

**CONFIRMATION TEMPLATE – USD- CPI ZERO COUPON INFLATION  
(Interpolated)**

Notional Amount: [.]

Trade Date: [.]

Effective Date: [.]

Termination Date: [.]

**Fixed Amounts:** [.]

Fixed **Notional** Amount: [.]

Fixed Rate Payer: [.]

Fixed Rate Payer Payment Date: **On the Termination Date**

Fixed Rate Payer Business Day Convention: **Modified Following**

Fixed **Rate**: [.] percent

**The Fixed Amount shall be calculated as follows:**

$$\text{Fixed Notional Amount} * \left[ (1 + \text{Fixed Rate})^{L1} - 1 \right]$$

Fixed Rate Day Count Fraction: **1/1**

Business Day (for Payments): **London and New York**

Fee: **Not applicable**

**Inflation Amounts:**

Inflation **Notional** Amount: [.]

Inflation Rate Payer: [.]

Inflation Rate Payer Payment Date: **On the Termination Date**

Inflation Rate Payer Business Day Convention: **Modified Following**

Inflation Amount: **Notwithstanding Section 6.1(a) in the 2006 ISDA Definitions, the Inflation Amount shall be calculated as:**

$$\text{Inflation Notional Amount} * \text{Inflation Rate}$$

**Where:**

$$\text{Inflation Rate} = \left[ \frac{\text{Final Reference Index}}{\text{Initial Reference Index}} - 1 \right]$$

**Initial Reference Index = The Daily Inflation Rate on [.] which is equal to [.]**

**Final Reference Index = Daily Inflation Rate on [.]**

**Index shall mean “USA – Non-revised Consumer Price Index – Urban (CPI-U)”**

**Interpolated CPI shall be the interpolated level of CPURNSA as calculated by the US Department of the Treasury and on : [http://www.treasurydirect.gov/instit/annceresult/tipsdpi/tipsdpi\\_hiscpi.htm](http://www.treasurydirect.gov/instit/annceresult/tipsdpi/tipsdpi_hiscpi.htm)**

Inflation Rate Day Count Fraction:

**1/1**

Business Day (for Payment):

**London and New York**

Compounding::

**Not applicable**

Fee:

**Not applicable**

Related Bond:

**Fallback Bond**

Calculation Agent:

**ROYAL BANK OF CANADA or as specified in the Master Agreement**

