro-rata basis for the year of termination. Termination will be subject to severance obligations if Mr. Ristau's employment is terminated without cause (as defined in the contract) or if Mr. Ristau terminates his employment due to constructive termination (as defined in the contract and including certain events occurring within the one-year following a change of control). Upon the events described above, in addition to any accrued but unpaid benefits or obligations as of the date of termination, Mr. Ristau will be entitled to:

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- (i) continued payment of base salary then in effect for 12 months (6 months in the case of the executive's resignation during a specified period as described in the definition of constructive termination),
  - (ii) a pro-rata portion of the annual bonus for the fiscal year in which such termination occurs, and
  - (iii) a pro-rata portion of the Omnibus Incentive Plan award for the performance period in which such termination occurs. The service contract also includes other customary terms, including with respect to disability and death.
- All severance payments and benefits (that were not accrued prior to termination) will be conditioned on the execution of a general release of claims against the Company, its affiliates and related parties and on continued compliance with the restricted covenants discussed above.

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The employment agreement contains confidentiality and non-competition clauses.

Mr. Barnes has an employment agreement which terminates on January 29, 2014. Under the employment agreement, Mr. Barnes will be entitled to severance payments:

- (i) if he is terminated by the Company without cause (as defined in his employment agreement),
- (ii) if Mr. Barnes terminates his employment for good reason (as defined in his employment agreement) either prior to or following a change in control of the Company or Signet (as defined in his employment agreement), or
- (iii) if he dies during the term of the employment agreement.

In the event of any such termination, in addition to any accrued but unpaid benefits or obligations as of the date of termination, Mr. Barnes generally will be entitled to:

- (i) continued payment of base salary for twelve months following the date of termination,
- (ii) a lump sum amount equal to the target annual bonus for the fiscal year in which such termination occurs,
- (iii) a lump sum amount in respect of each then-ongoing performance cycle under the long-term incentive plan based on actual performance for any completed fiscal year and assuming that target performance was attained for the fiscal year of termination, pro-rated based on the number of calendar days that Mr. Barnes was employed during such fiscal year,
- (iv) continued group medical coverage for Mr. Barnes and his eligible dependents for up to twelve months following the date of termination, and
- (v) vesting of unvested restricted shares granted to Mr. Barnes as part of his make-whole payment.

If Mr. Barnes is terminated by the Company for cause or resigns without good reason, he will be entitled to accrued and unpaid benefits or obligations as well as a lump sum amount based on his annual target bonus for the fiscal year of termination, pro-rated for the number of days he was employed during such fiscal year. All severance payments and benefits (that were not accrued prior to termination) will be conditioned on the execution of a general release of claims against the Company, its affiliates and related parties and on continued compliance with the restricted covenants discussed above.

The employment agreement contains confidentiality and non-competition clauses.

## ***Supplemental Retirement Benefits***

Benefits under the Signet Group Pension Scheme, the Frozen DCP, and the DCP are vested for all named executive officers.

## ***Change of Control***

Under the Share Option, Share Save and Long Term Incentive Plans, if there is a change in control of the Company, or a Court Scheme of Arrangement affecting the Company, a partial vesting pro rata to the length of time since grant may occur at that time, provided the Compensation Committee is satisfied that the performance conditions have been fulfilled in respect of the period from the date of grant of an

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award to the date of the change of control. However, there is an exception in the rules where the change of control or Court Scheme of Arrangement involves an internal reconstruction of the Company in which case Awards will continue unaffected. Any share option granted pursuant to the vesting of an Award may only be exercised within six months of the date of the change in control or Court Scheme of Arrangement. Alternatively, with the consent of an acquiring company, a share option granted pursuant to the vesting of an Award may be exchanged for an option over shares in the acquiring company.

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Following any de-merger, capitalization issue, any offer or invitation made by way of rights or any subdivision, consolidation, reduction or other variation in the share capital of Signet, the middle market price used to calculate the Share part of a vested award and share options granted pursuant to the vesting of an Award will be adjusted in such manner as the Compensation Committee shall determine and which, except in the case of a capitalization, is in the opinion of the auditors fair and reasonable.

Under the terms of the Omnibus Incentive Plan, if a change of control occurs, unless otherwise prohibited by applicable law, or unless the Compensation Committee determines otherwise in an award agreement, the Committee may (but is not required to) make adjustments in the terms of outstanding awards, such as: (i) continuation or assumption by the surviving company or its parent; (ii) substitution by the surviving company or its parent of awards with substantially the same terms; (iii) accelerated exercisability, vesting and/or lapse of restrictions immediately prior to the occurrence of such event; (iv) upon written notice, provision for mandatory exercise of any outstanding awards, to the extent then exercisable, during a certain period (contingent on the consummation of the change of control) at the end of which the awards terminate; and (v) cancellation of all or any portion for fair value (as determined by the Committee). Whilst it is the Committee's intention in the event of a change of control to make adjustments in the terms of outstanding awards in accordance with (i) and (ii) above as the Committee is unable to predict the exact circumstance of any change of control, it is considered prudent to reserve to itself the discretion of considering alternatives (iii), (iv) and (v) if the circumstances warrant it.

### ***Non-Competition Covenants Affected by Change in Control***

The duration of certain non-competition covenants could be amended following termination of employment in the event a change in control was to occur. In the table above, we have not assigned any value to a potential cutback.

### ***Death or Disability***

If any of the named executive officers had died or become disabled during Fiscal 2011, share options then unvested would have vested early. The value of such early vesting is shown above. See the discussion of service contracts above contained in the Compensation Discussion and Analysis for additional information concerning death and disability benefits available to the named executive officers.

### ***Early Termination***

Although the circumstances of early termination will vary, only in very exceptional circumstances will explicit terms relating to compensation for early termination be included in contracts for named executive officers. Where no explicit compensation terms are included, departing named executive officers are expected to mitigate their loss by seeking alternative employment.



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**Section 162(m) of the Code**

The Company's right to claim a tax deduction with respect to compensation provided to covered employees may be subject to the limitations of Section 162(m) of the Revenue Code. However, qualified performance-based compensation is not subject to the limitations of Section 162(m) of the Revenue Code. Covered employees are those who as of the close of the taxable year, are the Company's principal executive officer (as determined under the SEC's disclosure rules) and any other employee who is subject to the SEC's disclosure rules because the employee is one of the three highest compensated officers (other than the principal executive officer and the principal financial officer). We expect that Options and SARs granted under the Omnibus Incentive Plan and the Bonus Plan will be qualified performance-based compensation if: the exercise price of awards under the Omnibus Incentive Plan is no less than fair market value on the date of the grant; such plan is approved by the Shareholders of the Company (the Omnibus Incentive Plan was approved in 2009); and the members of the Compensation Committee are all outside directors as defined under Section 162(m) of the Revenue Code and the regulations promulgated thereunder.

Shares and cash awards under the Omnibus Incentive Plan and the Bonus Plan may be designed by the Committee to be qualified performance-based compensation with respect to most executive officers. However, outstanding awards made in Fiscal 2010 and 2011 under the Omnibus Incentive Plan do not qualify as performance-based compensation.

It is the current intention of the Board that the Committee shall at all times be composed of persons qualifying as outside directors and that the Committee shall consider the effect of Section 162(m) in designing and making awards under the Omnibus Incentive Plan and the Bonus Plan to covered employees. However, under the Omnibus Incentive Plan, the Committee has the discretion to make awards that will not be so qualified and may find it in the best interest of the Company to do so from time to time.

**Table of Contents****DIRECTOR COMPENSATION**

The following table summarizes the total compensation awarded to, earned by, or paid to each of the Company's Directors during Fiscal 2011, other than Messrs. Burman, Boyd and Barnes whose compensation is included in the Summary Compensation Table.

Name	Fees earned or paid in		Change in pension value and nonqualified deferred compensation earnings	All other compensation	Total
	cash	Stock Awards			
	\$	\$			\$
Sir Malcolm Williamson	250,000	100,000			350,000
Robert Blanchard	110,000	90,000			200,000
Dale Hilpert	90,000	90,000			180,000
Marianne Parrs	90,000	90,000			180,000
Thomas Plaskett	90,000	90,000			180,000
Russell Walls	125,000	90,000			215,000

The Company has a share ownership policy applicable to Directors to better align management's interests with those of Shareholders over the long-term.

The Chairman is expected to build a holding of Common Shares with a minimum value of \$250,000, to be achieved within five years of selection as Chairman, and independent Directors are expected to achieve a minimum share ownership of \$150,000 within five years of election to the Board of Directors. The Chief Executive Officer, who is also a Director, is expected to build a holding of Common Shares with a minimum value of five times his base salary within five years of his selection as Chief Executive Officer. Once these share ownership holdings are achieved at any given share price, the requirement is considered to have been met notwithstanding any subsequent change in share price. The minimum holding is to be maintained while he or she is a Director of the Company (or with respect to the Chief Executive Officer, so long as he holds such office).

In October 2008, PayGovernance (then Towers Watson), our advisors, undertook a review of the pay practices of US companies in relation to independent directors and chairmen with a comparison against the pay practices followed by the Company previously. As a result of that review, the Chairman of the Board receives an annual fee of \$350,000. This total is split so that \$250,000 per annum is paid in cash quarterly, at the prevailing exchange rate, and \$100,000 is paid in restricted shares to be delivered annually and based upon the closing share price on the day of the annual general meeting.

Also based on the review by PayGovernance (then Towers Watson) the annual basic fees for independent Directors were increased to \$180,000 in October 2008. However the total is split so that \$90,000 per annum is paid in cash quarterly in arrears (at the prevailing exchange rate where appropriate) and \$90,000 is paid in restricted shares to be delivered annually and based upon the closing share price on the day of the annual general meeting. No Committee meeting fees are payable, but additional annual amounts are paid to the chairmen of each of the Committees in the sums of \$20,000 per annum for the Audit and Compensation Committees and \$15,000 for the Nomination and Corporate Governance Committee.

A further review was undertaken by PayGovernance in March 2011 but no changes to the structure or level of fees paid to the independent directors or chairman were made.

The Company has entered into indemnification agreements with the independent Directors (and some of the executive officers) of the Company, agreeing to indemnify such persons against expenses, judgments, fines and amounts paid in settlement of, or incurred in connection with, any threatened, pending or completed action, suit

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or proceeding in which the Director was or is, or is threatened to be made, a party by reason of his or her service as a Director, Officer, employee or agent of the Company, provided that the Director acted in good faith and in a manner he or she reasonably believed to be in the best interest of the Company and, with respect to any criminal action or proceeding, provided he or she had reasonable cause to believe such actions were lawful. Each indemnification agreement also provides for the advance of expenses incurred by the Director in defending any proceeding.

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**PROPOSAL SIX**

*(Item 6 on the Proxy Card)*

**Advisory Vote to Approve the Compensation of Named Executive Officers as Disclosed in the Proxy Statement**

Shareholders are being asked to vote on an advisory, non-binding basis on the compensation of our named executive officers, as disclosed pursuant to the compensation disclosure rules of the SEC, including the Compensation Discussion and Analysis ( CDA ), the Fiscal 2011 Summary Compensation Table and related tables and narrative discussion contained in this Proxy Statement.

**Explanation**

Our Board of Directors recognizes the interest our Shareholders have in the compensation of our executives. In recognition of that interest and as required by the Dodd-Frank Act, we are providing our Shareholders with the opportunity to cast a non-binding, advisory vote on the compensation of our named executive officers as disclosed pursuant to the compensation disclosure rules of the SEC as set forth in this Proxy Statement (also referred to as Say-on-Pay ).

As described in our CDA, Signet s compensation philosophy has been designed to deliver competitive total compensation upon the achievement of annual and long-term financial goals that will attract, motivate and retain leaders who will drive the creation of Shareholder value. The primary compensation principle, therefore, is to target total delivered compensation at approximately the median of a customized group of comparator companies.

The Committee believes that our executive compensation programs, executive officer pay levels and individual pay actions approved for our executive officers, including our named executive officers, are directly aligned with our executive compensation philosophy, fully support its goals and provide an appropriate balance between risk and incentives. (Shareholders are urged to read the CDA section of this Proxy Statement, which discusses in greater detail how our compensation policies and procedures implement our executive compensation philosophy.)

We are asking our Shareholders to indicate their support for our named executive officer compensation as described in this Proxy Statement. This proposal gives our Shareholders the opportunity to express their views on our named executive officers compensation. This vote is not intended to address any specific item of compensation, but rather the overall compensation of our named executive officers and the philosophy, policies and practices described in this Proxy Statement. Accordingly, we will ask our Shareholders to vote FOR the following resolution at the Annual General Meeting:

RESOLVED, that the compensation paid to Signet s named executive officers, as disclosed pursuant to Item 402 of Regulation S-K, including the Compensation Disclosure and Analysis, compensation tables and narrative discussion is hereby APPROVED.

Shareholders should note that the vote is advisory and not binding on the Company and its Board of Directors or Compensation Committee. Our Board of Directors and Compensation Committee value the opinion of our Shareholders, and to the extent there is any significant vote against the named executive officer compensation as disclosed in our Proxy Statement, we will consider our Shareholders concerns and the Compensation Committee will evaluate whether any actions are necessary to address those concerns.

THE BOARD OF DIRECTORS RECOMMENDS THAT SHAREHOLDERS VOTE **FOR** THE APPROVAL OF THE COMPENSATION OF OUR NAMED EXECUTIVE OFFICERS AS DISCLOSED PURSUANT TO THE COMPENSATION DISCLOSURE RULES OF THE SECURITIES EXCHANGE COMMISSION.

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**PROPOSAL SEVEN**

*(Item 7 on the Proxy Card)*

***Advisory Vote on the Frequency of the Say-on-Pay Vote):***

Shareholders are being asked to provide an advisory, non-binding vote indicating their preference for the frequency of advisory votes on the compensation of our executive officers, the Say-on-Pay vote. Shareholders may indicate whether they would prefer an advisory vote on named executive officer compensation to be held once every one, two, three years or they may abstain from voting.

**Explanation**

We are required by the Dodd-Frank Act to inquire of our Shareholders, at least once every six years, how frequently they would like the Say-on-Pay vote to be held every one, two or three years. The Company can recommend a preferred approach, and the Board of Directors is recommending that in accordance with good corporate governance and transparency that Shareholders be given such a vote annually. In formulating its recommendation, our Board of Directors considered that an annual advisory vote on executive compensation will allow our Shareholders to provide us with their direct input on our compensation philosophy, policies and practices as disclosed in the Proxy Statement every year.

The option of one year, two years or three years that receives the highest number of votes cast by Shareholders will be the frequency for the advisory vote on executive compensation selected by our Shareholders. However, because this vote is advisory and is not binding on our Board of Directors or the Company, the Board may decide that it is in the best interests of our Shareholders to hold an advisory vote on executive compensation more or less frequently than the option approved by our Shareholders.

THE BOARD OF DIRECTORS RECOMMENDS THAT SHAREHOLDERS VOTE **FOR** THE OPTION OF AN ANNUAL FREQUENCY FOR THE ADVISORY VOTE ON EXECUTIVE COMPENSATION.

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**Appendix 1**

Proposal One: Amendment of the Bye-laws of the Company

RESOLVED THAT the Bye-laws of the Company be and are hereby amended as follows:

1. That the following new regulation be inserted in the Bye-laws as Regulation 40.1 and that the existing Regulations 40.1 to 40.9 (and cross-references to them) be re-numbered as Regulations 40.2 to 40.10 accordingly:

40.1 The Board of Directors shall be elected or appointed, except in the case of a casual vacancy or an appointment or election pursuant to rights referred to in Bye-law 40.9, at the annual general meeting or at any special general meeting called for that purpose.

2. That Regulation 41 of the Bye-laws of the Company (Retirement by Rotation) be deleted and replaced with the following:

**41. Term of Office of Directors**

Directors shall hold office for such term as the Members may determine or, in the absence of such determination, until the next annual general meeting or until their successors are elected or appointed or their office is otherwise vacated.

3. That the references in the table of contents and in Regulation 79.2 to 41 (Retirement by Rotation) be amended to read 41 (Term of Office of Directors) .

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**Appendix 2**

**Signet Jewelers Limited**

**Annual Performance Bonus Plan**

**Article 1. Establishment & Purpose**

**1.1 Establishment.** Signet Jewelers Limited, a corporation registered in Bermuda, ( **Signet** and in combination with its subsidiaries, the **Company** ), hereby establishes the Annual Performance Bonus Plan (the **Plan** ) as set forth herein.

**1.2 Purpose of Plan.** The purpose of this Plan is to motivate and reward employees of the Company by providing for annual incentive bonuses if pre-established annual performance goals are achieved. The Plan is also intended to qualify as a performance-based compensation plan under Section 162(m) of the United States Internal Revenue Code of 1986, as amended (the **Code** ).

**Article 2. Administration**

The Plan shall be administered by a compensation committee (the **Committee** ) comprised exclusively of at least two members of the board of directors of Signet (the **Board** ) who are outside directors within the meaning of Code Section 162(m) and United States Treasury Regulation § 1.162-27(c)(4). The Committee shall have the authority, subject to the provisions herein, (a) to select the employees to participate in the Plan; (b) to establish and administer the Performance Goals (as defined herein) and the bonus opportunities applicable to each participant and certify whether the goals have been attained; (c) to construe and interpret the Plan and any agreement or instrument entered into under or in connection with the Plan; and (d) to make all other determinations that may be necessary or advisable for the administration of the Plan. Any determination by the Committee pursuant to the Plan shall be final and binding upon the participants, the Company, and all other interested individuals.

**Article 3. Eligibility**

Eligibility shall be limited to employees of the Company who may be a covered employee within the meaning of Code Section 162(m)(4) and United States Treasury Regulation § 1.162-27(c)(2) and such other employees, as determined by the Committee in its discretion. The Committee, in its discretion, shall designate in writing those eligible employees of the Company who shall participate in the Plan for any fiscal year or other period selected by the Committee (each a **Participant** ) no later than the applicable deadline (the **Determination Date** ) for the establishment of Performance Goals (as defined below) under United States Treasury Regulation § 1.162-27(e). Designation as a Participant shall be conclusive for the fiscal year or period to which the designation applies whether or not such employee is deemed a covered employee (within the meaning of Code Section 162(m)) in respect of such period. Designation as a Participant for any fiscal year or period shall not entitle an employee to participate in the Plan for any other fiscal year or period.

**Article 4. Performance Goals**

**4.1 Establishment of Performance Goals.** A Participant's bonus shall be determined based on the attainment of written performance goals (the **Performance Goals** ) established by the Committee as of the beginning of each of the Company's fiscal years or other accounting periods selected by the Committee which may be longer or shorter than a fiscal year ( **Performance Periods** ). The Performance Goals shall be established (a) while the outcome for the Performance Period is substantially uncertain and (b) no later than ninety (90) days after the commencement of the Performance Period to which the Performance Goal relates (or, if the Performance Period is less than one (1) year, no later than the number of days which is equal to twenty-five percent (25%) of such Performance Period). The Performance Goals need not be the same for all Participants.

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**4.2 Performance Measures.** Performance Goals shall be based on any of the following business criteria (the **Performance Measures** ), either alone or in any combination, on either a consolidated or business unit or divisional level, as the Committee may determine: (a) consolidated earnings before or after taxes (including earnings before interest, taxes, depreciation and amortization); (b) net income; (c) operating income; (d) earnings per Share; (e) book value per Share; (f) return on shareholders' equity; (g) expense management; (h) return on investment; (i) improvements in capital structure; (j) profitability of an identifiable business unit or product; (k) maintenance or improvement of profit margins; (l) stock price; (m) market share; (n) revenues or sales; (o) costs; (p) cash flow; (q) working capital; (r) return on assets, (s) store openings or refurbishment plans, (t) staff training, and (u) corporate social responsibility policy implementation.

Any Performance Measure may be (i) used to measure the performance of the Company as a whole, any business unit thereof or any combination thereof against any goal including past performance or (ii) compared to the performance of a group of comparable companies, or a published or special index, in each case that the Committee, in its sole discretion, deems appropriate. Subject to Section 162(m) of the Code, the Committee may adjust the performance goals (including to pro-rate goals and payments for a partial Performance Period) in the event of the following occurrences and may include such adjustments when setting a Performance Goal: (i) non-recurring events, including divestitures, spin-offs, or changes in accounting standards or policies; (ii) mergers and acquisitions; and (iii) financing transactions, including selling accounts receivable.

### **Article 5. Bonus Opportunity**

No later than the Determination Date for each Performance Period, the Committee shall establish, in writing, the method for computing the amount of compensation that will be payable under the Plan to each Participant if the Performance Goals established by the Committee for such Performance Period are attained in whole or in part. Such method shall be stated in terms of an objective formula that precludes discretion to increase the amount of the bonus that would otherwise be payable hereunder. The method need not be the same for all Participants. Notwithstanding anything to the contrary contained herein, the Committee may exercise negative discretion (within the meaning of United States Treasury Regulation § 1.162-27(e)(2)(iii)(A)) with respect to any bonus payable hereunder to reduce any amount that would otherwise be payable hereunder. Except as expressly provided in a Participant's employment agreement, a Participant must be employed on the last day of the Performance Period to be eligible to receive a bonus.

### **Article 6. Maximum Bonus**

The maximum amount of compensation that may be paid under the Plan to any Participant for any fiscal year shall be \$4,000,000.

### **Article 7. Certification of Performance Goals and Payment of Bonus**

**7.1 Certification by Committee.** As soon as practicable after the close of the Performance Period and prior to the payment of any bonus, the Committee shall review the Company's performance and certify in writing the extent to which the applicable Performance Goals have been achieved. In accordance with Code Section 162(m), for this purpose, approved minutes of the Committee meeting in which the certification is made are treated as written certification.

**7.2 Payment of Bonus After Certification.** Each bonus, to the extent earned, shall be paid in a single lump sum cash payment, less applicable withholding taxes, as soon as practicable following the Committee's certification described in Paragraph 7.1. Payments under this Plan are intended to qualify as short-term deferrals under Code Section 409A and shall be made no later than the 15th day of the third month following the later of Signet's taxable year or the Participant's taxable year in which the bonus is no longer subject to a substantial risk of forfeiture (as defined under Code Section 409A); *provided, however*, that any payment that is delayed due to an event described in United States Treasury Regulation § 1.409A-1(b)(4)(ii), shall be paid as soon as practicable.



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**Article 8. Funding**

The Plan shall be unfunded. The Company shall not be required to segregate any assets to ensure payment of any bonus under the Plan.

**Article 9. Amendment and Termination**

The Company may amend or terminate the Plan at any time; *provided, however*, that no amendment shall cause any performance-based bonus payable under the Plan not to qualify under Code Section 162(m).

**Article 10. Stockholder Approval**

Payment of any bonus under this Plan shall be contingent upon approval of this Plan (including the applicable Performance Goals relating thereto), in a separate vote, by a majority of the votes cast on this issue by Signet stockholders (including abstentions to the extent abstentions are counted as voting under applicable state law). Unless and until such stockholder approval is obtained, no bonus shall be paid pursuant to this Plan. To the extent necessary for purposes of Code Section 162(m), this Plan shall be resubmitted to stockholders for their reapproval with respect to bonuses payable for the taxable years of Signet commencing on or after the fifth (5<sup>th</sup>) anniversary of the initial stockholder approval, or at such earlier time required by Code Section 162(m).

**Article 11. Effective Date**

The Plan shall be effective on the date that stockholder approval is received.

**Article 12. Interpretation and Construction**

Any provision of this Plan to the contrary notwithstanding, (a) bonuses under this Plan are intended to qualify as qualified performance-based compensation under Treasury Regulation § 1.162-27(e) and (b) any provision of the Plan that would prevent any bonus under the Plan from so qualifying shall be administered, interpreted and construed to carry out such intention and any provision that cannot be so administered, interpreted and construed shall be disregarded. No provision of the Plan, nor the selection of any Participant to participate in the Plan, shall constitute an employment agreement or affect the duration of any Participant's employment, which shall remain employment at will unless an employment agreement between the Company and the Participant provides otherwise. All references in the Plan to sections of the Code or to Treasury Regulations shall be interpreted to include any amendment or successor provisions thereto. All bonuses awarded under the Plan shall be subject to the written policies of the Board, including any policy relating to the claw back of compensation, as they exist from time to time.

**Article 13. Governing Law**

The terms of this Plan shall be governed by the laws of the State of New York without giving effect to the conflict of law principles thereof.

\* \* \*

This Plan was duly adopted and approved by the Board of Directors of Signet Jewelers Limited by resolution at a meeting held on the 28<sup>th</sup> day of March, 2011.

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**Form of Direction**

**Annual General Meeting 2011**

**Form of Direction for use by holders within the Depositary Interest facility in relation to the Annual General Meeting to be held on June 16, 2011.**

I/We, being (a) holder(s) of interests in securities of Signet Jewelers Limited via the Depositary Interest facility hereby direct Capita IRG Trustees (Nominees) Limited (see note 2) to vote in proportion to my/our holding at the Annual General Meeting of Signet Jewelers Limited to be held at the Hilton Akron/Fairlawn on, 3180 W. Market Street, Akron, Ohio 44333, United States at 11:00 a.m. EDT on June 16, 2011 and at any adjournment thereof (see note 5)

**NOTICE OF AVAILABILITY**

**Notice of Meeting/Proxy Statement and 2011 Annual Report on Form 10-K**  
**Important please read carefully**

You can now access the 2011 Annual Report on Form 10-K and Notice of Meeting/Proxy Statement and give your voting direction electronically by visiting the Company's website:  
<http://www.signetjewelers.com/shareholders>.

You should read the 2011 Annual Report on Form 10-K and Notice of Meeting/Proxy Statement before you make a decision in respect of the proposals contained herein. This notification is not a summary of the proposals and should not be regarded as a substitute for reading the 2011 Annual Report on Form 10-K and Notice of Meeting/Proxy Statement.

**Please note the deadline for receiving Forms of Direction is 11:00 a.m. EDT (4.00 p.m. UK time) on June 13, 2011, which is 72 hours before the start of the meeting.**

Event Code:

Investor Code:

Barcode:

<b>Please mark X to indicate how you wish to vote</b>		<b>For</b>	<b>Against</b>	<b>Abstain</b>
1.	To amend the Company's Bye-laws to provide for the annual election of Directors in the manner contemplated in Appendix 1 to the Proxy Statement.			
2.	If proposal 1 is approved, to elect seven directors to the Company's Board of Directors to serve until the next Annual General Meeting of Shareholders or until their respective successors are elected in accordance with the amended Bye-laws of the Company.			
	a) Sir Malcolm Williamson			
	b) Michael W. Barnes			
	c) Robert Blanchard			
	d) Dale Hilpert			
	e) Russell Walls			
	f) Marianne Parrs			
	g) Thomas Plaskett			

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3. If proposal 1 is not approved, to elect the four directors who will retire in accordance with the current Bye-laws of the Company and the three directors who will retire voluntarily.
- a) Sir Malcolm Williamson
  - b) Michael W. Barnes
  - c) Robert Blanchard
  - d) Dale Hilpert
  - e) Russell Walls
  - f) Marianne Parrs
  - g) Thomas Plaskett
4. To appoint KPMG LLP as independent auditor of the Company, to hold office from the conclusion of this Meeting until the conclusion of the next Annual General Meeting of the Company and to authorize the Audit Committee to determine its compensation.
5. To approve the Signet Jewelers Limited Annual Performance Bonus Plan.
6. To hold a non-binding advisory vote to approve the compensation of our named executive officers as disclosed in the Proxy Statement (the Say-on-Pay vote).

	1 year	2 years	3 years	Abstain
7. To hold a non-binding advisory vote on the frequency of the Say-on-Pay vote.				

Signature or common seal

Date

2011

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### **Notes for completion of Form of Direction**

#### **NOTES:**

1. To be effective, this Form of Direction and the power of attorney or other authority (if any) under which it is signed, or a notarially or otherwise certified copy of such power or authority, must be deposited at Capita Registrars, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU not later than **72** hours before the time appointed for holding the Annual General Meeting.
2. Neither Capita IRG Trustees (Nominees) Limited nor its appointed custodian will exercise voting rights in the absence of express instructions from the beneficial holders within the Depository Interest facility.
3. Any alterations made to this Form of Direction must be initialled or will not be valid.
4. In the case of a company this Form of Direction should be given under its common seal or under the hand of an officer or attorney duly authorized in writing.
5. Please indicate how you wish Capita IRG Trustees (Nominees) Limited to vote the securities underlying your holding by placing an **X** in the box provided or by giving your voting direction electronically. If you wish to direct Capita IRG Trustees (Nominees) Limited to vote less than your full voting entitlement, please enter the number of securities that you would like Capita IRG Trustees (Nominees) Limited to exercise voting rights in respect of in the relevant box on the Form of Direction. On receipt of this form duly signed, you will be deemed to have authorized Capita IRG Trustees (Nominees) Limited to vote, or to abstain from voting, as per your instructions. If you wish to give your voting instruction electronically, please log-on to the website detailed in the box above, and click on UK Shareholder which will lead you to Capita Registrars' share portal. From here, click on **Access your Account** and follow the on-screen instructions. You will need your investor code which is provided on the Form of Direction.
6. In the case of joint holders, this Form of Direction may be signed by any one of such holders, but the instruction of the senior who tenders a direction shall be accepted to the exclusion of the vote(s) of the other joint holder(s). For this purpose seniority shall be determined by the order in which the names appear in the Nominee register.
7. This form is issued only to the addressee(s) and is specific to the class of security and the unique designated account printed hereon. This personalized form is not transferable between different (i) account holders; (ii) classes of security; or (iii) uniquely designated accounts. Signet Jewelers Limited and Capita IRG Trustees (Nominees) Limited accept no liability for any instruction that does not comply with these conditions.
8. If you would like to attend the 2011 Annual General Meeting, please contact Capita IRG Trustees (Nominees) Limited, Regulated Business Team, to request a Letter of Representation.
9. Holders of interests in securities of Signet Jewelers Limited via the Depository Interest facility may give a voting direction through CREST in accordance with the procedures set out in the CREST manual. You should refer to the instructions on page 3 of the Proxy Statement.
10. You may revoke your direction at any time before it is voted by sending written notice of revocation or by submission of a properly executed direction bearing a later date to the Registrars.

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**Form of Proxy for Non-US Shareholders  
Annual General Meeting 2011**

**Form of Proxy for Non-US Shareholders for use at the Annual General Meeting to be held on June 16, 2011. Before completing this form, please read the explanatory notes on the reverse side.**

I/We, being (a) holder(s) of Common Shares of US\$ 0.18 each in Signet Jewelers Limited, hereby appoint the Chairman of the meeting or the following person (see note 1 on reverse side)

as my/our proxy to vote for me/us on my/our behalf at the Annual General Meeting of the Company to be held at the Hilton Akron/Fairlawn, 3180 W. Market Street, Akron, Ohio 44333, United States at 11:00 a.m. EDT on June 16, 2011 and at any adjournment thereof. I/We direct my/our proxy to vote on the resolutions set out in the notice convening the Annual General Meeting as follows and otherwise as he shall think fit.

Please tick here if this proxy appointment is one of multiple appointments being made.

**NOTICE OF AVAILABILITY**

**Notice of Meeting/Proxy Statement and 2011 Annual Report on Form 10-K**

**Important please read carefully**

You can now access the 2011 Annual Report on Form 10-K and Notice of Meeting/Proxy Statement and appoint a proxy to cast your vote electronically by visiting the Company's website: <http://www.signetjewelers.com/shareholders>.

You should read the 2011 Annual Report on Form 10-K and Notice of Meeting/Proxy Statement before you make a decision in respect of the proposals contained herein. This notification is not a summary of the proposals and should not be regarded as a substitute for reading the 2011 Annual Report on Form 10-K and Notice of Meeting/Proxy Statement.

**Please note the deadline for receiving proxies is 12:01 a.m. EDT (5:01 a.m. UK time) on June 16, 2011,**

**which is approximately 11 hours before the start of the meeting.**

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Event Code:

Investor Code:

Barcode:

Please mark <b>X</b> to indicate how you wish to vote		For	Against	Abstain
1.	To amend the Company's Bye-laws to provide for the annual election of Directors in the manner contemplated in Appendix 1 to the Proxy Statement.			
2.	If proposal 1 is approved, to elect seven directors to the Company's Board of Directors to serve until the next Annual General Meeting of Shareholders or until their respective successors are elected in accordance with the amended Bye-laws of the Company.			
	a) Sir Malcolm Williamson			
	b) Michael W. Barnes			
	c) Robert Blanchard			
	d) Dale Hilpert			
	e) Russell Walls			
	f) Marianne Parrs			
	g) Thomas Plaskett			
3.	If proposal 1 is not approved, to elect the four directors who will retire in accordance with the current Bye-laws of the Company and the three directors who will retire voluntarily.			
	a) Sir Malcolm Williamson			
	b) Michael W. Barnes			
	c) Robert Blanchard			
	d) Dale Hilpert			
	e) Russell Walls			
	f) Marianne Parrs			
	g) Thomas Plaskett			
4.	To appoint KPMG LLP as independent auditor of the Company, to hold office from the conclusion of this Meeting until the conclusion of the next Annual General Meeting of the Company and to authorize the Audit Committee to determine its compensation.			
5.	To approve the Signet Jewelers Limited Annual Performance Bonus Plan.			
6.	To hold a non-binding advisory vote to approve the compensation of our named executive officers as disclosed in the Proxy Statement (the Say-on-Pay vote).			

	1 year	2 years	3 years	Abstain
7. To hold a non-binding advisory vote on the frequency of the Say-on-Pay vote.				

Signature or common seal

Date

2011

\_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

**Table of Contents****Notes for completion of Form of Proxy for Non-US Shareholders**

## Notes

1. A member may appoint a proxy or proxies (who need not be a member of the Company). To appoint as a proxy a person other than the Chairman of the meeting delete the words "the Chairman of the meeting or" and insert the full name of your proxy in the space provided. Please initial the amendment. You may also appoint more than one proxy provided each proxy is appointed to exercise the rights attached to a different share or shares held by you. The following options are available:
  - (a) To appoint the **Chairman** as your **sole proxy** in respect of all your shares, simply fill in any voting instructions by placing an X in the appropriate box opposite each resolution and sign and date this Form of Proxy for Non-US Shareholders.
  - (b) To appoint a **person other than the Chairman as your sole proxy** in respect of all your shares, delete the words "the Chairman of the meeting or" and insert the name and address of your proxy in the spaces provided. Then fill in any voting instructions by placing an X in the appropriate box and sign and date this Form of Proxy for Non-US Shareholders.
  - (c) To appoint a **proxy in relation to less than your full voting entitlement**, please enter in the box next to the proxy holder's name the number of shares in relation to which they are authorized to act as your proxy. If left blank your proxy will be deemed to be authorized in respect of your full voting entitlement.
  - (d) To appoint **more than one proxy**, please sign and date this Form of Proxy for Non-US Shareholders and attach a schedule listing the names and addresses (in block letters) of all of your proxies, the number of shares in respect of which each proxy is appointed (which, in aggregate, should not exceed the number of shares held by you) and indicating how you wish each proxy to vote or abstain from voting. If you wish to appoint the Chairman as one of your multiple proxies, simply write "the Chairman of the Meeting". Please also indicate by ticking the box provided if the proxy instruction is one of multiple instructions being given.
2. Where the Chairman is appointed as your proxy, and unless otherwise indicated, the proxy will vote in accordance with the recommendations of the Board for each of the resolutions.
3. This Form of Proxy for Non-US Shareholders must be completed and deposited by post or by hand so as to arrive, not later than 11 hours before the time set for the meeting, to Capita Registrars, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU, during usual business hours accompanied by any power of attorney (or other authority certified notarially or in some other way approved by the Directors) under which it is executed (if applicable).
4. Please execute and date the Form of Proxy for Non-US Shareholders. A company must execute the Form of Proxy for Non-US Shareholders under either its common seal or the hand of a duly authorized Officer or attorney. In the case of an individual this Form of Proxy for Non-US Shareholders must be signed by the appointer or his agent duly authorized in writing.
5. This Form of Proxy for Non-US Shareholders is for use by Non-US Shareholders in respect of the Shareholder account specified above only and should not be amended or submitted in respect of a different account.
6. In the case of joint holders, the signature of only one of the joint holders is required but if more than one votes, the vote of the senior (according to the order in which the names stand in the register in respect of the holding) who tenders a vote in person or by proxy will be accepted to the exclusion of the votes of the other joint holder(s).
7. The vote "Abstain" option is to enable you to abstain on any particular resolution. Such a vote is not a vote in law and will not be counted in the votes "For" and "Against" a resolution.
8. To submit your voting instruction electronically, you will need to go to the website on the reverse side and click on UK Shareholder which will lead you to Capita Registrars' share portal. From here you can log-on to your share portal account or register for the share portal if you have not already done so. To register for the share portal you will need your investor code set-out on this Form of Proxy for Non-US Shareholders. Once registered you will immediately be able to submit a proxy vote. Please note that the Company takes all reasonable precautions to ensure that no viruses are present in any electronic communication it sends out but the Company cannot accept responsibility for loss or damage arising from the opening or use of any email as attachment from the Company and recommends that Shareholders subject all messages to virus checking procedures prior to use. Any electronic communication received by the Company including lodgement of a form of proxy, that is found to contain any virus will not be accepted.
9. The proxy must attend the meeting in person to represent you. The completion and return of this Form of Proxy for Non-US Shareholders will not preclude you from attending and voting in person at the Meeting should you subsequently decide to do so.
10. Any alteration made in this Form of Proxy for Non-US Shareholders should be initialled by the person(s) signing it.
11. You may revoke your direction at any time before it is voted by sending written notice of revocation or by submission of a properly executed form of proxy bearing a later date to the Registrars or by attending the Annual General Meeting and giving notice of revocation in person.

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**ANNUAL GENERAL MEETING OF SHAREHOLDERS OF**

**June 16, 2011**

**NOTICE OF INTERNET AVAILABILITY OF PROXY MATERIAL:**

The Notice of Annual General Meeting Proxy Statement and the Annual Report on Form 10-K to Shareholders for the year ended January 29, 2011 are available at <http://www.signetjewelers.com/shareholders>

Please sign, date and mail  
your proxy card in the  
envelope provided as soon  
as possible.

— Please detach along perforated line and mail in the envelope provided. —



**PLEASE SIGN, DATE AND RETURN PROMPTLY IN THE ENCLOSED ENVELOPE. PLEASE MARK YOUR VOTE IN BLUE OR BLACK INK AS SHOWN HERE X**

	FOR	AGAINST	ABSTAIN	
1. To amend the Company's Bye-laws to provide for the annual election of Directors in the manner contemplated in Appendix 1 to the Proxy Statement.	..	..	..	
2. If proposal 1 is approved, to elect seven directors to the Company's Board of Directors to serve until the next Annual General Meeting of Shareholders or until their respective successors are elected in accordance with the amended Bye-laws of the Company.				
				3. If proposal 1 is not approved, to elect the four directors who will retire in accordance with the current Bye-laws of the Company and the three directors who will retire voluntarily.
				a) Sir Malcolm Williamson
				b) Michael W. Barnes
				c) Robert Blanchard
				d) Dale Hilpert
	FOR	AGAINST	ABSTAIN	
	..	..	..	
	..	..	..	
	..	..	..	
	..	..	..	



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a) Sir Malcolm Williamson	..	..	..	e) Russell Walls	..	..	..	
b) Michael W. Barnes	..	..	..	f) Marianne Parrs	..	..	..	
c) Robert Blanchard	..	..	..	g) Thomas Plaskett	..	..	..	
d) Dale Hilpert	..	..	..	4. To appoint KPMG LLP as independent auditor of the Company, to hold office from the conclusion of this Meeting until the conclusion of the next Annual General Meeting of the Company and to authorize the Audit Committee to determine its compensation.	..	..	..	
e) Russell Walls	..	..	..		5. To approve the Signet Jewelers Limited Annual Performance Bonus Plan.	..	..	..
f) Marianne Parrs	..	..	..			6. To hold a non-binding advisory vote to approve the compensation of our named executive officers as disclosed in the Proxy Statement (the Say-on-Pay vote).	..	..
g) Thomas Plaskett	..	..	..					
					1 year	2 years	3 years	ABSTAIN
				7. To hold a non-binding advisory vote on the frequency of the Say-on-Pay vote.	..	..	..	..

To change the address on your account, please check the box at right and indicate your new address in the address space above. Please note that changes to the registered name(s) on the account may not be submitted via this method.

Signature of Shareholder

Date:

Signature of Shareholder

Date:

**Note:** Please sign exactly as your name or names appear on this Proxy. When shares are held jointly, each holder should sign. When signing as executor, administrator, attorney, trustee or guardian, please give full title as such. If the signer is a corporation, please sign full corporate name by duly authorized officer, giving full title as such. If signer is a partnership, please sign in partnership name by authorized person.

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**SIGNET JEWELERS LIMITED**

**Proxy for the Annual General Meeting of Shareholders on June 16, 2011**

**Solicited on Behalf of the Board of Directors**

The undersigned hereby appoints the Chairman of the meeting with full power of substitution and power to act alone, as proxy to vote all the Common Shares which the undersigned would be entitled to vote if personally present and acting at the Annual General Meeting of Shareholders of Signet Jewelers Limited, to be held at The Hilton Akron / Fairlawn, 3180 W. Market Street, Akron, Ohio, 44333 United States, on Thursday, June 16, 2011 at 11:00 a.m. EDT, and at any adjournments or postponements thereof, as set forth on the reverse side.

**THE BOARD OF DIRECTORS RECOMMENDS A VOTE FOR PROPOSALS 1, 4, 5 & 6, A VOTE IN FAVOR OF 1 YEAR IN THE CASE OF PROPOSAL 7, AND A VOTE FOR EACH NOMINEE LISTED IN PROPOSAL 2 UNLESS PROPOSAL 1 IS NOT APPROVED, IN WHICH CASE THE BOARD OF DIRECTORS RECOMMENDS A VOTE FOR EACH NOMINEE LISTED IN PROPOSAL 3. THE PROXIES WILL VOTE AS THE BOARD OF DIRECTORS RECOMMENDS WHERE A CHOICE IS NOT SPECIFIED.**

(Continued and to be signed on the reverse side.)

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Proxy Statement.				a) Sir Malcolm Williamson	..	..	..	
2. If proposal 1 is approved, to elect seven directors to the Company's Board of Directors to serve until the next Annual General Meeting of Shareholders or until their respective successors are elected in accordance with the amended Bye-laws of the Company.				b) Michael W. Barnes	..	..	..	
				c) Robert Blanchard	..	..	..	
				d) Dale Hilpert	..	..	..	
a) Sir Malcolm Williamson	..	..	..	e) Russell Walls	..	..	..	
b) Michael W. Barnes	..	..	..	f) Marianne Parrs	..	..	..	
c) Robert Blanchard	..	..	..	g) Thomas Plaskett	..	..	..	
d) Dale Hilpert	..	..	..	4. To appoint KPMG LLP as independent auditor of the Company, to hold office from the conclusion of this Meeting until the conclusion of the next Annual General Meeting of the Company and to authorize the Audit Committee to determine its compensation.	..	..	..	
e) Russell Walls	..	..	..	5. To approve the Signet Jewelers Limited Annual Performance Bonus Plan.	..	..	..	
f) Marianne Parrs	..	..	..	6. To hold a non-binding advisory vote to approve the compensation of our named executive officers as disclosed in the Proxy Statement (the Say-on-Pay vote).	..	..	..	
g) Thomas Plaskett	..	..	..		1 year	2 years	3 years	ABSTAIN
				7. To hold a non-binding advisory vote on the frequency of the Say-on-Pay vote.	..	..	..	..

To change the address on your account, please check the box at right and indicate your new address in the address space above. Please note that changes to the registered name(s) on the account may not be submitted via this method.

Signature of Shareholder

Date:

Signature of Shareholder

Date:

**Note:** Please sign exactly as your name or names appear on this Proxy. When shares are held jointly, each holder should sign. When signing as executor, administrator, attorney, trustee or guardian, please give full title as such. If the signer is a corporation, please sign full corporate name by duly authorized officer, giving full title as such. If signer is a partnership, please sign in partnership name by authorized person.

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**Important Notice of Availability of Proxy Materials for the Shareholder Meeting of**

**To Be Held On:**

**June 16, 2011 at 11:00 a.m. EDT**

**at the Hilton Akron/Fairlawn, 3180 W. Market Street, Akron, Ohio, United States**

COMPANY NUMBER

ACCOUNT NUMBER

CONTROL NUMBER

This is not a ballot. You cannot use this notice to vote these shares. This communication presents only an overview of the more complete proxy materials that are available to you on the Internet and should not be regarded as a substitute for reading the proxy materials. We encourage you to access and review all of the important information contained in the proxy materials before voting.

If you want to receive a paper or e-mail copy of the proxy materials you must request one. There is no charge to you for requesting a copy. To facilitate timely delivery please make the request as instructed below before June 1, 2011.

Please visit <http://www.signetjewelers.com>, where the following materials are available for view:

Notice of Annual General Meeting of Shareholders  
Proxy Statement  
Form of Electronic Proxy Card  
Annual Report on Form 10-K

**TO REQUEST MATERIAL:** **TELEPHONE: 888-776-9962 or 718-921-8562 (for international callers)**  
**E-MAIL: [info@amstock.com](mailto:info@amstock.com)**  
**WEBSITE: <http://www.amstock.com/proxyservices/requestmaterials.asp>**

**TO VOTE:** **ONLINE:** To access your online proxy card, please visit [www.signetjewelers.com/shareholders](http://www.signetjewelers.com/shareholders) and follow the on-screen instructions. You may enter your voting instructions up until June 16, 2011 at 12:01 a.m. which is approximately 11 hours before the start of the meeting.  
**IN PERSON:** You may vote your shares in person by attending the Annual General Meeting.  
**TELEPHONE:** If you are US Shareholder you may vote by telephone. To vote by telephone, please visit <https://secure.amstock.com/voteproxy/login2.asp> to view the materials and to obtain the toll free number to call.  
**MAIL:** If you wish to vote by mail, you may request a form of proxy by following the instructions above.

The Board of Directors recommends a vote for Proposals 1, 4, 5 and 6, in favor<sup>3</sup>. If proposal 1 is not approved, to elect the four directors who will retire of 1 year on Proposal 7, and for each nominee listed in Proposal 2 or for ~~each~~ accordance with the current Bye-laws of the Company and the three

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nominee listed in Proposal 3 if Proposal 1 is not approved by the stockholders: directors who will retire voluntarily.

1. To amend the Company's Bye-laws to provide for the annual election of Directors in the manner contemplated in Appendix 1 to the Proxy Statement.

a) Sir Malcolm Williamson

2. If proposal 1 is approved, to elect seven directors to the Company's Board of Directors to serve until the next Annual General Meeting of Shareholders or until their respective successors are elected in accordance with the amended Bye-laws of the Company.

b) Michael W. Barnes

c) Robert Blanchard

a) Sir Malcolm Williamson

d) Dale Hilpert

b) Michael W. Barnes

e) Russell Walls

c) Robert Blanchard

f) Marianne Parrs

d) Dale Hilpert

g) Thomas Plaskett

e) Russell Walls

4. To appoint KPMG LLP as independent auditor of the Company, to hold office from the conclusion of this Meeting until the conclusion of the next Annual General Meeting of the Company and to authorize the Audit Committee to determine its compensation.

f) Marianne Parrs

5. To approve the Signet Jewelers Limited Annual Performance Bonus Plan.

g) Thomas Plaskett

6. To hold a non-binding advisory vote to approve the compensation of our named executive officers as disclosed in the Proxy Statement (the Say-on-Pay vote).

7. To hold a non-binding advisory vote on the frequency of the Say-on-Pay vote.