

ISDA®
International Swaps and Derivatives Association, Inc.

2009 ISDA AEJ DERIVATIVES PROTOCOL

published on 9 March 2009

by the International Swaps and Derivatives Association, Inc.

The International Swaps and Derivatives Association, Inc. (“**ISDA**”) has published this ISDA AEJ Derivatives Protocol (this “**Protocol**”) to enable parties to amend the terms of Covered Protocol Transactions (as defined below).

Accordingly, a party that has entered or intends to enter into a Covered Protocol Transaction may adhere to this Protocol and be bound by its terms by completing and delivering a letter substantially in the form of Exhibit 1 to this Protocol (an “**Adherence Letter**”) to ISDA, as agent, as described below.

1. Amendments

(a) By adhering to this Protocol in the manner set forth in Section 2 below, a party (an “**Adhering Party**”) that wishes to amend the terms of a Covered Protocol Transaction agrees, in each case on the terms and subject to the conditions set forth in this Protocol and the relevant Adherence Letter, that the terms of each Covered Protocol Transaction, if any, between it and each other Adhering Party will be amended with effect from the relevant Implementation Date in accordance with the terms of the applicable Annexes to this Protocol.

(b) The amendments provided for in this Protocol are set forth in Annexes 1 to 4, and each Adhering Party may specify in its Adherence Letter that one or more of these Annexes (and in the case of Annexes 2 to 4, part (a) or part (b) thereof) are applicable or not applicable by checking the relevant box in such Adherence Letter. If an Adhering Party fails to check a box relating to an Annex, it will be deemed to have elected that such Annex (or the relevant part thereof, as the case may be) is not applicable.

(c) In respect of any Covered Protocol Transaction between two Adhering Parties, where at least one Adhering Party has specified that less than all the Annexes are applicable, only those amendments contained in the Annexes that both parties have specified will be applicable.

2. Adherence and Effectiveness

(a) Adherence to this Protocol will be evidenced by the execution and delivery, in accordance with the first sentence of Section 5(e) below, to ISDA, as agent, of an Adherence Letter on or before 27 March 2009 (the “**Cut-off Date**”) or during the Subsequent Adherence Period (as defined below) (if any). After the Cut-off Date, ISDA will not accept any further Adherence Letters to the Protocol, subject to any re-opening of the adherence period pursuant to paragraph 2(e) below.

(i) Each Adhering Party will deliver two copies of the Adherence Letter, one a manually signed original and the other a conformed copy containing, in place of each signature, the printed or typewritten name of each signatory.

- (ii) Each Adhering Party agrees that, for evidentiary purposes, a conformed copy of an Adherence Letter certified by the General Counsel or an appropriate officer of ISDA will be deemed to be an original.
- (b) As between any two Adhering Parties:
- (i) the agreement to make the amendments contemplated by this Protocol, on the terms and subject to the conditions set forth in this Protocol, will be effective on the date of receipt by ISDA, as agent, of an Adherence Letter from the later of the Adhering Parties to adhere; and
 - (ii) the amendments set out in the Annexes that both of the Adhering Parties have specified as applicable will apply between the Adhering Parties from that date, subject to any conditions contained in those Annexes, but in each case with effect from the relevant Implementation Date whether or not the relevant date determined under (i) above falls before, on or after the relevant Implementation Date.
- (c) This Protocol is intended for use without negotiation, but without prejudice to any amendment, modification or waiver in respect of a Covered Protocol Transaction that the parties may otherwise effect in accordance with the terms of that Covered Protocol Transaction and the Governing ISDA Master Agreement.
- (i) In adhering to this Protocol, an Adhering Party may not specify additional provisions, conditions or limitations in its Adherence Letter or otherwise.
 - (ii) Any purported adherence that ISDA, as agent, determines in good faith is not in compliance with this Section will be void and ISDA will inform the relevant party of such fact as soon as reasonably possible after making such determination.
- (d) Each Adhering Party acknowledges and agrees that adherence to this Protocol is irrevocable, irrespective of whether such adherence occurs on or prior to the Cut-off Date or during the Subsequent Adherence Period (if any).
- (e) If ISDA determines in its absolute discretion that market interest justifies reopening adherence to this Protocol, ISDA may designate the first and final day of a subsequent adherence period (a “**Subsequent Adherence Period**”) by giving no less than ten calendar days' notice on its website at www.isda.org (or by other suitable means). In the event that adherence is re-opened, each Adherence Letter effectively delivered on any day during the Subsequent Adherence Period in accordance with the terms of this Protocol shall be deemed to have been effectively delivered.

3. Representations

Each Adhering Party represents to each other Adhering Party with which it has or may have entered into a Covered Protocol Transaction, on the date on which the later of them adheres to this Protocol in accordance with Section 2 above and, if then outstanding, in respect of each Covered Protocol Transaction between them, that:

- (a) **Status.** It (i) is, if relevant, duly organised and validly existing under the laws of the jurisdiction of its organisation or incorporation and, if relevant under such laws, in good standing or (ii) if it otherwise represents its status in or pursuant to the Governing ISDA Master Agreement, has such status;

(b) **Powers.** It has the power to execute and deliver the Adherence Letter and to perform its obligations under the Adherence Letter and the Governing ISDA Master Agreement, in each case as amended by the Adherence Letter and this Protocol, and has taken all necessary action to authorise such execution, delivery and performance;

(c) **No Violation or Conflict.** Such execution, delivery and performance do not violate or conflict with any law applicable to it, any provision of its constitutional documents, any order or judgment of any court or other agency of government applicable to it or any of its assets or any contractual restriction binding on or affecting it or any of its assets;

(d) **Consents.** All governmental and other consents that are required to have been obtained by it with respect to the Adherence Letter and the Governing ISDA Master Agreement, in each case as amended by the Adherence Letter and this Protocol, have been obtained and are in full force and effect and all conditions of any such consents have been complied with;

(e) **Obligations Binding.** Its obligations under the Adherence Letter and the Governing ISDA Master Agreement, in each case as amended by the Adherence Letter and this Protocol, constitute its legal, valid and binding obligations, enforceable in accordance with their respective terms (subject to applicable bankruptcy, reorganisation, insolvency, moratorium or similar laws affecting creditors' rights generally and subject, as to enforceability, to equitable principles of general application (regardless of whether enforcement is sought in a proceeding in equity or at law)); and

(f) **Credit Support.** Its adherence to this Protocol and any amendment contemplated by this Protocol will not, in and of itself, adversely affect any obligations owed, whether by it or by any third party, under any Credit Support Document relating to the Governing ISDA Master Agreement.

Each Adhering Party agrees with each other Adhering Party with which it has or may have a Governing ISDA Master Agreement that each of the foregoing representations will be deemed to be a representation for purposes of Section 5(a)(iv) of each such Governing ISDA Master Agreement entered into prior to the relevant Implementation Date between them.

4. Evidence of Capacity and Authority

Each Adhering Party may deliver to ISDA, as agent, such evidence as it deems appropriate to evidence its capacity to adhere to this Protocol and the authority of anyone signing on its behalf.

5. Miscellaneous

(a) **Entire Agreement; Restatement; Survival.**

(i) This Protocol constitutes the entire agreement and understanding of the Adhering Parties with respect to its subject matter. Each Adhering Party acknowledges that in adhering to this Protocol it has not relied on any oral or written representation, warranty or other assurance (except as provided for or referred to in an Annex or elsewhere in this Protocol) and waives all rights and remedies which might otherwise be available to it in respect thereof, except that nothing in this Protocol will limit or exclude any liability of an Adhering Party for fraud.

(ii) Except for any amendment deemed to be made pursuant to this Protocol in respect of a Covered Protocol Transaction, all terms and conditions of the relevant Covered Protocol Transaction will continue in full force and effect in accordance with its provisions as in effect immediately prior to the relevant Implementation Date. This Protocol will, with respect to its subject matter, survive, and any amendments deemed to be made pursuant to it will form a part of each relevant Covered Protocol Transaction between the Adhering Parties.

(b) **Amendments.** An amendment, modification or waiver in respect of the matters contemplated by this Protocol will only be effective if made in accordance with the terms of the Governing ISDA Master Agreement and then only with effect between the parties to that Governing ISDA Master Agreement (and will only be effective to amend or override the provisions contained in an applicable Annex to this Protocol if it expressly refers in writing to this Section of this Protocol and would otherwise be effective in accordance with Section 9(b) (or, in the case of an ISDA Master Agreement that is the 1992 ISDA Master Agreement (Local Currency – Single Jurisdiction), Section 8(b)) of the Governing ISDA Master Agreement in effect between the parties).

(c) **Headings.** The headings used in this Protocol and any Adherence Letter are for convenience of reference only and are not to affect the construction of or to be taken into consideration in interpreting this Protocol or any Adherence Letter.

(d) **Governing Law.** This Protocol and each Adherence Letter will, as between two Adhering Parties and in respect of each Covered Protocol Transaction between them, be governed by and construed in accordance with the law specified to govern that Covered Protocol Transaction and otherwise in accordance with applicable choice of law doctrine.

(e) **Notices.** Any Adherence Letter must be in writing and delivered as a locked PDF (portable document format) attachment to an email to ISDA at aejprotocol@isda.org and will be deemed effectively delivered on the date it is delivered unless on the date of that delivery ISDA's New York office is closed or that communication is delivered after 5:00 p.m., New York time, in which case that communication will be deemed effectively delivered on the next day ISDA's New York office is open. Each Adhering Party agrees that the determination of the date and time of delivery of any Adherence Letter shall be determined by ISDA in its absolute discretion.

6. Definitions

As used in this Protocol and the Annexes, the following terms have the meaning indicated below. Each capitalized term used in this Protocol or the Annexes but not defined herein or therein has the meaning given to that term in the 2002 ISDA Equity Derivatives Definitions, as published by ISDA (the "Equity Definitions"):

"**AEJ 2008 Open Markets MCA**" means the 2008 AEJ Master Equity Derivatives Confirmation Agreement, as published by ISDA on 22 August 2008 (as may be amended or supplemented from time to time).

"**AEJ Interdealer MCA**" means (i) the Revised 2005 AEJ Interdealer Master Equity Derivatives Confirmation Agreement, as published by ISDA on 13 March 2007 (as may be amended or supplemented from time to time); or (ii) the 2005 AEJ Interdealer Master Equity Derivatives Confirmation Agreement, as published by ISDA on 29 November 2006, as amended by the Amendment to the 2005 AEJ Interdealer Master Equity Derivatives Confirmation Agreement, as published by ISDA on 13 March 2007 (as may be amended or supplemented from time to time).

"**AEJ MCAs**" means the AEJ Interdealer MCA, the AEJ 2008 Open Markets MCA and the AEJ Variance Swap MCA.

"**AEJ Variance Swap MCA**" means the 2007 AEJ Master Variance Swap Confirmation Agreement, as published by ISDA on 12 February 2007 (as may be amended or supplemented from time to time).

"**Confirmation**" means, (i) in relation to any Covered AEJ MCA Transaction, each Confirmation, and (ii) in relation to any Covered Other Transaction between two Adhering Parties, each document

or other confirming evidence exchanged between them or otherwise effective for the purpose of confirming or evidencing such Covered Other Transaction and includes, where applicable, the terms of any master confirmation agreement that they have agreed will govern such Covered Other Transaction.

“Covered AEJ MCA Transaction” means each of (i) an equity derivatives transaction entered into between two Adhering Parties under the AEJ Interdealer MCA, (ii) an equity derivatives transaction entered into between two Adhering Parties under the AEJ 2008 Open Markets MCA, or (iii) an equity derivatives transaction entered into between two Adhering Parties under the AEJ Variance Swap MCA.

“Covered ODI Transaction” means an ODI Transaction entered into between two Adhering Parties, provided that such ODI Transaction is governed by a Confirmation under a Governing ISDA Master Agreement.

“Covered Other Transaction” means any transaction other than a Covered AEJ MCA Transaction between two Adhering Parties, and which is a Covered ODI Transaction or a Covered Variance Swap Transaction.

“Covered Protocol Transaction” means a Covered AEJ MCA Transaction or a Covered Other Transaction.

“Covered Variance Swap Transaction” means a cash-settled index variance swap transaction or a cash-settled share variance swap transaction entered into between two Adhering Parties, provided that such transaction is governed by a Confirmation under a Governing ISDA Master Agreement and incorporates by reference the Equity Definitions.

“Credit Support Document” has the meaning given to that term in the related Governing ISDA Master Agreement.

“Governing ISDA Master Agreement” means, in respect of a Covered AEJ MCA Transaction, the ISDA Master Agreement governing such Covered AEJ MCA Transaction, as referred to in the applicable AEJ MCA, and in respect of any Covered Other Transaction, the ISDA Master Agreement governing such Covered Other Transaction, whether separately entered into by the relevant Adhering Parties or incorporated by reference (either directly or under the terms of a related master confirmation agreement) in the Confirmation of such Covered Other Transaction.

“ISDA Master Agreement” means any of the following: (i) the 2002 ISDA Master Agreement; (ii) the 1992 ISDA Master Agreement (Multicurrency – Cross Border); (iii) the 1992 ISDA Master Agreement (Local Currency – Single Jurisdiction); (iv) the 1987 ISDA Interest Rate and Currency Exchange Agreement; and (v) the 1987 ISDA Interest Rate Swap Agreement.

“Implementation Date” means, in respect of each Annex, 9 January 2009.

“ODI Transaction” means a transaction which is or otherwise involves an offshore derivative instrument (as such term is defined for the purposes of Regulation 15A of the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995) (as may be amended or supplemented from time to time).

“Original Additional Provisions” means the Additional Provisions for Use with Indian Underliers published by ISDA on 6 June 2005.

“Revised Additional Provisions” means the revised Additional Provisions for Use with Indian Underliers published by ISDA on 28 November 2008, replacing the Original Additional Provisions.

“Specified Type” means a single stock share variance swap transaction or a single exchange index variance swap transaction involving any of the securities traded on an Exchange located in the Hong Kong Special Administrative Region, Republic of India, Republic of Indonesia, Republic of Korea, Federation of Malaysia, Islamic Republic of Pakistan, Republic of the Philippines, Republic of Singapore, Republic of China (Taiwan), Kingdom of Thailand, or the Socialist Republic of Vietnam.

Form of Adherence Letter

[Letterhead of Adhering Party]

[Date]

Send to: aejprotocol@isda.org

Dear Sirs,

2009 ISDA AEJ Derivatives Protocol - Adherence

The purpose of this letter is to confirm our adherence to the ISDA AEJ Derivatives Protocol as published by the International Swaps and Derivatives Association, Inc. on 9 March 2009 (the “**Protocol**”). This letter constitutes an Adherence Letter as referred to in the Protocol.

The definitions and provisions contained in the Protocol are incorporated into this Adherence Letter, which will supplement and form part of any ISDA Master Agreement entered into prior to the relevant Implementation Date between us and each other Adhering Party.

1. Specified Terms

Each of the following Annexes will be applicable if specified below as applicable¹:

		Applicable	Not Applicable
Annex 1	August 2008 and Other Amendments to the AEJ MCAs		
Annex 2 paragraph (a)	Additional Provisions for Use with Indian Underliers – Covered AEJ MCA Transactions		
Annex 2 paragraph (b)	Additional Provisions for Use with Indian Underliers – Covered ODI Transactions		
Annex 3 paragraph (a)	Market Disruption Event for AEJ Variance Swaps – Covered AEJ MCA Transactions		
Annex 3 paragraph (b)	Market Disruption Event for AEJ Variance Swaps – Covered Variance Swap Transactions		
Annex 4 paragraph (a)	“Equity Amounts” Amendments to AEJ Variance Swaps – Covered AEJ MCA Transactions		
Annex 4 paragraph (b)	“Equity Amounts” Amendments to AEJ Variance Swaps – Covered Variance Swap Transactions		

2. Appointment as Agent and Release

¹ Please specify which of the Annexes 1 to 4 (and in the case of Annexes 2 to 4, part (a) or part (b) thereof) are applicable by checking the relevant box. If an Adhering Party fails to check a box relating to an Annex, it will be deemed to have elected that such Annex (or the relevant part thereof, as the case may be) is not applicable.

We hereby appoint ISDA as our agent for the limited purposes of the Protocol and accordingly we waive, and hereby release ISDA from, any rights, claims, actions or causes of action whatsoever (whether in contract, tort or otherwise) arising out of or in any way relating to this Adherence Letter or our adherence to the Protocol or any actions contemplated as being required by ISDA.

3. Contact Details

Our contact details for purposes of this Adherence Letter are:

- Name:
- Address:
- Telephone:
- Fax:
- E-mail:

We consent to the publication of a conformed copy of this letter by ISDA and to the disclosure by ISDA of the contents of this letter.

Yours faithfully,

[ADHERING PARTY]²

By:

Name:
Title:
Signature:

² Specify legal name of Adhering Party.

ANNEX 1

August 2008 and Other Amendments to the AEJ MCAs

If this Annex 1 has been elected to apply, then as between two Adhering Parties who have so elected, the provisions below shall apply to any Covered AEJ MCA Transaction which is in effect between them as of the Implementation Date or which may be entered into between them on or after the Implementation Date:

(a) ***Amendment to the AEJ Interdealer MCA.*** Each Covered AEJ MCA Transaction that incorporates the AEJ Interdealer MCA shall be modified as follows:

(i) Annex IO (Index Option) of the Index Option General Terms Confirmation shall be amended by:

(A) replacing the reference to the “2000 ISDA Definitions” in the second paragraph with “2006 ISDA Definitions”;

(B) including the following new terms under “Futures Price Valuation terms” just above “If Futures Price Valuation is applicable.”:

“Futures Price Valuation: If Futures Price Valuation applies and on the Expiration Date the Official Settlement Price is not published for a reason other than the fact that trading in the Exchange-traded Contract never commences or is permanently discontinued, the Expiration Date shall be the first succeeding Scheduled Trading Day on which the Official Settlement Price is published.”; and

(C) replacing the existing terms of “Option Cash Settlement Amount” under “Settlement Terms” with the following:

“Option Cash Settlement Amount: (i) If “Vanilla” or if “Quanto” is specified as the Settlement Type in the relevant Transaction Supplement or if no Settlement Type is so specified, an amount, as determined by the Calculation Agent in accordance with Section 8.2 of the Equity Definitions.

(ii) If “Cross-Currency” is specified as the Settlement Type in the relevant Transaction Supplement, an amount determined by the Calculation Agent as being equal to the number of Options exercised or deemed exercised, multiplied by:

Strike Price Differential¹ x Multiplier x one unit of the Reference Currency

converted into an amount in the Settlement Currency using the rate of exchange of the Settlement Currency

¹ Settlement Price and Strike Price to be stated as levels and not denominated in a currency.

as quoted on the Reference Price Source on the Valuation Date.

(iii) If “Composite” is specified as the Settlement Type in the relevant Transaction Supplement, an amount determined by the Calculation Agent as being equal to the number of Options exercised or deemed exercised, multiplied by:

Strike Price Differential² x Multiplier.

For these purposes, the Strike Price shall be multiplied by one unit of the Settlement Currency, and the Settlement Price shall be multiplied by one unit of the Reference Currency and converted into the Settlement Currency using the rate of exchange of the Settlement Currency as quoted on the Reference Price Source on the Valuation Date.”

(ii) Annex IS (Index Swap) of the Index Swap General Terms Confirmation shall be amended by replacing the reference to the “2000 ISDA Definitions” in the second paragraph with “2006 ISDA Definitions”.

(iii) Annex SO (Cash or Physically-settled Share Option) of the Share Option General Terms Confirmation shall be amended by:

(A) replacing the reference to the “2000 ISDA Definitions” in the second paragraph with “2006 ISDA Definitions”;

(B) replacing the existing terms of “Option Cash Settlement Amount” under “Valuation and Settlement Terms” with the following:

“Option Cash Settlement Amount:

(i) If “Vanilla” or if “Quanto” is specified as the Settlement Type in the relevant Transaction Supplement or if no Settlement Type is so specified, an amount, as determined by the Calculation Agent in accordance with Section 8.2 of the Equity Definitions, provided that if “Quanto” is specified as the Settlement Type in the relevant Transaction Supplement, the Option Cash Settlement Amount shall be an amount as determined in accordance with Section 8.2 of the Equity Definitions, divided by one unit of the Reference Currency and multiplied by one unit of the Settlement Currency, as determined by the Calculation Agent.

(ii) If “Cross-Currency” is specified as the Settlement Type in the relevant Transaction Supplement, an amount determined by the Calculation Agent as being equal to the number of Options exercised or deemed

²

Settlement Price and Strike Price to be stated as levels and not denominated in a currency (which Strike Price level, for the avoidance of doubt, should take into account the relevant conversion factor between the Settlement Currency and the Reference Currency).

exercised, multiplied by:

Strike Price Differential³ x Option Entitlement

converted into an amount in the Settlement Currency using the rate of exchange of the Settlement Currency as quoted on the Reference Price Source on the Valuation Date.

(iii) If “Composite” is specified as the Settlement Type in the relevant Transaction Supplement, an amount determined by the Calculation Agent as being equal to the number of Options exercised or deemed exercised, multiplied by:

Strike Price Differential⁴ x Option Entitlement.

For these purposes, the Settlement Price shall be converted into the Settlement Currency using the rate of exchange of the Settlement Currency as quoted on the Reference Price Source on the Valuation Date.”; and

- (C) replacing the existing terms of “Settlement Price” under “Valuation and Settlement Terms” with the following:

“Settlement Price: If Cash Settlement is specified as Applicable in the Transaction Supplement, the price per Share as published by the Exchange as of the Valuation Time on the Valuation Date, unless otherwise specified in the Transaction Supplement.

If Physical Settlement is specified as Applicable in the Transaction Supplement, the Strike Price, unless otherwise specified in the Transaction Supplement.”

- (iv) Annex SS (Cash-settled Share Swap) of the Share Swap General Terms Confirmation shall be amended by replacing the reference to the “2000 ISDA Definitions” in the second paragraph with “2006 ISDA Definitions”.

- (b) **Amendment to the AEJ 2008 Open Markets MCA.** Each Covered AEJ MCA Transaction that incorporates the AEJ 2008 Open Markets MCA shall be modified as follows:

Annex OMISO (Cash or Physically-settled Open Market European/American Index/Share Option) shall be amended by:

- (i) replacing the existing terms of “Futures Price Valuation” under “Futures Price Valuation terms” with the following:

“Futures Price Valuation: If Futures Price Valuation applies and on the Expiration

³ Strike Price to be stated in the Reference Currency.

⁴ Strike Price to be stated in the Settlement Currency.

Date the Official Settlement Price is not published for a reason other than the fact that trading in the Exchange-traded Contract never commences or is permanently discontinued, the Expiration Date shall be the first succeeding Scheduled Trading Day on which the Official Settlement Price is published.”; and

- (ii) replacing the existing terms of “Option Cash Settlement Amount” under “Settlement Terms” with the following:

“Option Cash Settlement Amount: (i) If “Vanilla” or if “Quanto” is specified as the Settlement Type in the relevant Transaction Supplement or if no Settlement Type is so specified, an amount, as determined by the Calculation Agent in accordance with Section 8.2 of the Equity Definitions, provided that for Share Option Transactions, if “Quanto” is specified as the Settlement Type in the relevant Transaction Supplement, the Option Cash Settlement Amount shall be an amount as determined in accordance with Section 8.2 of the Equity Definitions, divided by one unit of the Reference Currency and multiplied by one unit of the Settlement Currency, as determined by the Calculation Agent.

(ii) If “Cross-Currency” is specified as the Settlement Type in the relevant Transaction Supplement, an amount determined by the Calculation Agent as being equal to the number of Options exercised or deemed exercised, multiplied by:

if an Index Option Transaction, then:

Strike Price Differential⁵ x Multiplier x one unit of the Reference Currency; and

if a Share Option Transaction, then:

Strike Price Differential⁶ x Option Entitlement.

For the purposes of both Index Option Transactions and Share Option Transactions, the above amount shall be converted into an amount in the Settlement Currency using the rate of exchange of the Settlement Currency as quoted on the Reference Price Source on the Valuation Date.

(iii) If “Composite” is specified as the Settlement Type in the relevant Transaction Supplement, an amount determined by the Calculation Agent as being equal to the number of Options exercised or deemed exercised, multiplied by:

⁵ Settlement Price and Strike Price to be stated as levels and not denominated in a currency.

⁶ Strike Price to be stated in the Reference Currency.

if an Index Option Transaction, then:
Strike Price Differential⁷ x Multiplier; and

if a Share Option Transaction, then:
Strike Price Differential⁸ x Option Entitlement.

For the purposes of Index Option Transactions, the Strike Price shall be multiplied by one unit of the Settlement Currency, and the Settlement Price shall be multiplied by one unit of the Reference Currency.

For the purposes of both Index Option Transactions and Share Option Transactions, the Settlement Price shall be converted into the Settlement Currency using the rate of exchange of the Settlement Currency as quoted on the Reference Price Source on the Valuation Date.”

(c) ***Amendment to the AEJ Variance Swap MCA.*** Each Covered AEJ MCA Transaction that incorporates the AEJ Variance Swap MCA shall be modified as follows:

(i) Annex IVS (Cash-settled Index Variance Swap) of the Share Variance Swap General Terms Confirmation shall be amended by replacing the reference to the “2000 ISDA Definitions” in the second paragraph with “2006 ISDA Definitions”.

(ii) Annex SVS (Cash-settled Share Variance Swap) of the Share Variance Swap General Terms Confirmation shall be amended by:

(A) replacing the reference to the “2000 ISDA Definitions” in the second paragraph with “2006 ISDA Definitions”;

(B) replacing the existing terms of “Related Exchange” under “General Terms” with the following:

“Related Exchange: As specified in the relevant Transaction Supplement, except that for the purposes of the definitions of “Scheduled Trading Day”, “Early Closure” and “Disrupted Day” in Sections 1.31, 6.3(d) and 6.4, respectively, of the Equity Definitions there shall be no Related Exchange”; and

(C) adding the following paragraph immediately following the existing terms of “Market Disruption Event” under “Equity Amounts”:

“Each of Sections 6.3(b) and 6.3(c) of the Equity Definitions shall be amended by deleting subclause (ii) thereof.”

⁷ Settlement Price and Strike Price to be stated as levels and not denominated in a currency (which Strike Price level, for the avoidance of doubt, should take into account the relevant conversion factor between the Settlement Currency and the Reference Currency).

⁸ Strike Price to be stated in the Settlement Currency.

ANNEX 2

Additional Provisions for Use with Indian Underliers

If this Annex 2 has been elected to apply, then as between two Adhering Parties who have so elected, the provisions below shall apply to (i) any Covered AEJ MCA Transaction that is an ODI Transaction or (ii) any Covered ODI Transaction, in each case, which is in effect between them as of the Implementation Date or which may be entered into between them on or after the Implementation Date:

(a) **Covered AEJ MCA Transactions.** Each Covered AEJ MCA Transaction that is an ODI Transaction that incorporates the AEJ Interdealer MCA shall be amended by deleting the sentence “Additional Provisions for Use with Indian Underliers: [Applicable] [Not Applicable]” under the caption “4. Other Provisions:” in the applicable General Terms Confirmation and replacing it with the provisions set forth in the Schedule to this Annex 2. Each Covered AEJ MCA Transaction that is an ODI Transaction that incorporates the AEJ Variance Swap MCA shall be amended by deleting the sentence “Additional Provisions for Use with Indian Underliers: [Applicable] [Not Applicable]” under the caption “3. Additional Provisions:” in the applicable General Terms Confirmation and replacing it with the provisions set forth in the Schedule to this Annex 2.

(b) **Covered ODI Transactions.** Each of the Adhering Parties agrees that the terms and conditions applicable to each Covered ODI Transaction shall be amended by:

- (i) incorporating by reference the Revised Additional Provisions in their entirety into the relevant Confirmation and amending the recital of the Revised Additional Provisions by deleting the words “If parties are entering into a Transaction” and replacing them with the words “If the parties have entered into or are entering into a Transaction”;
- (ii) if the Original Additional Provisions or (excluding the Revised Additional Provisions) any provisions with similar effect or purpose as the Original Additional Provisions (“**Similar Provisions**”) were set out in, or incorporated by reference into, such Confirmation or the Governing ISDA Master Agreement, deleting such Original Additional Provisions or Similar Provisions in their entirety, or their incorporation by reference, from the relevant Confirmation or the Governing ISDA Master Agreement (as the case may be); and
- (iii) inserting the following provision into the relevant Confirmation:

“If a representation in the Revised Additional Provisions proves to have been incorrect or misleading in any material respect when made or repeated or deemed to have been made or repeated; or if a party fails to comply with or perform any agreement or obligation undertaken by it in the Revised Additional Provisions, it shall be an Additional Termination Event with all Transactions which are or otherwise involve an ODI (as defined in the Revised Additional Provisions) being the sole Affected Transactions, and with the party in breach being the sole Affected Party.”

Schedule to Annex 2

Revised Additional Provisions

The revised Additional Provisions for Use with Indian Underliers published by the International Swaps and Derivatives Association, Inc. (“**ISDA**”) on 28 November 2008 (the “**Revised Additional Provisions**”) shall apply and the recital of the Revised Additional Provisions shall be amended by deleting the words “If parties are entering into a Transaction” and replacing them with the words “If the parties have entered into or are entering into a Transaction”.

If a representation in the Revised Additional Provisions proves to have been incorrect or misleading in any material respect when made or repeated or deemed to have been made or repeated; or if a party fails to comply with or perform any agreement or obligation undertaken by it in the Revised Additional Provisions, it shall be an Additional Termination Event with all Transactions which are or otherwise involve an ODI (as defined in the Revised Additional Provisions) being the sole Affected Transactions, and with the party in breach being the sole Affected Party.

ANNEX 3

Market Disruption Event for AEJ Variance Swaps

If this Annex 3 has been elected to apply, then as between two Adhering Parties who have so elected, the provisions below shall apply to (i) any Covered AEJ MCA Transaction that incorporates the AEJ Variance Swap MCA or (ii) any Covered Variance Swap Transaction, in each case, which is of the Specified Type and which is in effect between them as of the Implementation Date or which may be entered into between them on or after the Implementation Date:

(a) ***Amendment to the AEJ Variance Swap MCA.*** Each Covered AEJ MCA Transaction which is of the Specified Type and that incorporates the AEJ Variance Swap MCA shall be amended by:

- (i) amending the caption “Market Disruption Event” under “Equity Amounts” in Annex IVS (Cash-settled Index Variance Swap) of the Index Variance Swap General Terms Confirmation to “Market Disruption Event for non-Multiple Exchange Index Variance Swap Transactions not of the Specified Type”;
- (ii) inserting the provisions set forth in the Schedule to this Annex 3 under the caption “Market Disruption Event for non-Multiple Exchange Index Variance Swap Transactions of the Specified Type” under “Equity Amounts” in Annex IVS (Cash-settled Index Variance Swap) of the Index Variance Swap General Terms Confirmation and inserting the definition of “Specified Type”;
- (iii) amending the caption “Market Disruption Event” under “Equity Amounts” in Annex SVS (Cash-settled Share Variance Swap) of the Share Variance Swap General Terms Confirmation to “Market Disruption Event for Transactions not of the Specified Type”; and
- (iv) inserting the provisions set forth in the Schedule to this Annex 3 under the caption “Market Disruption Event Definitions for Transactions of the Specified Type” under “Equity Amounts” in Annex SVS (Cash-settled Share Variance Swap) of the Share Variance Swap General Terms Confirmation and inserting the definition of “Specified Type”.

(b) ***Covered Variance Swap Transactions.*** Each of the Adhering Parties agrees that the terms and conditions applicable to each Covered Variance Swap Transaction which is of the Specified Type shall be amended by:

- (i) deleting any definitions of “Market Disruption Event”, “Trading Disruption”, “Exchange Disruption” or “Early Closure” in their entirety, or their incorporation by reference, from the relevant Confirmation; and
- (ii) inserting the provisions set forth in the Schedule to this Annex 3 under the caption “Market Disruption Event Definitions”.

Schedule to Annex 3

Market Disruption Event Definitions for AEJ Variance Swaps

The relevant documentation relating to each Covered AEJ MCA Transaction that incorporates the AEJ Variance Swap MCA and each Covered Variance Swap Transaction, in each case, which is of the Specified Type shall be modified as set out in Annex 3 and in this Schedule. To the extent any provision of the Equity Definitions is inconsistent with the terms of this Schedule, the terms of this Schedule shall govern.

Part 1

1. Section 6.3(a) of the Equity Definitions shall be replaced in its entirety with the following:

“**Market Disruption Event**” means:

(a) in respect of a Share, the occurrence or existence of (i) a Trading Disruption in respect of that Share or (ii) an Exchange Disruption in respect of that Share, (iii) the failure by the Exchange to report the official closing price per Share of that Share as of the Valuation Time or (iv) an Early Closure in respect of that Share; or

(b) in respect of an Index, the occurrence or existence of (i) a Trading Disruption in respect of that Index or (ii) an Exchange Disruption in respect of that Index or (iii) an Early Closure in respect of that Index, provided that where any of the foregoing applies in relation to one or more component securities of that Index, the aggregate of all such component securities in respect of each of which a Trading Disruption, an Exchange Disruption or an Early Closure occurs or exists at any time (including, for the avoidance of doubt, at a different time in relation to the others, if any) during or across the relevant MDE Observation Period or the Share Observation Period (as the case may be) singly or together comprises 20 percent or more of the level of that Index. For the avoidance of doubt, where a Trading Disruption occurs as a result of limitations imposed on trading by reason of movements in price to or exceeding limits permitted by the relevant Exchange, and there are securities that are Bid-up and securities that are Offer-down during the relevant period, both the securities that are Bid-up and the securities that are Offer-down shall be aggregated for the purpose of determining whether the aggregate of the affected component securities comprises 20 percent or more of the level of the Index.

For the purposes of determining whether a Market Disruption Event in respect of an Index exists at any time, if there is a Market Disruption Event in respect of a security included in the Index at any time on a Scheduled Trading Day, the relevant percentage contribution of that security to the level of the Index shall be the percentage contribution of that security as of the Valuation Time on the Exchange Business Day immediately preceding that Scheduled Trading Day, as calculated or otherwise made available by the Index Sponsor (or, if the Index Sponsor ceases to calculate or otherwise make available such percentage contribution, a replacement therefor acceptable to the Calculation Agent) (such replacement, the “**Percentage Publisher**”); provided that if the Percentage Publisher did not publish such a percentage contribution at that time, the relevant percentage contribution will be determined by the Calculation Agent based on the price for the securities included in the Index as of the Valuation Time on the Exchange Business Day immediately preceding that Scheduled Trading Day, as reported in the official real-time price dissemination mechanism for the relevant Exchange (or, if trading in a security included in the Index is disrupted at that time, based on its good faith estimate of the value of the relevant security at that time).

2. Section 6.3(b) of the Equity Definitions shall be replaced in its entirety with the following:

“Trading Disruption” means:

(a) in respect of a Share, any suspension of or limitation imposed on trading of that Share by the relevant Exchange or otherwise at any time during the MDE Observation Period, provided that where the limitation imposed on trading of that Share arises by reason of movements in price to or exceeding limits permitted by the relevant Exchange, it shall be a Trading Disruption only if:

- (i) there was at least one occurrence (regardless of how long such occurrence lasted) of a Bid-up or Offer-down for that Share on the relevant Exchange at any time during the Share Observation Period, or if the Share Observation Period does not entirely fall within the MDE Observation Period, that part of the Share Observation Period (if any) that does fall within the MDE Observation Period; or
- (ii) if the official closing price for that Share reported by the relevant Exchange is a Limit-up Price or a Limit-down Price, in the case of a Limit-up Price, there were Unfilled Bids for that Share at the actual closing time for the regular trading session on the relevant Exchange, or in the case of a Limit-down Price, there were Unfilled Offers for that Share at the actual closing time for the regular trading session on the relevant Exchange; or

(b) in respect of an Index, any suspension of or limitation imposed on trading of one or more component securities of that Index by the relevant Exchange or of futures or options contracts relating to that Index on the relevant Related Exchange at any time during the MDE Observation Period, provided that where the limitation imposed on trading arises by reason of movements in price to or exceeding limits permitted by the relevant Exchange or Related Exchange, it shall be a Trading Disruption only if:

- (i) a Trading Disruption as defined in paragraph (a) above affects one or more component securities of the relevant Index; or
- (ii) there was at least one occurrence (regardless of how long such occurrence lasted) of a Bid-up or Offer-down for at least one Relevant Futures Contract on the relevant Related Exchange at any time during the Index Observation Period, or if the Index Observation Period does not entirely fall within the MDE Observation Period, that part of the Index Observation Period (if any) that does fall within the MDE Observation Period.

3. Section 6.3(c) of the Equity Definitions shall be replaced in its entirety with the following:

“Exchange Disruption” means:

(a) in respect of a Share, any event (other than an Early Closure) that occurs at any time during the MDE Observation Period that disrupts or impairs (as determined by the Calculation Agent) the ability of market participants in general to effect transactions in, or obtain market values for that Share on the relevant Exchange; or

(b) in respect of an Index, any event (other than an Early Closure) that occurs at any time during the MDE Observation Period that disrupts or impairs (as determined by the Calculation Agent) the ability of market participants in general to effect transactions in, or obtain market values for (i) one or more component securities of that Index on the relevant Exchange, or (ii) futures or options contracts relating to that Index on the relevant Related Exchange.

4. Section 6.3(d) of the Equity Definitions shall be replaced in its entirety with the following:

“Early Closure” means:

- (a) in respect of a Share, the closure on any Exchange Business Day of the relevant Exchange; or
- (b) in respect of an Index, the closure on any Exchange Business Day of (i) the relevant Exchange on which the component securities of that Index are traded, or (ii) any relevant Related Exchange on which futures or options contracts relating to that Index are traded,

in each case, prior to its Scheduled Closing Time (as such term is defined in Section 1.30 but disregarding the proviso thereof) unless such earlier closing time is announced by such Exchange or Related Exchange at least one hour prior to the earlier of (i) the actual closing time for the regular trading session on such Exchange or Related Exchange on such Exchange Business Day, and (ii) the submission deadline for orders to be entered into the Exchange or Related Exchange system for execution at the Valuation Time on such Exchange Business Day.

5. Section 1.30 of the Equity Definitions shall be replaced in its entirety with the following:

“Scheduled Closing Time” means, in respect of an Exchange or Related Exchange and a Scheduled Trading Day, the scheduled closing time of such Exchange or Related Exchange on such Scheduled Trading Day, without regard to after hours or any other trading outside of the regular trading session hours, provided that if the Exchange or Related Exchange announces an earlier closing time for the regular trading session on such Exchange or Related Exchange for that Scheduled Trading Day at least one hour prior to such earlier closing time, the Scheduled Closing Time for that Scheduled Trading Day shall be such earlier closing time.

Part 2

The following additional definitions shall be included:

“Bid-up” means, in relation to a Share or Relevant Futures Contract, that the bids (or buy orders) for that Share or Relevant Futures Contract cleared all offers (or sell orders) for that Share or Relevant Futures Contract and there was one or more Unfilled Bids at the Limit-up Price for that Share or Relevant Futures Contract.

“Index Observation Period” means, in respect of an Index, the half-hour period that ends at the actual closing time for the regular trading session on the relevant Exchange on which the component securities of that Index are traded.

“Limit-down Price” means, in relation to a Share or Relevant Futures Contract and a Scheduled Trading Day, the lowest price at which that Share or Relevant Futures Contract can be traded on that Scheduled Trading Day, pursuant to the trading rules of the relevant Exchange or Related Exchange.

“Limit-up Price” means, in relation to a Share or Relevant Futures Contract and a Scheduled Trading Day, the highest price at which that Share or Relevant Futures Contract can be traded on that Scheduled Trading Day, pursuant to the trading rules of the relevant Exchange or Related Exchange.

“MDE Observation Period” means the one hour period that ends at the relevant Valuation Time, Latest Exercise Time, Knock-in Valuation Time or Knock-out Valuation Time, as the case may be.

“Offer-down” means, in relation to a Share or Relevant Futures Contract, that the offers (or sell orders) for that Share or Relevant Futures Contract cleared all bids (or buy orders) for that Share or

Relevant Futures Contract and there was one or more Unfilled Offers at the Limit-down Price for that Share or Relevant Futures Contract.

“**Relevant Futures Contract**” means the futures contract on the relevant Index with the soonest expiry date, unless such expiry date coincides with a Valuation Date, in which case, it shall mean (i) the futures contract on the relevant Index with the soonest expiry date, and (ii) the futures contract on the relevant Index with the next following expiry date.

“**Share Observation Period**” means, in respect of a Share, the half-hour period that ends at the actual closing time for the regular trading session on the relevant Exchange on which that Share is traded, but disregarding any part of such period when securities are not freely tradable on that Exchange. For the avoidance of doubt, if the relevant Exchange has a pre-closing auction phase during which orders may be placed but will not be executed, securities will be deemed not to be freely tradable on that Exchange during such phase.

“**Unfilled Bids**” means, in relation to a Share or Relevant Futures Contract, bids (or buy orders) for that Share or Relevant Futures Contract placed on the relevant Exchange or Related Exchange that remain unexecuted at the relevant time.

“**Unfilled Offers**” means, in relation to a Share or Relevant Futures Contract, offers (or sell orders) for that Share or Relevant Futures Contract placed on the relevant Exchange or Related Exchange that remain unexecuted at the relevant time.

ANNEX 4

“Equity Amounts” Amendments to AEJ Variance Swaps

If this Annex 4 has been elected to apply, then as between two Adhering Parties who have so elected, the provisions below shall apply to (i) any Covered AEJ MCA Transaction that incorporates the AEJ Variance Swap MCA or (ii) any Covered Variance Swap Transaction, in each case, which is in effect between them as of the Implementation Date or which may be entered into between them on or after the Implementation Date:

(a) ***Amendment to the AEJ Variance Swap MCA.*** Each Covered AEJ MCA Transaction that incorporates the AEJ Variance Swap MCA shall be modified as set forth in the Schedule I to this Annex 4.

(b) ***Covered Variance Swap Transactions.*** Each of the Adhering Parties agrees that the terms and conditions applicable to each Covered Variance Swap Transaction shall be amended by inserting the provisions set forth in the Schedule II Part A to this Annex 4 (in the case of a cash-settled index variance swap transaction) or in the Schedule II Part B to this Annex 4 (in the case of a cash-settled share variance swap transaction) and deleting any similar provisions in their entirety, or their incorporation by reference, from the relevant Confirmation.

Schedule I to Annex 4

“Equity Amounts” Amendments to AEJ Variance Swap MCA

(a) Annex IVS (Cash-settled Index Variance Swap) of the Index Variance Swap General Terms Confirmation shall be amended as follows:

(i) replacing the existing terms of “Observation End Date” under “Equity Amounts” with the following:

“Observation End Date: The Scheduled Valuation Date. For the purposes hereof but not otherwise, Section 6.5 of the Equity Definitions shall be replaced in its entirety with the following:

“Scheduled Valuation Date” means any original date that, but for (i) the fact that it is not a Scheduled Trading Day, or (ii) the occurrence of an event causing a Disrupted Day, would have been a Valuation Date.”

(ii) replacing the existing terms of “Observation Day” under “Equity Amounts” with the following:

“Observation Day: Each Scheduled Trading Day during the Observation Period, whether or not such day is a Disrupted Day. Section 6.6 (or, if “Futures Price Valuation” is applicable, Sections 6.8(a) and 6.8(e)) of the Equity Definitions shall not be applicable to any Observation Day other than the Valuation Date, in which case P_t (as defined below) in respect of the Valuation Date shall be determined in accordance with the applicable Section.

For the purposes hereof and the Observation End Date but not otherwise, a day shall be a Scheduled Trading Day if it is known at any time before that day that each Exchange and each Related Exchange are scheduled to be open for trading for their respective regular trading sessions on that day. Conversely, a day shall not be a Scheduled Trading Day if it is known at any time before that day that an Exchange or Related Exchange is not scheduled to be open for trading for its regular trading session on that day.”

(iii) making the following changes to the existing terms of “Final Realized Volatility (“FRV”)” under “Equity Amounts”:

(A) the formula set out therein shall be deleted and replaced by the following:

$$100 \times \sqrt{\frac{252 \times \sum_{t=1}^N \left(\ln \frac{P_t}{P_{t-1}} \right)^2}{ExpectedN}}$$

(B) the definition of “N” shall be deleted and replaced by the following:

““N” means the actual number of Observation Days;”

(C) the following definition of “*ExpectedN*” shall be inserted:

““*ExpectedN*” means the number specified as such in the relevant Transaction Supplement or, if not so specified, the number of days that, as of the Trade Date, are expected to be Scheduled Trading Days for the period from, but excluding, the Observation Start Date to, and including, the Observation End Date;”.

(b) Transaction Supplement IVS (Cash-settled Index Variance Swap) shall be amended by replacing “N” with “*ExpectedN*”.

(c) Annex SVS (Cash-settled Share Variance Swap) of the Share Variance Swap General Terms Confirmation shall be amended as follows:

(i) replacing the existing terms of “Observation End Date” under “Equity Amounts” with the following:

“Observation End Date: The Scheduled Valuation Date. For the purposes hereof but not otherwise, Section 6.5 of the Equity Definitions shall be replaced in its entirety with the following:

“Scheduled Valuation Date” means any original date that, but for (i) the fact that it is not a Scheduled Trading Day, or (ii) the occurrence of an event causing a Disrupted Day, would have been a Valuation Date.”

(ii) replacing the existing terms of “Observation Day” under “Equity Amounts” with the following:

“Observation Day: Each Scheduled Trading Day during the Observation Period, whether or not such day is a Disrupted Day. Section 6.6 of the Equity Definitions shall not be applicable to any Observation Day other than the Valuation Date, in which case P_t (as defined below) in respect of the Valuation Date shall be determined in accordance with such Section.

For the purposes hereof and the Observation End Date but not otherwise, a day shall be a Scheduled Trading Day if it is known at any time before that day that each Exchange and each Related Exchange are scheduled to be open for trading for their respective regular trading sessions on that day. Conversely, a day shall not be a Scheduled Trading Day if it is known at any time before that day that an Exchange or Related Exchange is not scheduled to be open for trading for its regular trading session on that day.”

(iii) making the following changes to the existing terms of “Final Realized Volatility (“FRV”)” under “Equity Amounts”:

(A) the formula set out therein shall be deleted and replaced by the following:

$$100 \times \sqrt{\frac{252 \times \sum_{t=1}^N \left(\frac{P_t}{P_{t-1}} \right)^2}{ExpectedN}}$$

(B) the definition of “N” shall be deleted and replaced by the following:

““N” means the actual number of Observation Days;”

(C) the following definition of “*ExpectedN*” shall be inserted:

““*ExpectedN*” means the number specified as such in the relevant Transaction Supplement or, if not so specified, the number of days that, as of the Trade Date, are expected to be Scheduled Trading Days for the period from, but excluding, the Observation Start Date to, and including, the Observation End Date;”.

(d) Transaction Supplement SVS (Cash-settled Share Variance Swap) shall be amended by replacing “N” with “*ExpectedN*”.

Schedule II to Annex 4

“Equity Amounts” Amendments to Covered Variance Swap Transaction Confirmations

Part A

Cash-settled index variance swap transactions

- (i) Observation End Date: The Scheduled Valuation Date. For the purposes hereof but not otherwise, Section 6.5 of the Equity Definitions shall be replaced in its entirety with the following:

“Scheduled Valuation Date” means any original date that, but for (i) the fact that it is not a Scheduled Trading Day, or (ii) the occurrence of an event causing a Disrupted Day, would have been a Valuation Date.”

- (ii) Observation Day: Each Scheduled Trading Day during the Observation Period, whether or not such day is a Disrupted Day. Section 6.6 (or, if “Futures Price Valuation” is applicable, Sections 6.8(a) and 6.8(e)) of the Equity Definitions shall not be applicable to any Observation Day other than the Valuation Date, in which case P_t (as defined below) in respect of the Valuation Date shall be determined in accordance with the applicable Section.

For the purposes hereof and the Observation End Date but not otherwise, a day shall be a Scheduled Trading Day if it is known at any time before that day that each Exchange and each Related Exchange are scheduled to be open for trading for their respective regular trading sessions on that day. Conversely, a day shall not be a Scheduled Trading Day if it is known at any time before that day that an Exchange or Related Exchange is not scheduled to be open for trading for its regular trading session on that day.

- (iii) Final Realized Volatility (“FRV”) An amount determined in accordance with the following formula:

$$100 \times \sqrt{\frac{252 \times \sum_{t=1}^N \left(\ln \frac{P_t}{P_{t-1}} \right)^2}{ExpectedN}}$$

where:

“*t*” means the relevant Observation Day;

“*N*” means the actual number of Observation Days;

“*ExpectedN*” means the number specified as such in the relevant Confirmation or, if not so specified, the number of days that, as of the Trade Date, are expected to be Scheduled Trading Days for the period from, but excluding, the Observation Start Date to, and including, the Observation End Date;

“ Ln ” means the natural logarithm;

“ P_t ” means, in respect of any Observation Day, the official level of the Index at the Valuation Time on such Observation Day; provided that, except in respect of the Valuation Date, if an Observation Day is a Disrupted Day, P_t for such Observation Day shall be deemed to equal P_{t-1} (as defined below) for such Observation Day; provided, further that, if “Futures Price Valuation” is applicable, in respect of the Valuation Date, “ P_t ” means the Official Settlement Price of the Exchange-traded Contract (or, if none, the Default Exchange-traded Contract) on the Valuation Date;

“ P_{t-1} ” means:

- (a) in respect of the first Observation Day,
 - (i) if an “Initial Index Level” is specified in the relevant Confirmation, such Initial Index Level;
 - (ii) if “Closing Index Level” is specified as applicable in the relevant Confirmation:
 - (A) if the Observation Start Date is not a Disrupted Day, the official level of the Index at the Valuation Time on the Observation Start Date; or
 - (B)(1) if the Observation Start Date is the Trade Date and is a Disrupted Day as a result of a Market Disruption Event, the official level of the Index immediately prior to the occurrence of the relevant Market Disruption Event or (2) if (x) the Observation Start Date is not the Trade Date or (y) the Observation Start Date is the Trade Date and is a Disrupted Day as a result of a relevant Exchange or any Related Exchange failing to open for trading during its regular trading session, the official level of the Index at the Valuation Time on the immediately following Non-Disrupted Observation Day; provided that, in the case of clause (2), if each of the eight Scheduled Trading Days immediately following the Observation Start Date is a Disrupted Day, the Calculation Agent shall determine P_{t-1} for the Observation Start Date in accordance with Section 6.6(a)(ii) of the Equity Definitions; or
- (iii) if (A) “Expiring Contract Level” is specified as applicable in the relevant Confirmation or none of “Initial Index Level”, “Closing Index Level” or “Expiring Contract Level” is so specified and (B) the Observation Start Date is not the Trade Date, but is a date on which the Official Settlement Price of an Expiring Contract (determined as if the Expiring Contract were an Exchange-traded Contract) is scheduled to be calculated, the Official Settlement Price of the Expiring Contract (whenever published); provided that, if trading in such Expiring Contract never commences or is permanently discontinued at any time on or prior to the Observation Start Date, P_{t-1} shall be the official level of the Index at the Valuation Time on the Observation Start Date (or, if the Observation Start Date is a Disrupted Day, the official level of the Index at the Valuation Time

on the immediately following Non-Disrupted Observation Day; provided that, if each of the eight Scheduled Trading Days immediately following the Observation Start Date is a Disrupted Day, the Calculation Agent shall determine P_{t-1} for the Observation Start Date in accordance with Section 6.6(a)(ii) of the Equity Definitions); and

(b) in respect of any Observation Day subsequent to the first Observation Day, P_t for the Observation Day immediately preceding such Observation Day; and

“Expiring Contract” means a Default Exchange-traded Contract with an expiry date (or the date which would have been the expiry date but for that day being a Disrupted Day or not being a Scheduled Trading Day) that is the same date as the Observation Start Date.

Part B
Cash-settled share variance swap transactions

- (i) Observation End Date: The Scheduled Valuation Date. For the purposes hereof but not otherwise, Section 6.5 of the Equity Definitions shall be replaced in its entirety with the following:

“Scheduled Valuation Date” means any original date that, but for (i) the fact that it is not a Scheduled Trading Day, or (ii) the occurrence of an event causing a Disrupted Day, would have been a Valuation Date.”

- (ii) Observation Day: Each Scheduled Trading Day during the Observation Period, whether or not such day is a Disrupted Day. Section 6.6 of the Equity Definitions shall not be applicable to any Observation Day other than the Valuation Date, in which case P_t (as defined below) in respect of the Valuation Date shall be determined in accordance with the applicable Section.

For the purposes hereof and the Observation End Date but not otherwise, a day shall be a Scheduled Trading Day if it is known at any time before that day that each Exchange and each Related Exchange are scheduled to be open for trading for their respective regular trading sessions on that day. Conversely, a day shall not be a Scheduled Trading Day if it is known at any time before that day that an Exchange or Related Exchange is not scheduled to be open for trading for its regular trading session on that day.

- (iii) Final Realized Volatility (“FRV”) An amount determined in accordance with the following formula:

$$100 \times \sqrt{\frac{252 \times \sum_{t=1}^N \left(\ln \frac{P_t}{P_{t-1}} \right)^2}{ExpectedN}}$$

where:

“ t ” means the relevant Observation Day;

“ N ” means the actual number of Observation Days;

“ $ExpectedN$ ” means the number specified as such in the relevant Confirmation or, if not so specified, the number of days that, as of the Trade Date, are expected to be Scheduled Trading Days for the period from, but excluding, the Observation Start Date to, and including, the Observation End Date;

“ Ln ” means the natural logarithm;

“ P_t ” means, in respect of any Observation Day, the Share Price on that Observation Day; provided that, except in respect of the Valuation Date, if an Observation Day is a Disrupted Day, P_t for such Observation Day shall be

deemed to equal P_{t-1} (as defined below) for such Observation Day;

“ P_{t-1} ” means:

- (a) in respect of the first Observation Day,
 - (i) if an “Initial Share Price” is specified in the relevant Confirmation, such Initial Share Price; or
 - (ii) if “Closing Share Price” is specified as applicable in the relevant Confirmation:

- (A) if the Observation Start Date is not a Disrupted Day, the Share Price on the Observation Start Date; or

- (B)(1) if the Observation Start Date is the Trade Date and is a Disrupted Day as a result of a Market Disruption Event, the price per Share of the last trade during the regular trading session immediately prior to the occurrence of the relevant Market Disruption Event or (2) if (x) the Observation Start Date is not the Trade Date or (y) the Observation Start Date is the Trade Date and is a Disrupted Day as a result of a relevant Exchange failing to open for trading during its regular trading session, the Share Price on the immediately following Non-Disrupted Observation Day; provided that, in the case of clause (2), if each of the eight Scheduled Trading Days immediately following the Observation Start Date is a Disrupted Day, the Calculation Agent shall determine P_{t-1} for the Observation Start Date in accordance with Section 6.6(a)(ii) of the Equity Definitions;

provided that, in the case of clause (a)(i), (a)(ii)(A) and (a)(ii)(B)(1), unless the first Observation Day is a Disrupted Day, if the first Observation Day is an Ex-Date, the result of the applicable foregoing clause shall, for purposes of P_{t-1} , be reduced by the Dividend Adjustment; and

- (b) in respect of any Observation Day subsequent to the first Observation Day, P_t for the Observation Day immediately preceding such Observation Day; provided that, if any Scheduled Trading Day subsequent to the immediately preceding Non-Disrupted Observation Day (or, if none, the Observation Start Date) and on or before such subsequent Observation Day is an Ex-Date, such amount shall, for purposes of P_{t-1} , be reduced by the Dividend Adjustment, unless (i) such subsequent Observation Day is a Disrupted Day or (ii) “Closing Share Price” is specified as applicable in the relevant Confirmation, clause (a)(ii)(B)(1) does not apply and such subsequent Observation Day is the first Non-Disrupted Observation Day;

“*Ex-Date*” means any date on which the Shares have commenced trading ex-dividend or excluding distribution on the Exchange with respect to a dividend or distribution on the Shares;

“*Dividend Adjustment*” means for an Ex-Date:

- (a) if “All Dividends” is specified as Applicable in the relevant Confirmation:

- (i) the net cash dividend (including Extraordinary Dividends); and
- (ii) the net cash value of any non cash dividend (including Extraordinary Dividends); and
- (iii) the net cash value of any distribution by the Issuer out of its capital and surplus,

(representing a sum after the deduction of Local Taxes that would, in the determination of the Calculation Agent, be withheld from or paid or otherwise incurred in connection with the receipt of such cash dividend, non-cash dividend or distribution by the Equity Amount Payer) per Share declared by the Issuer and to which the Ex-Date relates. If no cash value is declared by the Issuer in respect of any cash dividend, non cash dividend or distribution, the cash value shall be as determined by the Calculation Agent; or

(b) if “All Dividends” is specified as Not Applicable in the relevant Confirmation, the net cash value of any Extraordinary Dividend or any distribution by the Issuer out of its capital and surplus (each representing a sum after the deduction of Local Taxes that would, in the determination of the Calculation Agent, be withheld from or paid or otherwise incurred in connection with the receipt of such Extraordinary Dividend or distribution by the Equity Amount Payer) per Share declared by the Issuer and to which the Ex-Date relates as determined by the Calculation Agent. If no cash value is declared by the Issuer in respect of any Extraordinary Dividend or distribution, the cash value shall be as determined by the Calculation Agent; and

“*Share Price*” means the Final Price for the relevant Observation Day, provided, however that, Section 5.9(b) of the Equity Definitions shall be amended whereby references to the Valuation Date shall be deemed to be references to the Observation Day for the purposes of any Transaction.