DEFINITIONS COMMON
TO SEVERAL SCHEDULES

In the Agreement, the Schedules and the Confirmations the following terms shall have the meaning set out in these definitions.

ACTUAL/360

The fraction whose numerator is the actual number of days elapsed during the Calculation Period and whose denominator is 360.

ACTUAL/365

The fraction whose numerator is the actual number of days elapsed during the Calculation Period and whose denominator is 365.

If part of the Calculation Period should fall in a leap year, Actual/365 shall mean the sum of (i) the fraction whose numerator is the actual number of days elapsed during the non-leap year and whose denominator is 365 and (ii) the fraction whose numerator is the number of actual days elapsed during the leap year and whose denominator is 366.

ACTUAL/FIXED 365

The fraction whose numerator is the actual number of days elapsed during the Calculation Period and whose denominator is 365.

ACTUAL/ACTUAL

In respect of each Calculation Period, the fraction whose numerator is the actual number of days elapsed during such period and whose denominator is 365 (or 366 if 29 February falls within the Calculation Period).

If the Calculation Period is of a duration of more than one year, the basis shall be calculated as follows:

– the number of complete years shall be counted back from the last day of the Calculation Period;

– this number shall be increased by the fraction for the relevant period calculated as shown above.

For a Calculation Period from 10.2.94 to 30.6.97 the following two periods shall be used:

30.6.94 to 30.6.97 = 3 years

10.2.94 to 30.6.94 = 140/365

ACTUAL 30E/360 (Eurobond basis)

In respect of each Calculation Period, the fraction whose denominator is 360 and whose numerator is the number of days elapsed during such period, calculated on the basis of a year comprising 12 months of 30 days, subject to the following the exception:

If the last day of the period is the last day of the month of February, the number of days elapsed during such month shall be taken as the actual number of days.

Where:

D1(dd1, mm1, yy1) is the date of the beginning of the period

D2(dd2, mm2, yy2) is the date of the end of the period

The fraction is:

$$\frac{1}{360} \times \left[(yy2 - yy1) \times 360 + (mm2 - mm1) \times 30 + \text{Min}(dd2, 30) - \text{Min}(dd1, 30) \right]$$

Example:

Period from 31.12.93 to 28.2.94

$$\frac{1}{360} \times \left[(94 - 93) \times 360 + (2 - 12) \times 30 + (28 - 30) \right] = 58/360$$

Period from 28.2.94 to 31.8.94

Gives: 182/360

ACTUAL 30/360 or ACTUAL 30A/360 (American Bond Basis)

In respect of each Calculation Period, the fraction whose denominator is 360 and whose numerator is the number of days calculated as for Actual 30E/360, subject to the following exception:

Where the last day of this period is the 31st and the first day is neither the 30th nor the 31st, the last month of the period shall be deemed to be a month of 31 days. Using the previous notation as with 30E/360 the fraction is:

If $dd2 = 31$ and $dd1 \neq (30, 31)$

$$\frac{1}{360} \times \left[(yy2 - yy1) \times 360 + (mm2 - mm1) \times 30 + (dd2 - dd1) \right]$$

Or:

$$\frac{1}{360} \times \left[(yy2 - yy1) \times 360 + (mm2 - mm1) \times 30 + \text{Min} (dd2, 30) - \text{Min} (dd1, 30) \right]$$

Example:

Period from 28.2.94 to 31.8.94

Gives: 183/360

AMERICAN OPTION

An Option which may be exercised by the Buyer on any Business Day from the Transaction Date up until the Maturity Date.

BASIS (B)

The fraction agreed when a Transaction is entered as having, without limitation, one of the following meanings:

Actual/360
Actual/365
Actual/Fixed 365
Actual/Actual
Actual 30E/360
Actual 30/360

BUSINESS DAY CONVENTION

If the Floating Rate Determination Date, the Commencement Date, the Maturity Date, or one of the Payment Dates is not a Business Day, the Parties shall choose, on entering into a Transaction, between the following three conventions:

– following Business Day: the date mentioned above is carried forward to the following Business Day,

– preceding Business Day: the date mentioned above is carried back to the previous Business Day,

– following Business Day except following month: if the date mentioned above, carried forward to the following Business Day falls in the beginning of the next calendar month, the date is carried back to the previous Business Day.

CALCULATION PERIOD

Any period of calculation selected on conclusion of a Transaction by reference to which amounts to be paid or received are determined.

CALL OPTION

One Party, the Seller, grants to the other Party, the Buyer, the right either to buy and to receive from it for an agreed Exercise Price an Underlying Asset or a quantity of Underlying Assets, or to receive a Difference.

COMMENCEMENT DATE

Date agreed by between the Parties as the first day of the Transaction which is included for the purpose of determining the amounts to be paid or received.

EUROPEAN OPTION

An option which may only be exercised on the Maturity Date, provided that notice of Exercise may be given by the Buyer on any Business Day with effect from the Transaction Date.

EXERCISE

The exercise of the right granted by the Seller to the Buyer of an Option, to buy or to receive, to sell or to deliver, an Underlying Asset or a multiple of Underlying Assets or to receive a Difference.

EXERCISE DATE

The date on which an Option is exercised.

EXERCISE DEADLINE

For any given day and place, the time agreed between the Parties after which an Option may not be exercised.

EXERCISE PRICE

The rate or price, fixed by the Parties on entering into an Option.

FINANCIAL CENTRE(S)

Financial centre(s) specified on entering into a Transaction and whose opening times (together with one or several other financial centres) is necessary for the determination of Business Days.

FLOATING RATE DETERMINATION DATE

Any date specified as such in the Confirmation on which the Agent shall determine the Floating Rate.

LIMITS

Each Calculation Period shall include the first day and exclude the last day of such period: thus, in order to calculate the number of days in the period from 1.1.1993 to 1.1.1994, the days are included from 1.1.1993 to 31.12.1994.

MATURITY DATE

Date agreed by the Parties as the last day of the Transaction which is included for the purpose of determining amounts to be paid or to be received, or, in relation to an Option, a Business Day fixed by the Parties beyond which an Option can no longer be exercised.

NOTIONAL AMOUNT (NA)

An amount in a Currency on the basis of which the Fixed Amounts and Floating Amounts to be paid and received or the quantitive of Underlying Assets to be delivered or to be received is calculated or the Difference.

OPTION

Transaction through which the Seller confers rights on the Buyer for an agreed period against payment of a Premium.

PAYMENT

As the case may be, the payment of an amount denominated in a Currency, or Delivery of an Underlying Asset by the Parties under a Transaction.

PAYMENT DATE

Any date specified as such when a Transaction is entered into.

PLACE OF PAYMENT

Place designated for the bank account as specified in the Confirmation.

PREMIUM

An amount which the Buyer is required to pay the Seller of an Option or a Rate Guarantee in consideration of the right of the Buyer to Exercise an Option or the obligation of the Seller to pay Differences to the Buyer of a Rate Guarantee. The Premium is payable in one or several instalments according to the terms of the Confirmation. It is in all circumstances retained by the Seller of the Option.

PURCHASER

The party specified as such in an Option transaction, a Rate Guarantee transaction or a Forward Rate Agreement and whose role is described in the Schedules relating to the relevant transactions.

PUT OPTION

One Party, the Seller, grants to the other Party, the Buyer, the right either to sell and to deliver to it for an agreed Exercise Price, an Underlying Asset or a number of Underlying Assets, or to receive a Difference.

ROUNDING UP

For the calculation of rates, the result obtained shall be rounded up to the fourth decimal. If the fifth decimal is equal to or more than five, the fourth decimal shall be rounded up, and if not it shall be rounded down.

SELLER

Party designated as such in an Option transaction, a Rate Guarantee transaction or a Forward Rate Agreement and whose role is described in the relevant Schedules for these transactions.

TRANSACTION DATE

Date on which the Parties enter into a Transaction and such Transaction becomes effective.