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ISDA FX **Definitions**

Novation and Cancellation Provisions

Version 1.0

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ISDA®

International Swaps and Derivatives Association, Inc.

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INTERNATIONAL SWAPS AND DERIVATIVES ASSOCIATION, INC.

10 East 53rd Street

9th Floor

New York, NY 10022

⁺ ~~[Note to draft: Table of contents to be updated.]~~

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[†] ~~[Note to draft: Table of contents to be updated.]~~

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SECTION 1

EFFECTIVENESS OF THESE ~~ISDA~~ NOVATION ~~AND CANCELLATION~~ PROVISIONS

1.1 Scope of the Novation Provisions.

~~1.1~~ These Novation Provisions shall apply to the transfer of Covered Transactions only by novation and not to the transfer of Covered Transactions by any means other than novation (such as the transfer of Covered Transactions by give-up to prime brokers pursuant to give-up arrangements between the parties).

1.2 Application of the Novation Provisions.

1.2.1 Application by Election.

~~1.2~~ A party to a Relevant Master Agreement or a Stand-Alone Confirmation can apply these ~~ISDA~~ Novation ~~and Cancellation~~ Provisions by making an election in writing (including by way of email or electronic communication) for these provisions to apply for the purposes of any Relevant Master Agreement or Stand-Alone Confirmation, which election ~~shall~~may be made by specifying “ISDA FX Novation and Cancellation Provisions” as applicable in the Initial Request and each related Consent Request and Notice of Affirmative Consent. A party delivering an Initial Request, Consent ~~request~~Request or Notice of Affirmative Consent that provides for these Novation Provisions to be applicable, shall have agreed to all of the terms set out in these Novation Provisions.

1.2.2 Applicable Version of these Novation Provisions.

~~1.3~~ Unless otherwise agreed, the latest version of these Novation Provisions on the Initial Request Date will apply to each Cancellation or Standard Novation covered by the relevant Initial Request, and will not be affected by any further updates in a later dated version of these Novation Provisions. In order to apply a version of these Novation Provisions other than the latest version on the Initial Request Date, the ~~Initiating Party must, in the~~ Initial Request, each Consent Request and each Notice of Affirmative Consent must specify the version of these Novation Provisions that ~~it wishes~~is to apply.

1.3 Agreement to apply amendments contemplated by the Novation Provisions.

1.3.1 Effect of Election.

~~1.4~~ By applying these Novation Provisions in the manner set forth in this ~~Section~~ Section 1 (*Effectiveness of these ~~ISDA~~ Novation ~~and Cancellation~~ Provisions*), a Novation Party agrees, in each case on the terms and subject to the conditions set forth in these Novation Provisions, that, as of the Novation Provisions Election Date, certain amendments will be deemed to be made to any Relevant Master Agreement or Stand-Alone Confirmation between it and any other Novation Party and that certain procedures will be followed by such Novation Party in relation to a transfer by novation of Covered Transactions and, if applicable, the Cancellation of Linked Covered ~~Transactions~~Transaction(s).

1.3.2 Effective date of Amendments.

~~1.5~~ The agreement to make the amendments to the Relevant Master Agreements, or, to the extent applicable, Stand-Alone Confirmations contemplated by these Novation Provisions and to follow the procedures set forth in these Novation Provisions in relation to a transfer by novation of Covered Transactions and, if applicable, the Cancellation of Linked Covered Transactions, on the terms and subject to the conditions set forth in these Novation Provisions, as between any two Novation Parties, will be effective from and after the Novation Provisions Election Date.

1.4 Acknowledgement as to consideration.

~~1.6~~ Each Novation Party acknowledges that these Novation Provisions are intended to be a cooperative mechanism to facilitate ~~liquidity in the relevant markets~~ novations of foreign exchange transactions. Each Novation Party agrees that the agreement of each other Novation Party to apply these Novation Provisions is sufficient consideration for its election to apply these Novation Provisions and its participation in any role in any Standard Novation pursuant hereto (but in the case of any Standard Novation, without prejudice to any additional consideration that may be agreed by the relevant parties thereto).²¹

1.5 Governing law.

~~1.7~~ These Novation Provisions will, as between two Novation Parties and in respect of the ~~relevant~~ Relevant Master Agreement or Stand-Alone Confirmation between them, be governed and construed in accordance with the law specified to govern the Relevant Master Agreement or Stand-Alone Confirmation and otherwise in accordance with the applicable choice of law doctrine.³²

²¹ Parties should consider adequacy of consideration for any novation under relevant law. Under English law in particular, a Remaining Party that simply accepts a new counterparty might be viewed as acting without receiving consideration (~~see~~ <http://www.isda.org/publications/pdf/Novations-ISDA-linklaters.pdf>). Section ~~1.5~~ 1.4 (Acknowledgement as to consideration) is offered as a possible response to this concern, by making clear that consideration may be situational or circumstantial; in particular by making clear that facilitating novations overall is a cooperative enterprise, and an adhering market participant is willing to "give, that it might receive."

³² If using the 2002 ISDA Master Agreement (French Law) or 2002 ISDA Master Agreement (Irish Law), parties should obtain independent legal advice on the operation of these Novation Provisions under ~~French~~ French law or Irish law, as applicable.

SECTION 2 REPRESENTATIONS

2.1 Representations of the Novation Parties.

~~2.1~~ Each ~~[~~Novation Party represents to each other Novation Party~~]~~ with which it has or may have a Relevant Master Agreement or Stand-Alone Confirmation, on the Novation Date of each transaction pursuant to these Novation Provisions and on the relevant Novation Provisions Election Date that:

2.1.1 Status.

It is duly organized and validly existing under the laws of the jurisdiction of its organization or incorporation and, if relevant under such laws, is in good standing~~;~~.

2.1.2 Powers.

It has the power to elect to apply these Novation Provisions, and to perform its obligations under the Relevant Master Agreement or Stand-Alone Confirmation, as amended by these Novation Provisions and has taken all necessary action to authorize such performance~~;~~.

2.1.3 No Violation or Conflict.

Such election or performance do not violate or conflict with any law applicable to it, any provision of its constitutional documents, any order or judgment of any court or other agency of government applicable to it or any of its assets or any contractual restriction binding on or affecting it or any of its assets~~;~~.

2.1.4 Consents.

All governmental and other consents that are required to have been obtained by it with respect to these Novation Provisions, the Relevant Master Agreement or Stand-Alone Confirmation, as amended by these Novation Provisions, have been obtained and are in full force and effect and all conditions of any such consents have been complied with~~;~~.

2.1.5 Binding Obligations.

Its obligations under the Relevant Master Agreement or Stand-Alone Confirmation, in each case as amended by these Novation Provisions, constitute its legal, valid, and binding obligations, enforceable in accordance with their respective terms (subject to applicable bankruptcy, reorganization, insolvency, moratorium, or similar laws affecting creditors' rights generally and subject, as to enforceability, to equitable principles, of general application (regardless of whether enforcement is sought in a proceeding in equity or at law))~~;~~ ~~and~~.

2.1.6 Credit Support.

Its election to comply with these Novation Provisions and any amendment contemplated by these Novation Provisions will not, in and of itself, adversely affect any obligations

owed, whether by it or by any third party, under any credit support document relating to the Relevant Master Agreement or Stand-Alone Confirmation.

2.2 Deemed Representations under the Relevant Master Agreement or Stand-Alone Confirmation.

~~2.2~~ Each Novation Party agrees with each other Novation Party with which it has or may have a Relevant Master Agreement or Stand-Alone Confirmation that each of the foregoing representations will be deemed to be a representation for purposes of Section 5(a)(iv) of the ISDA Master Agreement or a comparable provision of any other Relevant Master Agreement, or to the extent applicable, each Stand-Alone Confirmation (then or in the future) between them.

SECTION 3 NOTICES⁴

3.1 Delivery and Effectiveness of Notices.

3.1.1 Initial Request, Consent Request, Notice of Affirmative Consent and Standard Novation Effectiveness Notice.

~~3.1~~ Any Initial Request, Consent Request ~~or other communication in relation thereof~~ may, Notice of Affirmative Consent or Standard Novation Effectiveness Notice shall be given either by ~~e-mail~~ email or by electronic messaging system and shall be deemed effective (1) on the date it was delivered, if sent by ~~e-mail~~ email or (2) on the date it was received, if sent by electronic messaging system. References in these Novation Provisions to an electronic messaging system shall include an electronic platform making provision for the delivery of notices in respect of novations.

3.1.2 Other Notices and Communications.

~~3.2~~ Any notice or other communication in respect of these Novation Provisions, other than any Consent Request, ~~or any communication in relation to any~~ Notice of Affirmative Consent Request, or Standard Novation Effectiveness Notice may be given in any manner described below and will be deemed effective as indicated:

- (i) ~~3.2.1~~ if in writing and delivered in person or by courier, on the date it is delivered;
- (ii) ~~3.2.2~~ if sent by facsimile transmission, on the date it is received by a responsible employee of the recipient in legible form (it being agreed that the burden of proving receipt will be on the sender and will not be met by a transmission report generated by the sender's facsimile machine);
- (iii) ~~3.2.3~~ if sent by certified or registered mail (airmail, if overseas) or the equivalent (return receipt requested), on the date it is delivered or its delivery is attempted;
- (iv) ~~3.2.4~~ if sent by ~~e-mail~~ email, on the date that ~~e-mail is delivered; or email is relayed to the recipient's email infrastructure~~ (it being agreed that data captured by the sender's email infrastructure, whether or not including data from the recipient's email infrastructure, may be used as evidence that the email has been successfully relayed to the recipient's email infrastructure); or
- (v) ~~3.2.5~~ if sent by electronic messaging system, on the date it is received.

3.1.3 Deemed delivery of Notices.

Notwithstanding Section 3.1.1 (Initial Requests, Consent Requests, Notices of Affirmative Consent and Standard Novation Effectiveness Notices) and Section 3.1.2 (Other Notices and Communications) above:

⁴ [Note to draft: inclusion of notices provisions to be reviewed if general notice provisions are included in the FX Definitions.]

- (i) ~~3.3 Notwithstanding [Sections 3.1 and 3.2 above],~~ if the date of the delivery (or attempted delivery) or the receipt of a communication, as applicable, is not a Novation Business Day or that communication is delivered (or attempted) or received, as applicable, after the close of business (by reference to close of business in the financial centres applicable for the purposes of a Novation Business Day) on a Novation Business Day, ~~in which case~~ that communication shall be deemed given and effective on the first following day that is a Novation Business Day; ~~provided that and~~
- (ii) if a communication is received after 6:00 p.m. (New York time) or on a day that is not a Novation Business Day, it will be deemed to have been received at 9:00 a.m. (New York time) on the immediately following Novation Business Day.

SECTION 4

DEFINITIONS

- ~~4.1 The definitions and provisions contained in the FX Definitions as amended, varied or supplemented from time to time, are incorporated into these Novation Provisions. In the event of any inconsistency between the FX Definitions and these Novation Provisions, these Novation Provisions will prevail.~~
- ~~4.2 “Autoextension” means the extension of the deadline for consent to a Consent Request in accordance with Section [5.3] (*Automatic Extension of the Deadline for Obtaining Consent*).⁵~~
- ~~4.3 “Autoextension Date” means the day falling five Novation Business Days after the Consent Request Date.~~
- ~~4.4 “Cancellation” means, with respect to a Linked Covered Transaction, either the termination of all or a designated portion of such Linked Covered Transaction or the entering into of an Offsetting Transaction, as applicable.~~
- ~~4.5 “Cancellation Party” means, (a) with respect to a Linked Covered Transaction, a party to such Linked Covered Transaction other than the Transferor, the Transferee or the Remaining Party whose consent is required in connection with, or who has consented to, a termination of such Linked Covered Transaction or a portion thereof or (b) with respect to an Offsetting Transaction, a party to such Offsetting Transaction that is not the Transferor, the Transferee or the Remaining Party.~~
- ~~4.6 “Classic Novation” means, with respect to a Covered Transaction between two parties, a novation effected in accordance with these Novation Provisions, pursuant to which:~~
- ~~4.6.1 one party (Transferor) transfers all or a designated portion of its rights, liabilities, duties and obligations with respect to such Covered Transaction (and is discharged with respect to such liabilities, duties and obligations to the extent provided herein) to a third party (Transferee); and~~
- ~~4.6.2 the other party to such Covered Transaction is the Remaining Party.~~
- ~~4.7 “Collapse Novation” means, with respect to:~~
- ~~4.7.1 a Covered Transaction between two parties, a Classic Novation; and~~
- ~~4.7.2 one or more Linked Covered Transactions, a Cancellation of all or a designated portion of each such Linked Covered Transaction effected in accordance with these Novation Provisions.~~
- ~~4.8 “Consent Cut-Off Time” means (a) if any time earlier than 5:30 p.m. (New York time) on the Consent Request Date is designated in the Consent Request as the “Consent Cut-Off Time”, such designated time, (b) if a time earlier than 5:30 p.m. (New York time) on the Consent~~

⁵ [Note to draft: when the definitions below say ‘if Autoextension applies’ it means that it has kicked in, not just that it has been specified as Applicable. That is important since specifying it as Applicable doesn’t necessarily mean it kicks in, as it will not apply for certain transactions (like soon expiring options).]

~~Request Date is not designated in the Consent Request as the “Consent Cut Off Time”, 5:30 p.m. (New York time).~~

4.9 ~~“Consent Deadline” means:~~

~~(i) if Autoextension does not apply, either:~~

~~(a) the Consent Cut off Time on the Consent Request Date; or~~

~~(b) if the Consent Cut off Time is 5:30 p.m. (New York time) and delivery of a Notice of Affirmative Consent Request by 5:30 p.m. (New York time) on the Consent Request Date is not practicable for a party, then, for such party, 5:30 p.m. (New York time) on the Novation Business Day immediately following the Consent Request Date; and~~

~~(ii) if Autoextension applies, the Consent Cut off Time on the Autoextension Date.~~

4.10 ~~“Confirmation Request” means a request, made by a party receiving a Consent Request from the Remaining Party, for a copy of the confirmation that evidences the Covered Transaction or Linked Covered Transaction proposed for novation or Cancellation.~~

4.11 ~~“Consent Request” means:~~

~~(i) a written notice which consists of a fully completed Form Consent Request; or~~

~~(ii) if the consent process is being conducted on an electronic system or platform, a notice in the form provided by the rules and procedures of such system or platform for the initiation of a novation request process and which provides the parties with sufficient information to identify the relevant Covered Transaction and, if applicable, Linked Covered Transaction;~~

~~and in each case which is accompanied by the Relevant Transaction Confirmation if the relevant Covered Transaction and, if applicable, any Linked Covered Transaction is not a Standard Transaction.~~

4.12 ~~“Consent Request Date” means the date as of which the Consent Request is dated.~~

4.13 ~~“Covered Transaction” means all or a designated portion of a Transaction incorporating the FX Definitions that is governed by a Master Agreement or a Stand Alone Confirmation.~~

4.14 ~~“FX Definitions” means the [FX Definitions] including each Matrix (and any successor Matrix hereto), each as published by ISDA and EMTA and available on the ‘MyLibrary’ platform (or any successor platform) in ‘contractual text’ format.~~

4.15 ~~“Form Consent Request” means the form of consent request to transfer by novation and, if applicable, Cancellation attached as [Exhibit A].~~

4.16 ~~“Initial Request” means a written notice that is substantially in the form of the Form Consent Request or, if the consent process is being conducted on an electronic system or platform, a notice delivered in accordance with the rules and procedures of such system or platform which~~

provides the parties with sufficient information to identify the relevant Covered Transaction and, if applicable, Linked Covered Transaction.

4.17 ~~“Initial Request Date” means the date as of which the Initial Request is dated.~~

4.18 ~~“Initiating Party” means any party to a Covered Transaction that initiates a request for a proposed transfer by novation of all or a designated portion of its rights, liabilities, duties and obligations with respect to such Covered Transaction and, if applicable, an accompanying Cancellation of all or a designated portion of one or more Linked Covered Transactions by delivering an Initial Request to the Remaining Party.~~

4.19 ~~“Linked Covered Transaction” means a transaction relating to a Covered Transaction in respect of which Cancellation is requested in accordance with a Collapse Novation. For the avoidance of doubt, the remainder of a Transaction after designation of a Cancellation may be a Linked Covered Transaction.⁶~~

4.20 ~~“Method of Compensation” means, with respect to a transfer by novation and, if applicable, a Cancellation of all or a designated portion of a Covered Transaction or a Linked Covered Transaction, as applicable, the terms of any payment (not including the amount of any such payment) or performance in connection thereof among the parties thereto or any such parties’ agents. Without limiting the generality of the foregoing, a Method of Compensation may include any one of the following: (a) application of a payment as agreed between the proposed Transferor and proposed Transferee that is due in connection with the Cancellation of a different Covered Transaction between such proposed Transferor and proposed Transferee; or (b) a fee payment in respect of the novation as agreed between the proposed Transferor and proposed Transferee; or (c) entry by the proposed Transferor and the proposed Transferee into an Offsetting Transaction at rates that are historic rates of the relevant Covered Transaction or Linked Covered Transaction or otherwise; or (d) such other method as may be agreed in writing between the proposed Transferor and the proposed Transferee.~~

4.21 ~~“New Stand Alone Confirmation” means a subsequent Stand Alone Confirmation, notwithstanding that an existing Stand Alone Confirmation between the relevant parties is already in place.~~

4.22 ~~“New Transaction” means the new Transaction between the Transferee and the Remaining Party resulting from a Standard Novation pursuant to these Novation Provisions.~~

4.23 ~~“Notice of Affirmative Consent” means (i) notice in the form of the “Notice of Affirmative Consent” to Consent Request, attached as [Exhibit B], whether such notice is set forth in a communication or is attached, as a stand-alone document, thereto or, (ii) if the consent process is being conducted on an electronic system or platform, an affirmative notice delivered in format provided for by the rules and procedures of such system or platform.~~

4.24 ~~“Novation Business Day” means a day on which commercial banks settle payments in (a) New York City, (b) with respect to any Initial Request, the city in which the office of the Remaining~~

⁶ [Note to draft: W/G/FX Novations Subgroup to confirm whether the ‘for the avoidance of doubt’ wording here is required. If it is not, it will be deleted.]

~~Party is located or (c) with respect to any Consent Request, each city specified therein as the place where the office of the Remaining Party or any of the addressees of such Consent Request is located.~~

~~4.25 “ISDA Novation and Cancellation Provisions” or “Novation Provisions” means the provisions set out herein.~~

~~4.26 “Novation Date” means:~~

~~(i) if Autoextension does not apply:~~

~~(a) the Consent Request Date, in the case the Standard Novation Effectiveness Notice is delivered by the Remaining Party at any time at or before 6 p.m. (New York time) on the Consent Request Date; and~~

~~(b) the Novation Business Day immediately following the Consent Request Date, in the event that the Standard Novation Effectiveness Notice is delivered by the Remaining Party any time after 6 p.m. (New York time) on the Consent Request Date but at or before 6 p.m. (New York time) on the Novation Business Day immediately following the Consent Request Date;~~

~~(ii) if Autoextension applies:~~

~~(a) if the Standard Novation Effectiveness Notice is delivered by the Remaining Party at any time at or before 6 p.m. (New York time) on a Novation Business Day from and including the Consent Request Date to and including the Autoextension Deadline, such Novation Business Day; and~~

~~(b) if the Standard Novation Effectiveness Notice is delivered by the Remaining Party any time after 6 p.m. (New York time) on a Novation Business Day from and including the Consent Request Date to and including the Autoextension Deadline but at or before 6 p.m. (New York time) on the Novation Business Day immediately following that day, the Novation Business Day immediately following that day.~~

~~4.27 “Novation Party” means any party which agrees to the terms of these Novation Provisions, acting as Transferor, Transferee, Initiating Party, Remaining Party or Cancellation Party.~~

~~4.28 “Novation Provisions Election Date” means, as between any two then Novation Parties, the date on which the later of such Novation Parties has elected to, or agreed to, apply these ISDA Novation and Cancellation Provisions with respect to the relevant Consent Request.~~

~~4.29 “Offsetting Transaction” means a Transaction, (a) having identical terms to all or a designated portion of a relevant Covered Transaction or Linked Covered Transaction, as applicable, but (b) in which each party to such Transaction has an economic position in such Transaction opposite to the economic position such party has in such relevant Covered Transaction or Linked Covered Transaction, as applicable.~~

~~4.30 “Standard Transaction” means, any Covered Transaction or a Linked Covered Transaction that is:~~

~~(i) a Deliverable FX Transaction;~~

~~(ii) a Deliverable FX Option Transaction;~~

~~(iii) a Non-Deliverable FX Option Transaction or a Non-Deliverable FX Transaction in respect of which the EM Matrix applies that settles in U.S. Dollar; or~~

~~(iv) a Barrier Transaction;~~

~~and in each case that is documented using a Confirmation substantially in the form of any of Exhibit [●] to Exhibit [●] to the FX Definitions without amendment, including in each case, any such Transaction as described in paragraphs (i) to (iv) above that applies Averaging.~~

~~4.31 “Remaining Party” means a party to a Covered Transaction whose consent is required in connection with, or who has consented to, a Transferor’s transfer by novation and the acceptance thereof by the Transferee of all of the Transferor’s rights, liabilities, duties, and obligations as of a certain date with respect to such Remaining Party under and in respect of a Covered Transaction.~~

~~4.32 “Stand-Alone Confirmation” means a confirmation not subject to a Relevant Master Agreement.~~

~~4.33 “Standard Novation” means a Classic Novation or a Collapse Novation, as applicable.~~

~~4.34 “Standard Novation Effectiveness Notice” means a notification from the Remaining Party confirming that the Remaining Party has received Notices of Affirmative Consent from all the relevant parties and attaching copies of all the parties’ Notices of Affirmative Consent. For the avoidance of doubt, if the consent process is being conducted on an electronic system or platform, an automated notification generated by such system or platform may constitute a Standard Novation Effectiveness Notice and the Remaining Party will not be required to separately deliver a Standard Novation Effectiveness Notice.~~

~~4.35 “Relevant Transaction Confirmation” means with respect to any Covered Transaction or Linked Covered Transaction, a copy of the confirmation evidencing such transaction.~~

~~4.36 “Transferee” means a party to a New Transaction whose consent is required in connection with, or who has consented to, a Transferor’s transfer by novation to Transferee of all of the Transferor’s rights, liabilities, duties, and obligations as of a certain date with respect to a Remaining Party under and in respect of all or a designated portion of a Covered Transaction.~~

~~4.37 “Transferor” means a party to a Covered Transaction whose consent is required in connection with, or who has consented to, a transfer by novation to a Transferee of all of its rights, liabilities, duties, and obligations as of a certain date with respect to a Remaining Party, and releases and discharges such Remaining Party, under and in respect of all or a designated portion of a Covered Transaction.~~

~~SECTION 5~~ NOVATION AND CANCELLATION PROVISIONS⁷³

4.1 Application of these Novation Provisions.

~~5.1 Application of these Novation Provisions.~~ If the parties to a Covered Transaction or a Linked Covered Transaction have ~~elected for~~ agreed to apply these “ISDA FX Novation and Cancellation Provisions” ~~to apply~~, these Novation Provisions shall apply to such Covered Transaction or Linked Covered Transaction.

4.2 ~~5.2~~ Process of Obtaining Consent.

4.2.1 ~~5.2.1~~ Initiating Party ~~request~~ Request.

The Initiating Party may, on any Novation Business Day, initiate a request for a proposed transfer by novation of all or a designated portion of its rights, liabilities, duties and obligations with respect to a Covered Transaction and, if applicable, an accompanying Cancellation of all or a designated portion of one or more Linked Covered Transactions by delivering an Initial Request to the ~~Remaining~~ Coordinating Party. The Initiating Party shall not be required to (a) specify in an Initial Request any information that is required by the Form Consent Request if such information is not readily available to the Initiating Party or cannot be made available to it promptly without unreasonable burden or expense ~~incurred by the Initiating Party~~ (provided that information that may be made available to the Initiating Party promptly upon request from ~~the Remaining Party~~ its counterparty under the Covered Transaction shall be deemed readily available to the Initiating Party) or (b) ~~enclose~~ deliver the Relevant Transaction Confirmation with respect to any Covered Transaction and, if applicable, Linked Covered Transaction the novation and, if applicable, Cancellation of which it requests.

4.2.2 Response to the Initial Request.

~~5.2.2 Remaining Party response.~~ ~~The Remaining~~ The Coordinating Party shall, within a commercially reasonable time after receipt of the Initial Request and based on the information specified therein, either:

- (i) notify the Initiating Party that it declines the Initial Request; ~~or,~~
- (ii) if the Initial Request is acceptable to the ~~Remaining~~ Coordinating Party, prepare a Consent Request and deliver such Consent Request to ~~each of the other parties to the Covered Transaction and to the Transferee and,~~

⁷³ ³ Form ~~Master Agreements~~ master agreements or Stand-Alone Confirmations commonly used by parties in FX Transactions or ~~Currency~~ FX Option Transactions typically include or are deemed to include a provision that, subject to certain limited exceptions, neither such form agreement nor any interest or obligation thereunder may be transferred by either party without the prior written consent of the other party. Each such agreement explicitly provides that any purported transfer not in compliance with the prior written consent requirement will be void. Consent to the transfer may, unless the parties have otherwise agreed, be withheld for any or no reason. Relevant factors in a party's decision whether or not to consent to a transfer may include funding costs, credit exposure concerns, credit valuation charges, collateral, netting, tax, operational, accounting, relationship and other considerations relating to either the Transferor or the Transferee.

- (a) each of the other parties to the Covered Transaction (including the Initiating Party);
- (b) if applicable, each of the parties to the Linked Covered Transactions (including ~~the Initiating Party and, in the case of a Linked Covered Transaction,~~ each Cancellation Party)^{*}; and
- (c) each Transferee.

The ~~Remaining~~Coordinating Party shall be deemed to have consented to any Consent Request delivered by it to which its consent would otherwise be required as a party to the relevant Covered Transaction or Linked Covered Transaction, as applicable. Any Consent Request shall be deemed to be in respect of the entire Transaction unless otherwise explicitly designated in the applicable Consent Request.

For the avoidance of doubt, a Cancellation that is not part of a Collapse Novation shall not be subject to these Novation Provisions.

4.2.3 ~~5.2.3~~ **Notice of Affirmative Consent.**

Each party that receives from the ~~Remaining~~Coordinating Party a Consent Request specifying a proposed transfer by novation of a Covered Transaction and, if applicable, a Cancellation of any Linked Covered Transaction, in accordance with a Standard Novation agrees to respond promptly (and, in any event, at or before the Consent Deadline) to such Consent Request by either giving a Notice of Affirmative Consent or indicating its unwillingness to consent to the ~~Remaining~~Coordinating Party, with such notice copied to any other addressee of such Consent Request, in either case; ~~provided that.~~ However, a responding party shall, under no circumstances, be liable for any failure to so respond.

4.2.4 ~~5.2.4~~ **Confirmation Request.**

Prior to responding to a Consent Request and to the extent ~~it has not been enclosed therewith~~that a copy of the confirmation that evidences the Covered Transaction or Linked Covered Transaction proposed for novation or Cancellation has not been delivered, each recipient of such Consent Request may, in turn, submit a Confirmation Request to the ~~Remaining~~Coordinating Party. Upon receipt of a Confirmation Request, the ~~Remaining~~Coordinating Party will comply with such Confirmation Request within a commercially reasonable time.

4.2.5 ~~5.2.5~~ **Consent to the Consent Request.**

Only a Notice of Affirmative Consent shall constitute a consent to a Consent Request ~~hereunder~~. Any response that is not a Notice of Affirmative Consent or that rejects, modifies, supplements or otherwise varies any part of a Consent Request (including, without limitation, the proposed Calculation Agent specified therein and, if applicable,

^{*} [Note to draft: 'other parties to the Covered Transaction' excludes the Transferee. On the understanding that the Transferee's consent is also required to effect a novation, the wording here has been updated to capture the Transferee. This change runs through a number of provisions in these Novation and Cancellation Provisions.]

any Method of Compensation specified therein) shall be deemed to be a rejection of such Consent Request. ~~Subject to Section [5.3.1] (Automatic Extension of the Deadline for Obtaining Consent)) below, the failure of the~~ The failure of any Transferee or any party to a Covered Transaction or Linked Covered Transaction, as applicable, to provide to a ~~Remaining~~Coordinating Party a Notice of Affirmative Consent to a Consent Request by the Consent Deadline, ~~—~~ shall constitute a rejection of such Consent Request. Any rejection of a Consent Request by ~~the~~a Transferee or any party to a Covered Transaction or Linked Covered Transaction, as applicable, that is a subject of any Consent Request shall negate any consent by ~~the~~any Transferee or any other party to such Covered Transaction or Linked Covered Transaction, as applicable.

4.2.6 ~~5.2.6~~ **Standard Novation Effectiveness Notice.**

The ~~Remaining~~Coordinating Party shall, promptly after the receipt of all the requisite Notices of Affirmative Consent to a Consent Request and, in any event, no later than ~~6 p.m~~6:00 p.m. (New York time) on the Consent Request Date or Autoextension Date (as applicable) or, if impracticable, ~~6 p.m~~6:00 p.m. (New York time) on the Novation Business Day immediately following the Consent Request Date or Autoextension Date (as applicable), provide to ~~the~~any Transferee and each other party to each such Covered Transaction, ~~—~~ and, if applicable, Linked Covered Transaction identified in the Consent Request with a Standard Novation Effectiveness Notice. As a consequence ~~thereof~~, each of the transfer by novation of all or a designated portion of a Covered Transaction and any Cancellation of all or a designated portion of a Linked Covered Transaction, if applicable, proposed in such Consent Request shall constitute a Transaction and become effective as of the relevant Novation Date. For the avoidance of doubt: (i) each party to any such Covered Transaction, the New Transaction (other than the ~~Remaining~~Coordinating Party) or Linked Covered Transaction, as applicable, shall be entitled to rely on the Standard Novation Effectiveness Notice; and (ii) if the ~~Remaining~~Coordinating Party fails for any reason to deliver the Standard Novation Effectiveness Notice by ~~6 p.m~~6:00 p.m. (New York time) on the Novation Business Day immediately following the Consent Request Date or Autoextension Date (as applicable) (whether or not the required Notices of Affirmative Consent shall have been received), such Standard Novation will not become effective, and none of the parties (including the ~~Remaining~~Coordinating Party) shall have any liability with respect to such failure.

For the avoidance of doubt, any proposed Standard Novation in ~~regard to~~respect of which a Standard Novation Effectiveness Notice was not delivered by ~~6 p.m~~6:00 p.m. (New York time) on either (1) the Novation Business Day immediately following the Consent Request Date, ~~or~~ (2) if Autoextension applies, the Novation Business Day immediately following the Autoextension Date, will not become effective under these Novation Provisions.

4.2.7 ~~5.2.7~~ **Standard Novation.**

With respect to each Standard Novation, with effect from and including the Novation Date:

- (i) the ~~Remaining Party and the Transferor~~ Original Parties shall each be deemed to be released and discharged from further obligations to each other pursuant to the terms of such Covered Transaction, and their respective rights against each other thereunder shall be deemed to have been cancelled, provided that the ~~Remaining Party and the Transferor~~ Original Parties shall be deemed to have acknowledged that such release and discharge shall not affect any rights, liabilities or obligations of the ~~Remaining Party or the Transferor~~ Original Parties with respect to (1) the payments or other obligations due or payable or due to be performed on or prior to the Novation Date of the relevant Standard Novation and (2) in the case only a designated portion of a Covered Transaction is being novated, the portion of such Standard Novation that is not being novated, and, in each case, all such payments and obligations shall be paid or performed by the ~~Remaining Party or the Transferor~~ Original Parties in accordance with the terms of each such Covered Transaction, as such terms were in effect immediately prior to the Novation Date with respect thereof, and the parties to any Linked Covered Transaction shall be released and discharged to parallel effect; and
- (ii) in respect of each New Transaction, the ~~Remaining Party and the Transferee~~ New Parties each undertake liabilities and obligations towards the other and acquire rights against each other identical in their terms to such Covered Transaction (and, for the avoidance of doubt, as if (1) in respect of a Three-way Novation, the Transferee were the Transferor and with the Remaining Party remaining the Remaining Party, and (2) in respect of a Four-way Novation, as if Transferee 1 were Transferor 1 and Transferee 2 were Transferor 2, save for any rights, liabilities or obligations of the ~~Remaining Party or the Transferor~~ Original Parties with respect to payments or other obligations due and payable or due to be performed on or prior to the Novation Date).

4.2.8 Deemed Representations and Warranties on the Novation Date.

- (i) ~~5.2.8~~ Additionally:
 - (a) ~~(i)~~ each of the Remaining Party, ~~the~~ each Transferor, ~~the~~ each Transferee and, if applicable, any Cancellation Party, as of the Novation Date shall be deemed to:
 - (I) ~~(a)~~ have made the representations and warranties with respect to each other as are set out in ~~Section [2]~~ Section 2 (*Representations*) of these Novation Provisions; and
 - (II) ~~(b)~~ have represented to each other that:
 - (A) ~~(i)~~ it is acting for its own account, and it has made its own independent decisions to enter into that Standard Novation and as to that Standard Novation being appropriate or proper for it based upon its own judgment and advice from such advisers as it has deemed necessary. It is not relying on any communication (written

or oral) of any other party as investment advice or as a recommendation to enter into that Standard Novation, it being understood that information and explanations related to the terms and conditions of a Standard Novation or any part thereof will not be considered investment advice or a recommendation to enter into that Standard Novation. No communication (written or oral) received from any other party will be deemed to be an assurance or guarantee as to the expected results of that Standard Novation;

(B) ~~(H)~~ it is capable of assessing the merits of and understanding (on its behalf or through independent professional advice), and understands and accepts, the terms, conditions and risks of that Standard Novation. It is also capable of assuming and assumes, the risks of that Standard Novation; and

(C) ~~(H)~~ none of the other parties is acting as a fiduciary or an adviser to it in respect of that Standard Novation or any part thereof;

provided that, in the case of each of ~~(1)~~(A) and ~~(2)~~(B) above, each such party shall be deemed to have made such representations with respect to itself and, as applicable, the proposed transfer by novation and any transaction relating thereto;

(b) ~~(ii)~~ each of the ~~Remaining Party and the Transferor and the Remaining Party and the Transferee~~Original Parties and each of the New Parties shall be deemed to have represented and warranted to each other ~~that~~Original Party and each other New Party, in each case as of the Novation Date, that no “Event of Default”, “Potential Event of Default” or, to its knowledge, “Termination Event” (as each such term is defined in the applicable Relevant Master Agreement or Stand-Alone Confirmation, or any equivalent concept, if applicable), with respect to it or, to its knowledge, with respect to the Covered Transaction has occurred and is continuing and no such event or circumstance would occur as a result of its entering into or performing its obligations under any applicable Relevant Master Agreement, relevant Confirmation or Stand-Alone Confirmation, or any document related thereto; and

(c) ~~(iii)~~ each of the ~~Remaining Party and the Transferor~~Original Parties shall be deemed to have represented and warranted to each other that, as of the Novation Date:

(i) ~~(a)~~ it has not made prior transfer (whether by way of security or otherwise) of, or declared a trust over, the Covered Transaction or any interest or obligation in, under or with respect to the Covered Transaction; and

- (II) ~~(b)~~ all obligations of such party required to be performed by it under the Covered Transaction or any agreements related thereto on or before the Novation Date have been fulfilled.
- (ii) Each of the ~~Transferee and the Remaining Party~~ New Parties also shall be deemed to have acknowledged, as of the Novation Date, that ~~the~~ no Transferor ~~does not make~~ makes any representation or warranty ~~and does not assume~~ nor assumes any responsibility with respect to the legality, validity, effectiveness, adequacy or enforceability of the Covered Transaction after its transfer (in whole or in part, as applicable) to the relevant Transferee or any documents relating thereto and ~~the~~ no Transferor assumes ~~no~~ any responsibility for the condition, financial or otherwise, of ~~the Remaining~~ any New Party, ~~the Transferee~~ or any other person, as applicable, or for the performance or observance of ~~the Remaining~~ any New Party, ~~Transferee~~ or any other person of its obligations under such Covered Transaction after its transfer to the relevant Transferee or any document relating thereto, and any and all such conditions and warranties, whether express or implied by law or otherwise, shall be excluded.
- (iii) Each of the relevant parties shall ~~acting~~ act in good faith and ~~using~~ use reasonable efforts; to book the relevant transfer by novation or Cancellation, as applicable, on the relevant Novation Date in accordance with its internal booking system; provided, however, that:
- (a) ~~(i)~~ such Standard Novation shall be effective on the Novation Date notwithstanding a party's failure to book it on the Novation Date; and
- (b) ~~(ii)~~ failure to make such booking shall not constitute a breach of these Novation Provisions.

4.2.9 ~~5.2.9~~ Method of Compensation.

With respect to a transfer by novation of all or a designated portion of a Covered Transaction and, if applicable, a Cancellation of all or a designated portion of a Linked Covered Transaction, the Initiating Party shall specify in the Initial Request, to be incorporated by the ~~Remaining~~ Coordinating Party into the Consent Request, the Method of Compensation, if any, in respect thereof. For the avoidance of doubt, the parties agree that:

- (i) the Method of Compensation in respect of the novation of a Covered Transaction or, if applicable, Cancellation, shall constitute a separate bilateral arrangement between the relevant parties and that the failure of any such party to comply with any obligations in respect thereto shall not in any way affect or vitiate either such party's consent in respect of a Consent Request, or the effectiveness of any novation or Cancellation described therein; and
- (ii) entry of the relevant Transferor and Transferee into an Offsetting Transaction at rates that are historic rates of the relevant Covered Transaction or Linked Covered Transaction or otherwise, as applicable, shall not be regarded as compensation to

such Covered Transaction or Linked Covered Transaction unless explicitly specified otherwise in the Consent Request.

4.2.10 Additional Agreements of the Parties.

~~5.2.10 Additional Agreements of the parties.~~ Each party agrees that, with respect to a Standard Novation that is effected as proposed:

- (i) a Consent Request and the related ~~consent~~consents that have resulted in a novation or Cancellation shall be deemed a Confirmation of such novation or Cancellation for all purposes, and of the New Transaction arising therefrom; provided that, the relevant Transferor, Transferee and/or Remaining Party (as applicable) may, but shall not be required to, enter into a novation confirmation, novation agreement or a transaction confirmation with respect to the New Transaction or any Offsetting Transaction in accordance with market standard documentation acceptable to them; and
- (ii) that:
 - (a) the terms of the New Transaction, unless intended to be documented as a Stand-Alone Confirmation (and identified as such in the related Consent Request), shall be governed by, form part of, and be subject to, the Relevant Master Agreement then in effect between the ~~Transferee and the Remaining Party~~New Parties or if there is more than one Relevant Master Agreement then in effect between the ~~Transferee and the Remaining Party~~New Parties, to the Relevant Master Agreement identified in the Consent Request as the ~~Master Agreement~~master agreement to which the New Transaction is subject; provided that if the ~~Transferee and the Remaining Party~~New Parties are not party to a Relevant Master Agreement then in effect, the terms of the New Transaction shall be deemed to incorporate and to supplement, form part of and be subject to, an agreement in the form of the ISDA 2002 Master Agreement; and
 - (b) if the ~~Transferee and the Remaining Party~~New Parties are not party to a Relevant Master Agreement then in effect, the terms of the New Transaction that are intended to be documented as a Stand-Alone Confirmation shall be governed by the terms of such Stand-Alone Confirmation and supersede the terms of the Consent Request.

For the avoidance of doubt, a Standard Novation that is effected pursuant to the terms of these Novation Provisions shall be valid whether or not the relevant Transferor, Transferee, and/or Remaining Party (as applicable) entered into a novation confirmation or novation agreement pursuant to ~~(i)~~(i) above.

4.2.11 ~~5.2.11~~ Relevant Master Agreement or ~~Stand-alone~~Stand-Alone Confirmation.

For the avoidance of doubt, each Covered Transaction governed by a Relevant Master Agreement or Stand-Alone Confirmation that is novated under these Novation Provisions shall be governed on and from the Novation Date by the terms of the Relevant Master

Agreement or the applicable Stand-Alone Confirmation, as the case may be, between the ~~Transferee and the Remaining Party~~New Parties or, if the ~~Transferee and the Remaining Party~~New Parties are not party to a Relevant Master Agreement, a Stand-Alone Confirmation on the terms set out in the Consent Request unless a New Stand-Alone Confirmation is explicitly agreed by the ~~Transferee and the Remaining Party~~New Parties.

Other than in the case of a New Stand-Alone Confirmation, in the event of any inconsistency between the Relevant Master Agreement or the Stand-Alone Confirmation, as applicable, to which the New Transaction is subject and any of the details specified in a Consent Request, the Consent Request shall govern with respect to the relevant Covered Transaction (to the extent that all parties agree to the novation of such Covered Transaction and Cancellation of such Linked Covered Transaction, as applicable, as contemplated in these Novation Provisions).

Except for any amendment deemed to be made pursuant to these Novation Provisions in respect of a Relevant Master Agreement or Stand-Alone Confirmation, all terms and conditions of any Relevant Master Agreement or Stand-Alone Confirmation between the relevant parties will continue in full force and effect in accordance with its provisions on the effective date of that amendment.

4.2.12 ~~5.2.12~~ **Novation in part.**

If a transfer by novation of a designated portion of a Covered Transaction or a Cancellation of a designated portion of a Linked Covered Transaction is carried out pursuant to these Novation Provisions, the remaining portion of such Covered Transaction or Linked Covered Transaction shall remain in effect between the parties thereto.

4.3 ~~5.3~~ **Automatic Extension of the Deadline for Obtaining Consent.**

4.3.1 Circumstances in which Autoextension will apply.

~~5.3.1~~ If:

- (i) “Autoextension” is specified as ~~‘Applicable’~~applicable in the Initial Request and in the Consent Request; and
- (ii) the ~~Remaining~~Coordinating Party has not received all of the requisite Notices of Affirmative Consent to that Consent Request by the Consent Cut-off Time on the Consent Request Date and none of the parties whose consent is required have declined the Consent Request,

then, subject to Section ~~[5.3.2]~~4.3.2 (*Circumstances in which Autoextension will not apply*) below, Autoextension will apply such that the Consent Deadline will be the Consent Cut-off Time on the Autoextension Date.

For the avoidance of doubt, if the Consent Deadline would have been the Consent Cut-off Time on the Autoextension ~~Deadline~~Date in accordance with this Section ~~[5.3.1]~~4.3.1 but for the provisions of Section ~~[5.3.2]~~4.3.2 (*Circumstances in which Autoextension will not apply*), a new Initial Request will need to be delivered after the occurrence of the original

Consent Deadline if the Initiating Party still wishes to effect a transfer by novation of the relevant Covered Transaction(s).

4.3.2 ~~5.3.2~~ **Circumstances in which Autoextension will not apply.** ~~Autoextension shall not apply if:~~

Autoextension shall not apply if:

- (i) any of the following dates occur on or before the Autoextension Date:
 - (a) the Expiration Date;
 - (b) a Potential Exercise Date;
 - (c) a Valuation Date;
 - (d) a Settlement Date;
 - (e) ~~(d)~~ a Barrier Event Determination Date; or⁹
 - (f) ~~(e)~~ an FVA Date; or
- (ii) the Covered Transaction is an American style FX Option Transaction or contains an American style Optional Early Termination Right.

4.3.3 **No Re-Delivery of Notice Required.**

~~5.3.3~~ If the Consent Deadline is extended in accordance with Section ~~[5.3.1]~~ 4.3.1 (*Circumstances in which Automatic Extension of the Deadline for Obtaining Consent will apply*) above, any party which has already delivered a Notice of Affirmative Consent will not be required to re-deliver such notice in respect of the relevant Consent Request.

4.4 **Electronic Platform or System.**

4.4.1 ~~5.4~~ ~~The~~ **Use of an Electronic Platform or System.**

The parties may use an electronic platform or system to complete any or all of the steps set out in Section ~~[5.2]~~ 4.2 (*Process of Obtaining Consent*) above.

4.4.2 **Requirements for Use of an Electronic Platform or System.**

When such platform or system is used:

- (i) ~~5.4.1~~ any of these steps may be completed simultaneously before the Consent Deadline, irrespective of the order in which they are set out in Section ~~[5.2]~~ 4.2 (*Process of Obtaining Consent*); and

⁹ [Note to draft: the inclusion of Barrier Event Determination Dates in the list of key dates means that Barrier Transactions whose Barrier Date Type is "Consecutive Dates" will never be auto-extended. This is because a Barrier Transaction with "Consecutive Dates" generally has Consecutive Dates of each relevant Business Day that run from the Effective Date so that one or more Barrier Event Determination Dates will fall within the Autoextension period.]

- (ii) ~~5.4.2~~ a single notification delivered on such platform or system may fulfil more than one of the requirements of the process set out in Section ~~[5.2]~~4.2 (*Process of Obtaining Consent*).

4.5 Novation of Fungible Covered Transactions.

Unless otherwise agreed between the New Parties, any transfer pursuant to these Novation Provisions of multiple Covered Transactions which are fungible with each other must respect the original split of those Covered Transactions such that each Covered Transaction has the same notional amount (howsoever described) before and following a novation, and no Covered Transactions are merged into one Transaction or combined resulting in fewer Transactions than before the novation.

4.6 ~~5.5~~ Failure to Comply.

Any purported transfer for which the consent of a relevant party pursuant to these Novation Provisions is not obtained or that is not otherwise in compliance with Section 7 of the ISDA Master Agreement or comparable provision of any other Relevant Master Agreement or Stand-Alone Confirmation, shall be void. Failure by any party to comply with the agreements and obligations set forth in these Novation Provisions shall not constitute an Event of Default or a Potential Event of Default (or any equivalent concept) under the Relevant Master Agreement or the equivalent thereof under a Stand-Alone Confirmation.

SECTION 5

DEFINITIONS

5.1 Incorporation of the FX Definitions.

The definitions and provisions contained in the FX Definitions as amended, varied or supplemented from time to time, are incorporated into these Novation Provisions. In the event of any inconsistency between the FX Definitions and these Novation Provisions, these Novation Provisions will prevail.

5.2 Definitions for the purposes of these Novation Provisions.

As used in these Novation Provisions, the following terms shall have the following meanings:

5.2.1 Autoextension.

“Autoextension” means the extension of the deadline for consent to a Consent Request in accordance with Section 4.3 (Automatic Extension of the Deadline for Obtaining Consent).

5.2.2 Autoextension Date.

“Autoextension Date” means the day falling five Novation Business Days after the Consent Request Date.

5.2.3 Cancellation.

“Cancellation” means, with respect to a Linked Covered Transaction, either the termination of all or a designated portion of such Linked Covered Transaction or the entering into of an Offsetting Transaction, as applicable.

5.2.4 Cancellation Party.

“Cancellation Party” means:

- (i) with respect to a Linked Covered Transaction, a party to such Linked Covered Transaction other than an Original Party or a New Party whose consent is required in connection with, or who has consented to, a termination of such Linked Covered Transaction or a portion thereof; or
- (ii) with respect to an Offsetting Transaction, a party to such Offsetting Transaction that is not an Original Party or a New Party.

5.2.5 Classic Novation.

“Classic Novation” means, with respect to a Covered Transaction between two parties, a novation effected in accordance with these Novation Provisions, pursuant to which:

- (i) in the case of a Three-way Novation:
 - (a) one party (Transferor) transfers all or a designated portion of its rights, liabilities, duties and obligations with respect to such Covered Transaction

(and is discharged with respect to such liabilities, duties and obligations to the extent provided herein) to a third party (Transferee); and

- (b) the other party to such Covered Transaction is the Remaining Party; and
- (ii) in the case of a Four-way Novation, two parties (Transferor 1 and Transferor 2) transfer all or a designated portion of their rights, liabilities, duties and obligations with respect to such Covered Transaction (and are discharged with respect to such liabilities, duties and obligations to the extent provided herein) to two third parties (Transferee 1 and Transferee 2).

5.2.6 **Collapse Novation.**

“Collapse Novation” means, with respect to:

- (i) a Covered Transaction between two parties, a Classic Novation; and
- (ii) one or more Linked Covered Transactions, a Cancellation of all or a designated portion of each such Linked Covered Transaction effected in accordance with these Novation Provisions.

5.2.7 **Coordinating Party.**

“Coordinating Party” means (a) in respect of a Three-way Novation, the Remaining Party, and (b) in respect of a Four-way Novation, Transferor 2, unless another party is identified in the Initial Request as the “Coordinating Party”.

5.2.8 **Consent Cut-off Time.**

“Consent Cut-off Time” means:

- (i) if any time earlier than 5:30 p.m. (New York time) is designated in the Consent Request as the “Consent Cut-off Time”, such designated time; and
- (ii) otherwise, 5:30 p.m. (New York time).

5.2.9 **Consent Deadline.**

“Consent Deadline” means:

- (i) if Autoextension does not apply, either:
 - (a) the Consent Cut-off Time on the Consent Request Date; or
 - (b) if the Consent Cut-off Time is 5:30 p.m. (New York time) and delivery of a Notice of Affirmative Consent Request by 5:30 p.m. (New York time) on the Consent Request Date is not practicable for a party, then, for such party, 5:30 p.m. (New York time) on the Novation Business Day immediately following the Consent Request Date; and
- (ii) if Autoextension applies, the Consent Cut-off Time on the Autoextension Date.

5.2.10 Confirmation Request.

“Confirmation Request” means a request, made by a party receiving a Consent Request from the Coordinating Party, for a copy of the Confirmation that evidences the Covered Transaction or Linked Covered Transaction proposed for novation or Cancellation.

5.2.11 Consent Request.

“Consent Request” means:

- (i) a written notice which consists of a fully completed Form Consent Request; or
- (ii) if the consent process is being conducted on an electronic system or platform, a notice in the form provided by the rules and procedures of such system or platform for the initiation of a novation request process and which provides the parties with sufficient information to identify the relevant Covered Transaction and, if applicable, relevant Linked Covered Transaction(s),

and in each case which is accompanied by the Relevant Transaction Confirmation if the relevant Covered Transaction and, if applicable, any Linked Covered Transaction is not a Standard Transaction.

5.2.12 Consent Request Date.

“Consent Request Date” means the date as of which the Consent Request is dated.

5.2.13 Covered Transaction.

“Covered Transaction” means all or a designated portion of a Transaction incorporating the FX Definitions that is governed by a Relevant Master Agreement or a Stand-Alone Confirmation.

5.2.14 Form Consent Request.

“Form Consent Request” means the form of consent request to transfer by novation and, if applicable, Cancellation attached as Exhibit A (Form of Initial Request or Consent Request (Three-way Novation)) or Exhibit B (Form of Initial Request or Consent Request (Four-way Novation)), as applicable.

5.2.15 Four-way Novation.

“Four-way Novation” means a novation pursuant to these Novation Provisions, comprising of a novation from Transferor 1 to Transferee 1 of Transferor 1’s rights, liabilities, duties and obligations as of a certain date under and in respect of all, or a designated portion of, a Covered Transaction and a novation from Transferor 2 to Transferee 2 of Transferor 2’s rights, liabilities, duties and obligations as of a certain date under and in respect of all, or the relevant portion of, that Covered Transaction.

5.2.16 FX Definitions.

“FX Definitions” means the 2026 FX Definitions Main Book and each Matrix that is specified to apply in accordance with the 2026 FX Definitions Main Book, each as

published by ISDA and EMTA and available on the “MyLibrary” platform (or any successor platform) in “contractual text” format.

5.2.17 **Initial Request.**

“Initial Request” means a written notice substantially in the form of the Form Consent Request or, if the consent process is being conducted on an electronic system or platform, a notice delivered in accordance with the rules and procedures of such system or platform which provides the parties with sufficient information to identify the relevant Covered Transaction and, if applicable, Linked Covered Transaction(s).

5.2.18 **Initial Request Date.**

“Initial Request Date” means the date as of which the Initial Request is dated.

5.2.19 **Initiating Party.**

“Initiating Party” means any party to a Covered Transaction that initiates a request for a proposed transfer by novation of all or a designated portion of its rights, liabilities, duties and obligations with respect to such Covered Transaction and, if applicable, an accompanying Cancellation of all or a designated portion of one or more Linked Covered Transactions by delivering an Initial Request to the Coordinating Party.

5.2.20 **Linked Covered Transaction.**

“Linked Covered Transaction” means a Transaction relating to a Covered Transaction in respect of which Cancellation is requested in connection with a novation of a Covered Transaction.

5.2.21 **Method of Compensation.**

“Method of Compensation” means, with respect to a transfer by novation of all or a designated portion of a Covered Transaction and, if applicable, a Cancellation of all or a designated portion of a Linked Covered Transaction, as applicable, the terms of any payment (not including the amount of any such payment) or performance in connection therewith among the parties thereto. Without limiting the generality of the foregoing, a Method of Compensation may include any one of the following: (a) application of a payment as agreed between any proposed Transferor and any proposed Transferee that is due in connection with the Cancellation of a different Covered Transaction between such proposed Transferor and proposed Transferee; or (b) a fee payment in respect of the novation as agreed between any proposed Transferor and any proposed Transferee or between the proposed Remaining Party and the proposed Transferee; or (c) entry by any proposed Transferor and any proposed Transferee into an Offsetting Transaction at rates that are historic rates of the relevant Covered Transaction or Linked Covered Transaction or otherwise; or (d) such other method as may be agreed in writing between any proposed Transferor, any proposed Transferee and/or the proposed Remaining Party, as applicable.

5.2.22 New Stand-Alone Confirmation.

“New Stand-Alone Confirmation” means a subsequent Stand-Alone Confirmation, notwithstanding that an existing Stand-Alone Confirmation between the relevant parties is already in place.

5.2.23 New Parties.

“New Parties” means (a) in respect of a Three-way Novation, the Remaining Party and the Transferee and (b) in respect of a Four-way Novation, Transferee 1 and Transferee 2.

5.2.24 New Transaction.

“New Transaction” means the new Transaction between the New Parties resulting from a Standard Novation pursuant to these Novation Provisions.

5.2.25 Notice of Affirmative Consent.

“Notice of Affirmative Consent” means:

- (i) a written notice in the form of the “Notice of Affirmative Consent” to a Consent Request, attached as Exhibit C (*Form of Notice of Affirmative Consent to Novation [and Cancellation]*), whether such notice is set forth in a communication or is attached, as a stand-alone document, thereto; or
- (ii) if the consent process is being conducted on an electronic system or platform, an affirmative notice delivered in format provided for by the rules and procedures of such system or platform.

5.2.26 Novation Business Day.

“Novation Business Day” means a day on which commercial banks settle payments in (a) New York City, (b) with respect to any Initial Request, the city in which the office of the Coordinating Party is located or (c) with respect to any Consent Request, each city specified therein as the place where the office of the Coordinating Party or any of the addressees of such Consent Request is located.

5.2.27 Novation Date.

“Novation Date” means:

- (i) if Autoextension does not apply:
 - (a) the Consent Request Date, if the Standard Novation Effectiveness Notice is delivered by the Coordinating Party at any time at or before 6 p.m. (New York time) on the Consent Request Date; and
 - (b) the Novation Business Day immediately following the Consent Request Date, if the Standard Novation Effectiveness Notice is delivered by the Coordinating Party any time after 6 p.m. (New York time) on the Consent Request Date but at or before 6 p.m. (New York time) on the Novation Business Day immediately following the Consent Request Date; or

(ii) **if Autoextension applies:**

- (a) **if the Standard Novation Effectiveness Notice is delivered by the Coordinating Party at any time at or before 6 p.m. (New York time) on a Novation Business Day from and including the Consent Request Date to and including the Autoextension Date, such Novation Business Day; and**
- (b) **if the Standard Novation Effectiveness Notice is delivered by the Coordinating Party at any time after 6 p.m. (New York time) on a Novation Business Day from and including the Consent Request Date to and including the Autoextension Date but at or before 6 p.m. (New York time) on the Novation Business Day immediately following that day, the Novation Business Day immediately following that day.**

5.2.28 **Novation Party.**

“**Novation Party**” means any party which agrees to the terms of these Novation Provisions, acting as a Transferor, a Transferee, Remaining Party or Cancellation Party.

5.2.29 **Novation Provisions.**

“**Novation Provisions**” or “**ISDA FX Novation and Cancellation Provisions**” means the provisions set out herein.

5.2.30 **Novation Provisions Election Date.**

“**Novation Provisions Election Date**” means, as between any two Novation Parties, the date on which the later of such Novation Parties has elected to, or agreed to, apply these Novation Provisions pursuant to the provisions of Section 1.2 (*Application of the Novation Provisions*).

5.2.31 **Offsetting Transaction.**

“**Offsetting Transaction**” means a Transaction (a) having identical terms to all or a designated portion of a relevant Covered Transaction or Linked Covered Transaction, as applicable, but (b) in which each party to such Transaction has an economic position opposite to its economic position in such relevant Covered Transaction or Linked Covered Transaction, as applicable.

5.2.32 **Original Parties.**

“**Original Parties**” means (a) in respect of a Three-way Novation, the Remaining Party and the Transferor and (b) in respect of a Four-way Novation, Transferor 1 and Transferor 2.

5.2.33 **Relevant Transaction Confirmation.**

“**Relevant Transaction Confirmation**” means with respect to any Covered Transaction or Linked Covered Transaction, a copy of the Confirmation evidencing such Transaction.

5.2.34 **Remaining Party.**

“Remaining Party” means, in respect of a Three-way Novation, a party to a Covered Transaction whose consent is required in connection with, or who has consented to, a Transferor’s transfer by novation and the acceptance thereof by the Transferee of all of the Transferor’s rights, liabilities, duties, and obligations as of a certain date with respect to such Remaining Party under and in respect of a Covered Transaction.

5.2.35 **Stand-Alone Confirmation.**

“Stand-Alone Confirmation” means a confirmation in respect of a Covered Transaction not subject to a Relevant Master Agreement.

5.2.36 **Standard Novation.**

“Standard Novation” means a Classic Novation or a Collapse Novation, as applicable.

5.2.37 **Standard Novation Effectiveness Notice.**

“Standard Novation Effectiveness Notice” means a notification from the Coordinating Party confirming that the Coordinating Party has received Notices of Affirmative Consent from all the relevant parties and attaching copies of all the parties’ Notices of Affirmative Consent. For the avoidance of doubt, if the consent process is being conducted on an electronic system or platform, an automated notification generated by such system or platform may constitute a Standard Novation Effectiveness Notice and the Coordinating Party will not be required to separately deliver a Standard Novation Effectiveness Notice.

5.2.38 **Standard Transaction.**

“Standard Transaction” means, any Covered Transaction or Linked Covered Transaction that is:

- (i) a Deliverable FX Transaction;
- (ii) a Deliverable FX Option Transaction;
- (iii) a Non-Deliverable FX Option Transaction or a Non-Deliverable FX Transaction in respect of which the EM Currency Matrix or the DM Currency Matrix applies; or
- (iv) a Barrier Transaction,

and is documented using a Confirmation substantially in the form of the corresponding Exhibit to the FX Definitions without amendment, including in each case, any such Transaction as described in paragraphs ((i)) to ((iii)) above that applies Averaging. For the avoidance of doubt, any Transaction Type for which there is no provision in the Trade Annexes is not a Standard Transaction.

5.2.39 **Three-way Novation.**

“Three-way Novation” means a novation pursuant to these Novation Provisions comprising of a novation from Transferor to Transferee of Transferor’s rights, liabilities,

duties and obligations as of a certain date under and in respect of all, or a designated portion of, a Covered Transaction.

5.2.40 **Trade Annex.**

“Trade Annex” means each set of Transaction terms contemplated in Exhibit E (Covered Transaction(s) Details) to these Novation Provisions.

5.2.41 **Transferee.**

“Transferee” means a party to a New Transaction whose consent is required in connection with, or who has consented to, a Transferor’s transfer by novation to that Transferee of all of that Transferor’s rights, liabilities, duties, and obligations as of a certain date under and in respect of all or a designated portion of a Covered Transaction.

5.2.42 **Transferee 1.**

“Transferee 1” means a party to a New Transaction pursuant to a Four-way Novation identified as such in the Initial Request and to whom all of Transferor 1’s rights, liabilities, duties and obligations as of a certain date under and in respect of all, or a designated portion of, a Covered Transaction will be transferred by novation.

5.2.43 **Transferee 2.**

“Transferee 2” means a party to a New Transaction pursuant to a Four-way Novation identified as such in the Initial Request and to whom all of Transferor 2’s rights, liabilities, duties and obligations as of a certain date under and in respect of all, or a designated portion of, a Covered Transaction will be transferred by novation.

5.2.44 **Transferor.**

“Transferor” means a party to a Covered Transaction whose consent is required in connection with, or who has consented to, a transfer by novation to a Transferee of all of its rights, liabilities, duties, and obligations as of a certain date under and in respect of all or a designated portion of a Covered Transaction.

5.2.45 **Transferor 1.**

“Transferor 1” means a party to a Covered Transaction subject to a Four-way Novation identified as such in the Initial Request and which is also the Initiating Party.

5.2.46 **Transferor 2.**

“Transferor 2” means a party to a Covered Transaction pursuant to a Four-way Novation identified as such in the Initial Request and which is the counterparty to the Initiating Party under the Covered Transaction.

Summary report: Litera Compare for Word 11.10.1.2 Document comparison done on 19/10/2026 16:50:31	
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Intelligent Table Comparison: Active	
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Table moves from	0
Embedded Graphics (Visio, ChemDraw, Images etc.)	0
Embedded Excel	0
Format changes	0
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