

[insert letterhead]

[insert date]

Dear Sir/Madam:

This letter concerns the impact of the final stage of the changeover to the European Monetary Union (“EMU”) on derivative transactions between [insert name of institution] (“the Bank/the Company”) and you. On January 1, 2002, the national currencies of the participating 12 states of the eurozone will cease to have any continuing relevance.

We refer you to the 2001 Euro Protocol (the “Protocol”) published on 24 September 2001 by the International Swaps and Derivatives Association, Inc. (“ISDA”) which enabled parties to an ISDA Master Agreement (Multicurrency - Cross Border), ISDA Master Agreement (Local Currency – Single Jurisdiction), ISDA Interest Rate and Currency Exchange Agreement or an ISDA Interest Rate Swap Agreement (each an “ISDA Master Agreement”) to amend that ISDA Master Agreement to confirm their intentions in respect of certain matters arising in connection with EMU. The Protocol follows up on the 1998 EMU Protocol and the 2000 EMU Protocol (Greece). The 2001 Euro Protocol resolves a number of critical issues that have been identified by major market participants as fundamental to the ongoing efficacy and operation of derivatives contracts entered into before the end of the transition period on 31 December 2001. For your information, a Commentary is available on the ISDA website that explains these issues and the solutions proposed by the Protocol.

The Annexes to the Protocol set out what [the Bank/the Company] believes should be regarded as the market standard terms for the interpretation and operation of legacy derivatives contracts after the commencement of EMU. Further, [the Bank/the Company] recognises that there are clear benefits for parties to derivatives contracts in the certainty that the provisions of the Protocol provide.

We understand that you have not adhered to the Protocol. Therefore, in order to avoid any uncertainty which might otherwise arise in relation to derivatives contracts between us, [the Bank/the Company] proposes that the definitions and provisions contained in [Annex 1] [Annex 2] [Annex 3] [Annex 4] and Section 6 of the Protocol (the “Provisions”) shall apply to each ISDA Master Agreement between us. In the event that there is no ISDA Master Agreement between us, the Provisions will be deemed to be incorporated by reference into all derivative transactions entered into between us. A copy of an Agreement relating to the proposed amendments outlined in this letter and in the Protocol is provided as an attachment to this letter. A copy of the Provisions is also enclosed for your ease of reference or can be obtained from the ISDA website, www.isda.org.

Except for any amendment to an ISDA Master Agreement made pursuant to this letter, all terms and conditions of that ISDA Master Agreement or derivative transaction will continue in full force and effect in accordance with its provisions on the effective date of that amendment.

If you have any such questions, please contact [insert a contact person's name] on [insert contact telephone number].

Yours faithfully,

By:

Title:

Att.

Agreement
Relating to the Incorporation of 2001 Euro Protocol Terms

[for insertion in [Part 4], [Part 5] [Section 12] of the ISDA Master Agreement Schedule]

The parties agree that the definitions and provisions contained in [Annex 1] [Annex 2] [Annex 3] [Annex 4] and Section 6 of the 2001 Euro Protocol published by the International Swaps and Derivatives Association, Inc. on 24 September 2001 are incorporated into and apply to the [ISDA Master Agreement (Multicurrency - Cross Border)] [ISDA Master Agreement (Local Currency – Single Jurisdiction)] [ISDA Interest Rate and Currency Exchange Agreement] [ISDA Interest Rate Swap Agreement] (the “ISDA Master Agreement”). References in those definitions and provisions to the ISDA Master Agreement will be deemed to be references to this Agreement.

[insert date]

By:
Title:

By:
Title: