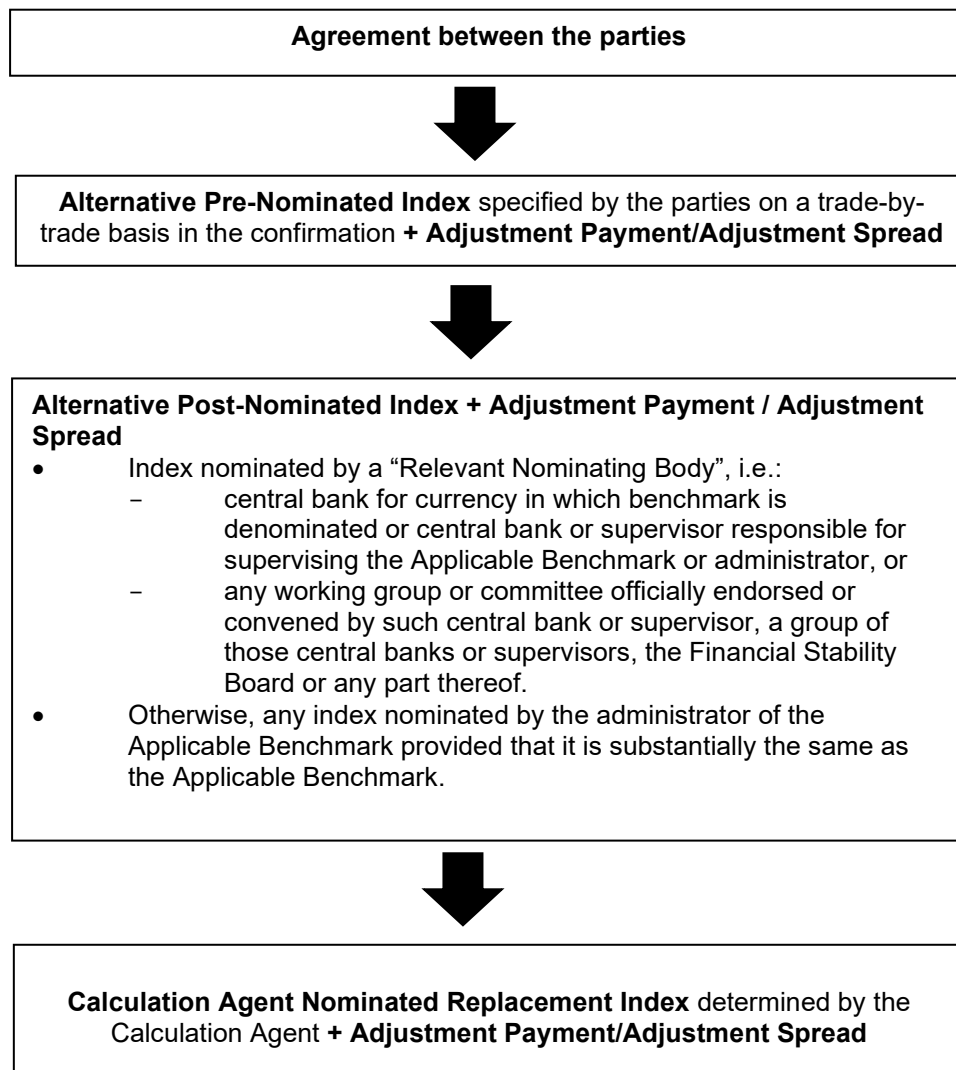


## Generic Fallback Provisions – summary<sup>1</sup>

***The summary of the Generic Fallback Provisions in this document reflects the Generic Fallback Provisions in the latest version of the Main Book of the 2021 ISDA Interest Rate Derivatives Definitions (which, as at the date of this document, is Version 7.0).***

### ***Alternative Continuation Fallbacks to be pursued in parallel***

The Generic Fallback Provisions set out a waterfall of ‘Alternative Continuation Fallbacks’ each of which the parties agree to seek to apply during a period of 15 business days (subject to extension in some circumstances) in order to allow the transaction to continue. If, at the end of this period of time, more than one Alternative Continuation Fallback can be used, the first in the hierarchy below will prevail.



<sup>1</sup> The full wording of the Generic Fallback Provisions is set out in Section 8.6 (*Generic Fallback Provisions*) of each Version of the 2021 Definitions published as of the date of this document.

### ***Adjustments to the transaction***

The alternative index applied under an Alternative Continuation Fallback may have different characteristics from the index it replaces. Provision is therefore made for an 'Adjustment Payment' or an 'Adjustment Spread'. The Calculation Agent may make other adjustments to account for the effect of using the new index in the transaction.

### ***Dispute rights***

The Generic Fallback Provisions give parties the right to dispute Calculation Agent determinations in relation to the Adjustment Spread, its nomination of the Calculation Agent Nominated Replacement Index, and any other adjustment it makes to the terms of a transaction. The dispute needs to be reasonable and supported by data. If a dispute cannot be resolved by agreement, the relevant Alternative Continuation Fallback is disregarded.

### ***No fault termination rights***

If none of the Alternative Continuation Fallbacks can be successfully applied within the allotted period of time, each party acquires the right to terminate the relevant transaction using a no fault termination methodology. This termination right expires after 10 Business Days if it has arisen (but not been exercised) after any of the Alternative Continuation Fallbacks were disregarded following a dispute.

Thereafter, the relevant Alternative Continuation Fallback will be applied using the determination made by the Calculation Agent under the relevant Alternative Continuation Fallback either before, or as part of, the dispute process.

### ***Interim measures***

A situation may arise where the Generic Fallback Provisions apply and the Applicable Benchmark is required to make a determination, but no Alternative Continuation Fallback has been applied yet. In such a situation, the waterfall will instead be as follows:

1. agreement between the parties
2. determination as if no Permanent Cessation Trigger or Administrator/Benchmark Event had occurred (including by reference to any Temporary Non-Publication Trigger and Fallback), provided that the date on which the Permanent Cessation Fallback or Administrator/Benchmark Fallback applies has not yet occurred
3. application of the relevant Temporary Non-Publication Fallback if the date on which the Permanent Cessation Fallback or Administrator/Benchmark Fallback applies has occurred
4. determination using the rate published for the Applicable Benchmark at the ordinary time on the day on which the Applicable Benchmark ceased to be available or on which the Administrator/Benchmark Event occurred
5. determination by reference to the rate the last time it was published or could be used in accordance with the applicable law/regulation.

### ***Non-compliant fallbacks***

In the event that:

- it would be unlawful under any applicable law or regulation to determine the benchmark in accordance with a fallback,
- a fallback would contravene any applicable licensing requirements, or
- the Adjustment Spread constitutes or would constitute a benchmark whose production would subject the Calculation Agent to additional regulatory obligations which it is unwilling to undertake,

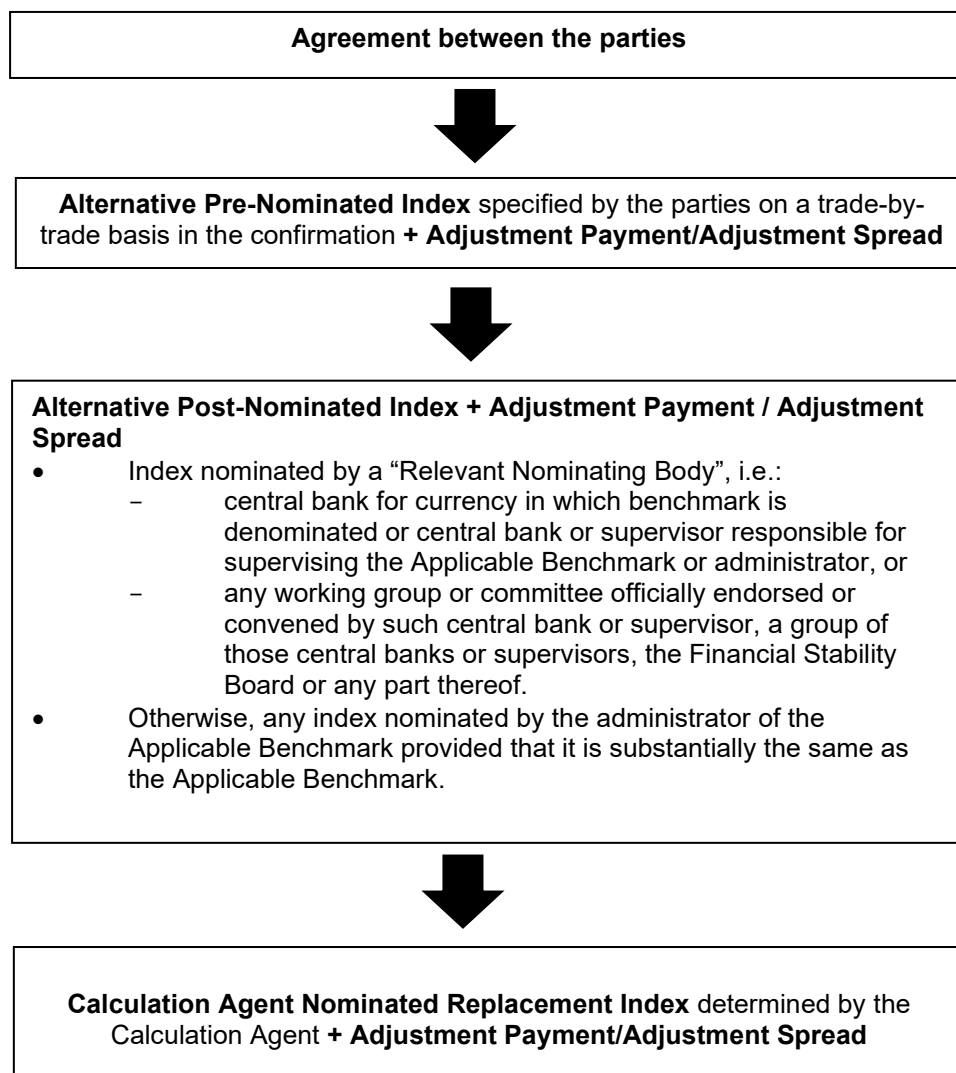
the Alternative Continuation Fallback will not apply and the next Alternative Continuation Fallback pursuant to which a Continuation Amendment can be made will apply.

## Generic Fallback Provisions in respect of the Settlement Rate – summary<sup>2</sup>

*The summary of the Generic Fallback Provisions in respect of the Settlement Rate in this document reflects the Generic Fallback Provisions in respect of the Settlement Rate in the latest version of the Main Book of the 2021 ISDA Interest Rate Derivatives Definitions (which, as at the date of this document, is Version 7.0).*

### **Alternative Continuation Fallbacks to be pursued in parallel**

The Generic Fallback Provisions set out a waterfall of ‘Alternative Continuation Fallbacks’ each of which the parties agree to seek to apply during a period of 15 business days (subject to extension in some circumstances) in order to allow the transaction to continue. If, at the end of this period of time, more than one Alternative Continuation Fallback can be used, the first in the hierarchy below will prevail.



### **Adjustments to the transaction**

<sup>2</sup> The full wording of the Generic Fallback Provisions in respect of the Settlement Rate is set out in a section titled “Generic Fallback Provisions in respect of the Settlement Rate” of the 2021 Definitions. The section number is 17.3.5 in Versions 3.0 to 7.0, and 17.3.2 in Versions 1.0 and 2.0.

The alternative index applied under an Alternative Continuation Fallback may have different characteristics from the index it replaces. Provision is therefore made for an 'Adjustment Payment' or an 'Adjustment Spread'. The Calculation Agent may make other adjustments to account for the effect of using the new index in the transaction.

### ***Dispute rights***

The Generic Fallback Provisions give parties the right to dispute Calculation Agent determinations in relation to the Adjustment Spread, its nomination of the Calculation Agent Nominated Replacement Index, and any other adjustment it makes to the terms of a transaction. The dispute needs to be reasonable and supported by data. If a dispute cannot be resolved by agreement, the relevant Alternative Continuation Fallback is disregarded.

### ***Fallback to "Reference Banks"***

If none of the Alternative Continuation Fallbacks can be successfully applied within the allotted period of time, the Settlement Rate shall be determined as though "Reference Banks" had been specified for the purposes of the Settlement Rate.

### ***Interim measures***

A situation may arise where the Generic Fallback Provisions apply and the Applicable Benchmark is required to make a determination, but no Alternative Continuation Fallback has been applied yet. In such a situation, the waterfall will instead be as follows:

1. agreement between the parties
2. determination as if no Permanent Cessation Trigger or Administrator/Benchmark Event had occurred (including by reference to any Temporary Non-Publication Trigger and Fallback), provided that the date on which the Permanent Cessation Fallback or Administrator/Benchmark Fallback applies has not yet occurred
3. determination as if "Reference Banks" had been specified for the purposes of the Settlement Rate.

### ***Non-compliant fallbacks***

In the event that:

- it would be unlawful under any applicable law or regulation to determine the benchmark in accordance with a fallback,
- a fallback would contravene any applicable licensing requirements, or
- the Adjustment Spread constitutes or would constitute a benchmark whose production would subject the Calculation Agent to additional regulatory obligations which it is unwilling to undertake,

the Alternative Continuation Fallback will not apply and the next Alternative Continuation Fallback pursuant to which a Continuation Amendment can be made will apply.