

ISDA[®]

International Swaps and Derivatives Association, Inc.

ISDA COLLATERAL SETTLEMENT TIMING PROTOCOL

published on June 11, 2012
by the International Swaps and Derivatives Association, Inc.

The International Swaps and Derivatives Association, Inc. ("**ISDA**") has published this ISDA Collateral Settlement Timing Protocol (this "**Protocol**") to enable parties to Covered CSAs (as defined in Section 6 below) to amend the terms of each such Covered CSA to make certain amendments to the settlement timing of certain items of credit support transferred under a Covered CSA.

Accordingly, a party to this Protocol that has entered and/or anticipates entering into a Covered CSA may adhere to this Protocol and be bound by its terms by completing and delivering a letter substantially in the form of Exhibit I to this Protocol (an "**Adherence Letter**") to ISDA, as agent, as described below.

Capitalized terms used herein and in Annex 1 hereto have the meaning given to them in Section 6 of this Protocol or in Annex 1 hereto or, if not defined herein or in Annex 1 hereto, in the relevant ISDA CSA, as amended and supplemented from time to time.

1. Amendments

- (a) By adhering to this Protocol in the manner set forth in Section 2 below, a party (an "**Adhering Party**") agrees, in each case on the terms and subject to the conditions set forth in this Protocol and the relevant Adherence Letter, that, as of the Implementation Date, certain amendments will be deemed to be made to each Covered CSA between it and each other Adhering Party.
- (b) The amendments and agreements provided for in this Protocol are set forth in Annex 1.

2. Adherence and Effectiveness

- (a) Adherence to this Protocol will be evidenced by the execution and delivery, in accordance with Section 5(g) below, to ISDA, as agent, of an Adherence Letter. ISDA shall have the right, in its absolute discretion, upon sixty days' notice to Adhering Parties to designate a closing date of this Protocol (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 deliver two copies of the Adherence Letter, one a manually signed original and the other a conformed copy containing, in place of each signature, the printed or typewritten name of each signatory.
 - (ii) 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.

- (b) The agreement to make the amendments to the Covered CSAs contemplated by this Protocol, on the terms and subject to the conditions set forth in this Protocol, as between any two Adhering Parties, will be effective from and after the Implementation Date.
- (c) This Protocol is intended for use without negotiation, but without prejudice to any amendment, modification or waiver in respect of a Covered CSA that the parties may otherwise effect in accordance with the terms of that Covered CSA.
 - (i) In adhering to this Protocol, an Adhering Party may not specify additional provisions, conditions or limitations in its Adherence Letter or otherwise.
 - (ii) Any purported adherence that ISDA, as agent, determines in good faith is not in compliance with this Section 2 will be void.
- (d) **Limited Right to Revoke.** Adherence to this Protocol is irrevocable, except that on any Business Day during the Annual Revocation Period an Adhering Party may deliver to ISDA, as agent, a notice substantially in the form of Exhibit II to this Protocol (a "**Revocation Notice**") to designate the next Annual Revocation Date as the last date on which any counterparty may adhere to this Protocol in respect of any Master Agreement or Stand-Alone Confirmation then or in the future between the counterparty and such Adhering Party.
 - (i) Upon the effective designation of the next Annual Revocation Date by an Adhering Party, this Protocol will not amend any ISDA CSA between that Adhering Party and a party which adheres to this Protocol after that Annual Revocation Date occurs and such ISDA CSA will not be a Covered CSA. The foregoing is without prejudice to any amendment to any Covered CSA between two Adhering Parties effected pursuant to this Protocol on or before the day on which that Annual Revocation Date occurs or is deemed to occur, which will continue to be effective.
 - (ii) Each Revocation Notice must be delivered by the means specified in Section 5(g)(i) 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 Section 2(d) will be void.

3. Representations

As of the date on which an Adhering Party adheres to this Protocol in accordance with Section 2 above, such Adhering Party represents to each other Adhering Party with which it entered into a Covered CSA, each of the following matters:

- (a) **Status.** It is 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;
- (b) **Powers.** It has the power to execute and deliver the Adherence Letter and to perform its obligations under the Adherence Letter and the Covered CSA 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;

- (c) **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;
- (d) **Consents.** All governmental and other consents that are required to have been obtained by it with respect to this Protocol and the relevant Covered CSA, as amended by this Protocol, have been obtained and are in full force and effect and all conditions of any such consents have been complied with;
- (e) **Binding Obligations.** Its obligations under the Adherence Letter and the relevant Covered CSA, as amended by the Adherence Letter and this Protocol, 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)); and
- (f) **Credit Support.** Its adherence to this Protocol and any amendment contemplated by this Protocol 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 Support Document or Third Party Credit Support Document in respect of its obligations relating to the Covered CSA as amended by the Adherence Letter and this Protocol (including the Attachment Letter hereto).

Each Adhering Party agrees with each other Adhering Party with which it has or may have a Covered CSA that each of the foregoing representations will be deemed to be a representation for purposes of Paragraph 7 of any English ISDA CSA, Paragraph 9 of any New York ISDA CSA, Paragraph 9 of any 1995 Japan ISDA CSA or Paragraph 9 of any 2008 Japan ISDA CSA between them.

4. Evidence of Capacity and Authority

Each Adhering Party may deliver to ISDA, as agent, such evidence as it deems appropriate to evidence its capacity to adhere to this Protocol and the authority of anyone signing on its behalf.

5. 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. Each Adhering Party acknowledges that in entering into this Protocol it has not relied on any oral or written representation, warranty, or other assurance (except as expressly stated in Annex 1 hereto or elsewhere in this Protocol) 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 a party hereto for fraud.
 - (ii) Except for any amendment deemed to be made pursuant to this Protocol in respect of a Covered CSA, all terms and conditions of any Covered CSA between the Adhering

Parties will continue in full force and effect in accordance with its provisions on the effective date of that amendment.

- (b) **Amendments.** An amendment, modification or waiver with respect to the matters contemplated by this Protocol will be effective only if made in accordance with the terms of the relevant Covered CSA and then only with effect between the parties to that Covered CSA and any additional parties to a Covered CSA.
- (c) **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.
- (d) **Governing Law.** This Protocol and each Adherence Letter will, as between two Adhering Parties and in respect of the relevant Covered CSA between them, be governed and construed in accordance with the law specified to govern the Covered CSA and otherwise in accordance with the applicable choice of law doctrine.
- (e) **Ability of an Agent to Adhere to the Protocol on Behalf of a Client.**

An Agent may adhere to this Protocol:

- (i) on behalf of all Clients represented by such Agent (in which case such Agent need not identify each Client in its Adherence Letter);
- (ii) on behalf of Clients represented by such Agent that are specifically named or identified in the Adherence Letter or an attachment thereto; or
- (iii) on behalf of all Clients represented by such Agent, except any Client that the Agent and an Adhering Party that has entered into a Covered CSA with such Client agree will not be covered by this Protocol;

provided, in each case, that such adherence shall only be effective with respect to Covered CSAs entered into by such Agent on behalf of such Clients.

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 Section 2 and this Section 5(e), references to the Adhering Party for purposes of this Protocol (including the Annex hereto) and the Adherence Letter shall be interpreted to refer to such Client.

- (f) **Clients added to an Agent Covered CSA after the Implementation Date.** In respect of any Client added to an Agent Covered CSA between an Agent and an Adhering Party after the Implementation Date (a “**New Client**”), the Agent and such Adhering Party agree that the terms of such Agent Covered CSA as between such Adhering Party and any New Client will be subject to the amendments effected by this Protocol, unless otherwise agreed between such Agent and such Adhering Party.
- (g) **Notices.**
 - (i) Any Adherence Letter or Revocation Notice must be in writing and delivered as a locked PDF (portable document format) attachment to an email to ISDA at

isdajapanestprotocol@isda.org and will be deemed effectively delivered on the date it is delivered.

- (ii) Any notice or other communication in respect of this Protocol, other than any Adherence Letter, any Revocation Notice or any communication in relation to any of the foregoing, may be given in any manner described below and will be deemed effective as indicated:
 - (1) if in writing and delivered in person or by courier, on the date it is delivered;
 - (2) if sent by facsimile transmission, on the date it is received by a responsible employee of the recipient in legible form (it being agreed that the burden of proving receipt will be on the sender and will not be met by a transmission report generated by the sender's facsimile machine);
 - (3) if sent by certified or registered mail (airmail, if overseas) or the equivalent (return receipt requested), on the date it is delivered or its delivery is attempted;
 - (4) if sent by e-mail, on the date that e-mail is delivered; or
 - (5) if sent by electronic messaging system, on the date it is received,

Notwithstanding (i) and (ii) above, if the date of the delivery (or attempted delivery) or the receipt of a communication, as applicable, is not a Business Day or that communication is delivered (or attempted) or received, as applicable, after the close of business on a Business Day, in which case that communication shall be deemed given and effective on the first following day that is a Business Day; provided that if a communication is received after 6:00 p.m. (New York time) or on a day that is not a Business Day, it will be deemed to have been received at 9:00 a.m. (New York time) on the immediately following Business Day; provided further that the determination of the date and time of delivery of any Adherence Letter shall be determined by ISDA in its absolute discretion.

An Adhering Party may change its contact details, mail address, e-mail address and/or facsimile number by written notice to ISDA.

6. Definitions

"**1995 Japan ISDA CSA**" means the 1995 ISDA Credit Support Annex (Security Interest - Japanese Law).

"**2008 Japan ISDA CSA**" means the 2008 ISDA Credit Support Annex (Loan/Japanese Pledge).

"**Adherence Letter Receipt Date**" means, as between any two then Adhering Parties, any Business Day on or after June 11, 2012, on which ISDA, as agent, has received an Adherence Letter from the later of such Adhering Parties to adhere.

"**Adhering Party**" shall have the meaning given to it in Section 1(a) of this Protocol.

"**Agent**" means an entity that enters into a Covered CSA 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.

"**Agent Covered CSA**" means any CSA that is signed as an umbrella agreement by an Agent and an Adhering Party prior to the date of receipt by ISDA of an Adherence Letter from the later of such Adhering Party or such Agent.

"**Annual Revocation Date**" means, with respect to each calendar year, February 15 of such calendar year. If February 15 in any calendar year is not a day on which ISDA's New York 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 New York office is open.

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

"**Business Day**" means a day on which commercial banks settle payments in New York City.

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

"**Cut-off Date**" shall have the meaning given to it in Section 2(a) of this Protocol.

"**Covered CSA**" means:

- (i) any English ISDA CSA executed by two Adhering Parties,
- (ii) any New York ISDA CSA executed by two Adhering Parties,
- (iii) any 1995 Japan ISDA CSA executed by two Adhering Parties, and
- (iv) any 2008 Japan ISDA CSA executed by two Adhering Parties,

in each case, entered into by the Adhering Parties prior to the Implementation Date or, in the case of an Agent Covered CSA signed by the Agent and the counterparty prior to adherence by both the counterparty and the Agent, on behalf of the relevant Client;

provided that if

(1) any consent, approval, agreement, authorization or other action of any party to a Third Party Credit Support Document other than either of such Adhering Parties (a "**Third Party**") is expressly required, under the terms of such Third Party Credit Support Document, the relevant Master Agreement or such ISDA CSA, to amend or otherwise modify such ISDA CSA, or

(2) such Third Party Credit Support Document or the relevant Master Agreement or such ISDA CSA includes express terms to the effect that any amendment or modification of such ISDA CSA 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 Support Document, then such ISDA CSA shall not be a Covered CSA;

"**English ISDA CSA**" means the 1995 ISDA Credit Support Annex (Transfer – English Law).

"**Implementation Date**" means, as between any two then Adhering Parties, the fifth day of the calendar month following the Adherence Letter Receipt Date.

"**ISDA CSA**" means any of the following: (a) the English ISDA CSA, (b) the New York ISDA CSA, (c) the 1995 Japan ISDA CSA, or (d) the 2008 Japan ISDA CSA.

"**Master Agreement**" means any of the following: (a) the ISDA 2002 Master Agreement, (b) the 1992 ISDA Master Agreement (Multicurrency — Cross Border), (c) the 1992 ISDA Master Agreement (Local Currency — Single Jurisdiction), (d) the 1987 ISDA Interest Rate and Currency Exchange Agreement, or (e) the 1987 ISDA Interest Rate Swap Agreement.

"**New York ISDA CSA**" means the 1994 ISDA Credit Support Annex (Security Interest - New York Law).

"**Third Party Credit Support Document**" means, with respect to an Adhering Party, the ISDA CSA and the Master Agreement to which such ISDA CSA relates, any document in effect on the Implementation Date and executed by one or more Third Parties (whether or not an Adhering Party is a party thereto), which by its terms secures, guarantees or otherwise supports such Adhering Party's obligations under such Master Agreement from time to time, whether or not such document is specified as such, or as a Credit Support Document, therein or in the Master Agreement.

Form of Adherence Letter

[Letterhead of Adhering Party]

[Date]

Send to: The International Swaps and Derivatives Association, Inc.

Dear Sirs,

ISDA Collateral Settlement Timing Protocol - Adherence

The purpose of this letter is to confirm our adherence to the ISDA Collateral Settlement Timing Protocol as published by the International Swaps and Derivatives Association, Inc. on June 11, 2012 (the "**Protocol**"). This letter constitutes 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 CSA (now or in the future) between us and each other Adhering Party.

1. Specified Terms

The terms of Annex 1 shall apply.

2. Appointment as Agent and Release

We hereby appoint ISDA as our agent for the limited purposes of the Protocol and accordingly we waive, and hereby release ISDA from, any rights, 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.

3. Contact Details

Our contact details for purposes of this Adherence Letter are:

Name:

Address:

Telephone:

Fax:

E-mail:

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

Yours faithfully,

[ADHERING PARTY]¹

By:
Name:
Title:
Signature:

¹ Specify legal name of Adhering Party.

If you have the authority to adhere to this Protocol as Agent on behalf of one or more certain Clients, you may include with the Adherence Letter an attachment that names each such Client. 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 other Adhering Parties with which the relevant Clients have entered into a Covered CSA, you may identify such Clients using specific identifiers and without including any names. In such case, the specific identifiers will be listed on the ISDA website with the Adherence Letter.

Form of Revocation Notice

[Letterhead of Adhering Party]

[Date]

Send to: The International Swaps and Derivatives Association, Inc.

Dear Sirs,

ISDA Collateral Settlement Timing Protocol - Revocation

The purpose of this letter is to notify you that we wish to designate the next Annual Revocation Date (the "**Revocation Date**") as the last date on which any counterparty may adhere to the ISDA Collateral Settlement Timing Protocol as published by the International Swaps and Derivatives Association, Inc. on June 11, 2012 (the "**Protocol**") in respect of any Covered CSA (now or in the future between us).

This letter constitutes a revocation notice as referred to in the Protocol.

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

Yours faithfully,

[ADHERING PARTY]¹

By:
Name:
Title:
Signature:

¹ Specify legal name of Adhering Party.

Annex 1
to ISDA Collateral Settlement Timing Protocol

Each Adhering Party agrees and confirms that with effect from the Implementation Date, each Covered CSA shall be deemed to incorporate the below provisions. Capitalized terms used in the below provisions but not defined in the Protocol or the relevant Covered CSA shall be ignored.

“Transfer Timing Limit

Unless a shorter period for a Transfer/transfer of Relevant Credit Support is provided in this Annex, notwithstanding any other provision of this Annex to the contrary, all Transfer/transfers of Relevant Credit Support required to be made under the terms of this Annex shall be made not later than the second Local Business Day following the relevant Transfer Event Date (the “**Transfer Deadline**”), provided that if the terms of this Annex specify that the period for a Transfer/transfer is extended if the Transfer Event occurred after a certain time on the Transfer Event Date (such additional period, the “**Additional Transfer Time**”), the Transfer Deadline for such Transfer/transfers shall similarly be extended by such Additional Transfer Time.

For the purposes of this provision:

“**Relevant Credit Support**” means Eligible Credit Support or Posted Credit Support/Equivalent Credit Support in the form of:

- (i) cash;
- (ii) negotiable debt obligations issued by the Japanese Government; or
- (iii) negotiable debt obligations issued by the U.S. Department of the Treasury backed by the credit of the United States of America.

“**Transfer Event**” means the event which has given rise to the relevant obligation to Transfer/transfer Relevant Credit Support, including, without limitation, the making or receipt of a demand, the receipt of Substitute Credit Support/New Credit Support or the resolution of a dispute (as applicable).

“**Transfer Event Date**” means, in respect of a Transfer Event, the date that such Transfer Event occurred.”