

**iTRAXX® EUROPE LEGACY TRANCHED TRANSACTIONS STANDARD TERMS  
SUPPLEMENT**

(published on November 23, 2009)

~~This Section A – (General Terms) (Section A), Section B – (Non-Excluded Reference Entities) (Section B) and Section D – (Additional Provisions) (Section D) of this iTraxx® Europe Legacy Tranch~~  
~~ed Transactions Standard Terms Supplement (the Legacy Standard Terms Supplement) hereby~~  
~~incorporates incorporate~~ by reference the definitions and provisions contained in the 2003~~14~~ ISDA Credit  
Derivatives Definitions, as ~~supplemented~~–published by the International Swaps and Derivatives  
Association, Inc. (ISDA) (the 2014 Credit Derivatives Definitions).

Section C – (Additional Terms for Excluded Reference Entities) (Section C) of this Legacy Standard  
Terms Supplement incorporates by reference the definitions and provisions contained in the 2003 ISDA  
Credit Derivatives Definitions as supplemented by (a) the 2009 ISDA Credit Derivatives Determinations  
Committees, Auction Settlement and Restructuring Supplement to the 2003 ISDA Credit Derivatives  
Definitions (published on July 14, 2009) and (b) the 2005 Matrix Supplement to the 2003 ISDA Credit  
Derivatives Definitions (published on March 7, 2005), each as published by the International Swaps and  
Derivatives Association, Inc. (ISDA) ISDA (together, the 2003 Credit Derivatives Definitions). ~~In the~~  
~~event of any inconsistency between the Credit Derivatives Definitions and this Standard Terms~~  
~~Supplement, this Standard Terms Supplement will govern.~~

Section A and Section D apply to all Reference Entities in the Index. Section B applies to each Reference  
Entity that is not an “Excluded Reference Entity” for purposes of the 2014 Credit Derivatives Definitions  
Protocol published by ISDA on August 21, 2014 (the 2014 Protocol) (each, a Non-Excluded Reference  
Entity). Section C applies to each Reference Entity that is an “Excluded Reference Entity” for purposes  
of the 2014 Protocol (each, an Excluded Reference Entity).

In the event of any inconsistency between the 2014 Credit Derivatives Definitions and Section A, Section  
B or Section D, Section A, Section B or Section D will govern, as applicable. In the event of any  
inconsistency between the 2003 Credit Derivatives Definitions and Section C, Section C will govern.

Any Credit Derivative Transaction, the Confirmation for which incorporates by reference this Legacy  
Standard Terms Supplement (each, a **Transaction**)~~–~~, relates to a basket of Reference Entities (as  
described below). Each settlement in respect of a Reference Entity following a Credit Event will  
terminate only the corresponding portion of the Transaction, as outlined below. Without prejudice to  
Section ~~3.9-1.33~~ of the 2014 Credit Derivatives Definitions (with respect to a Reference Entity for which  
Section B is applicable) or Section 3.9 of the 2003 Credit Derivatives Definitions (with respect to a  
Reference Entity for which Section C is applicable), upon the occurrence of an Event Determination Date  
with respect to a Reference Entity, additional Credit Events with respect to that Reference Entity will not  
have any effect on the Transaction (a) unless that Reference Entity subsequently becomes a Successor to  
another Reference Entity in respect of which an Event Determination Date has not occurred and (b)  
except as otherwise provided in the relevant “Successors” provision below. The Transaction  
contemplates that there is more than one Reference Entity, and therefore there may be more than one  
Credit Event~~–and accordingly–~~ more than one Event Determination Date and more than one settlement  
~~and that–~~ Consequently, the 2003 Credit Derivatives Definitions (and in particular the definition of  
Termination Date)–and the 2014 Credit Derivatives Definitions should, for the purposes of the  
Transaction, be interpreted accordingly.

~~1. General Terms:~~

SECTION A – (GENERAL TERMS)

1. GENERAL TERMS

<b>Trade Date:</b>	As specified in the relevant Confirmation.
<b>Effective Date:</b>	As specified in the relevant Confirmation.
<b>Scheduled Termination Date:</b>	As specified in the relevant Confirmation.
<b>Termination Date:</b>	The Scheduled Termination Date; provided that: <ul style="list-style-type: none"><li>(a) if the Outstanding Swap Notional Amount is reduced to zero prior to the Scheduled Termination Date, the Termination Date <del>shall</del> <u>will</u> be the Cash Settlement Date or Cut-Off Date, as appropriate, relating to the Incurred Loss Amount or Incurred Recovery Amount that causes the Outstanding Swap Notional Amount to be reduced to zero; and</li><li>(b) if the last Cash Settlement Date or Cut-Off Date, as appropriate, occurs after the Scheduled Termination Date, the Termination Date <del>shall</del> <u>will</u> be such later date.</li></ul>
<b>Floating Rate Payer:</b>	As specified in the relevant Confirmation (the <b>Seller</b> ).
<b>Fixed Rate Payer:</b>	As specified in the relevant Confirmation (the <b>Buyer</b> ).
<b>Original Notional Amount:</b>	As specified in the relevant Confirmation.
<b>Attachment Point:</b>	As specified in the relevant Confirmation.
<b>Exhaustion Point:</b>	As specified in the relevant Confirmation.
<b>Reference Entity Weighting:</b>	With respect to a Reference Entity, the percentage set out opposite such Reference Entity in the <del>Relevant Annex; provided that the Reference Entity Weighting in respect of an Excluded Reference Entity shall be deemed to be zero</del> <u>Index Annex</u> .
<b>Settled Entity Weighting:</b>	With respect to a Settled Entity, the percentage for the Index set out opposite such Settled Entity in the <del>Relevant</del> Settled Entity Matrix.
<b>Tranche Size:</b>	Exhaustion Point <u>minus</u> Attachment Point.
<b>Implicit Portfolio Size:</b>	Original Notional Amount <u>divided by</u> Tranche Size.

**Reference Entity Notional Amount:**

With respect to a Reference Entity, (a) Implicit Portfolio Size multiplied by (b) Reference Entity Weighting for such Reference Entity multiplied by (c) the fraction obtained by dividing (i) one by (ii) the sum of (A) the aggregate of the Reference Entity Weightings for all Reference Entities and (B) the aggregate of the Settled Entity Weightings for all Settled Entities, subject to adjustment as provided in Section 2.2(e) of the 2014 Credit Derivatives Definitions, ~~as modified by the~~ (if such Reference Entity is a Non-Excluded Reference Entity) and as provided in Section 2.2(e) of the 2003 Credit Derivatives Definitions (if such Reference Entity is an Excluded Reference Entity), in each case as modified by the relevant "Successors" provision below.

**Settled Entity Notional Amount:**

With respect to a Settled Entity, (a) Implicit Portfolio Size multiplied by (b) Settled Entity Weighting for such Settled Entity multiplied by (c) the fraction obtained by dividing (i) one by (ii) the sum of (A) the aggregate of the Reference Entity Weightings for all Reference Entities and (B) the aggregate of the Settled Entity Weightings for all Settled Entities.

**Loss Threshold Amount:**

Implicit Portfolio Size multiplied by Attachment Point.

**Recovery Threshold Amount:**

(a) Implicit Portfolio Size multiplied by (b) an amount equal to (i) 100 per cent. minus (ii) Exhaustion Point.

**Calculation Agent:**

As specified in the relevant Confirmation.

~~**Calculation Agent City:**~~

~~London~~

~~**Business Day:**~~

~~London and TARGET Settlement Day~~

~~**Business Day Convention:**~~

~~Following (which, subject to Sections 1.4 and 1.6 of the Credit Derivatives Definitions, shall apply to any date referred to in this Standard Terms Supplement or in the relevant Confirmation that falls on a day that is not a Business Day)~~

**Index:**

As specified in the relevant Confirmation.

**Index Publisher:**

Markit Group Limited, or any replacement therefor appointed by the Index Sponsor for purposes of officially publishing the Index.

~~**Relevant Annex:**~~

~~The parties shall specify in the relevant Confirmation whether the source of the Relevant Annex is "Publisher" or "Confirmation Annex" and shall identify the Index and the Annex Date; provided that, if the parties do not specify the source of the Relevant Annex, they shall be deemed to have specified "Publisher".~~

**Index Annex:**

~~If "Publisher" is specified in the relevant Confirmation, the Relevant Annex shall be the list for the The Index with the relevant Annex Date, as published by the Index Publisher (which can be accessed ~~currently~~ at <http://www.markit.com>).~~ or any successor website thereto).

~~If "Confirmation Annex" is specified in the relevant Confirmation, the Relevant Annex shall be the list for the Index with the relevant Annex Date annexed to the relevant Confirmation, as agreed by the parties.~~

**Annex Date:**

As specified in the relevant Confirmation.

**~~Relevant Settled Entity Matrix:~~**

~~If there are any Settled Entities, the parties shall specify in the relevant Confirmation whether the source of the Relevant Settled Entity Matrix is "Publisher" or "Confirmation Annex"; provided that, if the parties do not specify the source of the Relevant Settled Entity Matrix, they shall be deemed to have specified "Publisher".~~

**Settled Entity Matrix:**

~~If "Publisher" is specified in the relevant Confirmation, the Relevant The "Settled Entity Matrix shall be the Settled Entity Matrix", as most recently amended and supplemented as of the calendar day immediately preceding the Trade Date of the relevant Transaction (unless otherwise agreed by the parties) and as published by the Index Publisher in respect of the Index and the Scheduled Termination Date (which can be accessed ~~currently~~ at <http://www.markit.com> or any successor website thereto).~~

Notwithstanding the foregoing, if the parties enter into an agreement to novate a Transaction, ~~then for the purposes of the New novated Transaction, to the extent the terms thereof mirror the provisions of this Standard Terms Supplement governed hereby,~~ the reference in the preceding paragraph to "Trade Date" ~~shall~~ will be deemed to refer to the "Novation Trade Date" (or equivalent designation) specified in the relevant agreement to novate such Transaction.

~~If "Confirmation Annex" is specified in the relevant Confirmation, the Relevant Settled Entity Matrix shall be the list agreed for this purpose by the parties.~~

**Index Sponsor:**

~~International Index Company Ltd.~~ Markit Indices Limited, or any successor thereto.

**~~Excluded Reference Entities:~~**

As specified in the relevant Confirmation

**Settled Entity:** Each entity identified as such for the Index in the ~~Relevant~~ Settled Entity Matrix, if any.

~~All Guarantees:~~ Applicable

~~Reference Price:~~ 100 per cent.

## 2. FIXED PAYMENTS

### ~~2. Fixed Payments:~~

**Fixed Rate Payer Calculation Amount:**

For any Fixed Rate Payer Calculation Period, an amount determined by the Calculation Agent equal to (a) the sum of the Outstanding Swap Notional Amount as at 5:00 p.m. in the Calculation Agent City on each day in such Fixed Rate Payer Calculation Period, divided by (b) the actual number of days in such Fixed Rate Payer Calculation Period.

If an Event Determination Date and a related Calculation Date occur in the same Fixed Rate Payer Calculation Period, then for purposes of determining the Fixed Rate Payer Calculation Amount, the Outstanding Swap Notional Amount ~~shall~~will be deemed to have been reduced by the Incurred Loss Amount (if any) and/or the Incurred Recovery Amount (if any) with respect to such Calculation Date on the day following the relevant Event Determination Date (notwithstanding that such Incurred Loss Amount and/or Incurred Recovery Amount are in fact determined on the Calculation Date).

If an Event Determination Date and a related Calculation Date occur in different Fixed Rate Payer Calculation Periods, then for purposes of determining the Fixed Rate Payer Calculation Amount, the Outstanding Swap Notional Amount ~~shall~~will be deemed to have been reduced by the Incurred Loss Amount (if any) and/or the Incurred Recovery Amount (if any) with respect to such Calculation Date on the first day of the Fixed Rate Payer Calculation Period in which such Calculation Date occurs (notwithstanding that such Incurred Loss Amount and/or Incurred Recovery Amount are in fact determined on the Calculation Date).

**Outstanding Swap Notional Amount:**

At any time on any day, the greater of:

- (a) zero; and
- (b) an amount equal to (i) the Original Notional Amount minus (ii) the sum of (A) all Incurred

Loss Amounts, (B) all Incurred Recovery Amounts (if any), (C) the Settled Entity Incurred Loss Amount (if any) and (D) the Settled Entity Incurred Recovery Amount (if any), in each case determined in respect of the relevant Transaction at or prior to such time.

**Fixed Rate Payer Payment Dates:** Each March 20, June 20, September 20 and December 20 in each year. The first Fixed Rate Payer Payment Date will occur on the Initial Fixed Rate Payer Payment Date and the last Fixed Rate Payer Payment Date will occur on the earlier to occur of the Scheduled Termination Date and the Termination Date.

Section ~~2.10~~12.11 of the 2014 Credit Derivatives Definitions is amended by deleting the ~~last four lines thereof, text~~ beginning with the words”, provided that”.

**Initial Fixed Rate Payer Payment Date:** As specified in the relevant Confirmation.

**Fixed Rate Payer Calculation Period:** Each period from, and including, one Fixed Rate Payer Payment Date to, but excluding, the next following Fixed Rate Payer Payment Date, except that (a) the initial Fixed Rate Payer Calculation Period will commence on, and include, the First Payment Period Accrual Start Date and (b) the final Fixed Rate Payer Calculation Period will end on, and include, the earlier to occur of the Scheduled Termination Date and the Calculation Date on which the Outstanding Swap Notional Amount is reduced to zero.

Section ~~5.4~~12.15 of the 2014 Credit Derivatives Definitions is amended by replacing the words “the earlier to occur of (a) the Scheduled Termination Date ~~and~~ (b) the Event Determination Date and (c) in the case of a Reference Obligation Only Trade only, the Termination Date” with “the earlier to occur of the Scheduled Termination Date and the Calculation Date on which the Outstanding Swap Notional Amount is reduced to zero”.

**First Payment Period Accrual Start Date:** If the First Payment Period Accrual Start Date is specified in the relevant Confirmation to be “Full First Coupon Convention”, then the First Payment Period Accrual Start Date will be the Fixed Rate Payer Payment Date falling on or immediately prior to the calendar day immediately following the Trade Date.

If the First Payment Period Accrual Start Date is specified in the relevant Confirmation as a date, then the First Payment Period Accrual Start Date will be the date so specified, without adjustment in accordance with the Business Day Convention.

If no First Payment Period Accrual Start Date is specified in the relevant Confirmation, then the First Payment Period Accrual Start Date will be the calendar day immediately following the Trade Date, without adjustment in accordance with the Business Day Convention.

**Fixed Rate:** As specified in the relevant Confirmation.

**Fixed Rate Day Count Fraction:** Actual/360

**Rebate of Fixed Amounts:** In the event that the Calculation Date for any Incurred Loss Amount (if any) and/or Incurred Recovery Amount (if any) occurs after the Fixed Rate Payer Calculation Period in which the related Event Determination Date occurs, then on the Cash Settlement Date relating thereto, Seller ~~shall~~ will pay to Buyer an amount equal to (a) such Incurred Loss Amount (if any) plus such Incurred Recovery Amount (if any) multiplied by (b) the Fixed Rate multiplied by (c) the number of days from, and including, the day following the Event Determination Date to, but excluding, the Fixed Rate Payer Payment Date occurring on or immediately prior to such Calculation Date (or, if such Fixed Rate Payer Payment Date is the Scheduled Termination Date, to, and including, such Fixed Rate Payer Payment Date) divided by (d) 360.

### ~~3. Floating Payments:~~

~~Notice of Publicly Available Information Condition to Settlement:~~

~~Applicable~~

~~Credit Events:~~

~~The following Credit Event(s) shall apply:~~

~~Bankruptcy~~

~~Failure to Pay~~

~~Payment Requirement: USD1,000,000~~

~~Restructuring~~

~~Modified Restructuring Maturity Limitation and Conditionally Transferable Obligation:~~

~~Applicable, provided that Modified Restructuring Limitation and Conditionally Transferable Obligation shall not apply if the Reference Entity is specified as a "Subordinated Insurer" in the Relevant Annex.~~

~~Default Requirement: USD10,000,000~~

**Obligation(s):**

<i><b>Obligation Category</b></i>	<i><b>Obligation Characteristics</b></i>
<b>Borrowed Money</b>	<b>None</b>



## SECTION B – (NON-EXCLUDED REFERENCE ENTITY TERMS)

### 1. REFERENCE ENTITY AND TRANSACTION TYPE

#### Reference Entities:

Each Reference Entity contained in the Index and listed in the Index Annex, and any Successor to a Reference Entity either (a) in respect of which the DC Secretary publicly announces on or following the earlier of the Effective Date and the Trade Date that the relevant Credit Derivatives Determinations Committee has Resolved, in respect of a Successor Resolution Request Date, a Successor in accordance with the DC Rules or (b) in the event that the DC Secretary does not make such an announcement, identified by the Index Sponsor on or following the earlier of the Effective Date and the Trade Date.

#### Transaction Type:

Standard European Corporate, provided that if “Subordinated Insurer” is specified in the Index Annex, then the Transaction Type will be Standard Subordinated European Insurance Corporate.

### 2. REFERENCE OBLIGATION

#### Standard Reference Obligation:

Applicable.

#### Reference Obligation(s):

The Reference Obligation (if any) set out opposite the relevant Reference Entity in the Index Annex (the **Original Non-Standard Reference Obligation**) to, but excluding, the first date on which both (a) and (b) below have occurred:

- (a) either (i) the Original Non-Standard Reference Obligation is redeemed in whole or (ii) for any reason, other than due to the existence or occurrence of a Credit Event, the Original Non-Standard Reference Obligation is no longer an obligation of the Reference Entity (either directly or as provider of a guarantee); and
- (b) a Standard Reference Obligation is published on the SRO List that would have been eligible to be selected as a Substitute Reference Obligation,

and the Standard Reference Obligation from such date onwards.

In all cases, if at any time the Original Non-Standard Reference Obligation is the same as the Standard Reference Obligation, the Reference Obligation shall immediately become the Standard Reference Obligation.

### 3. SUCCESSOR

#### Successors:

Section 2.2(a) of the 2014 Credit Derivatives Definitions is amended by deleting the words (a) “for the entire Credit Derivative Transaction” from Section 2.2(a)(i), (ii) and (vii) of the 2014 Credit Derivatives Definitions and replacing them with the words “in respect of such Reference Entity” and (b) “for a New Credit Derivative Transaction determined in accordance with the provisions of Section 2.2(n)” from Section 2.2(a)(iii), (iv) and (vi) of the 2014 Credit Derivatives Definitions and replacing them with the words “in respect of such Reference Entity”.

Section 2.2(n) of the 2014 Credit Derivatives Definitions is deleted and replaced in its entirety by the following:

“Where, pursuant to Section 2.2(a), one or more Successors have been identified in respect of a Reference Entity (the **Affected Entity**), (i) the Affected Entity will no longer be a Reference Entity for purposes of the Credit Derivative Transaction (unless it is a Successor as described in Section 2.2(n)(ii) below), (ii) each Successor will be deemed a Reference Entity for purposes of the Credit Derivative Transaction, (iii) the Reference Entity Notional Amount for each such Successor will equal the Reference Entity Notional Amount of the Affected Entity immediately prior to the application of Section 2.2 divided by the number of Successors and (iv) the Calculation Agent may make any modifications to the terms of the Credit Derivative Transaction required to preserve the economic effects of the Credit Derivative Transaction prior to the relevant succession (considered in the aggregate).”

If a Successor is already a Reference Entity at the time Section 2.2 of the 2014 Credit Derivatives Definitions is applied, (a) such Successor will be deemed to be a separate Reference Entity hereunder, (b) the Reference Entity Notional Amount of the Reference Entity that was already a Reference Entity immediately prior to the application of Section 2.2 of the 2014 Credit Derivatives Definitions (the **Original Reference Entity**) will equal the Reference Entity Notional Amount in respect of such Original Reference Entity immediately prior to such application, (c) the Reference Entity Notional Amount of the Reference Entity that is such Successor

will equal the amount determined with respect to such Successor by application of Section 2.2(n)(iii) of the 2014 Credit Derivatives Definitions (as amended hereby) and (d) if the Fallback Settlement Method is applicable to the Original Reference Entity and such Successor, an Event Determination Date may occur, and settlement with respect thereto may occur, separately for each such Reference Entity.

#### 4. SETTLEMENT TERMS

##### 4.1 General

Settlement Method:

Auction Settlement

Fallback Settlement Method:

Physical Settlement and Cash Settlement, each as modified hereby.

Settlement Currency:

EUR

Currency Amount:

Section 8.20 of the 2014 Credit Derivatives Definitions is deleted and replaced in its entirety by the following:

“Section 8.20. Currency Amount. “Currency Amount” means, whenever an amount is specified to be determined by reference to a Currency Amount, (a) where such amount is denominated in the Settlement Currency, such amount and (b) where such amount is denominated in a currency other than the Settlement Currency, such amount converted to the Settlement Currency using the Currency Rate.”

For the avoidance of doubt, where the Currency Amount of the Outstanding Principal Balance of any Selected Obligation actually Delivered or deemed Delivered on the relevant Delivery Date, plus the Currency Amount of the Outstanding Principal Balance of any of the same Selected Obligation actually Delivered or deemed Delivered on any earlier date, exceeds the portion of the Specified Delivery Amount attributable to that Selected Obligation, the excess will be ignored for the purposes of calculating the relevant Delivered Proportion, Quotation Amount and Weighted Average Final Price.

## **4.2 Terms relating to Auction Settlement**

The first sentence of Section 6.1 of the 2014 Credit Derivatives Definitions is deleted in its entirety and replaced with the following:

“If “Auction Settlement” is specified as the Settlement Method and an Event Determination Date occurs on or prior to the Auction Final Price Determination Date, Seller will, subject to Section 5.1 (Settlement), pay to Buyer the Cash Settlement Amount (if any) on the Cash Settlement Date.”

## **4.3 Terms relating to Auction Settlement and, if the Fallback Settlement Method is applicable to a Reference Entity, Cash Settlement**

**Cash Settlement Date:** With respect to a Reference Entity and a Calculation Date falling within (a) of the definition of Calculation Date, the related Auction Settlement Date. With respect to a Reference Entity and a Calculation Date falling within (b), (c) or (d) of the definition of Calculation Date, each date that is three Business Days after the relevant Calculation Date.

**Cash Settlement Amount:** With respect to a Cash Settlement Date, the Incurred Loss Amount for the related Calculation Date.

**Calculation Date:** With respect to a Reference Entity and (a) the related Auction Final Price Determination Date (if any), such Auction Final Price Determination Date, (b) the related Delivery Date (if any), the Business Day on which the Final Price can first be determined in respect of all Selected Obligations Delivered on that Delivery Date, (c) the related Buy-in Period (if any) in respect of which a Buy-in Price has been determined, the date on which Seller notifies Buyer of the Buy-in Price, and (d) the related Cut-Off Date (if any), the Cut-Off Date. Where two or more of (b), (c) and/or (d) apply (or (b) or (c) apply more than once) to a single Reference Entity on a single day, such day will be treated as two or more Calculation Dates, as the case may be, for such Reference Entity.

**Calculations:** If (a) any day is a Calculation Date with respect to more than one Reference Entity (whether under Section B or C), or (b) two or more of (b), (c) and/or (d) of the definition of Calculation Date apply (or (b) or (c) of the definition of Calculation Date apply more than once) to a single Reference Entity on a single day, the Loss Amount, Recovery Amount, Aggregate Loss Amount, Aggregate Recovery Amount, Outstanding Swap

Notional Amount, Incurred Loss Amount and Incurred Recovery Amount with respect to each Reference Entity will be calculated chronologically in the order that either of the following events occurred with respect to such Reference Entities: (i) the Credit Event Resolution Request Date (provided that if a Credit Event Resolution Request Date occurs in respect of more than one such Reference Entity on the same day, the first Reference Entity in respect of which the DC Secretary announces that the relevant DC Credit Event Question was effective and the relevant Credit Derivatives Determinations Committee was in possession of the relevant Publicly Available Information, in each case in accordance with Section 1.30 of the 2014 Credit Derivatives Definitions will be deemed to have satisfied this condition first) or (ii) the delivery of the Credit Event Notice (provided that if any of the relevant Credit Event Notices are delivered at the same time, in a sequential order determined by the Calculation Agent).

For the avoidance of doubt, with respect to the same Reference Entity, there may be more than one Calculation Date, Loss Amount, Recovery Amount, Incurred Loss Amount, Incurred Recovery Amount, Cash Settlement Amount and Cash Settlement Date.

**Incurred Loss Amount:**

With respect to a Reference Entity and a Calculation Date, an amount, calculated on that Calculation Date, equal to the lowest of:

- (a) the Loss Amount;
- (b) the Aggregate Loss Amount (including the related Loss Amount for that Reference Entity and Calculation Date) minus the Loss Threshold Amount (subject to a minimum of zero); and
- (c) the Outstanding Swap Notional Amount (prior to any reduction thereto in respect of that Reference Entity and Calculation Date).

**Loss Amount:**

With respect to a Reference Entity and a Calculation Date falling within (a) of the definition of Calculation Date, an amount calculated on that Calculation Date equal to (a) an amount equal to (i) 100 per cent. minus (ii) the Auction Final Price for that Reference Entity and Calculation Date multiplied by (b) the Reference Entity Notional Amount for that Reference Entity (subject to a

	<u>minimum of zero). With respect to a Reference Entity and a Calculation Date falling within (b), (c) or (d) of the definition of Calculation Date, an amount calculated on that Calculation Date equal to (a) an amount equal to (i) 100 per cent. minus (ii) the Weighted Average Final Price for that Reference Entity and Calculation Date multiplied by (b) the Reference Entity Notional Amount for that Reference Entity multiplied by (c) the Delivered Proportion for that Reference Entity and Calculation Date (subject to a minimum of zero).</u>
<b><u>Aggregate Loss Amount:</u></b>	<u>At any time on any day, the aggregate of all Loss Amounts calculated hereunder with respect to all Reference Entities (whether under Section B or C) plus the Aggregate Settled Entity Loss Amount, if any.</u>
<b><u>Aggregate Settled Entity Loss Amount:</u></b>	<u>An amount equal to the aggregate of the Settled Entity Loss Amounts for all Settled Entities (whether under Section B or C), if any.</u>
<b><u>Settled Entity Loss Amount:</u></b>	<u>With respect to a Settled Entity, an amount equal to (a) an amount equal to (i) 100 per cent. minus (ii) the Weighted Average Final Price set out opposite such Settled Entity in the Settled Entity Matrix multiplied by (b) the Settled Entity Notional Amount for such Settled Entity (subject to a minimum of zero).</u>
<b><u>Settled Entity Incurred Loss Amount:</u></b>	<u>An amount equal to the Aggregate Settled Entity Loss Amount, if any, minus the Loss Threshold Amount (subject to a minimum of zero).</u>
<b><u>Incurred Recovery Amount:</u></b>	<u>With respect to a Reference Entity and a Calculation Date, an amount, calculated on that Calculation Date, equal to the lowest of:</u>  <u>(a) the Recovery Amount;</u>  <u>(b) the Aggregate Recovery Amount (including the related Recovery Amount for that Reference Entity and Calculation Date) minus the Recovery Threshold Amount (subject to a minimum of zero); and</u>  <u>(c) the Outstanding Swap Notional Amount (prior to any reduction thereto in respect of that Reference Entity and Calculation Date).</u>
<b><u>Recovery Amount:</u></b>	<u>With respect to a Reference Entity and a Calculation</u>

	<p><u>Date falling within (a) of the definition of Calculation Date, an amount calculated on that Calculation Date equal to (a) the lesser of 100 per cent. and the Auction Final Price for that Reference Entity and Calculation Date multiplied by (b) the Reference Entity Notional Amount for that Reference Entity. With respect to a Reference Entity and a Calculation Date falling within (b), (c) or (d) of the definition of Calculation Date, an amount calculated on that Calculation Date equal to (a) the lesser of 100 per cent. and the Weighted Average Final Price for that Reference Entity and Calculation Date multiplied by (b) the Reference Entity Notional Amount for that Reference Entity multiplied by (c) the Delivered Proportion for that Reference Entity and Calculation Date provided that in relation to any Calculation Date which is a Cut-Off Date, the Recovery Amount will equal (i) the Reference Entity Notional Amount for that Reference Entity multiplied by (ii) the excess of 100 per cent. over the aggregate of the Delivered Proportions in respect of that Reference Entity on each preceding Calculation Date.</u></p>
<b><u>Aggregate Recovery Amount:</u></b>	<p><u>At any time on any day, the aggregate of all Recovery Amounts calculated hereunder with respect to all Reference Entities (whether under Section B or C) plus the Aggregate Settled Entity Recovery Amount, if any.</u></p>
<b><u>Aggregate Settled Entity Recovery Amount:</u></b>	<p><u>An amount equal to the aggregate of the Settled Entity Recovery Amounts for all Settled Entities (whether under Section B or C), if any.</u></p>
<b><u>Settled Entity Recovery Amount:</u></b>	<p><u>With respect to a Settled Entity, an amount equal to (a) the lesser of (i) 100 per cent. and (ii) the Weighted Average Final Price set out opposite such Settled Entity in the Settled Entity Matrix multiplied by (b) the Settled Entity Notional Amount for such Settled Entity.</u></p>
<b><u>Settled Entity Incurred Recovery Amount:</u></b>	<p><u>An amount equal to the Aggregate Settled Entity Recovery Amount, if any, minus the Recovery Threshold Amount (subject to a minimum of zero).</u></p>

#### **4.4 Terms relating to Physical Settlement (if the Fallback Settlement Method is applicable to a Reference Entity)**

Notwithstanding the provisions of the 2014 Credit Derivatives Definitions, in any Notice of Physical Settlement Buyer will specify (a) the Outstanding Principal Balance of each Selected Obligation, the aggregate Currency Amount of which will be between (i) EUR 100,000 (or, if less, the Reference Entity Notional Amount) and (ii) the greater of (A) the Reference Entity

Notional Amount and (B) the Maximum Deliverable Amount; provided that, for the avoidance of doubt, Buyer may not specify an Outstanding Principal Balance of a Selected Obligation of less than the minimum denomination of that Selected Obligation and (b) if Buyer so elects, that Delivery Estimate is applicable for the related Physical Settlement.

**Maximum Deliverable Amount** means an amount, determined by Buyer as of the Event Determination Date to which the Maximum Deliverable Amount relates, equal to the sum of:

- (a) the present value to Buyer as of such Event Determination Date of receiving an amount, calculated on a quarterly basis, on each Fixed Rate Payer Payment Date from, but excluding, such Event Determination Date to, and including, the Scheduled Termination Date, equal to the product of (i) the Fixed Rate, (ii) the Fixed Rate Day Count Fraction and (iii) the Relevant Calculation Amount (the **Present Value Amount**); and
- (b) the Relevant Calculation Amount,

provided that Buyer will determine the Present Value Amount in a commercially reasonable manner by reference to the relevant euro rate which appears on the Reuters page ISDAFIX2 (or any successor page thereto) as of 11:00 a.m. (London time) on such Event Determination Date, or, in the event that such page is not available, the relevant euro rate which appears on the Telerate page 3750 (or any successor page thereto) as of 11:00 a.m. (London time) on such Event Determination Date.

**Relevant Calculation Amount** means an amount equal to the lesser of (a) the Reference Entity Notional Amount and (b) the Outstanding Swap Notional Amount.

The first paragraph of Section 8.1 of the 2014 Credit Derivatives Definitions is replaced by the following:

“**Section 8.1. Physical Settlement.** Buyer will, subject to Section 5.1 (*Settlement*), 10.1 (*Settlement Suspension*) and 11.2(c)(ii) (*Additional Representations and Agreements for Physical Settlement*) and regardless of whether the Aggregate Loss Amount has exceeded the Loss Threshold Amount, on or prior to the Physical Settlement Date, Deliver to Seller the Selected Obligations. Unless Buyer has elected that Delivery Estimate is applicable in the Notice of Physical Settlement, Seller will, on each related Cash Settlement Date, pay to Buyer the relevant Weighted Average Final Price multiplied by the aggregate Currency Amount of the Outstanding Principal Balance of the Selected Obligations Delivered on the related Delivery Date (the **Market Value Amount**). If Buyer has elected that Delivery Estimate is applicable in the Notice of Physical Settlement, (a) Seller will, on each related Delivery Date, pay to Buyer the relevant Weighted Average Estimated Price multiplied by the aggregate Currency Amount of the Outstanding Principal Balance of the Selected Obligations Delivered on the relevant Delivery Date (the **Estimated Amount**) and (b) Seller (if the Adjustment Amount is positive) or Buyer (if the Adjustment Amount is negative) will pay to the other party the absolute value of the Adjustment Amount on each related Cash Settlement Date. If Buyer Delivers a Selected Obligation in an aggregate amount greater than the relevant Outstanding Principal Balance of such Selected Obligation as specified in the Notice of Physical Settlement, Seller will not be required to pay the Market Value Amount or Estimated Amount, as applicable, and the relevant party will not be required to pay the Adjustment Amount (or in each case, the relevant part



thereof in respect of such Selected Obligation) to the extent of such excess. For purposes of the foregoing, Delivery by Buyer and, if applicable, payment by Seller of the Estimated Amount will be made in accordance with market practice applicable to the Selected Obligation on the Delivery Date.” All references in the related provisions of the 2014 Credit Derivatives Definitions to Delivery by Buyer of Deliverable Obligations with an Outstanding Principal Balance equal to the Physical Settlement Amount or Floating Rate Payer Calculation Amount, as the case may be, will be construed to refer to Delivery of Selected Obligations with an Outstanding Principal Balance equal to the Outstanding Principal Balance of the Selected Obligations as specified in the Notice of Physical Settlement and all references in the related provisions of the 2014 Credit Derivatives Definitions to payment by Seller of the Physical Settlement Amount (including in Section 9.1 of the 2014 Credit Derivatives Definitions) will be construed to refer to payment by Seller of the relevant Market Value Amount on each related Cash Settlement Date or, as applicable, by Seller of the relevant Estimated Amount on each related Delivery Date and payment by the relevant party of the Adjustment Amount on each related Cash Settlement Date; provided that, in the event that a Buy-in Price is determined, on the third Business Day following notice from Seller to Buyer of the Buy-in Price, Buyer will be deemed to have Delivered Selected Obligations in an amount equal to the aggregate of the Outstanding Principal Balance of each Selected Obligation for which a Buy-in Price was determined and Seller will have no obligation to pay the related Market Value Amount or Estimated Amount, as applicable, and neither party will have any obligation to pay any Adjustment Amount in connection with such deemed Delivery.”

Section 8.1 of the 2014 Credit Derivatives Definitions is amended by deleting the following from the final sentence of the second paragraph thereof: “; provided that Buyer may Deliver Deliverable Obligations with an Outstanding Principal Balance or a Due and Payable Amount, as applicable, (or the equivalent Currency Amount of any such amount), in the aggregate amount as of the relevant Delivery Dates that is either (i) greater than the Floating Rate Payer Calculation Amount, in which case Seller will not be required to pay more than the Physical Settlement Amount to Buyer, or (ii) less than the Floating Rate Payer Calculation Amount, in which case Seller will not be required to pay more than the proportion of the Physical Settlement Amount that corresponds to the Deliverable Obligations Delivered, subject to Section 11.2(c)(ii)”.

Section 9.1 of the 2014 Credit Derivatives Definitions is amended by deleting the last two sentences thereof and replacing them with:

“If, following the occurrence of any such impossibility or illegality, the amount of Selected Obligations that are to be Delivered as specified in the Notice of Physical Settlement are not Delivered to Seller on or prior to the Latest Permissible Physical Settlement Date, Buyer's obligation to Deliver Selected Obligations to Seller will cease in respect of the Selected Obligations that cannot be Delivered (the **Undeliverable Obligations**), Seller will have no obligation to pay any Market Value Amount or Estimated Amount, as applicable, and neither party will have any obligation to pay any Adjustment Amount in respect of such Undeliverable Obligations, and Cash Settlement pursuant to the provisions of the Confirmation will apply provided that Buyer will be deemed to have Delivered all Undeliverable Obligations to Seller on the first Business Day following the Latest Permissible Physical Settlement Date and Quotations will be determined in accordance with the definition in Section 9.6(k) rather than Section 7.7 for the purposes of the application of such Cash Settlement provisions.”

Section 9.7 of the 2014 Credit Derivatives Definitions is amended by deleting the last five lines

of the fourth paragraph thereof, beginning with “and Seller will pay”.

**Weighted Average Estimated Price:** With respect to a Reference Entity and a Delivery Date, the weighted average of the Calculation Agent's estimate of the then-prevailing market bid-side prices (expressed as a percentage) determined on such Delivery Date or the immediately preceding Business Day for each Selected Obligation actually Delivered on such Delivery Date, weighted by reference to the Currency Amount of the Outstanding Principal Balance of each such Selected Obligation.

**Adjustment Amount:** With respect to a Reference Entity and a Delivery Date, an amount (which may be positive or negative) equal to the related Market Value Amount minus the related Estimated Amount.

**4.5 Terms relating to Cash Settlement (if the Fallback Settlement Method is applicable to a Reference Entity)**

**Valuation Date:** Single Valuation Date: In respect of each Delivery Date, the third Business Day after such Delivery Date.

**Valuation Time:** 11:00 a.m. in the principal trading market for the relevant Selected Obligation.

**Quotation Method:** Bid

**Quotation Amount:** With respect to any Selected Obligation, the Outstanding Principal Balance of the Selected Obligation Delivered on the related Delivery Date.

**Dealers:** Each dealer (other than Buyer or any Affiliate of Buyer) in obligations of the type of Obligation(s) for which Quotations or Buy-in Offers are to be obtained, selected by the Calculation Agent (or, in the case of Sections 7.7(b), 9.6(k)(ii) or 9.7 of the 2014 Credit Derivatives Definitions, the relevant party or Seller, as applicable) in good faith and in a commercially reasonable manner (without the requirement of consultation with the parties or the other party, as the case may be), provided that Seller will also be a Dealer and the Calculation Agent (or the relevant party, as applicable) will solicit Quotations from Seller; provided that (a) any Quotation provided by Seller will be deemed to be a firm quotation, (b) for the avoidance of doubt, Seller may take into account a variety of factors in providing the Quotation, including, without limitation, the existence

	<u>of the Transaction, the Delivered Proportion and the Specified Delivery Amount and (c) Seller will not be a Dealer for purposes of determining the Final Price of any Undeliverable Obligation and for Section 9.7 of the 2014 Credit Derivatives Definitions.</u>
<b><u>Quotations:</u></b>	<u>Exclude Accrued Interest</u>
<b><u>Valuation Method:</u></b>	<u>Highest</u>
<b><u>Selected Obligation:</u></b>	<u>With respect to a Reference Entity, each Deliverable Obligation actually specified, or deemed specified pursuant to Section 9.8 of the 2014 Credit Derivatives Definitions, as applicable, in the related Notice of Physical Settlement or NOPS Amendment Notice, as applicable.</u>
<b><u>Delivered Proportion:</u></b>	<u>With respect to a Reference Entity and a Calculation Date, the aggregate Currency Amount of the Outstanding Principal Balance of each Selected Obligation actually Delivered on the Delivery Date related to that Calculation Date, or deemed Delivered pursuant to Sections 9.1 or 9.7 of the 2014 Credit Derivatives Definitions, as applicable, divided by the Specified Delivery Amount.</u>
<b><u>Specified Delivery Amount:</u></b>	<u>The aggregate Currency Amount of the Outstanding Principal Balance of each Selected Obligation as specified in the related Notice of Physical Settlement.</u>
<b><u>Final Price:</u></b>	<u>Notwithstanding Section 7.4 of the 2014 Credit Derivatives Definitions, (a) with respect to each Selected Obligation Delivered on a Delivery Date, the price of such Selected Obligation, expressed as a percentage, determined in accordance with the applicable Valuation Method (treating such Selected Obligation as the Reference Obligation for such purpose and for purposes of other relevant provisions of Article VII or Section 9.6 of the 2014 Credit Derivatives Definitions, as applicable) and (b) with respect to each Selected Obligation in respect of which a Buy-in Price has been determined, such Buy-in Price plus any reasonable brokerage costs incurred by Seller in connection with the purchases by it of the Relevant Bonds as part of the buy-in (expressed as a percentage of the Outstanding Principal Balance of the Relevant Bonds).</u>

**Weighted Average Final Price:**

With respect to a Calculation Date and (a) a Delivery Date, the weighted average of the Final Prices determined for each Selected Obligation actually Delivered, or deemed Delivered pursuant to Section 9.1 of the 2014 Credit Derivatives Definitions, on such Delivery Date, weighted by reference to the Currency Amount of the Outstanding Principal Balance of each such Selected Obligation actually Delivered or deemed Delivered, as appropriate, and (b) a Buy-in Period, the weighted average of the Final Prices determined for each Selected Obligation in respect of which a Buy-in Price has been determined during such Buy-in Period, weighted by reference to the Currency Amount of the Outstanding Principal Balance of each such Selected Obligation in respect of which a Buy-in Price has been determined.

**5. ~~Additional Provisions:~~**

**1. ADDITIONAL TERMS FOR NON-EXCLUDED REFERENCE ENTITIES**

- (a) ~~(a)~~Section ~~2.31~~ 11.4 of the 2014 Credit Derivatives Definitions ~~shall~~ will not apply.
- (b) ~~(b)~~Notwithstanding anything to the contrary in the ~~2009 ISDA Credit Derivatives Determinations Committees, Auction Settlement and Restructuring Supplement to the 2003 ISDA~~ 2014 Credit Derivatives Definitions ~~(published on July 14, 2009)~~, Section ~~3.9~~ 1.33 of the 2014 Credit Derivatives Definitions is deleted and replaced in its entirety by the following:

**“Section ~~3.9~~ 1.33 Credit Event Notice After M(M)R Restructuring.**

- (a) ~~(a)~~In the event that ~~Upon the occurrence of an M(M)R Restructuring is the only Credit Event specified in a Credit Event Notice~~, the Notifying Party ~~shall~~ will specify the portion (an **Exercise Amount**) of the Reference Entity Notional Amount in respect of which the ~~Conditions to Settlement are being satisfied in such~~ Credit Event Notice applies. Such Exercise Amount ~~shall~~ will be determined in the sole discretion of the Notifying Party but ~~shall~~ will be an amount that is at least EUR 1,000,000 or an integral multiple thereof or the entire then outstanding Reference Entity Notional Amount. In no case may the Exercise Amount exceed the Reference Entity Notional Amount.
- (b) ~~(b)~~For the purposes of Paragraph 4 (Settlement Terms) of the iTraxx® Europe Legacy Tranch Transactions Standard Terms Supplement ~~(published on November 23, 2009) as published by International Index Company Ltd. published in connection with the 2014 Protocol by Markit Group Limited~~, the Reference Entity Notional Amount of the relevant Reference Entity ~~shall~~ will be deemed to be the Exercise Amount.
- (c) ~~(c)~~In the event that ~~the Conditions to Settlement are satisfied with respect to any Reference Entity following a Restructuring and~~ the Exercise Amount is less than the relevant Reference Entity Notional Amount, that Reference Entity ~~shall~~ will continue to be a Reference Entity for the purposes of the Transaction and:
- (i) ~~(i)~~~~shall~~ will have a Reference Entity Notional Amount equal to its Reference Entity Notional Amount immediately prior to the relevant Event Determination Date minus that Exercise Amount; and
- (ii) ~~(ii)~~~~the Conditions to Settlement may be satisfied~~ an Event Determination Date may occur on one or more future occasions ~~in accordance with this Section 3.9~~ with respect to that Reference Entity (including without limitation, with respect to ~~a~~ an M(M)R Restructuring in relation to which a Settlement Date has already occurred on one or more previous occasions), provided in each case that the Reference Entity Weighting of that Reference Entity prior to such satisfaction is greater than zero.”
- (c) ~~(c)~~Notwithstanding Section 1.~~7~~15 of the 2014 Credit Derivatives Definitions or any provisions of Sections 9.7, 9.8 or 9.9 ~~or 9.10~~ of the 2014 Credit Derivatives Definitions to the contrary, but without prejudice to Section 9.31 of the 2014 Credit Derivatives Definitions, if Buyer has not Delivered Selected Obligation(s) to Seller in an amount equal to the ~~o~~Outstanding ~~p~~Principal ~~b~~Balance of each Selected Obligation as specified in the Notice of Physical Settlement on or prior to the date that is 60 Business Days following the Physical Settlement Date, such 60th Business

Day ~~shall~~will be deemed to be the **Cut-Off Date** with respect to the relevant Selected Obligation(s) (the **Affected Deliverable Obligation(s)**) unless:

- (i) ~~(i)~~ a valid notice of Buy-in Price has been delivered that is effective fewer than three Business Days prior to such 60th Business Day, in which case the Cut-Off Date for such Affected Deliverable Obligation(s) ~~shall~~will be the third Business Day following the date on which such notice is effective; or
- (ii) ~~(ii)~~ Buyer has purchased but not Delivered on or prior to such 60th Business Day Selected Obligation(s) validly specified by Seller pursuant to Section 9.108(bii), in which case the Cut-Off Date in respect of such Selected Obligation(s) ~~shall~~will be the tenth Business Day following the date on which Seller validly specified such Selected Obligation(s) to Buyer.

Following the occurrence of a Cut-Off Date in respect of any Selected Obligation(s), Buyer and Seller ~~shall~~will have no further rights or obligations with respect to Delivery in relation to such Selected Obligation(s).

~~(d) — In the event of any inconsistency between the Relevant Annex and the Index published by the Index Sponsor, the Relevant Annex shall govern.~~

~~(d)~~ ~~(e)~~ The Relevant—The Index Annex will be deemed amended from time to time to reflect any modifications required under Section ~~2.2(d) and 2.30–2.5, 2.6 and/or 2.10~~ of the 2014 Credit Derivatives Definitions (as amended hereby) ~~and, the~~ “Reference Obligation(s)” ~~and provision above, the “Reference Entities” provision above and/or the “Successors” provisions above.~~

~~(f) — Where:~~

~~(i) — STMicroelectronics NV is a Reference Entity;~~

~~(ii) — the USD 1,217,000,000 Zero Coupon Senior Convertible Bond due 2013 issued by STMicroelectronics NV is (or is deemed to be) a Selected Obligation; and~~

~~(iii) — such Selected Obligation is not immediately due and payable as of the relevant Delivery Date;~~

~~the outstanding principal balance of such Selected Obligation shall be deemed to be the amount payable on the scheduled maturity date of such Selected Obligation.~~

~~(e)~~ ~~(h)~~ If a DC Credit Event Announcement occurs in respect of ~~a—~~an M(M)R Restructuring with respect to a Reference Entity (such Reference Entity, a **Restructured Entity**), the parties ~~shall~~will annotate the Confirmation evidencing the Transaction in respect of such Restructured Entity and/or otherwise identify such occurrence in their records. The Confirmation and/or the parties' records ~~shall~~will be further annotated to record: ~~(a)~~ i the delivery of any effective Credit Event Notice in respect of such M(M)R Restructuring (and, if applicable, the relevant Exercise Amount specified in any such Credit Event Notice); or ~~(b)~~ ii on the Exercise Cut-off Date, the fact that no Credit Event Notice has been delivered that is effective on or prior to such date.

## SECTION C – (ADDITIONAL TERMS FOR EXCLUDED REFERENCE ENTITY)

### 1. REFERENCE ENTITY AND TRANSACTION TYPE

**Reference Entities:**

Subject to Paragraph 5(d) below, each Reference Entity contained in the Index and listed in the Relevant-Index Annex, and any Successor to a Reference Entity either (a) in respect of which ISDA publicly announces on or following the earlier of the Effective Date, as set forth in the Relevant-Index Annex, and the Trade Date that the relevant Credit Derivatives Determinations Committee has Resolved, in respect of a Succession Event Resolution Request Date, a Successor in accordance with the Rules or (b) in the event that ISDA does not make such an announcement, identified by the Index Sponsor on or following the earlier of the Effective Date and the Trade Date.

**Transaction Type:**

Standard European Corporate, provided that if “Subordinated Insurer” is specified in the Index Annex, then the Transaction Type will be Standard Subordinated European Insurance Corporate.

### 2. REFERENCE OBLIGATION

**Reference Obligation(s):**

The Reference Obligation(s), if any, set out opposite the relevant Reference Entity in the Relevant-Index Annex, subject to Section 2.2(d) of the Credit Derivative Definitions as modified by the “Successors” provision below and Section 2.30 of the 2003 Credit Derivatives Definitions and the following paragraph:

If the Index Sponsor publishes a replacement Reference Obligation for a Reference Entity or one or more Reference Obligation(s) for a Reference Entity in connection with a Succession Event, the Calculation Agent shall select such Reference Obligation(s) as the Reference Obligation(s) hereunder for such Reference Entity rather than applying the provisions of Sections 2.2(d) or 2.30 of the 2003 Credit Derivatives Definitions.

### 3. SUCCESSOR

**Successors:**

Section 2.2(a) of the 2003 Credit Derivatives Definitions is amended by deleting the words (a) “for the entire Credit Derivative Transaction” from Section 2.2(a)(i) and (ii) of the 2003 Credit Derivatives Definitions and replacing them with the words “in respect of such Reference Entity”, (b) “for a New Credit Derivative Transaction determined in accordance with

the provisions of Section 2.2(e)” from Section 2.2(a)(iii) and (iv) of the [2003](#) Credit Derivatives Definitions and (c) “Credit Derivative Transaction” from the last paragraph of Section 2.2(a) of the [2003](#) Credit Derivatives Definitions and replacing them with the words “Reference Entity”.

Section 2.2(d)(i) of the [2003](#) Credit Derivatives Definitions is amended by replacing “a Credit Derivative Transaction” with “a Reference Entity”; and the last line of Section 2.2(d) of the [2003](#) Credit Derivatives Definitions is amended by replacing “each relevant Credit Derivative Transaction” with “each relevant Reference Entity”:

Section 2.2(e) of the [2003](#) Credit Derivatives Definitions is deleted and replaced in its entirety by the following:

“Where, pursuant to Section 2.2(a), one or more Successors have been identified in respect of a Reference Entity that has been subject to the relevant Succession Event (the **Affected Entity**), (i) the Affected Entity will no longer be a Reference Entity for purposes of the Credit Derivative Transaction (unless it is a Successor as described in Section 2.2(e)(ii) below), (ii) each Successor will be deemed a Reference Entity for purposes of the Credit Derivative Transaction, (iii) the Reference Entity Notional Amount for each such Successor will equal the Reference Entity Notional Amount of the Affected Entity immediately prior to the application of Section 2.2 divided by the number of Successors and (iv) the Calculation Agent may make any modifications to the terms of the Credit Derivative Transaction required to preserve the economic effects of the Credit Derivative Transaction prior to the Succession Event (considered in the aggregate).”

Section 2.2(h) of the [2003](#) Credit Derivatives Definitions is amended by deleting the words “Credit Derivative Transaction” and replacing them with the words “Reference Entity”.

Section 2.2(i) of the [2003](#) Credit Derivatives Definitions is amended by deleting the words “Credit Derivative Transaction” and replacing them with the words “Reference Entity”.

If a Successor is already a Reference Entity at the time



Section 2.2 of the [2003](#) Credit Derivatives Definitions is applied, (a) such Successor shall be deemed to be a separate Reference Entity hereunder, (b) the Reference Entity Notional Amount of the Reference Entity that was already a Reference Entity immediately prior to the application of Section 2.2 of the [2003](#) Credit Derivatives Definitions (the **Original Reference Entity**) shall equal the Reference Entity Notional Amount in respect of such Original Reference Entity immediately prior to such application, (c) the Reference Entity Notional Amount of the Reference Entity that is such Successor shall equal the amount determined with respect to such Successor by application of Section 2.2(e)(iii) of the [2003](#) Credit Derivatives Definitions (as amended hereby) and (d) if the Fallback Settlement Method is applicable to the Original Reference Entity and such Successor, the Conditions to Settlement may be satisfied, and settlement with respect thereto may occur, separately for each such Reference Entity.

#### ~~4. Settlement Terms:~~

### 1. SETTLEMENT TERMS

#### 1.1 ~~4.1~~ General

<b>Settlement Method:</b>	Auction Settlement
<b>Fallback Settlement Method:</b>	Physical Settlement and Cash Settlement, each as modified hereby.
<b>Settlement Currency:</b>	EUR
<b>Currency Amount:</b>	Section 8.9 of the <a href="#">2003</a> Credit Derivatives Definitions is deleted and replaced in its entirety by the following:

““Currency Amount” means, whenever an amount is specified to be determined by reference to a Currency Amount, (a) where such amount is denominated in the Settlement Currency, such amount and (b) where such amount is denominated in a currency other than the Settlement Currency, such amount converted to the Settlement Currency using the Currency Rate.”

For the avoidance of doubt, where the Currency Amount of the outstanding principal balance of any Selected Obligation actually Delivered or deemed Delivered on the relevant Delivery Date, plus the Currency Amount of the outstanding principal balance of any of the same Selected Obligation actually Delivered or deemed Delivered on any earlier date, exceeds the portion of the Specified Delivery Amount attributable to that Selected Obligation, the excess shall be ignored for the purposes of calculating the relevant Delivered Proportion, Quotation Amount and Weighted Average Final Price.

## 1.2 ~~4.2~~ Terms relating to Auction Settlement:

Section 12.1 of the [2003](#) Credit Derivatives Definitions is deleted in its entirety and replaced with the following:

“If “Auction Settlement” is specified as the Settlement Method and an Event Determination Date occurs on or prior to the Auction Final Price Determination Date, Seller shall pay to Buyer the Cash Settlement Amount (if any) on the Cash Settlement Date. Without prejudice to the foregoing, but without duplication of settlement, if (a) an Auction Cancellation Date occurs, (b) a No Auction Announcement Date occurs (and, in circumstances where such No Auction Announcement Date occurs pursuant to Section 12.12(b), neither party has exercised the Movement Option), (c) ISDA publicly announces that the relevant Credit Derivatives Determinations Committee has Resolved, following a Credit Event Resolution Request Date, not to determine the matters described in Section 1.24(a) and (b) or (d) an Event Determination Date was determined pursuant to Section 1.8(a)(i) and no Credit Event Resolution Request Date has occurred on or prior to the date falling three Business Days after such Event Determination Date, the parties shall, subject to Section 3.1, perform their respective payment and delivery obligations in accordance with the Fallback Settlement Method.”

## 1.3 ~~4.3~~ Terms relating to Auction Settlement and, if the Fallback Settlement Method is applicable to a Reference Entity, Cash Settlement:

**Cash Settlement Date:** With respect to a Reference Entity and a Calculation Date falling within (a) of the definition of Calculation Date, the related Auction Settlement Date. With respect to a Reference Entity and a Calculation Date falling within (b), (c) or (d) of the definition of Calculation Date, each date that is three Business Days after the relevant Calculation Date.

**Cash Settlement Amount:** With respect to a Cash Settlement Date, the Incurred Loss Amount for the related Calculation Date.

**Calculation Date:** With respect to a Reference Entity (a) for which there is an Auction Final Price Determination Date, such Auction Final Price Determination Date, (b) and a Delivery Date, the Business Day on which the Final Price can first be determined in respect of all Selected Obligations Delivered on that Delivery Date, (c) and a Buy-in Period in respect of which a Buy-in Price has been determined,

the date on which Seller notifies Buyer of the Buy-in Price, and (d) in respect of which a Cut-Off Date occurs, the Cut-Off Date. Where two or more of (b), (c) and/or (d) apply (or (b) or (c) apply more than once) to a single Reference Entity on a single day, such day shall be treated as two or more Calculation Dates, as the case may be, for such Reference Entity.

**Calculations:**

If (a) any day is a Calculation Date with respect to more than one Reference Entity ([whether under Section B or C](#)), or (b) two or more of (b), (c) and/or (d) of the definition of Calculation Date apply (or (b) or (c) of the definition of Calculation Date apply more than once) to a single Reference Entity on a single day, the Loss Amount, Recovery Amount, Aggregate Loss Amount, Aggregate Recovery Amount, Outstanding Swap Notional Amount, Incurred Loss Amount and Incurred Recovery Amount with respect to each Reference Entity shall be calculated chronologically in the order that either of the following events occurred with respect to such Reference Entities: (i) the Credit Event Resolution Request Date (provided that if a Credit Event Resolution Request Date occurs in respect of more than one such Reference Entity on the same day, the first Reference Entity in respect of which ISDA announces that the relevant notice to ISDA was effective, and on which the relevant Credit Derivatives Determinations Committee was in possession of the relevant Publicly Available Information, in each case in accordance with Section 1.24 of the [2003](#) Credit Derivatives Definitions shall be deemed to have satisfied this condition first) or (ii) the delivery of the Credit Event Notice (provided that if any of the relevant Credit Event Notices are delivered at the same time, in a sequential order determined by the Calculation Agent).

For the avoidance of doubt, with respect to the same Reference Entity, there may be more than one Calculation Date, Loss Amount, Recovery Amount, Incurred Loss Amount, Incurred Recovery Amount, Cash Settlement Amount and Cash Settlement Date.

**Incurred Loss Amount:**

With respect to a Reference Entity and a Calculation Date, an amount, calculated on that Calculation Date, equal to the lowest of:

- (a) the Loss Amount;
- (b) the Aggregate Loss Amount (including the related Loss Amount for that Reference Entity and Calculation Date) minus the Loss Threshold Amount (subject to a minimum of zero); and

- (c) the Outstanding Swap Notional Amount (prior to any reduction thereto in respect of that Reference Entity and Calculation Date).

**Loss Amount:**

With respect to a Reference Entity and a Calculation Date falling within (a) of the definition of Calculation Date, an amount calculated on that Calculation Date equal to (a) an amount equal to (i) 100 per cent. minus (ii) the Auction Final Price for that Reference Entity and Calculation Date multiplied by (b) the Reference Entity Notional Amount for that Reference Entity (subject to a minimum of zero). With respect to a Reference Entity and a Calculation Date falling within (b), (c) or (d) of the definition of Calculation Date, an amount calculated on that Calculation Date equal to (a) an amount equal to (i) 100 per cent. minus (ii) the Weighted Average Final Price for that Reference Entity and Calculation Date multiplied by (b) the Reference Entity Notional Amount for that Reference Entity multiplied by (c) the Delivered Proportion for that Reference Entity and Calculation Date (subject to a minimum of zero).

**Aggregate Loss Amount:**

At any time on any day, the aggregate of all Loss Amounts calculated hereunder with respect to all Reference Entities (whether under Section B or C) plus the Aggregate Settled Entity Loss Amount, if any.

**Aggregate Settled Entity Loss Amount:**

An amount equal to the aggregate of the Settled Entity Loss Amounts for all Settled Entities (whether under Section B or C), if any.

**Settled Entity Loss Amount:**

With respect to a Settled Entity, an amount equal to (a) an amount equal to (i) 100 per cent. minus (ii) the Weighted Average Final Price set out opposite such Settled Entity in the Relevant Settled Entity Matrix multiplied by (b) the Settled Entity Notional Amount for such Settled Entity (subject to a minimum of zero).

**Settled Entity Incurred Loss Amount:**

An amount equal to the Aggregate Settled Entity Loss Amount, if any, minus the Loss Threshold Amount (subject to a minimum of zero).

**Incurred Recovery Amount:**

With respect to a Reference Entity and a Calculation Date, an amount, calculated on that Calculation Date, equal to the lowest of:

- (a) the Recovery Amount;
- (b) the Aggregate Recovery Amount (including the related Recovery Amount for that Reference Entity and Calculation Date) minus the Recovery

Threshold Amount (subject to a minimum of zero); and

- (c) the Outstanding Swap Notional Amount (prior to any reduction thereto in respect of that Reference Entity and Calculation Date).

**Recovery Amount:**

With respect to a Reference Entity and a Calculation Date falling within (a) of the definition of Calculation Date, an amount calculated on that Calculation Date equal to (a) the lesser of 100 per cent. and the Auction Final Price for that Reference Entity and Calculation Date multiplied by (b) the Reference Entity Notional Amount for that Reference Entity. With respect to a Reference Entity and a Calculation Date falling within (b), (c) or (d) of the definition of Calculation Date, an amount calculated on that Calculation Date equal to (a) the lesser of 100 per cent. and the Weighted Average Final Price for that Reference Entity and Calculation Date multiplied by (b) the Reference Entity Notional Amount for that Reference Entity multiplied by (c) the Delivered Proportion for that Reference Entity and Calculation Date provided that in relation to any Calculation Date which is a Cut-Off Date, the Recovery Amount shall equal (i) the Reference Entity Notional Amount for that Reference Entity multiplied by (ii) the excess of 100 per cent. over the aggregate of the Delivered Proportions in respect of that Reference Entity on each preceding Calculation Date.

**Aggregate Recovery Amount:**

At any time on any day, the aggregate of all Recovery Amounts calculated hereunder with respect to all Reference Entities (whether under Section B or C) plus the Aggregate Settled Entity Recovery Amount, if any.

**Aggregate Settled Entity Recovery Amount:**

An amount equal to the aggregate of the Settled Entity Recovery Amounts for all Settled Entities (whether under Section B or C), if any.

**Settled Entity Recovery Amount:**

With respect to a Settled Entity, an amount equal to (a) the lesser of (i) 100 per cent. and (ii) the Weighted Average Final Price set out opposite such Settled Entity in the Relevant Settled Entity Matrix multiplied by (b) the Settled Entity Notional Amount for such Settled Entity.

**Settled Entity Incurred Recovery Amount:**

An amount equal to the Aggregate Settled Entity Recovery Amount, if any, minus the Recovery Threshold Amount (subject to a minimum of zero).

**1.4 4.4 Terms relating to Physical Settlement (if the Fallback Settlement Method is applicable to a Reference Entity):**

Notwithstanding the provisions of the 2003 Credit Derivatives Definitions, in any Notice of Physical Settlement Buyer will specify ~~the~~ (a) the outstanding principal balance of each Selected Obligation, the aggregate Currency Amount of which shall be between (i) EUR 100,000 (or, if less, the Reference Entity Notional Amount) and (ii) the greater of (~~1A~~) the Reference Entity Notional Amount and (~~H~~B) the Maximum Deliverable Amount; provided that, for the avoidance of doubt, Buyer may not specify an outstanding principal balance of a Selected Obligation of less than the minimum denomination of that Selected Obligation and (b) if Buyer so elects, that Delivery Estimate is applicable for the related Physical Settlement.

**Maximum Deliverable Amount** means an amount, determined by Buyer as of the Event Determination Date to which the Maximum Deliverable Amount relates, equal to the sum of:

- (a) the present value to Buyer as of such Event Determination Date of receiving an amount, calculated on a quarterly basis, on each Fixed Rate Payer Payment Date from, but excluding, such Event Determination Date to, and including, the Scheduled Termination Date, equal to the product of (i) the Fixed Rate, (ii) the Fixed Rate Day Count Fraction and (iii) the Relevant Calculation Amount (the **Present Value Amount**); and
- (b) the Relevant Calculation Amount,

provided that Buyer shall determine the Present Value Amount in a commercially reasonable manner by reference to the relevant euro rate which appears on the Reuters page ISDAFIX2 (or any successor page thereto) as of 11:00 a.m. (London time) on such Event Determination Date, or, in the event that such page is not available, the relevant euro rate which appears on the Telerate page 3750 (or any successor page thereto) as of 11:00 a.m. (London time) on such Event Determination Date.

**Relevant Calculation Amount** means an amount equal to the lesser of (a) the Reference Entity Notional Amount and (b) the Outstanding Swap Notional Amount.

The first paragraph of Section 8.1 of the 2003 Credit Derivatives Definitions is replaced by the following:

**“Section 8.1. Physical Settlement.** Buyer will, subject to Sections 3.1 and 9.2(c)(ii) and regardless of whether the Aggregate Loss Amount has exceeded the Loss Threshold Amount, on or prior to the Physical Settlement Date, Deliver to Seller the Selected Obligations. Unless Buyer has elected that Delivery Estimate is applicable in the Notice of Physical Settlement, Seller will, on each related Cash Settlement Date, pay to Buyer the relevant Weighted Average Final Price multiplied by the aggregate Currency Amount of the outstanding principal balance of the Selected Obligations Delivered on the related Delivery Date (the **Market Value Amount**). If Buyer has elected that Delivery Estimate is applicable in the Notice of Physical Settlement, (a) Seller will, on each related Delivery Date, pay to Buyer the relevant Weighted Average Estimated Price multiplied by the aggregate Currency Amount of the outstanding principal balance of the Selected Obligations Delivered on the relevant Delivery Date (the **Estimated Amount**) and (b) Seller (if the Adjustment Amount is positive) or Buyer (if the Adjustment Amount is negative) will pay to the other party the absolute value of the Adjustment Amount on each related Cash Settlement Date. If Buyer Delivers a Selected Obligation in an aggregate amount greater than the relevant outstanding principal balance of such Selected Obligation as specified in the Notice of Physical Settlement, Seller shall not be required to pay the Market



Value Amount or Estimated Amount, as applicable, and the relevant party shall not be required to pay the Adjustment Amount (or in each case, the relevant part thereof in respect of such Selected Obligation) to the extent of such excess. For purposes of the foregoing, Delivery by Buyer and, if applicable, payment by Seller of the Estimated Amount will be made in accordance with market practice applicable to the Selected Obligation on the Delivery Date.” All references in the related provisions of the [2003](#) Credit Derivatives Definitions to Delivery by Buyer of Deliverable Obligations with an outstanding principal balance equal to the Physical Settlement Amount or Floating Rate Payer Calculation Amount, as the case may be, shall be construed to refer to Delivery of Selected Obligations with an outstanding principal balance equal to the outstanding principal balance of the Selected Obligations as specified in the Notice of Physical Settlement and all references in the related provisions of the [2003](#) Credit Derivatives Definitions to payment by Seller of the Physical Settlement Amount (including in Section 9.3 of the [2003](#) Credit Derivatives Definitions) shall be construed to refer to payment by Seller of the relevant Market Value Amount on each related Cash Settlement Date or, as applicable, by Seller of the relevant Estimated Amount on each related Delivery Date and payment by the relevant party of the Adjustment Amount on each related Cash Settlement Date; provided that, in the event that a Buy-in Price is determined, on the third Business Day following notice from Seller to Buyer of the Buy-in Price, Buyer will be deemed to have Delivered Selected Obligations in an amount equal to the aggregate of the outstanding principal balance of each Selected Obligation for which a Buy-in Price was determined and Seller will have no obligation to pay the related Market Value Amount or Estimated Amount, as applicable, and neither party will have any obligation to pay any Adjustment Amount in connection with such deemed Delivery.

Section 8.1 of the [2003](#) Credit Derivatives Definitions is amended by deleting the following from the final sentence of the second paragraph thereof: “; provided that Buyer may Deliver Deliverable Obligations with an outstanding principal balance (including or excluding accrued but unpaid interest, as applicable) or a Due and Payable Amount, as applicable, (or the equivalent Currency Amount of any such amount), in the aggregate amount as of the relevant Delivery Dates that is either (i) greater than the Floating Rate Payer Calculation Amount, in which case Seller shall not be required to pay more than the Physical Settlement Amount to Buyer, or (ii) less than the Floating Rate Payer Calculation Amount, in which case Seller shall not be required to pay more than the proportion of the Physical Settlement Amount that corresponds to the Deliverable Obligations Delivered, subject to Section 9.2(c)(ii)”.

Section 9.3 of the [2003](#) Credit Derivatives Definitions is amended by deleting the last two sentences thereof and replacing them with:

“If, following the occurrence of any such impossibility or illegality, the amount of Selected Obligations as specified in the Notice of Physical Settlement are not Delivered to Seller on or prior to the Latest Permissible Physical Settlement Date, Buyer's obligation to Deliver Selected Obligations to Seller shall cease in respect of the Selected Obligations that cannot be Delivered (the **Undeliverable Obligations**), Seller shall have no obligation to pay any Market Value Amount or Estimated Amount, as applicable, and neither party shall have any obligation to pay any Adjustment Amount in respect of such Undeliverable Obligations, and Cash Settlement pursuant to the provisions of the Confirmation shall apply provided that Buyer shall be deemed to have Delivered all Undeliverable Obligations to Seller on the first Business Day following the Latest Permissible Physical Settlement Date and Quotations shall be determined in accordance with the definition in Section 9.8(k) rather than Section 7.7 for the purposes of the application of such Cash Settlement provisions.”

Section 9.9 of the [2003](#) Credit Derivatives Definitions is amended by deleting the last six lines of the fourth paragraph thereof, beginning with “and Seller will pay”.

**Weighted Average Estimated Price:** With respect to a Reference Entity and a Delivery Date, the weighted average of the Calculation Agent's estimate of the then-prevailing market bid-side prices (expressed as a percentage) determined on such Delivery Date or the immediately preceding Business Day for each Selected Obligation actually Delivered on such Delivery Date, weighted by reference to the Currency Amount of the outstanding principal balance of each such Selected Obligation.

**Adjustment Amount:** With respect to a Reference Entity and a Delivery Date, an amount (which may be positive or negative) equal to the related Market Value Amount minus the related Estimated Amount.

~~**Physical Settlement Period:** 30 Business Days~~

~~**Deliverable Obligations:** Exclude Accrued Interest~~

~~**Deliverable Obligation Category** *Deliverable Obligation Characteristics*~~

~~Bond or Loan~~

~~Not Subordinated~~

~~Specified Currency:~~

~~Standard Specified Currencies~~

~~Not Contingent~~

~~Assignable Loan~~

~~Consent Required Loan~~

~~Transferable~~

~~Maximum Maturity: 30 years~~

~~Not Bearer~~

~~**Escrow:** Applicable~~

**1.5 ~~4.5~~ Terms relating to Cash Settlement (if the Fallback Settlement Method is applicable to a Reference Entity):**

**Valuation Date:** Single Valuation Date: In respect of each Delivery Date, the third Business Day after such Delivery Date.

**Valuation Time:** 11:00 a.m. in the principal trading market for the relevant Selected Obligation.



<b>Quotation Method:</b>	Bid
<b>Quotation Amount:</b>	With respect to any Selected Obligation, the outstanding principal balance of the Selected Obligation Delivered on the related Delivery Date.
<b>Dealers:</b>	Each dealer (other than Buyer or any Affiliate of Buyer) in obligations of the type of Obligation(s) for which Quotations or Buy-in Offers are to be obtained, selected by the Calculation Agent (or, in the case of Sections 7.7(b), 9.8(k)(ii) or 9.9 of the <a href="#">2003</a> Credit Derivatives Definitions, the relevant party or Seller, as applicable) in good faith and in a commercially reasonable manner (without the requirement of consultation with the parties or the other party, as the case may be), provided that Seller will also be a Dealer and the Calculation Agent (or the relevant party, as applicable) will solicit Quotations from Seller; provided that (a) any Quotation provided by Seller shall be deemed to be a firm quotation, (b) for the avoidance of doubt, Seller may take into account a variety of factors in providing the Quotation, including, without limitation, the existence of the Transaction, the Delivered Proportion and the Specified Delivery Amount and (c) Seller will not be a Dealer for purposes of determining the Final Price of any Undeliverable Obligation and for Section 9.9 of the <a href="#">2003</a> Credit Derivatives Definitions.
<b>Quotations:</b>	Exclude Accrued Interest
<b>Valuation Method:</b>	Highest
<b>Selected Obligation:</b>	With respect to a Reference Entity, each Deliverable Obligation actually specified, or deemed specified pursuant to Section 9.10 of the <a href="#">2003</a> Credit Derivatives Definitions, as applicable, in the related Notice of Physical Settlement.
<b>Delivered Proportion:</b>	With respect to a Reference Entity and a Calculation Date, the aggregate Currency Amount of the outstanding principal balance of each Selected Obligation actually Delivered on the Delivery Date related to that Calculation Date, or deemed Delivered pursuant to Sections 9.3 or 9.9 of the <a href="#">2003</a> Credit Derivatives Definitions, as applicable, divided by the

Specified Delivery Amount.

**Specified Delivery Amount:**

The aggregate Currency Amount of the outstanding principal balance of each Selected Obligation as specified in the related Notice of Physical Settlement.

**Final Price:**

Notwithstanding Section 7.4 of the [2003](#) Credit Derivatives Definitions, (a) with respect to each Selected Obligation Delivered on a Delivery Date, the price of such Selected Obligation, expressed as a percentage, determined in accordance with the applicable Valuation Method (treating such Selected Obligation as the Reference Obligation for such purpose and for purposes of other relevant provisions of Article VII or Section 9.8 of the [2003](#) Credit Derivatives Definitions, as applicable) and (b) with respect to each Selected Obligation in respect of which a Buy-in Price has been determined, such Buy-in Price plus any reasonable brokerage costs incurred by Seller in connection with the purchases by it of the Relevant Bonds as part of the buy-in (expressed as a percentage of the outstanding principal balance of the Relevant Bonds).

**Weighted Average Final Price:**

With respect to a Calculation Date and (a) a Delivery Date, the weighted average of the Final Prices determined for each Selected Obligation actually Delivered, or deemed Delivered pursuant to Section 9.3 of the [2003](#) Credit Derivatives Definitions, on such Delivery Date, weighted by reference to the Currency Amount of the outstanding principal balance of each such Selected Obligation actually Delivered or deemed Delivered, as appropriate, and (b) a Buy-in Period, the weighted average of the Final Prices determined for each Selected Obligation in respect of which a Buy-in Price has been determined during such Buy-in Period, weighted by reference to the Currency Amount of the outstanding principal balance of each such Selected Obligation in respect of which a Buy-in Price has been determined.

## SECTION D – (G) ADDITIONAL PROVISIONS

### 1. REPRESENTATIONS

Each party ~~shall~~will be deemed, as of the Trade Date:

- (Aa) to represent to the other party that it is entering into the Transaction for investment, financial intermediation, hedging or other commercial purposes; and
- (Bb) to agree with the other party that, so long as either party has or may have any obligation to the other party under the Transaction:

- (~~1~~i) 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 ~~such~~the Transaction is appropriate or proper for it based upon its own judgement and upon advice from such advisors 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 ~~such~~the Transaction; it being understood that information and explanations related to the terms and conditions of ~~such~~the Transaction ~~shall~~will not be considered investment advice or a recommendation to enter into ~~such~~the Transaction. It has not received from the other party any assurance or guarantee as to the expected results of ~~such~~the Transaction.

- (~~2~~ii) Evaluation and understanding

It is capable of evaluating 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 financial and other risks of ~~such~~the Transaction.

- (~~3~~iii) Status of parties

The other party is not acting as a fiduciary or an advisor for it in respect of the Transaction.

### 2. SECTION 11.2 OF THE 2003 CREDIT DERIVATIVES DEFINITIONS AND SECTION 13.2 OF THE 2014 CREDIT DERIVATIVES DEFINITIONS

The reference to “Trade Date” in Section 11.2 of the 2003 Credit Derivatives Definitions and Section 13.2 of the 2014 Credit Derivatives Definitions will be deleted and replaced with a reference to “later of the Effective Date and September 22, 2014”.

### 3. RESTRICTION ON DELIVERY OF CREDIT EVENT NOTICE, SUCCESSOR NOTICE AND SUCCESSION EVENT NOTICE

Notwithstanding anything to the contrary in the 2014 Credit Derivatives Definitions, the 2003 Credit Derivatives Definitions or this Legacy Standard Terms Supplement, neither Buyer nor Seller may deliver a Credit Event Notice, a Successor Notice or a Succession Event Notice (as defined in the 2003 Credit Derivatives Definitions) unless a notice has previously been delivered to the DC Secretary in accordance with the DC Rules requesting that the relevant Credit Derivatives Determinations Committee be convened to Resolve a DC Credit Event Question (or

equivalent under the 2003 Credit Derivatives Definitions) or one or more Successors to the relevant Reference Entity, as applicable, with respect to the facts described in such Credit Event Notice, Successor Notice or Succession Event Notice (as defined in the 2003 Credit Derivatives Definitions), as applicable, and either (a) a DC Credit Event Question Dismissal (or equivalent under the 2003 Credit Derivatives Definitions) has occurred, (b) the DC Secretary has publicly announced that the relevant Credit Derivatives Determinations Committee has Resolved not to make a Successor determination or (c) the DC Secretary has publicly announced that the conditions to convening the relevant Credit Derivatives Determinations Committee to Resolve such matters have not been satisfied in accordance with the DC Rules. Any Credit Event Notice, Successor Notice or Succession Event Notice (as defined in the 2003 Credit Derivatives Definitions) delivered in breach of the requirements in this Paragraph shall be deemed not to have been delivered.