

Supplement Relating to Successor and Credit Events to the 1999 ISDA® Credit Derivatives Definitions

Any or all of the following definitions and provisions may be incorporated into a document by wording in the document indicating that, or the extent to which, the document is subject to the 1999 ISDA Credit Derivatives Definitions (as published by the International Swaps and Derivatives Association, Inc.) (the "Definitions"), as supplemented by this Supplement relating to Successor and Credit Events (the "Supplement"). All definitions and provisions so incorporated in a document will be applicable to that document unless otherwise provided in that document, and all terms defined in this Supplement and used in any definition or provision that is incorporated by reference in a document will have the respective meanings set forth in this Supplement unless otherwise provided in that document. Any term used in a document will, when combined with the name of a party, have meaning in respect of the named party only. This Supplement is dated November 28, 2001.

- I. The Definitions are hereby supplemented by deleting the prior version of Section 2.2 and substituting the following:

Section 2.2. Successor. (a) In relation to a Reference Entity that is not a Sovereign, "Successor" means the entity or entities, if any, determined as set forth below:

(i) if an entity directly or indirectly succeeds to 75% or more of the Relevant Obligations of the Reference Entity by way of a Succession Event, that entity will be the sole Successor;

(ii) if one entity directly or indirectly succeeds to more than 25% (but less than 75%) of the Relevant Obligations of the Reference Entity by way of a Succession Event, and not more than 25% of the Relevant Obligations of the Reference Entity remains with the Reference Entity, the entity that succeeds to more than 25% of the Relevant Obligations will be the sole Successor;

(iii) if more than one entity each directly or indirectly succeed to more than 25% of the Relevant Obligations of the Reference Entity by way of a Succession Event, and not more than 25% of the Relevant Obligations of the Reference Entity remains with the Reference Entity, the entities that succeed to more than 25% of the Relevant Obligations will be Successors, and the Credit Derivative Transaction will be divided in accordance with the provisions of Section 2.2(d);

(iv) if one or more entities each directly or indirectly succeed to more than 25% of the Relevant Obligations of the Reference Entity by way of a Succession Event, and more than 25% of the Relevant Obligations of the Reference Entity remains with the Reference Entity, each such entity and the Reference Entity will be Successors, and the Credit Derivative Transaction will be divided in accordance with the provisions of Section 2.2(d);

(v) if one or more entities directly or indirectly succeed to a part of the Bonds and Loans of the Reference Entity by way of a Succession Event, but no entity succeeds to more than 25% of the Relevant Obligations of the Reference Entity and the Reference Entity continues to exist, there will be no Successor and the Reference Entity and the Credit Derivative Transaction will not be changed in any way as a result of the Succession Event; and

(vi) if one or more entities directly or indirectly succeed to a part of the Bonds and Loans of the Reference Entity by way of a Succession Event, but no entity succeeds to more than 25% of the Relevant Obligations of the Reference Entity and the Reference Entity ceases to exist, the entity which succeeds to the greatest percentage of Bonds and Loans (or, if two or more entities succeed to an equal percentage of Bonds and Loans, the entity from among those entities which succeeds to the greatest percentage of obligations) of the Reference Entity will be the sole Successor.

The Calculation Agent will be responsible for determining, as soon as reasonably practicable after it becomes aware of the relevant Succession Event (but no earlier than 14 days after the legally effective date of the Succession Event), and with effect from the legally effective date of the Succession Event, whether the relevant thresholds set forth above have been met, or which entity qualifies under Section 2.2(a)(vi) above, as applicable. In calculating the percentages used to determine whether the relevant thresholds set forth above have been met, or which entity qualifies under Section 2.2(a)(vi) above, as applicable, the Calculation Agent shall use, in respect of each applicable Relevant Obligation included in such calculation, the amount of the liability in respect of such Relevant Obligation listed in the Best Available Information.

(b) "Succession Event" means a merger, demerger (whether by voluntary exchange of obligations or otherwise), consolidation, amalgamation, transfer or other similar event affecting a Reference Entity, whether by operation of law or pursuant to any agreement.

(c) Where:

(i) a Reference Obligation has been specified with respect to a Credit Derivative Transaction; and

(ii) one or more Successors to the Reference Entity have been identified; and

(iii) any one or more such Successors have not assumed the Reference Obligation, a Substitute Reference Obligation will be determined in accordance with the provisions of Section 2.27.

For this purpose, references in Section 2.27 to "any of the events set forth under Section 2.27(a)" will be deemed to include the relevant Succession Event.

(d) Where, pursuant to Section 2.2(a)(iii) or (iv) above, more than one Successor has been identified, the relevant Credit Derivative Transaction will be divided into the same

number of new Credit Derivative Transactions (the "New Credit Derivative Transactions") as there are Successors, with the following terms:

(i) each Successor will be the Reference Entity for the purposes of one of the New Credit Derivative Transactions;

(ii) in respect of each New Credit Derivative Transaction, the Fixed Rate Payer Calculation Amount, if any, the Floating Rate Payer Calculation Amount and, if there is not a Floating Rate Payer Calculation Amount, the Cash Settlement Amount will be the Fixed Rate Payer Calculation Amount, the Floating Rate Payer Calculation Amount and the Cash Settlement Amount, as applicable, of the original Credit Derivative Transaction divided by the number of Successors; and

(iii) all other terms and conditions of the original Credit Derivative Transaction will be replicated in each New Credit Derivative Transaction except to the extent that modification is required, as determined by the Calculation Agent (in consultation with the parties), to preserve the economic effects of the original Credit Derivative Transaction in the New Credit Derivative Transactions (considered in aggregate).

(e) "Relevant Obligations" means the Bonds and Loans of the Reference Entity outstanding immediately prior to the announcement of the Succession Event, excluding any debt obligations outstanding between the Reference Entity and any of its Affiliates, as determined by the Calculation Agent. The Calculation Agent will determine the entity to which such Relevant Obligations are transferred on the basis of the Best Available Information. If the date on which the Best Available Information is available or is filed precedes the legally effective date of the relevant Succession Event, any assumptions as to the allocation of obligations between or among entities contained in the Best Available Information will be deemed to have been fulfilled as of the legally effective date of the Succession Event, whether or not this is in fact the case.

(f) "Best Available Information" means:

(i) in the case of a Reference Entity which files information (including unconsolidated, pro forma financial information which assumes that the relevant Succession Event has occurred) with its primary securities regulators or primary stock exchange or which provides such information to its shareholders, creditors or other persons whose approval of the Succession Event is required, that unconsolidated, pro forma financial information or, if provided subsequently to unconsolidated, pro forma financial information but before the Calculation Agent makes its determination for the purposes of this Section 2.2, other information that is contained in any written communication provided by the Reference Entity to its primary securities regulators, primary stock exchange, shareholders, creditors or other persons whose approval of the Succession Event is required; or

(ii) in the case of a Reference Entity which does not file with securities regulators or a stock exchange, or which does not provide to shareholders, creditors or

other persons whose approval of the Succession Event is required, the information contemplated in (i) above, the best publicly available information at the disposal of the Calculation Agent to allow it to make a determination for the purposes of this Section 2.2.

Information which is made available more than 14 days after the legally effective date of the Succession Event shall not constitute Best Available Information.

(g) In relation to a Sovereign Reference Entity, "Successor" means any direct or indirect successor to that Reference Entity irrespective of whether such successor assumes any of the obligations of such Reference Entity.

II. The Definitions are hereby supplemented by amending Article III as follows:

1. Section 3.5(a)(iv) of the Definitions shall be amended as follows: the phrase "or filed with" shall be inserted after the phrase "however described, of".
2. Section 3.5 of the Definitions shall be amended by adding the following to the end of Section 3.5(a):

In the event that with respect to a Credit Derivative Transaction in which the Buyer is (i) the sole source of information in its capacity as trustee, fiscal agent, administrative agent, clearing agent or paying agent for an Obligation and (ii) a holder of the Obligations with respect to which a Credit Event has occurred, the Buyer shall be required to deliver an Officer's Certification.

"Officer's Certification" means a certificate signed by a Managing Director (or other substantively equivalent title) of the Buyer, which shall certify the occurrence of a Credit Event with respect to a Reference Entity.

III. The Definitions are hereby supplemented by amending Article IV as follows:

1. Section 4.2(b) of the Definitions shall be amended as follows: the phrase "in a judicial, regulatory or administrative proceeding or filing", shall be inserted after the phrase "fails or admits in writing".
2. Section 4.2(i) of the Definitions shall be amended as follows: the phrase "; or (i) takes any action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any of the foregoing acts." shall be deleted in its entirety.

The word "or" shall be added before Subsection 4.2(h) and a period shall be inserted at the end of Subsection 4.2(h).

3. Section 4.7(a)(v) of the Definitions shall be deleted in its entirety and replaced with the following:

“(v) any change in the currency or composition of any payment of interest or principal to any currency which is not a Permitted Currency.

“Permitted Currency” means (i) the legal tender of any Group of 7 country; or (ii) the legal tender of any country which, as of the date of such change, is a member of the Organization for Economic Cooperation and Development and has a local currency long-term debt rating of either AAA or higher assigned to it by Standard & Poor’s Corporation or any successor to the rating business thereof, Aaa or higher assigned to it by Moody’s Investor Services or any successor to the rating business thereof or AAA or higher assigned to it by Fitch IBCA, Duff & Phelps or any successor to the rating business thereof.