

# ISDA<sup>®</sup>

International Swaps and Derivatives Association, Inc.

## **2009 ISDA Credit Derivatives Determinations Committees, Auction Settlement and Restructuring Supplement to the 2003 ISDA Credit Derivatives Definitions (published on July 14, 2009)<sup>1</sup>**

Any or all of the following definitions and provisions may be incorporated into a document by wording in the document indicating that, or the extent to which, the document is subject to the 2003 ISDA Credit Derivatives Definitions (as published by the International Swaps and Derivatives Association, Inc. ("ISDA")) (the "**Definitions**"), as supplemented by this 2009 ISDA Credit Derivatives Determinations Committees, Auction Settlement and Restructuring Supplement to the 2003 ISDA Credit Derivatives Definitions (this "**July 2009 Supplement**"). All definitions and provisions of this July 2009 Supplement so incorporated in a document will be applicable to such document unless otherwise provided in such document, and any term defined in this July 2009 Supplement and used in any definition or provision that is incorporated by reference in a document will have the meaning set forth in this July 2009 Supplement unless otherwise provided in such document. Any term used in a document will, when combined with the name of a party, have meaning with respect to the named party only.

If the parties have specified that this July 2009 Supplement is applicable, the following provisions shall apply for purposes of the relevant Credit Derivative Transaction.

I. Article I of the Definitions is hereby amended as follows:

1. Section 1.7 is hereby deleted in its entirety and replaced with the following:

**"Section 1.7. Termination Date.** "Termination Date" means either (a) the date as determined in accordance with Section 1.11 (Grace Period Extension Date), 3.4 (Notice of Physical Settlement), 4.6(b) (Repudiation/Moratorium Evaluation Date), 7.2 (Cash Settlement Date), 8.4 (Physical Settlement Date), 9.2(c)(ii) (Additional Representations and Agreements for Physical Settlement), 9.3 (Partial Cash Settlement Due to Impossibility or Illegality), 9.8 (Partial Cash Settlement Terms) or 12.3 (Auction Settlement Date) (as relevant) or (b) if none of such Sections is relevant, the Scheduled Termination Date."

2. Section 1.8 is hereby deleted in its entirety and replaced with the following:

**"Section 1.8. Event Determination Date.**

(a) "Event Determination Date" means, with respect to a Credit Event:

(i) subject to Section 1.8(a)(ii), if neither a DC Credit Event Announcement nor a DC No Credit Event Announcement has occurred, the first date on which both the Credit Event Notice and, if Notice of Publicly Available Information is

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<sup>1</sup> The definitions and provisions of the July 2009 Supplement may be incorporated into the relevant Confirmation (including a Confirmation in electronic form) by wording in the relevant Confirmation indicating that, or the extent to which, the definitions and provisions of the July 2009 Supplement are incorporated by reference therein.

specified as a Condition to Settlement, the Notice of Publicly Available Information are delivered by a Notifying Party to the other party and are effective during either:

- (A) the Notice Delivery Period; or
  - (B) the period (I) from, and including, the date on which ISDA publicly announces that the relevant Credit Derivatives Determinations Committee has Resolved not to determine the matters described in Sections 1.24(a) and (b) (II) to, and including, the date that is fourteen calendar days thereafter (provided that the relevant Credit Event Resolution Request Date occurred on or prior to the end of the last day of the Notice Delivery Period (including prior to the Trade Date)); or
- (ii) notwithstanding Section 1.8(a)(i), if a DC Credit Event Announcement has occurred, either:
- (A) the Credit Event Resolution Request Date, if either:
    - (I) (1) "Buyer or Seller" is specified in the related Confirmation as Notifying Parties or neither party is specified in the related Confirmation as the Notifying Party;
    - (2) the relevant Credit Event is not a Restructuring; and
    - (3) either:
      - (y) if "Auction Settlement" is specified as the Settlement Method in the related Confirmation, the Trade Date occurs on or prior to the Auction Final Price Determination Date, the Auction Cancellation Date, or the date that is 21 calendar days following the No Auction Announcement Date, if any, as applicable; or
      - (z) if "Auction Settlement" is not specified as the Settlement Method in the related Confirmation, the Trade Date occurs on or prior to the relevant DC Credit Event Announcement; or
  - (II) (1) either:
    - (y) "Buyer" or "Seller" is specified in the related Confirmation as the only Notifying Party and "Auction Settlement" is specified as the Settlement Method in the related Confirmation; or

- (z) the relevant Credit Event is a Restructuring; and
  - (2) the Credit Event Notice is delivered by a Notifying Party to the other party and is effective on or prior to the Exercise Cut-off Date; or
- (B) the first date on which the Credit Event Notice is delivered by a Notifying Party to the other party and is effective during (I) the Notice Delivery Period or (II) the period from, and including, the date on which ISDA publicly announces the occurrence of the relevant DC Credit Event Announcement to, and including, the date that is fourteen calendar days thereafter (provided that the relevant Credit Event Resolution Request Date occurred on or prior to the end of the last day of the Notice Delivery Period (including prior to the Trade Date)), if either:
  - (I)
    - (1) "Buyer or Seller" is specified in the related Confirmation as Notifying Parties or neither party is specified in the related Confirmation as the Notifying Party;
    - (2) the relevant Credit Event is not a Restructuring;
    - (3) "Auction Settlement" is not specified as the Settlement Method in the related Confirmation; and
    - (4) the Trade Date occurs following the relevant DC Credit Event Announcement; or
  - (II)
    - (1) "Buyer" or "Seller" is specified in the related Confirmation as the only Notifying Party; and
    - (2) either:
      - (y) "Auction Settlement" is not specified as the Settlement Method in the related Confirmation; or
      - (z) if "Auction Settlement" is specified as the Settlement Method in the related Confirmation, the Credit Event Notice is delivered by a Notifying Party to the other party and is effective on a date that is later than the relevant Exercise Cut-off Date,

provided that, in the case of Section 1.8(a)(ii):

- (X) no Physical Settlement Date, if applicable, or Termination Date has occurred on or prior to the date on which the DC Credit Event Announcement occurs;
  - (Y) if any Valuation Date or Delivery Date, as applicable, has occurred as of the date on which the DC Credit Event Announcement occurs, an Event Determination Date shall be deemed to have occurred only with respect to the portion of the Floating Rate Payer Calculation Amount, if any, with respect to which no Valuation Date or Delivery Date, as applicable, has occurred; and
  - (Z) no Credit Event Notice specifying a Restructuring as the only Credit Event has previously been delivered by a Notifying Party to the other party, (aa) unless the Restructuring specified in such Credit Event Notice is also the subject of the notice to ISDA resulting in the occurrence of the Credit Event Resolution Request Date or (bb) unless, and to the extent that, the Exercise Amount specified in any such Credit Event Notice was less than the then outstanding Floating Rate Payer Calculation Amount.
- (b) If, pursuant to Section 1.8(a), different Event Determination Dates have been determined with respect to different portions of the outstanding Floating Rate Payer Calculation Amount, the rights and obligations of the parties shall, with effect from each such Event Determination Date, be construed as if the parties had entered into a separate Credit Derivative Transaction with respect to each such portion.
- (c) Subject to Section 9.1(c)(iii)(B)(III), no Event Determination Date will occur, and any Event Determination Date previously determined with respect to an event shall be deemed not to have occurred, if, or to the extent that, prior to the Auction Final Price Determination Date, a Valuation Date, the Physical Settlement Date (or, if earlier, a Delivery Date), or the Termination Date, as applicable, a DC No Credit Event Announcement Date occurs with respect to the relevant Reference Entity or Obligation thereof.
- (d) If, in accordance with the provisions above, (i) following the determination of an Event Determination Date, such Event Determination Date is deemed (A) to have occurred on a date that is different from the date that was originally determined to be the Event Determination Date or (B) not to have occurred or (ii) an Event Determination Date is deemed to have occurred prior to a preceding Fixed Rate Payer Payment Date, the Calculation Agent will determine (I) the adjustment payment, if any, that is payable to reflect any change that may be necessary to the amounts previously calculated and/or paid under Article V or the related Confirmation, (II) the date on which such adjustment payment is payable, if any, and (III) the party to the relevant Credit Derivative Transaction that is obliged to make such adjustment payment, if any. For the avoidance of doubt, no accruals of interest shall be taken into account when calculating any such adjustment payment."

3. Section 1.9 is hereby deleted in its entirety and replaced with the following:

**"Section 1.9. Notice Delivery Period.** "Notice Delivery Period" means the period from and including the Trade Date to and including the date that is fourteen calendar days after the Extension Date."

4. Section 1.11 is hereby deleted in its entirety and replaced with the following:

**"Section 1.11. Grace Period Extension Date.** "Grace Period Extension Date" means, if (a) Grace Period Extension is specified as applicable in the related Confirmation and (b) a Potential Failure to Pay occurs on or prior to the Scheduled Termination Date (determined by reference to Greenwich Mean Time (or, if the Transaction Type of the relevant Reference Entity is Japan Corporate or Japan Sovereign (as such terms are defined in the 2005 Matrix Supplement to the 2003 ISDA Credit Derivatives Definitions as published by ISDA on March 7, 2005 (the "2005 Matrix Supplement")), Tokyo time)), the date that is the number of days in the Grace Period after the date of such Potential Failure to Pay. If Grace Period Extension is not specified as applicable in the related Confirmation, Grace Period Extension shall not apply to the relevant Credit Derivative Transaction. If (i) Grace Period Extension is specified as applicable in the related Confirmation, (ii) a Potential Failure to Pay occurs on or prior to the Scheduled Termination Date (determined by reference to Greenwich Mean Time (or, if the Transaction Type of the relevant Reference Entity is Japan Corporate or Japan Sovereign (as such terms are defined in the 2005 Matrix Supplement), Tokyo time)) and (iii) an Event Determination Date in respect of that Failure to Pay does not occur on or prior to the last day of the Notice Delivery Period (including prior to the Trade Date), the later of the Scheduled Termination Date and the Grace Period Extension Date will be the Termination Date (even if a Failure to Pay occurs after the Scheduled Termination Date)."

5. Section 1.12(a) is hereby deleted in its entirety and replaced with the following:

"(a) "Grace Period" means:

- (i) subject to clauses (ii) and (iii), the applicable grace period with respect to payments under the relevant Obligation under the terms of such Obligation in effect as of the date as of which such Obligation is issued or incurred;
- (ii) if Grace Period Extension is specified in the related Confirmation as applicable, a Potential Failure to Pay has occurred on or prior to the Scheduled Termination Date (determined by reference to Greenwich Mean Time (or, if the Transaction Type of the relevant Reference Entity is Japan Corporate or Japan Sovereign (as such terms are defined in the 2005 Matrix Supplement), Tokyo time)) and the applicable grace period cannot, by its terms, expire on or prior to the Scheduled Termination Date (determined by reference to Greenwich Mean Time (or, if the Transaction Type of the relevant Reference Entity is Japan Corporate or Japan Sovereign (as such terms are defined in the 2005 Matrix Supplement), Tokyo time)), the Grace Period shall be deemed to be the lesser of such grace period and the period specified as such in the related Confirmation or, if no period is specified, thirty calendar days; and
- (iii) if, as of the date as of which an Obligation is issued or incurred, no grace period with respect to payments or a grace period with respect to payments of less than three Grace Period Business Days is applicable under the terms of such Obligation, a Grace Period of three Grace Period Business Days shall be deemed to apply to such Obligation; provided that, unless Grace Period

Extension is specified as applicable in the related Confirmation, such deemed Grace Period shall expire no later than the Scheduled Termination Date."

6. Section 1.21 is hereby deleted in its entirety and replaced with the following:

**"Section 1.21. TARGET Settlement Day.** "TARGET Settlement Day" means any day on which TARGET2 (the Trans-European Automated Real-time Gross settlement Express Transfer system) is open."

7. Article I is hereby amended by adding a new Section 1.22 as follows:

**"Section 1.22. Credit Derivatives Determinations Committees.** "Credit Derivatives Determinations Committees" means the committees established by ISDA for purposes of reaching certain DC Resolutions in connection with Credit Derivative Transactions, as more fully described in the Credit Derivatives Determinations Committees Rules, as published by ISDA on its website at [www.isda.org](http://www.isda.org) (or any successor website thereto) from time to time and as amended from time to time in accordance with the terms thereof (the "Rules")."

8. Article I is hereby amended by adding a new Section 1.23 as follows:

**"Section 1.23. Credit Event Backstop Date.** "Credit Event Backstop Date" means (a) for purposes of any event that constitutes a Credit Event (or with respect to Repudiation/Moratorium, the event described in Section 4.6(a)(ii)) for purposes of the relevant Credit Derivative Transaction, as determined by DC Resolution, the date that is 60 calendar days prior to the Credit Event Resolution Request Date or (b) otherwise, the date that is 60 calendar days prior to the earlier of (i) the first date on which both the Credit Event Notice and, if Notice of Publicly Available Information is specified as a Condition to Settlement, the Notice of Publicly Available Information are delivered by a Notifying Party to the other party and are effective during the Notice Delivery Period and (ii) in circumstances where (A) the conditions to convening a Credit Derivatives Determinations Committee to Resolve the matters described in Sections 1.24(a) and (b) are satisfied in accordance with the Rules, (B) the relevant Credit Derivatives Determinations Committee has Resolved not to determine such matters and (C) the Credit Event Notice and, if Notice of Publicly Available Information is specified as a Condition to Settlement, the Notice of Publicly Available Information are delivered by a Notifying Party to the other party and are effective not more than fourteen calendar days after the day on which ISDA publicly announces that the relevant Credit Derivatives Determinations Committee has Resolved not to determine such matters, the Credit Event Resolution Request Date. The Credit Event Backstop Date shall not be subject to adjustment in accordance with any Business Day Convention."

9. Article I is hereby amended by adding a new Section 1.24 as follows:

**"Section 1.24. Credit Event Resolution Request Date.** "Credit Event Resolution Request Date" means, with respect to a notice to ISDA, delivered in accordance with the Rules, requesting that a Credit Derivatives Determinations Committee be convened to Resolve:

- (a) whether an event that constitutes a Credit Event for purposes of the relevant Credit Derivative Transaction has occurred with respect to the relevant Reference Entity or Obligation thereof; and

- (b) if the relevant Credit Derivatives Determinations Committee Resolves that such event has occurred, the date of the occurrence of such event,

the date, as publicly announced by ISDA, that the relevant Credit Derivatives Determinations Committee Resolves to be the first date on which such notice was effective and on which the relevant Credit Derivatives Determinations Committee was in possession, in accordance with the Rules, of Publicly Available Information with respect to the DC Resolutions referred to in Sections 1.24(a) and (b) above."

- 10. Article I is hereby amended by adding a new Section 1.25 as follows:

**"Section 1.25. Extension Date.** "Extension Date" means the latest of (a) the Scheduled Termination Date, (b) the Grace Period Extension Date if (i) Grace Period Extension is specified as applicable in the related Confirmation, (ii) the Credit Event that is the subject of the Credit Event Notice or the notice to ISDA resulting in the occurrence of the Credit Event Resolution Request Date, as applicable, is a Failure to Pay that occurs after the Scheduled Termination Date (determined by reference to Greenwich Mean Time (or, if the Transaction Type of the relevant Reference Entity is Japan Corporate or Japan Sovereign (as such terms are defined in the 2005 Matrix Supplement), Tokyo time)) and (iii) the Potential Failure to Pay with respect to such Failure to Pay occurs on or prior to the Scheduled Termination Date (determined by reference to Greenwich Mean Time (or, if the Transaction Type of the relevant Reference Entity is Japan Corporate or Japan Sovereign (as such terms are defined in the 2005 Matrix Supplement), Tokyo time)) and (c) the Repudiation/Moratorium Evaluation Date if (i) the Credit Event that is the subject of the Credit Event Notice or the notice to ISDA resulting in the occurrence of the Credit Event Resolution Request Date, as applicable, is a Repudiation/Moratorium for which the event described in Section 4.6(a)(ii) occurs after the Scheduled Termination Date (determined by reference to Greenwich Mean Time (or, if the Transaction Type of the relevant Reference Entity is Japan Corporate or Japan Sovereign (as such terms are defined in the 2005 Matrix Supplement), Tokyo time)), (ii) the Potential Repudiation/Moratorium with respect to such Repudiation/Moratorium occurs on or prior to the Scheduled Termination Date (determined by reference to Greenwich Mean Time (or, if the Transaction Type of the relevant Reference Entity is Japan Corporate or Japan Sovereign (as such terms are defined in the 2005 Matrix Supplement), Tokyo time)) and (iii) the Repudiation/Moratorium Extension Condition is satisfied."

- 11. Article I is hereby amended by adding a new Section 1.26 as follows:

**"Section 1.26. Exercise Cut-off Date.** "Exercise Cut-off Date" means, with respect to a Credit Event:

- (a) if such Credit Event is not a Restructuring (or if such Credit Event is a Restructuring, such Restructuring has occurred with respect to a Credit Derivative Transaction for which neither "Restructuring Maturity Limitation and Fully Transferable Obligation Applicable" nor "Modified Restructuring Maturity Limitation and Conditionally Transferable Obligation Applicable" is specified in the related Confirmation), either:
  - (i) the Relevant City Business Day prior to the Auction Final Price Determination Date, if any;

(ii) the Relevant City Business Day prior to the Auction Cancellation Date, if any;  
or

(iii) the date that is 21 calendar days following the No Auction Announcement Date,  
if any,

as applicable; or

(b) if such Credit Event is a Restructuring for purposes of a Credit Derivative Transaction for which either "Restructuring Maturity Limitation and Fully Transferable Obligation Applicable" or "Modified Restructuring Maturity Limitation and Conditionally Transferable Obligation Applicable" is specified in the related Confirmation and:

(i) the relevant Credit Derivatives Determinations Committee has Resolved that Transaction Auction Settlement Terms and/or Parallel Auction Settlement Terms may be published, the date that is (A) two Relevant City Business Days, if the Credit Event Notice is delivered by Seller or (B) five Relevant City Business Days, if the Credit Event Notice is delivered by Buyer, in each case following the date on which ISDA publishes the Final List applicable to such Credit Derivatives Auction Settlement Terms in accordance with the Rules, provided that if Seller delivers a Credit Event Notice on or prior to the Exercise Cut-off Date applicable to Seller and Buyer delivers a Credit Event Notice on or prior to the Exercise Cut-off Date applicable to Buyer, the Credit Event Notice delivered by Seller on or prior to the Exercise Cut-off Date applicable to Seller shall prevail; or

(ii) a No Auction Announcement Date occurs pursuant to Section 12.12(a), the date that is 21 calendar days following such No Auction Announcement Date.

12. Article I is hereby amended by adding a new Section 1.27 as follows:

**"Section 1.27. DC Party.** "DC Party" has the meaning given to that term in the Rules."

13. Article I is hereby amended by adding a new Section 1.28 as follows:

**"Section 1.28. Resolve.** "Resolve" has the meaning given to that term in the Rules, and "Resolved" and "Resolves" shall be interpreted accordingly."

14. Article I is hereby amended by adding a new Section 1.29 as follows:

**"Section 1.29. DC Resolution.** "DC Resolution" has the meaning given to that term in the Rules."

15. Article I is hereby amended by adding a new Section 1.30 as follows:

**"Section 1.30. DC Credit Event Announcement.** "DC Credit Event Announcement" means, with respect to a Reference Entity, a public announcement by ISDA that the relevant Credit Derivatives Determinations Committee has Resolved that (a) an event that constitutes a Credit



Event for purposes of the relevant Credit Derivative Transaction has occurred with respect to such Reference Entity (or an Obligation thereof) and (b) such event occurred on or after the Credit Event Backstop Date (determined by reference to Greenwich Mean Time (or, if the Transaction Type of the relevant Reference Entity is Japan Corporate or Japan Sovereign (as such terms are defined in the 2005 Matrix Supplement), Tokyo time)) and on or prior to the Extension Date (determined by reference to Greenwich Mean Time (or, if the Transaction Type of the relevant Reference Entity is Japan Corporate or Japan Sovereign (as such terms are defined in the 2005 Matrix Supplement), Tokyo time)). A DC Credit Event Announcement will be deemed not to have occurred with respect to a Credit Derivative Transaction unless (i) the Credit Event Resolution Request Date with respect to such Credit Event occurred on or prior to the end of the last day of the Notice Delivery Period (including prior to the Trade Date) and (ii) the Trade Date occurs on or prior to the Auction Final Price Determination Date, the Auction Cancellation Date, or the date that is 21 calendar days following the No Auction Announcement Date, if any, as applicable."

16. Article I is hereby amended by adding a new Section 1.31 as follows:

**"Section 1.31. DC No Credit Event Announcement.** "DC No Credit Event Announcement" means, with respect to a Reference Entity, a public announcement by ISDA that the relevant Credit Derivatives Determinations Committee has Resolved, following a Credit Event Resolution Request Date, that the event that is the subject of the notice to ISDA resulting in the occurrence of such Credit Event Resolution Request Date does not constitute a Credit Event for purposes of the relevant Credit Derivative Transaction with respect to such Reference Entity (or an Obligation thereof)."

17. Article I is hereby amended by adding a new Section 1.32 as follows:

**"Section 1.32. Relevant City Business Day.** "Relevant City Business Day" has the meaning given to that term in the Rules."

18. Article I is hereby amended by adding a new Section 1.33 as follows:

**"Section 1.33. Final List.** "Final List" has the meaning given to that term in the Rules."

- II. Article II of the Definitions is hereby amended as follows:

1. Section 2.1 is hereby deleted in its entirety and replaced with the following:

**"Section 2.1. Reference Entity.** "Reference Entity" means the entity or entities specified as such in the related Confirmation. Any Successor to a Reference Entity either (a) identified by the Calculation Agent pursuant to Section 2.2 on or following the Trade Date or (b) in respect of which ISDA publicly announces on or following the Trade Date that the relevant Credit Derivatives Determinations Committee has Resolved, in respect of a Succession Event Resolution Request Date, a Successor in accordance with the Rules shall, in each case, be the Reference Entity for the relevant Credit Derivative Transaction or a New Credit Derivative Transaction as determined pursuant to such Section 2.2."

2. The last paragraph of Section 2.2(a) is hereby deleted in its entirety and replaced with the following:

"The Calculation Agent will be responsible for determining, as soon as reasonably practicable after it becomes aware of the relevant Succession Event (but no earlier than fourteen calendar days after the legally effective date of the relevant Succession Event), and with effect from the legally effective date of the Succession Event, whether the relevant thresholds set forth above have been met, or which entity qualifies under Section 2.2(a)(vi), as applicable; provided that the Calculation Agent will not make such determination if, at such time, either (A) ISDA has publicly announced that the conditions to convening a Credit Derivatives Determinations Committee to Resolve the matters described in Sections 2.2(a), (j)(i) and (j)(ii)(A) are satisfied in accordance with the Rules (until such time, if any, as ISDA subsequently publicly announces that the relevant Credit Derivatives Determinations Committee has Resolved not to determine a Successor) or (B) ISDA has publicly announced that the relevant Credit Derivatives Determinations Committee has Resolved that no event that constitutes a Succession Event for purposes of the relevant Credit Derivative Transaction has occurred. In calculating the percentages used to determine whether the relevant thresholds set forth above have been met, or which entity qualifies under Section 2.2(a)(vi), as applicable, the Calculation Agent shall use, with respect to each applicable Relevant Obligation included in such calculation, the amount of the liability with respect to such Relevant Obligation listed in the Best Available Information and shall notify the parties of such calculation."

3. Section 2.2(b) is hereby deleted in its entirety and replaced with the following:

"(b) "Succession Event" means (i) with respect to a Reference Entity that is not a Sovereign, an event such as a merger, consolidation, amalgamation, transfer of assets or liabilities, demerger, spin-off or other similar event in which one entity succeeds to the obligations of another entity, whether by operation of law or pursuant to any agreement or (ii) with respect to a Reference Entity that is a Sovereign, an event such as an annexation, unification, secession, partition, dissolution, consolidation, reconstitution or other event that results in any direct or indirect successor(s) to such Reference Entity. Notwithstanding the foregoing, "Succession Event" shall not include an event (A) in which the holders of obligations of the Reference Entity exchange such obligations for the obligations of another entity, unless such exchange occurs in connection with a merger, consolidation, amalgamation, transfer of assets or liabilities, demerger, spin-off or other similar event or (B) with respect to which the legally effective date (or, in the case of a Reference Entity that is a Sovereign, the date of occurrence) has occurred prior to the Succession Event Backstop Date (determined by reference to Greenwich Mean Time (or, if the Transaction Type of the relevant Reference Entity is Japan Corporate or Japan Sovereign (as such terms are defined in the 2005 Matrix Supplement), Tokyo time))."

4. Section 2.2(h) is hereby deleted in its entirety and replaced with the following:

"(h) With respect to a Sovereign Reference Entity, "Successor" means each entity which becomes a direct or indirect successor to such Reference Entity by way of Succession Event, irrespective of whether any such successor assumes any of the obligations of such Reference Entity.

The Calculation Agent will be responsible for determining, as soon as reasonably practicable after it becomes aware of the relevant Succession Event (but no earlier than fourteen calendar days after the date of the occurrence of the relevant Succession

Event), and with effect from the date of the occurrence of the Succession Event, each Sovereign and/or entity, if any, that qualifies under this Section 2.2(h); provided that the Calculation Agent will not make such determination if, at such time, either (A) ISDA has publicly announced that the conditions to convening a Credit Derivatives Determinations Committee to Resolve the matters described in Sections 2.2(h), (j)(i) and (j)(ii)(B) are satisfied in accordance with the Rules (until such time, if any, as ISDA subsequently publicly announces that the relevant Credit Derivatives Determinations Committee has Resolved not to determine a Successor) or (B) ISDA has publicly announced that the relevant Credit Derivatives Determinations Committee has Resolved that no event that constitutes a Succession Event for purposes of the relevant Credit Derivative Transaction has occurred."

5. Article II is hereby amended by adding a new Section 2.2(i) as follows:

"(i) "Succession Event Backstop Date" means (A) for purposes of any event that constitutes a Succession Event for purposes of the relevant Credit Derivative Transaction, as determined by DC Resolution, the date that is 90 calendar days prior to the Succession Event Resolution Request Date (determined by reference to Greenwich Mean Time (or, if the Transaction Type of the relevant Reference Entity is Japan Corporate or Japan Sovereign (as such terms are defined in the 2005 Matrix Supplement), Tokyo time)) or (B) otherwise, the date that is 90 calendar days prior to the earlier of (I) the date on which the Succession Event Notice is effective and (II) in circumstances where (1) the conditions to convening a Credit Derivatives Determinations Committee to Resolve the matters described in Sections 2.2(j)(i) and (j)(ii) are satisfied in accordance with the Rules, (2) the relevant Credit Derivatives Determinations Committee has Resolved not to determine such matters and (3) the Succession Event Notice is delivered by one party to the other party not more than fourteen calendar days after the day on which ISDA publicly announces that the relevant Credit Derivatives Determinations Committee has Resolved not to determine such matters, the Succession Event Resolution Request Date. The Succession Event Backstop Date shall not be subject to adjustment in accordance with any Business Day Convention unless the parties specify in a Confirmation that the Succession Event Backstop Date will be adjusted in accordance with a specified Business Day Convention."

6. Article II is hereby amended by adding a new Section 2.2(j) as follows:

"(j) "Succession Event Resolution Request Date" means, with respect to a notice to ISDA, delivered in accordance with the Rules, requesting that a Credit Derivatives Determinations Committee be convened to Resolve:

- (i) whether an event that constitutes a Succession Event for purposes of the relevant Credit Derivative Transaction has occurred with respect to the relevant Reference Entity; and
- (ii) if the relevant Credit Derivatives Determinations Committee Resolves that such event has occurred, (A) with respect to a Reference Entity that is not a Sovereign, the legally effective date of such event or (B) with respect to a Reference Entity that is a Sovereign, the date of the occurrence of such event,

the date, as publicly announced by ISDA, that the relevant Credit Derivatives Determinations Committee Resolves to be the date on which such notice is effective."

7. Article II is hereby amended by adding a new Section 2.2(k) as follows:

"(k) "Succession Event Notice" means an irrevocable notice from a party to a Credit Derivative Transaction (which may be in writing (including by facsimile and/or email) and/or by telephone) to the other party and the Calculation Agent that describes a Succession Event that occurred on or after the Succession Event Backstop Date (determined by reference to Greenwich Mean Time (or, if the Transaction Type of the relevant Reference Entity is Japan Corporate or Japan Sovereign (as such terms are defined in the 2005 Matrix Supplement), Tokyo time)).

A Succession Event Notice must contain a description in reasonable detail of the facts relevant to the determination, pursuant to Section 2.2(a) or (h), as applicable, of (i) whether a Succession Event has occurred and (ii) if relevant, the identity of any Successor(s). A Succession Event Notice shall be subject to the requirements regarding notices set forth in Section 1.10."

8. Section 2.11(b) is hereby deleted in its entirety and replaced with the following:

"(b) The Business Day Convention applicable to a date that is specified in a Confirmation to be subject to adjustment in accordance with an applicable Business Day Convention shall be the Business Day Convention specified for that date in that Confirmation or, if a Business Day Convention is not so specified for that date but a Business Day Convention is specified in a Confirmation for a Credit Derivative Transaction, the Business Day Convention shall be, subject to Sections 1.4, 1.6, 1.23, 2.2(i) and 2.34(b), the Business Day Convention specified in the Confirmation for that Credit Derivative Transaction and, if a Business Day Convention is not specified for that date or in the Confirmation, the "Following" Business Day Convention, subject to Sections 1.4, 1.6, 1.23 and 2.2(i), shall apply to that date."

9. Section 2.11(c) is hereby deleted in its entirety and replaced with the following:

"(c) In the event that the last day of any period calculated by reference to calendar days in Section 1.9, 1.12(a)(ii), 1.26, 2.2(a), 2.2(g), 3.2(c), 3.4, 4.2(d)(ii), 4.2(g) or 9.7 or in any other Section of the Definitions falls on a day that is not a Business Day, such last day shall be subject to adjustment in accordance with the applicable Business Day Convention; provided that if the last day of any period is the Credit Event Backstop Date or the Succession Event Backstop Date, such last day shall not be subject to any adjustment in accordance with any Business Day Convention."

10. The first paragraph of Section 2.19 is hereby deleted in its entirety and replaced with the following:

"For purposes of Section 2.14(a), the term "Obligation" may be defined as each obligation of each Reference Entity described by the Obligation Category specified in the related Confirmation and having each of the Obligation Characteristics, if any, specified in the related Confirmation, in each case, as of the date of the event which constitutes the Credit Event which is the subject of either the Credit Event Notice or the notice to ISDA resulting in the occurrence

of the Credit Event Resolution Request Date, as applicable. The following terms shall have the following meanings:"

11. Section 2.19(b)(i)(A) is hereby deleted in its entirety and replaced with the following:

"(i) (A) "Not Subordinated" means an obligation that is not Subordinated to (I) the most senior Reference Obligation in priority of payment or (II) if no Reference Obligation is specified in the related Confirmation, any unsubordinated Borrowed Money obligation of the Reference Entity; provided that, if any of the events set forth under Section 2.30(a) has occurred with respect to all of the Reference Obligations or if Section 2.2(d) is applicable with respect to the Reference Obligation (each, in each case, a "Prior Reference Obligation") and no Substitute Reference Obligation has been identified for any of the Prior Reference Obligations at the time of the determination of whether an obligation satisfies the "Not Subordinated" Obligation Characteristic or Deliverable Obligation Characteristic, as applicable, "Not Subordinated" shall mean an obligation that would not have been Subordinated to the most senior such Prior Reference Obligation in priority of payment. For purposes of determining whether an obligation satisfies the "Not Subordinated" Obligation Characteristic or Deliverable Obligation Characteristic, the ranking in priority of payment of each Reference Obligation or each Prior Reference Obligation, as applicable, shall be determined as of the date as of which the relevant Reference Obligation or Prior Reference Obligation, as applicable, was issued or incurred, and shall not reflect any change to such ranking in priority of payment after such date."

12. Section 2.30(b) is hereby deleted in its entirety and replaced with the following:

"(b) Any Substitute Reference Obligation or Substitute Reference Obligations shall be an Obligation that (i) ranks *pari passu* in priority of payment with the ranking in priority of payment of each of the Substitute Reference Obligation and such Reference Obligation (with the ranking in priority of payment of such Reference Obligation being determined as of the date as of which such Reference Obligation was issued or incurred and not reflecting any change to such ranking in priority of payment after such date), (ii) preserves the economic equivalent, as closely as practicable as determined by the Calculation Agent in consultation with the parties, of the delivery and payment obligations of the parties to the Credit Derivative Transaction and (iii) is an obligation of the relevant Reference Entity (either directly or as provider of a Qualifying Affiliate Guarantee or, if All Guarantees is specified as applicable in the related Confirmation, as provider of a Qualifying Guarantee). The Substitute Reference Obligation or Substitute Reference Obligations identified by the Calculation Agent shall, without further action, replace such Reference Obligation or Reference Obligations."

13. Section 2.30(e) is hereby deleted in its entirety and replaced with the following:

"(e) If (i) more than one specific Reference Obligation is identified as a Reference Obligation in relation to a Credit Derivative Transaction, any of the events set forth in Section 2.30(a) has occurred with respect to all of the Reference Obligations and the Calculation Agent determines (after consultation with the parties) that no Substitute Reference Obligation is available for any of the Reference Obligations, or (ii) only one specific Reference Obligation is identified as a Reference Obligation in relation to a

Credit Derivative Transaction, any of the events set forth in Section 2.30(a) has occurred with respect to such Reference Obligation and the Calculation Agent determines (after consultation with the parties) that no Substitute Reference Obligation is available for that Reference Obligation, then the Calculation Agent shall continue to attempt to identify a Substitute Reference Obligation until the Extension Date. If (A) either (I) "Cash Settlement" is specified as the Settlement Method in the related Confirmation (or is applicable pursuant to the Fallback Settlement Method in accordance with Section 12.1) and the Cash Settlement Amount is determined by reference to a Reference Obligation or (II) either "Auction Settlement" or "Physical Settlement" is specified as the Settlement Method in the related Confirmation (or, in the case of Physical Settlement, is applicable pursuant to the Fallback Settlement Method in accordance with Section 12.1) and, in each case, the Reference Obligation is the only Deliverable Obligation and (B) on or prior to the Extension Date (determined by reference to Greenwich Mean Time (or, if the Transaction Type of the relevant Reference Entity is Japan Corporate or Japan Sovereign (as such terms are defined in the 2005 Matrix Supplement), Tokyo time)), a Substitute Reference Obligation has not been identified, the parties' obligations to each other under such Credit Derivative Transaction shall cease as of the end of the day on the Extension Date (determined by reference to Greenwich Mean Time (or, if the Transaction Type of the relevant Reference Entity is Japan Corporate or Japan Sovereign (as such terms are defined in the 2005 Matrix Supplement), Tokyo time))."

14. Section 2.32 is hereby deleted in its entirety and replaced with the following:

**"Section 2.32. Restructuring Maturity Limitation and Fully Transferable Obligation.**

- (a) If "Physical Settlement" and "Restructuring Maturity Limitation and Fully Transferable Obligation Applicable" are specified in a Confirmation (or if Physical Settlement is applicable as the Fallback Settlement Method in accordance with Section 12.1 and "Restructuring Maturity Limitation and Fully Transferable Obligation Applicable" is specified in a Confirmation) and Restructuring is the only Credit Event specified in a Credit Event Notice delivered by Buyer, then a Deliverable Obligation may be specified (or deemed specified pursuant to Section 9.10) in the Notice of Physical Settlement or specified in any NOPS Amendment Notice, as applicable, only if such Deliverable Obligation (i) is a Fully Transferable Obligation and (ii) has a final maturity date not later than the applicable Restructuring Maturity Limitation Date;
- (b) "Fully Transferable Obligation" means a Deliverable Obligation that is either Transferable, in the case of Bonds, or capable of being assigned or novated to all Eligible Transferees without the consent of any person being required, in the case of any Deliverable Obligation other than Bonds. Any requirement that notification of novation, assignment or transfer of a Deliverable Obligation be provided to a trustee, fiscal agent, administrative agent, clearing agent or paying agent for a Deliverable Obligation shall not be considered to be a requirement for consent for purposes of this Section 2.32(b).

For purposes of determining whether a Deliverable Obligation satisfies the requirements of the definition of Fully Transferable Obligation, such determination shall be made as of the Delivery Date for the Deliverable Obligation, taking into account only the terms

of the Deliverable Obligation and any related transfer or consent documents which have been obtained by Buyer.

- (c) "Restructuring Maturity Limitation Date" means, with respect to a Deliverable Obligation, the Limitation Date occurring on or immediately following the Scheduled Termination Date, provided that, in circumstances where the Scheduled Termination Date is later than the 2.5-year Limitation Date, at least one Enabling Obligation exists. Notwithstanding the foregoing, if the final maturity date of the Restructured Bond or Loan with the latest final maturity date of any Restructured Bond or Loan occurs prior to the 2.5-year Limitation Date (such Restructured Bond or Loan, a "Latest Maturity Restructured Bond or Loan") and the Scheduled Termination Date occurs prior to the final maturity date of such Latest Maturity Restructured Bond or Loan, then the Restructuring Maturity Limitation Date will be the final maturity date of such Latest Maturity Restructured Bond or Loan.

In the event that the Scheduled Termination Date is later than (i)(A) the final maturity date of the Latest Maturity Restructured Bond or Loan, if any, or (B) the 2.5-year Limitation Date, and, in either case, no Enabling Obligation exists or (ii) the 20-year Limitation Date, the Restructuring Maturity Limitation Date will be the Scheduled Termination Date.

- (d) "Eligible Transferee" means:
- (i) any
    - (A) bank or other financial institution;
    - (B) insurance or reinsurance company;
    - (C) mutual fund, unit trust or similar collective investment vehicle (other than an entity specified in clause (iii)(A) below); and
    - (D) registered or licensed broker or dealer (other than a natural person or proprietorship),provided, however, in each case that such entity has total assets of at least USD 500,000,000;
  - (ii) an Affiliate of an entity specified in the preceding clause (i);
  - (iii) each of a corporation, partnership, proprietorship, organization, trust or other entity:
    - (A) that is an investment vehicle (including, without limitation, any hedge fund, issuer of collateralized debt obligations, commercial paper conduit or other special purpose vehicle) that (1) has total assets of at least USD 100,000,000 or (2) is one of a group of investment vehicles under common control or management having, in the aggregate, total assets of at least USD 100,000,000;

- (B) that has total assets of at least USD 500,000,000; or
- (C) the obligations of which under an agreement, contract or transaction are guaranteed or otherwise supported by a letter of credit or keepwell, support or other agreement by an entity described in clauses (i), (ii), (iii)(B) or (iv) of this Section 2.32(d); or
- (iv) a Sovereign, Sovereign Agency or Supranational Organization.

All references in this Section 2.32(d) to USD include equivalent amounts in other currencies."

15. Section 2.33 is hereby deleted in its entirety and replaced with the following:

**"Section 2.33. Modified Restructuring Maturity Limitation and Conditionally Transferable Obligation.**

- (a) If "Physical Settlement" and "Modified Restructuring Maturity Limitation and Conditionally Transferable Obligation Applicable" are specified in a Confirmation (or if Physical Settlement is applicable as the Fallback Settlement Method in accordance with Section 12.1 and "Modified Restructuring Maturity Limitation and Conditionally Transferable Obligation Applicable" is specified in a Confirmation) and Restructuring is the only Credit Event specified in a Credit Event Notice delivered by Buyer, then a Deliverable Obligation may be specified (or deemed specified pursuant to Section 9.10) in the Notice of Physical Settlement or specified in any NOPS Amendment Notice, as applicable, only if it (i) is a Conditionally Transferable Obligation and (ii) has a final maturity date not later than the applicable Modified Restructuring Maturity Limitation Date;
- (b) "Conditionally Transferable Obligation" means a Deliverable Obligation that is either Transferable, in the case of Bonds, or capable of being assigned or novated to all Modified Eligible Transferees without the consent of any person being required, in the case of any Deliverable Obligation other than Bonds, provided, however, that a Deliverable Obligation other than Bonds will be a Conditionally Transferable Obligation notwithstanding that consent of the Reference Entity or the guarantor, if any, of a Deliverable Obligation other than Bonds (or the consent of the relevant obligor if a Reference Entity is guaranteeing such Deliverable Obligation) or any agent is required for such novation, assignment or transfer so long as the terms of such Deliverable Obligation provide that such consent may not be unreasonably withheld or delayed. Any requirement that notification of novation, assignment or transfer of a Deliverable Obligation be provided to a trustee, fiscal agent, administrative agent, clearing agent or paying agent for a Deliverable Obligation shall not be considered to be a requirement for consent for purposes of this Section 2.33(b).
  - (i) Where "Physical Settlement" is specified as the Settlement Method in the related Confirmation (or where Physical Settlement is applicable as the Fallback Settlement Method in accordance with Section 12.1), Modified Restructuring Maturity Limitation under this Section 2.33 applies and a Deliverable



Obligation is a Conditionally Transferable Obligation with respect to which consent is required to novate, assign or transfer, then if the requisite consent is refused (whether or not a reason is given for such refusal and, where a reason is given for such refusal, regardless of that reason), or is not received by the Physical Settlement Date (in which case it shall be deemed to have been refused), Buyer shall promptly notify Seller of such refusal (or deemed refusal) and:

- (A) Section 9.2(c)(iv) shall apply with respect to Seller as the "designator", provided, however, that the designee need not be an Affiliate of Seller; and
  - (B) if Seller does not designate a third party that takes Delivery on or prior to the Alternative Procedure Start Date, then Section 9.10 shall apply.
- (ii) For purposes of determining whether a Deliverable Obligation satisfies the requirements of the definition of Conditionally Transferable Obligation, such determination shall be made as of the Delivery Date for the Deliverable Obligation, taking into account only the terms of the Deliverable Obligation and any related transfer or consent documents which have been obtained by Buyer.
- (c) "Modified Restructuring Maturity Limitation Date" means, with respect to a Deliverable Obligation, the Limitation Date occurring on or immediately following the Scheduled Termination Date, provided that, in circumstances where the Scheduled Termination Date is later than the 2.5-year Limitation Date, at least one Enabling Obligation exists. With respect to a Credit Derivative Transaction for which "Modified Restructuring Maturity Limitation and Conditionally Transferable Obligation Applicable" is specified in the related Confirmation and for which the Scheduled Termination Date is later than the 2.5-year Limitation Date and prior to the 5-year Limitation Date, a Restructured Bond or Loan will not constitute an Enabling Obligation. Notwithstanding the foregoing, if the Scheduled Termination Date is either (i) on or prior to the 2.5-year Limitation Date or (ii) later than the 2.5-year Limitation Date and on or prior to the 5-year Limitation Date and no Enabling Obligation exists, the Modified Restructuring Maturity Limitation Date will be the 5-year Limitation Date in the case of a Restructured Bond or Loan only.

Subject to the foregoing, in the event that the Scheduled Termination Date is later than (A) the 2.5-year Limitation Date and no Enabling Obligation exists or (B) the 20-year Limitation Date, the Modified Restructuring Maturity Limitation Date will be the Scheduled Termination Date.

- (d) "Modified Eligible Transferee" means any bank, financial institution or other entity which is regularly engaged in or established for the purpose of making, purchasing or investing in loans, securities and other financial assets.

16. Article II is hereby amended by adding a new Section 2.34 as follows:

**"Section 2.34. General Terms Relating to Restructuring Maturity Limitation Date and Modified Restructuring Maturity Limitation Date.**

- (a) "Enabling Obligation" means an outstanding Deliverable Obligation that (i) is a Fully Transferable Obligation or a Conditionally Transferable Obligation, as applicable, and (ii) has a final maturity date occurring on or prior to the Scheduled Termination Date and following the Limitation Date immediately preceding the Scheduled Termination Date (or, in circumstances where the Scheduled Termination Date occurs prior to the 2.5-year Limitation Date, following the final maturity date of the Latest Maturity Restructured Bond or Loan, if any).
- (b) "Limitation Date" means the first of March 20, June 20, September 20 or December 20 in any year to occur on or immediately following the date that is one of the following numbers of years after the Restructuring Date: 2.5 years (the "2.5-year Limitation Date"), 5 years (the "5-year Limitation Date"), 7.5 years, 10 years, 12.5 years, 15 years, or 20 years (the "20-year Limitation Date"), as applicable. Limitation Dates shall not be subject to adjustment in accordance with any Business Day Convention unless the parties specify in a Confirmation that Limitation Dates will be adjusted in accordance with a specified Business Day Convention.
- (c) "Restructured Bond or Loan" means an Obligation that is a Bond or Loan and in respect of which the relevant Restructuring has occurred.
- (d) "Restructuring Date" means the date on which a Restructuring is legally effective in accordance with the terms of the documentation governing such Restructuring.

III. Article III of the Definitions is hereby amended as follows:

1. Section 3.1 is hereby deleted in its entirety and replaced with the following:

**"Section 3.1. Settlement.** Upon the occurrence of a Credit Event and the satisfaction of the Conditions to Settlement, the parties will perform their respective obligations in accordance with the applicable Settlement Method or Fallback Settlement Method, as applicable."

2. Section 3.2 is hereby deleted in its entirety and replaced with the following:

**"Section 3.2. Conditions to Settlement.**

- (a) **Conditions to Settlement.** All of the Conditions to Settlement shall be deemed to be satisfied by the occurrence of an Event Determination Date to the extent that such Event Determination Date is not subsequently reversed prior to the Auction Final Price Determination Date, a Valuation Date, the Physical Settlement Date (or, if earlier, a Delivery Date), or the Termination Date, as applicable, unless "Physical Settlement" is specified as the Settlement Method in the related Confirmation (or is applicable pursuant to the Fallback Settlement Method in accordance with Section 12.1), in which case all of the Conditions to Settlement shall be deemed to be satisfied by the satisfaction of the Notice of Physical Settlement Condition to Settlement on or following the occurrence of an Event Determination Date.
- (b) **Notice of Publicly Available Information.** The Notice of Publicly Available Information Condition to Settlement is satisfied by the delivery of a Notice of Publicly

Available Information by the party delivering the Credit Event Notice to the other party that is effective during one of the periods specified in Section 1.8(a)(i); provided that the Notice of Publicly Available Information Condition to Settlement shall be deemed to be satisfied in circumstances where ISDA publicly announces on or prior to the last day of the Notice Delivery Period (including prior to the Trade Date) that the relevant Credit Derivatives Determinations Committee has Resolved that an event that constitutes a Credit Event for purposes of the relevant Credit Derivative Transaction has occurred with respect to the relevant Reference Entity or Obligation thereof.

- (c) Notice of Physical Settlement. The Notice of Physical Settlement Condition to Settlement is satisfied by the delivery by Buyer of a Notice of Physical Settlement to Seller that is effective, subject, where applicable, to Section 6.5, on or prior to:
  - (i) subject to Section 3.2(c)(ii), the later of:
    - (A) the thirtieth calendar day (subject to adjustment in accordance with any applicable Business Day Convention) after the Event Determination Date; and
    - (B) the tenth calendar day after either (I) the date of the relevant DC Credit Event Announcement, if any, or (II) the date on which ISDA publicly announces that the relevant Credit Derivatives Determinations Committee has Resolved not to determine the matters described in Sections 1.24(a) and (b), if any, as applicable; or
  - (ii) if "Physical Settlement" is applicable pursuant to the Fallback Settlement Method in accordance with Section 12.1(a) or (b) and:
    - (A) the relevant Credit Event is not a Restructuring (or, if such Credit Event is a Restructuring, such Restructuring has occurred with respect to a Credit Derivative Transaction for which neither "Restructuring Maturity Limitation and Fully Transferable Obligation Applicable" nor "Modified Restructuring Maturity Limitation and Conditionally Transferable Obligation Applicable" is specified in the related Confirmation), the thirtieth calendar day after the Auction Cancellation Date or the No Auction Announcement Date, as applicable; or
    - (B) the relevant Credit Event is a Restructuring for purposes of a Credit Derivative Transaction for which either "Restructuring Maturity Limitation and Fully Transferable Obligation Applicable" or "Modified Restructuring Maturity Limitation and Conditionally Transferable Obligation Applicable" is specified in the related Confirmation, either:
      - (I) the thirtieth calendar day after:
        - (1) a No Auction Announcement Date occurring pursuant to Section 12.12(a), if any; or

(2) a No Auction Announcement Date occurring pursuant to Section 12.12(c), if any, in circumstances where no Parallel Auction will be held; or

(3) the Auction Cancellation Date, if any,

as applicable; or

(II) the Relevant City Business Day immediately following the later of the Parallel Auction Final Price Determination Date, if any (or, if more than one should occur, the last Parallel Auction Final Price Determination Date), and the Parallel Auction Cancellation Date, if any (or, if more than one should occur, the last Parallel Auction Cancellation Date), as applicable, in circumstances where either:

(1) a No Auction Announcement Date occurs pursuant to Section 12.12(b) and such Credit Derivative Transaction has not been subject to exercise of the Movement Option; or

(2) a No Auction Announcement Date occurs pursuant to Section 12.12(c) in circumstances where one or more Parallel Auctions will be held,

provided that in the case of Sections 3.2(c)(i)(B) and 3.2(c)(ii), the relevant Credit Event Resolution Request Date occurred on or prior to the date described in Section 3.2(c)(i)(A).

For purposes of determining whether the Notice of Physical Settlement Condition to Settlement has been satisfied, the effective date of delivery of the Notice of Physical Settlement (whether or not subsequently changed) shall be used.

(d) Notifying Party. "Notifying Party" means each party specified as such in the related Confirmation or, if neither party is specified as such, Buyer or Seller."

3. Section 3.3 is hereby deleted in its entirety and replaced with the following:

**"Section 3.3 Credit Event Notice.** "Credit Event Notice" means an irrevocable notice from a Notifying Party (which may be in writing (including by facsimile and/or email) and/or by telephone) to the other party that describes a Credit Event that occurred on or after the Credit Event Backstop Date (determined by reference to Greenwich Mean Time (or, if the Transaction Type of the relevant Reference Entity is Japan Corporate or Japan Sovereign (as such terms are defined in the 2005 Matrix Supplement), Tokyo time)) and on or prior to the Extension Date (determined by reference to Greenwich Mean Time (or, if the Transaction Type of the relevant Reference Entity is Japan Corporate or Japan Sovereign (as such terms are defined in the 2005 Matrix Supplement), Tokyo time)).

A Credit Event Notice must contain a description in reasonable detail of the facts relevant to the determination that a Credit Event has occurred. The Credit Event that is the subject of the Credit Event Notice need not be continuing on the date the Credit Event Notice is effective. A Credit Event Notice shall be subject to the requirements regarding notices set forth in Section 1.10. A form of Credit Event Notice is set forth in Exhibit B."

4. Section 3.4 is hereby deleted in its entirety and replaced with the following:

**"Section 3.4. Notice of Physical Settlement.** "Notice of Physical Settlement" means a notice from Buyer to Seller (which may be in writing (including by facsimile and/or email) and/or by telephone and which shall be subject to the requirements regarding notices set forth in Section 1.10) that: (a) irrevocably confirms that Buyer will settle the Credit Derivative Transaction and require performance in accordance with Physical Settlement as the Settlement Method or Fallback Settlement Method, as applicable; (b) contains a detailed description of each Deliverable Obligation that Buyer will, subject to Section 9.2(c)(ii), Deliver to Seller, including the outstanding principal balance or Due and Payable Amount, as applicable, (in each case, the "Outstanding Amount") of each such Deliverable Obligation and, if available and applicable, the CUSIP or ISIN number (or, if such identifying number is not available or applicable, the rate and tenor) of each such Deliverable Obligation; and (c), where (i) the relevant Credit Event is a Restructuring, (ii) either "Restructuring Maturity Limitation and Fully Transferable Obligation Applicable" or "Modified Restructuring Maturity Limitation and Conditionally Transferable Obligation Applicable" is specified in the related Confirmation and (iii) the Scheduled Termination Date is later than (A) the final maturity date of the Latest Maturity Restructured Bond or Loan, if any, or (B) the 2.5-year Limitation Date, contains a detailed description of at least one Enabling Obligation, which description will include the CUSIP or ISIN number, if available and applicable (or, if such identifying number is not available, the rate and tenor), of such Enabling Obligation and any other information necessary to establish that such obligation is an Enabling Obligation. Buyer may, from time to time, notify Seller in the manner specified above (each such notification, a "NOPS Amendment Notice") that Buyer is replacing, in whole or in part, one or more Deliverable Obligations specified in the Notice of Physical Settlement or a prior NOPS Amendment Notice, as applicable, (to the extent the relevant Deliverable Obligation has not been Delivered as of the date such NOPS Amendment Notice is effective) or the detailed description(s) thereof. A NOPS Amendment Notice shall contain a revised detailed description of each replacement Deliverable Obligation that Buyer will, subject to Section 9.2(c)(ii), Deliver to Seller (each, a "Replacement Deliverable Obligation") and shall also specify the Outstanding Amount of each Deliverable Obligation identified in the Notice of Physical Settlement or a prior NOPS Amendment Notice, as applicable, that is being replaced (with respect to each such Deliverable Obligation, the "Replaced Deliverable Obligation Outstanding Amount"). The Outstanding Amount of each Replacement Deliverable Obligation identified in a NOPS Amendment Notice shall be determined by applying the Revised Currency Rate to the relevant Replaced Deliverable Obligation Outstanding Amount. Each such NOPS Amendment Notice must be effective on or prior to the Physical Settlement Date (determined without reference to any change resulting from such NOPS Amendment Notice). Notwithstanding the foregoing, Buyer may correct any errors or inconsistencies in the detailed description of each Deliverable Obligation contained in the Notice of Physical Settlement or any NOPS Amendment Notice, as applicable, by notice to Seller (given in the manner specified above) prior to the relevant Delivery Date; it being understood that such notice of correction shall not constitute a NOPS Amendment Notice.

Subject to Section 6.5, if an effective Notice of Physical Settlement is not delivered by Buyer within the periods described in Section 3.2(c), then the last day of the latest of the periods shall be the Termination Date.

A form of Notice of Physical Settlement is set forth in Exhibit C."

5. Section 3.5 is hereby deleted in its entirety and replaced with the following:

**"Section 3.5. Publicly Available Information.** "Publicly Available Information" means:

- "(a) information that reasonably confirms any of the facts relevant to the determination that the Credit Event or Potential Repudiation/Moratorium, as applicable, described in a Credit Event Notice or Repudiation/Moratorium Extension Notice has occurred and which (i) has been published in or on not less than the Specified Number of Public Sources, regardless of whether the reader or user thereof pays a fee to obtain such information; provided that, if either of the parties or any of their respective Affiliates is cited as the sole source of such information, then such information shall not be deemed to be Publicly Available Information unless such party or its Affiliate is acting in its capacity as trustee, fiscal agent, administrative agent, clearing agent, paying agent, facility agent or agent bank for an Obligation, (ii) is information received from or published by (A) a Reference Entity that is not a party to the relevant Credit Derivative Transaction (or a Sovereign Agency in respect of a Reference Entity which is a Sovereign) or (B) a trustee, fiscal agent, administrative agent, clearing agent, paying agent, facility agent or agent bank for an Obligation, (iii) is information contained in any petition or filing instituting a proceeding described in Section 4.2(d) against or by a Reference Entity or (iv) is information contained in any order, decree, notice or filing, however described, of or filed with a court, tribunal, exchange, regulatory authority or similar administrative, regulatory or judicial body.
- (b) With respect to a Credit Derivative Transaction for which Buyer is (i) the sole source of information in its capacity as trustee, fiscal agent, administrative agent, clearing agent, paying agent, facility agent or agent bank for the Obligation with respect to which a Credit Event has occurred and (ii) a holder of such Obligation, Buyer shall be required to deliver to Seller a certificate signed by a Managing Director (or other substantively equivalent title) of Buyer, which shall certify the occurrence of a Credit Event with respect to such Obligation.
- (c) In relation to any information of the type described in Sections 3.5(a)(ii), (iii) and (iv), the party receiving such information may assume that such information has been disclosed to it without violating any law, agreement or understanding regarding the confidentiality of such information and that the party delivering such information has not taken any action or entered into any agreement or understanding with the Reference Entity or any Affiliate of the Reference Entity that would be breached by, or would prevent, the disclosure of such information to the party receiving such information.
- (d) Publicly Available Information need not state (i) in relation to Section 2.25, the percentage of Voting Shares owned, directly or indirectly, by the Reference Entity and (ii) that such occurrence (A) has met the Payment Requirement or Default Requirement, (B) is the result of exceeding any applicable Grace Period or (C) has met the subjective criteria specified in certain Credit Events."

6. The first paragraph of Section 3.9 is hereby deleted in its entirety and replaced with the following:

**"Section 3.9. Credit Event Notice After Restructuring.** Upon the occurrence of a Restructuring with respect to a Credit Derivative Transaction for which either "Restructuring Maturity Limitation and Fully Transferable Obligation Applicable" or "Modified Restructuring Maturity Limitation and Conditionally Transferable Obligation Applicable" is specified in the related Confirmation:"

7. Section 3.9(a) is hereby deleted in its entirety and replaced with the following:

"(a) a Notifying Party may deliver multiple Credit Event Notices with respect to such Restructuring, each such Credit Event Notice setting forth the amount of the Floating Rate Payer Calculation Amount to which such Credit Event Notice applies (the "Exercise Amount"), provided that if the Credit Event Notice does not specify an Exercise Amount, the then outstanding Floating Rate Payer Calculation Amount (and not a portion thereof) will be deemed to have been specified as the Exercise Amount;"

8. Section 3.9(b) is hereby deleted in its entirety and replaced with the following:

"(b) if the Notifying Party has delivered a Credit Event Notice that specifies an Exercise Amount that is less than the then outstanding Floating Rate Payer Calculation Amount, the rights and obligations of the parties shall, with effect from the date such Credit Event Notice is effective, be construed as if the parties had entered into two Credit Derivative Transactions, one of which has a Floating Rate Payer Calculation Amount equal to the Exercise Amount and, upon satisfaction of the Conditions to Settlement, will be settled in accordance with the applicable Settlement Method or Fallback Settlement Method, as applicable, and the other of which will have a Floating Rate Payer Calculation Amount equal to the Floating Rate Payer Calculation Amount outstanding prior to such Credit Event Notice minus the Exercise Amount and will continue in effect with such modifications required as determined by the Calculation Agent (in consultation with the parties) to preserve the economic effects of the two Credit Derivative Transactions considered in the aggregate;"

IV. Article IV of the Definitions is hereby amended as follows:

1. Section 4.6(b) is hereby deleted in its entirety and replaced with the following:

"(b) Repudiation/Moratorium Evaluation Date. "Repudiation/Moratorium Evaluation Date" means, if a Potential Repudiation/Moratorium occurs on or prior to the Scheduled Termination Date (determined by reference to Greenwich Mean Time (or, if the Transaction Type of the relevant Reference Entity is Japan Corporate or Japan Sovereign (as such terms are defined in the 2005 Matrix Supplement), Tokyo time)), (i) if the Obligations to which such Potential Repudiation/Moratorium relates include Bonds, the date that is the later of (A) the date that is 60 days after the date of such Potential Repudiation/Moratorium and (B) the first payment date under any such Bond after the date of such Potential Repudiation/Moratorium (or, if later, the expiration date of any applicable Grace Period in respect of such payment date) and (ii) if the

Obligations to which such Potential Repudiation/Moratorium relates do not include Bonds, the date that is 60 days after the date of such Potential Repudiation/Moratorium; provided that, in either case, the Repudiation/Moratorium Evaluation Date shall occur no later than the Scheduled Termination Date unless the Repudiation/Moratorium Extension Condition is satisfied. If (I) the Repudiation/Moratorium Extension Condition is satisfied and (II) an Event Determination Date in respect of that Repudiation/Moratorium does not occur on or prior to the final day of the Notice Delivery Period, the later of the Scheduled Termination Date and the Repudiation/Moratorium Evaluation Date will be the Termination Date (even if a Repudiation/Moratorium occurs after the Scheduled Termination Date)."

2. Section 4.6(d) is hereby deleted in its entirety and replaced with the following:

"(d) Repudiation/Moratorium Extension Condition. The "Repudiation/Moratorium Extension Condition" is satisfied (i) if ISDA publicly announces, pursuant to a valid request that was delivered in accordance with the Rules and effectively received on or prior to the date that is fourteen calendar days after the Scheduled Termination Date, that the relevant Credit Derivatives Determinations Committee has Resolved that an event that constitutes a Potential Repudiation/Moratorium for purposes of the relevant Credit Derivative Transaction has occurred with respect to an Obligation of the relevant Reference Entity and that such event occurred on or prior to the Scheduled Termination Date (determined by reference to Greenwich Mean Time (or, if the Transaction Type of the relevant Reference Entity is Japan Corporate or Japan Sovereign (as such terms are defined in the 2005 Matrix Supplement), Tokyo time)) or (ii) otherwise, by the delivery by the Notifying Party to the other party of a Repudiation/Moratorium Extension Notice and, if Notice of Publicly Available Information is specified as a Condition to Settlement, a Notice of Publicly Available Information that are each effective on or prior to the date that is fourteen calendar days after the Scheduled Termination Date. In all cases, the Repudiation/Moratorium Extension Condition will be deemed not to have been satisfied, or capable of being satisfied, if, or to the extent that, ISDA publicly announces, pursuant to a valid request that was delivered in accordance with the Rules and effectively received on or prior to the date that is fourteen calendar days after the Scheduled Termination Date, that the relevant Credit Derivatives Determinations Committee has Resolved that either (A) an event does not constitute a Potential Repudiation/Moratorium for purposes of the relevant Credit Derivative Transaction with respect to an Obligation of the relevant Reference Entity or (B) an event that constitutes a Potential Repudiation/Moratorium for purposes of the relevant Credit Derivative Transaction has occurred with respect to an Obligation of the relevant Reference Entity but that such event occurred after the Scheduled Termination Date (determined by reference to Greenwich Mean Time (or, if the Transaction Type of the relevant Reference Entity is Japan Corporate or Japan Sovereign (as such terms are defined in the 2005 Matrix Supplement), Tokyo time))."

3. Section 4.6(e) is hereby deleted in its entirety and replaced with the following:

"(e) Repudiation/Moratorium Extension Notice. "Repudiation/Moratorium Extension Notice" means an irrevocable notice (which may be in writing (including by facsimile and/or email) and/or by telephone) from the Notifying Party to the other party that describes a Potential Repudiation/Moratorium that occurred on or prior to the Scheduled



Termination Date (determined by reference to Greenwich Mean Time (or, if the Transaction Type of the relevant Reference Entity is Japan Corporate or Japan Sovereign (as such terms are defined in the 2005 Matrix Supplement), Tokyo time)). A Repudiation/Moratorium Extension Notice must contain a description in reasonable detail of the facts relevant to the determination that a Potential Repudiation/Moratorium has occurred and indicate the date of the occurrence. The Potential Repudiation/Moratorium that is the subject of the Repudiation/Moratorium Extension Notice need not be continuing on the date the Repudiation/Moratorium Extension Notice is effective. A Repudiation/Moratorium Extension Notice shall be subject to the requirements regarding notices set forth in Section 1.10. A form of Repudiation/Moratorium Extension Notice is set forth in Exhibit D."

4. The first paragraph of Section 4.7(a) is hereby deleted in its entirety and replaced with the following:

"(a) "Restructuring" means that, with respect to one or more Obligations and in relation to an aggregate amount of not less than the Default Requirement, any one or more of the following events occurs in a form that binds all holders of such Obligation, is agreed between the Reference Entity or a Governmental Authority and a sufficient number of holders of such Obligation to bind all holders of the Obligation or is announced (or otherwise decreed) by a Reference Entity or a Governmental Authority in a form that binds all holders of such Obligation, and such event is not expressly provided for under the terms of such Obligation in effect as of the later of (i) the Credit Event Backstop Date and (ii) the date as of which such Obligation is issued or incurred:"

- V. Article V of the Definitions is hereby amended as follows:

1. Article V is hereby amended by adding a new Section 5.5 as follows:

**"Section 5.5. Initial Payment.** If an Initial Payment Payer and an Initial Payment Amount are specified in the related Confirmation, the Initial Payment Payer will pay to the other party an amount equal to the Initial Payment Amount on the Initial Payment Date."

2. Article V is hereby amended by adding a new Section 5.6 as follows:

**"Section 5.6. Initial Payment Payer.** "Initial Payment Payer" means the party specified as such in the related Confirmation."

3. Article V is hereby amended by adding a new Section 5.7 as follows:

**"Section 5.7. Initial Payment Amount.** "Initial Payment Amount" means the amount specified as such in the related Confirmation."

4. Article V is hereby amended by adding a new Section 5.8 as follows:

**"Section 5.8. Initial Payment Date.** "Initial Payment Date" means the date specified as such in the related Confirmation, or, if no such date is specified, the date that is three Business Days immediately following the Trade Date."

VI. Article VI of the Definitions is hereby amended as follows:

1. Section 6.1 is hereby deleted in its entirety and replaced with the following:

**"Section 6.1. Settlement Method.** "Settlement Method" means, if (a) "Auction Settlement" is specified as the Settlement Method in the related Confirmation, Auction Settlement, (b) "Cash Settlement" is specified as the Settlement Method in the related Confirmation or is deemed to be applicable, Cash Settlement, or (c) "Physical Settlement" is specified as the Settlement Method in the related Confirmation, Physical Settlement."

2. Section 6.2 is hereby deleted in its entirety and replaced with the following:

**"Section 6.2. Settlement Date.** "Settlement Date" means the Auction Settlement Date, the Cash Settlement Date or the Physical Settlement Date, as applicable."

3. Article VI is hereby amended by adding a new Section 6.4 as follows:

**"Section 6.4. Fallback Settlement Method.** "Fallback Settlement Method" means, with respect to a Credit Derivative Transaction for which "Auction Settlement" is specified as the Settlement Method in the related Confirmation, if "Cash Settlement" is specified as the Fallback Settlement Method in the related Confirmation, Cash Settlement, otherwise Physical Settlement."

4. Article VI is hereby amended by adding a new Section 6.5 as follows:

**"Section 6.5. Settlement Suspension.** If, following the determination of an Event Determination Date in accordance with Section 1.8(a)(i) but prior to the Physical Settlement Date or, to the extent applicable, a Valuation Date, ISDA publicly announces that the conditions to convening a Credit Derivatives Determinations Committee to Resolve the matters described in Sections 1.24(a) and (b) are satisfied in accordance with the Rules, the timing requirements of Sections 3.2(c), 3.4, 7.2, 7.8, 8.1 and 8.6, as applicable, or any other Section of the Definitions that pertains to settlement, shall toll and remain suspended until such time as ISDA subsequently publicly announces that the relevant Credit Derivatives Determinations Committee has Resolved (a) the matters described in Sections 1.24(a) and (b) or (b) not to determine such matters. During such suspension period, the parties are not obliged to, nor are they entitled to, take any action in connection with the settlement of any relevant Credit Derivative Transaction. Once ISDA has publicly announced that the relevant Credit Derivatives Determinations Committee has Resolved (i) the matters described in Sections 1.24(a) and (b) or (ii) not to determine such matters, the relevant timing requirements of Sections 3.2(c), 3.4, 7.2, 7.8, 8.1 and 8.6, as applicable, or any other Section of the Definitions that pertains to settlement that have previously tolled or been suspended shall resume on the Business Day following such public announcement by ISDA with the parties having the benefit of the full day notwithstanding when the tolling or suspension began in accordance with this Section 6.5."

VII. Article VII of the Definitions is hereby amended as follows:

1. Section 7.2 is hereby deleted in its entirety and replaced with the following:

**"Section 7.2. Cash Settlement Date.** "Cash Settlement Date" means (a) if the Cash Settlement Amount is not specified in the related Confirmation, subject to Section 6.5, the date that is the number of Business Days specified in the related Confirmation (or, if a number of Business Days is not so specified, three Business Days) following the calculation of the Final Price and (b) if the Cash Settlement Amount or the Final Price is specified in the related Confirmation, subject to Section 6.5, the date that is the number of Business Days specified in the related Confirmation (or, if a number of Business Days is not so specified, three Business Days) following the satisfaction of all Conditions to Settlement (or, if "Cash Settlement" is applicable pursuant to the Fallback Settlement Method in accordance with Section 12.1(a) or (b), any Auction Cancellation Date or any No Auction Announcement Date, if later). The Cash Settlement Date shall be the Termination Date."

2. Section 7.8(a) is hereby deleted in its entirety and replaced with the following:

"(a) if "Single Valuation Date" is specified in the related Confirmation, subject to Section 6.5, the date that is the number of Business Days specified in the related Confirmation (or, if the number of Business Days is not so specified, five Business Days) following the satisfaction of all Conditions to Settlement (or, if "Cash Settlement" is applicable pursuant to the Fallback Settlement Method in accordance with Section 12.1(a) or (b), the date that is the number of Business Days specified in the related Confirmation (or, if the number of Business Days is not so specified, five Business Days) following the Auction Cancellation Date, if any, or the relevant No Auction Announcement Date, if any, as applicable); and"

3. Section 7.8(b)(i) is hereby deleted in its entirety and replaced with the following:

"(i) subject to Section 6.5, the date that is the number of Business Days specified in the related Confirmation (or, if the number of Business Days is not so specified, five Business Days) following the satisfaction of all Conditions to Settlement (or, if "Cash Settlement" is applicable pursuant to the Fallback Settlement Method in accordance with Section 12.1(a) or (b), the date that is the number of Business Days specified in the related Confirmation (or, if the number of Business Days is not so specified, five Business Days) following the Auction Cancellation Date, if any, or the relevant No Auction Announcement Date, if any, as applicable); and"

VIII. Article VIII of the Definitions is hereby amended as follows:

1. Section 8.1 is hereby deleted in its entirety and replaced with the following:

**"Section 8.1. Physical Settlement.** If "Physical Settlement" is specified as the Settlement Method in the related Confirmation (or if Physical Settlement is applicable as the Fallback Settlement Method in accordance with Section 12.1), Buyer shall, subject to Sections 3.1, 6.5 and 9.2(c)(ii), on or prior to the Physical Settlement Date, Deliver to Seller the Deliverable Obligations specified in the Notice of Physical Settlement and Seller shall pay to Buyer the Physical Settlement Amount that corresponds to the Deliverable Obligations that Buyer has Delivered. If Buyer Delivers Deliverable Obligations in an amount greater than the Deliverable Obligations specified in the Notice of Physical Settlement, Seller shall not be required to pay more than the Physical Settlement Amount that corresponds to the Deliverable Obligations specified in the Notice of Physical Settlement. For purposes of the foregoing, Delivery by Buyer

and payment by Seller shall be made in accordance with market practice applicable to the Deliverable Obligation on the Delivery Date.

In the case of Deliverable Obligations that are (a) Borrowed Money, Buyer shall Deliver Deliverable Obligations with an outstanding principal balance (including accrued but unpaid interest (as determined by the Calculation Agent after consultation with the parties) if "Include Accrued Interest" is specified in the related Confirmation, but excluding accrued but unpaid interest if "Exclude Accrued Interest" is specified in the related Confirmation, and if neither "Include Accrued Interest" nor "Exclude Accrued Interest" is specified in the related Confirmation, excluding accrued but unpaid interest) and (b) not Borrowed Money, Buyer shall Deliver Deliverable Obligations with a Due and Payable Amount (or, in the case of either (a) or (b), the equivalent Currency Amount of any such amount), in each case in the aggregate amount as of the relevant Delivery Dates that is equal to the Floating Rate Payer Calculation Amount; provided that Buyer may Deliver Deliverable Obligations with an outstanding principal balance (including or excluding accrued but unpaid interest, as applicable) or a Due and Payable Amount, as applicable, (or the equivalent Currency Amount of any such amount), in the aggregate amount as of the relevant Delivery Dates that is either (i) greater than the Floating Rate Payer Calculation Amount, in which case Seller shall not be required to pay more than the Physical Settlement Amount to Buyer, or (ii) less than the Floating Rate Payer Calculation Amount, in which case Seller shall not be required to pay more than the proportion of the Physical Settlement Amount that corresponds to the Deliverable Obligations Delivered, subject to Section 9.2(c)(ii).

If an obligation by its terms represents or contemplates an obligation to pay an amount greater than the outstanding principal balance of such obligation as of the Delivery Date as a result of the occurrence or nonoccurrence of an event or circumstance, the outstanding principal balance of such obligation shall not include any additional amount that would be payable upon the occurrence or nonoccurrence of such event or circumstance."

2. Section 8.2 is hereby deleted in its entirety and replaced with the following:

**"Section 8.2. Deliver.** "Deliver" means to deliver, novate, transfer (including, in the case of a Qualifying Guarantee, transfer of the benefit of the Qualifying Guarantee), assign or sell, as appropriate, in the manner customary for the settlement of the applicable Deliverable Obligations (which shall include executing all necessary documentation and taking any other necessary actions), in order to convey all right, title and interest in the Deliverable Obligations specified in the Notice of Physical Settlement or any NOPS Amendment Notice, as applicable, to Seller free and clear of any and all liens, charges, claims or encumbrances (including, without limitation, any counterclaim, defense (other than a counterclaim or defense based on the factors set forth in Section 4.1(a) to (d) inclusive) or right of set off by or of the Reference Entity or, as applicable, an Underlying Obligor); provided that to the extent that the Deliverable Obligations consist of Direct Loan Participations, "Deliver" means to create (or procure the creation) of a participation in favor of the Seller and to the extent that the Deliverable Obligations consist of Qualifying Guarantees, "Deliver" means to Deliver both the Qualifying Guarantee and the Underlying Obligation. "Delivery" and "Delivered" will be construed accordingly. In the case of a Loan, Delivery shall be effected using documentation substantially in the form of the documentation customarily used in the relevant market for Delivery of such Loan at that time. Notwithstanding the previous sentence, in the case of a Loan, Buyer and Seller agree to comply, for purposes of the settlement of the relevant Credit Derivative Transaction, with the provisions of any documentation (which term shall be deemed to include any market advisory that the

relevant Credit Derivatives Determinations Committee Resolves to approve for such purpose) that the relevant Credit Derivatives Determinations Committee Resolves constitutes documentation customarily used in the relevant market for Delivery of such Loan at that time, as such documentation may be amended to the extent the relevant Credit Derivatives Determinations Committee Resolves is appropriate, which is consistent with the delivery and payment obligations of the parties hereunder. Buyer and Seller further agree that compliance by Buyer and Seller with the provisions of any such documentation, shall be required for, and, without further action, constitute, Delivery for purposes of this Section 8.2 (to the extent that such documentation contains provisions describing how Delivery should be effected) and neither Buyer nor Seller shall be permitted to request that the other party take, nor shall Buyer or Seller be required to take, any action under Sections 9.2(c)(i), (v) or (vi), as applicable, unless otherwise contemplated by such documentation."

3. Section 8.6 is hereby deleted in its entirety and replaced with the following:

**"Section 8.6. Physical Settlement Period.** "Physical Settlement Period" means, subject to Section 6.5, the number of Business Days specified as such in the related Confirmation or, if a number of Business Days is not so specified, then, with respect to a Deliverable Obligation specified in the Notice of Physical Settlement, the longest number of Business Days for settlement in accordance with then current market practice of such Deliverable Obligation, as determined by the Calculation Agent after consultation with the parties."

4. Section 8.9 is hereby deleted in its entirety and replaced with the following:

**"Section 8.9. Currency Amount.** "Currency Amount" means with respect to (a) a Deliverable Obligation specified in a Notice of Physical Settlement that is denominated in a currency other than the Settlement Currency, an amount converted to the Settlement Currency using a conversion rate determined by reference to the Currency Rate and (b) a Replacement Deliverable Obligation specified in a NOPS Amendment Notice, an amount converted to the Settlement Currency (or, if applicable, back into the Settlement Currency) using a conversion rate determined by reference to the Currency Rate, if any, and each Revised Currency Rate used to convert each Replaced Deliverable Obligation Outstanding Amount specified in each NOPS Amendment Notice with respect to that portion of the Credit Derivative Transaction into the currency of denomination of the relevant Replacement Deliverable Obligation."

5. Section 8.10 is hereby deleted in its entirety and replaced with the following:

**"Section 8.10. Currency Rate.** "Currency Rate" means with respect to (a) a Deliverable Obligation specified in the Notice of Physical Settlement, the rate of conversion between the Settlement Currency and the currency in which the Outstanding Amount of such Deliverable Obligation is denominated that is either (i) determined by reference to the Currency Rate Source as at the Next Currency Fixing Time or (ii) if such rate is not available at such time, determined by the Calculation Agent in a commercially reasonable manner after consultation with the parties and (b) a Replacement Deliverable Obligation specified in a NOPS Amendment Notice, the Revised Currency Rate."

6. Article VIII is hereby amended by adding a new Section 8.12 as follows:

**"Section 8.12. Revised Currency Rate.** "Revised Currency Rate" means, with respect to a Replacement Deliverable Obligation specified in a NOPS Amendment Notice, the rate of conversion between the currency in which the Replaced Deliverable Obligation Outstanding Amount is denominated and the currency in which the Outstanding Amount of such Replacement Deliverable Obligation is denominated that is determined either (a) by reference to the Currency Rate Source as at the Next Currency Fixing Time or (b) if such rate is not available at such time, by the Calculation Agent in a commercially reasonable manner after consultation with the parties."

7. Article VIII is hereby amended by adding a new Section 8.13 as follows:

**"Section 8.13. Next Currency Fixing Time.** "Next Currency Fixing Time" means 4:00 p.m. (London time) on the London Business Day immediately following the date on which the Notice of Physical Settlement or relevant NOPS Amendment Notice, as applicable, is effective."

8. Article VIII is hereby amended by adding a new Section 8.14 as follows:

**"Section 8.14. Currency Rate Source.** "Currency Rate Source" means the mid-point rate of conversion published by WM/Reuters at 4:00 p.m. (London time), or any successor rate source approved by the relevant Credit Derivatives Determinations Committee."

- IX. Article IX of the Definitions is hereby amended as follows:

1. Section 9.1(b)(i) is hereby deleted in its entirety and replaced with the following:

"(i) the parties will be obligated to perform, subject to Section 3.1, in accordance with the Settlement Method or, if applicable in accordance with Section 12.1, Fallback Settlement Method, as applicable, irrespective of the existence or amount of the parties' credit exposure to a Reference Entity, and Buyer need not suffer any loss nor provide evidence of any loss as a result of the occurrence of a Credit Event;"

2. Article IX is hereby amended by deleting the word "and" from the end of Section 9.1(b)(iv), replacing the period at the end of Section 9.1(b)(v) with a semicolon and adding a new Section 9.1(b)(vi) and (vii) as follows:

"(vi) each party has determined to enter into such Credit Derivative Transaction notwithstanding any information described in Section 9.1(b)(iv) above that the other party may have possession of, and notwithstanding that such party may be contractually prohibited from disclosing or offering to disclose such information to the other party by virtue of any credit agreement or other agreement with a Reference Entity, any Affiliate of a Reference Entity, any Underlying Obligor or any other person or entity having obligations relating to a Reference Entity or any Underlying Obligor or otherwise; and

(vii) neither party shall have any liability to the other party (or its officers, directors, agents, partners, members, controlling entities or employees) and each party waives and releases any claims that it might have against the other party (or its officers, directors, agents, partners, members, controlling entities or employees) whether under applicable securities laws or otherwise, with respect to the nondisclosure of any information described in Section 9.1(b)(iv) above in connection with such Credit Derivative

Transaction; provided, however, that such information does not and shall not affect the truth or accuracy of any representation made by such party herein or in the related Confirmation."

3. Article IX is hereby amended by adding a new Section 9.1(c) and (d) as follows:

- "(c) At the time a Credit Derivative Transaction is entered into, Buyer and Seller shall be deemed to agree:
- (i) that no DC Party and no legal counsel or other third-party professional hired by a DC Party in connection with such DC Party's performance of its respective duties under the Rules and/or any Credit Derivatives Auction Settlement Terms, as applicable, shall be liable, whether for negligence or otherwise, to Buyer or Seller for any form of damages, whether direct, indirect, special, consequential or otherwise, that might arise in connection with such DC Party's performance of its duties, or any advice given by legal counsel or any other third-party professional hired by such DC Party in connection with such DC Party's performance of its respective duties, under the Rules and/or any Credit Derivatives Auction Settlement Terms, as applicable, except in the case of fraud or wilful misconduct on the part of such DC Party, legal counsel or other third-party professional, as applicable; provided that, notwithstanding the foregoing, legal counsel or any other third-party professional hired by a DC Party in connection with such DC Party's performance of its duties under the Rules and/or any Credit Derivatives Auction Settlement Terms, as applicable, may be still be liable to such DC Party;
  - (ii) to waive any claim, whether for negligence or otherwise, that may arise against a DC Party and any legal counsel or other third-party professional hired by such DC Party in connection with such DC Party's performance of its duties under the Rules, except in the case of fraud or wilful misconduct on the part of such DC Party, legal counsel or other third-party professional, as applicable; provided that, notwithstanding the foregoing, legal counsel or any other third-party professional hired by a DC Party in connection with such DC Party's performance of its duties under the Rules and/or any Credit Derivatives Auction Settlement Terms, as applicable, may be still be liable to such DC Party;
  - (iii) notwithstanding any provision in the master agreement between Buyer and Seller that governs the relevant Credit Derivative Transaction and/or the related Confirmation, as applicable, that describes an alternative mechanism for resolving, in the absence of agreement between Buyer and Seller, any matter that is Resolved by the relevant Credit Derivatives Determinations Committee (unless any such provision seeks to amend or override the agreement contained in this Section 9.1(c)(iii) by expressly referring in writing to this Section 9.1(c)(iii) and such provision would otherwise be effective in accordance with the master agreement between Buyer and Seller that governs the relevant Credit Derivative Transaction), any DC Resolution of the relevant Credit Derivatives Determinations Committee that is applicable to such Credit Derivative Transaction shall be binding on Buyer and Seller to the extent that such DC Resolution is made either by reference to the terms of the Definitions, as supplemented by any supplement to the Definitions published by ISDA

(including the 2009 ISDA Credit Derivatives Determinations Committees, Auction Settlement and Restructuring Supplement to the 2003 ISDA Credit Derivatives Definitions published by ISDA on July 14, 2009) or by reference to the terms of any additional provisions published by ISDA and incorporated in the related Confirmation:

- (A) until such time as ISDA publicly announces that such DC Resolution has been reversed by a subsequent DC Resolution of the relevant Credit Derivatives Determinations Committee, if any, (subject to Section 9.1(c)(iii)(B)); and/or
  - (B) unless the effect of such DC Resolution would be to reverse a prior DC Resolution of the relevant Credit Derivatives Determinations Committee, any prior determination by the Calculation Agent or determination that an Event Determination Date has occurred, that has resulted in:
    - (I) the identification of one or more Successors;
    - (II) the identification of one or more Substitute Reference Obligations; or
    - (III) the occurrence of an Auction Final Price Determination Date or Physical Settlement Date, as applicable, or to the extent that a Valuation Date, Delivery Date or Termination Date, as applicable, has occurred, in each case, on or prior to the date that ISDA publicly announces such DC Resolution of the relevant Credit Derivatives Determinations Committee;
  - (C) notwithstanding the fact that:
    - (I) the Definitions, as supplemented, or the relevant additional provisions published by ISDA and incorporated in the related Confirmation, as applicable, may require such determination to be made by the Calculation Agent; or
    - (II) in order to reach such DC Resolution, the relevant Credit Derivatives Determinations Committee may be required to Resolve one or more factual matters before being able to reach such DC Resolution; and
  - (D) notwithstanding any actual or perceived conflict of interest on the part of a DC Party, legal counsel or other third-party professional hired by such DC Party in connection with such DC Party's performance of its duties under the Rules;
- (iv) that no DC Party is (A) under any obligation to research, investigate, supplement, or verify the veracity of, any information on which the relevant Credit Derivatives Determinations Committee bases its decision and (B) acting



as a fiduciary for, or as an advisor to, Buyer or Seller in connection with the relevant Credit Derivative Transaction;

(v) that, in reaching any DC Resolution that is applicable to such Credit Derivative Transaction, the relevant Credit Derivatives Determinations Committee shall be under no requirement to consult with, or individually notify, Buyer or Seller, notwithstanding any provision of the Definitions, as supplemented, or of the relevant additional provisions published by ISDA and incorporated in the related Confirmation to the contrary; and

(vi) that, with respect to any DC Resolution of the relevant Credit Derivatives Determinations Committee, in the event of any inconsistency between (A) any provision of either (I) the Definitions, as supplemented, or (II) the relevant additional provisions published by ISDA and incorporated in the related Confirmation and (B) the Rules, the Rules will govern.

(d) At the time a Credit Derivative Transaction is entered into, Buyer and Seller shall be deemed to acknowledge the disclaimers set out in Section 5.1(b) of the Rules."

X. The Definitions are hereby amended by adding a new Article XII as follows:

## "ARTICLE XII

### TERMS RELATING TO AUCTION SETTLEMENT

**Section 12.1. Auction Settlement.** If "Auction Settlement" is specified as the Settlement Method in the related Confirmation and an Event Determination Date occurs on or prior to the Auction Final Price Determination Date, Seller shall, subject to Section 3.1, pay to Buyer the Auction Settlement Amount on the Auction Settlement Date. Without prejudice to the foregoing, but without duplication of settlement, if (a) an Auction Cancellation Date occurs, (b) a No Auction Announcement Date occurs (and, in circumstances where such No Auction Announcement Date occurs pursuant to Section 12.12(b), neither party has exercised the Movement Option), (c) ISDA publicly announces that the relevant Credit Derivatives Determinations Committee has Resolved, following a Credit Event Resolution Request Date, not to determine the matters described in Section 1.24(a) and (b), (d) an Event Determination Date was determined pursuant to Section 1.8(a)(i) and no Credit Event Resolution Request Date has occurred on or prior to the date falling three Business Days after such Event Determination Date or (e) an Event Determination Date was determined pursuant to Section 1.8(a)(ii)(B)(II), the parties shall, subject to Section 3.1, perform their respective payment and delivery obligations in accordance with the Fallback Settlement Method.

**Section 12.2. Auction.** "Auction" has the meaning set forth in the Transaction Auction Settlement Terms.

**Section 12.3. Auction Settlement Date.** "Auction Settlement Date" means the date that is the number of Business Days specified in the Transaction Auction Settlement Terms (or, if a number of Business Days is not so specified, five Business Days) immediately following the Auction Final Price Determination Date. The Auction Settlement Date shall be the Termination Date.

**Section 12.4. Auction Settlement Amount.** "Auction Settlement Amount" means the greater of (a)(i) the Floating Rate Payer Calculation Amount multiplied by (ii) an amount, expressed as a percentage, equal to (A) the Reference Price minus (B) the Auction Final Price and (b) zero.

**Section 12.5. Auction Final Price.** "Auction Final Price" has the meaning set forth in the Transaction Auction Settlement Terms.

**Section 12.6. Auction Final Price Determination Date.** "Auction Final Price Determination Date" has the meaning set forth in the Transaction Auction Settlement Terms.

**Section 12.7. Parallel Auction Final Price Determination Date.** "Parallel Auction Final Price Determination Date" means "Auction Final Price Determination Date" as defined in the relevant Parallel Auction Settlement Terms.

**Section 12.8. Credit Derivatives Auction Settlement Terms.** "Credit Derivatives Auction Settlement Terms" means any Credit Derivatives Auction Settlement Terms published by ISDA, in accordance with the Rules, a form of which will be published by ISDA on its website at [www.isda.org](http://www.isda.org) (or any successor website thereto) from time to time and may be amended from time to time in accordance with the Rules.

**Section 12.9. Transaction Auction Settlement Terms.** "Transaction Auction Settlement Terms" means, with respect to a Credit Event, the Credit Derivatives Auction Settlement Terms for which the relevant Credit Derivative Transaction would be an Auction Covered Transaction.

**Section 12.10. Parallel Auction Settlement Terms.** "Parallel Auction Settlement Terms" means, following the occurrence of a Restructuring with respect to a Credit Derivative Transaction for which either "Restructuring Maturity Limitation and Fully Transferable Obligation Applicable" or "Modified Restructuring Maturity Limitation and Conditionally Transferable Obligation Applicable" is specified in the related Confirmation, any Credit Derivatives Auction Settlement Terms published by ISDA with respect to such Restructuring in accordance with the Rules, and for which the Deliverable Obligation Terms are the same as the Deliverable Obligation Provisions applicable to the relevant Credit Derivative Transaction and for which such Credit Derivative Transaction would not be an Auction Covered Transaction.

**Section 12.11. Auction Covered Transaction.** "Auction Covered Transaction" has the meaning set forth in the Transaction Auction Settlement Terms.

**Section 12.12. No Auction Announcement Date.** "No Auction Announcement Date" means, with respect to a Credit Event, the date on which ISDA first publicly announces that (a) no Transaction Auction Settlement Terms and, if applicable, no Parallel Auction Settlement Terms will be published, (b) following the occurrence of a Restructuring with respect to a Credit Derivative Transaction for which either "Restructuring Maturity Limitation and Fully Transferable Obligation Applicable" or "Modified Restructuring Maturity Limitation and Conditionally Transferable Obligation Applicable" is specified in the related Confirmation only, no Transaction Settlement Terms will be published, but Parallel Auction Settlement Terms will be published or (c) the relevant Credit Derivatives Determinations Committee has Resolved that no Auction will be held following a prior public announcement by ISDA to the contrary.

**Section 12.13. Auction Cancellation Date.** "Auction Cancellation Date" has the meaning set forth in the Transaction Auction Settlement Terms.

**Section 12.14. Parallel Auction Cancellation Date.** "Parallel Auction Cancellation Date" means "Auction Cancellation Date" as defined in the relevant Parallel Auction Settlement Terms.

**Section 12.15. Parallel Auction.** "Parallel Auction" means "Auction" as defined in the relevant Parallel Auction Settlement Terms.

**Section 12.16. Parallel Auction Settlement Date.** "Parallel Auction Settlement Date" means "Auction Settlement Date" as defined in the relevant Parallel Auction Settlement Terms.

**Section 12.17. Movement Option.** "Movement Option" means, with respect to a Credit Derivative Transaction for which either "Restructuring Maturity Limitation and Fully Transferable Obligation Applicable" or "Modified Restructuring Maturity Limitation and Conditionally Transferable Obligation Applicable" is specified in the related Confirmation, and with respect to which a No Auction Announcement Date has occurred pursuant to Section 12.12(b), the option of either (a) Buyer, regardless of which Notifying Party delivered the Credit Event Notice, to apply to such Credit Derivative Transaction, for purposes of settlement, the Parallel Auction Settlement Terms, if any, for purposes of which the Permissible Deliverable Obligations are more limited than the Deliverable Obligations that Buyer could specify in any Notice of Physical Settlement (provided that if more than one such set of Parallel Auction Settlement Terms are published, the Parallel Auction Settlement Terms specifying the greatest number of such Permissible Deliverable Obligations shall apply) or (b) Seller, if Buyer delivered the Credit Event Notice, to apply to such Credit Derivative Transaction, for purposes of settlement, the Parallel Auction Settlement Terms, if any, for purposes of which all Deliverable Obligations on the Final List will be Permissible Deliverable Obligations. The party that delivers to the other party an effective Notice to Exercise Movement Option on or prior to the Movement Option Cut-off Date will determine which Parallel Auction Settlement Terms, if any, apply with respect to such Credit Derivative Transaction. If both parties deliver an effective Notice to Exercise Movement Option on or prior to the Movement Option Cut-off Date, Buyer's Notice to Exercise Movement Option will prevail, regardless of which party was first in time to deliver an effective Notice to Exercise Movement Option. If neither party delivers an effective Notice to Exercise Movement Option on or prior to the Movement Option Cut-off Date, such Credit Derivative Transaction will be settled in accordance with the Fallback Settlement Method.

**Section 12.18. Permissible Deliverable Obligations.** "Permissible Deliverable Obligations" has the meaning set forth in the relevant Credit Derivatives Auction Settlement Terms, being either all or the portion of the Deliverable Obligations included on the Final List pursuant to the Deliverable Obligation Terms that are applicable to that Auction.

**Section 12.19. Movement Option Cut-off Date.** "Movement Option Cut-off Date" means the date that is four Relevant City Business Days following the Exercise Cut-off Date applicable to Buyer.

**Section 12.20. Notice to Exercise Movement Option.** "Notice to Exercise Movement Option" means, with respect to a Credit Derivative Transaction for which (a) either "Restructuring Maturity Limitation and Fully Transferable Obligation Applicable" or "Modified Restructuring Maturity Limitation and Conditionally Transferable Obligation Applicable" is specified in the related Confirmation and (b) the Fallback Settlement Method would otherwise be applicable pursuant to Section 12.1(b), an irrevocable notice from one party to the other party (which may be in writing (including by facsimile and/or email) and/or by telephone, and which shall be subject to the requirements regarding notices set forth in Section 1.10) that (i) specifies the Parallel Auction Settlement Terms applicable with respect to such Credit

Derivative Transaction in accordance with Section 12.17 and (ii) is effective on or prior to the Movement Option Cut-off Date.

A form of Notice to Exercise Movement Option is set forth in Exhibit G.

**Section 12.21. Deliverable Obligation Terms.** "Deliverable Obligation Terms" has the meaning set forth in the relevant Credit Derivatives Auction Settlement Terms.

**Section 12.22. Deliverable Obligation Provisions.** "Deliverable Obligation Provisions" has the meaning set forth in the relevant Credit Derivatives Auction Settlement Terms."

- XI. The Definitions are hereby amended by incorporating the definitions and provisions of the May 2003 Supplement to the 2003 ISDA Credit Derivatives Definitions as published by ISDA (the "**May 2003 Supplement**") into the Definitions. In the event of any inconsistency between any definition or provision of the Definitions or the May 2003 Supplement, the May 2003 Supplement will govern.
- XII. The Definitions are hereby amended by replacing each use of the phrase "which may be by telephone" with the phrase "which may be in writing (including by facsimile and/or email) and/or by telephone".
- XIII. The Definitions are hereby amended by replacing each use of the phrase "specified (or deemed specified pursuant to Section 9.10) in the Notice of Physical Settlement" with the phrase "specified (or deemed specified pursuant to Section 9.10) in the Notice of Physical Settlement or specified in any NOPS Amendment Notice, as applicable,".
- XIV. The Definitions are hereby amended, to the extent that the relevant provision of the Definitions has not otherwise been amended by this July 2009 Supplement, by replacing each use of the phrase "specified in the Notice of Physical Settlement" with the phrase "specified in the Notice of Physical Settlement or any NOPS Amendment Notice, as applicable".
- XV. The Definitions are hereby amended by deleting Exhibit B to the Definitions (form of Credit Event Notice [and Notice of Publicly Available Information]) in its entirety and replacing it with a new Exhibit B (set forth in Annex A to this July 2009 Supplement).
- XVI. The Definitions are hereby amended by deleting Exhibit C to the Definitions (form of Notice of Physical Settlement) in its entirety and replacing it with a new Exhibit C (set forth in Annex B to this July 2009 Supplement).
- XVII. The Definitions are hereby amended by adding a form of Notice to Exercise Movement Option as Exhibit G to the Definitions (set forth in Annex C to this July 2009 Supplement).

**Annex A**

EXHIBIT B to 2003 ISDA Credit Derivatives Definitions

[Date]

[Counterparty Address and  
Contact Information]

[Non-party Calculation Agent  
Address and Contact Information]

**CREDIT EVENT NOTICE  
[AND  
NOTICE OF PUBLICLY AVAILABLE INFORMATION]<sup>1</sup>**

Credit Derivative Transaction Details: [Trade Date], [Effective Date], [Reference Entity],  
[Basket of Credit Derivative Transactions]

Reference is made to the Credit Derivative Transaction described above (the "Transaction") between [ ], as Seller, and [ ], as Buyer. Capitalized terms used and not otherwise defined in this letter shall have the meanings given them in the confirmation of the Transaction.

This letter is our Credit Event Notice to you that a [insert type] Credit Event occurred with respect to [insert name] on or about [insert date], when [describe Credit Event].

[This letter also comprises our Notice of Publicly Available Information with respect to this Credit Event. Accordingly, we provide the Publicly Available Information attached hereto.]<sup>2</sup>

Nothing in this letter shall be construed as a waiver of any rights we may have with respect to the Transaction.

Sincerely,

[insert name]

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Name:

Title:

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<sup>1</sup> The bracketed language need only be included when "Notice of Publicly Available Information Condition to Settlement Applicable" is specified in the related Confirmation and the relevant Credit Derivatives Determinations Committee has not Resolved the matters described in Sections 1.24(a) and (b).

<sup>2</sup> See footnote 1.

## Annex B

EXHIBIT C to 2003 ISDA Credit Derivatives Definitions

[Date]

[Counterparty Address and  
Contact Information]

[Non-party Calculation Agent  
Address and Contact Information]

### NOTICE OF PHYSICAL SETTLEMENT

Credit Derivative Transaction Details: [Trade Date], [Effective Date], [Reference Entity], [Basket  
of Credit Derivative Transactions]

Reference is made to the Credit Derivative Transaction described above (the "Transaction") between [ ], as Seller, and [ ], as Buyer. Reference is also made to the Credit Event Notice [and Notice of Publicly Available Information]<sup>1</sup> dated [insert date], previously delivered to you on [insert date].

This letter constitutes a Notice of Physical Settlement. Any capitalized term not otherwise defined in this letter will have the meaning, if any, assigned to such term in the confirmation of the Transaction (the "Confirmation") or, if no meaning is specified therein, in the 2003 ISDA Credit Derivatives Definitions, as supplemented by the 2009 ISDA Credit Derivatives Determinations Committees, Auction Settlement and Restructuring Supplement to the 2003 ISDA Credit Derivatives Definitions (published on July 14, 2009) (the "Definitions").

We hereby confirm that we will settle the Transaction and require performance by you in accordance with the provisions of the Confirmation and the Definitions relating to Physical Settlement. Subject to the terms of the Transaction, we will deliver to you on or before the Physical Settlement Date, [[currency/amount]] [outstanding principal balance] [Due and Payable Amount]] of the following Deliverable Obligation(s):

[describe the Deliverable Obligation(s) to be Delivered, including the outstanding principal balance or Due and Payable Amount for each such Deliverable Obligation and, if available and applicable, the CUSIP or ISIN number (or, if such identifying number is not available, the rate and tenor of the Deliverable Obligation)].

[Further, we hereby identify the following Enabling Obligation(s):]

[describe each such Enabling Obligation, including the CUSIP or ISIN number, if available and applicable (or, if such identifying number is not available, the rate and tenor), of such Enabling Obligation, or any other information necessary to establish that such obligation is an Enabling Obligation.]<sup>2</sup>

Yours sincerely,  
[insert name]

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<sup>1</sup> The bracketed language need only be included when "Notice of Publicly Available Information Condition to Settlement Applicable" is specified in the related Confirmation and the relevant Credit Derivatives Determinations Committee has not Resolved the matters described in Sections 1.24(a) and (b).

<sup>2</sup> The bracketed language need only be included in circumstances where either "Restructuring Maturity Limitation and Fully Transferable Obligation Applicable" or "Modified Restructuring Maturity Limitation and Conditionally Transferable Obligation Applicable" is specified in the related Confirmation, the relevant Credit Event is a Restructuring and the Scheduled Termination Date is later than (a) the final maturity date of the Latest Maturity Restructured Bond or Loan, if any, or (b) the 2.5-year Limitation Date.

## Annex C

EXHIBIT G to 2003 ISDA Credit Derivatives Definitions

[Date]

[Counterparty Address and  
Contact Information]

[Non-party Calculation Agent  
Address and Contact Information]

### NOTICE TO EXERCISE MOVEMENT OPTION

Credit Derivative Transaction Details: [Trade Date], [Effective Date], [Reference Entity], [Basket  
of Credit Derivative Transactions]

Reference is made to: (a) the Credit Derivative Transaction described above (the "Transaction") between [ ], as Seller, and [ ], as Buyer; (b) the Credit Event Notice [and Notice of Publicly Available Information]<sup>1</sup> dated [insert date], previously delivered to you on [insert date]; and (c) the occurrence of the No Auction Announcement Date on [insert date] pursuant to Section 12.12(b) of the 2003 ISDA Credit Derivatives Definitions, as supplemented by the 2009 ISDA Credit Derivatives Determinations Committees, Auction Settlement and Restructuring Supplement to the 2003 ISDA Credit Derivatives Definitions (published on July 14, 2009) (the "Definitions").

This letter constitutes a Notice to Exercise Movement Option. Any capitalized term not otherwise defined in this letter will have the meaning, if any, assigned to such term in the confirmation of the Transaction or, if no meaning is specified therein, in the Definitions.

We hereby exercise the Movement Option, confirm that the Transaction will be settled in accordance with [insert details sufficient to identify the relevant Credit Derivatives Auction Settlement Terms] and require performance by you in accordance therewith.

Yours sincerely,  
[insert name]

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<sup>1</sup> The bracketed language need only be included when "Notice of Publicly Available Information Condition to Settlement Applicable" is specified in the related Confirmation and the relevant Credit Derivatives Determinations Committee has not Resolved the matters described in Sections 1.24(a) and (b).