|  |  |  |  |
| --- | --- | --- | --- |
|  | |  | |
|  | | | |
| International Swaps and Derivatives Association, Inc. | | | |
| 2017 portfolio compression agreement | | | |
| between | | | |
|  | | and | |  |
| (“**Party A**”) | |  | | (“**Party B**”) |
| dated | | | | |

The parties have entered into a number of Transactions which are subject to the Relevant Master Agreements.**[[1]](#footnote-1)**

The parties may wish from time to time to identify opportunities to reduce certain of the non-market risks associated with some or all such Transactions, by reducing the aggregate notional amount of such Transactions in accordance with the terms of this Agreement (a **Compression**). Accordingly, the parties agree as follows:

1. Interpretation
   1. *Definitions and Inconsistency*
      1. Capitalised terms not otherwise defined elsewhere in this Agreement have the meanings specified in Paragraph 9 (*Definitions*) and, otherwise, have the meanings specified in the pre-printed form of the ISDA 2002 Master Agreement, as published by the International Swaps and Derivatives Association, Inc.
      2. In the event of any inconsistency between Paragraph 10 (*Elections and variables*) and the other provisions of this Agreement, Paragraph 10 (*Elections and variables*) will prevail.
   2. *Interpretation*

In this Agreement, except to the extent that the context requires otherwise:

* + 1. References to a law, statute or statutory provision include:
       1. that law, statute or provision as from time to time modified, re-enacted or consolidated whether before or after the date of this Agreement;
       2. any past law, statute or statutory provision (as from time to time modified, re-enacted or consolidated) which that law, statute or provision has directly or indirectly replaced; and
       3. any subordinate legislation made from time to time under that law, statute or statutory provision which is in force at the date of this Agreement.
    2. References to sub-paragraphs or Paragraphs are references to such provisions of this Agreement. References to a sub-paragraph are references to the relevant sub-paragraph of the Paragraph in which it appears.
    3. Use of the singular shall include the plural and vice versa.
    4. The headings used in this Agreement are for convenience of reference only and are not to affect the construction of or to be taken into consideration in interpreting this Agreement.
    5. The words **include** and **including** are to be construed without limitation.
  1. *Agents* 
     1. An Agent may execute this Agreement on behalf of the Clients represented by such Agent that are specifically named or identified in Paragraph 10 (*Elections and variables*), provided that this Agreement shall take effect separately as between the Agent, acting as agent for and on behalf of each relevant Client, and the other party to this Agreement, as if a separate agreement in the same form were executed between each such Client and the other party.
     2. If an Agent executes this Agreement on behalf of a Client in accordance with sub-paragraph (a), the Agent shall be duly authorised, in the name and on behalf of each relevant Client, to enter into this Agreement, and to implement any Compression Proposal hereunder.[[2]](#footnote-2)

1. PORTFOLIO COMPRESSION

The parties agree that the process documented pursuant to this Agreement is intended to constitute “portfolio compression”, as such term is defined in Article 2(1)(47) of MiFIR, and that this Agreement is intended to discharge the obligation of a provider of portfolio compression to conclude an agreement with the participants to the portfolio compression under Article 17(2) of the MiFIR Delegated Regulation.

1. COMPRESSION PROCESS
   1. *Identification of Transactions*

The parties may from time to time identify a portfolio of Transactions governed by one or more Relevant Master Agreements which they wish to submit for Compression pursuant to this Agreement (an **Existing Transaction Portfolio**).

* 1. *Adjustment*

From time to time, the parties may decide to add Transactions to, or remove Transactions from, any Existing Transaction Portfolio or Adjusted Existing Transaction Portfolio.

* 1. *Risk tolerances*
     1. Each party shall determine its tolerances in respect of the change in certain risks which may result from the Compression of the Existing Transaction Portfolio and, where a party is acting as Provider, the other party shall give notice (a **Tolerance Notice**) of such tolerances to the party acting as Provider (so that, where both parties are acting as Provider, the parties shall exchange Tolerance Notices).
     2. Each Tolerance Notice shall include:
        1. a limit for the change in the market risk of the Existing Transaction Portfolio; and
        2. the maximum cash amount payable by such party as a result of a Compression of the Existing Transaction Portfolio,

(together, the **Tolerances**).

* + 1. At any time prior to providing its consent pursuant to Paragraph 3.5 (*Consent*), a party may revise any Tolerance Notice previously delivered by it by delivering a further Tolerance Notice to the relevant Provider in respect of the Existing Transaction Portfolio or any Adjusted Existing Transaction Portfolio.
  1. *Compression proposal* 
     1. From time to time:
        1. where one party is acting as Provider, following receipt of a Tolerance Notice from the other party pursuant to Paragraph 3.3(a), the Provider may deliver a compression proposal to the other party in respect of the Existing Transaction Portfolio or any Adjusted Existing Transaction Portfolio; or
        2. where both parties are acting as Providers, once the parties have exchanged Tolerance Notices pursuant to Paragraph 3.3(a), they may agree between themselves a compression proposal in respect of the Existing Transaction Portfolio or any Adjusted Existing Transaction Portfolio,

(each, a **Compression Proposal**). For the avoidance of doubt, the details of any Compression Proposal may be set out in one or more separate communications, provided that each communication is identifiable as comprising part of the same Compression Proposal and that such Compression Proposal shall only be delivered for the purposes of this Paragraph 3.4(a) upon delivery of the last of such communications.

* + 1. Each Compression Proposal must not exceed the Tolerances with respect to the relevant Existing Transaction Portfolio or Adjusted Existing Transaction Portfolio, as applicable, as at the date of such Compression Proposal.
    2. Each Compression Proposal shall include the following information:
       1. the existing Transactions which will be wholly or partially terminated pursuant to the relevant Compression (each, a **Terminated Transaction**), including the amended notional amount of such Transactions, where applicable;
       2. the terms of any new Transactions which will be entered into as a result of the relevant Compression (each, a **New Transaction**), including the Relevant Master Agreement(s) which will govern each such Transaction;
       3. the date on which (i) and (ii) take effect (the **Compression Effective Date**);
       4. the proposed change in the aggregate notional amount of the Existing Transaction Portfolio or Adjusted Existing Transaction Portfolio, as applicable, as a result of the relevant Compression (including for such purposes the aggregate notional amount of the New Transactions);
       5. a comparison of the change in notional amount notified in (iv) with the most recent Tolerances notified to the Provider in respect of the Existing Transaction Portfolio or Adjusted Existing Transaction Portfolio, as applicable;
       6. the deadline for receipt of the other party’s consent pursuant to Paragraph 3.5 (*Consent*) (the **Proposal Deadline**); and
       7. where one or both parties are acting as Agent, the full legal name of the relevant Client(s).
    3. Subject to Paragraph 3.5 (*Consent*), the relevant Provider (or, where both parties act as Providers, either party) may withdraw an outstanding Compression Proposal at any time prior to the Compression Trade Date by (i) notice to the other party or (ii) subsequently agreeing an Adjusted Existing Transaction Portfolio pursuant to Paragraph 3.2 (*Adjustment*).
  1. *Consent*
     1. The Compression Trade Date in respect of a Compression Proposal shall occur on the first date on or prior to the Proposal Deadline on which both parties have consented to the Compression Proposal. The parties agree that the Compression Trade Date shall be the point in time at which the Compression becomes legally binding for the purposes of Article 17(2) of the MiFIR Delegated Regulation.
     2. For the purposes of sub-paragraph (a), a Provider shall be deemed to have consented to a Compression Proposal on the day on which it gives notice of the Compression Proposal to the other party. Where both parties are acting as Providers, the Compression Trade Date shall occur on the date on which such Compression Proposal is agreed in writing by both parties.
     3. A Provider may withdraw its consent to a Compression Proposal at any time prior to the receipt of consent from the other party by giving notice to that party.
     4. Any party who is not acting as Provider may give its consent to a Compression Proposal by giving notice to the Provider.
     5. If both parties have not provided their consent on or prior to the Proposal Deadline, no Compression Trade Date or Compression Effective Date shall occur in respect of the relevant Compression Proposal.
  2. *Legal Effect of Compression* 
     1. Subject to Paragraph 3.5(e), with effect from (and including) the Compression Effective Date:
        1. the parties shall each be released and discharged from further obligations to each other with respect to each Terminated Transaction that is subject to termination in whole and their respective rights against each other thereunder cancelled;
        2. the terms of each Terminated Transaction that is subject to termination in part shall be amended in accordance with the relevant Compression Proposal; and
        3. the parties shall be deemed to have entered into any New Transactions on the terms specified in the Compression Proposal.
     2. Nothing in sub-paragraphs (i) and (ii) above shall affect any rights, liabilities or other obligations with respect to payments or other obligations due and payable or due to be performed on or prior to the Compression Effective Date, and all such payments and obligations shall be paid or performed in accordance with the terms of the relevant Terminated Transaction.
  3. *Balancing Payment*
     1. The parties agree to use commercially reasonable efforts to agree the amount of any balancing payment (a **Balancing Payment**) between the parties as a result of the relevant Compression on or prior to the Compression Effective Date. Any Balancing Payment determined pursuant to this Paragraph 3.7(a) shall become due and payable (by the party which it is agreed will be the payer of such Balancing Payment) on the Compression Effective Date (or such other date agreed between the parties with respect to the relevant Compression).
     2. Unless otherwise specified in Paragraph 10 (*Elections and variables*), if the parties are unable to agree the amount of a Balancing Payment pursuant to Paragraph 3.7(a), and only one party is acting as Provider with respect to the relevant Compression:
        1. the amount of such Balancing Payment shall be determined by the Provider acting in a commercially reasonable manner in order to preserve, to the extent reasonably practicable, the economic position of each party with respect to the Existing Transaction Portfolio or Adjusted Existing Transaction Portfolio, as applicable, prior to the relevant Compression;
        2. the Provider shall determine the amount of the Balancing Payment as soon as reasonably practicable after the Compression Effective Date; and
        3. such Balancing Payment shall become due and payable on the second Business Day (in the place of the payer of such Balancing Payment) after the Provider notifies the other party of the amount of the Balancing Payment.

If two parties are acting as Provider in respect of the relevant Compression and they are unable to agree the amount of a Balancing Payment pursuant to Paragraph 3.7(a), they shall resolve such dispute pursuant to the methodology specified in Paragraph 10 (*Elections and variables*) for such purposes.

* + 1. If this Paragraph 3.7(c) is specified to be applicable in Paragraph 10 (*Elections and variables*), then, if on the date on which a Balancing Payment would otherwise be payable by a party (the **Payer**) to the other party (the **Payee**), one or more amounts would be payable by the Payee to the Payer in the same currency under any Relevant Master Agreement) (the **Payee Amounts**) then, on such date, the Payer’s obligation to make payment of the Balancing Payment and the Payee’s obligation to make payment of the Payee Amounts will be automatically satisfied and discharged and replaced by (i) an obligation upon the Payer to pay the amount, if any, by which the Balancing Payment exceeds the aggregate of the Payee Amounts or (ii) an obligation upon the Payee to pay the amount, if any, by which the aggregate of the Payee Amounts exceeds the Balancing Payment, as applicable.
    2. Any Balancing Payment that is not paid when due (after the application of Paragraph 3.7(c)), will, at the option of the Payee (and without prior notice to the Payer), be reduced by its set-off against any other amounts (**Other Amounts**) payable by the Payee to the Payer (whether or not arising under this Agreement, matured or contingent and irrespective of the currency, place of payment or place of booking of the obligation). To the extent that any Other Amounts are so set off, those Other Amounts will be discharged promptly and in all respects. The Payee will give notice to the Payer of any set-off effected under this Paragraph 3.7(d).

For this purpose, either the Balancing Payment or the Other Amounts (or the relevant portion of such amounts) may be converted by the Payee into the currency in which the other is denominated at the rate of exchange at which such party would be able, in good faith and using commercially reasonable procedures, to purchase the relevant amount of such currency.

If an obligation is unascertained, the Payee may in good faith estimate that obligation and set off in respect of the estimate, subject to the relevant party accounting to the other when the obligation is ascertained.

Nothing in this Paragraph 3.7(d) will be effective to create a charge or other security interest. This Paragraph 3.7(d) will be without prejudice and in addition to any right of set-off, offset, combination of accounts, lien, right of retention or withholding or similar right or requirement to which any party is at any time otherwise entitled or subject (whether by operation of law, contract or otherwise).

1. obligation to report
   1. *Reporting*

With respect to each Compression, the Reporting Party shall make at least the following information public in accordance with Article 31(2) of MiFIR and Article 18 of the MiFIR Delegated Regulation (the **Reporting Requirements**) by submission of such information to an Approved Publication Arrangement:

* + 1. a list of derivatives submitted for inclusion in the portfolio compression;
    2. a list of the Terminated Transactions;
    3. a list of the New Transactions, if any; and
    4. the number of derivatives and their value expressed in terms of notional amount,

in each case, disaggregated per type of derivative and per currency.

* 1. *Consent to Disclosure*

Notwithstanding anything to the contrary in any non-disclosure, confidentiality or other agreement between the parties, each party hereby consents to the disclosure of the information in Paragraph 4.1 (*Reporting*) to the extent required or permitted under, or made in accordance with, the provisions of the Reporting Requirements and any applicable supporting law, rule or regulation which mandate reporting of transaction and similar information or to the extent required or permitted under, or made in accordance with, any order or directive in relation to (and including) similar requirements issued by any authority or body or agency in accordance with which the other party is required or accustomed to act.

* 1. *Agreement to provide Information*

Each party agrees, as soon as reasonably practicable and upon the reasonable demand of the Reporting Party, to provide to the Reporting Party such information as may be required to comply with the Reporting Requirements.

1. REPRESENTATIONS
   1. *Representations*

On the date of this Agreement, on each Compression Trade Date and, if different, on each date on which the amount of any Balancing Payment is agreed or determined, as applicable, pursuant to Paragraphs 3.7(a) or (b), each of the parties:

* + 1. makes to the other party those representations and warranties set forth in Section 3(a) of the pre-printed form of the ISDA 2002 Master Agreement with references in such Section to “this Agreement” or “any Credit Support Document” being deemed references to this Agreement alone; and
    2. represents that there is no pending or, to its knowledge, threatened action, suit or proceeding at law or in equity or before any court, tribunal, governmental body, agency or official or any arbitrator against it that is likely to affect the legality, validity or enforceability against it of this Agreement or its ability to perform its obligations under this Agreement.

For the avoidance of doubt, any representation deemed to be repeated under any of the Relevant Master Agreements on each date on which a Transaction (as defined in such Relevant Master Agreement) is entered into shall be so repeated on each Compression Trade Date, if a related Terminated Transaction or New Transaction is governed by such Relevant Master Agreement.

* 1. *Representations and warranties of Agent*

If a party is acting as Agent in respect of this Agreement, it represents and warrants on its own behalf to the other party on the date of this Agreement and on each subsequent date that it provides consent (or is deemed to provide its consent) pursuant to Paragraph 3.5 (*Consent*) that it has actual authority to enter into each New Transaction (if any) and to terminate each Terminated Transaction on behalf of the relevant Client and to act as agent on behalf of that Client in respect of all of that Client’s rights and obligations under this Agreement.

1. miscellaneous
   1. *Entire Agreement*

This Agreement constitutes the entire agreement and understanding of the parties with respect to its subject matter. Each of the parties acknowledges that in entering into this Agreement it has not relied on any oral or written representation, warranty or other assurance (except as provided for or referred to in this Agreement) and waives all rights and remedies which might otherwise be available to it in respect thereof, except that nothing in this Agreement will limit or exclude any liability of a party for fraud.

* 1. *Amendments*

An amendment, modification or waiver in respect of this Agreement will only be effective if in writing and executed by each of the parties or confirmed by an exchange of electronic messages on an electronic messaging system.

* 1. *Partial Invalidity*

If at any time any provision of this Agreement is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions nor the legality, validity or enforceability of such provision under the law of any other jurisdiction will, in any way, be affected or impaired.

* 1. *Counterparts*

This Agreement may be executed in any number of counterparts and this has the same effect as if the signatures on the counterparts were on a single copy of this Agreement.

* 1. *No Waiver of Rights*

A failure or delay in exercising any right, power or privilege in respect of this Agreement will not be presumed to operate as a waiver, and a single or partial exercise of any right, power or privilege will not be presumed to preclude any subsequent or further exercise, of that right, power or privilege or the exercise of any other right, power or privilege.

1. Notices
   * 1. ***Effectiveness***

Any notice or other communication in respect of this Agreement may be given in any manner described below to the address or number or in accordance with the electronic messaging system or e-mail details provided (see Paragraph 10 (*Elections and variables*)) and will be deemed effective as indicated:

* + - 1. if in writing and delivered in person or by courier, on the date it is delivered, provided that this manner of delivery shall not be permitted for the purposes of Paragraphs 3.3(a), 3.4(a) and 3.5(d);
      2. 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, provided that this manner of delivery shall not be permitted for the purposes of Paragraphs 3.3(a), 3.4(a) and 3.5(d);
      3. if sent by electronic messaging system, on the date it is received; or
      4. if sent by e-mail, on the date it is delivered,

unless the date of that delivery (or attempted delivery) or that receipt, as applicable, is not a Business Day (in the place of receipt) or that communication is delivered (or attempted) or received, as applicable, after the Close of Business on a Business Day (in the place of receipt), in which case that communication will be deemed given and effective on the first following day that is a Business Day (in the place of receipt).

* + 1. ***Change of Details***

Either party may by notice to the other change the notice details provided by it under Paragraph 10 (*Elections and variables*) at which notices or other communications are to be given to it.

1. GOVERNING LAW AND JURISDICTION
   1. *Governing Law* 
      1. This Agreement will be governed by and construed in accordance with the law specified in Paragraph 10 (*Elections and variables*).
      2. For the avoidance of doubt, each New Transaction (if any) will be governed by and construed in accordance with the law specified in its governing Relevant Master Agreement, as specified in the related Compression Proposal.
   2. *Jurisdiction*

With respect to any suit, action or proceedings relating to any dispute arising out of or in connection with this Agreement (Proceedings), each party irrevocably:

* + 1. submits:
       1. if this Agreement is expressed to be governed by English law, to (A) the non-exclusive jurisdiction of the English courts if the Proceedings do not involve a Convention Court and (B) the exclusive jurisdiction of the English courts if the Proceedings do involve a Convention Court; or
       2. if this Agreement is expressed to be governed by the laws of the State of New York, to the non-exclusive jurisdiction of the courts of the State of New York and the United States District Court located in the Borough of Manhattan in New York City;
    2. waives any objection which it may have at any time to the laying of venue of any Proceedings brought in any such court, waives any claim that such Proceedings have been brought in an inconvenient forum and further waives the right to object, with respect to such Proceedings, that such court does not have any jurisdiction over such party; and
    3. agrees, to the extent permitted by applicable law, that the bringing of Proceedings in any one or more jurisdictions will not preclude the bringing of Proceedings in any other jurisdiction.
  1. *Service of Process*

Each party irrevocably appoints the process agent, if any, specified opposite its name in Paragraph 10 (*Elections and variables*) to receive, for it and on its behalf, service of process in any Proceedings. If for any reason any party’s process agent is unable to act as such, such party will promptly deliver a notice to the other party and within 30 days appoint a substitute process agent acceptable to the other party. The parties irrevocably consent to service of process given in the manner provided for notices in Paragraph 7 (*Notices*). Nothing in this Agreement will affect the right of either party to serve process in any other matter permitted by applicable law.

* 1. *Waiver of Immunities*

Each party irrevocably waives, to the extent permitted by applicable law, with respect to itself and its revenues and assets (irrespective of their use or intended use), all immunity on the grounds of sovereignty or other similar grounds from (i) suit, (ii) jurisdiction of any court, (iii) relief by way of injunction or order for specific performance or recovery of property, (iv) attachment of its assets (whether before or after judgment) and (v) execution or enforcement of any judgment to which it or its revenues or assets might otherwise be entitled in any Proceedings in the courts of any jurisdiction and irrevocably agrees, to the extent permitted by applicable law, that it will not claim any such immunity in any Proceedings.

1. definitions

As used in this Agreement:

Adjusted Existing Transaction Portfolio means any Existing Transaction Portfolio or previously agreed Adjusted Existing Transaction Portfolio to which Transactions have been added or from which Transactions have been removed pursuant to Paragraph 3.2 (*Adjustment*).

Agent means an entity that enters into this Agreement on behalf of, and as agent for, one or more clients, investors, funds, accounts or other principals.

Approved Publication Arrangement has the meaning given to such term in Article 4(1)(52) of Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU.

Balancing Payment has the meaning given to it in Paragraph 3.7(a).

Business Day means, in respect of any place, a day on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in such place.

Client means a client, investor, fund, account or other principal on whose behalf an Agent acts.

Close of Business means, with respect to notices or other communications being delivered (or attempted) or received, as applicable, to or by either party, in respect of the place of the receiving party, the time specified in Paragraph 10 (*Elections and variables*) for such party.

Compression has the meaning given to it in the recitals to this Agreement.

Compression Effective Date has the meaning given to it in Paragraph 3.4(c).

Compression Proposal has the meaning given to it in Paragraph 3.4(a).

Compression Trade Date means, in respect of a Compression, the date determined in accordance with Paragraph 3.5(a).

Convention Court means any court which is bound to apply to the Proceedings either Article 17 of the 1968 Brussels Convention on Jurisdiction and the Enforcement of Judgements in Civil and Commercial Matters or Article 17 of the 1988 Lugano Convention on Jurisdiction and the Enforcement of Judgments in Civil and Commercial Matters.

Existing Transaction Portfolio has the meaning given to it in Paragraph 3.1 (*Identification of Transactions*).

MiFIR means Regulation (EU) No 600/2014 of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Regulation (EU) No 648/2012.

MiFIR Delegated Regulation means Commission Delegated Regulation (EU) 2017/567 of 18 May 2016 supplementing Regulation (EU) No 600/2014 of the European Parliament and of the Council with regard to definitions, transparency, portfolio compression and supervisory measures on product intervention and positions.

New Transaction has the meaning given to it in Paragraph 3.4 (*Compression proposal*).

Other Amounts has the meaning given to it in Paragraph 3.7(d).

Payee has the meaning given to it in Paragraph 3.7(c).

Payee Amounts has the meaning given to it in Paragraph 3.7(c).

Payer has the meaning given to it in Paragraph 3.7(c).

Proceedings has the meaning given to it in Paragraph 8.2 (*Jurisdiction*).

Proposal Deadline has the meaning given to it in Paragraph 3.4(c).

Provider means the party or parties specified as such in Paragraph 10 (*Elections and variables*).

Relevant Master Agreement means, unless otherwise specified in Paragraph 10 (*Elections and variables*), from time to time, each agreement in the form of the 1992 ISDA Master Agreement (Multicurrency – Cross Border) or the ISDA 2002 Master Agreement (including the Schedule thereto), as published by the International Swaps and Derivatives Association, Inc., entered into, or deemed to have been entered into, between Party A and Party B.[[3]](#footnote-3)

Reporting Party means the party specified as such in Paragraph 10 (*Elections and variables*).

Reporting Requirements has the meaning given to it in Paragraph 4.1 (*Reporting*).

Terminated Transaction has the meaning given to in Paragraph 3.4 (*Compression proposal*).

Tolerance Notice has the meaning given to it in Paragraph 3.3 (*Risk tolerances*).

Tolerances has the meaning given to it in Paragraph 3.3 (*Risk tolerances*).

Transaction means a derivative transaction entered into between Party A and Party B that is governed by a Relevant Master Agreement.

1. ELECTIONS AND VARIABLES
   1. *Party Roles*
      1. ***Provider*** means:
         1. [Party A]/[Party B]/[Party A and Party B]
         2. [either or both of the parties, as agreed by the parties in respect of each Compression]
      2. ***Reporting Party*** means:
         1. [Party A]/[Party B]
         2. [either Party A or Party B, as agreed by the parties in respect of each Compression]
   2. *Clients*
      1. [Party A is [acting on behalf of the following Clients: [*insert list of Clients*].][Party A is not acting as Agent.]
      2. [Party B is [acting on behalf of the following Clients: [*insert list of Clients*].][Party B is not acting as Agent.]
   3. *Relevant Master Agreement*

[*Insert list of 1992 ISDA Master Agreements and/or ISDA 2002 ISDA Master Agreements between Party A and Party B which are to constitute Relevant Master Agreements*][Not Applicable]

* 1. *Balancing Payment*
     1. Dispute as to amount of Balancing Payment

[*Insert alternative dispute resolution procedure*][[4]](#footnote-4)[Not Applicable][[5]](#footnote-5)

* + 1. Netting of Balancing Payment

Paragraph 3.7(c): [Applicable][Not Applicable]

* 1. *Governing Law and Related Provisions*

This Agreement[, and any non-contractual obligations arising out of or in connection with it,][[6]](#footnote-6) will be governed by and construed in accordance with [English law][the laws of the State of New York (without reference to choice of law doctrine)].

* 1. *Miscellaneous*
     1. Addresses for notices

Party A:

Address: ………………………………………………………………………………...  
Attention: ……………………………………………………………………………….  
Telephone No.: …………………………………………………………………………  
E-mail: ……………………………………………………………………………….....  
Electronic Messaging System Details: …………………………………………………  
Specific Instructions: …………………………………………………………………..

Party B:

Address: ………………………………………………………………………………...  
Attention: ……………………………………………………………………………….  
Telephone No.: …………………………………………………………………………  
E-mail: ……………………………………………………………………………….....  
Electronic Messaging System Details: …………………………………………………  
Specific Instructions: …………………………………………………………………..

* + 1. Process Agent

Party A: [Not Applicable][●]  
Party B: [Not Applicable][●]

* + 1. [Close of Business

Party A: [5pm (local time)][●]  
Party B: [5pm (local time)][●]]

IN WITNESS WHEREOF the parties have executed on the respective dates specified below.

|  |  |  |
| --- | --- | --- |
|  |  |  |
| (Name of Party)[[7]](#footnote-7) |  | (Name of Party) |
|  |  |  |
|  |  |  |
| By: |  | By: |
| Name: |  | Name: |
| Title: |  | Title: |
| Date: |  | Date: |

1. This 2017 Portfolio Compression Agreement has been prepared for use in conjunction with bilateral compression between Party A and Party B in respect of Transactions under one or more 1992 ISDA Master Agreements or ISDA 2002 Master Agreements. [↑](#footnote-ref-1)
2. Subject to Paragraph 5.2, it is expected that parties will carry out separate due diligence (to the extent not already captured pursuant to the Relevant Master Agreement(s)) to determine that any party acting as agent has authority to do so. [↑](#footnote-ref-2)
3. Users should consider whether any consents or approvals are required to agree the changes to any Transactions which may occur pursuant to this Agreement. [↑](#footnote-ref-3)
4. When determining the details of any alternative methodology, users should note that the Compression will have become legally binding on the Compression Trade Date and, depending on the length of time between the Compression Trade Date and Compression Effective Date, may have already been reported to an APA. [↑](#footnote-ref-4)
5. Users may choose not to specify an alternative dispute resolution methodology. This may be unnecessary in some circumstances, for example where the quantum of any Balancing Payment will be agreed on or prior to the Compression Trade Date. [↑](#footnote-ref-5)
6. The wording in square brackets is only relevant for the purposes of English law governed 2017 Portfolio Compression Agreements. [↑](#footnote-ref-6)
7. If you are an Agent and act on behalf of multiple Clients, you may indicate the following in the signature block:

   *“[Investment/Asset Manager], acting on behalf of the clients, investors, funds, accounts and/or other principals listed in Paragraph 10 of this Agreement.”* [↑](#footnote-ref-7)