1. SWAPTION TERMS:

Swaption Trade Date: As specified in the relevant Confirmation.

Swaption Notional Amount: The Original Notional Amount for the relevant Underlying Swap Transaction, as specified in the relevant Confirmation.

Adjusted Swaption Notional Amount: The Swaption Notional Amount multiplied by the aggregate of the Reference Entity Weightings (as defined in the relevant Underlying Swap Transaction) in respect of each of the Reference Entities under the relevant Underlying Swap Transaction.

Option Style: European.

Index: As specified in the relevant Confirmation.

Swaption Seller: As specified in the relevant Confirmation.

Swaption Buyer: As specified in the relevant Confirmation.

Premium: As specified in the relevant Confirmation.

Premium Payment Date: The date that is three Business Days for Payment following the Swaption Trade Date.
Strike Price: As specified in the relevant Confirmation.

Exercise Business Days: (a) If the Index is a series and version of the iTraxx® SovX® Asia Pacific index, Hong Kong, London, New York, Singapore, Sydney and Tokyo; and

(b) if the Index is not a series and version of the iTraxx® SovX® Asia Pacific index, New York and London.

Business Days for Payment: (a) If the Index is a series and version of the iTraxx® SovX® Asia Pacific index, Hong Kong, London, New York, Singapore, Sydney and Tokyo; and

(b) if the Index is not a series and version of the iTraxx® SovX® Asia Pacific index, New York and London.

Calculation Agent: The Calculation Agent specified in respect of the relevant Underlying Swap Transaction.

2. PROCEDURE FOR EXERCISE:

Expiration Date: As specified in the relevant Confirmation.

Earliest Exercise Time: (a) If the Index is a series and version of the iTraxx® SovX® Asia Pacific index, 9:00 a.m. Hong Kong time; and

(b) if the Index is not a series and version of the iTraxx® SovX® Asia Pacific index, 9:00 a.m. London time.

Latest Exercise Time: (a) If the Index is a series and version of the iTraxx® SovX® Asia Pacific index, 5:00 p.m. Hong Kong time; and

(b) if the Index is not a series and version of the iTraxx® SovX® Asia Pacific index, 4:00 p.m. London time.

Automatic Exercise: Not applicable

Partial Exercise: Applicable

Minimum Notional Amount: One unit of the Settlement Currency for the Underlying Swap Transaction.
Integral Multiple: One unit of the Settlement Currency for the Underlying Swap Transaction.

Settlement Payment: An amount (which may be positive or negative) denominated in the Settlement Currency and determined by the Calculation Agent equal to the Strike Adjustment Amount minus the Accrued Amount.

In the event that Swaption Buyer exercises the relevant Swaption Transaction on the Expiration Date of such Swaption Transaction:

(a) not later than one Exercise Business Day following the Expiration Date of the relevant Swaption Transaction, the Calculation Agent shall determine the Settlement Payment and notify Swaption Buyer and Swaption Seller of the amount of such Settlement Payment (which notification may be oral including by telephone); and

(b) not later than three Business Days for Payment following the Expiration Date of the relevant Swaption Transaction, (i) if the Settlement Payment is a positive number, the Fixed Rate Payer (as specified in the relevant Confirmation) (Protection Buyer) shall will pay such Settlement Payment to the Floating Rate Payer (as specified in the relevant Confirmation) (Protection Seller) or (ii) if the Settlement Payment is a negative number, Protection Seller shall will pay an amount equal to the absolute value of such Settlement Payment to Protection Buyer.
Strike Adjustment Amount: The present value, as of the Expiration Date, of a stream of payments equal to the product of (a) an amount (which may be positive or negative) equal to (i) the Strike Price minus (ii) the Fixed Rate for the Underlying Swap Transaction, (b) the Adjusted Swaption Notional Amount and (c) the Partial Exercise Factor, calculated in accordance with the following assumptions:

(a) payments are made with the same frequency, on the same basis, on the same dates and for the same duration as the Fixed Amounts payable with respect to the relevant Underlying Swap Transaction, except that the initial Fixed Rate Payer Calculation Period will commence on and include the calendar day immediately following the Expiration Date;

(b) payments are discounted by the Calculation Agent in a commercially reasonable manner to reflect the credit-contingent nature of the payment of such Fixed Amounts, using the “I” (ISDA Standard Upfront Settlement) Calculator available through the Bloomberg page CDSW (or any successor page thereto as determined by the Calculation Agent); and

(i) payments are made with the same frequency, on the same basis, on the same dates and for the same term as the Fixed Amounts payable with respect to the relevant Underlying Swap Transaction, except that the initial Fixed Rate Payer Calculation Period shall commence on and include the calendar day immediately following the Expiration Date;

(ii) payments are discounted by the Calculation Agent in a commercially reasonable manner to reflect the credit-contingent nature of the payment of such Fixed Amounts, using the "I" (ISDA Standard Upfront Settlement) Calculator available through the Bloomberg page CDSW (or any successor page thereto as determined by the Calculation Agent); and

(iii) calculations are to be made assuming (A) a single “Deal Spread” equal to the Fixed Rate for the relevant Underlying Swap Transaction, (B) a “Par CDS Spread” equal to the Strike Price with “Flat” selected as applicable, (C) a
“Curve Date” equal to the Expiration Date and a “Settlement Date” equal to the calendar day immediately following the Expiration Date, (D) a “Benchmark Swap Curve” equal to the Swap Curve and (E) a recovery rate following all Credit Events equal to the Assumed Recovery.

**Partial Exercise Factor:**

If:

(a) the entire Swaption Notional Amount is exercised, one; or

(b) only a portion of the Swaption Notional Amount is exercised, the fraction obtained by dividing the exercised Swaption Notional Amount by the entire Swaption Notional Amount.

**Accrued Amount:**

An amount equal to:

(a) if the calendar day immediately following the Expiration Date falls on a day that is a Fixed Rate Payer Payment Date (as defined in the relevant Underlying Swap Transaction), zero; and

(b) if the calendar day immediately following the Expiration Date falls on a day that is not a Fixed Rate Payer Payment Date, an amount equal to the product of (i) the Fixed Rate for the relevant Underlying Swap Transaction, (ii) the Adjusted Swaption Notional Amount, (iii) the Partial Exercise Factor, (iv) the actual number of days in the period from, and including, the later of the Effective Date of the relevant Underlying Swap Transaction and the Fixed Rate Payer Payment Date falling immediately prior to the calendar day immediately following the Expiration Date to, and including, the Expiration Date and (v) the fraction equal to (A) one divided by (B) 360.

**Swap Curve:**

A (US ISDA Standard Rate Curve) of “S260” “M” for
mid.

**Assumed Recovery:**

(a) If the Index is a series and version of the iTraxx® SovX® CEEMEA index, 25%; and (b) if the Index is not a series and version of the iTraxx® SovX® CEEMEA index, 40%.

(b) if the Index is not a series and version of the iTraxx® SovX® CEEMEA index, 40%.

**Procedure for Exercise:**
Section 13.2 of the 2006 Definitions is hereby amended by the deletion of the last two sentences thereof.

3. **SETTLEMENT TERMS**

**Settlement:**

Physical

**Underlying Swap Transaction:**

In the event that Swaption Buyer effectively exercises the relevant Swaption Transaction, then Swaption Buyer and Swaption Seller will be deemed to have entered into an iTraxx® SovX® Master Transaction (as defined in the applicable Underlying Document(s)), having the terms described in the applicable Underlying Document(s), as supplemented by the terms described in “Underlying Swap Transaction Terms” below and the terms set out in the relevant Confirmation.

In the event that Swaption Buyer effectively exercises the relevant Swaption Transaction, then Swaption Buyer and Swaption Seller shall be deemed to have entered into an iTraxx® SovX® Master Transaction (as defined in the relevant Applicable Underlying Document(s)), having the terms described in the Applicable Underlying Document(s), as supplemented by the terms described in "Underlying Swap Transaction Terms" below and the terms set out in the relevant Confirmation. Following the exercise of the relevant Swaption Transaction and the effectiveness of the relevant Underlying Swap Transaction, Swaption Buyer and Swaption Seller may agree to reconfirm the terms of the relevant Underlying Swap Transaction in a separate confirmation. To the extent that the terms of such separate confirmation are inconsistent with the terms of the relevant Underlying Swap Transaction as described in “Summary of terms” below, the terms of such separate confirmation will govern.

**Applicable Underlying Document(s):**

The iTraxx® SovX® Legacy Untranched Standard Terms Supplement as published on the Standard Terms Date specified in the relevant Confirmation (or if no
4. UNDERLYING SWAP TRANSACTION TERMS:

Summary of terms:
The terms for the relevant Underlying Swap Transaction, as specified in the relevant Confirmation, this iTraxx® SovX® Swaption Standard Terms Supplement and any other documents incorporated into either thereof, including the Applicable Underlying Document(s), evidence the full terms of the relevant Underlying Swap Transaction to which the relevant Swaption Transaction relates; provided that, if the Swaption Transaction is exercised only in part, the Original Notional Amount of the Underlying Swap Transaction shall equal the portion of the Swaption Notional Amount that is exercised.

Operation of each Underlying Swap Transaction:
Each of Swaption Buyer and Swaption Seller acknowledge and agree that the Protection Seller is subject to the risk of any Credit Event occurring with respect to any Reference Entity on or after the Credit Event Backstop Date for such Reference Entity pursuant to the Underlying Swap Transaction. Therefore, if a DC Credit Event Announcement occurs with respect to a Reference Entity prior to the exercise of this Swaption Transaction (and no earlier than the Effective Date of the Underlying Swap Transaction), then upon exercise by the Swaption Buyer, an Event Determination Date will, subject to paragraph (b) below, be deemed to have occurred in respect of such Credit Event for purposes of the Underlying Swap Transaction.

In the event that Swaption Buyer exercises this Swaption Transaction on the Expiration Date, then:

(a) subject to paragraph (b) below, with respect to each Event Determination Date which occurs, or is deemed to have occurred, in respect of the Underlying Swap Transaction or any New Trade (as applicable) prior to the Expiration Date.
Date, the Auction Settlement Date for any such Event Determination Date will be deemed to be the later of (i) the Auction Settlement Date that would be determined pursuant to the Relevant Standard Terms Supplement and (ii) the third Business Day following the Expiration Date; and

Each of Swaption Buyer and Swaption Seller acknowledge and agree that the Protection Seller is subject to the risk of any Credit Event occurring with respect to any Reference Entity on or after the Credit Event Backstop Date for such Reference Entity pursuant to the Underlying Swap Transaction. Therefore, if a DC Credit Event Announcement occurs with respect to a Reference Entity prior to the exercise of this Swaption Transaction (and no earlier than the Effective Date of the Underlying Swap Transaction), then upon exercise by the Swaption Buyer, an Event Determination Date shall, subject to paragraph (ii) below, be deemed to have occurred in respect of such Credit Event pursuant to Section 1.8(a)(ii) of the Credit Derivatives Definitions. In the event that Swaption Buyer exercises this Swaption Transaction on the Expiration Date, then:

(i) subject to paragraph (ii) below, with respect to each Event Determination Date which occurs, or is deemed to have occurred, pursuant to Section 1.8(a)(ii) of the Credit Derivatives Definitions in respect of the Underlying Swap Transaction or any New Trade (as applicable), the Auction Settlement Date for any such Event Determination Date shall be deemed to be the later of (a) the Auction Settlement Date that would be determined in accordance with Section 12.3 of the Credit Derivatives Definitions and (b) the third Business Day following the Expiration Date; and (ii) with respect to any MMR Restructuring Credit Event for which a DC Credit Event Announcement occurs prior to the Expiration Date (an Existing Restructuring), the provisions of sub-paragraph 7.3(b)5.2(b) (Transfer and Termination of Component Transactions) of the iTraxx® SovX® Untranche Section A and Section B of the Relevant Standard Terms Supplement— as published by International Index Company Ltd. shall apply with respect to the relevant Restructured Entity immediately upon exercise.
of the Swaption Transaction and the New Trade shall will come into effect without any further action by the parties. An Event Determination Date with respect to any such Existing Restructuring shall will only occur under the relevant New Trade if Protection Buyer or Protection Seller has delivered a Credit Event Notice with respect to such Existing Restructuring no later than the relevant Exercise Cut-off Date and the relevant DC Credit Event Announcement occurred no earlier than the Effective Date of the Underlying Swap Transaction.

| Occurrence of Succession Events: Successors: | One or more Successors may have been determined for one or more Reference Entities may be subject to a Succession Event that occurred on or after the Succession Event Backstop Date for such Reference Entity pursuant to the Underlying Swap Transaction. The Reference Entities applicable with respect to the Underlying Swap Transaction shall will be the Reference Entities as modified, if applicable, as a result of any such Succession Event Successor determination. |
| Settlement Currency: | USD |
| Additional Representation: | Section 9.1—11.1 of the 2014 Credit Derivatives Definitions is incorporated into this iTraxx® SovX® Legacy Swaption Standard Terms Supplement and, for purposes of Section 9.1—11.1 of the 2014 Credit Derivatives Definitions, each Swaption Transaction documented by reference to this iTraxx® SovX® Legacy Swaption Standard Terms Supplement is deemed to be a “Credit Derivative Transaction”, all references to “Buyer” are replaced with “Swaption Buyer” and all references to “Seller” are replaced with “Swaption Seller”. |
| Additional Amount: | Not applicable |
| Additional Terms (including any specific provisions relating to collateral): | Any further Additional Terms As specified in the relevant Confirmation. |