



International Swaps and Derivatives Association, Inc.

**ISDA 2018 U.S. RESOLUTION STAY PROTOCOL**

published on July 31, 2018  
by the International Swaps and Derivatives Association, Inc.

The International Swaps and Derivatives Association, Inc. (**ISDA**) has published this ISDA 2018 U.S. Resolution Stay Protocol (this **Protocol**) to enable parties to Protocol Covered Agreements (as defined below) to amend the terms of each such Protocol Covered Agreement to contractually recognize the cross-border application of special resolution regimes applicable to certain financial companies and support the resolution of certain financial companies under the United States Bankruptcy Code.

Accordingly, a party may adhere to this Protocol and be bound by its terms by completing and delivering a letter substantially in the form of Exhibit 1 to this Protocol (an **Adherence Letter**) to ISDA, as agent, as described below (each such party, an **Adhering Party**).

**1. Adherence to and Effectiveness of the Protocol**

(a) If an Adhering Party is an Entity Subject to U.S. Regulations or has a branch or agency that is an Entity Subject to U.S. Regulations and identifies itself as a Regulated Entity in its Adherence Letter, it shall be a **Regulated Entity** for purposes of this Protocol.

(b) By adhering to this Protocol in the manner set forth in this paragraph 1, each Adhering Party agrees that (i) the terms of each Covered Agreement between such Adhering Party and any Regulated Entity or provided by one to the other and (ii) the terms of each Covered Credit Enhancement between such Adhering Party and any Regulated Entity or provided by one to the other will, in each case, be amended in accordance with the terms and subject to the conditions set forth in the Attachment hereto.

(c) Adherence to this Protocol will be evidenced by the execution and online delivery, in accordance with this paragraph, to ISDA, as agent, of an Adherence Letter (in accordance with subparagraphs 1(c)(i) through 1(c)(iii) below). ISDA shall have the right, in its sole and absolute discretion, upon thirty calendar days' notice on the "ISDA 2018 U.S. Resolution Stay Protocol" section of its website at [www.isda.org](http://www.isda.org) (or by other suitable means), to designate a closing date of this Protocol (such closing date, the **Cut-off Date**). After the Cut-off Date, ISDA will not accept any further Adherence Letters to this Protocol.

(i) Each Adhering Party will access the Protocol Management section of the ISDA website at [www.isda.org](http://www.isda.org) to enter information online that is required to generate its form of Adherence Letter. Each Adhering Party that is an Entity Subject to U.S. Regulations or has a branch or agency that is an Entity Subject to U.S. Regulations and that wishes to be treated as a Regulated Entity for purposes of this Protocol shall identify itself as a Regulated Entity in section 1 of its Adherence Letter. Either by directly downloading the populated Adherence Letter from the Protocol Management system or upon receipt via e-mail of the populated Adherence Letter, each Adhering Party will print, sign and upload the signed Adherence Letter as a PDF (portable document format) attachment into the Protocol Management system. Once the signed Adherence Letter has been approved and accepted by ISDA, such Adhering Party will receive an e-mail confirmation of the Adhering Party's adherence to the Protocol.

- (ii) A conformed copy of each Adherence Letter containing, in place of each signature, the printed or typewritten name of each signatory will be published by ISDA so that it may be viewed by all Adhering Parties. Each Adhering Party agrees that, for evidentiary purposes, a conformed copy of an Adherence Letter certified by the General Counsel (or other appropriate officer) of ISDA will be deemed to be an original.
- (iii) Each Adhering Party agrees that the determination of the date and time of acceptance of any Adherence Letter will be determined by ISDA in its absolute discretion.
- (d) As between an Adhering Party and a Regulated Entity (including, for the avoidance of doubt, any two Regulated Entities), the agreement to make the amendments contemplated by this Protocol, on the terms and conditions set forth in this Protocol, will be effective on the Implementation Date and the amendments shall be made on the later of (i) the Implementation Date and (ii) the Compliance Date.
- (i) The **Compliance Date** with respect to a Protocol Covered Agreement shall be determined as follows:—
- (A) if each party to such Protocol Covered Agreement is an Entity Subject to U.S. Regulations, 1 January 2019;
- (B) if each party to such Protocol Covered Agreement (other than the Entity Subject to U.S. Regulations) is a Financial Counterparty that is not an Entity Subject to U.S. Regulations, 1 July 2019; and
- (C) if a party to such Protocol Covered Agreement (other than the Entity Subject to U.S. Regulations) is not described in clause (A) or (B) or if, notwithstanding (B), a party to such Protocol Covered Agreement (other than the Entity Subject to U.S. Regulations) is a Small Financial Institution, 1 January 2020.
- (ii) The **Implementation Date** with respect to any Adhering Party and a Regulated Entity shall be the date of acceptance by ISDA, as agent, of an Adherence Letter (in accordance with paragraph 1(c) above) from the later of such two Adhering Parties to adhere. Acceptance by ISDA of a subsequent or revised Adherence Letter from either such Adhering Party will not have the effect of changing such Implementation Date.
- (e) This Protocol is intended for use without negotiation, but without prejudice to any amendment, modification or waiver in respect of a Protocol Covered Agreement that the parties may otherwise effect in accordance with the terms of that Protocol Covered Agreement.
- (i) In adhering to this Protocol, an Adhering Party may not specify additional provisions, conditions or limitations in its Adherence Letter.
- (ii) Any purported adherence that ISDA, as agent, determines in good faith is not in compliance with this Protocol will be void and ISDA will inform the relevant party of such fact as soon as reasonably possible after making such determination.
- (f) Each Adhering Party acknowledges and agrees that adherence to this Protocol is irrevocable, except that an Adhering Party may deliver to ISDA, as agent, a notice substantially in the form of Exhibit 2 to this Protocol that is effective (determined pursuant to paragraph 3(f) below) on any Protocol Business Day during the Annual Revocation Period (a **Revocation Notice**) to designate the next Annual

Revocation Date as the last date on which (i) any counterparty may adhere to this Protocol in respect of any Covered Agreement between the counterparty and such Adhering Party or (ii) any provider of credit support to, or recipient of credit support from, such Adhering Party pursuant to any Credit Enhancement may adhere to this Protocol with respect to such Credit Enhancement.

(i) Upon the effective designation of the next Annual Revocation Date by an Adhering Party, this Protocol will not amend any (A) Covered Agreement between that Adhering Party and an Adhering Party which adheres to this Protocol after that Annual Revocation Date occurs or (B) Credit Enhancement by that Adhering Party in favor of a party which adheres to this Protocol after that Annual Revocation Date occurs, or by such a party in favor of that Adhering Party, and such Covered Agreement or Credit Enhancement will not be a Protocol Covered Agreement. The foregoing is without prejudice to any amendment effected pursuant to this Protocol to any Protocol Covered Agreement between two Adhering Parties (or by one Adhering Party in favor of another Adhering Party) that each adhered to this Protocol on or before the day on which that Annual Revocation Date occurs or is deemed to occur, regardless of the date on which such Protocol Covered Agreement is entered into, and any such amendment shall be effective notwithstanding the occurrence or deemed occurrence of such Annual Revocation Date.

(ii) Each Revocation Notice must be delivered by the means specified in paragraph 3(f) of this Protocol below.

(iii) Each Adhering Party agrees that, for evidentiary purposes, a conformed copy of a Revocation Notice certified by the General Counsel or an appropriate officer of ISDA will be deemed to be an original.

(iv) Any purported revocation that ISDA, as agent, determines in good faith is not in compliance with this paragraph 1(f) will be void.

## 2. Representations and Undertakings

(a) As of the date on which an Adhering Party adheres to this Protocol in accordance with paragraph 1 above, such Adhering Party represents to each other Adhering Party with which it has entered into a Protocol Covered Agreement, or to which it has provided or from which it has received a Protocol Covered Agreement, each of the following matters:

(i) **Status.** It is, if relevant, duly organized and validly existing under the laws of the jurisdiction of its organization or incorporation and, if relevant under such laws, in good standing or, if it otherwise represents its status in or pursuant to the Protocol Covered Agreement, has such status.

(ii) **Powers.** It has the power to execute and deliver the Adherence Letter and to perform its obligations under the Adherence Letter and the Protocol Covered Agreement as amended by the Adherence Letter and this Protocol (including the Attachment hereto), and has taken all necessary action to authorize such execution, delivery and performance.

(iii) **No Violation or Conflict.** Such execution, delivery and performance do not violate or conflict with any law applicable to it, any provision of its constitutional documents, any order or judgment of any court or other agency of government applicable to it or any of its assets or any contractual restriction binding on or affecting it or any of its assets.

(iv) **Consents.** All governmental and other consents that are required to have been obtained by it with respect to the Adherence Letter and the Protocol Covered Agreement, as amended by the Adherence Letter and this Protocol (including the Attachment hereto), have been obtained and are in full force and effect and all conditions of any such consents have been complied with.

(v) **Obligations Binding.** Its obligations under the Adherence Letter and the Protocol Covered Agreement, as amended by the Adherence Letter and this Protocol (including the Attachment hereto), constitute its legal, valid and binding obligations, enforceable in accordance with their respective terms (subject to applicable bankruptcy, reorganization, insolvency, moratorium or similar laws affecting creditors' rights generally and subject, as to enforceability, to equitable principles of general application (regardless of whether enforcement is sought in a proceeding in equity or at law)).

(vi) **Credit Support.** Its adherence to this Protocol and any amendment contemplated by this Protocol (other than any amendments affecting when rights in respect of a Credit Enhancement or Third Party Credit Enhancement may be exercised) will not, in and of itself, adversely affect the enforceability, effectiveness or validity of any obligations owed, whether by it or by any third party, under any Credit Enhancement or Third Party Credit Enhancement in respect of its obligations relating to the Protocol Covered Agreement as amended by the Adherence Letter and this Protocol (including the Attachment hereto).

(b) Each Adhering Party agrees with each other Adhering Party with which it has entered into a Protocol Covered Agreement, or to which it has provided a Protocol Covered Agreement that is a Covered Credit Enhancement, that each of the foregoing representations will be deemed, in the case of a Protocol Covered Agreement that is an ISDA Master Agreement, to be a representation for purposes of Section 5(a)(iv) and in the case of any other Protocol Covered Agreement, to be a representation for purposes of any analogous provisions of each such Protocol Covered Agreement, that is made by each Adhering Party as of the later of (A) the date on which such Adhering Party adheres to this Protocol in accordance with paragraph 1 above and (B) the date of such Protocol Covered Agreement.

(c) **Undertakings in respect of Covered Agreements and Credit Enhancements with Third Party Credit Enhancements.** With respect to Covered Agreements and Credit Enhancements with Third Party Credit Enhancements that expressly require the consent, approval, agreement, authorization or other action of a Third Party to be obtained, each Adhering Party whose obligations under such arrangements are secured, guaranteed or otherwise supported by such Third Party undertakes to each other Adhering Party with which it has entered into such arrangements that it has obtained the consent (including by way of paragraph 2(d) below), approval, agreement, authorization or other action of such Third Party and that it will, upon demand, deliver evidence of such consent, approval, agreement, authorization or other action to such other Adhering Party.

(d) **Deemed Third Party Consent.** Each Adhering Party which is also a Third Party in relation to a Third Party Credit Enhancement is hereby deemed to have consented to the amendments imposed by this Protocol on the Covered Agreement and/or Credit Enhancement supported by such Third Party Credit Enhancement.

### 3. Miscellaneous

(a) **Entire Agreement; Restatement; Survival.**

(i) This Protocol constitutes the entire agreement and understanding of the Adhering Parties with respect to its subject matter and supersedes all oral communication and prior writings (except as otherwise provided herein) with respect thereto. Each Adhering Party acknowledges

that in adhering to this Protocol it has not relied on any oral or written representation, warranty or other assurance (except as provided for or referred to elsewhere in this Protocol or in the Attachment) and waives all rights and remedies which might otherwise be available to it in respect thereof, except that nothing in this Protocol will limit or exclude any liability of an Adhering Party for fraud.

(ii) Except for any amendment deemed to be made pursuant to this Protocol in respect of any Protocol Covered Agreement, all terms and conditions of each Protocol Covered Agreement will continue in full force and effect in accordance with its provisions as in effect immediately prior to the date on which it first becomes subject to this Protocol. Except as explicitly stated in this Protocol, nothing herein shall constitute a waiver or release of any rights of any Adhering Party under any Protocol Covered Agreement to which such Adhering Party is a party or a provider or recipient of credit support. This Protocol will, with respect to its subject matter, survive, and any amendments deemed to be made pursuant to this Protocol will form a part of each Protocol Covered Agreement between the Adhering Parties, notwithstanding any statements in a Protocol Covered Agreement to the effect that such Protocol Covered Agreement constitutes the entire agreement and understanding between the parties to such Protocol Covered Agreement with respect to the subject of such Protocol Covered Agreement.

(b) **Exclusion of Agreements.** Notwithstanding anything in Section 1(b) hereof, with respect to any agreement between Adhering Parties, if the parties to such agreement have expressly stated in such agreement or otherwise agreed in writing that this Protocol shall not apply then such agreement shall not be a Protocol Covered Agreement.

(c) **Amendments.** An amendment, modification or waiver in respect of the matters contemplated by this Protocol will only be effective in respect of a Protocol Covered Agreement if made in accordance with the terms of the Protocol Covered Agreement and then only with effect between the parties to that Protocol Covered Agreement (and will only be effective to amend or override the provisions set forth in this Protocol and the Attachment if it expressly refers in writing to this paragraph 3(c) of this Protocol).

(d) **Headings.** The headings used in this Protocol and any Adherence Letter are for convenience of reference only and are not to affect the construction of or to be taken into consideration in interpreting this Protocol or any Adherence Letter.

(e) **Governing Law.** This Protocol and each Adherence Letter will, as between two Adhering Parties and in respect of each Protocol Covered Agreement between them or provided by one of them to the other, be governed by and construed in accordance with the law of the State of New York, without reference to choice of law doctrine, provided that the amendments to each Protocol Covered Agreement shall be governed by and construed in accordance with the law specified to govern that Protocol Covered Agreement and otherwise in accordance with the applicable choice of law doctrine.

(f) **Notices.** Any Revocation Notice must be in writing and delivered as a locked PDF (portable document format) attachment to an email to ISDA at [isda@isda.org](mailto:isda@isda.org) and will be deemed effectively delivered on the date it is delivered unless on the date of that delivery ISDA's London office is closed or that communication is delivered after 5:00 p.m., London time, in which case that communication will be deemed effectively delivered on the next day ISDA's London office is open.

(g) **Ability of an Agent to Adhere to the Protocol on Behalf of a Client.**

(i) An Agent may adhere to this Protocol:

(A) on behalf of all Clients listed in each Protocol Covered Agreement (or other agreement which deems a Protocol Covered Agreement to have been created) between such Agent (as agent) and each Regulated Entity, provided by such Agent (as agent) to each Regulated Entity or received by such Agent (as agent) from each Regulated Entity (in which case such Agent need not identify each Client through an online platform available generally to the industry, including, for example, the ISDA Amend platform provided by IHS Markit); or

(B) on behalf of each Client represented by such Agent that is specifically named or identified through an online platform available generally to the industry, including, for example, the ISDA Amend platform provided by IHS Markit; or

(C) on behalf of all Clients listed in each Protocol Covered Agreement (or other agreement which deems a Protocol Covered Agreement to have been created) between such Agent (as agent) and each Regulated Entity, provided by such Agent (as agent) to each Regulated Entity or received by such Agent (as agent) from each Regulated Entity, except any Client that such Agent specifically names or identifies as excluded from adherence through an online platform available generally to the industry, including, for example, the ISDA Amend platform provided by IHS Markit; or

(D) solely for the purpose of amending one or more Agent Protocol Covered Agreements entered into with, provided by or received from Regulated Entities on behalf of principals that are not Clients at the time of such adherence and to which New Clients may be added pursuant to paragraph 3(h), in which case the Agent may adhere but not identify any Clients at the time of such adherence;

provided, in each case, that such adherence shall only be effective with respect to Protocol Covered Agreements entered into, provided to or received by such Agent on behalf of any such Client and only to designate any such Client as an Adhering Party but not a Regulated Entity.

(ii) Where an Agent adheres to this Protocol on behalf of a Client by executing and delivering an Adherence Letter on behalf of such Client in accordance with paragraph 1 and this paragraph 3(g), references to the Adhering Party for purposes of this Protocol (including the Attachment hereto) and the Adherence Letter shall be interpreted to refer to such Client.

(h) ***Clients Added to an Agent Protocol Covered Agreement after the Implementation Date.*** In respect of any Client added to an Agent Protocol Covered Agreement between an Agent and a Regulated Entity, or provided or received by the Agent to or from such Regulated Entity, after the Implementation Date (a **New Client**), the Agent and such Regulated Entity agree that the terms of such Agent Protocol Covered Agreement as between such Regulated Entity and any New Client will be subject to the amendments effected by this Protocol, unless otherwise agreed between such Agent and such Regulated Entity.

(i) ***Adhering Party that is an Agent with respect to a Protocol Covered Agreement.*** An Adhering Party that executes a Protocol Covered Agreement (including an annex thereto) as agent with respect to that Protocol Covered Agreement, shall not for purposes of this Protocol be considered to be a party to or to have entered into such Protocol Covered Agreement solely by acting as agent with respect to that Protocol Covered Agreement.

(j) ***Agent Representation.*** If an Agent adheres to this Protocol on behalf of one or more Clients pursuant to paragraph 3(g)(i)(B), 3(g)(i)(C) or 3(g)(i)(D) or adds New Clients pursuant to paragraph 3(h),

it must communicate the identity of each such Client to each Regulated Entity with, to or from which the Agent has entered into, provided or received one or more Protocol Covered Agreements on behalf of such Client. When an Agent communicates the identity of a Client to a Regulated Entity in accordance with paragraph 3(g) and this paragraph 3(j), it is deemed to represent to such Regulated Entity that the Agent has communicated the identity of the Client to each other Regulated Entity with, to or from which the Agent has entered into, provided or received one or more Protocol Covered Agreements on behalf of such Client.

#### 4. Definitions

References in this Protocol and the Attachment to the following terms shall have the following meanings:

**Adherence Letter** has the definition given to such term in the introductory paragraphs hereof.

**Adhering Party** has the definition given to such term in the introductory paragraphs hereof.

**Agent** means an entity that enters into, or provides or receives the benefit of, a Protocol Covered Agreement and executes and delivers an Adherence Letter with respect to this Protocol on behalf of, and as agent for, one or more clients, investors, funds, accounts and/or other principals. With respect to paragraph 3(h), Agent also means an entity that enters into, or provides or receives the benefit of, a Protocol Covered Agreement and executes and delivers an Adherence Letter pursuant to subparagraph 3(g)(i)(D) solely for purposes of amending such agreements to which New Clients may be added under paragraph 3(h).

**Agent Covered Credit Enhancement** means any Credit Enhancement that is an In-Scope QFC that is entered into between, or provided by or to, an Agent, in each case on behalf of or for the benefit of a Client, with, to or from a Regulated Entity prior to the date of receipt by ISDA of an Adherence Letter from the later of such Regulated Entity or such Agent, provided that an Excluded Agreement shall not be an Agent Covered Credit Enhancement.

**Agent Covered Agreement** means any In-scope QFC other than an Excluded Agreement or a Credit Enhancement that is signed by an Agent and a Regulated Entity prior to the date of receipt by ISDA of an Adherence Letter from the later of such Regulated Entity or such Agent.

**Agent Protocol Covered Agreement** means an Agent Covered Credit Enhancement or an Agent Covered Agreement.

**Annual Revocation Date** means, with respect to each calendar year, December 31 of such calendar year. If December 31 in any calendar year is not a day on which ISDA's London office is open, the Annual Revocation Date with respect to such calendar year will be deemed to occur on the next day that ISDA's London office is open.

**Annual Revocation Period** means the period between October 1 and October 31 of any calendar year.

**BHCA Affiliate** has the meaning given to the term "affiliate":—

- (a) with respect to a Covered Bank, in the OCC Regulation; or
- (b) with respect to a Covered Entity, in the FRB Regulation; or
- (c) with respect to a Covered FSI, in the FDIC Regulation,

and shall be interpreted in accordance with such regulation.

**CCP** has the meaning given to the term “central counterparty (CCP)” in the FRB Regulation.

**Client** means a client, investor, fund, account and/or other principal on whose behalf an Agent acts.

**Compliance Date** has the meaning given to such term in subparagraph 1(d)(i).

**Covered Affiliate Credit Enhancement** means a Covered Credit Enhancement to which a Covered Bank, Covered Entity or Covered FSI is the obligor.

**Covered Agreement** means, with respect to an Adhering Party and a Regulated Entity, subject to an Adhering Party’s right to deliver a Revocation Notice pursuant to paragraph 1(f) above:—

(a) an In-scope QFC, other than a Credit Enhancement, between such Adhering Party and such Regulated Entity, provided by such Regulated Entity to such Adhering Party or provided by such Adhering Party to such Regulated Entity, in each case, entered into by the Adhering Parties on or prior to the Implementation Date (and including all outstanding transactions thereunder);

(b) an In-scope QFC, other than a Credit Enhancement, that is an ISDA Master Agreement entered into at any time after the Implementation Date and prior to the Cut-off Date by execution by such Adhering Party and such Regulated Entity of a confirmation pursuant to which such Adhering Party and such Regulated Entity are deemed to have entered into such ISDA Master Agreement until such time as an ISDA Master Agreement has been executed by such Adhering Party and such Regulated Entity, provided that if:

(i) any consent, approval, agreement, authorization or other action of any Third Party is expressly required, under the terms of a Third Party Credit Enhancement or such ISDA Master Agreement, to amend or otherwise modify such ISDA Master Agreement; or

(ii) such Third Party Credit Enhancement or such ISDA Master Agreement includes express terms to the effect that any amendment or modification of such ISDA Master Agreement without the consent, approval, agreement, authorization or other action of any such Third Party would void, impair or otherwise adversely affect existing or future obligations owed under such Third Party Credit Enhancement; or

(iii) such ISDA Master Agreement, if amended or modified in accordance with this Protocol without the consent, approval, agreement, authorization or other action of any such Third Party would void, impair or otherwise adversely affect existing or future obligations owed under such Third Party Credit Enhancement,

then such ISDA Master Agreement shall not be a Covered Agreement unless such consent, approval, agreement, authorization or other action has been obtained or is deemed to have been given under paragraph 2(d) above; and

(c) an Agent Covered Agreement signed by the Agent and the Regulated Entity prior to adherence by both the Regulated Entity and the Agent on behalf of the relevant Client (and including all outstanding transactions thereunder and outstanding Credit Enhancements entered into in connection therewith),

provided that an Excluded Agreement shall not be a Covered Agreement.

**Covered Bank** has the meaning given to the term “covered bank” in the OCC Regulation and shall be interpreted in accordance with such regulation.

**Covered Credit Enhancement** means, subject to an Adhering Party’s right to deliver a Revocation Notice pursuant to paragraph 1(f) above any (a) Credit Enhancement that is an In-Scope QFC executed by two Adhering Parties or entered into by such Adhering Parties on or prior to the Implementation Date or (b) Credit Enhancement that is an In-Scope QFC executed by an Adhering Party and provided to another Adhering Party on or prior to the Implementation Date, or in the case of an Agent Covered Credit Enhancement, executed by the Agent and an Adhering Party, or by the Agent and provided to an Adhering Party or by an Adhering Party and provided to the Agent, prior to adherence by both the Adhering Party and the Agent on behalf of the relevant Client provided that if:—

(a) any consent, approval, agreement, authorization or other action of a Third Party is expressly required under the terms of such Credit Enhancement or a Third Party Credit Enhancement, to amend or otherwise modify such Credit Enhancement; or

(b) such Credit Enhancement or a Third Party Credit Enhancement includes express terms to the effect that any amendment or modification of such Credit Enhancement without the consent, approval, agreement, authorization or other action of a Third Party would void, impair or otherwise adversely affect existing or future obligations owed under such Credit Enhancement or such Third Party Credit Enhancement; or

(c) such Credit Enhancement, if amended or modified in accordance with this Protocol without the consent, approval, agreement, authorization or other action of a Third Party would void, impair or otherwise adversely affect existing or future obligations owed under a Third Party Credit Enhancement,

then such Credit Enhancement shall not be a Covered Credit Enhancement unless such consent, approval, agreement, authorization or other action has been obtained or is deemed to have been given under paragraph 2(d) above, provided further that an Excluded Agreement shall not be a Covered Credit Enhancement.

**Covered Entity** has the meaning given to the term “covered entity” in the FRB Regulation and shall be interpreted in accordance with such regulation.

**Covered FSI** has the meaning given to the term “covered FSI” in the FDIC Regulation and shall be interpreted in accordance with such regulation.

**Credit Enhancement** has the meaning specified for such term in the Attachment hereto.

**Credit Support Document** means, in respect of an Adhering Party and a Protocol Covered Agreement, any document in effect on the Implementation Date, which by its terms secures, guarantees or otherwise supports such Adhering Party’s obligations under such Protocol Covered Agreement from time to time, whether or not such document is specified as such therein or in the Protocol Covered Agreement.

**Cut-off Date** has the meaning given to such term in subparagraph 1(c).

**Default Right** has the meaning given to such term in the Attachment.

**Entity Subject to U.S. Regulations** means a Covered Bank, Covered Entity or Covered FSI.

**Excluded Agreement** means any:—

- (a) In-scope QFC to which (1) a CCP is a party or (2) each party (other than the Entity Subject to U.S. Regulations) is an FMU;
- (b) Excluded Foreign Bank Agreement;
- (c) Excluded Investment Advisory Contract; and
- (d) Excluded Warrant.

**Excluded Foreign Bank Agreement** means a Foreign Bank Agreement that does not permit agreements or transactions to be booked at:—

- (a) with respect to a Covered Bank, a “Federal branch” or “Federal agency,” each of which has the meaning given to such term in the OCC Regulation; or
- (b) with respect to a Covered Entity, a “U.S. branch” or “U.S. agency,” each of which has the meaning given to such term in the FRB Regulation.

**Excluded Investment Advisory Contract** means any contract or agreement:—

- (a) with respect to a Covered Bank, described in section 47.8(c)(1) of the OCC Regulation; or
- (b) with respect to a Covered Entity, described in section 252.88(c)(1) of the FRB Regulation; or
- (c) with respect to a Covered FSI, described in section 382.7(c)(1) of the FDIC Regulation.

**Excluded Warrant** means any warrant:—

- (a) with respect to a Covered Bank, described in section 47.8(c)(2) of the OCC Regulation; or
- (b) with respect to a Covered Entity, described in section 252.88(c)(2) of the FRB Regulation; or
- (c) with respect to a Covered FSI, described in section 382.7(c)(2) of the FDIC Regulation.

**FDIC Regulation** means 12 C.F.R. §§ 382.1-7.

**Financial Counterparty** has the meaning given to the term “financial counterparty” in the FRB Regulation.

**FMU** has the meaning given to the term “financial market utility (FMU)” in the FRB Regulation.

**Foreign Bank** means an entity that is not organized under the laws of the United States of America or of a State that has:—

- (a) a “Federal branch” or “Federal agency,” each of which has the meaning given to such term in the OCC Regulation, that is a Covered Bank; or
- (b) a “U.S. branch” or “U.S. agency,” each of which has the meaning given to such term in the FRB Regulation, that is a Covered Entity.

**Foreign Bank Agreement** means an In-scope QFC that is between:—

- (a) (i) Foreign Bank; or
- (ii) a branch or agency (including a non-U.S. branch or agency) of a Foreign Bank; and
- (b) an Adhering Party that is not an Entity Subject to U.S. Regulations.

**FRB Regulation** means 12 C.F.R. §§ 252.2, 252.81-88.

**Implementation Date** has the meaning given to such term in subparagraph 1(d)(ii).

**In-scope QFC** means a Qualified Financial Contract that explicitly:—

- (a) restricts the transfer of a Qualified Financial Contract (or any interest or obligation in or under, or any property securing, the Qualified Financial Contract) from an Entity Subject to U.S. Regulations; or
- (b) provides one or more Default Rights with respect to a Qualified Financial Contract that may be exercised against an Entity Subject to U.S. Regulations.

**ISDA Master Agreement** means a 2002 ISDA Master Agreement, 1992 ISDA Master Agreement (Multicurrency – Cross Border), 1992 ISDA Master Agreement (Local Currency – Single Jurisdiction), 1987 ISDA Interest Rate and Currency Exchange Agreement or 1987 ISDA Interest Rate Swap Agreement, in each case as published by ISDA, in each case, including any Credit Support Annex (as defined or specified therein) forming a part thereof.

**New Client** has the meaning given to such term in subparagraph 3(h).

**OCC Regulation** means 12 C.F.R. §§ 47.1-8.

**Protocol** has the meaning given to such term in the introductory paragraphs hereof.

**Protocol Business Day** means a day on which commercial banks and foreign exchange markets are generally open to settle payments in both London and New York.

**Protocol Covered Agreement** means a Covered Agreement or a Covered Credit Enhancement.

**Qualified Financial Contract** has the same meaning as in section 210(c)(8)(D) of Title II of the Dodd-Frank Wall Street Reform and Consumer Protection Act (12 U.S.C. § 5390(c)(8)(D)).

**Regulated Entity** has the meaning given to such term in subparagraph 1(a).

**Revocation Notice** has the meaning given to such term in subparagraph 1(f).

**Section 1 Excluded Agreement** means a Protocol Covered Agreement:—

- (a) that designates the U.S. Special Resolution Regime – FDIA and U.S. Special Resolution Regime – OLA as part of the law governing the Protocol Covered Agreement by:
  - (i) explicitly providing that the Protocol Covered Agreement is governed by the laws of the United States of America or a State; and
  - (ii) not explicitly providing that one or both of the U.S. Special Resolution Regime – FDIA and U.S. Special Resolution Regime – OLA, or a broader set of laws that includes the U.S.

Special Resolution Regime – FDIA or U.S. Special Resolution Regime – OLA, is excluded from the laws governing the Protocol Covered Agreement; and

- (b) where each party to such Protocol Covered Agreement other than the Entity Subject to U.S. Regulations is:
- (i) an individual that is domiciled in the United States of America, including in any State; or
  - (ii) a company that is incorporated in or organized under the laws of the United States of America or any State; or
  - (iii) a company the principal place of business of which is located in the United States of America, including any State; or
  - (iv) with respect to a Protocol Covered Agreement that is entered into with or provided to or by a Covered Bank, a “U.S. branch” or “U.S. agency,” each of which has the meaning given to such term in the OCC Regulation; or
  - (v) with respect to a Protocol Covered Agreement that is entered into with or provided to or by a Covered Entity, a “U.S. branch” or “U.S. agency,” each of which has the meaning given to such term in the FRB Regulation; or
  - (vi) with respect to a Protocol Covered Agreement that is entered into with or provided to or by a Covered FSI, a “U.S. branch” or “U.S. agency,” each of which has the meaning given to such term in the FDIC Regulation.

**Section 2 Excluded Agreement** means a Protocol Covered Agreement that:—

- (a) does not explicitly provide any Default Right with respect to the Protocol Covered Agreement that is related, directly or indirectly, to a BHCA Affiliate of the Entity Subject to U.S. Regulations becoming subject to a receivership, insolvency, liquidation, resolution, or similar proceeding; and
- (b) does not explicitly prohibit the transfer of a Covered Affiliate Credit Enhancement, any interest or obligation in or under the Covered Affiliate Credit Enhancement, or any property securing the Covered Affiliate Credit Enhancement to a transferee upon or following a BHCA Affiliate of the Entity Subject to U.S. Regulations becoming subject to a receivership, insolvency, liquidation, resolution, or similar proceeding, or would prohibit such a transfer only if the transfer would result in the supported party being the beneficiary of the Covered Affiliate Credit Enhancement in violation of any law applicable to the supported party.

**Small Financial Institution** has the meaning given to the term “small financial institution” in the FRB Regulation.

**State** means any state, commonwealth, territory, or possession of the United States of America, the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, American Samoa, Guam, or the United States Virgin Islands.

**Third Party** means, in relation to an agreement supported by a Third Party Credit Enhancement, any party to such Third Party Credit Enhancement other than either of the Adhering Parties which are parties to the agreement.

**Third Party Credit Enhancement** means, with respect to an Adhering Party and a Protocol Covered Agreement, any Credit Support Document which is executed by one or more Third Parties (whether or not an Adhering Party is a party thereto), whether or not such document is specified as a Third Party Credit Enhancement or as a Credit Support Document therein or in the Protocol Covered Agreement.

**U.S. Special Resolution Regime – FDIA** has the meaning given to such term in the Attachment.

**U.S. Special Resolution Regime – OLA** has the meaning given to such term in the Attachment.

**EXHIBIT 1**  
**to the ISDA 2018 U.S. RESOLUTION STAY PROTOCOL**

**Form of Adherence Letter**

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**[Letterhead of Adhering Party]**

**[Date]**

**International Swaps and Derivatives Association, Inc.**

Ladies and Gentlemen,

**ISDA 2018 U.S. RESOLUTION STAY PROTOCOL**

The purpose of this letter is to confirm our adherence to the ISDA 2018 U.S. Resolution Stay Protocol as published by the International Swaps and Derivatives Association, Inc. (**ISDA**) on July 31, 2018 (the **Protocol**). By submitting this Adherence Letter, we confirm that we are an **Adhering Party** to the Protocol. This letter constitutes, as between each other Adhering Party and us, an Adherence Letter as referred to in the Protocol. The definitions and provisions contained in the Protocol are incorporated into this Adherence Letter, which will supplement and form part of each Covered Agreement and Covered Credit Enhancement between us and each other Adhering Party, by us in favor of each other Adhering Party or in favor of us by each other Adhering Party.

**1. Regulated Entity Identification**

Regulated Entity.

By checking this box we acknowledge and agree that for purposes of this Protocol, we are: (1) an Adhering Party and (2) an Entity Subject to U.S. Regulations or have a branch or agency that is an Entity Subject to U.S. Regulations and wish to be treated as a Regulated Entity for purposes of this Protocol.

We acknowledge and agree that for each Protocol Covered Agreement between us and each other Regulated Entity, by us in favor of each other Regulated Entity or in favor of us by each other Regulated Entity, Sections 2 and 3 of this Adherence Letter, and the Protocol, shall apply to us both as an Adhering Party and as a Regulated Entity (with each other Regulated Entity treated as an Adhering Party with respect to us).

**2. Adhering Party Specified Terms**

As an Adhering Party for purposes of this Protocol, as between each Regulated Entity and us, we acknowledge and agree that the amendments in the Attachment to the Protocol shall apply to each Protocol Covered Agreement to which we are a party, or with respect to which we receive or provide credit support, in accordance with the terms of the Protocol and this Adherence Letter. We understand that the terms of this Protocol apply to both Covered Agreements and Covered Credit Enhancements between us and each Regulated Entity, by us in favor of each Regulated Entity or in favor of us by each Regulated Entity.

### **3. Regulated Entity Specified Terms**

As a Regulated Entity for purposes of this Protocol, as between each Adhering Party and us, we acknowledge and agree that the amendments in the Attachment to the Protocol shall apply to each Protocol Covered Agreement to which we are a party, or with respect to which we receive or provide credit support, in accordance with the terms of the Protocol and this Adherence Letter. We understand that the terms of this Protocol apply to both Covered Agreements and Covered Credit Enhancements between us and each Adhering Party, by us in favor of each Adhering Party or in favor of us by each Adhering Party.

### **4. Appointment as Agent and Release**

We hereby appoint ISDA as our agent for the limited purposes of the Protocol and accordingly we waive any rights and hereby release ISDA from any claims, actions or causes of action whatsoever (whether in contract, tort or otherwise) arising out of or in any way relating to this Adherence Letter or our adherence to the Protocol or any actions contemplated as being required by ISDA.

### **5. Payment**

Each Adhering Party must submit a one-time fee of U.S. \$500 to ISDA at or before the submission of this Adherence Letter.

### **6. Contact Details**

Our contact details for purposes of this Adherence Letter are:

Name:

Address:

Telephone:

Fax:

E-mail:

We consent to the publication of a conformed copy of this letter by ISDA and to the disclosure by ISDA of the contents of this letter.

Yours faithfully,

[ADHERING PARTY]<sup>1</sup>

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<sup>1</sup> Specify legal name of Adhering Party.

If you are an Agent and act on behalf of multiple Clients, you may sign the Adherence Letter using one of the options below.

First, if you have the authority to adhere to this Protocol as Agent on behalf of all Clients, you may indicate the following in the signature block: “acting on behalf of each fund, account or other principal (each, a “Client”) listed in each Protocol Covered Agreement (or other agreement which deems a Protocol Covered Agreement to have been created) between it (as agent) and each Regulated Entity, provided by it (as agent) to each Regulated Entity or received by it (as agent) from each Regulated Entity and any New Clients added to each such Protocol Covered Agreement in the future” or such other language that indicates the Clients to which this letter is applicable. If such a signature block is used, a separate Adherence Letter for

By:

Name:
Title:
Signature:

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each Client does not need to be submitted to ISDA and no specific names of Clients must be identified through an online platform available generally to the industry, including, for example, the ISDA Amend platform provided by IHS Markit.

Second, if you have the authority to adhere to this Protocol as Agent on behalf of Clients, you may indicate the following in the signature block: “acting on behalf of each fund, account or other principal (each, a “Client”) (a) identified through an online platform available generally to the industry, including, for example, the ISDA Amend platform provided by IHS Markit, in each case, with respect to each Protocol Covered Agreement (or other agreement which deems a Protocol Covered Agreement to have been created) between it (as agent) and each Regulated Entity, provided by it (as agent) to each Regulated Entity or received by it (as agent) from each Regulated Entity or (b) identified as New Clients in the future.” You will be responsible for identifying the relevant Clients on whose behalf you are adhering. If you cannot or do not wish to name such Clients, then provided that you can identify the adhering Clients by way of specific identifiers which will be known and recognized by all Regulated Entities with, to and from which the relevant Clients have entered into, provided and received Protocol Covered Agreements, you may identify such Clients using specific identifiers and without including any names. If you are able to do so, you may, if you wish, identify Clients by using both names and specific identifiers but this is optional provided you supply, at least, either names or specific identifiers. Choosing not to provide both does not affect the legal validity and binding nature of this Protocol.

Third, if you adhere to this Protocol as an agent on behalf of no current Clients, you may indicate the following in the signature block: “acting to amend each Protocol Covered Agreement (or other agreement which deems a Protocol Covered Agreement to have been created) between it (as agent) and each Regulated Entity, provided by it (as agent) to each Regulated Entity or received by it (as agent) from each Regulated Entity with respect to New Clients to be identified in the future.”

**EXHIBIT 2**  
**to the ISDA 2018 U.S. RESOLUTION STAY PROTOCOL**

**Form of Revocation Notice**

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**[Letterhead of Adhering Party]**

**[Date]**

**International Swaps and Derivatives Association, Inc.**

**Send to: isda@isda.org**

Ladies and Gentlemen,

**ISDA 2018 U.S. RESOLUTION STAY PROTOCOL – Designation of Annual Revocation Date**

The purpose of this letter is to notify you that we wish to designate this year’s Annual Revocation Date as the last date on which any party may adhere to the ISDA 2018 U.S. Resolution Stay Protocol as published by the International Swaps and Derivatives Association, Inc. (**ISDA**) on July 31, 2018 (the **Protocol**) in respect of any Protocol Covered Agreement between us, or provided by us in favor of such party or by such party in favor of us.

This letter constitutes a Revocation Notice as referred to in the Protocol.

We consent to the publication of the conformed copy of this notice by ISDA on and after the Annual Revocation Date and to the disclosure by ISDA of the contents of this letter.

Yours faithfully,

**[ADHERING PARTY]<sup>2</sup>**

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<sup>2</sup> Specify legal name of Adhering Party.

If you are an Agent and act on behalf of multiple Clients, you may sign a Revocation Notice using one of the options below. Alternatively, you may submit one Revocation Notice per Client.

First, if you have the authority to deliver a Revocation Notice for this Protocol as Agent on behalf of all Clients, you may indicate the following in the signature block: “acting on behalf of each fund, account or other principal (each, a “Client”) listed in each Protocol Covered Agreement (or other agreement which deems a Protocol Covered Agreement to have been created) between it (as agent) and each Regulated Entity, provided by it (as agent) to each Regulated Entity or received by it (as agent) from each Regulated Entity” or such other language that indicates the Clients to which this letter is applicable. If such a signature block is used, a separate Revocation Notice for each Client does not need to be submitted to ISDA and no specific names of Clients must be identified through an online platform available generally to the industry, including, for example, the ISDA Amend platform provided by IHS Markit.

Second, if you have the authority to deliver a Revocation Notice for this Protocol as Agent on behalf of Clients, you may indicate the following in the signature block: “acting on behalf of each fund, account or

By:

Name:
Title:
Signature:

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other principal (each, a “Client”) (a) identified through an online platform available generally to the industry, including, for example, the ISDA Amend platform provided by IHS Markit, in each case, with respect to each Protocol Covered Agreement (or other agreement which deems a Protocol Covered Agreement to have been created) between it (as agent) and each Regulated Entity, provided by it (as agent) to each Regulated Entity or received by it (as agent) from each Regulated Entity.” If you cannot or do not wish to name such Clients, then provided that you can identify the revoking Clients by way of specific identifiers which will be known and recognized by all Regulated Entities with, to and from which the relevant Clients have entered into, provided and received Protocol Covered Agreements, you may identify such Clients using specific identifiers and without including any names.

**ATTACHMENT**  
**to the ISDA 2018 U.S. RESOLUTION STAY PROTOCOL**

Each Protocol Covered Agreement shall be modified as follows.

The following text shall be added to the Protocol Covered Agreement:

**1. Exercise of Default Rights upon Resolution**

(a) *Scope of Application.* The terms of this Section 1 shall not apply to any Protocol Covered Agreement that is a Section 1 Excluded Agreement.

(b) *Opt-in to Identified Regimes.*

(i) *Counterparty in Resolution.* If a Regulated Entity party to a Covered Agreement becomes subject to Resolution under an Identified Regime (a “**Party in Resolution**”):—

(A) *Exercise of Default Rights in Respect of a Covered Agreement.* Notwithstanding any provision of the Covered Agreement, or any other agreement, the other Adhering Party to the Covered Agreement (the “**Section 1(b)(i) Stayed Party**”) shall be entitled to exercise Default Rights in respect of the Covered Agreement only to the same extent that it would be entitled to do so under such Identified Regime in respect of an Equivalent Agreement;

(B) *Exercise of Default Rights by the Section 1(b)(i) Stayed Party in Respect of a Covered Credit Enhancement.* Notwithstanding any provision of a Covered Credit Enhancement entered into between the parties to the Covered Agreement, a Covered Credit Enhancement in respect of the Covered Agreement entered into between the Section 1(b)(i) Stayed Party and a Related Entity (that is an Adhering Party) of the Party in Resolution or a Covered Credit Enhancement in respect of the Covered Agreement provided to the Section 1(b)(i) Stayed Party by the Party in Resolution or a Related Entity (that is an Adhering Party) of the Party in Resolution, or any other agreement, the Section 1(b)(i) Stayed Party shall be entitled to exercise Default Rights in respect of the Covered Credit Enhancement only to the same extent that it would be entitled to do so under such Identified Regime in respect of an Equivalent Credit Enhancement;

(C) *Exercise of Default Rights by a Related Entity of the Section 1(b)(i) Stayed Party in Respect of a Covered Credit Enhancement.* Notwithstanding any provision of a Covered Credit Enhancement entered into between a Related Entity (that is an Adhering Party) of the Section 1(b)(i) Stayed Party and the Party in Resolution, or provided by the Related Entity (that is an Adhering Party) of the Section 1(b)(i) Stayed Party to the Party in Resolution, or any other agreement, the Related Entity shall be entitled to exercise Default Rights in respect of the Covered Credit Enhancement only to the same extent that it would be entitled to do so under such Identified Regime in respect of an Equivalent Credit Enhancement.

(D) *Transfers of a Covered Agreement.* A transfer, pursuant to such Identified Regime, of the Covered Agreement (and any interest and obligation in or under, and any property securing, the Covered Agreement) to a successor of the Party in Resolution shall be effective to the same extent that a transfer of an Equivalent Agreement (and any interest and obligation in or under, and any property securing, the Equivalent Agreement)

would be effective pursuant to such Identified Regime, notwithstanding any provision of the Covered Agreement, or any other agreement, purporting to prohibit, condition or void such a transfer;

(E) *Transfers of a Covered Credit Enhancement.* A transfer, pursuant to such Identified Regime, of a Covered Credit Enhancement (and any interest and obligation in or under, and any property securing, the Covered Credit Enhancement) entered into between the parties to the Covered Agreement, or provided by a party to the Covered Agreement in respect of the Covered Agreement, to a successor of the Party in Resolution shall be effective to the same extent that a transfer of an Equivalent Credit Enhancement (and any interest and obligation in or under, and any property securing, the Equivalent Credit Enhancement) would be effective pursuant to such Identified Regime, notwithstanding any provision of the Covered Credit Enhancement, or any other agreement, purporting to prohibit, condition or void such a transfer; and

(F) *Transfers of a Related Entity Covered Credit Enhancement.* A transfer, pursuant to such Identified Regime, of a Covered Credit Enhancement (and any interest and obligation in or under, and property securing, the Covered Credit Enhancement) entered into between a Related Entity (that is an Adhering Party) of the Section 1(b)(i) Stayed Party and the Party in Resolution, or provided by the Related Entity (that is an Adhering Party) of the Section 1(b)(i) Stayed Party in respect of the Covered Agreement, to a successor of the Party in Resolution shall be effective to the same extent that a transfer of an Equivalent Credit Enhancement (and any interest and obligation in or under, and any property securing, the Equivalent Credit Enhancement) would be effective pursuant to such Identified Regime, notwithstanding any provision of the Covered Credit Enhancement, or any other agreement, purporting to prohibit, condition or void such a transfer.

(ii) *Related Entity in Resolution.* If a Related Entity of a Regulated Entity becomes subject to Resolution under an Identified Regime (a “**Related Entity in Resolution**”):—

(A) *Exercise of Default Rights in Respect of a Covered Agreement.* Notwithstanding any provision of the Covered Agreement, or any other agreement, the other Adhering Party to a Covered Agreement (the “**Section 1(b)(ii) Stayed Party**”) shall be entitled to exercise Default Rights in respect of the Covered Agreement only to the same extent that it would be entitled to do so under such Identified Regime in respect of an Equivalent Agreement;

(B) *Exercise of Default Rights in Respect of a Covered Credit Enhancement.*

(I) Notwithstanding any provision of a Covered Credit Enhancement between the parties to the Covered Agreement, or provided to the Section 1(b)(ii) Stayed Party in respect of the Covered Agreement, or any other agreement, the Section 1(b)(ii) Stayed Party shall be entitled to exercise Default Rights in respect of the Covered Credit Enhancement only to the same extent that it would be entitled to do so under such Identified Regime in respect of an Equivalent Credit Enhancement;

(II) Notwithstanding any provision of a Covered Credit Enhancement entered into between the Related Entity in Resolution (that is an Adhering Party) or another Related Entity (that is an Adhering Party) of such Regulated Entity party

to the Covered Agreement and the Section 1(b)(ii) Stayed Party, or provided by the Related Entity in Resolution (that is an Adhering Party) or such other Related Entity (that is an Adhering Party) in respect of the Covered Agreement, or any other agreement, the Section 1(b)(ii) Stayed Party shall be entitled to exercise Default Rights in respect of the Covered Credit Enhancement only to the same extent that it would be entitled to do so under such Identified Regime in respect of an Equivalent Credit Enhancement;

(C) *Exercise of Default Rights by a Related Entity of a Section 1(b)(ii) Stayed Party in Respect of a Covered Credit Enhancement.* Notwithstanding any provision of a Covered Credit Enhancement entered into between a Related Entity (that is an Adhering Party) of the Section 1(b)(ii) Stayed Party and the counterparty of the Section 1(b)(ii) Stayed Party under the Covered Agreement, or provided by the Related Entity (that is an Adhering Party) of the Section 1(b)(ii) Stayed Party to such counterparty in respect of the Covered Agreement, or any other agreement, the Related Entity of the Section 1(b)(ii) Stayed Party shall be entitled to exercise Default Rights in respect of the Covered Credit Enhancement only to the same extent it would be entitled to do so under such Identified Regime in respect of an Equivalent Credit Enhancement; and

(D) *Transfers of a Covered Credit Enhancement.* A transfer, pursuant to such Identified Regime, of a Covered Credit Enhancement (and any interest and obligation in or under, and any property securing, the Covered Credit Enhancement) entered into between the Related Entity in Resolution (that is an Adhering Party) and the Section 1(b)(ii) Stayed Party, or provided by the Related Entity in Resolution (that is an Adhering Party), to a successor of the Related Entity in Resolution shall be effective to the same extent that:

(I) A transfer of an Equivalent Credit Enhancement (and any interest and obligation in or under, and any property securing, the Equivalent Credit Enhancement) would be effective pursuant to such Identified Regime, notwithstanding any provision of the Covered Credit Enhancement, or any other agreement, purporting to prohibit, condition or void the transfer; and

(II) A transfer of an Equivalent Credit Enhancement (and any interest and obligation in or under, and any property securing, the Equivalent Credit Enhancement) supporting an Equivalent Agreement would be effective pursuant to such Identified Regime, notwithstanding any provision of the Covered Agreement, or any other agreement, purporting to prohibit, condition or void the transfer.

(iii) Sections 1(b)(i) and (ii) shall apply with respect to each Regulated Entity or Related Entity of such Regulated Entity subject to Resolution and each Identified Regime under which each such Regulated Entity or Related Entity is subject to Resolution.

(c) ***Events and Conditions Deemed Not Occurring.*** For so long as any Default Right is not exercisable under a Covered Agreement or a Covered Credit Enhancement as a consequence of the application of an Identified Regime under Section 1(b), any event of default, termination event or similar event, as defined therein, that gave rise to such Default Right shall be deemed not to be occurring, existing or continuing for purposes of determining under any other agreement whether a default, termination event or similar event has occurred or is continuing under such Covered Agreement or Covered Credit Enhancement, as applicable, but only to the extent that such Identified Regime would

render such default, termination event or similar event under such other agreement unenforceable were such Covered Agreement or Covered Credit Enhancement governed by the law of the jurisdiction of such Identified Regime.

(d) ***Maintenance of Perfection and Priority.*** If (i) an Identified Regime under which a Regulated Entity or its Related Entity is, as applicable, a Party in Resolution or a Related Entity in Resolution, or other applicable law, would preserve by operation of law the interests of the Section 1 Stayed Party in any property serving as security for obligations under an Equivalent Agreement or Equivalent Credit Enhancement, including the attachment, enforceability, perfection or priority thereof, notwithstanding the transfer thereof pursuant to such Identified Regime, and (ii) the Section 1 Stayed Party, as a party to or beneficiary of a Covered Agreement or Covered Credit Enhancement transferred pursuant to such Identified Regime, does not benefit from such preservation by operation of law by virtue of such Identified Regime applying to such Section 1 Stayed Party as a result of the Protocol, then if the relevant transferee does not promptly cause the equivalent preservation of such interests, the Section 1 Stayed Party shall be entitled to exercise any Default Rights it may have without regard to Section 1(b). This Section 1(d) shall be without prejudice to any contractual arrangement in respect of the preservation of the Section 1 Stayed Party's interest in property serving as security for obligations under such a Covered Agreement or Covered Credit Enhancement.

## **2. Limitation on Exercise of Default Rights upon U.S. Insolvency Proceedings**

(a) ***Scope of Application.*** The terms of this Section 2 shall not apply to any Protocol Covered Agreement that is a Section 2 Excluded Agreement.

(b) ***Affiliate in U.S. Insolvency Proceedings (Not a Credit Enhancement Provider).***

Notwithstanding any provision of a Covered Agreement between a Regulated Entity (the "**Direct Party**") and another Adhering Party (the "**Section 2 Stayed Party**") or a related Credit Enhancement, if an Affiliate of the Direct Party becomes subject to U.S. Insolvency Proceedings (such Affiliate, a "**Party in U.S. Proceedings**"), and such Party in U.S. Proceedings is not a Credit Enhancement Provider with respect to the Covered Agreement, the Section 2 Stayed Party shall, subject to Section 2(f), be entitled to exercise only Performance Default Rights or Unrelated Default Rights in respect of the Covered Agreement or such a related Credit Enhancement, but shall not be entitled to exercise any other Default Rights in respect of the Covered Agreement or such a related Credit Enhancement.

(c) ***Credit Enhancement Provider in Chapter 11 Proceedings.*** Notwithstanding any provision of a Covered Agreement between the Direct Party and the Section 2 Stayed Party or a related Credit Enhancement, if the Party in U.S. Proceedings is a Credit Enhancement Provider with respect to the Covered Agreement, and such Party in U.S. Proceedings is subject to Chapter 11 Proceedings (such Party in U.S. Proceedings, the "**Party in Chapter 11 Proceedings**"), the Section 2 Stayed Party shall, subject to Section 2(f), be entitled to exercise only Performance Default Rights or Unrelated Default Rights in respect of the Covered Agreement or such a related Credit Enhancement, but shall not be entitled to exercise any other Default Rights in respect of the Covered Agreement or such a related Credit Enhancement.

(i) ***When Section 2(c) Default-Right Overrides Apply.*** The limitations on the exercise of Default Rights in Section 2(c) are applicable:—

(A) During the Stay Period; and

(B) Thereafter, only if the Party in Chapter 11 Proceedings files either a Transfer Motion or a DIP Motion before the expiration of the Stay Period, in which case only for so long as the conditions in Sections 2(c)(ii) or 2(c)(iii), as applicable, are satisfied.

(ii) *Transfer Conditions.* If the Party in Chapter 11 Proceedings files a Transfer Motion, with respect to a Transferee identified in such Transfer Motion, a Section 2 Stayed Party and the Covered Agreement between such Section 2 Stayed Party and the Direct Party:—

(A) During the Stay Period, such Transferee:—

(I) Is not subject to receivership, insolvency, liquidation, resolution or similar proceedings; and

(II) Satisfies all of its material payment and delivery obligations, if any, to each of its creditors;

(B) Upon the expiration of the Stay Period:—

(I) An order has been entered in respect of the Transfer Motion providing for all or substantially all of the assets of the Party in Chapter 11 Proceedings (or the net proceeds therefrom), excluding any assets reserved for the payment of costs and expenses of administration in the Chapter 11 Proceedings in respect of such Party in Chapter 11 Proceeding, to be transferred or sold, as soon as practicably possible, to the Transferee identified therein; and

(II) The Transfer Stay Conditions have been satisfied; and

(C) Following the Stay Period:—

(I) The Direct Party is and continues to be duly registered with and licensed by the regulatory body or bodies with principal supervisory authority over its business relating to transactions under Eligible Agreements and similar agreements;

(II) If the Transferee is a party other than a Bankruptcy Bridge Company, such Transferee satisfies and continues to satisfy all financial covenants and other terms applicable to the Credit Enhancement Provider under the Covered Agreement and each Credit Enhancement in respect thereof; and

(III) With respect to each Credit Enhancement (and any interest and obligation in or under, and any property securing, such Credit Enhancement) provided by the Party in Chapter 11 Proceedings with respect to Covered Agreements between the Direct Party and the Section 2 Stayed Party and the Direct Party and any Affiliate of the Section 2 Stayed Party that are transferred to the Transferee during the Stay Period, the Transferee continues to satisfy all provisions and covenants in such Credit Enhancements regarding the attachment, enforceability, perfection or priority of any security interest in property securing the obligations pursuant to such Credit Enhancements.

(iii) *U.S. Parent DIP Conditions.* If the Party in Chapter 11 Proceedings files a DIP Motion:—

- (A) The Party in Chapter 11 Proceedings is a U.S. Parent;
- (B) Upon the expiration of the Stay Period, the DIP Stay Conditions are satisfied with respect to the Section 2 Stayed Party; and
- (C) Following the Stay Period, the Direct Party is and continues to be duly registered with and licensed by the regulatory body or bodies with principal supervisory authority over its business relating to transactions under Eligible Agreements and similar agreements.

(d) ***Exercise of Default Rights Based on Payment Failure of U.S. Parent Credit Enhancement Provider to Other Section 2 Stayed Parties.*** With respect to a U.S. Parent that is a Party in Chapter 11 Proceedings and that has filed a DIP Motion, if a Section 2 Stayed Party's ability to exercise Default Rights in respect of a Covered Agreement with a Direct Party would be stayed pursuant to Sections 2(c)(i) and 2(c)(iii), such Section 2 Stayed Party may nevertheless exercise such Default Rights if:—

- (i) Such Direct Party fails to pay or deliver any Close-out Amount when due, in accordance with the terms of any Covered Agreement between such Direct Party and any other Section 2 Stayed Party; and
- (ii) The Party in Chapter 11 Proceedings fails to satisfy its obligations, when due, in accordance with the terms of any Credit Enhancement in respect of such Covered Agreement.

(e) ***Credit Enhancement Provider in FDIA Proceedings.*** Notwithstanding any provision of a Covered Agreement between the Direct Party and the Section 2 Stayed Party or a related Credit Enhancement, if the Party in U.S. Proceedings is a Credit Enhancement Provider with respect to the Covered Agreement, and such Party in U.S. Proceedings is subject to FDIA Proceedings, the Section 2 Stayed Party shall, subject to Section 2(f), be entitled to exercise only Performance Default Rights or Unrelated Default Rights in respect of the Covered Agreement or such a related Credit Enhancement, but shall not be entitled to exercise any other Default Rights in respect of the Covered Agreement or such a related Credit Enhancement.

(i) ***When Section 2(e) Default-Right Overrides Apply.*** The limitations on the exercise of Default Rights in Section 2(e) are applicable:—

- (A) During the FDIA Stay Period; and
- (B) Thereafter, only if the Credit Enhancement (and any interest and obligation in or under, and any property securing, such Credit Enhancement) between the Credit Enhancement Provider and the Section 2 Stayed Party or provided by the Credit Enhancement Provider in respect of such Covered Agreement has been transferred by the FDIC in accordance with the FDIA QFC Transfer Provisions.

(ii) ***Suspension of Performance.*** During such FDIA Proceedings, the Section 2 Stayed Party may exercise any contractual rights to suspend performance with respect to its obligations under the Covered Agreement between such Section 2 Stayed Party and the Direct Party to the same extent it would be entitled to do so as if the Covered Agreement were a Qualified Financial Contract with the Credit Enhancement Provider and were treated in the same manner as the Credit Enhancement.

(f) ***Override of Unexercised Default Rights.*** If an Affiliate of a Direct Party becomes subject to U.S. Insolvency Proceedings, then for so long as a Section 2 Stayed Party may not exercise Default Rights in respect of a Covered Agreement with such Direct Party or related Credit Enhancement as a consequence of Sections 2(b), 2(c) or 2(e), the Section 2 Stayed Party may not exercise any Default Right in respect of such Covered Agreement or related Credit Enhancement, other than any Performance Default Right, that exists at or prior to the time of commencement of U.S. Insolvency Proceedings but (i), in the case of a Covered Agreement, that has not resulted, prior to the commencement of such U.S. Insolvency Proceedings, in the occurrence of or designation by a Section 2 Stayed Party of an early termination date (including an “Early Termination Date”, as defined in the Covered Agreement) with respect to such Covered Agreement or otherwise resulted in the acceleration or termination of such Covered Agreement or transactions thereunder, or (ii) in the case of a related Credit Enhancement, that has not been exercised prior to the commencement of such U.S. Insolvency Proceedings.

(g) ***Override of Transfer Restrictions.*** No provision of a Covered Agreement or Credit Enhancement shall prevent the transfer of such Credit Enhancement (and any interest and obligation in or under, and any property securing, such Credit Enhancement) to a Transferee pursuant to Section 2(c)(ii) or to a transferee in accordance with the FDIA QFC Transfer Provisions; provided that this Section 2(g) will not apply if a transfer of such Credit Enhancement would result in the Section 2 Stayed Party being the beneficiary of a Credit Enhancement in violation of any law applicable to the Section 2 Stayed Party (including without limitation, the violation of the laws of any country in which payment or delivery pursuant to such Credit Enhancement or compliance with the terms thereof is required).

(h) ***Events and Conditions Deemed Not Occurring.*** For so long as any Default Right is not exercisable under a Covered Agreement or Credit Enhancement as a consequence of Section 2(b), 2(c) or 2(e), as applicable, any event of default, termination event or similar event, as defined therein, that gave rise to such Default Right shall be deemed not to be occurring, existing or continuing for purposes of determining under any other agreement that is not a Covered Agreement whether a default, termination event or similar event has occurred or is continuing under such Covered Agreement or Credit Enhancement, as applicable.

(i) ***Rights not Subject to Section 2.*** This Section 2 is without prejudice to any Default Right in respect of a Covered Agreement or any other agreement with or in favor of a Section 2 Stayed Party not specifically addressed herein, including without limitation, Default Rights that have resulted in the occurrence or designation of an “Early Termination Date” (as defined in the Covered Agreement or other agreement) or otherwise resulted in the acceleration or termination of such Covered Agreement or transactions thereunder prior to an Affiliate of a Direct Party entering U.S. Insolvency Proceedings.

(j) ***Burden of Proof.*** For purposes of determining whether a Section 2 Stayed Party is entitled to exercise a Default Right pursuant to Sections 2(b), 2(c) or 2(e), the Section 2 Stayed Party bears the burden of establishing that such Default Right may be exercised.

(k) ***Multiple Affiliates in U.S. Insolvency Proceedings.*** If more than one Affiliate of a Direct Party is subject to U.S. Insolvency Proceedings, Section 2 shall apply with respect to each such Affiliate that is a Party in U.S. Proceedings.

### **3. Proceedings under Section 1 and Section 2**

(a) ***Direct Party Subject to Identified Regime Proceedings.*** If an Affiliate of a Direct Party becomes a Party in U.S. Proceedings subject to Section 2 and the Direct Party is or becomes a Party in Resolution subject to Section 1, then, notwithstanding anything to the contrary in Section 2, a Section 2 Stayed Party:—

- (i) May only exercise a Performance Default Right in respect of a Covered Agreement or related Credit Enhancement to the extent it would be entitled to do so pursuant to Section 1; and
  - (ii) May not exercise any other Default Right in respect of such Covered Agreement with such Direct Party or related Credit Enhancement unless it would be entitled to do so under both Section 1 and Section 2.
- (b) ***Affiliate Subject to Identified Regime Proceedings.*** If an Affiliate of a Direct Party becomes a Party in U.S. Proceedings subject to Section 2 and another Affiliate of such Direct Party becomes a Party in Resolution subject to Section 1, a Section 2 Stayed Party may not exercise any Default Right in respect of a Covered Agreement with such Direct Party or related Credit Enhancement unless it would be entitled to do so under both Section 1 and Section 2.
- (c) ***Section 1 Applicable to Party in U.S. Proceedings.*** Subject to Section 5388 of Title 12 of the United States Code, and any implementing regulations and measures, as the same may be amended from time to time, if an Affiliate of a Direct Party becomes a Party in U.S. Proceedings subject to Section 2 and such Party in U.S. Proceedings is or becomes a Party in Resolution subject to Section 1, the provisions of Section 1 will prevail; provided, however, that if such Party in U.S. Proceedings is subject to FDIA Proceedings and is also a Party in Resolution subject to Section 1, a Section 1 Stayed Party or a Section 2 Stayed Party, as applicable, may not exercise a Default Right in respect of a Covered Agreement or related Credit Enhancement unless it would be entitled to do so under both Section 1 and Section 2.

#### **4. Effectiveness**

(a) ***Single-party Election Provisions.***

(i) *Section 1 Opt-outs.*

(A) ***SRR Regulatory Restrictions.*** If a Regulated Entity (“X”) is not subject to SRR Regulatory Restrictions with respect to an Identified Regime by January 1, 2018, then any other Adhering Party (“Y”) shall be entitled, by written notice to X and X’s Primary Regulators, to elect that such Identified Regime will not, as between X and Y, constitute an Identified Regime with respect to X or its Related Entities. Such an election will remain effective until withdrawn by written notice from Y. For the avoidance of doubt, each Entity Subject to U.S. Regulations shall be deemed to have been subject to SRR Regulatory Restrictions with respect to the U.S. Special Resolution Regime – FDIA and U.S. Special Resolution Regime – OLA by January 1, 2018.

(B) ***Amendments to Identified Regimes.*** If an Adhering Party (“X”) determines in good faith that an amendment to an Identified Regime subsequent to the First Adherence Date relating to the length of any applicable stay (or the imposition of a stay), the obligations of parties during the pendency of a stay, the treatment of netting or setoff arrangements or the priority of claims (other than any amendment relating to a bank that gives priority to the depositors of such bank over general unsecured creditors of such bank) materially and adversely affects the ability to exercise Default Rights in respect of Eligible Agreements or related Credit Enhancements, X shall be entitled, by written notice (an “**Identified Regime Notice**”) to another Adhering Party (“Y”) eligible for resolution under such Identified Regime, and Y’s Primary Regulators, to elect that such Identified Regime will not, as between them, constitute an Identified Regime with respect to Y or its Related Entities for those Eligible Agreements with respect to which X’s ability to exercise Default Rights has been materially and adversely affected. In the case

of an Identified Regime Notice with respect to U.S. Special Resolution Regime – FDIA, Section 2(e) will be inapplicable as between X and Y. Any such election will remain effective until withdrawn by written notice from X.

(ii) *Opt-outs limited.* The Section 1 Opt-outs under this section 4(a) are only effective to the extent that the Covered Agreements and Covered Credit Enhancements affected by an Adhering Party's election hereunder would continue to meet the requirements of the FDIC Regulation, FRB Regulation and OCC Regulation, as applicable.

(iii) *Timing of Elections and Opt-outs.* An Adhering Party may not make any elections pursuant to the provisions of this Section 4(a), with respect to another Adhering Party upon or following such other Adhering Party or any of its Affiliates becoming a Party in Resolution, Related Entity in Resolution or Party in U.S. Proceedings, as applicable.

(b) ***Condition on Opt-in to Japanese Special Resolution Regime.*** Notwithstanding anything in this Attachment to the contrary, the provisions of Section 1(b) of this Attachment with respect to the Japanese Special Resolution Regime shall not apply with respect to a Covered Agreement unless, upon the commencement of Resolution, the Japanese Resolution Authority, Prime Minister or Minister of State for Financial Services issues a public statement announcing either that:—

(i) the Covered Agreement and any related Credit Enhancements, as applicable, will be transferred to a successor; or

(ii) the duration of any temporary stay on Default Rights imposed by the Japanese Resolution Authority with respect to the Covered Agreement and any related Credit Enhancements, as applicable, will not exceed two Business Days in Japan.

## **5. Miscellaneous**

(a) ***Acknowledgement of the Parties.*** Each Adhering Party acknowledges and agrees that Default Rights and transfer restrictions in a Covered Agreement, Covered Credit Enhancement or another agreement between the parties, or provided in favor of an Adhering Party, may be limited, temporarily or permanently stayed or rendered unenforceable under certain circumstances to the extent provided under this Attachment and each applicable Identified Regime.

(b) ***Delivery of Notices.***

(i) Any notice deliverable under Section 4 by one Adhering Party to a Covered Agreement to another Adhering Party to the Covered Agreement may be effected by delivering such notice in accordance with the notice provisions of the Covered Agreement.

(ii) Any notice deliverable under Section 4 by one Adhering Party to a Covered Agreement to the Credit Enhancement Provider of another Adhering Party to the Covered Agreement, the obligations of which are supported by such Credit Enhancement Provider, may be effected by delivering such notice to such other Adhering Party in accordance with the notice provisions of such Covered Agreement.

(c) ***Clearing Organization Rules and Regulations.*** Solely with respect to Cleared Client Transactions, no provision of Section 1 or 2 shall apply to a Covered Agreement or related Credit

Enhancement if the application thereof violates the rules or regulations of any applicable clearing organization, provided that such rules and regulations are enforceable under applicable law.

(d) ***Applicability of Other Laws.*** Modifications with respect to Covered Agreements or Covered Credit Enhancements pursuant to the Protocol shall be without prejudice to the effect of any law to which an Adhering Party may be subject.

(e) ***Amendment to Certain Foreign Bank Agreements.***

(i) With respect to a Foreign Bank Agreement that is an ISDA Master Agreement, if under such ISDA Master Agreement the “Offices,” as defined therein, specified for the purposes of Section 10(b) of the ISDA Master Agreement do not include:

(A) with respect to a Covered Bank, a “Federal branch” or a “Federal agency,” each of which has the meaning given to such term in the OCC Regulation or

(B) with respect to a Covered Entity, a “U.S. branch” or “U.S. agency,” each of which has the meaning given to such term in the FRB Regulation,

then the parties agree that “Transactions,” as defined in such ISDA Master Agreement, will not be permitted to be booked at such Federal branch, Federal agency, U.S. branch or U.S. agency, as applicable.

(ii) With respect to a Foreign Bank Agreement that is not an ISDA Master Agreement, if such agreement:

(A) does not explicitly provide that agreements or transactions thereunder may be booked at:

(I) with respect to a Covered Bank, a “Federal branch” or “Federal agency,” each of which has the meaning given to such term in the OCC Regulation, or

(II) with respect to a Covered Entity, a “U.S. branch” or “U.S. agency,” each of which has the meaning given to such term in the FRB Regulation,

(B) does not explicitly list any such Federal branch, Federal agency, U.S. branch or U.S. agency, as applicable, in the agreement (as an office or otherwise) and

(C) does not explicitly identify any such Federal branch, Federal agency, U.S. branch or U.S. agency, as applicable, as a party to the agreement,

then the parties agree that they will not be permitted to book agreements or transactions thereunder at such Federal branch, Federal agency, U.S. branch or U.S. agency, as applicable.

## **6. Definitions**

As used in this Attachment:

“*Affiliate*” means, in relation to any entity (“X”):—

(a) Any other entity that is Controlled, directly or indirectly, by X, any entity that Controls, directly or indirectly, X, or any entity directly or indirectly under common Control with X; and

(b) Any other entity that would be an Affiliate of X under clause (a) but for a transfer of the direct or indirect ownership of such entity or X pursuant to a resolution under an Identified Regime or pursuant to U.S. Insolvency Proceedings.

**“Bankruptcy Bridge Company”** means an entity organized for the purpose of becoming a transferee of assets of a Party in Chapter 11 Proceedings, the ultimate economic interest in which accrues to or for the benefit of the estate of such Party in Chapter 11 Proceedings, but that is not, or after giving effect to the transactions contemplated by a Transfer Motion will not be, Controlled by a Party in Chapter 11 Proceedings or creditors of, or Affiliates of, such Party in Chapter 11 Proceedings.

**“BRRD”** means Directive 2014/59/EU of the European Parliament and the Council of 15 May 2014.

**“Business Day”** means, with respect to a jurisdiction, a day on which commercial banks in such jurisdiction are open for general business (including dealings in foreign exchange and foreign currency deposits).

**“Chapter 7 Proceedings”** means, with respect to an Affiliate of a Direct Party, proceedings under Chapter 7 of the U.S. Bankruptcy Code, as amended from time to time, that commence upon the voluntary filing for Chapter 7 of such Affiliate, or, in the case of an involuntary filing for Chapter 7 of such Affiliate, upon the entry of an order for relief with respect to such Affiliate.

**“Chapter 11 Proceedings”** means, with respect to an Affiliate of a Direct Party, proceedings under Chapter 11 of the U.S. Bankruptcy Code, as amended from time to time, that commence upon the voluntary filing for Chapter 11 of such Affiliate, or, in the case of an involuntary filing for Chapter 11 of such Affiliate, upon the entry of an order for relief with respect to such Affiliate.

**“Cleared Client Transaction”** means a transaction, forming a part of a Covered Agreement, with respect to which a related cleared transaction exists between one party, acting as a Clearing Member, and a clearing organization.

**“Clearing Member”** means an Adhering Party that is a member of a clearing organization that clears a transaction related to a Cleared Client Transaction through such clearing organization.

**“Close-out Amount”** means the amount due under a Covered Agreement, including any credit support or other property deliverable, as a result of the acceleration, termination or other close-out of such Covered Agreement in accordance with the terms thereof.

**“Close-out Stay”** has the definition given to such term in the definition of “Creditor Safeguards”.

**“Control”** means, with respect to an entity, ownership of a majority of the voting power of the entity; provided that, with respect to a Bankruptcy Bridge Company, an owner of a majority of the voting power of the Bankruptcy Bridge Company shall not have Control if the ability to exercise such majority voting power lies with a fiduciary or third party not Controlled by such owner.

**“Credit Enhancement”** means, with respect to an Eligible Agreement, any credit enhancement or credit support arrangement provided by a party to the Eligible Agreement, or an Affiliate thereof, in connection with the Eligible Agreement, including any guarantee, collateral arrangement in support of obligations pursuant to the Eligible Agreement (including any pledge, charge, mortgage or other security interest in

collateral or title transfer arrangement), trust or similar arrangement, letter of credit, transfer of margin or any similar arrangement, in each case, only to the extent such credit enhancement relates to the Eligible Agreement, and with respect to an Eligible Agreement that is an ISDA Master Agreement, any 1995 Credit Support Deed (Bilateral Form – Security Interest).

**“Credit Enhancement Provider”** means an obligor or transferor with respect to a Credit Enhancement in support of a Covered Agreement.

**“Creditor Protection Order”** means, with respect to a U.S. Parent that is a Party in Chapter 11 Proceedings and that has filed a DIP Motion, a Direct Party, a Section 2 Stayed Party and a Covered Agreement, a court order that:—

(a) Grants administrative expense status to such Section 2 Stayed Party’s claims arising from the obligations of such Party in Chapter 11 Proceedings under any Credit Enhancement in respect of such Covered Agreement that have accrued and remain unsatisfied prior to or that become due following the commencement of Chapter 11 Proceedings with respect to such Party in Chapter 11 Proceedings; provided that the Creditor Protection Order may provide that the administrative expense claims of such Section 2 Stayed Party in respect of the obligations of such Party in Chapter 11 Proceedings under such Credit Enhancement will be subordinated in payment to administrative expense claims not arising under a Credit Enhancement, including by providing that such administrative expense claims of the Section 2 Stayed Party may be paid in cash only after (i) some or all other administrative expense claims have been paid or provided for in cash in full, and (ii) the Party in Chapter 11 Proceedings, after satisfying clause (i), has available cash sufficient to pay the credit support claims;

(b) Provides that, if such Direct Party fails to meet any of its material obligations to the Section 2 Stayed Party under the Covered Agreement or if the Party in Chapter 11 Proceedings fails to meet any of its material obligations to the Section 2 Stayed Party pursuant to any Credit Enhancement supporting such Covered Agreement between the Direct Party and the Section 2 Stayed Party, in each case, in accordance with the terms thereof, the Section 2 Stayed Party may terminate such Covered Agreement and exercise any rights with respect to any right of setoff or netting, any collateral or any other credit support pursuant to such Covered Agreement or Covered Credit Enhancement immediately without seeking the approval of the U.S. Bankruptcy Court, and the Party in Chapter 11 Proceedings shall, subject to clause (a) above, be authorized to perform its obligations under such Credit Enhancement; and

(c) Provides that, if (i) the Direct Party fails to pay or deliver any Close-out Amount when due, in accordance with the terms of any Covered Agreement between such Direct Party and any other Section 2 Stayed Party, and (ii) the Party in Chapter 11 Proceedings fails to satisfy its obligations, when due, under any Credit Enhancement in respect of such Covered Agreement, then the Section 2 Stayed Party may exercise any rights with respect to any right of setoff or netting, any collateral or any other credit support pursuant to the Covered Agreement between such Section 2 Stayed Party and the Direct Party or any Credit Enhancement provided by the Party in Chapter 11 Proceedings supporting such Covered Agreement immediately without seeking the approval of the U.S. Bankruptcy Court and the Party in Chapter 11 Proceedings shall, subject to clause (a) above, be authorized to perform its obligations under such Credit Enhancement.

**“Creditor Safeguards”** means the creditor protections in the context of a Resolution that provide:

(a) Creditors, with respect to Eligible Agreements and Credit Enhancements, are not treated differently from each other or from other creditors in respect of Covered Agreements and Covered Credit Enhancements, or similar agreements or obligations, on the basis of nationality, the location or domicile of creditors or the jurisdiction in which claims are payable; and

(b) Resolution-based Default Rights are, or at the discretion of the administrative authority may be, temporarily or permanently stayed, nullified, invalidated or otherwise overridden with respect to Covered Agreements and Covered Credit Enhancements with the failed financial company (“**Close-out Stay**”), provided that:—

(i) With respect to a temporary Close-out Stay:—

(A) The duration of any such temporary Close-out Stay does not exceed two Business Days; and

(B) During the pendency of any such temporary Close-out Stay, such laws include either or both of the following requirements:—

(I) All payment and delivery obligations of the failed financial company under such Covered Agreements and Covered Credit Enhancements are required to be satisfied; or

(II) All payment and delivery obligations of both parties under such Covered Agreements and Covered Credit Enhancements are deferred until the expiration of such Close-out Stay; and

(ii) With respect to any Close-out Stay:—

(A) All rights, whether contractual or otherwise (including, without limitation, rights incorporated by reference to any other contract, agreement or document, and rights afforded by statute, civil code, regulation and common law), to net or set off obligations relating to transactions documented under such Covered Agreements (including obligations arising from related credit support arrangements) and relating to Covered Credit Enhancements (including obligations arising from related credit support arrangements) remain in full force and effect;

(B) The failed financial company or a transferee remains obligated in respect of such Covered Agreements and Covered Credit Enhancements to the extent the failed financial company was obligated immediately prior to becoming subject to the exercise of powers under such laws;

(C) If all or substantially all of the assets of the failed financial company are transferred by the administrative authority to a transferee, Resolution-based Default Rights may be exercised in respect of any such Covered Agreements and Covered Credit Enhancements that are not transferred to such transferee;

(D) The failed financial company or, if such Covered Agreements and Covered Credit Enhancements are transferred by the administrative authority to a transferee, its transferee, (1) maintains all material regulatory licenses and registrations necessary under applicable law for the continued operation of its business and, if applicable, is in good standing, (2) has balance sheet assets that exceed its balance sheet liabilities, (3) is able to satisfy its obligations with respect to such Covered Agreements and Covered Credit Enhancements when due and (4) is at least as creditworthy as the failed financial company was immediately prior to the start of resolution proceedings;

(E) If such Covered Agreements and Covered Credit Enhancements are transferred, (1) any rights to net or set off thereunder, contractual or otherwise, are enforceable substantially to the same extent under the laws and regulations applicable to the transferee as under those applicable to the transferor and (2) the limitations on Resolution-based Default Rights under any financial company resolution laws and regulations applicable to the transferee are not substantially greater than those applicable to the transferor; and

(F) Such Close-out Stay does not apply with respect to Default Rights (1) that are not Resolution-based Default Rights or (2) that arise from subsequent and independent resolution proceedings.

**“Default Right”** means, with respect to a Covered Agreement or Credit Enhancement, any:—

(a) Right of a party, whether contractual or otherwise (including, without limitation, rights incorporated by reference to any other contract, agreement or document, and rights afforded by statute, civil code, regulation and common law), to liquidate, terminate, cancel, rescind or accelerate such agreement or transactions thereunder, set off or net amounts owing in respect thereto (except rights related to same-day payment netting), exercise remedies in respect of collateral or other credit support or property related thereto (including the purchase and sale of property), demand payment or delivery thereunder or in respect thereof (other than a right or operation of a contractual provision arising solely from a change in the value of collateral or margin or a change in the amount of an economic exposure), suspend, delay or defer payment or performance thereunder, modify the obligations of a party thereunder or any similar rights; and

(b) Right or contractual provision that alters the amount of collateral or margin that must be provided with respect to an exposure thereunder, including by altering any initial amount, threshold amount, variation margin, minimum transfer amount, the margin value of collateral or any similar amount, that entitles a party to demand the return of any collateral or margin transferred by it to the other party or a custodian or that modifies a transferee’s right to reuse collateral or margin (if such right previously existed), or any similar rights, in each case, other than a right or operation of a contractual provision arising solely from a change in the value of collateral or margin or a change in the amount of an economic exposure;

provided that, with respect to Section 2, the term “Default Right” does not include any right under a contract that allows a party to terminate the contract on demand or at its option at a specified time, or from time to time, without the need to show cause.

References to the “exercise” of a Default Right or the entitlement “to exercise” a Default Right shall include the automatic or deemed exercise of a Default Right.

**“DIP Motion”** means, with respect to a U.S. Parent of a Direct Party that becomes a Party in Chapter 11 Proceedings, a motion filed by such U.S. Parent that causes the U.S. Parent to remain obligated with respect to Credit Enhancements supporting one or more Covered Agreements to the same extent as such U.S. Parent was obligated with respect to such Credit Enhancements immediately prior to becoming a Party in Chapter 11 Proceedings.

**“DIP Stay Conditions”** means, with respect to a Direct Party, a Party in Chapter 11 Proceedings that is a U.S. Parent of such Direct Party and has filed a DIP Motion and a Section 2 Stayed Party:—

(a) An order has been entered under which such U.S. Parent of a Direct Party remains obligated with respect to each Credit Enhancement it provides in support of Covered Agreements between such Direct Party and the Section 2 Stayed Party and each Covered Agreement between such Direct Party and each Affiliate of such Section 2 Stayed Party to the same extent as such U.S. Parent was obligated immediately prior to becoming a Party in Chapter 11 Proceedings; and

(b) A Creditor Protection Order with respect to each Credit Enhancement described in clause (a) above has been entered for the benefit of such Section 2 Stayed Party and each such Affiliate.

**“Direct Party”** has the definition given to such term in Section 2(b).

**“Eligible Agreement”** means a Qualified Financial Contract that is not an Excluded Agreement.

**“Equivalent Agreement”** means, with respect to a Covered Agreement and a Resolution under an Identified Regime, an Eligible Agreement with the same terms as the Covered Agreement but governed by the laws of the jurisdiction of such Identified Regime, provided that:—

(a) If the jurisdiction of such Identified Regime is the United Kingdom, such governing law shall be the laws of England and Wales; and

(b) If the jurisdiction of such Identified Regime is the United States of America, such governing law shall be the law of the State of New York.

**“Equivalent Credit Enhancement”** means, with respect to a Covered Credit Enhancement and a Resolution under an Identified Regime, a Credit Enhancement with the same terms as the Covered Credit Enhancement but governed by the laws of the jurisdiction of such Identified Regime, provided that:—

(a) If the jurisdiction of such Identified Regime is the United Kingdom, such governing law shall be the laws of England and Wales; and

(b) If the jurisdiction of such Identified Regime is the United States of America, such governing law shall be the law of the State of New York.

**“FDIA”** means the Federal Deposit Insurance Act, and any implementing regulations and measures, as the same may be amended from time to time.

**“FDIA Proceedings”** means with respect to an Affiliate of a Direct Party, proceedings under the FDIA that commence upon the FDIC being appointed as receiver for such Affiliate.

**“FDIA QFC Transfer Provisions”** means FDIA Sections 11(e)(9) and (10), and any implementing regulations and measures, as the same may be amended from time to time.

**“FDIA Stay Period”** means, with respect to a Party in U.S. Proceedings that is in FDIA Proceedings, the period of time during which a party to a Qualified Financial Contract with such Party in U.S. Proceedings may not exercise any right that such party has to terminate, liquidate, or net such Qualified Financial Contract, in accordance with FDIA Section 11(e), and any implementing regulations and measures, as the same may be amended from time to time.

**“FDIC”** means the Federal Deposit Insurance Corporation.

**“First Adherence Date”** means the first date on which ISDA has accepted an Adherence Letter with respect to the Protocol from any Adhering Party.

**“French Special Resolution Regime”** means, other than any Ring-fence Provisions, Articles L. 613-34 to L. 613-63 and R. 613-40 to R. 613-79 of the French Monetary and Financial Code, and their implementing regulations and measures, as the same may be amended from time to time, except for Article L. 613-45-1, I. of the French Monetary and Financial Code insofar as it refers to the provisions of Articles L. 511-41-3, L. 511-41-5, L. 612-32, L. 612-33, L. 612-34, L. 613-36, L. 613-41 to L. 613-43-1, and L. 613-48 to L. 613-48-5 of the French Monetary and Financial Code but including Article L. 613-45-1, I. of the French Monetary and Financial Code insofar as it refers to the exercise of powers to write down or convert relevant capital instruments referred to in Article L. 613-48, I. of the French Monetary and Financial Code where exercised in the circumstances described in Article 59.1(b) of the BRRD.

**“German Special Resolution Regime”** means, other than any Ring-fence Provisions, (a) the German Recovery and Resolution Act (*Sanierungs- und Abwicklungsgesetz*), (b) the German Credit Institutions Reorganization Act (*Kreditinstitute-Reorganisationsgesetz*), and (c) Section 36a in conjunction with Sections 30 through 36 of the German Covered Bonds Act (*Pfandbriefgesetz*), and each of their implementing regulations and measures, each as the same may be amended from time to time; provided that the German Special Resolution Regime shall not include Sections 82 through 84, 144, and 169 of the German Recovery and Resolution Act (*Sanierungs- und Abwicklungsgesetz*) to the extent that they relate to the exercise of “crisis prevention measures” (*Krisenpräventionsmaßnahme*) as defined in Section 2(3) no. 37 of the German Recovery and Resolution Act (*Sanierungs- und Abwicklungsgesetz*) other than the exercise of powers to write down or convert relevant capital instruments that are exercised in the circumstances described in Article 59.1(b) of the BRRD. For the avoidance of doubt, the provisions of Section 1(b) of the Attachment will not apply with respect to the imposition of a moratorium on payments and dispositions within the meaning of Section 46(1), sentence 2, number (4) of the German Banking Act (*Kreditwesengesetz*), if applicable, in respect of Covered Agreements or Covered Credit Enhancements to Adhering Parties from the entity subject to Resolution.

**“Identified Regime”** means, subject to Section 4(a), the French Special Resolution Regime, the German Special Resolution Regime, the Japanese Special Resolution Regime, the Swiss Special Resolution Regime, the U.K. Special Resolution Regime, the U.S. Special Resolution Regime – FDIA and the U.S. Special Resolution Regime – OLA.

**“Identified Regime Notice”** has the definition given to such term in Section 4(a)(i)(B).

**“Japanese Special Resolution Regime”** means, other than any Ring-fence Provisions, the provisions of the Deposit Insurance Act (Act No. 34 of 1971, as amended), and its implementing regulations and measures, as the same may be amended from time to time.

**“Parent”** means, with respect to an Adhering Party, the ultimate parent entity organized under the laws of any Identified Regime applicable to such Adhering Party, and if different, the ultimate parent entity of such Adhering Party.

**“Party in Chapter 11 Proceedings”** has the definition given to such term in Section 2(c).

**“Party in Resolution”** has the definition given to such term in Section 1(b)(i).

**“Party in U.S. Proceedings”** has the definition given to such term in Section 1(b).

**“Performance Default Right”** means any Default Right in respect of a Covered Agreement or related Credit Enhancement (including any Default Right that exists at the time of commencement of U.S. Insolvency Proceedings but (i) in the case of a Covered Agreement, that has not resulted, prior to the commencement of such U.S. Insolvency Proceedings, in the occurrence of or designation by a Section 2 Stayed Party of an early termination date (including an “Early Termination Date”, as defined in the Covered Agreement) with respect to such Covered Agreement or otherwise resulted in the acceleration or termination of such Covered Agreement or transactions thereunder (ii) in the case of a related Credit Enhancement, that has not been exercised prior to the commencement of such U.S. Insolvency Proceedings) that arises as a result of:—

- (a) The Direct Party entering receivership, insolvency, liquidation, resolution or similar proceedings; or
- (b) The failure by the Direct Party to satisfy a payment or delivery obligation to the Section 2 Stayed Party pursuant to the Covered Agreement (including for the avoidance of doubt, pursuant to a Credit Support Annex forming a part thereof), Credit Enhancement or any Related Contract between such parties in accordance with the terms thereof; or
- (c) The failure by a Credit Enhancement Provider under the Covered Agreement, or any successor thereto, to satisfy a payment or delivery obligation to the Section 2 Stayed Party pursuant to the Credit Enhancement of such Covered Agreement in accordance with the terms of such Credit Enhancement.

**“Primary Regulator”** means, with respect to a Regulated Entity, the regulatory body or bodies with principal supervisory authority over the Parent of such entity, and, if different, the regulatory body or bodies with principal supervisory authority over such entity.

**“Related Contract”** means, with respect to a Direct Party and a Section 2 Stayed Party, any contract under which the occurrence of a default, event of default or similar condition or event (however described) gives rise to a Default Right in a Covered Agreement between such parties (including, for example, contracts identified in an ISDA Master Agreement as a “Specified Transaction” or “Specified Indebtedness”, as defined in such ISDA Master Agreement).

**“Related Entity”** means, with respect to an Adhering Party and a Covered Agreement or Covered Credit Enhancement, (i) each Parent of the Adhering Party, and (ii) any Affiliate that (A) is identified as a “Credit Support Provider” in the Covered Agreement or otherwise provides a Credit Enhancement in respect of the Adhering Party’s obligations under the Covered Agreement or Covered Credit Enhancement or (B) is identified as a “Specified Entity” or is otherwise designated (including as part of a category of designated entities) in a Covered Agreement or a Covered Credit Enhancement for the purpose of defining when a Default Right may be exercised under the Covered Agreement or Covered Credit Enhancement.

**“Related Entity in Resolution”** has the definition given to such term in Section 1(b)(ii).

**“Resolution”** means, with respect to a Regulated Entity or a Related Entity of such Regulated Entity, the exercise of authority under an Identified Regime to address the failure or potential failure of such Regulated Entity or Related Entity.

**“Resolution Authority”** means, with respect to an Identified Regime, each administrative authority that is designated as responsible for exercising powers under such Identified Regime.

**“Resolution-based Default Right”** means any Default Right that arises directly or indirectly by reason of:—

- (a) The financial condition or insolvency of an entity or an affiliate of such entity; or
- (b) An entity or an affiliate of such entity becoming subject to an insolvency or resolution regime or the exercise of powers or authority thereunder; or
- (c) The appointment of an administrator, provisional liquidator, conservator, receiver, trustee, custodian or other similar official with respect to an entity or an affiliate of such entity; or
- (d) The transfer of assets or liabilities of an entity or an affiliate of an entity to a successor.

**“Ring-fence Provisions”** means any laws of a jurisdiction that:—

- (a) Provide for the liquidation of one or more branches or offices of an entity that operates through multiple branches or offices separately from other branches or offices of such entity; or
- (b) Provide for the resolution (but not liquidation) of one or more branches or offices of an entity that operates through multiple branches or offices separately from other branches or offices of such entity and that do not comply fully with each element of the Creditor Safeguards.

**“Section 1(b)(i) Stayed Party”** has the definition given to such term in Section 1(b)(i)(A).

**“Section 1(b)(ii) Stayed Party”** has the definition given to such term in Section 1(b)(ii)(A).

**“Section 1 Stayed Party”** means a Section 1(b)(i) Stayed Party and a Section 1(b)(ii) Stayed Party, as applicable.

**“Section 2 Stayed Party”** has the definition given to such term in Section 2(b).

**“SIPA Proceedings”** means with respect to an Affiliate of a Direct Party, proceedings under the Securities Investor Protection Act, as amended from time to time (“SIPA”), in respect of such Affiliate.

**“SRR Regulatory Restrictions”** means, with respect to an Adhering Party and an Identified Regime, any law, regulation or other binding measure that, at a minimum, has the effect of then (i) prohibiting, directly or indirectly, the Regulated Entity from entering into any transactions documented under such agreement, if such agreement is not governed by the laws of the jurisdiction(s) of the Identified Regimes applicable to such Regulated Entity or Related Entity, unless its counterparty to that agreement agrees to restrict the exercise of its Resolution-based Default Rights to the same extent as its exercise of such rights would be restricted under the applicable Identified Regime(s) with respect to similar transactions with the Regulated Entity governed by the laws of the jurisdiction(s) of the applicable Identified Regime(s), or (ii) requiring, directly or indirectly, the Regulated Entity in respect of any transactions documented under such agreement, if such agreement is not governed by the laws of the jurisdiction(s) of the applicable Identified Regime(s) of such Regulated Entity or Related Entity, to procure agreement and/or acknowledgement by its counterparty to that agreement to restrict the exercise of its Resolution-based Default Rights to the same extent as its exercise of such rights would be restricted under the applicable Identified Regime(s) with respect to similar transactions with the Regulated Entity governed by the laws of the jurisdiction(s) of the applicable Identified Regime(s).

**“Stay Period”** means, with respect to a Party in Chapter 11 Proceedings, the period of time beginning upon the commencement of the related Chapter 11 Proceedings and ending at the later of (a) 5 PM (Eastern Time) on the next Business Day in the jurisdiction of such Chapter 11 Proceedings and (b) 48 hours after the commencement of such Chapter 11 Proceedings.

**“Swiss Special Resolution Regime”** means, other than any Ring-fence Provisions, (a) Art. 24 and section eleven (*Massnahmen bei Insolvenzgefahr*) of the Swiss Federal Law on Banks and Savings Banks of 8 November 1934 (*Bundesgesetz über die Banken und Sparkassen; SR 952.0*); and (b) the Ordinance of the Swiss Financial Market Supervisory Authority on the Insolvency of Banks and Securities Dealers of 30 August 2012 (*Verordnung der Eidgenössischen Finanzmarktaufsicht über die Insolvenz von Banken und Effekthändlern; SR 952.05*); and (c) chapter eight (*Insolvenzrechtliche Bestimmungen*) of the second title of the Swiss Financial Market Infrastructure Act of 19 June 2015 (*Bundesgesetz über die Finanzmarktinfrastrukturen und das Marktverhalten im Effekten- und Derivatehandel*), and each of their implementing regulations and measures, as the same may be amended from time to time.

**“Transfer Motion”** means a motion filed by a Party in Chapter 11 Proceedings specifying that all or substantially all of the assets of such Party in Chapter 11 Proceedings (or the net proceeds therefrom), excluding any assets reserved for the payment of costs and expenses of administration in the Chapter 11 Proceedings, will be transferred or sold, as soon as practicably possible, to a Bankruptcy Bridge Company or to a third party that is not an Affiliate of the Party in Chapter 11 Proceedings (such Bankruptcy Bridge Company or third party, the **“Transferee”**).

**“Transfer Stay Conditions”** means, with respect to an Affiliate of a Direct Party that has filed a Transfer Motion, a Transferee identified in such Transfer Motion, a Section 2 Stayed Party and a Covered Agreement between such Section 2 Stayed Party and such Direct Party:—

- (a) All of the direct and indirect ownership interests held by the Affiliate, if any, in the Direct Party that is a party to such Covered Agreement with such Section 2 Stayed Party are transferred to the Transferee;
- (b) All Credit Enhancements (and any interest and obligation in or under, and any property securing, such Credit Enhancements) provided by the Affiliate in respect of each Covered Agreement between such Direct Party and the Section 2 Stayed Party are transferred to such Transferee, and such Transferee remains obligated in respect of such Credit Enhancements to the same extent as the Affiliate of the Direct Party immediately prior to becoming a Party in Chapter 11 Proceedings; and
- (c) All Credit Enhancements (and any interest and obligation in or under, and any property securing, such Credit Enhancements) provided by the Affiliate in respect of each Covered Agreement, if any, between such Direct Party and each Affiliate of the Section 2 Stayed Party are transferred to such Transferee, and such Transferee remains obligated in respect of such Credit Enhancements to the same extent as the Affiliate of the Direct Party immediately prior to becoming a Party in Chapter 11 Proceedings.

**“Transferee”** has the definition given to such term in the definition of “Transfer Motion”.

**“U.K. Special Resolution Regime”** means, other than any Ring-fence Provisions, the provisions of Part I of the U.K. Banking Act 2009, as amended, and their implementing instruments and measures, as the same may be amended from time to time, provided that U.K. Special Resolution Regime shall not include sections 48Z, 70A, 70B, 70C and 70D of the U.K. Banking Act 2009, as amended, to the extent that they relate to any “crisis prevention measure” as defined in section 48Z(1) of the U.K. Banking Act 2009, as

amended, other than the exercise of powers to write down or convert relevant capital instruments that are exercised in the circumstances described in Article 59.1(b) of the BRRD.

**“U.S. Bankruptcy Code”** means Title 11 of the United States Code.

**“U.S. Insolvency Proceedings”** means Chapter 7 Proceedings, Chapter 11 Proceedings, FDIA Proceedings and SIPA Proceedings.

**“U.S. Parent”** means, with respect to an Adhering Party, the ultimate parent entity organized under the laws of the United States of America or any state or territory thereof having direct or indirect Control of such Adhering Party.

**“U.S. Special Resolution Regime – FDIA”** means, other than any Ring-fence Provisions, the receivership provisions of the U.S. Federal Deposit Insurance Act, and its implementing regulations and measures, as the same may be amended from time to time.

**“U.S. Special Resolution Regime – OLA”** means, other than any Ring-fence Provisions, Title II of the U.S. Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 and its implementing regulations and measures, as the same may be amended from time to time.

**“Unrelated Default Right”** means, with respect to a Covered Agreement between the Direct Party and a Section 2 Stayed Party or a related Credit Enhancement:—

(a) Any Default Right in respect of such Covered Agreement or related Credit Enhancement that, both:—

(i) Is not based solely on an Affiliate of the Direct Party becoming a Party in U.S. Proceedings; and

(ii) Can be shown by clear and convincing evidence to be not related, directly or indirectly, to an Affiliate of the Direct Party becoming a Party in U.S. Proceedings, to any transfers to a Transferee contemplated by a Transfer Motion, or to a DIP Motion; and

(b) If a U.S. Parent of such Direct Party is not a Party in U.S. Proceedings, any Default Right in respect of such Covered Agreement or related Credit Enhancement that is based solely on an Affiliate of the Direct Party becoming subject to insolvency or resolution proceedings other than U.S. Insolvency Proceedings.