

Proposed Euro Annexes for 2001 ISDA Master Agreement Protocol

ANNEX 11

EURO - PAYMENTS AND RATE FIXINGS

In respect of each Transaction entered into on or before November 30, 2001, in each case evidenced by a Confirmation incorporating, or deemed to incorporate, the 1991 ISDA Definitions (whether or not supplemented by the 1998 Supplement), the 1992 FX and Currency Option Definitions, the 1993 ISDA Commodity Derivatives Definitions (whether or not supplemented by the 2000 Supplement), the 1994 Equity Option Definitions, the 1996 ISDA Equity Derivatives Definitions, the 1997 ISDA Government Bond Option Definitions, the 1997 ISDA Bullion Definitions, the 1997 ISDA Short Form Bullion Definitions, the 1998 FX and Currency Option Definitions, the 1999 ISDA Credit Derivatives Definitions, the 2000 ISDA Definitions (each as published by ISDA or, in the case of the 1998 FX and Currency Option Definitions, by ISDA, the Emerging Markets Traders Association and The Foreign Exchange Committee, and whether or not amended and supplemented by the 1998 ISDA Euro Definitions), or any other set of definitions published by ISDA (each a set of "Definitions") and pursuant to which amounts are payable in a National Currency Unit, by reference to a National Currency Unit Notional Amount or Currency Amount or by reference to rates expressed to be for deposits in National Currency Units:

- (a) **Payment Redenomination.** The parties recognise that, with effect from January 1, 2002, obligations to pay amounts denominated in National Currency Units will be discharged by payment of euros, with the conversion from National Currency Unit to euro being carried out at the relevant National Currency Unit Conversion Rate.
- (b) **Settlement of Euro Payments.** The parties also recognise that their obligations to pay amounts originally denominated in National Currency Units may arise on days on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealings in foreign exchange and foreign currency deposits) in certain places, but on which TARGET is closed and that it may not be practicable for one or both of them to make such payments on days on which TARGET is closed.
- (c) **Business Days.** Accordingly, the parties agree that, with effect from December 17, 2001, for purposes of determining adjustments to be made to the date on which a payment is to be made in accordance with the applicable Business Day Convention, "Business Day" means for a National Currency Unit, in addition to a day specified in the relevant Confirmation or the relevant Definitions or otherwise determined pursuant to the provisions of the relevant Definitions, a day that is also a TARGET Settlement Day.
- (d) **National Currency Unit Floating Rate Options.** The parties recognise that, where amounts are payable by reference to rates expressed to be for deposits in National Currency Units, the rate by reference to which an amount may be payable may no longer be, strictly, a rate for deposits in a National Currency Unit but, instead, a rate for deposits in euros.
- (e) **Fixing Date.** The parties also recognise that the Floating Rate Option specified in the relevant Confirmation defines the Banking Day or Business Day on or preceding a Reset Date (the "Fixing Date") on which the Relevant Rate for that Reset Date is to be determined.

(f) **TARGET Closure.** The parties further recognise that the rates for deposits in euros by reference to which the Relevant Rate is determined may not be quoted on days on which TARGET is closed.

(g) **Fallback.** Accordingly, the parties agree that, with effect from December 17, 2001, for purposes of determining the Relevant Rate for a Reset Date, if the Relevant Rate is to be determined by reference to EURIBOR rates and if the Fixing Date for that Reset Date is not a TARGET Settlement Day, the Relevant Rate for that Reset Date will be determined as though the Fixing Date were the day that is one TARGET Settlement Day preceding that Fixing Date.

(h) **Contrary Agreement.** It is recognised that parties may wish to terminate or settle early one or more Transactions or agree to conventions for one or more Transactions that are different from those that would otherwise apply in accordance with this Annex 11. Accordingly, and for the avoidance of doubt, any agreement between the parties that amends or overrides the provisions of paragraphs (a) to (g) above in respect of any Transaction will be effective if it is in writing and expressly refers to this Annex 11 or to EMU or to an event associated with EMU.

For the purposes of this Annex 11:

- (i) "ISDA" means the International Swaps and Derivatives Association, Inc.;
- (ii) "National Currency Unit" means any of the units of the former currencies of member states of the European Union that have adopted the euro in accordance with the EC Treaty;
- (iii) "Euro" means the lawful currency of the member states of the European Union that adopt the single currency in accordance with the EC Treaty;
- (iv) "EC Treaty" means the Treaty establishing the European Community (signed in Rome on March 25, 1957), as amended by the Treaty on European Union (signed in Maastricht on February 7, 1992) and as amended by the Treaty of Amsterdam (signed in Amsterdam on October 2, 1997) and includes, for this purpose, Council Regulations (EC) No. 1103/97 and No. 974/98;
- (v) "EURIBOR" means the rates for deposits in euros designated as such and sponsored jointly by the European Banking Federation and ACI - The Financial Market Association (or any company established by the joint sponsors for the purpose of compiling and publishing such rates);
- (vi) "National Currency Unit Conversion Rates" means the conversion rates at which the National Currency Units became a denomination of the euro in accordance with Council Regulation (EC) No. 2866/98, as set forth below:

<u>National Currency Unit</u>	<u>Conversion Rate</u>
Austrian Schilling	13.7603
Belgian Franc	40.3399
Deutsche Mark	1.95583
Dutch Guilder	2.20371
Finnish Markka	5.94573
French Franc	6.55957
Greek Drachma	340.75
Irish Pound	0.787564
Italian Lira	1936.27

Luxembourg Franc	40.3399
Portuguese Escudo	200.482
Spanish Peseta	166.386;

- (vii) "TARGET" means the Trans-European Automated Real-time Gross settlement Express Transfer system;
- (viii) "TARGET Settlement Day" means any day on which TARGET is open; and
- (ix) Capitalised terms not otherwise defined in this Annex 11 will have the meanings specified in the relevant Definitions.

ANNEX 12

EURO - NOTIONAL REDENOMINATION

In respect of each Transaction entered into on or before December 31, 2001, in each case evidenced by a Confirmation incorporating, or deemed to incorporate, the 1991 ISDA Definitions (whether or not supplemented by the 1998 Supplement), the 1992 FX and Currency Option Definitions, the 1993 ISDA Commodity Derivatives Definitions (whether or not supplemented by the 2000 Supplement), the 1994 Equity Option Definitions, the 1996 ISDA Equity Derivatives Definitions, the 1997 ISDA Government Bond Option Definitions, the 1997 ISDA Bullion Definitions, the 1997 ISDA Short Form Bullion Definitions, the 1998 FX and Currency Option Definitions, the 1999 ISDA Credit Derivatives Definitions, the 2000 ISDA Definitions (each as published by ISDA or, in the case of the 1998 FX and Currency Option Definitions, by ISDA, the Emerging Markets Traders Association and The Foreign Exchange Committee, and whether or not amended and supplemented by the 1998 ISDA Euro Definitions), or any other set of definitions published by ISDA (each a set of "Definitions") and pursuant to which amounts are payable in a National Currency Unit, by reference to a National Currency Unit Notional Amount or Currency Amount or by reference to rates expressed to be for deposits in National Currency Units:

- (a) **Payment Redenomination.** The parties recognise that, with effect from January 1, 2002, obligations to pay amounts denominated in National Currency Units will be discharged by payment of euros, with the conversion from National Currency Unit to euro being carried out at the relevant National Currency Unit Conversion Rate.
- (b) **Notional Redenomination.** To reflect this effective redenomination of payment obligations, the parties agree that, with effect from January 1, 2002, any Notional Amount or Currency Amount which is denominated in a National Currency Unit will be redenominated into euros using the relevant National Currency Unit Conversion Rate.

For the purposes of this Annex 12:

- (i) "ISDA" means the International Swaps and Derivatives Association, Inc.;
- (ii) "National Currency Unit" means any of the units of the former currencies of member states of the European Union that have adopted the euro in accordance with the EC Treaty;
- (iii) "Euro" means the lawful currency of the member states of the European Union that adopt the single currency in accordance with the EC Treaty;
- (iv) "EC Treaty" means the Treaty establishing the European Community (signed in Rome on March 25, 1957), as amended by the Treaty on European Union (signed in Maastricht on February 7, 1992) and as amended by the Treaty of Amsterdam (signed in Amsterdam on October 2, 1997) and includes, for this purpose, Council Regulations (EC) No. 1103/97 and No. 974/98;
- (v) "National Currency Unit Conversion Rates" means the conversion rates at which the National Currency Units became a denomination of the euro in accordance with Council Regulation (EC) No. 2866/98, as set forth below;

National Currency Unit

Conversion Rate

Austrian Schilling	13.7603
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French Franc	6.55957
Greek Drachma	340.75
Irish Pound	0.787564
Italian Lira	1936.27
Luxembourg Franc	40.3399
Portuguese Escudo	200.482
Spanish Peseta	166.386; and

- (vi) Capitalised terms not otherwise defined in this Annex 12 will have the meanings specified in the relevant Definitions.

ANNEX 13

EURO - ACCOUNTS FOR PAYMENTS

- (a) **National Currency Unit Accounts.** In respect of amounts payable pursuant to an ISDA Master Agreement in a National Currency Unit, the parties recognise that the accounts specified for receiving payments of such amounts may currently be designated as National Currency Unit accounts or euro accounts.
- (b) **Payment Redenomination.** The parties also recognise that, with effect from January 1, 2002, obligations to pay amounts denominated in National Currency Units will be discharged by payment of euros, with the conversion from National Currency Unit to euro being carried out at the relevant National Currency Unit Conversion Rate.
- (c) **Euro Accounts.** To avoid uncertainty, and unless otherwise notified, with effect from January 1, 2002, where one party is required to pay to the other an amount originally denominated in a National Currency Unit and where that other party has provided euro account details, the relevant payment will be made to that euro account.

For the purposes of this Annex 13:

- (i) "National Currency Unit" means any of the units of the former currencies of member states of the European Union that have adopted the euro in accordance with the EC Treaty;
- (ii) "Euro" means the lawful currency of the member states of the European Union that adopt the single currency in accordance with the EC Treaty;
- (iii) "EC Treaty" means the Treaty establishing the European Community (signed in Rome on March 25, 1957), as amended by the Treaty on European Union (signed in Maastricht on February 7, 1992) and as amended by the Treaty of Amsterdam (signed in Amsterdam on October 2, 1997) and includes, for this purpose, Council Regulations (EC) No. 1103/97 and No. 974/98; and
- (iv) "National Currency Unit Conversion Rates" means the conversion rates at which the National Currency Units became a denomination of the euro in accordance with Council Regulation (EC) No. 2866/98, as set forth below:

<u>National Currency Unit</u>	<u>Conversion Rate</u>
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Italian Lira	1936.27
Luxembourg Franc	40.3399
Portuguese Escudo	200.482
Spanish Peseta	166.386

ANNEX 14

EURO - PAYMENT NETTING

In respect of each Transaction entered into pursuant to an ISDA Master Agreement:

- (a) **Payment Redenomination.** The parties recognise that, with effect from January 1, 2002, obligations to pay amounts denominated in National Currency Units will be discharged by payment of euros, with the conversion from National Currency Unit to euro being carried out at the relevant National Currency Unit Conversion Rate.
- (b) **Payment Netting.** Accordingly, and for the avoidance of doubt, the parties agree that, with effect from January 1, 2002, for the purpose of Section 2(c) (Netting) of the ISDA Master Agreement, amounts stipulated to be payable in different National Currency Units or in euros should be treated as being payable in the same currency.

For the purposes of this Annex 14:

- (i) "National Currency Unit" means any of the units of the former currencies of member states of the European Union that have adopted the euro in accordance with the EC Treaty;
- (ii) "Euro" means the lawful currency of the member states of the European Union that adopt the single currency in accordance with the EC Treaty;
- (iii) "EC Treaty" means the Treaty establishing the European Community (signed in Rome on March 25, 1957), as amended by the Treaty on European Union (signed in Maastricht on February 7, 1992) and as amended by the Treaty of Amsterdam (signed in Amsterdam on October 2, 1997) and includes, for this purpose, Council Regulations (EC) No. 1103/97 and No. 974/98; and
- (iv) "National Currency Unit Conversion Rates" means the conversion rates at which the National Currency Units became a denomination of the euro in accordance with Council Regulation (EC) No. 2866/98, as set forth below:

<u>National Currency Unit</u>	<u>Conversion Rate</u>
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