

**ISDA® NTH TO DEFAULT STANDARD TERMS SUPPLEMENT**  
**(September 22, 2011 version)**

This ISDA® Nth To Default Standard Terms Supplement (September 22, 2011 version) (the “**Nth To Default Standard Terms Supplement**”) hereby incorporates by reference the definitions and provisions contained in the 2003<sup>14</sup> ISDA Credit Derivatives Definitions ~~as supplemented by the 2005 Matrix Supplement to the 2003 ISDA Credit Derivatives Definitions (published on March 7<sup>1</sup>, 2005) and the 2009 ISDA Credit Derivatives Determinations Committees, Auction Settlement and Restructuring Supplement to the 2003 ISDA Credit Derivatives Definitions (published on July 14, 2009)<sup>+</sup>, each~~ as published by the International Swaps and Derivatives Association, Inc. (“ISDA”) (together, the “**Credit Derivatives Definitions**”). In the event of any inconsistency between the Credit Derivatives Definitions and this Nth To Default Standard Terms Supplement, this Nth To Default Standard Terms Supplement will govern.

The Credit Derivative Transaction governed by the Nth To Default Standard Terms Supplement (the “**Transaction**”) relates to a basket of Reference Entities (as described below). If “N” (as defined below) is greater than one, then the Transaction contemplates that there may be more than one Credit Event and accordingly more than one Event Determination Date and that the Credit Derivatives Definitions should, for the purposes of the Transaction, be interpreted accordingly. The Settlement Method or the Fallback Settlement Method, as applicable, shall apply solely to the Nth to Default Reference Entity (as defined below). This limitation shall apply to each New Credit Derivative Transaction separately if more than one New Credit Derivative Transaction arises.

**1. General Terms:**

|  |  |
|--|--|
| Transaction Type:  | In respect of each Reference Entity, as specified in the relevant Confirmation.  |
| Trade Date:  | As specified in the relevant Confirmation.   |
| Effective Date:  | As specified in the relevant Confirmation.   |
| Scheduled Termination Date:  | As specified in the relevant Confirmation.   |
| Floating Rate Payer:   | As specified in the relevant Confirmation (the “ <b>Seller</b> ”).   |
| Fixed Rate Payer:  | As specified in the relevant Confirmation (the “ <b>Buyer</b> ”).  |
| Calculation Agent:   | As specified in the relevant Confirmation.   |
| Business Days for the purpose of the calculation and payment of Fixed Amounts: | <div>If the Settlement Currency is:<ul style="list-style-type: none"><li>(a) EUR, London and TARGET Settlement Day;</li><li>(b) JPY, London and Tokyo;</li><li>(c) USD, New York and London;</li></ul></div> |

<sup>1</sup> This Standard Terms Supplement is intended for use with Transaction Types from the Credit Derivatives Physical Settlement Matrix to which the 2014 ISDA Credit Derivatives Definitions is applicable.

<sup>+</sup> ~~This Standard Terms Supplement is intended for use with Transaction Types from the Credit Derivatives Physical Settlement Matrix to which the 2009 ISDA Credit Derivatives Determinations Committees, Auction Settlement and Restructuring Supplement to the 2003 ISDA Credit Derivatives Definitions (published on July 14, 2009) is applicable.~~

- (d) GBP, London;
- (e) CHF, London and Zurich;
- (f) CAD, London and Toronto;
- (g) AUD, London, New York and Sydney;
- (h) NZD, London, New York and Auckland;
- (i) SGD, London, New York and Singapore; or
- (j) HKD, London, New York and Hong Kong;

or as otherwise specified in the relevant Confirmation (each such day being a “**Currency Day**”).

Business Days for all purposes other than the calculation and payment of Fixed Amounts and Calculation Agent City Business Day:

In respect of each Reference Entity, the Business Day for the relevant Transaction Type (each such day being a “**Transaction Day**”). In the event that due to the application of the relevant Transaction Days, settlement would otherwise occur on a day that is not a Currency Day, such settlement shall occur in accordance with the terms of the Transaction on the first Currency Day to occur after such day.

Reference Entity:

As specified in the relevant Confirmation, subject to the provisions of Sections 2.1 and 2.2 of the Credit Derivatives Definitions, as amended herein.

Section 2.1 of the Credit Derivatives Definitions is amended by replacing the words “the Reference Entity” with the words “a Reference Entity”.

Standard Reference Obligation:

In respect of each Reference Entity, as specified in the relevant Confirmation.

Seniority Level:

In respect of each Reference Entity, as specified in the relevant Confirmation or, if not so specified, as determined in accordance with Section 2.17 of the Credit Derivatives Definitions.

Reference Obligation(s):

As specified in the relevant Confirmation.

Substitution:

Applicable, unless otherwise specified in the relevant Confirmation.

Seniority:

Sections 2.22 and 2.24 of the Credit Derivatives Definitions shall be applied in respect of each Reference Entity separately and the Credit Derivatives Definitions (including, without limitation, any reference therein to “Senior Transaction” or “Subordinated Transaction”) shall be construed accordingly.

## 2. Fixed Payments:

Fixed Rate Payer Payment Date(s): As specified in the relevant Confirmation.

Fixed Rate: As specified in the relevant Confirmation.

## 3. Floating Payment:

Floating Rate Payer Calculation Amount: As specified in the relevant Confirmation.

Credit Event Notice After M(M)R Restructuring: Section ~~3.9~~ 1.33 of the Credit Derivatives Definitions is amended:

(a) by replacing the first paragraph thereof with the following:

“Upon the occurrence of ~~a~~ an M(M)R Restructuring with respect to the Nth to Default Reference Entity, ~~if either “Restructuring Maturity Limitation and Fully Transferable Obligation” or “Modified Restructuring Maturity Limitation and Conditionally Transferable Obligation” is applicable to the Nth to Default Reference Entity;~~”; and

(b) by replacing the words “with effect from the date such Credit Event Notice is effective” with the words “with effect from the date on which such Credit Event Notice is effective (such date to be determined by reference to the time in the Calculation Agent City for the Transaction Type applicable to the Nth to Default Reference Entity at which such Credit Event Notice is delivered in accordance with Section ~~1.40~~ 1.38)”.

If the Notifying Party elects to specify an Exercise Amount in respect of the Nth to Default Reference Entity that is less than the then outstanding Floating Rate Payer Calculation Amount pursuant to Section ~~3.9~~ 1.33 of the Credit Derivatives Definitions, then neither party shall have any rights or obligations under the Transaction with respect to the other Reference Entities.

Where an Event Determination Date occurs in respect of a Reference Entity that is not the Nth to Default Reference Entity, Section ~~3.9~~ 1.33 of the Credit Derivatives Definitions shall be deemed not to apply in respect of the relevant Reference Entity for purposes of such Event Determination Date.

## 4. Settlement Terms:

The parties agree that the Settlement Method or the Fallback Settlement Method, as applicable, shall apply solely to the Nth to Default Reference Entity.

Section ~~3.1~~ 5.1 of the Credit Derivatives Definitions is ~~deleted and replaced with the following: “Section 3.1. Settlement. Upon the occurrence of a Credit Event and the satisfaction of the Conditions to Settlement~~

amended by the insertion of the words “in respect of the Nth to Default Reference Entity, the parties will perform their respective obligations in accordance with the applicable Settlement Method or Fallback Settlement Method, as applicable.”” after each occurrence of the words “Event Determination Date”.

Nth to Default Reference Entity: If an Event Determination Date increases the Aggregate Default Count from an amount less than N to an amount equal to or greater than N, the Defaulted Reference Entity in respect of such Event Determination Date shall be the Nth to Default Reference Entity.

Aggregate Default Count: The Aggregate Default Count shall initially be zero, and, subject to Sections 1.8~~16~~(b), 1.19 and ~~Section 1.8(e)~~14.1(b) of the Credit Derivatives Definitions, each Event Determination Date (including prior to the Trade Date) shall increase the Aggregate Default Count by the Reference Entity Count of the relevant Defaulted Reference Entity immediately prior to such Event Determination Date, provided that if such Event Determination Date occurs at a time when one or more Relevant Earlier Events have occurred and prior to the last Related Resolution Date in respect of all such Relevant Earlier Events, such increase shall not occur until such last Related Resolution Date. The Aggregate Default Count shall (a) be increased by Event Determination Dates in the chronological order of such Event Determination Dates and (b) not be reduced by the removal of a Reference Entity in accordance with the “Removal of Defaulted Reference Entity” provisions below.

N: The number specified in the relevant Confirmation.

Defaulted Reference Entity: A Reference Entity in respect of which an Event Determination Date occurs.

Reference Entity Count: In respect of a Reference Entity specified in the relevant Confirmation, one, subject to any adjustment in accordance with the “Treatment of Surviving Reference Entity where Substitution is not applicable or a Substitution Failure occurs” provisions below.

Relevant Earlier Event: An Earlier CE Request or an Earlier Bilateral EDD.

Earlier CE Request: Either:

(a) in respect of a Defaulted Reference Entity (the “**Current Defaulted Reference Entity**”), the submission of a ~~notice to ISDA, delivered in accordance with the Rules, requesting that a Credit Derivatives Determinations Committee be convened to resolve the matters described in Sections 1.24(a) and (b) of the Credit Derivatives Definitions~~ DC Credit Event Question in respect of a different Reference Entity (the “**Earlier Reference Entity**”) in circumstances where a DC Credit Event Announcement resulting from such ~~notice~~ DC Credit Event Question would cause an Event Determination Date in respect of the Earlier Reference Entity to have occurred before the Event Determination Date in respect of the Current Defaulted Reference Entity; or

(b) a Notice-contingent Earlier CE Request.

Notice-contingent Earlier CE Request: In respect of either (a) ~~a~~ an M(M)R Restructuring Credit Event or (b) if either “Buyer” or “Seller” is specified in the relevant Confirmation as the only Notifying Party, any Credit Event, the submission of a notice that would constitute an Earlier CE Request pursuant to paragraph (a) of the definition of “Earlier CE Request”, assuming that a Notifying Party were to deliver a Credit Event Notice effective on or prior to the Exercise Cut-off Date.

Earlier Bilateral EDD: In respect of a Defaulted Reference Entity, the occurrence of an Event Determination Date under Section ~~4.8(a)(i)~~ 1.16(a)(i) or Section 14.1(a) of the Credit Derivatives Definitions in respect of a different Reference Entity before the Event Determination Date in respect of such Defaulted Reference Entity.

Related Resolution Date: In respect of a Relevant Earlier Event that is an Earlier CE Request other than a Notice-contingent Earlier CE Request, the date ~~on which ISDA publicly announces that the relevant Credit Derivatives Determinations Committee has Resolved (a) the matters described in Sections 1.24(a) and (b) of the Credit Derivatives Definitions or (b) not to determine such matters~~ of the relevant DC Credit Event Announcement, DC No Credit Event Announcement or DC Credit Event Question Dismissal.

In respect of a Relevant Earlier Event that is a ~~Notice~~ Notice-contingent Earlier CE Request, (a) if (i) a DC Credit Event Announcement occurs and (ii) a Credit Event Notice is delivered by a Notifying Party to the other party that is effective on or prior to the Exercise Cut-off Date, the day on which the later of (i) and (ii) occurs, (b) if a DC Credit Event Announcement occurs but a Credit Event Notice is not delivered by a Notifying Party to the other party that is effective on or prior to the Exercise Cut-off Date, the Exercise Cut-off Date in respect of the relevant Credit Event (or, if there is more than one such Exercise Cut-off Date, the last such Exercise Cut-off Date), (c) the day on which a DC No Credit Event Announcement occurs in respect of such Notice-contingent Earlier CE Request or (d) the date on which ~~ISDA publicly announces that the relevant Credit Derivatives Determinations Committee has Resolved not to determine the matters described in Sections 1.24(a) and (b) of the Credit Derivatives Definitions~~ a DC Credit Event Question Dismissal occurs in respect of such Notice-contingent Earlier CE Request, as applicable.

In respect of a Relevant Earlier Event that is an Earlier Bilateral EDD, the first to occur of (a) a Physical Settlement Date, Termination Date, Valuation Date or Delivery Date, as applicable, or (b) either (i) if on the 61st calendar day following the occurrence of the Credit Event that is the subject of such Earlier Bilateral EDD (the “**Relevant Credit Event**”) both (A) ~~the conditions to~~

~~convening a Credit Derivatives Determinations Committee to Resolve the matters described in Sections 1.24(a) and (b) of the Credit Derivatives Definitions have been satisfied a DC Credit Event Meeting Announcement has occurred~~ in respect of the Relevant Credit Event and (B) such Credit Derivatives Determinations Committee has not Resolved such matters, the date ~~on which ISDA publicly announces that the relevant Credit Derivatives Determinations Committee has Resolved the matters described in Sections 1.24(a) and (b) of the Credit Derivatives Definitions or not to determine such matters~~ of the DC Credit Event Announcement, DC No Credit Event Announcement or DC Credit Event Question Dismissal, as applicable, or (ii) otherwise, such 61st calendar day.

Removal of Defaulted Reference Entity: Subject to the “Prior Defaulted Reference Entity” provisions below and Section ~~1.8(e)~~ 1.19 of the Credit Derivatives Definitions, a Defaulted Reference Entity that is not the Nth to Default Reference Entity shall cease to be a Reference Entity immediately following the Event Determination Date in respect of such Defaulted Reference Entity.

Ordering of Event Determination Dates: Subject to paragraph (y) below, if an Event Determination Date occurs in respect of more than one Reference Entity on the same day, the chronological order in respect of which the Event Determination Dates occur shall be the order in which all of the conditions in either (a) or (b) below are satisfied for the first time in respect of such Reference Entities: (a) in respect of an Event Determination Date determined under Section ~~1.8(a)(ii)~~ (A) 1.16(a)(ii) or 14.1(b)(i) of the Credit Derivatives Definitions (a “**DC-determined EDD**”), ~~the relevant request to convene a Credit Derivatives Determinations Committee a DC Credit Event Question~~ is effective and the relevant Credit Derivatives Determinations Committee is in possession of the relevant Publicly Available Information in respect of such request, in each case in accordance with Section ~~1.24~~ 30 of the Credit Derivatives Definitions, as announced by ISDA; or (b) in respect of an Event Determination Date determined under ~~Section 1.8(a)(i)~~ Sections 1.16(a)(i), 14.1(a)(i) or Section ~~14.81~~ 14.81(a) ~~(ii)(B)~~ of the Credit Derivatives Definitions (a “**Notice-determined EDD**”), the Credit Event Notice and, if applicable, the Notice of Publicly Available Information are effectively delivered (provided that if any of the relevant Credit Event Notices and Notices of Publicly Available Information are delivered at the same time, they shall be deemed to have been delivered in the order determined by the Calculation Agent); provided that

(x) if a Notice-determined EDD is amended by the occurrence of a DC-determined EDD, the DC-determined EDD will govern; and

(y) if both (i) one or more DC-determined EDDs and (ii) one

or more Notice-determined EDDs occur on the same day, any such DC-determined EDD shall be deemed to have occurred prior to any such Notice-determined EDD, notwithstanding the exact time of the occurrence of such events on such day.

Settlement Timing for the Nth to Default Reference Entity: If the Event Determination Date in respect of the Nth to Default Reference Entity occurred at a time when one or more Relevant Earlier Events had occurred and prior to the last Related Resolution Date in respect of all such Relevant Earlier Events, then:

(a) if the Settlement Method is Auction Settlement and the Fallback Settlement Method is not applicable in accordance with Section ~~12.1~~ 6.1 of the Credit Derivatives Definitions, the Auction Settlement Date shall be the later of (i) the date determined pursuant to Section ~~12.3~~ 6.3 of the Credit Derivatives Definitions and (ii) the fifth Business Day following the last Related Resolution Date in respect of such Relevant Earlier Events; and

(b) if the Settlement Method is not Auction Settlement or if the Fallback Settlement Method is applicable in accordance with Section ~~12.1~~ 6.1 of the Credit Derivatives Definitions, the timing requirements of Sections ~~3.2(e), 3.4,~~ 7.2, 7.8, 8.1-, 8.10 and ~~8.6~~ 19, as applicable, or any other Section of the Credit Derivatives Definitions that pertains to settlement, shall be deemed to have tolled and remained suspended until the last Related Resolution Date in respect of such Relevant Earlier Events.

During any suspension period referred to in paragraph (b) above, the parties shall not have been obliged to, nor shall they have been entitled to, take any action in connection with the settlement of the Transaction. The relevant timing requirements of Sections ~~3.2(e), 3.4,~~ 7.2, 7.8, 8.1-, 8.10 and ~~8.6~~ 19, as applicable, or any other Section of the Credit Derivatives Definitions that pertains to settlement that have previously been deemed to have tolled or been suspended shall resume on the Business Day following the last Related Resolution Date in respect of such Relevant Earlier Events.

Prior Defaulted Reference Entity: If an entity that has previously ceased to be a Reference Entity pursuant to the “Removal of Defaulted Reference Entity” provisions above (a “**Prior Defaulted Reference Entity**”) is subsequently identified as a Successor to a Reference Entity, the Reference Entity Count, Transaction Type, Reference Obligation (if any) and any other relevant term in respect of such Successor shall be determined in accordance with Section 2.2(~~en~~) of the Credit Derivatives Definitions (as amended herein), without regard to any Reference Entity Count, Transaction Type, Reference Obligation (if any) and any other relevant term determined in respect of such Prior Defaulted Reference Entity.

## 5. Successor Provisions:



Amendments to Section 2.2 of the Credit Derivatives Definitions:

(a) Section 2.2(a) of the Credit Derivatives Definitions is amended by deleting the words “for the entire Credit Derivative Transaction” from Section 2.2(a)(i) ~~and~~ (ii) and (vii) of the Credit Derivatives Definitions and replacing them with the words “in respect of such Reference Entity”;

~~(b) Section 2.2(d) of the Credit Derivatives Definitions is replaced in its entirety with the following:~~

~~“(d) Where:~~

~~(i) a Reference Obligation has been specified with respect to a Reference Entity;~~

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

~~(iii) any one or more Successors have not assumed the Reference Obligation;~~

~~a Substitute Reference Obligation will be determined in accordance with the provisions of Section 2.30 with respect to each such Successor.”;~~

(b) ~~(e)~~Section ~~2.2(e)~~2.2(n) of the Credit Derivatives Definitions is amended by replacing the first paragraph thereof with the following:

“Where, pursuant to Section 2.2(a), a single Successor has been identified, the Affected Entity will no longer be a Reference Entity for purposes of the Credit Derivative Transaction, the Transaction Type applicable to the Successor will be the Transaction Type that applied to the Affected Entity, if the Successor is not a Surviving Reference Entity, the Reference Entity Count of the Successor shall be the Reference Entity Count of the Affected Entity and if the Successor is a Surviving Reference Entity, the Reference Entity Count of the Successor shall be as provided in “Treatment of Surviving Reference Entity where Substitution is not applicable or a Substitution Failure occurs”.

Where, pursuant to Section 2.2(a)~~(iii) or (iv)~~, more than one Successor has been identified, the relevant Credit Derivative Transaction will be divided into the same number of new Credit Derivative Transactions (the “**New Credit Derivative Transactions**”) as there are Successors, with the following terms.”; and

(c) ~~(d)~~Section 2.2(~~e~~n)(i) of the Credit Derivatives Definitions is



replaced in its entirety with the following:

“(A) each Successor will be a Reference Entity for the purposes of one of the New Credit Derivative Transactions, (B) the Affected Entity will not be a Reference Entity for any New Credit Derivative Transaction (unless the Affected Entity is a Successor pursuant to Section 2.2(a)(iv), in which case it shall be a Reference Entity for one New Credit Derivative Transaction in accordance with this Section 2.2(e)(i)), (C) the Transaction Type applicable to each Successor will be the Transaction Type that applied to the Affected Entity, (D) the Reference Entity Count of each Successor that is not a Surviving Reference Entity shall be the Reference Entity Count of the Affected Entity, (E) the Reference Entity Count of each Successor that is a Surviving Reference Entity shall be as provided in “Treatment of Surviving Reference Entity where Substitution is not applicable or a Substitution Failure occurs” and (F) each Reference Entity that is not a subject of the applicable ~~Succession Event~~ succession shall be a Reference Entity for the purposes of each and every one of the New Credit Derivative Transactions;”.

Affected Entity:

In respect of a ~~Succession Event~~ succession, the Reference Entity in respect of which one or more Successors have been identified in connection with such ~~Succession Events~~ succession.

Surviving Reference Entity:

In respect of a ~~Succession Event~~ succession, a Successor that (a) is not the Affected Entity with respect to such ~~Succession Event~~ succession and (b) is already a Reference Entity immediately prior to ~~such the~~ Succession ~~Event~~ Date.

Succession ~~Event~~—in respect of multiple Reference Entities:

If two or more Reference Entities are subject to one or more ~~Succession Events~~ successions simultaneously or the order of such ~~Succession Events~~ succession cannot be determined from ~~Best Available Eligible~~ Information, then each such Reference Entity shall be deemed to have been subject to a separate ~~Succession Event~~ succession, with all such ~~Succession Events~~ successions occurring in the order determined by the Calculation Agent.

~~Amendments to Section 2.30 of the Credit Derivatives Definitions:~~

~~Section 2.30 of the Credit Derivatives Definitions is amended by deleting the words “in relation to a Credit Derivative Transaction” in each place in which they appear and replacing them with the words “in relation to a Reference Entity”.~~

Amendments to Section ~~2.31~~ 11.4 of the Credit Derivatives Definitions:

Section ~~2.31~~ 11.4 of the Credit Derivatives Definitions is amended by deleting the words “~~In the event that~~ If Seller or a Reference Entity consolidates or amalgamates with, or merges into, or transfers all or substantially all its assets to, the Reference Entity or ~~the~~ Seller, as applicable, or Seller and a Reference Entity become Affiliates” and replacing them with the words “In the event that a Seller Merger

Event occurs”.

Seller Merger Event:

The occurrence of any of the following events: (a) Seller becomes a Successor to any Reference Entity as a result of the application of Section 2.2(a) of the Credit Derivatives Definitions, (b) Seller and any Reference Entity become Affiliates or (c) Seller or a Reference Entity consolidates or amalgamates with, or merges into, or transfers all or substantially all its assets to, a Reference Entity or Seller, as applicable.

## 6. Additional Provisions where Substitution is Applicable:

Treatment of certain ~~Succession~~  
~~Events~~successions:

(a) Subject to paragraph (b) below, where, pursuant to Section 2.2(a) of the Credit Derivatives Definitions, a Successor has been identified that is a Surviving Reference Entity in respect of a ~~Succession Event~~succession and Substitution is applicable:

(i) unless a Substitution Failure occurs, the Replacement Reference Entity selected in accordance with the terms of “Selection of Replacement Reference Entity” shall be deemed to be a Successor to the Affected Entity pursuant to the relevant ~~Succession Event~~succession and such Surviving Reference Entity shall be deemed not to be a Successor to the Affected Entity, and, subject as provided below, the relevant provisions of Sections 2.1 and 2.2 of the Credit Derivatives Definitions (as amended herein) including, but not limited to, the Reference Entity Count, shall apply to the Replacement Reference Entity as if it were a Successor to the Affected Entity, provided that, notwithstanding the provisions of Paragraph 5 above, the Transaction Type applicable to the Replacement Reference Entity shall be the Transaction Type that applied to the Surviving Reference Entity immediately prior to the relevant ~~Succession Event~~succession; and

(ii) if a Substitution Failure occurs, paragraph (i) above shall not apply and a Replacement Reference Entity shall not be selected.

(b) In the event that there are two or more Successors to the Affected Entity that include one or more Surviving Reference Entities as a result of the application of Section 2.2(a) of the Credit Derivatives Definitions, the number of New Credit Derivative Transactions determined under Section 2.2(en) of the Credit Derivatives Definitions shall continue to be equal to the number of Successors and the terms of “Selection of Replacement Reference Entity” shall apply to each New Credit Derivative Transaction for which the relevant Successor is a Surviving Reference Entity.

Selection of Replacement Reference Entity:

Each time a Replacement Reference Entity is to be selected, the following process will apply:

(a) Not later than ten Business Days following the date on which either (i) the Calculation Agent notifies the parties of, or ~~ISDA~~ the DC Secretary publicly announces that a relevant Credit Derivatives Determinations Committee has Resolved ~~the occurrence of, a Succession Event and the to~~ identity of a Surviving Reference Entity or Seller as the Successor or (ii) either party notifies the other party and the Calculation Agent of the occurrence of a Seller Merger Event within (b) or (c) of the definition of “Seller Merger Event”, as applicable, (the tenth such Business Day, the “**Final Buyer List Date**”), Buyer shall deliver a list to Seller (the “**Buyer Reference Entity List**”) specifying at least three Eligible Reference Entities (each, a “**Buyer Proposed Reference Entity**”).

(b) Not later than five Business Days following receipt of the Buyer Reference Entity List (such period being the “**Seller Selection Period**”), Seller shall select one of the Buyer Proposed Reference Entities and notify its selection to Buyer and the Calculation Agent.

(c) If Seller does not make a selection in accordance with the foregoing, Buyer shall select one of the Buyer Proposed Reference Entities and notify its selection to Seller and the Calculation Agent within three Business Days following the last day of the Seller Selection Period.

(d) If Buyer does not deliver a Buyer Reference Entity List to Seller on or prior to the Final Buyer List Date specifying at least three Eligible Reference Entities, then not later than ten Business Days following the Final Buyer List Date, Seller shall deliver a list to Buyer (a “**Seller Reference Entity List**”) specifying at least three Eligible Reference Entities (each, a “**Seller Proposed Reference Entity**”).

(e) Not later than five Business Days following receipt of the Seller Reference Entity List (such period being the “**Buyer Selection Period**”), Buyer shall select one of the Seller Proposed Reference Entities and notify its selection to Seller and the Calculation Agent.

(f) If Buyer does not make a selection in accordance with the foregoing, Seller shall select one of the Seller Proposed Reference Entities and notify its selection to Buyer and the Calculation Agent within three Business Days following the last day of the Buyer Selection Period.

The entity selected by Seller or Buyer in accordance with the foregoing shall be the Replacement Reference Entity.

If Seller or Buyer fails to take any action listed in paragraphs (a) to

(f) above, such failure shall not constitute an event of default as agreed to between the parties in any master agreement governing the Transaction.

Delivery of Reference Entity List:

Any delivery of or notification in connection with a Buyer Reference Entity List or a Seller Reference Entity List shall be subject to the requirements of Section 1.4038 of the Credit Derivatives Definitions as such section would apply to the Affected Entity.

Substitution Failure:

Any of (a) both (i) Buyer fails to deliver a Buyer Reference Entity List specifying at least three Eligible Reference Entities within the required time period and (ii) Seller fails to deliver a Seller Reference Entity List specifying at least three Eligible Reference Entities within the required time period, (b) both Buyer and Seller fail to select a Replacement Reference Entity in accordance with the “Selection of Replacement Reference Entity” provisions above, or (c) a Credit-related Substitution Failure Date occurs in respect of the Surviving Reference Entity prior to the selection of a Replacement Reference Entity.

If a Substitution Failure occurs under (c) above, the Substitution Failure shall be deemed to have occurred prior to the time at which the Surviving Reference Entity becomes a Defaulted Reference Entity, such that the Reference Entity Count of the Surviving Reference Entity immediately prior to becoming a Defaulted Reference Entity is determined after giving effect to the provisions of “Treatment of Surviving Reference Entity where Substitution is not applicable or a Substitution Failure occurs” in respect of such Substitution Failure.

Credit-related Substitution Failure Date:

In respect of a Surviving Reference Entity, the first to occur of any of the following: (a) the date on which a DC Credit Event Announcement occurs; (b) the date on which a Notice-determined EDD occurs; or (c) if the Surviving Transaction Set is not identical to the Affected Transaction Set, the occurrence of one of the dates described in (a) or (b), if any, determined by reference to the terms of the Affected Transaction Set as if the Affected Transaction Set applied to the Surviving Reference Entity rather than the Surviving Transaction Set.

Eligible Reference Entity:

An entity:

(a) that is in the same Moody’s, S&P or Additional Rating Agency industry group as the relevant Surviving Reference Entity, where:

“**Moody’s**” means Moody’s Investors Service, Inc., or any successor thereto;

“**S&P**” means Standard and Poor’s Ratings Services, a

division of The McGraw-Hill Companies, Inc., or any successor thereto; and

**“Additional Rating Agency”** means each Additional Rating Agency specified in the relevant Confirmation, if any, or any successor thereto,

provided that if the Surviving Reference Entity is not in any Moody’s, S&P or Additional Rating Agency industry group, this paragraph (a) shall not apply;

(b) that has a Bid-side Credit Value (at the time the Buyer Reference Entity List is provided to Seller or the Seller Reference Entity List is provided to Buyer, as applicable) no greater than (i) either (A) in the case of a price quotation, 120% or (B) in the case of a spread quotation, 110%, multiplied by (ii) the Bid-side Credit Value of the relevant Surviving Reference Entity at such time, where:

**“Bid-side Credit Value”** means the unweighted arithmetic mean of the Valid Quotations obtained by or on behalf of the Valuing Party (on the basis of the terms set out below) from at least three Dealers, as determined by the Valuing Party in good faith and in a commercially reasonable manner and notified by the Valuing Party to the other party on the date on which such Valid Quotations are obtained, where:

**“Valid Quotation”** means a price quotation on a Reference CDS, provided that if any such price quotation obtained by or on behalf of the Valuing Party is less than 2.00 per cent. of the Floating Rate Payer Calculation Amount for such Reference CDS, “Valid Quotation” shall mean a spread quotation on a Reference CDS;

**“Reference CDS”** means a credit default swap:

(i) on market standard terms for the relevant entity as at the time the relevant quotation is sought;

(ii) with a floating rate payer calculation amount equal to at least 50 per cent., but not more than 100 per cent., of the Floating Rate Payer Calculation Amount;

(iii) with a term equal to the period from, and including, the date on which the relevant quotation is sought to, and including, the Scheduled Termination Date (the **“Remaining Term”**), provided that if the Valuing Party (or the relevant third party dealer on its behalf, if applicable), having used reasonable endeavours, cannot obtain Valid Quotations from at least three Dealers in

respect of the Remaining Term, the term for the purposes of this paragraph (iii) shall be five years; and

(iv) for purposes of a price quotation only, with a Fixed Rate of 5.00 per cent.; and

“**Valuing Party**” means Buyer, in connection with a Buyer Reference Entity List, or Seller, in connection with a Seller Reference Entity List, provided that where Seller is the Valuing Party and is or is deemed to be the relevant Surviving Reference Entity, Seller may instruct a third party dealer selected by Seller in good faith and in a commercially reasonable manner to obtain Valid Quotations on its behalf in connection with a Seller Reference Entity List;

(c) that is principally traded using the same Transaction Type as the relevant Surviving Reference Entity, as determined in good faith and in a commercially reasonable manner by the Calculation Agent; and

(d) that is not (i) a Reference Entity hereunder, (ii) Seller, (iii) Buyer or (iv) an Affiliate of any of the foregoing, both immediately prior to and following the relevant ~~Succession Event~~ succession or Seller Merger Event, as applicable.

Effective date for substitution of Reference Entity following a ~~Succession Event~~ succession or Seller Merger Event:

The substitution of a Reference Entity shall be deemed to be effective on the ~~legally effective date (or in the case of a Reference Entity that is a Sovereign, the date of occurrence) of the Succession Event~~ Date or Seller Merger Event, as applicable.

Seller Merger:

In the event that a Seller Merger Event occurs and Substitution is applicable, the relevant Reference Entity shall be deemed to be an Affected Entity, Seller shall be deemed to be a Surviving Reference Entity in respect of such Affected Entity and the terms of “Treatment of certain ~~Succession Events~~ successions” in this Paragraph 6 shall apply accordingly.

If a Seller Merger Event occurs and Substitution is applicable, Section ~~2.31–11.4~~ 11.4 of the Credit Derivatives Definitions (as amended herein) shall not apply to the Transaction unless and until a Substitution Failure occurs.

## **7. Additional Provisions where Substitution is Not Applicable or a Substitution Failure Occurs:**

Seller Merger where Substitution is not applicable or a Substitution Failure occurs:

If Substitution is not applicable or a Substitution Failure occurs, Section ~~2.31–11.4~~ 11.4 of the Credit Derivatives Definitions (as amended herein) shall apply to the Transaction.

Treatment of Surviving Reference Entity where Substitution is not

If a Successor is a Surviving Reference Entity ~~in respect of a Succession Event~~ and either Substitution is not applicable or a

applicable or a Substitution Failure occurs:

Substitution Failure has occurred in respect of ~~the such Succession Event~~relevant succession, then, after any Substitute Reference Obligation has been determined in accordance with Section ~~2.2(d)~~2.10 of the Credit Derivatives Definitions, if applicable:

(a) if the Transaction Set applicable to the Affected Entity (the “**Affected Transaction Set**”) is identical to the Transaction Set applicable to the Surviving Reference Entity (the “**Surviving Transaction Set**”), then, with effect from the ~~legally effective date (or in the case of a Reference Entity that is a Sovereign, the date of occurrence) of the~~ Succession ~~Event~~Date, the Reference Entity Count of the Surviving Reference Entity shall be equal to the sum of the Reference Entity Count of the Surviving Reference Entity immediately prior to the relevant ~~Succession Event~~succession (the “**SRE Prior Count**”) and the Reference Entity Count of the Affected Entity immediately prior to the relevant ~~Succession Event~~succession (the “**AE Prior Count**”) and such sum, the “**Combined Prior Count**”); and

(b) if the Affected Transaction Set is not identical to the Surviving Transaction Set, then, subject as provided below, with effect from the ~~legally effective date (or in the case of a Reference Entity that is a Sovereign, the date of occurrence) of the~~ Succession ~~Event~~Date, the Transaction will be divided into two new Credit Derivative Transactions (the “**New Credit Derivative Transactions**”), with the following terms:

(i) in respect of one New Credit Derivative Transaction (the “**Affected-related Transaction**”), (A) the Floating Rate Payer Calculation Amount will be the Floating Rate Payer Calculation Amount of the original Credit Derivative Transaction multiplied by the AE Prior Count divided by the Combined Prior Count and (B) the Transaction Set applicable to the Surviving Reference Entity will be the Affected Transaction Set;

(ii) in respect of the other New Credit Derivative Transaction (the “**Surviving-related Transaction**”), (A) the Floating Rate Payer Calculation Amount will be the Floating Rate Payer Calculation Amount of the original Credit Derivative Transaction multiplied by the SRE Prior Count divided by the Combined Prior Count and (B) the Transaction Set applicable to the Surviving Reference Entity will be the Surviving Transaction Set;

(iii) in respect of each New Credit Derivative Transaction, the Reference Entity Count of the Surviving Reference Entity shall be equal to the Combined Prior Count;

(iv) if such division is the result of a Credit- related



Substitution Failure Date pursuant to (a) or (b) but, in either case, not (c) of the definition of “Credit-related Substitution Failure Date”, then, subject to ~~Section 1.8(a)(ii)~~Sections 1.16(a)(ii) and 14.1(b) of the Credit Derivatives Definitions, for purposes of the Affected-related Transaction an Event Determination Date shall be deemed not to have occurred in respect of the Surviving Reference Entity;

(v) if such division is the result of a Credit-related Substitution Failure Date pursuant to (c) but not (a) or (b) of the definition of “Credit-related Substitution Failure Date”, then, subject to ~~Sections 1.8(a)(ii) and 1.8(e)~~1.16(a)(ii), 1.19 and 14.1(b) of the Credit Derivatives Definitions, for purposes of the Affected-related Transaction an Event Determination Date shall be deemed to have occurred in respect of the Surviving Reference Entity on the Credit-related Substitution Failure Date; and

(vi) all other terms and conditions of the original Credit Derivative Transaction and, if applicable, the occurrence of an Event Determination Date under the original Credit Derivative Transaction, will be replicated in each New Credit Derivative Transaction except to the extent that modification is required, as determined by the Calculation Agent (in consultation with the parties), to preserve the economic effects of the original Credit Derivative Transaction in the New Credit Derivative Transactions (considered in the aggregate),

provided that if the Transaction is split into two or more New Credit Derivative Transactions under Section 2.2(~~en~~) of the Credit Derivatives Definitions (as amended herein) as the result of the relevant ~~Succession—Event~~succession, the split under Section 2.2(~~en~~) of the Credit Derivatives Definitions shall apply before determining whether any such New Credit Derivative Transaction must be divided pursuant to the foregoing.

Transaction Set:

In respect of a Reference Entity or an Affected Entity, the Transaction Type and Reference Obligation Set for that Reference Entity or Affected Entity.

Reference Obligation Set:

In respect of a Reference Entity or an Affected Entity:

(a) if no Reference Obligation is specified ~~in the Confirmation~~ or otherwise identified in respect of such Reference Entity or Affected Entity and the Calculation Agent is not required to continue to attempt to identify a Substitute Reference Obligation under Section ~~2.30(e)~~2.10 of the Credit Derivatives Definitions (as amended herein), the absence of a Reference Obligation; or

(b) if paragraph (a) above is not applicable, each Reference Obligation that has been specified ~~in the Confirmation~~ or otherwise identified in respect of such Reference Entity or Affected Entity, including, without limitation, any Reference Obligation (i) with respect to which ~~either (A) any of the events set forth under Section 2.30(a) of the Credit Derivatives Definitions has occurred or (B) Section 2.2(d) of the Credit Derivatives Definitions (as amended herein) is applicable~~ a Substitution Event has occurred and (ii) for which no Substitute Reference Obligation has been identified, ~~provided that any obligation that has ceased to be a Reference Obligation in respect of a Reference Entity or Affected Entity under Section 2.30(e) or 2.30(d) of the Credit Derivatives Definitions (each as amended herein) shall be excluded from the Reference Obligation Set in respect of such Reference Entity or Affected Entity.~~

## 8. Representations:

Each party will be deemed to represent to the other party on the date on which it enters into the Transaction that:

(a) Non-Reliance. It is acting for its own account, and it has made its own independent decisions to enter into the Transaction and as to whether the Transaction is appropriate or proper for it based upon its own judgement and upon advice from such advisers as it has deemed necessary. It is not relying on any communication (written or oral) of the other party as investment advice or as a recommendation to enter into the Transaction; it being understood that information and explanations related to the terms and conditions of the Transaction shall not be considered investment advice or a recommendation to enter into the Transaction. No communication (written or oral) received from the other party shall be deemed to be an assurance or guarantee as to the expected results of the Transaction.

(b) Assessment and Understanding. It is capable of assessing the merits of and understanding (on its own behalf or through independent professional advice), and understands and accepts, the terms, conditions and risks of the Transaction. It is also capable of assuming, and assumes, the risks of the Transaction.

(c) Status of Parties. The other party is not acting as a fiduciary for, or an adviser to it, in respect of the Transaction.

## 9. Amendments to the Credit Derivatives Definitions:

Section 1~~4~~3.1 of the Credit Derivatives Definitions is deleted and replaced with the following:

“Section 1~~4~~3.1. **Application of Credit Derivatives Physical Settlement Matrix.** In respect of a Credit Derivative Transaction the Confirmation in respect of which specifies one or more Reference Entities and identifies in respect of any such Reference Entity a “Transaction Type” that is included in the Credit Derivatives Physical Settlement Matrix to apply to such Reference Entity, the terms set out in the Credit Derivatives Physical Settlement Matrix with respect to such “Transaction Type” shall be deemed to apply to such Reference Entity for purposes of that Credit Derivative Transaction, provided that the relevant Confirmation does not specify any inconsistent terms applicable to such Reference Entity, in which case such terms specified in the Confirmation shall prevail with respect to such Reference Entity.”

Section 13.2 of the Credit Derivatives Definitions is deleted and replaced with the following:

**“Section 13.2. Credit Derivatives Physical Settlement Matrix.** “Credit Derivatives Physical Settlement Matrix” means the “Credit Derivatives Physical Settlement Matrix” as most recently amended and supplemented as at the later of (a) the Trade Date and (b) September 22, 2014 and as published by ISDA on its website at [www.isda.org](http://www.isda.org) (or any successor website thereto).”

| Comparison Details  |   |
|---------------------|---|
| Title               | <b>pdfDocs compareDocs Comparison Results</b> |
| Date & Time         | 20/08/2014 12:27:41                           |
| Comparison Time     | 3.74 seconds                                  |
| compareDocs version | v3.4.11.53                                    |

| Sources           |  |
|-------------------|--|
| Original Document | [#19899502] [v1] Nth_to_Default_Standard_Terms_Supplement.docx |
| Modified Document | [#19899502] [v5] Nth_to_Default_Standard_Terms_Supplement.docx |

| Comparison Statistics |     |
|-----------------------|-----|
| Insertions            | 16  |
| Deletions             | 21  |
| Changes               | 83  |
| Moves                 | 0   |
| TOTAL CHANGES         | 120 |
|                       |     |
|                       |     |
|                       |     |
|                       |     |
|                       |     |
|                       |     |

| Word Rendering Set Markup Options |                   |
|-----------------------------------|-------------------|
| Name                              | Standard          |
| <u>Insertions</u>                 |                   |
| <del>Deletions</del>              |                   |
| <u>Moves / Moves</u>              |                   |
| Inserted cells                    |                   |
| Deleted cells                     |                   |
| Merged cells                      |                   |
| Formatting                        | Color only.       |
| Changed lines                     | Mark left border. |
| Comments color                    | By Author.        |
| Balloons                          | False             |

| compareDocs Settings Used           | Category | Option Selected |
|-------------------------------------|----------|-----------------|
| Open Comparison Report after Saving | General  | Always          |
| Report Type                         | Word     | Formatting      |
| Character Level                     | Word     | True            |
| Include Headers / Footers           | Word     | True            |
| Include Footnotes / Endnotes        | Word     | True            |
| Include List Numbers                | Word     | True            |
| Include Tables                      | Word     | True            |
| Include Field Codes                 | Word     | True            |
| Include Moves                       | Word     | True            |
| Show Track Changes Toolbar          | Word     | False           |
| Show Reviewing Pane                 | Word     | False           |
| Update Automatic Links at Open      | Word     | False           |
| Summary Report                      | Word     | End             |
| Include Change Detail Report        | Word     | Separate        |
| Document View                       | Word     | Print           |
| Remove Personal Information         | Word     | False           |
| Flatten Field Codes                 | Word     | True            |