

Security interest over Credit Support Amount held in a Euroclear account (or sub-division of a Euroclear account) in its own name for the account of the Pledgee (third party pledgeholder structure)

(FBF Euroclear 2022 Collateral Transfer Agreement)

Multi-Regime Scope



## 2022 COLLATERAL TRANSFER AGREEMENT

for use with

*Euroclear Bank collateral management documentation  
for non-centrally cleared OTC derivatives*

### BETWEEN

[•], [corporate form] having its registered office [•], registered with [the Trade and Companies Register of [•] under number [•]], duly represented for the purposes hereof,

hereafter "**Party A**";

### AND

[•], [corporate form] having its registered office [•], registered with [the Trade and Companies Register of [•] under number [•]], duly represented for the purposes hereof,

hereafter "**Party B**"

and, together with Party A, the "**Parties**";

dated .....

relating to the

[AFB Master Agreement for foreign exchange and derivative transactions (version 1994) / FBF Master Agreement relating to transactions on forward financial instruments (version [2001/2007/2013])]¹, as may be amended and/or supplemented from time to time

dated .....

between Party A and Party B (the "**Master Agreement**").

¹ Please delete as appropriate

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This Agreement is entered into in relation to:

- (1) the Master Agreement;
- (2) the FBF Euroclear Security Agreement dated ..... under which Party A is "Security-provider" and Party B is "Security-taker" (as amended, restated and/or supplemented from time to time, the **Party A Security Agreement**); and
- (3) the FBF Euroclear Security Agreement dated ..... under which Party B is "Security-provider" and Party A is "Security-taker" (as amended, restated and/or supplemented from time to time, the **Party B Security Agreement**),

subject to the One Way Provisions (if applicable under Paragraph 13 (*Elections and variables*)), in which event no Party A Security Agreement or Party B Security Agreement (as the case may be) shall be entered into by the Parties in connection with this Agreement (and references to such security agreement shall be disregarded for the purposes of interpreting the provisions of this Agreement).

**Accordingly, the Parties agree as follows:**

## **1. INTERPRETATION**

### **1.1 *Definitions and Inconsistency***

Capitalised terms not otherwise defined herein or elsewhere in this Agreement have the meanings specified pursuant to Paragraph 12 (*Definitions*), and all references in this Agreement to Paragraphs are to Paragraphs of this Agreement. Capitalised terms used but not defined in this Agreement have the meanings specified in the Euroclear Agreements, the Security Agreements and/or the Master Agreement, as applicable. In the event of any inconsistency between this Agreement and the Master Agreement or any Other Collateral Annex, this Agreement will prevail in the case of (i) matters concerning regulatory initial margin requirements relating to Covered Transactions posted by a Security-provider and (ii) specific amendments made herein to the Master Agreement, the Schedule to the Master Agreement or any Other Collateral Annex, and in the event of any inconsistency between Paragraph 13 (*Elections and variables*) and the other provisions of this Agreement, Paragraph 13 (*Elections and variables*) will prevail. In the event of any inconsistency between the provisions of this Agreement and a Security Agreement, the provisions of this Agreement will prevail.

### **1.2 *Security-taker, Security-provider and Collateral Valuation Agent***

- (a) Unless otherwise specified in Paragraph 13 (*Elections and variables*), all references in this Agreement to the "Security-taker" will be to either Party when acting in that capacity and all corresponding references to the "Security-provider" will be to the other Party when acting in that capacity.
- (b) To the extent that, in respect of a Security-provider and its posting obligation, the Collateral Valuation Agent for such posting obligation is designated in Paragraph 13 (*Elections and variables*) to be the Security-taker and not Euroclear, all references in this Agreement to the "Collateral Valuation Agent" in relation to such posting obligation will be to such Security-taker when acting in that capacity (including through such Party's designee acting as agent on behalf of such Party (as principal), if applicable). For the avoidance of doubt, a Party to this Agreement that is designated as the Collateral Valuation Agent will be liable for the acts or omissions of its designee to the same extent that it would be liable for its own acts or omissions hereunder (and, for the purposes of any notification of a determination as required under this Agreement, such Party will be responsible for procuring that its designee notifies the other Party to this Agreement and Euroclear of such determination).

- (c) Any Eligible Collateral transferable by Party A as "Security-provider" under this Agreement shall be transferred into the relevant Party A Secured Account and be subject to the "Security" created pursuant to (and as defined under) the Party A Security Agreement.
- (d) Any Eligible Collateral transferable by Party B as "Security-provider" under this Agreement shall be transferred into the relevant Party B Secured Account and be subject to the "Security" created pursuant to (and as defined under) the Party B Security Agreement.

### 1.3 ***Scope of this Agreement***

The only "Transactions" governed by the Master Agreement which will be relevant for the purposes of determining a Margin Amount (IM) under this Agreement with respect to a posting obligation of a Security-provider will be the relevant Covered Transactions specified in accordance with the provisions of Paragraph 13 (*Elections and variables*). Except as expressly provided herein, nothing in this Agreement will affect the rights and obligations, if any, of either Party under the Master Agreement or any Other Collateral Annex.<sup>2</sup>

### 1.4 ***Amendment Effective Date***

Unless otherwise specified in Paragraph 13 (*Elections and variables*), any specific amendments made herein to the Master Agreement, including the Schedule or any Other Collateral Annex, will become effective as of the Amendment Effective Date.

### 1.5 ***Gross Settlement***

All payments and deliveries to be made by a Party pursuant to the terms of this Agreement will be settled without set-off, netting or other discharge against any payments or deliveries to be made on the same day to such Party by the other Party under this Agreement.

### 1.6 ***Interpretation***

In this Agreement, except to the extent that the context requires otherwise and unless otherwise specified in Paragraph 13 (*Elections and variables*):

- (a) References to a law, statute or statutory provision include:
  - (i) such law, statute or statutory provision as from time to time amended, modified, re-enacted or consolidated whether before or after the date of this Agreement; and
  - (ii) any subordinate legislation from time to time made, amended, modified, re-enacted or consolidated, whether before or after the date of this Agreement under any such law, statute or statutory provision.

Notwithstanding the foregoing, for the purposes of determining (i) if a Transaction under the Master Agreement is a Covered Transaction and (ii) what version of any standardised initial margin schedule applies to a particular Transaction (if the Parties have otherwise agreed to apply such standardised initial margin schedule to such Transaction), the relevant law, statute, statutory provision or subordinate legislation will be such law, statute, statutory provision or subordinate legislation as in effect on the date the relevant Transaction was entered into.

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<sup>2</sup> As this Agreement may amend another agreement, parties should ensure that any relevant formalities required to amend such agreement are complied with.

- (b) References to sub-paragraphs or Paragraphs are references to such provisions of this Agreement. References to a sub-paragraph are references to the relevant sub-paragraph of the Paragraph in which it appears.
- (c) Use of the singular shall include the plural and vice versa. Words denoting any gender shall include any other gender.
- (d) Headings are for ease of reference only and shall be ignored in interpreting this Agreement.
- (e) References to an agreement, deed, instrument, licence, code or other document (including this Agreement or the Euroclear Agreements), or to a provision contained in any of these, shall be construed, at the particular time, as a reference to it as it may then have been amended, varied, supplemented, modified, suspended, assigned or novated.
- (f) References to a time of day are to Brussels time unless otherwise stated.
- (g) The language which governs the interpretation of this Agreement is the English language. All notices to be given by any Party and all other communications and documentation which are in any way relevant to this Agreement or the performance or termination of this Agreement shall be in the English language.
- (h) The words **include** and **including** are to be construed without limitation.
- (i) A reference to a **law** includes common or customary law and any constitution, decree, judgment, legislation, order, ordinance, regulation, rule, statute, treaty or other legislative measure, in each case of any jurisdiction whatever.
- (j) A reference to any **Party** includes its successors in title, permitted assigns and permitted transferees.
- (k) A reference to **transfer** means, in relation to cash, payment and, in relation to other assets, delivery and where it is of Eligible Collateral or Posted Collateral includes a transfer made in accordance with Paragraph 3.2 (*Transfers*).
- (l) A reference to Posted Collateral being **held by** the Security-taker (in relation to a Security-provider's posting obligation) includes any Posted Collateral held by Euroclear in the relevant Secured Accounts relating to such Security-provider and such posting obligation for the benefit of such Security-taker (as "Collateral Taker" or "Pledgee") under the relevant Euroclear Agreements.
- (m) A reference to **joint instructions or matching instructions** from the Security-provider and the Security-taker includes separate but matching instructions from each of the Security-provider and the Security-taker.

## 1.7 *Payments and deliveries*

If a payment or a delivery under this Agreement would otherwise be due on a date which is not a Local Business Day (as defined under this Agreement), such payment or delivery (as appropriate) shall instead fall due on the first Local Business Day falling after such date.

## 1.8 *Acknowledgements*

The Parties acknowledge and agree that:

- (a) the following documents are in each case a Credit Support Document in relation to the Master Agreement:
  - (i) this Agreement;
  - (ii) the Party A Security Agreement; and
  - (iii) the Party B Security Agreement, and
- (b) this Agreement together with the relevant Security Agreement for a Security-provider constitutes the "Collateral Agreement" for the purposes of the Collateral Service Agreement under which such Security-provider is "Collateral Giver".

## 2. CREDIT SUPPORT OBLIGATIONS

### 2.1 *Delivery Amount*

Subject to Paragraphs 3 (*Conditions Precedent, Transfers, Calculations and Substitutions*) and 4 (*Dispute Resolution*), if the Delivery Amount applicable to the Security-provider for a Transfer Date equals or exceeds the Security-provider's Minimum Transfer Amount, then on the Transfer Date the Security-provider will transfer to the relevant Secured Accounts (secured for the benefit of the Security-taker) Eligible Collateral having a Value as of the related Collateral Valuation Date at least equal to the applicable Delivery Amount. The **Delivery Amount** applicable to the Security-provider for any Transfer Date will equal the amount by which:

- (a) the Credit Support Amount applicable to the Security-provider  
*exceeds*
- (b) the Value as of the related Collateral Valuation Date of all Posted Collateral held by the Security-taker (as adjusted to include any prior Delivery Amount and to exclude any prior Return Amount, the transfer of which, in either case, has not yet been completed and for which the relevant Transfer Date falls on or prior to such Collateral Valuation Date).

### 2.2 *Return Amount*

Subject to Paragraphs 3 (*Conditions Precedent, Transfers, Calculations and Substitutions*) and 4 (*Dispute Resolution*), if the Return Amount applicable to the Security-taker for a Transfer Date equals or exceeds the Security-taker's Minimum Transfer Amount, then on the Transfer Date the Security-taker will transfer (from the relevant Secured Accounts secured for its benefit) Posted Collateral to the Security-provider having a Value as of the related Collateral Valuation Date as close as practicable to (but not more than) the applicable Return Amount. The **Return Amount** applicable to the Security-taker for any Transfer Date will equal the amount by which:

- (a) the Value as of the related Collateral Valuation Date of all Posted Collateral held by the Security-taker (as adjusted to include any prior Delivery Amount and to exclude any prior Return Amount, the transfer of which, in either case, has not yet been completed and for which the relevant Transfer Date falls on or prior to such Collateral Valuation Date)

*exceeds*

- (b) the Credit Support Amount applicable to the Security-provider.

### 2.3 **Margin Amount (IM); Margin Amount (IA); Margin Approach**

- (a) **Margin Amount (IM)** means, as of any Observation Date, for a posting obligation of a Security-provider under a Regime, the Base Currency Equivalent of an amount equal to the sum of the initial margin amounts in respect of the Covered Transactions determined using the Method specified as applicable to such Regime in Paragraph 13 (*Elections and variables*).
- (b) **Margin Amount (IA)** means, as of any Observation Date, for a posting obligation of a Security-provider, the Base Currency Equivalent of an amount equal to the sum of the Specific Collateral (as defined in any Other Collateral Annex) applicable to the Security-provider and any other amounts applicable to the Security-provider (other than any amounts in respect of Margin Amount (IM) or Exposure), however described, intended by the Parties to operate as a Specific Collateral, if any, after taking into account any relevant Threshold applicable to the Security-provider and any other relevant amounts applicable to the Security-provider, however described, intended by the Parties to operate as a Threshold but prior to giving effect to any other applicable deduction, discharge or netting of such amounts, under or in relation to the Master Agreement, as determined and reported by the Party responsible for calculating such amounts. For the avoidance of doubt, in order to determine the amounts "applicable to the Security-provider" for the purposes hereof, the Parties will take into account the effect of any conditions precedent applicable to such amounts.
- (c) **Margin Approach.**<sup>3</sup> The Parties have agreed, in Paragraph 13 (*Elections and variables*), to implement one of the following approaches (each a **Margin Approach**) with respect to the relationship between Margin Amount (IM) and Margin Amount (IA).
  - (i) If the "**Distinct Margin Flow (IM) Approach**" is specified as applicable in Paragraph 13 (*Elections and variables*), the following provisions will apply:
    - (A) **Credit Support Amount** means, with respect to a Party as the Security-provider and its posting obligation, as of any Observation Date in respect of a related Transfer Date, (I) the Margin Amount (IM) applicable to the Security-provider, if any, *minus* (II) the Security-provider's Threshold (IM) as of such Observation Date; *provided, however,* that the Credit Support Amount will be deemed to be zero whenever the calculation of the Credit Support Amount yields a number less than zero.
    - (B) **No Amendment to Obligations in respect of Margin Amount (IA).** The posting obligation of a Security-provider in respect of any amount that constitutes a Margin Amount (IA) under any Other Collateral Annex shall not be affected or amended in any way by the provisions of this Agreement.
  - (ii) If the "**Allocated Margin Flow (IM/IA) Approach**" is specified as applicable in Paragraph 13 (*Elections and variables*), the following provisions will apply:

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<sup>3</sup> If the parties do not currently exchange Margin Amount (IA), each of the three Margin Approaches will yield the same Credit Support Amount. In such a case, the parties should agree on the Margin Approach they would want to apply in the event they exchange Margin Amount (IA) in the future.

- (A) **Credit Support Amount** means, with respect to a Party as the Security-provider and its posting obligation, as of any Observation Date in respect of a related Transfer Date, (I) the Margin Amount (IM) applicable to the Security-provider, if any, *minus* (II) the Security-provider's Threshold (IM) as of such Observation Date; *provided, however,* that the Credit Support Amount will be deemed to be zero whenever the calculation of the Credit Support Amount yields a number less than zero.
  - (B) **Amendment to Obligations in respect of Margin Amount (IA)**. The posting obligation of a Security-provider in respect of any amount that constitutes a Margin Amount (IA) under any Other Collateral Annex shall be reduced on an aggregate basis by the amount of the Security-provider's Credit Support Amount; *provided, however,* that if, after such reduction, any such Margin Amount (IA) would be a negative amount, such Margin Amount (IA) will be deemed to be zero.<sup>4</sup>
- (iii) If the "**Greater of Margin Flow (IM/IA) Approach**" is specified as applicable in Paragraph 13 (*Elections and variables*), the following provisions will apply:
- (A) **Credit Support Amount** means, with respect to a Party as the Security-provider and its posting obligation, as of any Observation Date in respect of a related Transfer Date, the greater of (I)(1) the Margin Amount (IM) applicable to the Security-provider, if any, *minus* (2) the Security-provider's Threshold (IM) as of such Observation Date and (II) the Margin Amount (IA); *provided, however,* that the Credit Support Amount will be deemed to be zero whenever the calculation of the Credit Support Amount yields a number less than zero.
  - (B) **Amendment to Obligations in respect of Margin Amount (IA)**. The posting obligation of a Security-provider in respect of any amount that constitutes a Margin Amount (IA) under any Other Collateral Annex, other than such obligations of a Security-provider under this Agreement, shall be reduced to zero.<sup>5</sup>

## 2.4 **Additional Transfers under Euroclear Agreements**

If on any date the Collateral Valuation Agent is Euroclear and such date is not a Transfer Date but is a date on which Euroclear is open for the acceptance and execution of settlement instructions (a **Margining Date**), transfers shall be made under either Paragraph 2.1 (*Delivery Amount*) or 2.2 (*Return Amount*) (as applicable) in accordance with the Euroclear Agreements as if such Margining Date were a Transfer Date (whereupon the last determination of Credit Support Amount in respect of a Security-provider and its posting obligation for the immediately preceding Transfer Date shall be deemed to be the Credit Support Amount in respect of such Security-provider and such posting obligation for such Margining Date).

## 3. **CONDITIONS PRECEDENT, TRANSFERS, CALCULATIONS AND SUBSTITUTIONS**

### 3.1 **Conditions Precedent**

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<sup>4</sup> Parties should (i) ensure that any relevant formalities required to amend any Other Collateral Annex are complied with and (ii) consider the impact of these amendments on any Other Collateral Annex, including, but not limited to, in respect of any security interest granted thereunder.

<sup>5</sup> See footnote 4.

Unless otherwise specified in Paragraph 13 (*Elections and variables*), the Security-provider or the Security-taker, as the case may be, may suspend the performance of any of its transfer obligations under, for the Security-provider, Paragraphs 2 (*Credit Support Obligations*) or 4 (*Dispute Resolution*) and, for the Security-taker, under Paragraphs 2 (*Credit Support Obligations*), 4 (*Dispute Resolution*) or 5.6 (*Transfer of Distributions*) if, and to the extent, that:

- (a) an Event of Default or Specified Condition has occurred and is continuing with respect to the other Party; or
- (b) a Termination Date has occurred or been designated for which any unsatisfied payment obligations (whether present, actual, future or contingent) exist which is in respect of all Covered Transactions.

### 3.2 ***Transfers***

All transfers under this Agreement or any Security Agreement of any Eligible Collateral, Posted Collateral or Distributions will be made by Euroclear in accordance with the relevant Euroclear Agreements, subject to Paragraph 5.6(a) (*Transfer of Distributions*). For the avoidance of doubt, any obligation of the Security-taker to transfer Posted Collateral from the Secured Accounts will be deemed satisfied by such Security-taker complying with its obligations to provide instructions to Euroclear under Paragraph 3.3(c) (*Calculation of Credit Support Amount and matching notifications to Euroclear*), Paragraph 4.1 (*Disputed Calculations or Valuations*) or Paragraph 5.6(a) (*Transfer of Distributions*) of this Agreement or Section 8.2 (*Deficiencies and Excess Proceeds*) or Section 8.3 (*Final Returns*) of the relevant Security Agreement under which the other Party is Security-provider (as applicable).

Any transfer made in accordance with this Paragraph 3.2 (*Transfers*) and the related Euroclear Agreements shall discharge and satisfy in full the transferring Party's obligation to make such transfer under this Agreement or relevant Security Agreement (as applicable).

### 3.3 ***Calculation of Credit Support Amount and matching notifications to Euroclear***

- (a) On each Transfer Date, each Party (or, if specified as applicable in Paragraph 13 (*Elections and variables*), the Calculation Agent (IM)), will calculate the relevant Credit Support Amount in respect of a Security-provider and its posting obligation as of the related Observation Date and notify the other Party promptly of its determination of such Credit Support Amount on such Transfer Date (and in any event, not later than the Notification Time). For any calculation of Credit Support Amount by a Party (or the Calculation Agent (IM) (if applicable)), such Party (or the Calculation Agent (IM) (if applicable)) may use relevant information or data (including inputs for any applicable model specified in Paragraph 13 (*Elections and variables*) to determine the Margin Amount (IM) for certain Covered Transactions) most recently reasonably available for close of business in the relevant market(s) as of the Credit Support Amount Calculation Time.
- (b) Subject to Paragraph 4 (*Dispute Resolution*) in the event of a dispute in relation to a determination of the Credit Support Amount with respect to a Security-provider and its posting obligation, the Security-provider and Security-taker must provide matching instructions to Euroclear on the initial Transfer Date no later than the Notification Time in respect of the initial "Intended Transaction Amount" of the relevant "Transaction" as defined under the Euroclear Agreements which relates to this Agreement and the relevant Secured Accounts in respect of such posting obligation (which shall equal the Credit Support Amount notified under Paragraph 3.3(a) (*Calculation of Credit Support Amount and matching notifications to Euroclear*) on the initial Transfer Date in respect of such posting obligation and determined as of the related Observation Date).



- (c) If on any Transfer Date the Credit Support Amount determined under Paragraph 3.3(a) (*Calculation of Credit Support Amount and matching notifications to Euroclear*) in respect of a Security-provider and its posting obligation as of the relevant Observation Date differs from the last Credit Support Amount in respect of such posting obligation as jointly notified via matching instructions to Euroclear as an "Intended Transaction Amount" in accordance with this Paragraph 3.3 (*Calculation of Credit Support Amount and matching notifications to Euroclear*) (such new Credit Support Amount being the **Revised Credit Support Amount**), (subject to Paragraph 4 (*Dispute Resolution*)) the Parties must, no later than the Notification Time on such Transfer Date, provide matching instructions to Euroclear in respect of a revised "Intended Transaction Amount" (which shall equal such Revised Credit Support Amount) of the relevant "Transaction" under the Euroclear Agreements which relates to this Agreement and the relevant Secured Accounts relating to such posting obligation, which matching instructions shall constitute a "Transaction-size Adjustment" under the relevant CSA Operating Procedures.

### 3.4 *Calculations of Market Value and determination of Value*

- (a) Subject to Paragraph 4 (*Dispute Resolution*), all calculations of Market Value (for the purposes of a determination of Value as of a Collateral Valuation Date under Paragraph 2 (*Credit Support Obligations*) in relation to a Transfer Date) will be made by the Collateral Valuation Agent as of the Value Calculation Time on the relevant Collateral Valuation Date.
- (b) To the extent the Collateral Valuation Agent is not Euroclear, all such calculations under this Paragraph 3.4 (*Calculations of Market Value and determination of Value*) shall be submitted (whether by such Collateral Valuation Agent or its designee) to the other Party and Euroclear no later than the Valuation Deadline on the relevant Transfer Date provided that, if the Parties have made the relevant election under the Euroclear Agreements, Euroclear shall calculate the relevant Market Value in respect of an item upon any failure of such Collateral Valuation Agent to comply with the provisions hereunder. In the case of any calculation of Market Value, the Collateral Valuation Agent (to the extent it is not Euroclear) may use Market Values most recently reasonably available for close of business in the relevant market for the relevant Eligible Collateral as of the relevant Value Calculation Time.
- (c) The *Parties* acknowledge and agree that calculations of Market Value shall form the basis for the Margin Report to be delivered by Euroclear to the Parties which shall contain Euroclear's determination of Value in respect of such Collateral Valuation Date (using (i) Market Values submitted by the Collateral Valuation Agent if applicable pursuant to Paragraph 3.4(b) (*Calculations of Market Value and determination of Value*) above and (ii) the related applicable "Margin Percentages" to be applied by Euroclear under the Euroclear Agreements which the Parties acknowledge and agree may be expressed in a "margin" format which is economically equivalent to the "haircut" format in which  $H_v$  and  $H_{FX}$  are each expressed under this Agreement) in accordance with the Euroclear Agreements.

### 3.5 *Substitutions*

With respect to a set of Secured Accounts and the related Security-provider's posting obligation, Eligible Collateral may be substituted for Posted Collateral in accordance with, and subject to, the terms of the relevant Euroclear Agreements for such Security-provider.

## 4. **DISPUTE RESOLUTION**

### 4.1 *Disputed Calculations or Valuations*

If a Party (a **Disputing Party**) disputes: (I) the other party's (or the Calculation Agent (IM)'s (if applicable)) calculation of Credit Support Amount as notified to it on a Transfer Date in accordance with Paragraph 3.3(a) (*Calculation of Credit Support Amount and matching notifications to Euroclear*) or (II) the Collateral Valuation Agent's calculation of the Market Value in relation to any item or items of Eligible Collateral (to the extent that the Collateral Valuation Agent is not Euroclear) as notified to it on a Transfer Date, then:

- (a) the Disputing Party will notify the other Party (or the Calculation Agent (IM) (if applicable)) not later than (x) the Notification Time on the Transfer Date in the case of (I) above, or (y) close of business on the Local Business Day immediately following the Transfer Date in the case of (II) above;
- (b) subject to Paragraph 3.1 (*Conditions Precedent*) (if applicable), in the case of (I) above the Parties will submit matching instructions to Euroclear under Paragraph 3.3(c) (*Calculation of Credit Support Amount and matching notifications to Euroclear*) to the extent of the undisputed amount not later than the Notification Time on the relevant Transfer Date;
- (c) the Parties will consult with each other in an attempt to resolve the dispute; and
- (d) if they fail to resolve the dispute by the Resolution Time, then:
  - (i) in the case of a dispute in relation to (I) above involving a determination of Credit Support Amount, each Party (or the Calculation Agent (IM) (if applicable)) will recalculate the Credit Support Amount as of the Recalculation Date by using the procedures specified in Paragraph 13 (*Elections and variables*) for calculating the Credit Support Amount; and
  - (ii) in the case of a dispute in relation to (II) above involving the Market Value of any Eligible Collateral, the Collateral Valuation Agent (to the extent it is not Euroclear) will recalculate the Market Value as of the Collateral Valuation Date relating to the original Transfer Date pursuant to Paragraph 13 (*Elections and variables*).

Following a recalculation pursuant to this Paragraph 4 (*Dispute Resolution*), the relevant Party (or the Calculation Agent (IM) (if applicable)) will notify the other Party not later than the Notification Time (in the case of a dispute in relation to (I) above) or one hour prior to the Valuation Deadline (in the case of a dispute in relation to (II) above), in each case, on the Local Business Day following the Resolution Time of its recalculation. Following such notice or a resolution pursuant to Paragraph 4.1(c) above, in the case of a dispute in relation to (I), the Parties will make the relevant matching instructions to Euroclear in order to make the appropriate transfer, subject to Paragraph 3.1 (*Conditions Precedent*) (if applicable) and in the case of a dispute in relation to (II), the relevant Party as Collateral Valuation Agent will notify Euroclear not later than the Valuation Deadline on the Local Business Day following the Resolution Time of the relevant recalculation.

#### 4.2 ***No Event of Default***

The failure by a Party to make a transfer of any amount which is the subject of a dispute to which Paragraph 4.1 (*Disputed Calculations or Valuations*) above applies will not constitute an Event of Default for as long as the procedures set out in this Paragraph 4 (*Dispute Resolution*) (as supplemented by the provisions of Paragraph 13 (*Elections and variables*)) are being carried out (but without prejudice to a Party's obligation to transfer the undisputed amount under Paragraph 4.1(b) (*Disputed Calculations or Valuations*)). For the avoidance of doubt, upon completion of those procedures, Article 7.1.1.8 (should the Master Agreement be in the form of a 2007 FBF Master Agreement or a 2013 FBF Master Agreement) or Article 7.1.1.9 (should

the Master Agreement be in the form of a 2001 FBF Master Agreement or a AFB Master Agreement) of the Master Agreement (as amended under Paragraph 5.2 (*Euroclear Risk*) of this Agreement) will apply to any failure by a Party to make a transfer required under the final sentence of Paragraph 4.1 (*Disputed Calculations or Valuations*) on the relevant due date (subject to Paragraph 6 (*Default*)).

## 5. HOLDING POSTED COLLATERAL

### 5.1 *Eligibility to Hold Posted Collateral; Euroclear*

The holding of Posted Collateral by Euroclear in the Security-provider's Secured Account in accordance with the terms of the relevant Euroclear Agreements will be deemed to be the holding of that Posted Collateral by the Security-taker. Prior to the enforcement of its rights under the relevant Security Agreement, the Security-taker will have no duty with respect to the Posted Collateral, including any duty to collect any Distributions, or enforce or preserve any rights pertaining to the Posted Collateral.

### 5.2 *Euroclear Risk*

Unless otherwise specified in Paragraph 13 (*Elections and variables*), the Parties acknowledge and agree that, with respect to a Party as the Security-provider and the other Party as the Security-taker:

- (a) the Security-provider will be liable for the acts or omissions of Euroclear to the same extent that Security-provider would be liable hereunder or under the relevant Security Agreement for its own acts or omissions and any such act or omission of Euroclear will be deemed to be the act or omission of the Security-provider for purposes of Paragraph 6(a) (*Default*) unless "Euroclear Event" is specified as applicable in Paragraph 13 (*Elections and variables*), in which case, the consequences of any act or omission of Euroclear that constitutes a Euroclear Event will be as set out in Paragraph 13 (*Elections and variables*);
- (b) the Security-taker will not be liable for the acts or omissions of Euroclear including for the purposes of Article 7.1.1.8 (should the Master Agreement be in the form of a 2007 FBF Master Agreement or a 2013 FBF Master Agreement) or Article 7.1.1.9 (should the Master Agreement be in the form of a 2001 FBF Master Agreement or a AFB Master Agreement) of the Master Agreement (unless arising directly as a result of the Security-taker's failure to perform its obligations under Paragraph 3.3 (*Calculation of Credit Support Amount and matching notifications to Euroclear*), Paragraph 3.4 (*Calculations of Market Value and determination of Value*), Paragraph 4.1 (*Disputed Calculations or Valuations*) or Paragraph 5.6(a) (*Transfer of Distributions*) of this Agreement or Section 8.2 (*Deficiencies and Excess Proceeds*) or Section 8.3 (*Final Returns*) of the relevant Security Agreement under which the other Party is Security-provider (as applicable)); and
- (c) the Security-taker will not be liable for the failure of the Security-provider to provide matching instructions with it to the extent required hereunder in order to give effect to a transfer of Posted Collateral by Euroclear including for the purposes of Article 7.1.1.8 (should the Master Agreement be in the form of a 2007 FBF Master Agreement or a 2013 FBF Master Agreement) or Article 7.1.1.9 (should the Master Agreement be in the form of a 2001 FBF Master Agreement or a AFB Master Agreement) of the Master Agreement.

### 5.3 *No Use of Posted Collateral*

- (a) For the avoidance of doubt, and without limiting the rights of the Security-taker under the other provisions of this Agreement or the relevant Security Agreement, the Security-taker will have no right to sell, pledge, rehypothecate, assign, invest, use, commingle or otherwise dispose of, or otherwise use in its business any Posted Collateral, except as expressly permitted by or pursuant to the relevant Security Agreement and/or this Agreement.
- (b) The Parties agree that the "Re-use Option" will not be selected as applicable under any Collateral Service Agreement.

### 5.4 *No Offset*

For the avoidance of doubt, no delivery or return of any margin under any Other Collateral Annex will be offset against (or netted with) any Delivery Amount or Return Amount under this Agreement.

### 5.5 *Rights Accompanying Posted Collateral*

#### (a) *Voting Rights*

Unless and until an Enforcement Event occurs with respect to a Party as Security-provider which is then continuing, the Security-provider shall be entitled to exercise any voting rights attached to any of the Posted Collateral (but only in a manner consistent with the terms of this Agreement) and the Security-taker shall use reasonable endeavours to provide matching instructions with the Security-provider to Euroclear in accordance with the Euroclear Agreements in order to facilitate any such exercise in accordance with the Security-provider's instructions and, if any expense would be directly incurred by the Security-taker in doing so, only to the extent that the Security-provider paid to the Security-taker in advance of any such exercise an amount sufficient to cover that expense.

#### (b) *Exercise by Security-taker*

At any time after the occurrence of an Enforcement Event with respect to a Party as Security-provider which is then continuing and without any further consent or authority on the part of such Party as Security-provider, only the Security-taker may exercise at its discretion (in the name of the Security-provider or otherwise) in respect of any of the Posted Collateral any voting rights and any powers or rights which may be exercised by the person or persons in whose name or names the Posted Collateral is registered or who is the holder or bearer of them.

### 5.6 *Transfer of Distributions*<sup>6</sup>

- (a) Subject to Paragraph 3 (*Conditions Precedent, Transfers, Calculations and Substitutions*) and sub-paragraph (b) below (and without duplication of any Return Amount determined pursuant to Paragraph 2.2 (*Return Amount*)), if at any time

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<sup>6</sup> This provision at limb (a) (and certain associated provisions) is drafted on the assumption that the parties have disapplied the automatic release of Distributions in the form of "Income" (i.e. dividends as opposed to principal amortisations or redemption proceeds) to the collateral giver via the elections made in their triparty schedule. If the parties have not made the election to disapply the automatic release of Distributions in the form of "Income", they may wish to consider whether any changes should be made to this template as a result and whether this could have implications for the financial collateral arrangement analysis (if any) in the relevant insolvency jurisdiction of the Security-provider (e.g. where the Security-provider's insolvency would be governed by the laws of an EU Member State). The provisions of limbs (b), (c) and (d) are provided for circumstances where the parties have applied the mechanism for the automatic release of Income by Euroclear once the secured accounts are otherwise fully collateralised (by virtue of elections contained in their triparty schedule or as otherwise jointly elected to Euroclear).

Distributions which constitute "Income" (as defined under the CSA Operating Procedures) in the form of cash (the **Cash Income**) or in the form of securities (the **Securities Income**), in each case, are credited to a Secured Account, then each of the Security-provider and the Security-taker shall promptly, upon the demand of the Security-provider, provide matching instructions to Euroclear on a Transfer Date to transfer to the Security-provider the relevant amount of Posted Collateral comprising such Cash Income and/or Securities Income to the extent that a Delivery Amount would not be created or increased by such transfer, as determined by Security-taker (such transfer mechanism, the **Excess Income Manual Return Mechanism**), provided that: (i) the Security-taker will only be obligated to transfer any Posted Collateral in accordance with this Paragraph 5.6, if, as of the date of transfer of such item, the Security-provider has satisfied all of its transfer obligations under this Agreement, if any, and (ii) the Parties agree to use reasonable endeavours to provide instructions to transfer Cash Income in priority to Securities Income to the extent that both Cash Income and Securities Income are credited to the Secured Accounts at any given time.

- (b) In the event that, pursuant to Annexes I & II to the CSA Terms and Conditions in relation to a Security-provider, Euroclear has undertaken to the Parties to check for the occurrence of an Excess Income Event and to transfer automatically the relevant Cash Income or Securities Income, as applicable, to the Security-provider (such mechanism, the **Excess Income Automatic Return Mechanism**), then the Parties agree and acknowledge that, upon such Excess Income Automatic Return Mechanism becoming operationally effective, such procedure shall apply instead of the Excess Income Manual Return Mechanism without further action required by either Party.
- (c) The Parties agree that, at any time, if:
  - (i) the Excess Income Automatic Return Mechanism is applicable under Annexes I and II to the relevant CSA Terms and Conditions and such transfer mechanism is being operated by Euroclear at such time for the relevant posting leg; and
  - (ii) Paragraph 3.1 (*Conditions Precedent*) is applicable at such time as a result of the occurrence of a Relevant Event in respect of the Security-provider,

then, for so long as such Relevant Event is continuing, the Security-taker may submit instructions to Euroclear to designate the Excess Income Automatic Return Mechanism as no longer applying and to elect instead for the Excess Income Manual Return Mechanism to apply, and the Security-provider covenants to provide matching instructions to Euroclear promptly following demand from the Security-taker in such regard.

- (d) If at any time subsequently such Relevant Event is no longer continuing, the Security-taker must promptly give instructions to Euroclear to apply the Excess Income Automatic Return Mechanism if so requested by the Security-provider.

## 5.7 ***Ineligible Credit Support***

- (a) Unless otherwise specified in Paragraph 13 (*Elections and variables*) upon effective delivery of an Ineligibility Notice by a Party with respect to a posting obligation of a Security-provider hereunder:
  - (i) each item (or a specified amount of such item) identified in such notice will, to the extent comprised in the related Posted Collateral, have a Value of zero on and from the Ineligibility Date with respect to such posting obligation for the

purposes of this Agreement (for the avoidance of doubt, notwithstanding any contrary determination by Euroclear);

- (ii) until the occurrence of such Ineligibility Date there shall be no Event of Default arising solely out of such type of items comprising Posted Collateral with respect to such posting obligation; and
  - (iii) the Parties will use reasonable endeavours, as soon as reasonably practicable following effective delivery of such notice, to provide matching instructions to Euroclear (for the purposes of amendment of Annexes I & II to the CSA Terms and Conditions) that such item (or the relevant specified amount of such item) will be excluded as "Eligible Securities" or "Eligible Cash" (as applicable) in relation to the relevant Secured Accounts relating to such posting obligation with effect from the applicable Ineligibility Date in relation to such Ineligibility Notice.
- (b) For the avoidance of doubt, property credited at any time to the Secured Accounts which does not constitute Eligible Collateral or which has a Value of zero, as applicable, will be subject to the "Security" created pursuant to (and as defined under) the relevant Security Agreement.

#### 5.8 ***Reinstatement of Eligibility***

- (a) Upon a reasonable request by the Security-provider, the Security-taker will determine whether an item (or a specified amount of such item) that was the subject of a prior Ineligibility Notice would currently satisfy the Eligibility Requirements applicable to the Security-provider and/or the Security-taker in respect of the Security-provider's posting obligation hereunder. If the Security-taker determines that as of such date of determination such item (or a specified amount of such item) satisfies such Eligibility Requirements, the Security-taker will, promptly following such determination, notify the Security-provider in writing of the same (a **Reinstatement Notice**) which shall render the relevant Ineligibility Notice rescinded with respect to such item (or specified amount of such item). Upon effective delivery of such Reinstatement Notice, the relevant item (or specified amount of such item) will no longer be deemed to have a Value of zero by virtue of such prior Ineligibility Notice.
- (b) The Parties will use reasonable endeavours, as soon as reasonably practicable following effective delivery of a Reinstatement Notice in relation to a Security-provider and its posting obligation, to make the necessary notifications and/or matching instructions to Euroclear in relation to Annexes I & II to the CSA Terms and Conditions for the relevant Secured Accounts relating to such posting obligation such that the relevant item (or a specified amount of such item) shall constitute "Eligible Securities" or "Eligible Cash" (as applicable) thereunder.

## 6. **DEFAULT**

Subject to the provisions of Paragraph 5.2 (*Euroclear Risk*), an Event of Default will exist with respect to a Party under Article 7.1.1.8. (should the Master Agreement be in the form of a 2007 FBF Master Agreement or a 2013 FBF Master Agreement) or Article 7.1.1.9 (should the Master Agreement be in the form of a 2001 FBF Master Agreement or a AFB Master Agreement) of the Master Agreement if:

- (a) that Party fails to make, when due, any payment or transfer of Eligible Collateral or Posted Collateral, as applicable, required to be made by it under this Agreement or the relevant Security Agreement (including where such failure arises by virtue of such Party not complying with its obligations under Paragraph 3.3 (*Calculation of Credit*

*Support Amount and matching notifications to Euroclear*) of this Agreement) and that failure continues for two Local Business Days after notice of that failure is given to that Party;

- (b) that Party fails to comply with Paragraph 5.3 (*No Use of Posted Collateral*) or Paragraph 7 (*Restriction on exercise of unilateral rights under Euroclear Agreements*) of this Agreement or Section 9(c) (*Liability of the Security-taker*) of the relevant Security Agreement, as applicable, and that failure continues for five Local Business Days after notice of that failure is given to that Party; or
- (c) that Party fails to comply with or perform any agreement or obligation under this Agreement (including, for the avoidance of doubt, any obligation hereunder in its capacity as Collateral Valuation Agent) or the relevant Security Agreement, in each case, other than those specified in Paragraphs 6(a) or 6(b) (*Default*) above and that failure continues for 30 days after notice of that failure is given to that Party,

*provided that*, if Euroclear Event is specified as applicable in Paragraph 13 (*Elections and variables*), any event or circumstance that constitutes or gives rise to a Euroclear Event will not constitute or give rise to such Event of Default.

## 7. RESTRICTION ON EXERCISE OF UNILATERAL RIGHTS UNDER EUROCLEAR AGREEMENTS

### 7.1 General Unilateral Rights

- (a) A Party shall not at any time:
  - (i) exercise any unilateral rights granted to it pursuant to section 5 (Transactions), section 12(b) (*Amendments - Unilateral Amendment*) and/or section 12(c) (*Amendments - Unilateral Amendment to Discontinue AutoSelect*) of the respective CSA Terms and Conditions without the consent of the other Party; or
  - (ii) without the prior written consent of the other Party, give instructions to Euroclear to convert an "AutoSelect Transaction" into a "Manual Transaction" (each term as defined in the Euroclear Agreements),

*provided that*, if Paragraph 3.1 (*Conditions Precedent*) is applicable, following the occurrence of a Relevant Event in respect of a Party (the **CTA Defaulting Party**), for so long as such event is continuing, the Party that is not the CTA Defaulting Party (the **CTA Non-Defaulting Party**) may (and, for the avoidance of doubt, the CTA Defaulting Party may not) exercise all unilateral rights granted to it pursuant to section 5 (*Transactions*) and/or section 12(c) (*Amendments - Unilateral Amendment to Discontinue AutoSelect*) of the relevant CSA Terms and Conditions. If at any time subsequently such Relevant Event is no longer continuing, to the extent the relevant "Transaction" as defined under the CSA Operating Procedures is a "Manual Transaction" by virtue of these provisions, the CTA Non-Defaulting Party must give instructions to Euroclear to convert such "Transaction" from a "Manual Transaction" to an "AutoSelect Transaction".

- (b) To the extent that by reason of these provisions "AutoSelect" does not apply to the "Transaction" under the Euroclear Agreements relating to this Agreement and the Secured Accounts to which a Security-provider has transferred Eligible Collateral at any time, such Security-provider agrees it shall not submit any instructions to Euroclear to correct a "Transactional Margin Excess" if at such time a Relevant Event has occurred in respect of it and is then continuing.

- (c) For so long as this Agreement remains outstanding a Party may not:
  - (i) resign from the Euroclear System or otherwise terminate its membership thereof without the prior written consent of the other Party;
  - (ii) provide a notice to Euroclear under sections 9(a)(i) or 9(a)(iii) of the CSA Terms and Conditions; or
  - (iii) take any action, cause an event or allow an omission on its part that, in each case, could result in Euroclear terminating its participation in the Euroclear System or its membership thereof as a result of such action, event or omission.
- (d) Each Party as Security-taker agrees that it will not send a notice under Section 12(b) of the SPPA Terms and Conditions to Euroclear of unilateral termination in respect of the Single Pledgor Pledged Account Agreement at any time.
- (e) Each Party as Security-provider in relation to its posting obligation agrees that it will not instruct Euroclear with respect to an optimisation schedule which forms part of the relevant Collateral Service Agreement in any manner which would have the effect of prioritising the transfer of Eligible Collateral in the form of cash to the relevant Secured Account which relates to such posting obligation.

## 8. REPRESENTATIONS

### 8.1 *Representations*

Each Party represents to the other Party (which representations will be deemed to be repeated as of each date on which it, as the Security-provider, in relation to its posting obligation, transfers Eligible Collateral, including for the purposes of substitutions under Paragraph 3.5 (*Substitutions*)) that:

- (a) it has the power to grant a security interest in any Eligible Collateral it transfers as the Security-provider to the relevant Secured Accounts in relation to such posting obligation under the relevant Security Agreement and has taken all necessary actions to authorise the granting of that security interest;
- (b) it has the ownership or similar entitlement in of all Eligible Collateral (and rights thereto) it transfers as the Security-provider to the Secured Accounts pursuant to this Agreement, free and clear of any security interest, lien, encumbrance or other interest or restriction other than the security interest granted under the relevant Security Agreement (and other than any lien routinely imposed on all securities in a clearing system or securities settlement system in which any such Eligible Collateral may be held or any lien or security interest referred to in, or in connection with, the relevant Euroclear Agreements) and such Eligible Collateral is fully paid and is not subject to any option to purchase or similar right;
- (c) upon the transfer of any Eligible Collateral by it as the Security-provider to the relevant Secured Accounts in relation to such posting under the terms of this Agreement and the relevant Security Agreement, the Security-taker will have a valid and perfected first priority security interest in such Eligible Collateral (provided that any central clearing corporation or any third-party financial intermediary or other entity not within the control of the Security-provider involved in the transfer of that Eligible Collateral gives the notices and takes the action required of it under applicable law for perfection of that interest) except to the extent subordinate to (i) any lien routinely imposed on all securities in a clearing system or securities settlement system in which any such



Eligible Collateral may be held or (ii) any lien or security interest referred to in, or in connection with, the relevant Euroclear Agreements;

- (d) the performance by it as the Security-provider of its obligations under this Agreement will not result in the creation of any security interest, lien or other interest or encumbrance in or on any Posted Collateral other than the security interest created under the relevant Security Agreement (and other than any lien routinely imposed on all securities in a clearing system or securities settlement system in which any such Posted Collateral may be held or any lien or security interest referred to in, or in connection with, the relevant Euroclear Agreements); and
- (e) each additional representation (if any) specified in Paragraph 13 (*Elections and variables*) as being made by it is true and accurate.

## **9. EXPENSES**

### **9.1 *General***

Except as otherwise provided in Paragraph 9.2 (*Posted Collateral*) below, each Party will pay its own costs and expenses (including legal fees, execution fees or any stamp tax or transfer or similar transaction tax or duty payable on any transfer it is required to make under this Agreement) in connection with performing its obligations under this Agreement and neither Party will be liable for any such costs and expenses incurred by the other Party. The Security-provider will be liable for any costs and expenses incurred by Euroclear in connection with performing any of its obligations to the Parties in relation to this Agreement.

### **9.2 *Posted Collateral***

The Security-provider will promptly pay when due all taxes, assessments or charges of any nature that are imposed with respect to Posted Collateral held by the Security-taker upon becoming aware of the same. The Security-provider must pay all calls and other payments due and payable in respect of any Posted Collateral, and if the Security-provider fails to do so, the Security-taker may pay any such calls or other payments on behalf of the Security-provider in which event, the Security-provider must immediately on request reimburse the Security-taker for any payment made by the Security-taker pursuant to this Paragraph 9.2 (*Posted Collateral*).

## **10. OTHER PROVISIONS**

### **10.1 *Default Interest***

A Security-taker that fails to make, when due, any transfer of Posted Collateral under this Agreement or the relevant Security Agreement will be obliged to pay the Security-provider (to the extent permitted under applicable law) an amount equal to the default interest referred to in Article 9.1 of the Master Agreement multiplied by the Value on the relevant Transfer Date of the items of property that were required to be transferred, from (and including) the date on which such Posted Collateral was required to be transferred to (but excluding) the actual date of transfer of that Posted Collateral. This default interest will be calculated on the basis of daily compounding and the actual number of days elapsed.

### **10.2 *No Waiver of Rights***

Without prejudice to the rules regarding time limitation, a failure or delay in exercising any right, power or privilege in respect of this Agreement will not be presumed to operate as a waiver, and a single or partial exercise of any right, power or privilege will not be presumed to preclude any subsequent or further exercise, of that right, power or privilege or the exercise of any other right, power or privilege.

### 10.3 ***Further Assurances***

The Security-provider must comply with all requests for information which are within its knowledge and which are made under any law or regulation or by any listing or other authority or any similar provision contained in any articles of association or other constitutional document relating to any Posted Collateral. If it fails to do so, the Security-taker may elect to provide such information as it may have on behalf of the Security-provider, in which event, the Security-provider must promptly supply to the Security-taker a copy of any such information. The Security-provider must comply with all other conditions and obligations assumed by it in respect of any Posted Collateral.

### 10.4 ***Further Protection***

- (a) The Security-provider will promptly give notice to the Security-taker of, and defend against, any suit, action, proceeding or lien that involves Posted Collateral transferred by the Security-provider or that could adversely affect the security interest granted by it under the relevant Security Agreement. The Security-provider must not take or allow the taking of any action on its behalf which may result in the rights attaching to any Posted Collateral being altered.
- (b) The Parties agree to take such action as is necessary to give effect to their obligations in respect of this Agreement, including complying with their obligations under and sending such instructions and notices and responding to requests within the relevant timeframe as required by the Euroclear Agreements.

### 10.5 ***Good Faith and Commercially Reasonable Manner***

Performance of all obligations under this Agreement, including all calculations, valuations and determinations made by either Party, will be made in good faith and in a commercially reasonable manner.

### 10.6 ***Entire Agreement***

Each of the Parties acknowledges that in entering into this Agreement it has not relied on any oral or written representation, warranty or other assurance (except as provided for or referred to in this Agreement) and waives all rights and remedies which might otherwise be available to it in respect thereof, except that nothing in this Agreement will limit or exclude any liability of a Party for fraud.

### 10.7 ***Demands and Notices***

All demands and notices made by a Party under this Agreement will be made as specified in Article 11.1 of the Master Agreement, except as otherwise specified in Paragraph 13 (*Elections and variables*).

### 10.8 ***Specifications of Certain Matters***

Anything referred to in this Agreement as being specified in Paragraph 13 (*Elections and variables*) also may be specified in one or more Confirmations or other documents and this Agreement will be construed accordingly.

### 10.9 ***Partial Invalidity***

If at any time any provision of this Agreement is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability

of the remaining provisions nor the legality, validity or enforceability of such provision under the law of any other jurisdiction will, in any way, be affected or impaired.

#### 10.10 *Counterparts*

This Agreement may be executed in any number of counterparts and this has the same effect as if the signatures on the counterparts were on a single copy of this Agreement.

### 11. GOVERNING LAW AND JURISDICTION

#### 11.1 *Governing Law*

This Agreement will be governed by and construed in accordance with French law.

#### 11.2 *Jurisdiction; Service of Process*

##### (a) Jurisdiction

With respect to any dispute arising out of, relating to or having any connection with this Agreement, including any dispute as to its existence, validity, interpretation, performance, breach or termination or the consequences of its nullity and any dispute relating to any non-contractual obligations arising out of or in connection with it, each party irrevocably submits to the same (and to the same extent) jurisdiction of the courts to which it submits to under the Master Agreement with respect to any similar proceedings arising out of or in connection with the Master Agreement.

##### (b) Election of Domicile

Each Party irrevocably elects domicile, if any, at the address specified opposite its name in 13.16 below to receive, for it and on its behalf, service of process in any proceedings. The Parties irrevocably consent to service of process given in the manner provided for notices in Article 11.1 of the Master Agreement. Nothing in this Agreement will affect the right of either Party to serve process in any other manner permitted by applicable law.

### 12. DEFINITIONS

As used in this Agreement:

**2001 FBF Master Agreement** means the FBF Master Agreement relating to transactions on forward financial instruments as published by the Fédération bancaire française in 2001;

**2007 FBF Master Agreement** means the FBF Master Agreement relating to transactions on forward financial instruments as published by the Fédération bancaire française in 2007;

**2013 FBF Master Agreement** means the FBF Master Agreement relating to transactions on forward financial instruments as published by the Fédération bancaire française in 2013;

**Access Condition** has the meaning specified in Paragraph 13 (*Elections and variables*);

**AFB Master Agreement** means the AFB Master Agreement relating to forward markets transactions as published by the Association Française des Banques in 1994;

**Agreement** means this collateral transfer agreement;

**Allocated Margin Flow (IM/IA) Approach** has the meaning specified in Paragraph 2.3(c)(ii) (*Margin Amount (IM); Margin Amount (IA); Margin Approach*);

**Amendment Agreement** means each of:

- (a) (to the extent that Party A is a Security-provider hereunder) the amendment agreement between Party A (as "Collateral Giver" and "Pledgor"), Party B (as "Collateral Taker" and "Pledgee") and Euroclear amending the relevant CSA Terms and Conditions and the relevant SPPA Terms and Conditions in the form of either:
  - (i) the "Amendment Agreement to Collateral Service Agreement and Single Pledgor Pledged Account Terms and Conditions" with reference "*Euroclear Bank for OTCD*" pursuant to (A) a Form RG811 between Party A and Euroclear and (B) a Form RG811 between Party B and Euroclear; or
  - (ii) the "Amendment Agreement to Collateral Service Agreement and Single Pledgor Pledged Account Terms and Conditions" with reference "*Euroclear Bank for non-cleared OTC derivatives – MultiSeg service*" pursuant to (A) a Form RG812 between Party A and Euroclear and (B) a Form RG812 between Party B and Euroclear; and
- (b) (to the extent that Party B is a Security-provider hereunder) the amendment agreement between Party B (as "Collateral Giver" and "Pledgor"), Party A (as "Collateral Taker" and "Pledgee") and Euroclear amending the relevant CSA Terms and Conditions and the relevant SPPA Terms and Conditions in the form of either:
  - (i) the "Amendment Agreement to Collateral Service Agreement and Single Pledgor Pledged Account Terms and Conditions" with reference "*Euroclear Bank for OTCD*" pursuant to (A) a Form RG811 between Party A and Euroclear and (B) a Form RG811 between Party B and Euroclear; or
  - (ii) the "Amendment Agreement to Collateral Service Agreement and Single Pledgor Pledged Account Terms and Conditions" with reference "*Euroclear Bank for non- cleared OTC derivatives – MultiSeg service*" pursuant to (A) a Form RG812 between Party A and Euroclear and (B) a Form RG812 between Party B and Euroclear;

**Amendment Effective Date** means the first date on which a Covered Transaction is entered into by the Parties hereto;

**Base Currency** means the currency specified as such in Paragraph 13 (*Elections and variables*);

**Base Currency Equivalent** means, with respect to an amount on (i) a Collateral Valuation Date or (ii) an Observation Date, in the case of an amount denominated in the Base Currency, such Base Currency amount and, in the case of an amount denominated in a currency other than the Base Currency (the **Other Currency**), the amount of Base Currency required to purchase such amount of the Other Currency at the spot exchange rate (x) determined by Euroclear for value in accordance with the Collateral Service Agreement on such Collateral Valuation Date (or determined by Security-taker in respect of Distributions in the form of cash or Securities Income, as the case may be) in the case of (i) above or (y) determined by each Party (or the Calculation Agent (IM) (if applicable)) for purposes of its calculation of the Credit Support Amount, in the case of (ii) above;

**Calculation Agent (IM)** has the meaning specified in Paragraph 13 (*Elections and variables*);

**Cash Income** has the meaning specified in Paragraph 5.6 (*Transfer of Distributions*);

**Collateral Service Agreement** means, in relation to a Party to this Agreement as "Collateral Giver" and the other Party as "Collateral Taker", the agreement between such "Collateral Giver", "Collateral Taker" and Euroclear comprising the Collateral Service Agreement Terms and Conditions (the version in force as of the date of such agreement, as amended by the relevant Amendment Agreement, being the **CSA Terms and Conditions**) and the Collateral Service Agreement Operating Procedures (the version in force as of the date of such agreement) in respect thereof being the **CSA Operating Procedures**);

**Collateral Valuation Agent** means, unless specified otherwise in Paragraph 13 (*Elections and variables*), Euroclear;

**Collateral Valuation Agent City** means, unless specified otherwise in Paragraph 13 (*Elections and variables*) in relation to a Collateral Valuation Agent other than Euroclear, Brussels;

**Collateral Valuation Date** means, with respect to a Transfer Date, the Local Business Day immediately preceding such Transfer Date determined under limb (c) of the definition thereof;

**Covered Transactions** has the meaning specified in Paragraph 13 (*Elections and variables*);

**Credit Support Amount** has the meaning specified in the relevant Margin Approach in Paragraph 2.3 (*Margin Amount (IM); Margin Amount (IA); Margin Approach*);

**Credit Support Document** means a "security interest or guarantee" for the purposes of Article 7.1.1.8 (should the Master Agreement be in the form of a 2007 FBF Master Agreement or a 2013 FBF Master Agreement) or Article 7.1.1.9 (should the Master Agreement be in the form of a 2001 FBF Master Agreement or a AFB Master Agreement).

**Credit Support Amount Calculation Time** has the meaning specified in Paragraph 13 (*Elections and variables*);

**CTA Defaulting Party** has the meaning specified in Paragraph 7.1 (*General Unilateral Rights*);

**CTA Non-Defaulting Party** has the meaning specified in Paragraph 7.1 (*General Unilateral Rights*);

**Delivery Amount** has the meaning specified in Paragraph 2.1 (*Delivery Amount*);

**Designated City** has the meaning specified in Paragraph 13 (*Elections and variables*);

**Disputing Party** has the meaning specified in Paragraph 4.1 (*Disputed Calculations or Valuations*);

**Distinct Margin Flow (IM) Approach** has the meaning specified in Paragraph 2.3(c)(i) (*Margin Amount (IM); Margin Amount (IA); Margin Approach*);

**Distributions** means, with respect to Posted Collateral other than cash, all principal, interest and other payments and distributions of cash or other property with respect thereto. Distributions will not include any item of property acquired by the Security-taker upon any disposition or liquidation of Posted Collateral or, with respect to any Posted Collateral in the form of cash, any distributions on that collateral, unless otherwise specified herein;

**Eligibility Requirements** means, in respect of an item of Eligible Collateral and a Party,

- (a) the requirements for such item to be Eligible Collateral as specified herein; and
- (b) the relevant Legal Eligibility Requirements.

To the extent relevant under law applicable to such Party requiring the collection and/or posting of initial margin, for the purposes of construing the Eligibility Requirements, the relevant requirements under law may be applied on a portfolio basis (including for the purposes of applying any concentration limits), such that an entire portfolio or group of items may be the subject of an Ineligibility Notice and will include, if relevant, whether or not the relevant item comprises financial collateral (or equivalent) for the purposes of Directive 2002/47/EC of the European Parliament and Council of 6th June 2002 on financial collateral arrangements as implemented, or whose terms are otherwise substantially reflected, in the relevant jurisdiction and/or the Belgian Law of 15 December 2004 on financial collateral arrangements;

**Eligible Collateral** means, in respect of a Security-provider's posting obligation, on any given day, assets which fulfil all relevant Euroclear Eligibility Criteria as of such day;

**Enforcement Event**, with respect to a Party as Security-provider, has the meaning specified by the Parties in the relevant Security Agreement;

**Euroclear** means Euroclear Bank SA/NV;

**Euroclear Agreements** means (i) in respect of Party A as Security-provider, the Party A Euroclear Agreements and (ii) in respect of Party B as Security-provider, the Party B Euroclear Agreements;

**Euroclear Eligibility Criteria** means, at any time, in respect of a Security-provider's posting obligation and the relevant Euroclear Agreements, the eligibility criteria set out in Annexes I & II to the CSA Terms and Conditions at such time in respect of such Security-provider (as amended and/or supplemented from time to time);

**Euroclear Event** has the meaning specified in Paragraph 13 (*Elections and variables*);

**Euroclear System** means the clearance and settlement system for internationally traded securities operated by Euroclear, including all services offered by Euroclear in respect of securities held or recorded in any account as set forth in the Euroclear Terms and Conditions;

**Euroclear Terms and Conditions** means the "Terms and Conditions governing use of Euroclear", including any operating procedures from time to time forming part thereof (including the "Operating Procedures of the Euroclear System" issued by Euroclear, being the **Euroclear Operating Procedures**);

**Excess Income Event** means the crediting of Cash Income and/or Securities Income to the Secured Account in circumstances where the Value of Posted Collateral (disregarding such Cash Income and Securities Income, as applicable) is at least equal to the last applicable Credit Support Amount jointly notified to Euroclear in accordance with Paragraph 3.3 (*Calculation of Credit Support Amount and matching notifications to Euroclear*) for the relevant posting obligation in respect of such Secured Account;

**FBF** means the *Fédération Bancaire Française* ;

**Form RG811** means the RG811 Form of Agreement (06/2016) – "SPPA and CSA Form of Agreement" between a participant of the Euroclear System and Euroclear (or any successor form thereto);

**Form RG812** means the RG812 Form of Agreement (03/2018) – "MultiSeg and CSA Form of Agreement" between a participant of the Euroclear System and Euroclear (or any successor form thereto);

**French law** means the law of France, and "French" will be construed accordingly;

**FX Haircut Percentage** means for any item of Eligible Collateral, the percentage specified in accordance with Paragraph 13 (*Elections and variables*);

**Greater of Margin Flow (IM/IA) Approach** has the meaning specified in Paragraph 2.3(c)(iii) (*Margin Amount (IM); Margin Amount (IA); Margin Approach*);

**Ineligibility Date** means, in respect of an Ineligibility Notice, the date on which the relevant item (or a specified amount of such item) has ceased to satisfy (or never did satisfy), or will cease to satisfy, one or more of the Eligibility Requirements applicable to the relevant Party for all purposes hereunder; provided that unless otherwise specified in Paragraph 13 (*Elections and variables*), if it never did satisfy the Eligibility Requirements or such date is earlier than the fifth Local Business Day following effective delivery of such Ineligibility Notice, the Ineligibility Date will be the fifth Local Business Day following effective delivery of such Ineligibility Notice;

**Ineligibility Notice** means a written notice from a Party to the other Party in relation to a set of Secured Accounts (as specified in such notice) in which the notifying Party:

- (a) represents that it has determined that one or more items (or a specified amount of any such item) has ceased to satisfy (or never did satisfy), or as of a specified date will cease to satisfy, one or more of the Eligibility Requirements;
- (b) lists the item(s) (and, if applicable, the specified amount) that have ceased to satisfy (or never did satisfy), or as of a specified date will cease to satisfy, one or more of the Eligibility Requirements;
- (c) describes the reason(s) why such item(s) (or the specified amount thereof) have ceased to satisfy (or never did satisfy), or will cease to satisfy, one or more of the Eligibility Requirements; and
- (d) specifies the Ineligibility Date;

**ISDA SIMM™** has the meaning specified in Paragraph 13 (*Elections and variables*);

**Legal Eligibility Requirements** means, in respect of an item of Eligible Collateral and a Party, the collateral eligibility requirements under law applicable to such Party requiring the collection and/or posting, as applicable, of initial margin;

**Local Business Day** means:

- (a) in relation to a transfer of cash and/or securities under this Agreement or provision of instructions to Euroclear, a day on which (x) Euroclear is open for the acceptance and execution of settlement instructions and (y) commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in at least one Designated City for Party A and one Designated City for Party B;
- (b) in relation to a calculation of Credit Support Amount under this Agreement, a day on which commercial banks are open for business (including dealings in foreign exchange and foreign currency deposits) in at least one Designated City for Party A and at least one Designated City for Party B;

- (c) in relation to a valuation of Eligible Collateral or Posted Collateral under this Agreement, a day on which commercial banks are open for business (including dealings in foreign exchange and foreign currency deposits) in the Collateral Valuation Agent City; and
- (d) in relation to any notice or other communication or other reference to Local Business Day under this Agreement, a day on which commercial banks are open for business (including dealings in foreign exchange and foreign currency deposits) in the place specified in the address for notice most recently provided by the recipient;

**Margin Amount (IA)** has the meaning specified in Paragraph 2.3(b) (*Margin Amount (IM); Margin Amount (IA); Margin Approach*);

**Margin Amount (IM)** has the meaning specified in Paragraph 2.3(a) (*Margin Amount (IM); Margin Amount (IA); Margin Approach*);

**Margin Approach** has the meaning specified in Paragraph 2.3(c) (*Margin Amount (IM); Margin Amount (IA); Margin Approach*);

**Margin Report** means, in respect of each Secured Account and the relevant Security-provider's posting obligation, a "Margin Report" delivered by Euroclear to the Parties in accordance with (and as defined in) the relevant Euroclear Agreements;

**Margining Date** has the meaning specified in Paragraph 2.4 (*Additional Transfers under Euroclear Agreements*);

**Market Value** has the meaning given to it in the relevant Collateral Service Agreement;

**Master Agreement** has the meaning given to it on the first page of this Agreement;

**Method** has the meaning specified in Paragraph 13 (*Elections and variables*);

**Minimum Transfer Amount** means, with respect to a Party, the Base Currency Equivalent of the amount specified as such for that Party in Paragraph 13 (*Elections and variables*), and, if no amount is specified, zero;

**Notification Time** has the meaning specified in Paragraph 13 (*Elections and variables*);

**Observation Date** means, in respect of a Transfer Date, the immediately preceding Local Business Day determined under limb (b) of the definition thereof;

**Other Collateral Annex** means any other collateral annex, credit support annex, credit support deed, collateral transfer agreement (and related security agreement) or other collateral related supplement or provision that (i) is a Credit Support Document in relation to the Master Agreement or (ii) forms part of the Master Agreement. For the avoidance of doubt, none of the Euroclear Agreements (individually or collectively) constitute an Other Collateral Annex;

**Party A Euroclear Agreements** means the Euroclear Terms and Conditions agreed between Party A and Euroclear and each of (i) the Collateral Service Agreement and (ii) the Single Pledgor Pledged Account Agreement, entered into (or deemed entered into) by Party A (as "Collateral Giver" and "Pledgor"), Party B (as "Collateral Taker" and "Pledgee") and Euroclear in relation to the Party A Secured Accounts;

**Party A Secured Account** means each of the "Pledged Securities Account" and the "Pledged Cash Account" (each such term as defined in the relevant SPPA Terms and Conditions, as amended pursuant to the relevant Amendment Agreement) opened in the Euroclear System in



the name of Euroclear acting in its own name but for the account of Party B (as pledgee), to be operated in accordance with the Party A Euroclear Agreements (and, if such "Pledged Securities Account" and the "Pledged Cash Account" have been opened pursuant to (i) a Form RG812 between Euroclear and Party A and (ii) a Form RG812 between Euroclear and Party B, such accounts as referenced by the relevant Unique Identifier);

**Party A Security Agreement** has the meaning given to it on the first page of this Agreement, under which Party A grants a pledge over securities and transfers title by way of security to any cash credited from time to time to the Party A Secured Accounts in favour of Party B to secure its obligations to Party B under this Agreement, such security agreement and the Master Agreement;

**Party B Euroclear Agreements** means the Euroclear Terms and Conditions agreed between Party B and Euroclear and each of (i) the Collateral Service Agreement and (ii) the Single Pledgor Pledged Account Agreement, entered into (or deemed entered into) by Party B (as "Collateral Giver" and "Pledgor"), Party A (as "Collateral Taker" and "Pledgee") and Euroclear in relation to the Party B Secured Accounts;

**Party B Secured Account** means each of the "Pledged Securities Account" and the "Pledged Cash Account" (each such term as defined in the relevant SPPA Terms and Conditions, as amended pursuant to the relevant Amendment Agreement) opened in the Euroclear System in the name of Euroclear acting in its own name but for the account of Party A (as pledgee), to be operated in accordance with the Party B Euroclear Agreements (and, if such "Pledged Securities Account" and the "Pledged Cash Account" have been opened pursuant to (i) a Form RG812 between Euroclear and Party A and (ii) a Form RG812 between Euroclear and Party B, such accounts as referenced by the relevant Unique Identifier);

**Party B Security Agreement** has the meaning given to it on the first page of this Agreement, under which Party B grants a pledge over securities and transfers title by way of security to any cash credited from time to time to the Party B Secured Accounts in favour of Party A to secure its obligations to Party B under this Agreement, such security agreement and the Master Agreement;

**Posted Collateral** means, with respect to a set of Secured Accounts, the related Security-provider's posting obligation and a related Security Agreement, the "Euroclear Collateral" as defined under such Security Agreement;

**Recalculation Date** has the meaning specified in Paragraph 13 (*Elections and variables*);

**Regime** has the meaning specified in Paragraph 13 (*Elections and variables*) and with the definitions of the individual Regimes also being set out in Paragraph 13 (*Elections and variables*);

**Reinstatement Notice** has the meaning specified in Paragraph 5.8(a) (*Reinstatement of Eligibility*);

**Relevant Event** means, with respect to a Party, the occurrence of any of the events specified in Paragraph 3.1(a) (*Conditions Precedent*) or 3.1(b) (*Conditions Precedent*) where references to "the other Party" thereunder shall be construed as references to such Party;

**Resolution Time** has the meaning specified in Paragraph 13 (*Elections and variables*);

**Return Amount** has the meaning specified in Paragraph 2.2 (*Return Amount*);

**Revised Credit Support Amount** has the meaning specified in Paragraph 3.3(c) (*Calculation of Credit Support Amount and matching notifications to Euroclear*);

**Secured Account** means (i) in respect of Party A as Security-provider and its posting obligation, each Party A Secured Account; and (ii) in respect of Party B as Security-provider and its posting obligation, each Party B Secured Account;

**Securities Income** has the meaning specified in Paragraph 5.6 (*Transfer of Distributions*);

**Security Agreement** means, (i) in respect of Party A as Security-provider, the Party A Security Agreement; and (ii) in respect of Party B as Security-provider, the Party B Security Agreement;

**Security-provider** means either Party, when (i) that Party is required to transfer Eligible Collateral under Paragraph 2.1 (*Delivery Amount*) or (ii) in relation to that Party, the other Party holds any Posted Collateral;

**Security-provider Access Event**, with respect to a Party as Security-provider, has the meaning specified by the Parties in the relevant Security Agreement;

**Security-taker** means either Party, when that Party (i) is entitled to receive Eligible Collateral under Paragraph 2.1 (*Delivery Amount*); (ii) holds or is deemed to hold Posted Collateral; or (iii) has received Distributions that it is required to transfer in accordance with Paragraph 5.6 (*Transfer of Distributions*);

**Single Pledgor Pledged Account Agreement** means, in relation to a set of Secured Accounts and the related Security-provider's posting obligation, the agreement between such Security-provider as "Pledgor", the Security-taker as "Pledgee" and Euroclear to be bound by the terms and conditions comprising the "Single Pledgor Pledged Account Terms and Conditions" (the version in force as of the date of such agreement, as amended by the relevant Amendment Agreement, being the **SPPA Terms and Conditions**);

**Specified Condition** means, with respect to a Party, any event specified as such for that Party in Paragraph 13 (*Elections and variables*);

**Threshold (IM)** means, with respect to a Party, the Base Currency Equivalent of the amount specified as such for that Party in Paragraph 13 (*Elections and variables*) and, if no amount is specified, zero;

**Transfer Date** means each Local Business Day determined under limb (a) of the definition thereof, provided that the initial Transfer Date shall be the first such Local Business Day to fall after the date of this Agreement;

**Valuation Deadline** means 12:00pm (Brussels time);

**Valuation Percentage** means, for any item of Eligible Collateral, the percentage specified in accordance with Paragraph 13 (*Elections and variables*);

**Value** means, for any Collateral Valuation Date or other date for which Value is calculated, with respect to:

- (a) save as provided in (c), an amount of cash, the Base Currency Equivalent of the face amount of such cash multiplied by  $(HV - HFX)$  as determined by Euroclear (unless such cash constitutes Distributions in which event it will be as determined by the Security-taker);
- (b) save as provided in (c), Eligible Collateral or Posted Collateral (in each case, in relation to a Security-provider) that is a security, the Base Currency Equivalent of the Market Value of such security submitted by the Collateral Valuation Agent in accordance with this Agreement multiplied by  $(HV - HFX)$  and as determined by Euroclear (unless such

securities constitute Securities Income in which event the Value in respect of such securities will be as determined by the Security-taker where Market Value shall be the bid price obtained by the Security-taker acting in good faith and in a commercially reasonable manner); and

- (c) Posted Collateral that consists of items that are, in respect of the relevant posting obligation, the subject of an Ineligibility Notice (and not the subject of a subsequent effectively delivered Reinstatement Notice), from and including the applicable Ineligibility Date, zero,

where:

**H<sub>V</sub>** equals the applicable Valuation Percentage with respect to the Security-provider and such security or cash, (subject to Paragraph 3.4(c) (*Calculations of Market Value and determination of Value*) if the Value of such security or cash is specified to be determined by Euroclear under this Agreement); and

**H<sub>FX</sub>** equals the applicable FX Haircut Percentage with respect to the Security-provider and such security or cash (subject to Paragraph 3.4(c) (*Calculations of Market Value and determination of Value*) if the Value of such security or cash is specified to be determined by Euroclear under this Agreement),

*provided* that, for the purposes of calculating Value under Paragraph 10.1 (*Default Interest*), H<sub>V</sub> will be 100% and H<sub>FX</sub> will be zero and, notwithstanding any other provision of this Agreement, such Value will be determined by the Security-provider and not Euroclear (and if a Market Value for a security at such time is not available, the Value in respect of such security shall be the Base Currency Equivalent of the bid price obtained by the Security-provider acting in good faith and in a commercially reasonable manner); and

**Value Calculation Time** means:

- (a) if Euroclear is the Collateral Valuation Agent, the time at which Euroclear determines "Market Value" in respect of the relevant Eligible Collateral as provided in the Euroclear Agreements; or
- (b) if a Party as Security-taker is designated as the Collateral Valuation Agent, the Credit Support Amount Calculation Time in respect of such Party (or its designee), in either case, as specified in Paragraph 13 (*Elections and variables*).

### 13. ELECTIONS AND VARIABLES

#### *Regime Table*

For the purposes of this Agreement, the Parties have specified the regulatory regimes (each a **Regime** and together the **Regimes**) applicable to them in their capacity as the Security-taker in the below table (the **Regime Table**). For the avoidance of doubt, any Regime that is specified as being applicable in the Regime Table shall not be construed as a representation, admission or acknowledgement that either Party is actually regulated under such Regime.

<b>Regime<sup>7</sup></b>	<b>Party A as the Security-taker (Party B as the Security-provider)</b>	<b>Party B as the Security-taker (Party A as the Security-provider)</b>
<b>EMIR</b>	[Applicable]/[Not Applicable]	[Applicable]/[Not Applicable]
	SIMM Exception: [Not Applicable]/[Applicable: [Fallback to Mandatory Method]/[Mandatory Method]/[As follows.....]]	SIMM Exception: [Not Applicable]/[Applicable: [Fallback to Mandatory Method]/[Mandatory Method]/[As follows.....]]
<b>United Kingdom</b>	[Applicable]/[Not Applicable]	[Applicable]/[Not Applicable]
	SIMM Exception: [Not Applicable]/[Applicable: [Fallback to Mandatory Method]/[Mandatory Method]/[As follows.....]]	SIMM Exception: [Not Applicable]/[Applicable: [Fallback to Mandatory Method]/[Mandatory Method]/[As follows.....]]
<b>Prudential</b>	[Applicable]/[Not Applicable]	[Applicable]/[Not Applicable]
	SIMM Exception: [Not Applicable]/[Applicable: [Fallback to Mandatory Method]/[Mandatory Method]/[As follows.....]]	SIMM Exception: [Not Applicable]/[Applicable: [Fallback to Mandatory Method]/[Mandatory Method]/[As follows.....]]
<b>CFTC</b>	[Applicable]/[Not Applicable]	[Applicable]/[Not Applicable]
	SIMM Exception: [Not Applicable]/[Applicable: [Fallback to Mandatory Method]/[Mandatory Method]/[As follows.....]]	SIMM Exception: [Not Applicable]/[Applicable: [Fallback to Mandatory Method]/[Mandatory Method]/[As follows.....]]
<b>SEC</b>	[Applicable]/[Not Applicable]	[Applicable]/[Not Applicable]
	SIMM Exception: [Not Applicable]/[Applicable: [Fallback to Mandatory Method]/[Mandatory Method]/[As follows.....]]	SIMM Exception: [Not Applicable]/[Applicable: [Fallback to Mandatory Method]/[Mandatory Method]/[As follows.....]]
<b>Canada</b>	[Applicable]/[Not Applicable]	[Applicable]/[Not Applicable]
	SIMM Exception: [Not Applicable]/[Applicable: [Fallback	SIMM Exception: [Not Applicable]/[Applicable: [Fallback

<sup>7</sup> The second and third columns relate to specific posting legs of each Party. These columns are expressed from the perspective of the relevant Security-taker. If One Way Provisions apply, only the "Other Party's" Regimes need to be specified and only one column will need to be completed (as the relevant Posting Party's posting leg is the only leg being documented under this Agreement).

<b>Regime<sup>7</sup></b>	<b>Party A as the Security-taker (Party B as the Security-provider)</b>	<b>Party B as the Security-taker (Party A as the Security-provider)</b>
	to Mandatory Method]/[Mandatory Method]/[As follows.....]]	to Mandatory Method]/[Mandatory Method]/[As follows.....]]
<b>Switzerland</b>	[Applicable]/[Not Applicable]	[Applicable]/[Not Applicable]
	SIMM Exception: [Not Applicable]/[Applicable: [Fallback to Mandatory Method]/[Mandatory Method]/[As follows.....]]	SIMM Exception: [Not Applicable]/[Applicable: [Fallback to Mandatory Method]/[Mandatory Method]/[As follows.....]]
<b>Japan</b>	[Applicable]/[Not Applicable]	[Applicable]/[Not Applicable]
	SIMM Exception: [Not Applicable]/[Applicable: [Fallback to Mandatory Method]/[Mandatory Method]/[As follows.....]]	SIMM Exception: [Not Applicable]/[Applicable: [Fallback to Mandatory Method]/[Mandatory Method]/[As follows.....]]
<b>Australia</b>	[Applicable]/[Not Applicable]	[Applicable]/[Not Applicable]
	SIMM Exception: [Not Applicable]/[Applicable: [Fallback to Mandatory Method]/[Mandatory Method]/[As follows.....]]	SIMM Exception: [Not Applicable]/[Applicable: [Fallback to Mandatory Method]/[Mandatory Method]/[As follows.....]]
<b>Hong Kong</b>	[Applicable]/[Not Applicable]	[Applicable]/[Not Applicable]
	SIMM Exception: [Not Applicable]/[Applicable: [Fallback to Mandatory Method]/[Mandatory Method]/[As follows.....]]	SIMM Exception: [Not Applicable]/[Applicable: [Fallback to Mandatory Method]/[Mandatory Method]/[As follows.....]]
<b>Singapore</b>	[Applicable]/[Not Applicable]	[Applicable]/[Not Applicable]
	SIMM Exception: [Not Applicable]/[Applicable: [Fallback to Mandatory Method]/[Mandatory Method]/[As follows.....]]	SIMM Exception: [Not Applicable]/[Applicable: [Fallback to Mandatory Method]/[Mandatory Method]/[As follows.....]]

### ***Regime Table Definitions***

- (a) **Fallback to Mandatory Method** means, if specified as applicable in the Regime Table with respect to a Regime, ISDA SIMM™ will be the Method applicable to such Regime, but if, to the extent that a Party notifies the other that it is mandatory under such Regime for such notifying Party to apply the Mandatory Method to one or more transaction types with respect to either the Security-provider's or the Security-taker's posting or collecting obligation, as applicable (specifying in such notice the relevant transaction types), then with effect from the later of (x) the date which is the [•] calendar day after such notice is effectively delivered and (y) the date specified in such notice as the date on which the Mandatory Method becomes mandatory under such Regime (and only in respect of Transactions of the relevant transaction type entered into after the later of the dates in (x) and (y)):

- (i) SIMM Exception will be applicable solely with respect to such transaction types; and
  - (ii) the applicable Method for such transaction types will be the Mandatory Method.
- (b) **Mandatory Method** means, if specified as applicable in the Regime Table with respect to a Regime, the Method applicable to such Regime is to determine the Margin Amount (IM) by reference to the methodology prescribed pursuant to such Regime which uses a standardised initial margin schedule (such that prescribed percentages are applied to notional amounts before being adjusted, including by a net-to-gross ratio (NGR)).

### ***General Principles***

Unless otherwise specified or agreed between the Parties, the following principles (the **General Principles**) will apply for the purposes of this Agreement and the provisions of this Agreement shall be construed accordingly:

- (a) One Way Provisions: One Way Provisions are [*Applicable*, in which event, Posting Party for the purposes of One Way Provisions: [*Specify Party*]]/[*Not Applicable*];
- (b) in respect of a Security-provider and its obligations to post Margin Amount (IM) hereunder, any reference to the term **Regime** or **Regimes** in this Agreement is to all Regimes that are specified as applicable in the Regime Table to the other Party as the Security-taker; *provided* that each such Regime will, subject to sub-paragraph (c) below, be included only from the date that the applicable law requires the relevant Security-taker to collect and/or, if applicable, such Security-provider to post initial margin under such Regime (and only for as long as it does so);
- (c) for the purposes of sub-paragraph (b) above, where one or more Regimes are considered to be the substitute for compliance with one or more other Regimes for the purposes of a posting obligation hereunder, all such Regime(s) will nevertheless continue to be applicable absent agreement in writing between the Parties to the contrary;
- (d) the Parties acknowledge that the Security-provider may nevertheless be obliged to post to the Security-taker under a regulatory regime which is not specified as a Regime with respect to the Security-taker in the Regime Table. In the event that the Security-provider determines that such regulatory regime requires the Security-provider to post an additional amount to the Security-taker, the Security-provider may request that the Security-taker accept such additional amount and the Security-taker will use reasonable endeavours to accommodate such request;
- (e) subject to sub-paragraph (f) below, ISDA SIMM™ is the specified **Method** for all Covered Transactions with respect to all Regimes (irrespective of asset class or, as applicable, category applicable to a Transaction under the relevant Regime), whereby:
  - (i) ISDA SIMM™ will refer to the version of ISDA SIMM™ applicable to the relevant Security-taker unless otherwise specified here: [Not specified]/[ISDA SIMM™ will refer to the version of ISDA SIMM™ applicable to [Party A]/[Party B]];
  - (ii) the margin period of risk will be as provided for in such version of ISDA SIMM™; and
  - (iii) the "SIMM Calculation Currency" (also known as "SIMM Reporting Currency") means:
    - (A) in respect of Party A and its calculations, the [Base Currency/ [•]]; and
    - (B) in respect of Party B and its calculations, the [Base Currency/ [•]];

- (f) if SIMM Exception is specified as applicable with respect to a Regime and a Security-taker in the Regime Table, then solely for the purposes of: (1) the relevant Security-provider's posting obligation to such Security-taker; and (2) Covered Transactions falling within the relevant specified asset class or, as applicable, category under the relevant Regime, the **Method** will instead be as specified in the Regime Table;
- (g) for all Regimes and posting obligations hereunder:
- (i) in respect of a Covered Transaction under a Regime which the Parties agree constitutes a "cross-currency swap", obligations to exchange principal will be disregarded for the purpose of determining the Margin Amount (IM) with respect to such Regime; and
- (ii) the following approaches apply for the purposes of calculations in respect of the related type of Covered Transaction:
- (A) Unless otherwise specified below, the relevant sensitivities to equity indices, funds and ETFs are addressed by the standard preferred approach where the entire delta is put into the applicable asset class/category for equity indices, funds and ETFs.
- If alternative approach is specified here, the Parties agree that in respect of the relevant sensitivities, the delta is allocated back to individual equities in equity indices, funds and ETFs: [Not specified]/[Alternative approach].
- (B) Unless otherwise specified below, the relevant sensitivities to commodity indices are addressed by the standard preferred approach where the entire delta is put into the applicable asset class/category for commodity indices.
- If alternative approach is specified here, the Parties agree that in respect of the relevant sensitivities, the delta is allocated back to individual commodities in commodity indices: [Not specified]/[Alternative approach].
- Unless expressly agreed otherwise in writing, any failure by a Party to use the applicable approach specified in this sub-paragraph (g) in its determination of the Margin Amount (IM) will not constitute an Event of Default or Change of Circumstances under the Master Agreement in respect of such Party;
- (h) if more than one Regime is specified in the Regime Table with respect to a Security-taker, then in respect of the Security-provider's obligations to post initial margin hereunder to such Security-taker:
- (i) the Margin Amount (IM) determined as of an Observation Date with respect to a Party as the Security-provider will be the Strictest Of; and
- (ii) the Valuation Percentage and FX Haircut Percentage for all Regimes with respect to the Security-provider's posting hereunder will be the Strictest Of;
- (i) subject to sub-paragraph (h) above, in respect of a Security-provider and its posting obligation, each **Valuation Percentage** and **FX Haircut Percentage** will be as specified in Annexes I & II to the CSA Terms and Conditions in relation to the relevant Secured Account, in each case, however defined therein and, if applicable, expressed in a "haircut" format as opposed to a "margin" format (as described at Paragraph 3.4(c) (*Calculations of Market Value and determination of Value*));
- (j) upon the crediting by Euroclear of cash to a set of Secured Accounts in accordance with the Euroclear Agreements to satisfy the Security-provider's posting obligation hereunder, to the

extent required by a Regime specified as applicable to its posting obligation, the relevant Security-provider will, within a reasonable period of time, credit its "Collateral Giver's Account" with sufficient Eligible Securities such that either Paragraph 5.6 (*Transfer of Distributions*) applies (in the case of cash which constitutes Cash Income only) or such item shall be transferred out of the Secured Accounts and replaced pursuant to Paragraph 3.5 (*Substitutions*) (in all other cases). For the avoidance of doubt, upon the expiry of such period, such cash shall not satisfy the Eligibility Requirements; and

- (k) notwithstanding that a Regime is specified as not applicable in the Regime Table and that no initial margin amounts will be calculated for such Regime under this Agreement, the Parties agree that, with respect to a Party, **Regime** for the purposes of the definition of "Regulatory Event" and the proviso in the definition of "ISDA SIMM™" will include such Regime if it is specified as a "Substituted Regime" for that Party below:

With respect to Party A, each of the following is a **Substituted Regime**:

.....

With respect to Party B, each of the following is a **Substituted Regime**:

.....

Where:

**Australia** means Australian Prudential Standard CPS 226 Margining and risk mitigation for non-centrally cleared derivatives published by the Australian Prudential Regulation Authority on December 6, 2016.

**Canada** means Guideline E-22, Margin Requirements for Non-Centrally Cleared Derivatives issued by the Canadian Office of the Superintendent of Financial Institutions in February 2016.

**CEA** means the U.S. Commodity Exchange Act.

**CFTC** means the margin requirements adopted by the U.S. Commodity Futures Trading Commission pursuant to CEA § 4s(e).

**EMIR** means Regulation (EU) No 648/2012 of the European Parliament and of the Council of 4 July 2012 on OTC derivatives, central counterparties and trade repositories (including the EMIR RTS).

**EMIR RTS** means the published regulatory technical standards on risk-mitigation techniques for OTC-derivative contracts not cleared by a CCP under Article 11(15) of EMIR.

**Exchange Act** means the U.S. Securities Exchange Act of 1934.

**Hong Kong** means Chapter CR-G-14 "Non-centrally Cleared OTC Derivatives Transactions – Margin and Other Risk Mitigation Standards" in the Banking Supervisory Policy Manual issued by the Hong Kong Monetary Authority.

**ISDA SIMM™** means, where specified as the applicable Method in respect of a Regime, that the initial margin amount for the Covered Transactions in the relevant asset class or, as applicable, category under the relevant Regime will be determined through use of ISDA SIMM™ as published by ISDA; *provided* that (A) with respect to a Security-taker, if approval of a particular version of ISDA SIMM™ by a governmental or regulatory authority is required under law applicable to such Party in respect of a Regime, ISDA SIMM™ will mean the particular version of ISDA SIMM™ subject to an initial application for approval and, following initial approval, the most recently approved (even if subsequently withdrawn) for use by such Party by the applicable governmental or regulatory authority



or (B) if such model approval is not required, the version of ISDA SIMM™ used will be the latest published model for which the implementation deadline designated by ISDA has passed.

**Japan** means the margin rules adopted by the Financial Services Agency of Japan pursuant to Article 40, Item 2 of the Financial Instruments and Exchange Act (*kin'yuu shouhin torihiki hou*) (Act No. 25 of 1948) and by the Ministry of Agriculture, Forestry and Fisheries and the Ministry of Economy, Trade and Industry pursuant to the Commodity Derivatives Act (*shouhin sakimono torihiki hou*) (Act No. 239 of 1950) (including their subordinated regulations and the related supervisory guidelines).

**Prudential** means the margin requirements adopted by a "prudential regulator", (as defined in CEA § 1a(39)) pursuant to CEA § 4s(e) and Exchange Act § 15F(e).

**SEC** means the margin requirements adopted by the U.S. Securities and Exchange Commission pursuant to Exchange Act § 15F(e).

**Singapore** means the Guidelines on Margin Requirements for Non-centrally Cleared OTC Derivatives Contracts issued by the Monetary Authority of Singapore (MAS) pursuant to section 321 of the Securities and Futures Act, Chapter 289 of Singapore.

**Strictest Of** means:

- (a) in respect of the Margin Amount (IM) applicable to a Security-provider's posting obligation hereunder, that:
  - (i) a Margin Amount (IM) will be determined in respect of each Regime applicable to such posting obligation pursuant to the Method specified as applicable to each such Regime (whereby such amount will be determined for each such Regime solely by reference to the applicable Covered Transactions under such Regime); and
  - (ii) the Margin Amount (IM) to be used for the purposes of this Agreement will be the greatest Margin Amount (IM) determined under limb (i) above; and
- (b) in respect of Valuation Percentages and FX Haircut Percentages applicable to a Security-provider's posting obligation hereunder, that:
  - (i) the Valuation Percentage to be applied to an item of Eligible Collateral will be the lowest Valuation Percentage specified for such item in accordance with General Principle (i) in respect of such Security-provider; *provided* that, if at any time such Valuation Percentage is greater than the maximum permitted valuation percentage (prescribed or implied) for such item under the requirements of all Regimes then the Valuation Percentage with respect to such item and such Party (as the Security-provider) will be such maximum permitted valuation percentage; and
  - (ii) the FX Haircut Percentage will be the highest haircut percentage specified in accordance with General Principle (i) in respect of such Security-provider; *provided* that, if at any time such FX Haircut Percentage is less than the highest haircut percentage applicable under all Regimes for a currency mismatch with the Termination Currency applicable to the relevant Security-taker, the FX Haircut Percentage relating to such posting obligation will be such highest haircut percentage.

The Parties will, as soon as reasonably practicable following the request of either Party in relation to a set of Secured Accounts and a related Security-provider and its posting obligation, submit matching instructions to Euroclear in order to update Annexes I & II to the relevant CSA Terms and Conditions to the extent any such percentages in respect of such posting obligation change.

**Switzerland** means the margin rules adopted by the Swiss Federal Council pursuant to Article 110-111 of the Financial Market Infrastructure Act as well as Articles 100 to 107 and Annexes 3 to 5 of the Financial Market Infrastructure Ordinance.

**United Kingdom** means EMIR (including, for the avoidance of doubt, the EMIR RTS) as it forms part of UK domestic law by virtue of section 3 of the European Union (Withdrawal) Act 2018 (as amended from time to time) (the "EUWA") (including any amendments made to such legislation when it is brought into UK domestic law pursuant to section 8 of the EUWA or any regulations made thereunder).

### 13.1 *Base Currency*

**Base Currency** means: [United States Dollar/Euro].

### 13.2 *Covered Transactions*

The term **Covered Transactions** as used in this Agreement means, in respect of a Regime, any outstanding Transaction that is of a type which is, when entered into, and which is, as of any date of determination, subject to law applicable to either Party requiring the collection or delivery of initial margin under such Regime.

For the purposes of the foregoing, a Transaction will be deemed to be entered into if an amendment, novation or other event occurs with respect to such Transaction such that either Party is required to collect or deliver initial margin in respect of such Transaction under the relevant Regime.

### 13.3 *Credit Support Obligations*

(a) **Selection of Margin Approach.** The Parties hereby agree to implement the following Margin Approach: [Distinct Margin Flow (IM) Approach]/[Allocated Margin Flow (IM/IA) Approach]/[Greater of Margin Flow (IM/IA) Approach].

(b) **Thresholds (IM); Minimum Transfer Amount**

(i) **Minimum Transfer Amount** means with respect to Party A at any time, [●], unless otherwise agreed between the Parties; and

**Minimum Transfer Amount** means with respect to Party B at any time, [●] unless otherwise agreed between the Parties;

*provided that*, in the case of either Party A or Party B, if the Credit Support Amount applicable at such time with respect to such Party as the Security-provider is zero, the Minimum Transfer Amount with respect to the other Party as the Security-taker shall be zero.

(ii) **Threshold (IM)** means with respect to Party A, [●], unless otherwise agreed between the Parties; and

**Threshold (IM)** means with respect to Party B, [●], unless otherwise agreed between the Parties.

### 13.4 *Valuation and Timing*

(a) **Calculation Agent (IM)** is [Applicable, in which event, the Calculation Agent (IM) with respect to a Security-provider and its posting obligation is: [Party A]/[Party B]]/[Not Applicable].

- (b) **Collateral Valuation Agent** has the meaning given to such term in Paragraph 12 (*Definitions*), unless otherwise specified here:
  - (i) in respect of Party A as Security-provider and its posting obligation: Not Specified.
  - (ii) in respect of Party B as Security-provider and its posting obligation: Not Specified.
- (c) **Designated City** means, with respect to each Party, each city, region, or country specified below:
  - (i) Party A: .....
  - (ii) Party B: .....
- (d) **Credit Support Amount Calculation Time** has the meaning specified below:
 

[In respect of a Party (or the Calculation Agent (IM) (if applicable)), the time as of which such Party (or the Calculation Agent (IM) (if applicable)) computes its end of day valuations of derivatives transactions in the ordinary course of its business (or such other commercially reasonable convenient time on the relevant day as such Party (or the Calculation Agent (IM) (if applicable)) may determine)]/[.....].
- (e) **Notification Time** means:
  - (i) with respect to Party A acting in its capacity as the Security-provider and Party B acting in its capacity as the Security-taker: [●] on a Transfer Date<sup>8</sup>
  - (ii) with respect to Party B acting in its capacity as the Security-provider and Party A acting in its capacity as the Security-taker: [●] on a Transfer Date,<sup>9</sup>

*provided* that, if specified as applicable here, in relation to Paragraphs 3.3(b), 3.3(c)[, 4.1(a)] and 4.1(b), the Notification Time shall be the latest time by which Euroclear will accept instructions from the Security-taker or Security-provider, as the case may be, in order to be able to effect transfer of Eligible Collateral or Posted Collateral, as the case may be, on the relevant Transfer Date: [Applicable]/[Not applicable].

### 13.5 **Conditions Precedent**

- (a) The provisions of Paragraph 3.1 (*Conditions Precedent*) will apply, unless otherwise specified here:
 

[Not Specified]/[Paragraph 3.1 (*Conditions Precedent*) will not apply].
- (b) **Specified Condition and Access Condition.** For purposes of the provisions of Paragraph 3.1 (*Conditions Precedent*) and the definition of Relevant Event, a Security-provider Access Event or an Enforcement Event with respect to the other Party shall constitute a **Specified Condition**. For the purposes of the definitions of Enforcement Event and Security-provider Access Event, the following Changes of Circumstances (to the extent that such Changes of Circumstances are applicable in respect of the

<sup>8</sup> Parties should specify a time no later than Euroclear's cut-off time for same day settlement following joint instructions as to a revised Intended Transaction Amount (i.e. new Credit Support Amount for Party A as Security-provider).

<sup>9</sup> Parties should specify a time no later than Euroclear's cut-off time for same day settlement following joint instructions as to a revised Intended Transaction Amount (i.e. new Credit Support Amount for Party B as Security-provider).

relevant Party under the Master Agreement) will each be an **Access Condition** with respect to the Party so specified if: (i) that Party is an Affected Party with respect to such Change of Circumstances; and (ii) all Transactions are Transactions affected by such Change of Circumstances:

	<b>Party A</b>	<b>Party B</b>
Article 7.2.1.1 of the Agreement		
Article 7.2.1.1(b) of the Agreement (as inserted by the Tax Addendum, if any)		
Article 7.2.1.2 of the Agreement		
Additional Change(s) of Circumstances:		
[.....]		

13.6 **Dispute Resolution.**

- (a) **Resolution Time** means [1:00 p.m.], [•] time, on the Local Business Day following the date on which the notice is given that gives rise to a dispute under Paragraph 4 (*Dispute Resolution*).
- (b) **Recalculation Date** means the Transfer Date that gives rise to the dispute under Paragraph 4 (*Dispute Resolution*), provided that, if a subsequent Transfer Date occurs under Paragraph 2 (*Credit Support Obligations*) prior to the resolution of the dispute, the "**Recalculation Date**" means the most recent Transfer Date under Paragraph 2 (*Credit Support Obligations*).
- (c) **Recalculation of Credit Support Amount.** For the purpose of Paragraph 4.1(d)(i) (*Disputed Calculations or Valuations*), the Credit Support Amount will be calculated as follows: the Parties agree to consult (including, without limitation, exchanging reasonable details of their calculations and any supporting data as part of the consultation process; provided that the Parties will not be required to exchange any proprietary or confidential information) in good faith and in a commercially reasonable and timely manner to resolve the dispute and agree on the amount of the relevant Credit Support Amount. Each Party (or the Calculation Agent (IM) (if applicable)) will recalculate the Credit Support Amount using the amount agreed by the Parties.
- (d) **Recalculation of Market Value.** For the purpose of Paragraph 4.1(d)(ii) (*Disputed Calculations or Valuations*), the Market Value of Posted Collateral will be calculated in accordance with the following procedure:

With respect to Party A acting in its capacity as the Security-provider and Party B acting in its capacity as the Security-taker: [Consultation Procedure]/[Other Regulatory CSA Procedure]/[Not applicable]/[As specified below:

.....].

With respect to Party B acting in its capacity as the Security-provider and Party A acting in its capacity as the Security-taker: [Consultation Procedure]/[Other Regulatory CSA Procedure]/[Not applicable]/[As specified below:

.....].

For the purposes hereof:

**Consultation Procedure** means the Parties agree to consult (including, without limitation, exchanging reasonable details of their calculations and any supporting data as part of the consultation process; provided that the Parties will not be required to exchange any proprietary or confidential information) in good faith and in a commercially reasonable and timely manner to resolve the dispute and agree on the Market Value. The Collateral Valuation Agent will recalculate related amounts using such amount agreed by the Parties.

**Other Regulatory CSA Procedure** means the procedure specified in an Other Regulatory CSA (as defined in Paragraph 13.14(b) (*Amendment to "Minimum Transfer Amount"*) below) for the calculation of the Market Value (or its equivalent under such Other Regulatory CSA) of collateral in the event of a dispute involving such Market Value thereunder.

(e) **Alternative.** The provisions of Paragraph 4 (*Dispute Resolution*) will apply.

13.7 ***Euroclear Risk***

The provisions of Paragraph 5.2 (*Euroclear Risk*) will apply unless otherwise specified below:

[Not specified]/[In lieu of Paragraph 5.2 (*Euroclear Risk*), the following will apply: [.....]].

13.8 ***Euroclear Event***

If specified as applicable here, the provisions of this Paragraph 13.8 (*Euroclear Event*) will apply with respect to each Party as Security-provider:

Euroclear Event is [*Applicable*]/[*Not Applicable*].

If a Euroclear Event has occurred and is continuing after the EE End Date, it will constitute a Change of Circumstances as if an "illegality" event referred to in Article 7.2.1.1 of the Master Agreement had occurred, provided that:

- (a) the 30-day period (or any other time period agreed between the Parties) referred to in Article 7.2.2.1 of the Master Agreement (should the Master Agreement be in the form of a 2007 FBF Master Agreement or a 2013 FBF Master Agreement) or Article 7.2.2 (should the Master Agreement be in the form of a 2001 FBF Master Agreement or a AFB Master Agreement) will be reduced to zero;
- (b) each Covered Transaction will be a Transaction affected by such Change of Circumstances; and
- (c) both the Security-provider and the Security-taker will be Affected Parties.

For as long as the Euroclear Event is continuing but on or prior to the relevant EE End Date, the Security-provider will attempt to identify a replacement custodian which is reasonably acceptable to the Security-taker and the Parties agree to use reasonable endeavours to negotiate in good faith a successor control agreement with a replacement custodian and implement such

amendments to the terms of this Agreement (and any related Security Agreement) and/or enter into such additional documents (including, if required, a new collateral transfer agreement and/or security agreement) as are reasonably necessary.

Following a Euroclear Event under limb (3), if Euroclear ceases to perform collateral management services under the Euroclear Agreements, any failure to make a transfer of Eligible Collateral, Posted Collateral or Distributions as required under this Agreement shall not constitute an Event of Default in respect of either Party.

If Euroclear Event is applicable, any event or circumstance that constitutes or gives rise to a Euroclear Event will not also constitute or give rise to an Event of Default under Article 7.1.1.8 (should the Master Agreement be in the form of a 2007 FBF Master Agreement or a 2013 FBF Master Agreement) or Article 7.1.1.9 (should the Master Agreement be in the form of a 2001 FBF Master Agreement or a AFB Master Agreement) of the Master Agreement.

As used above:

**Euroclear Event** means, with respect to the Security-provider and its posting obligation hereunder:

- (1) any failure of Euroclear to comply with instructions sent by the Security-provider in accordance with the relevant Euroclear Agreements (or deemed to be given by the Security-provider in accordance with the AutoSelect Methodology pursuant to the Collateral Service Agreement) to effect any transfer obligation of the Security-provider in accordance with this Agreement (other than any such failure caused solely by the action or inaction of the Security-provider, including a failure by the Security-provider to have sufficient "Eligible Securities" or "Eligible Cash" credited to its "Collateral Giver's Account");
- (2) Euroclear ceases to comply with or perform, or is otherwise unable to comply with or perform, any agreement or obligation to be complied with or performed by it in accordance with the relevant Euroclear Agreements (including determining the Value or Market Value of Eligible Collateral);
- (3) notice by Euroclear is given to the Parties to terminate any of the Euroclear Agreements or any of the Euroclear Agreements expires or terminates, whether in accordance with the terms thereof or otherwise (unless caused by a breach of covenant under Paragraph 7.1(c) or 7.1(d) (*Restriction on exercise of unilateral rights under Euroclear Agreements*) or where such termination is the result of the provision of matching instructions by the Security-provider and Security-taker);
- (4) Euroclear disaffirms, disclaims, repudiates or rejects, in whole or in part, or challenges the validity of any Euroclear Agreement; or
- (5) Euroclear makes a unilateral amendment to the terms of any of the Euroclear Agreements or its status otherwise changes, in either case resulting in either of the Parties ceasing to be in compliance with its regulatory obligations as determined by such Party acting in good faith and in a commercially reasonable manner.

**EE End Date** means, in relation to a Euroclear Event, the earlier to occur of:

- (a) (i) other than in the case of a Euroclear Event with respect to limb (3) of the definition of Euroclear Event (a **Euroclear Resignation Event**), the day falling [[90] calendar]<sup>10</sup> days after the occurrence of such event;
- (ii) in the case of a Euroclear Resignation Event where advance notice is given in accordance with Section 12(c) of the relevant SPPA Terms and Conditions, the later of:
  - (A) the date the notice is given; and
  - (B) [the [28th] calendar]<sup>11</sup> day to fall prior to the date on which the relevant Single Pledgor Pledged Account Agreement will terminate in accordance with its terms with respect to such notice (such date of termination under the relevant Single Pledgor Pledged Account Agreement being the **Release Date**);

*provided that, if:*

- (x) a Termination Date has been designated as a result of a Euroclear Resignation Event; and
- (y) only one Party has effectively provided a notification (the **Timely Statement**) to the other Party pursuant to Article 8.2 of the Master Agreement on the later of (I) the date falling [[18] calendar]<sup>12</sup> days prior to the Release Date and (II) the [[2nd]<sup>13</sup> Local Business Day] after the date on which notification of such Timely Statement to the other Party is effective,

then, notwithstanding any contrary provisions in Article 8 of the Master Agreement, the amount payable under Article 8 shall be determined and be payable solely on the basis of the Timely Statement (as if, for all purposes, the Party which has provided the Timely Statement were the Party which is not the Affected Party and the other Party were the sole Affected Party); or

- (iii) in case of a Euroclear Resignation Event where there is no advance notice in accordance with the relevant Euroclear Agreement, the date the relevant Euroclear Agreement expires or terminates; and
- (b) effective delivery of a written notice by a Party that a Regulatory Event has occurred with respect to such Party in respect of such Euroclear Event (specifying in reasonable detail in such notice the nature of such Regulatory Event).

**Regulatory Event** means, in respect of a Party and a Euroclear Event, that:

- (a) such Party has received notice in writing from the relevant governmental or regulatory authority with proper jurisdiction that it has ceased or will cease to comply with its regulatory obligations under any Regime; or
- (b) a relevant governmental or regulatory authority with proper jurisdiction has made a public statement to the effect of (a),

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<sup>10</sup> To be specified by the Parties.

<sup>11</sup> To be specified by the Parties.

<sup>12</sup> To be specified by the Parties.

<sup>13</sup> To be specified by the Parties.

in each case, as a result of the occurrence of such Euroclear Event.

### 13.9 *Euroclear Agreements as Credit Support Documents*

- (a) With respect to Party A acting in its capacity as the Security-provider and Party B acting in its capacity as the Security-taker: the Euroclear Agreements [are]/[are not] Credit Support Documents.
- (b) With respect to Party B acting in its capacity as the Security-provider and Party A acting in its capacity as the Security-taker: the Euroclear Agreements [are]/[are not] Credit Support Documents.

### 13.10 *Collateral Access Breach Change of Circumstances*

If specified as applicable here, has the meaning specified below: Collateral Access Breach is [Applicable]/[Not Applicable].

**Collateral Access Breach** means a Party hereto (the **Breaching Party**) (i) breaches one or more of the covenants specified in the relevant Security Agreement related to the delivery of a Notice of Exclusive Control or a Security-provider Access Notice or (ii) acting in its capacity as a Security-taker, delivers a notice to Euroclear instructing Euroclear to deliver Posted Collateral to it or anyone other than the Security-provider or at the Security-provider's direction prior to the occurrence of an Enforcement Event.

If Collateral Access Breach is applicable and a Collateral Access Breach has occurred and is continuing after the CAB End Date, it will constitute a Change of Circumstances as if an "illegality" event referred to in Article 7.2.1.2 of the Master Agreement had occurred, provided that:

- (a) the 30-day period (or any other time period agreed between the Parties) referred to in Article 7.2.2.1 of the Master Agreement (should the Master Agreement be in the form of a 2007 FBF Master Agreement or a 2013 FBF Master Agreement) or Article 7.2.2 (should the Master Agreement be in the form of a 2001 FBF Master Agreement or a AFB Master Agreement) will be reduced to zero;
- (b) each Transaction will be a Transaction affected by such Change of Circumstances; and
- (c) the Breaching Party will be the sole Affected Party.

**CAB End Date** means the [•] Local Business Day following the date on which the related Collateral Access Breach occurs.

If Collateral Access Breach is applicable, any event or circumstance that constitutes or gives rise to a Collateral Access Breach will not constitute or give rise to an Event of Default under Article 7.1.1.8 (should the Master Agreement be in the form of a 2007 FBF Master Agreement or a 2013 FBF Master Agreement) or Article 7.1.1.9 (should the Master Agreement be in the form of a 2001 FBF Master Agreement or a AFB Master Agreement) of the Master Agreement.

### 13.11 *Additional information relating to Regulatory Compliance and Concentration Limits*

If specified as applicable here, each Party will as soon as reasonably practicable following a request by the other Party provide such information as to its classification and/or status relating to collateral eligibility requirements under law applicable to such other Party requiring the collection and/or posting of initial margin (including, without limitation, and by way of example, whether it is an institution identified as a "G-SII" or "O-SII" under paragraph 3, Article 8 of the EMIR RTS) as may be reasonably required from time to time: Additional



information relating to Regulatory Compliance and Concentration Limits is [Applicable]/[Not Applicable].

Unless expressly agreed otherwise in writing, any misrepresentation with respect to such information will not constitute an Event of Default or Change of Circumstances under the Master Agreement in respect of such Party.

13.12 ***Demands and Notices***

All demands, specifications and notices under this Agreement will be made pursuant to Article 11.1. (Notices) of the Master Agreement, unless otherwise specified here:

(a) in respect of Party A:

.....

(b) in respect of Party B:

.....

13.13 ***Amendment to "Termination Currency"***.<sup>14</sup> The definition of "Termination Currency" has the meaning specified in the Master Agreement, unless a currency is specified below as the "Termination Currency":

*[Amendment to "Termination Currency" is Not Applicable.]/[The definition of "Termination Currency" in the Master Agreement will be amended with effect from the date of this Agreement to mean:*

(a) with respect to Party A, [.....]<sup>15</sup>; and

(b) with respect to Party B, [.....].

The Parties hereby acknowledge and agree that, for the purposes of determining the Settlement Amount, "Termination Currency" shall mean:

(i) in relation to a calculation pursuant to Article 8.2.4.:

(A) in respect of a Termination Date resulting from an Event of Default; or

(B) in respect of a Termination Date arising from a Change of Circumstances where there is one Affected Party,

the Termination Currency specified in respect of the Party which is either the Non-Defaulting Party or the Party which is not the Affected Party, as applicable; and

(ii) in relation to a calculation pursuant to Article 8.2.4 in respect of a Termination Date resulting from a Change of Circumstances where there are two Affected Parties, [•], and

in each case, "Termination Currency Equivalent" shall be construed accordingly.]

<sup>14</sup> As this amends the Schedule, parties should ensure that any relevant formalities required to amend the Schedule are complied with.

<sup>15</sup> Note that if Party A and Party B agree that Party B may post in a specific currency (e.g. for FX Haircut purposes), then following the words 'with respect to Party A', the parties should specify the currency in which Party B will post. The same point applies vice versa to the Party B election immediately below.

13.14 ***Amendment to "Minimum Transfer Amount"***<sup>16</sup>

- (a) The definition of "Minimum Transfer Amount" in any Other Regulatory CSA has the meaning specified in such Other Regulatory CSA, unless an amount is specified below as the "Minimum Transfer Amount".

*[Amendment to "Minimum Transfer Amount" is Not Applicable.]/[The definition of "Minimum Transfer Amount" in any Other Regulatory CSA will be amended with effect from the date of this Agreement to mean:*

- (i) with respect to Party A: [.....]
- (ii) with respect to Party B: [.....].]
- (b) **Other Regulatory CSA** means an Other Collateral Annex in respect of which some or all Transactions margined thereunder are subject to the margining obligations under one or more Regimes or Substituted Regimes.

13.15 ***Interpretation.*** The provisions of Paragraph 1.6(a) (*Interpretation*) will apply unless otherwise specified below:

[Not Specified]/[In lieu of Paragraph 1.6(a) (*Interpretation*), the following will apply: [.....]].

13.16 ***Election of Domicile***

For the purposes of Paragraph 11.2(b) of this Agreement:

Party A elects domicile to : [not applicable] [.....]  
Party B elects domicile to : [not applicable] [.....]

13.17 ***Identity of Security-provider and Security-taker***

If "One Way Provisions" are specified as applicable under the General Principles, the following provisions will apply:

The term "Security-provider" as used in this Agreement means the Posting Party only and the term "Security-taker" as used in this Agreement means the Party who is not the Posting Party (the **Other Party**) and the remaining provisions of the Agreement shall be construed accordingly.

In particular, but without limitation:

- (i) only the Other Party will (A) benefit from the security interest created by the relevant Security Agreement in respect of the Posting Party and (B) have the right to require a transfer of a Delivery Amount under Paragraph 2.1 (*Delivery Amount*); and
- (ii) the Other Party does not undertake any of the covenants or grant any of the rights with respect to itself or its property that it would otherwise undertake or grant as the Security-provider under this Agreement or a Security Agreement.

13.18 ***Loss of Required Model Approval***

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<sup>16</sup> As this amends another agreement, the parties should ensure that any relevant formalities required to amend such agreement are complied with.

If ISDA SIMM™ or another model, including a model operated by a third-party vendor or the other Party, is to be used for any purposes hereunder and a Party (i) does not receive approval (where at the date of this Agreement the model is subject to an initial application for approval), (ii) loses an approval required from any governmental or regulatory authority for such use or (iii) such use is otherwise prohibited by a governmental or regulatory authority, then it will not constitute an Event of Default or Change of Circumstances under the Master Agreement and shall not affect the applicable Method with respect to any Regime except to the extent (if any) specified in the Regime Table.

### 13.19 ***Governing law – non-contractual obligations***

[Not Applicable]/[Paragraph 11.1 is deleted and replaced with the following provisions:

"This Agreement and any non-contractual obligations arising out of or in connection with it will be governed by and construed in accordance with French law."]

### 13.20 ***Jurisdiction***

#### (a) *International Chambers.*

[Not Applicable]/[In Paragraph 11.2(a), the terms "each party irrevocably submits to the same (and to the same extent) jurisdiction of the courts to which it submits to under the Master Agreement with respect to any similar proceedings arising out of or in connection with the Master Agreement" are deleted and replaced with the following provisions:

"each party irrevocably submits to the exclusive jurisdiction of the Commercial Court of Paris (international chamber) and the Paris Court of Appeal (international chamber). [In addition, each party irrevocably consents to be bound by the provisions of the Protocol on Procedural Rules Applicable to the International Chamber of the Paris Commercial Court and, on appeal, of the Protocol on Procedural Rules Applicable to the International Chamber of the Court of Appeals of Paris in their respective versions as at the date of commencement of the proceedings before the International Commercial Courts of Paris]."]

#### (b) *Amendment to Article 14 of the Master Agreement*<sup>17</sup>

[Not Applicable]/[The second paragraph of Article 14 of the Master Agreement will be amended with effect from the date of this Agreement as follows:

"With respect to any dispute relating to or having any connection with this Agreement, including any dispute as to its existence, validity, interpretation, performance, breach or termination or the consequences of its nullity and any dispute relating to any non-contractual obligations arising out of or in connection with it, each party irrevocably submits to the exclusive jurisdiction of the Commercial Court of Paris (international chamber) and the Paris Court of Appeal (international chamber). [In addition, each party irrevocably consents to be bound by the provisions of the Protocol on Procedural Rules Applicable to the International Chamber of the Paris Commercial Court and, on appeal, of the Protocol on Procedural Rules Applicable to the International Chamber of the Court of Appeals of Paris in their respective versions as at the

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<sup>17</sup> To be inserted if Parties would like to amend the jurisdiction clause of the Master Agreement in order to specifically designate the International Chambers of the Commercial Court of Paris and the Paris Court of Appeal.

date of commencement of the proceedings before the International Commercial Courts of Paris]".]

### 13.21 *Japanese Collateral Provisions*

[Not Applicable]/

- [(i) Paragraph 3.2 (*Transfers*) of this Agreement shall be amended by adding the following provision at the end thereof:

"Without prejudice to the above provisions of this Paragraph 3.2 as they relate to Japanese Collateral, all transfers under this Agreement or any Security Agreement of any Eligible Collateral or Posted Collateral, which is Japanese Collateral, are intended to be made by:

- (a) in the case of Eligible Collateral in the form of Japanese Collateral, the transfer of the Japanese Collateral from the proprietary ledger (*hoyu ran*) of the 'Collateral Giver's Account' to the pledge ledger (*shichiken ran*) of the Secured Account pursuant to the provisions of the Japanese Book-entry Transfer Act; and
  - (b) in the case of Posted Collateral in the form of Japanese Collateral, the transfer of the Japanese Collateral from the pledge ledger (*shichiken ran*) of the Secured Account to the proprietary ledger (*hoyu ran*) of the 'Collateral Giver's Account' pursuant to the provisions of the Japanese Book-entry Transfer Act."
- (ii) Paragraph 12 (*Definitions*) of this Agreement shall be amended by adding the following new definitions:

**"Japanese Book-entry Transfer Act** shall mean Act on Book-Entry of Company Bonds, Shares, etc. in Japan (*shasai, kabushikitou no furikae ni kansuru houritsu*) (Act No. 75 of 2001, as amended);"

**"Japanese Collateral** means (a) Japanese government bonds, (b) corporate bonds, (c) shares or equity of capital of corporations (including, without limitation, common shares, preferred shares and share acquisition rights) and convertible bonds, (d) exchange traded funds in the form of investment trust units, (e) investment units of any real estate investment corporation, (f) bonds issued by any supranational, multilateral or international organisation and (g) any securities not described in limbs (a) to (f), each of which are Japanese law governed securities issued pursuant to the Japanese Book-Entry Transfer Act;"<sup>18</sup>

### 13.22 *Representative CTA Provisions*

[Not Applicable]/[The terms of the "Rider with respect to the use of a Pledgee Representative" attached to this Agreement shall apply for the purposes of this Agreement.]<sup>19</sup>

### 13.23 *Amendments*

<sup>18</sup> To be inserted if Parties intend to have Japanese Securities as collateral.

<sup>19</sup> To be inserted if the security taker is not a participant to the Euroclear system.

*If the Parties wish to make any modifications to the pre-printed provisions in Paragraph 1 through Paragraph 12 of this Agreement that are not already being amended or supplemented by this Paragraph 13, they should do so here.*

13.24 ***Additional Terms***

*If the Parties wish to add any additional terms to this Agreement, they should do so here.*

In \_\_\_\_\_, on \_\_\_\_\_, in duplicate.

**PARTY A**

.....

By:..... By:.....

Name:..... Name:.....

Title:..... Title:.....

**PARTY B**

.....

By:..... By:.....

Name:..... Name:.....

Title:..... Title:.....

**[RIDER WITH RESPECT TO THE USE OF A PLEDGEE REPRESENTATIVE<sup>20</sup>**

**1. IDENTIFICATION OF THE REPRESENTED PARTY AND THE REPRESENTATIVE**

1.1 The **Represented Party** means: [Party B]<sup>21</sup>. The Party that is not the Represented Party is the **Non-Represented Party**.

1.2 The **Representative** means [●]<sup>22</sup>.

**2. DESCRIPTION OF AMENDED STRUCTURE AND GUIDING PRINCIPLES**

2.1 The Represented Party has appointed the Representative to act on its behalf within the Euroclear System for all purposes in connection with this Agreement and the Security Agreement (the Represented Party not being a participant in the Euroclear System).

2.2 The Parties have agreed the Representative Provisions in order to address certain matters of interpretation that arise and to make additional provision in consequence of the use of the Representative by the Represented Party.

2.3 The Representative Interpretation Principles are intended to clarify how references to the Represented Party in this Agreement and the Security Agreement should be construed given the use of the Representative by the Represented Party. The Representative Interpretation Principles are not, nor are they intended to be, exhaustive in this regard. Subject to paragraph 4 below and paragraph 2 of the Representative ESA Provisions (as defined in the Security Agreement), to the extent the Representative Interpretation Principles do not specifically provide for how this Agreement and the Security Agreement should be interpreted in this respect, the relevant provisions will be construed in a manner consistent with the Representative Interpretation Principles and having regard to the following general principles (the **Guiding Principles**):

- (a) consideration shall be given to the role of the Representative, which is an administrative one, enabling the Represented Party, via the Representative, to acquire and exercise rights and perform obligations corresponding to those that it would have, be entitled to exercise or be required to perform, as the case may be, were the arrangement contemplated by the Euroclear Agreements not to involve the interposition of the Representative within the Euroclear System;
- (b) an obligation of the Represented Party shall, where relevant (considering the role of the Representative) and if the obligation would not otherwise be imposed on the Representative, also be construed as imposing an equivalent obligation on the Representative; and
- (c) this Agreement and the Security Agreement should be construed in good faith and in a commercially reasonable manner taking into account the principles set out in sub-paragraphs (a) and (b) above.

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<sup>20</sup> To be inserted if paragraph 13.22 is 'Applicable'.

<sup>21</sup> This Rider is drafted on the basis that the Security-taker that is not a participant to the Euroclear system is Party B. If the Security-taker is Party A, specify "Party A" here and certain conforming changes to this Rider are required, as indicated by square brackets throughout the text of this Rider.

<sup>22</sup> Details of the Representative to be included.

### 3. REPRESENTATIVE CTA INTERPRETATION PRINCIPLES

- 3.1 The parties acknowledge and agree that various obligations of the Represented Party under this Agreement relating to interactions with Euroclear will be performed by the Representative on behalf of the Represented Party and the provisions of this Agreement shall be construed accordingly. Such obligations include (but are not limited to) obligations in respect of:
- (a) the giving of any notifications or instructions by the Represented Party to Euroclear;
  - (b) except in relation to any Other CSA, transfers of collateral (or proceeds thereof) by the Represented Party (for example, in respect of a Return Amount or pursuant to Paragraph 5.6 (*Transfer of Distributions*)); and
  - (c) Paragraph 7 (*Restriction on exercise of unilateral rights under Euroclear Agreements*).
- 3.2 A reference to the Represented Party in relation to any description of the parties to any Euroclear Agreements (which, for this purpose, shall include any Form RG811 or Form RG812) or other reference to the Represented Party being party to a Euroclear Agreement shall be construed as a reference to the Representative and, where reference is made to the capacity in which the Represented Party acts in respect of a Euroclear Agreement, a reference to "Pledgee" shall be construed as a reference to "Pledgee's Representative".
- 3.3 Where reference is made to Secured Accounts secured, or Posted Collateral held in Secured Accounts, in either case, for the benefit of the Represented Party, this shall be construed as the Secured Accounts secured in favour of, or Posted Collateral held in Secured Accounts for, the Representative acting as security agent on behalf of the Represented Party.
- 3.4 A reference to the Represented Party in the following contexts and provisions shall be deemed to also include reference to the Representative:
- (a) the restrictions on the use of Posted Collateral at Paragraph 5.3 (*No Use of Posted Collateral*); and
  - (b) any limitation or exclusion of liability, duty or obligation in favour of the Represented Party (including, without limitation, in respect of the Posted Collateral or the acts or omissions of Euroclear or the costs and expenses incurred by a Party).

### 4. SPECIFIC AMENDMENTS

Notwithstanding the Representative CTA Interpretation Principles and the Guiding Principles, the parties agree the following amendments to this Agreement:

- (a) Paragraph 8.1(c) shall be amended by the deletion of "the Security-taker" in the third line thereof and its replacement with "the Representative as security agent on behalf of the Represented Party".
- (b) The definition of "Amendment Agreement" at Paragraph 12 (*Definitions*) shall be deleted and replaced with the following:

**"Amendment Agreement** means each of:

- (a) the amendment agreement between [Party A]<sup>23</sup> (as "Collateral Giver" and "Pledgor"), the Representative (as "Collateral Taker" and "Pledgee's

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<sup>23</sup> See note 22 above.



Representative") and Euroclear amending the relevant CSA Terms and Conditions and the relevant SPPA Terms and Conditions in the form of either:

- (i) the "Amendment Agreement to Collateral Service Agreement and Single Pledgor Pledged Account Terms and Conditions" with reference "*Euroclear Bank for OTCD*", as amended by the Amendment Agreement specified at (b) below, pursuant to (A) a Form RG811 between [Party A]<sup>24</sup> and Euroclear and (B) a Form RG811 between the Representative and Euroclear; or
  - (ii) the "Amendment Agreement to Collateral Service Agreement and Single Pledgor Pledged Account Terms and Conditions" with reference "*Euroclear Bank for non-cleared OTC derivatives – MultiSeg service*", as amended by the Amendment Agreement specified at (b) below, pursuant to (A) a Form RG812 between [Party A]<sup>25</sup> and Euroclear and (B) a Form RG812 between the Representative and Euroclear; and
- (b) either:
- (i) the amendment agreement between [Party A]<sup>26</sup> (as "Pledgor"), the Representative (as "Pledgee's Representative") and Euroclear amending the relevant SPPA Terms and Conditions and the Amendment Agreement specified at (a) above in the form of the "Representative Amendment" with reference "*Euroclear Bank for OTCD*"; or
  - (ii) the terms of "Annex I: Representative Amendment" annexed to each of (A) the Form RG812 between [Party A]<sup>27</sup> and Euroclear and (B) the Form RG812 between the Representative and Euroclear amending the relevant SPPA Terms and Conditions and the Amendment Agreement specified at (a) above."
- (c) The definition of "[Party A]<sup>28</sup> Secured Account" at Paragraph 12 (*Definitions*) shall be deleted and replaced with the following:
- "[Party A]<sup>29</sup> Secured Account** means each of the "Pledged Securities Account" and the "Pledged Cash Account" (each such term as defined in the relevant SPPA Terms and Conditions, as amended pursuant to the relevant Amendment Agreements) opened in the Euroclear System in the name of Euroclear acting in its own name but for the account of the Representative (as "Pledgee's Representative"), itself acting in its own name but for the account of the Represented Party (as "Pledgee"), to be operated in accordance with the [Party A]<sup>30</sup>–Euroclear Agreements (and, if such "Pledged Securities Account" and the "Pledged Cash Account" have been opened pursuant to (i) a Form RG812 between Euroclear and [Party A]<sup>31</sup> and (ii) a Form RG812 between

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<sup>24</sup> See note 22 above.

<sup>25</sup> See note 22 above.

<sup>26</sup> See note 22 above.

<sup>27</sup> See note 22 above.

<sup>28</sup> See note 22 above.

<sup>29</sup> See note 22 above.

<sup>30</sup> See note 22 above.

<sup>31</sup> See note 22 above.

Euroclear and the Representative, such accounts as referenced by the relevant Unique Identifier);”.

- (d) The definition of "[Party A]<sup>32</sup> Security Agreement" at Paragraph 12 (*Definitions*) shall be deleted and replaced with the following:

"[Party A]<sup>33</sup> Security Agreement has the meaning given to it on the first page of this Agreement, under which [Party A]<sup>34</sup> grants a pledge over securities and transfers title by way of security to any cash credited from time to time to the [Party A]<sup>35</sup> Secured Accounts in favour of the Representative as security agent on behalf of the Represented Party to secure its obligations to the Represented Party under this Agreement, such security agreement and the Master Agreement;”.

- (e) The reference to "Amendment Agreement" in the definition of "Single Pledgor Pledged Account Agreement" at Paragraph 12 (*Definitions*) shall be amended to refer to "Amendment Agreements".

- (f) The following shall be inserted immediately following the words "the Posting Party" at Paragraph 13.17(i): "(since the Other Party is the Represented Party, the Representative acting as security agent on its behalf will be granted the relevant security)".

## 5. RESPONSIBILITY FOR THE REPRESENTATIVE

### 5.1 Subject to paragraph 5.2:

- (a) the Represented Party shall procure that the Representative complies with all obligations purported to be imposed on the Representative under this Agreement pursuant to these Representative CTA Provisions and, for the avoidance of doubt, any obligations of the Represented Party that are expressed hereunder to be performed on its behalf by the Representative, shall continue to be obligations of the Represented Party, such that a failure of the Representative to so comply or perform shall be a breach of this Agreement by the Represented Party; and
- (b) without prejudice to sub-paragraph (a) above, a failure of the Representative to comply with or perform any obligation imposed or purported to be imposed on the Representative under this Agreement or the Security Agreement pursuant to the Representative Provisions shall, for the purposes of Paragraph 6 (*Default*) of this Agreement, constitute a failure of the Represented Party to comply with or perform such obligation, as if the relevant obligation were expressed to be an obligation imposed on it directly rather than the Representative.

### 5.2 Notwithstanding paragraph 5.1 above, if “Representative Event” is specified as applicable in paragraph 7 below, the consequences of any act or omission of the Representative that constitutes a Representative Event will be as set out in paragraph 7.

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<sup>32</sup> See note 22 above.

<sup>33</sup> See note 22 above.

<sup>34</sup> See note 22 above.

<sup>35</sup> See note 22 above.

## 6. ADDITIONAL REPRESENTATIONS AND WARRANTIES

6.1 Without prejudice to Paragraph 8 (*Representations*) of this Agreement, the Represented Party represents to the Non-Represented Party that the Representative is duly authorised by it to:

- (a) enter into (i) the Euroclear Agreements together with the Amendment Agreements and (ii) the Security Agreement; and
- (b) to take all action in connection therewith contemplated by those agreements.

The representations at (a) shall be deemed to be made as of the date on which the relevant agreement is entered into (if different from the date of the entry into of this Agreement). The representation at (b) above shall be deemed to be repeated on each date on which this Agreement is in effect.

6.2 Without prejudice to Paragraph 8 (*Representations*) of this Agreement or paragraph 6.1 above, the Represented Party represents and warrants to the Non-Represented Party, respectively, that the representations made and warranties given by the Representative under or pursuant to the Euroclear Agreements are true, accurate and complete. Such representations and warranties shall be deemed repeated on each date on which the underlying representations and warranties are repeated or deemed repeated or in respect of which the underlying representations are made or warranties are given pursuant to the Euroclear Agreements. If, however, "Representative Event" is specified as applicable in paragraph 7 below, the consequences (as between the Represented Party and the Non-Represented Party) of any breach of representation or warranty by the Representative that constitutes a Representative Event will be as set out in paragraph 7.

## 7. REPRESENTATIVE EVENT

If specified as applicable here, the provisions of this paragraph 7 will apply:

Representative Event is [*Applicable*]/[*Not Applicable*].

7.1 If a Representative Event has occurred and is continuing after the RE End Date, it will constitute a Change of Circumstances as if an "illegality" event referred to in Article 7.2.1.1 of the Master Agreement had occurred, provided that:

- (a) the 30-day period (or any other time period agreed between the Parties) referred to in Article 7.2.2.1 of the Master Agreement (should the Master Agreement be in the form of a 2007 FBF Master Agreement or a 2013 FBF Master Agreement) or Article 7.2.2 (should the Master Agreement be in the form of a 2001 FBF Master Agreement or a AFB Master Agreement) will be reduced to zero;
- (b) each Covered Transaction will be a Transaction affected by such Change of Circumstances; and
- (c) both the Represented Party and the Non-Represented Party will be Affected Parties.

7.2 For as long as the Representative Event is continuing but on or prior to the relevant RE End Date, the Represented Party will attempt to identify a replacement Representative which is reasonably acceptable to the Non-Represented Party and the Parties agree to use reasonable endeavours to implement the replacement Euroclear Agreements and any amendments to the terms of this Agreement and the Security Agreement (including the Representative Provisions) and/or enter into such additional documents (including, if required, a new collateral transfer agreement and/or security agreement) as are reasonably necessary.

7.3 If Representative Event is applicable, any event or circumstance that constitutes or gives rise to a Representative Event will not also constitute or give rise to an Event of Default under Article 7.1.1.3 or Article 7.1.1.8 (should the Master Agreement be in the form of a 2007 FBF Master Agreement or a 2013 FBF Master Agreement) or Article 7.1.1.9 (should the Master Agreement be in the form of a 2001 FBF Master Agreement or a AFB Master Agreement) of the Master Agreement or a Collateral Access Breach (if applicable).

7.4 As used above:

**RE End Date** means, in relation to a Representative Event, the earlier to occur of:

- (a) the day falling [[90] calendar] days after the occurrence of such event; and
- (b) effective delivery of a written notice by a Party that a Representative Regulatory Event has occurred with respect to such Party in respect of such Representative Event (specifying in reasonable detail in such notice the nature of such Representative Regulatory Event).

**Representative Event** means:

- (c) any failure of the Representative to comply with or perform an obligation imposed or purported to be imposed on the Representative under this Agreement or the Security Agreement pursuant to the Representative Provisions or to perform an obligation of the Represented Party under this Agreement or the Security Agreement expressed to be performed by it on behalf of the Represented Party (other than any such failure caused by the action or inaction of the Represented Party, including the Represented Party providing or failing to provide the relevant instructions to the Representative); or
- (d) a representation made or warranty given by the Representative under or pursuant to the Euroclear Agreements or any repetition or deemed repetition of any such representation or warranty proves not to be true, accurate and complete.

**Representative Regulatory Event** means, in respect of a Party and a Representative Event, that:

- (e) such Party has received notice in writing from the relevant governmental or regulatory authority with proper jurisdiction that it has ceased or will cease to comply with its regulatory obligations under any Regime; or
- (f) a relevant governmental or regulatory authority with proper jurisdiction has made a public statement to the effect of (a),

in each case, as a result of the occurrence of such Representative Event.

## 8. CONTRACTUAL NEXUS

8.1 For the avoidance of doubt, the Representative and the Non-Represented Party shall have no rights against or obligations to one another under or pursuant to this Agreement or the Security Agreement, except as provided for expressly in the Security Agreement and, for which purpose, the Representative is a party to the Security Agreement.

8.2 Furthermore, the Represented Party shall have no rights against the Non-Represented Party with respect to a failure of the Representative to comply with any obligations the Representative may directly have to the Represented Party, including, without limitation, any obligation to account to such Party for any Posted Collateral or the proceeds thereof.

**9. ADDITIONAL DEFINITIONS**

Paragraph 12 (*Definitions*) of this Agreement shall be amended by adding the following new definitions:

**Representative CTA Interpretation Principles** means the principles of interpretation set forth at paragraph 3 of the Representative CTA Provisions;

**Representative CTA Provisions** means the provisions of the "Rider with respect to the use of a Pledgee Representative" attached to this Agreement;

**Representative Interpretation Principles** means the Representative CTA Interpretation Principles together with the Representative ESA Interpretation Principles (as defined in the Security Agreement); and

**Representative Provisions** means the Representative CTA Provisions together with the Representative ESA Provisions (as defined in the Security Agreement).]