Code of

Standard Wording, Assumptions and Provisions for Swaps

1985 Edition

ISDA

INTERNATIONAL SWAP DEALERS ASSOCIATION, INC.

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PREFACE

Purposes of the Code

The primary purpose of the Code of Standard Wording, Assumptions and Provisions for Swaps, 1985 Edition (the "Code"), is to establish a uniform vocabulary for dollar rate swaps. Preparation of the Code was begun as a response to concern about the varied interpretations that might result if each market participant were independently to arrive at its own meanings for the principal terms used in rate swaps. By standardizing the principal terms of rate swaps, the Code enables parties to communicate quickly and on the same terms. It is hoped that the Code will facilitate rate swap transactions and lead to a more efficient market.

Various drafts of the Code underwent careful review. Publicizing the results of this review process is a second purpose of the Code. For example, the growing interest in the use of published or displayed sources for floating rate options is reflected in the definitions that contemplate the use of such sources. At the same time, the Code includes alternative definitions for rates to be derived directly from participants in the relevant markets. Previously, a lack of complete information about the methods used by these sources in compiling or quoting rates made it difficult to keep references to them consistent and accurate. The authors of the Code made inquiries to obtain this information, and the Code incorporates the results of those inquiries.

Method of the Code

Parties may adopt the Code in its entirety as the basis of their contract, either in a master agreement or in an agreement for an individual transaction. They may also incorporate particular portions of the Code but not others. In either case, they may specify variations in or additions to the provisions of the Code. Express provisions in a contract will always override anything to the contrary in the Code.

On points where market practice is well established, the Code creates a presumption to apply in the absence of any express provision by the parties in their contract. On other points the drafters of the Code did not create a presumption, either because of the need to preserve flexibility or because there was not a consensus as to market practice. In many such cases, the Code creates a menu of choices for use by the parties. In other cases, the Code provides a basic framework without any suggested solutions because it was believed that at this stage of the development of the rate swap market parties would want to be entirely free to structure such matters as they see fit.

Acknowledgments

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Manufacturers Hanover Trust Company; Merrill Lynch Capital Markets; Morgan Guaranty Trust Company of New York; Morgan Stanley & Co. Incorporated; Banque Paribas Capital Markets; Salomon Brothers Inc; Shearson Lehman Brothers Inc.; The First Boston Corporation; and The First National Bank of Chicago, Cravath, Swaine & Moore acted as special drafting counsel. Other law firms that participated were Cleary, Gottlieb, Steen & Hamilton; Davis Polk & Wardwell; Simpson Thacher & Bartlett; Sullivan & Cromwell; White & Case; and Wilmer, Cutler & Pickering.

Future Developments

It is hoped that the 1985 Edition of the Code will be only a first step in the process of standardizing and simplifying rate swap documentation. Future versions of the Code are expected to include additional provisions for matters that are relevant to cross-border rate swaps and currency swaps. The International Swap Dealers Association welcomes comments and suggestions relating to any of the provisions in the 1985 Edition of the Code.

CODE OF STANDARD WORDING, ASSUMPTIONS AND PROVISIONS FOR SWAPS, 1985 EDITION

Any or all provisions of this Code may be incorporated into an agreement by wording in the agreement indicating that, or the extent to which, the agreement is subject to the Code of Standard Wording, Assumptions and Provisions for Swaps, 1985 Edition (as published by the International Swap Dealers Association, Inc.). All provisions of this Code so incorporated in an agreement will be applicable to that agreement unless otherwise provided in that agreement, and all terms defined in this Code and used in provisions of this Code that are incorporated by reference in an agreement will have the respective meanings set forth in this Code unless otherwise provided in that agreement. Any term used in an agreement will, when combined with the name of a party, have meaning in respect of the named party only.

ARTICLE 1

CERTAIN GENERAL DEFINITIONS

Section 1.1.   Rate Swap. For purposes of this Code, "rate swap" means an agreement (however designated) representing a rate exchange or swap transaction.

Section 1.2.   Dollar. "Dollar" and "$" each means the lawful currency of the United States of America.

Section 1.3.   New York Banking Day. "New York Banking Day" means any day other than a Saturday, a Sunday or a day on which commercial banks in New York City are required or authorized to be closed.

Section 1.4.   London Banking Day. "London Banking Day" means any day on which dealings in deposits in Dollars are transacted in the London interbank market.

ARTICLE 2

PARTIES

Section 2.1.   Fixed Rate Payor. "Fixed Rate Payor" means a party to a rate swap obligated to make payments from time to time during the Term of the rate swap of amounts calculated by reference to a axed per annum rate.

Section 2.2.   Floating Rate Payor. "Floating Rate Payor" means a party to a rate swap obligated to make payments from time to time during the Term of the rate swap of amounts calculated by reference to a floating per annum rate.

ARTICLE 3

TERM

Section 3.1.   Term. "Term" means the period commencing on the Effective Date of a rate swap and ending on the Termination Date of the rate swap.

Section 3.2.   Effective Date. "Effective Date" means the date specified as such in a rate swap, which date is the first day of the Term of the rate swap.

Section 3.3.   Termination Date. "Termination Date" means the date specified as such in a rate swap, which date is the last day of the Term of the rate swap.

ARTICLE 4

Certin Definitions Relating to Payments

Section 4.1. Fixed Amount. "Fixed Amount" means an amount that, subject to Sections 9.2 and 10.2 of this Code, is payable by a Fixed Rate Payor on an applicable Payment Date and determined by reference to a Calculation Period as provided in Article 5 of this Code.

Section 4.2. Floating Amount. "Floating Amount" means an amount that, subject to Sections 9.2 and 10.2 of this Code, is payable by a Floating Rate Payor on an applicable Payment Date and determined by reference to a Floating Rate Option and a Calculation Period as provided in Article 6 of this Code.

Section 4.3. Notional Amount. "Notional Amount" means, in respect of any Calculation Period, the amount specified as such in a rate swap.

Section 4.4. Eurodollar Convention. "Eurodollar Convention" means, with respect to either Payment Dates or Period End Dates, that such Payment Dates or Period End Dates will be each day during the Term of a rate swap that numerically corresponds to the preceding applicable Payment Date or Period End Date, as the case may be, in the calendar month that is the specified number of months after the month in which the preceding applicable Payment Date or Period End Date occurred (or, in the case of the first applicable Payment Date or Period End Date, the day that numerically corresponds to the Effective Date in the calendar month that is the specified number of months after the month in which the Effective Date occurred), except that (a) if there is not any such numerically corresponding day in the calendar month in which a Payment Date or Period End Date, as the case may be, should occur, then the Payment Date or Period End Date will be the last day that is a New York Banking Day and a London Banking Day in that month, (b) if a Payment Date or Period End Date, as the case may be, would otherwise fall on a day that is not a New York Banking Day and a London Banking Day, then the Payment Date or Period End Date will be the first following day that is a New York Banking Day and a London Banking Day unless that day falls in the next calendar month, in which case the Payment Date or Period End Date will be the first preceding day that is a New York Banking Day and a London Banking Day and (c) if the preceding applicable Payment Date or Period End Date, as the case may be, occurred on the last day in a calendar month that was a New York Banking Day and a London Banking Day, then all subsequent applicable Payment Dates or Period End Dates, as the case may be, prior to the Termination Date will be the last day that is a New York Banking Day and a London Banking Day in the month that is the specified number of months after the month in which the preceding applicable Payment Date or Period End Date occurred.

Section 4.5. Payment Date. "Payment Date" means

(a) if "Delayed Payment" or "Early Payment" is not specified in a rate swap and Payment Dates are specified or otherwise predetermined in the rate swap, each day during the Term so specified or predetermined and the Termination Date;

(b) if "Delayed Payment" or "Early Payment" is not specified in a rate swap and the rate swap specifies that Payment Dates will occur in accordance

with the Eurodollar Convention and specifies an interval of calendar months, each day during the Term at the specified interval, determined in accordance with the Eurodollar Convention, and the Termination Date;

(c) if "Delayed Payment" is specified in a rate swap and the rate swap establishes Period End Dates, each day that is five New York Banking Days after an applicable Period End Date or after the Termination Date; or

(d) if "Early Payment" and a period of days are specified in a rate swap and the rate swap establishes Period End Dates, each day that is the specified number of days before an applicable Period End Date or before the Termination Date;

except that, in the case of subsections (a), (c) and (d) above, an adjustment will be made if any Payment Date would otherwise fall on a day that is not a New York Banking Day (or, if a party to a rate swap is obligated to pay Floating Amounts calculated by reference to any "LIBOR" Floating Rate Option, any Payment Date would otherwise fall on a day that is not a New York Banking Day and a London Banking Day), so that

(e) if (i) the rate swap specifies the "Following Banking Day" convention or (ii) the rate swap does not specify an applicable convention, the Payment Date will be the First following day that is a New York Banking Day (and, if any "LIBOR" Floating Rate Option applies to the rate swap, a London Banking Day);

(f) if the rate swap specifies the "Modified Following Banking Day" convention, the Payment Date will be the first following day that is a New York Banking Day (and, if any "LIBOR" Floating Rate Option applies to the rate swap, a London Banking Day) unless that day falls in the next calendar month, in which case the Payment Date will be the first preceding day that is a New York Banking Day (and, if any "LIBOR" Floating Rate Option applies to the rate swap, a London Banking Day); or

(g) if the rate swap specifies the "Preceding Banking Day" convention, the Payment Date will be the first preceding day that is a New York Banking Day (and, if any "LIBOR" Floating Rate Option applies to the rate swap, a London Banking Day).

Section 4.6. Period End Date. "Period End Date" means

(a) if the rate swap does not establish Period End Dates, each Payment Date during the Term;

(b) if Period End Dates are specified or otherwise predetermined in a rate swap, each day during the Term so specified or predetermined; or

(c) if a rate swap specifies that Period End Dates will occur in accordance with the Eurodollar Convention and specifies an interval of calendar months, and if "Delayed Payment" or "Early Payment" is specified in the rate swap, each day during the Term at the specified interval, determined in accordance with the Eurodollar Convention;

except that, in the case of subsection (b) above, an adjustment may be made if any Period End Date would otherwise fall on a day that is not a New York Banking Day (or, if a party to a rate swap is obligated to pay Floating Amounts calculated by reference to any "LIBOR" Floating Rate Option, any Period End Date would

otherwise fall on a day that is not a New York Banking Day and a London Banking Day), so that

(d) if the rate swap specifies "No Adjustment of Period End Dates", an adjustment will not be made, notwithstanding that the Period End Date occurs on a day that is not a New York Banking Day (or a London Banking Day);

(e) if (i) the rate swap specifies the "Following Banking Day" convention or (ii) the rate swap does not specify an applicable convention, the Period End Date will be the first following day that is a New York Banking Day (and, if any "LIBOR" Floating Rate Option applies to the rate swap, a London Banking Day);

(f) if the rate swap specifies the "Modified Following Banking Day" convention, the Period End Date will be the first following day that is a New York Banking Day (and, if any "LIBOR" Floating Rate Option applies to the rate swap, a London Banking Day) unless that day falls in the next calendar month, in which case the Period End Date will be the first preceding day that is a New York Banking Day (and, if any "LIBOR" Floating Rate Option applies to the rate swap, a London Banking Day); or

(g) if the rate swap specifies the "Preceding Banking Day" convention, the Period End Date will be the first preceding day that is a New York Banking Day (and, if any "LIBOR" Floating Rate Option applies to the rate swap, a London Banking Day).

Section 4.7. Calculation Period. "Calculation Period" means each period from, and including, one Period End Date to, but excluding, the next following applicable Period End Date during the Term of a rate swap, except that (a) each initial Calculation Period for each rate swap will commence on, and include, the Effective Date, and (b) each final Calculation Period for each rate swap will end on, but exclude, the Termination Date.

Section 4.8. Calculation Agent. "Calculation Agent" means the party to a rate swap (or a third party) designated as such in the rate swap and responsible for (a) calculating the applicable Floating Rate, if any, for each Calculation Period, (b) calculating any Floating Amount payable in respect of each Calculation Period, (c) calculating any Fixed Amount payable in respect of each Calculation Period, (d) giving notice to the parties to the rate swap on the Calculation Date for each Calculation Period, specifying (i) the date for payment in respect of such Calculation Period, (ii) the party or parties required to make the payment or payments then due, (iii) the amount or amounts of the payment or payments then due and (iv) reasonable details as to how such amount or amounts were determined and (e) if, after such notice is given, there is a change in the number of days in the relevant Calculation Period and the amount or amounts of the payment or payments due in respect of that period, promptly giving the parties to the rate swap notice of such changes, with reasonable details as to how such changes were determined. Whenever the Calculation Agent is required to select banks or dealers for the purpose of calculating a Floating Rate, the Calculation Agent will make such selection in good faith for the purpose of obtaining a representative rate that will reasonably reflect conditions prevailing at the time in the relevant market.

Section 4.9. Calculation Date. "Calculation Date" means, for any Calculation Period, the earliest day on which it is practicable to provide the notice that the Calculation Agent is required to give in respect of that Calculation Period, and in no event later than the close of business in New York City on the New York Banking Day next preceding the Payment Date in respect of that Calculation Period.

ARTICLE 5

FIXED AMOUNTS

Section 5.1. Calculation of a Fixed Amount. The Fixed Amount for each applicable Payment Date in respect of any Calculation Period will be

(a) if a Dollar amount is specified in the rate swap as the Fixed Amount payable in respect of that Calculation Period, such Dollar amount; or

(b) if a Dollar amount is not specified in the rate swap as the Fixed Amount payable in respect of that Calculation Period, a Dollar amount calculated on a formula basis in respect of that Calculation Period as follows:

$$\text{Fixed Amount} = \text{Notional Amount} \times \text{Fixed Rate} \times \text{Fixed Rate Day Count Fraction}$$

Section 5.2. Certain Definitions Relating to Fixed Amounts. For purposes of the calculation of a Fixed Amount:

(a) "Fixed Rate" means the per annum rate specified as such in the rate swap, expressed as a decimal.

(b) "Fixed Rate Day Count Fraction" means

(i) if (A) the rate swap specifies that the applicable Fixed Rate Day Count Fraction is "Actual/365" or (B) the rate swap does not specify a Fixed Rate Day Count Fraction, the actual number of days in the Calculation Period in respect of which payment is being made divided by 365 or 366, as the case may be;

(ii) if the rate swap specifies that the applicable Fixed Rate Day Count Fraction is "Actual/360", the actual number of days in the Calculation Period in respect of which payment is being made divided by 360; or

(iii) if the rate swap specifies that the applicable Fixed Rate Day Count Fraction is "30/360" or "360/360", the number of days in the Calculation Period in respect of which payment is being made (calculated on the basis of a year of 360 days with 12 30-day months) divided by 360.

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ARTICLE 6

FLOATING AMOUNTS

Section 6.1. Calculation of a Floating Amount. The Floating Amount for each applicable Payment Date in respect of any Calculation Period will be a Dollar amount calculated on a formula basis in respect of that Calculation Period as follows:

$$\text{Floating Amount} = \text{Notional Amount} \times (\text{Floating Rate} \pm \text{Spread}) \times \text{Floating Rate Day Count Fraction}$$

Section 6.2. Certain Definitions Relating to Floating Amounts. For purposes of the calculation of a Floating Amount:

(a) "Floating Rate" means, in respect of any Calculation Period, a per annum rate, expressed as a decimal, equal to

(i) if the rate swap specifies a per annum rate to be the Floating Rate applicable in respect of that Calculation Period, the Floating Rate so specified;

(ii) if the rate swap establishes only one Reset Date during (or with respect to) that Calculation Period, the Relevant Rate for that Reset Date;

(iii) if the rate swap establishes more than one Reset Date during (or with respect to) that Calculation Period and specifies the "Unweighted Average Rate" method of calculation, the arithmetic mean of the Relevant Rates for each of these Reset Dates;

(iv) if the rate swap establishes more than one Reset Date during (or with respect to) that Calculation Period and specifies the "Weighted Average Rate" method of calculation, the arithmetic mean of the Relevant Rates in effect for each day in that Calculation Period, calculated by multiplying each Relevant Rate by the number of days such Relevant Rate is in effect, determining the sum of such products and dividing such sum by the number of days in the Calculation Period; or

(v) if the rate swap establishes more than one Reset Date during (or with respect to) that Calculation Period and does not specify either the "Unweighted Average Rate" or the "Weighted Average Rate" method of calculation, a Floating Rate determined (A) as if "Weighted Average Rate" had been specified as the applicable method of calculation if the applicable Floating Rate Option is a "Prime" or "Federal Funds" Floating Rate Option and (B) as if "Unweighted Average Rate" had been specified as the applicable method of calculation if any other Floating Rate Option is applicable.

(b) "Reset Date" means each day specified as such (or determined pursuant to a method specified for such purpose) in the rate swap, except that an adjustment will be made if any Reset Date would fall on a day that is not a New York Banking Day (or, if the Floating Amount is being calculated by reference to any "LIBOR" Floating Rate Option, any Reset Date would fall on a day that is not a New York Banking Day and a London Banking Day), so that the Reset

Date will be the first preceding day that is a New York Banking Day (and, if the Floating Amount is being calculated by reference to any "LIBOR" Floating Rate Option, a London Banking Day).

(c) "Relevant Rate" means (subject to the effect of any applicable Rate Cut-off Date), for any day, a per annum rate, expressed as a decimal, equal to

(i) if such day is a Reset Date, the rate determined with respect to that day for the specified Floating Rate Option as provided in Article 7 of this Code; or

(ii) if such day is not a Reset Date, the Relevant Rate determined pursuant to clause (i) above for the next preceding Reset Date.

(d) "Rate Cut-off Date" means each day specified as such (or determined pursuant to a method specified for such purpose) in the rate swap. The Relevant Rate for each Reset Date in the period from, and including, a Rate Cut-off Date to, but excluding, the next applicable Period End Date will (solely for purposes of calculating the Floating Amount payable on the next applicable Payment Date) be deemed to be the Relevant Rate in effect on that Rate Cut-off Date.

(e) "Spread" means the per annum rate, if any, specified as such in the rate swap (expressed as a decimal). For purposes of determining a Floating Amount, if positive the Spread will be added to the Floating Rate and if negative the Spread will be subtracted from the Floating Rate.

(f) "Floating Rate Day Count Fraction" means (i) if any "Treasury Bill" Floating Rate Option is specified as the applicable Floating Rate Option, the actual number of days in the Calculation Period in respect of which payment is being made divided by 365 or 366, as the case may be, and (ii) in all other cases, the actual number of days in the Calculation Period divided by 360.

ARTICLE 7

CALCULATION OF RATES FOR CERTAIN FLOATING RATE OPTIONS

Section 7.1. Floating Rate Options. For purposes of determining a Relevant Rate:

(a) "LIBOR" means that the rate in respect of a Reset Date will be determined on the basis of the offered rates for deposits in Dollars for a period of the Designated Maturity commencing on that Beset Date which appear on the Reuters Screen LIBO Page as of 11:00 a.m., London time, on the day that is two London Banking Days preceding that Reset Date. If at least two such offered rates appear on the Reuters Screen LIBO Page, the rate in respect of that Reset Date will be the arithmetic mean of such offered rates. If fewer than two offered rates appear, the rate in respect of that Reset Date will be determined as if the parties had specified "LIBOR (Reference Banks)" as the applicable Floating Rate Option.

(b) "LIBOR (Reference Banks)" means that the rate in respect of a Reset Date will be determined on the basis of the rates at which deposits in Dollars are offered by the Reference Banks at approximately 11:00 a.m., London time, on the

day that is two London Banking Days preceding that Reset Date to prime banks in the London interbank market for a period of the Designated Maturity commencing on that Reset Date and in a Representative Amount. The Calculation Agent will request the principal London office of each of the Reference Banks to provide a quotation of its rate. If at least two such quotations are provided, the rate in respect of that Reset Date will be the arithmetic mean of the quotations. If fewer than two quotations are provided as requested, the rate in respect of that Reset Date will be the arithmetic mean of the rates quoted by major banks in New York City, selected by the Calculation Agent, at approximately 11:00 a.m,, New York City time, on that Reset Date for loans in Dollars to leading European banks for a period of the Designated Maturity commencing on that Reset Date and in a Representative Amount.

(c) "Prime" means that the rate for a Reset Date will be the rate set forth in H.15 (519) for that day opposite the caption "Bank Prime Loan". If on the Calculation Date for a Calculation Period such rate for a Reset Date in that Calculation Period is not yet published in H.15 (519), the rate for that Reset Date will be the arithmetic mean of the rates of interest publicly announced by each bank that appears on the Reuters Screen NYMF Page as such bank's prime rate or base lending rate as in effect for that Reset Date as quoted on the Reuters Screen NYMF Page on that Reset Date or, if fewer than four such rates appear on the Reuters Screen NYMF Page for that Reset Date, the rate determined as if the parties had specified "Prime (Reference Banks)" as the applicable Floating Rate Option.

(d) "Prime (Reference Banks)" means that the rate for a Reset Date will be the arithmetic mean of the rates of interest publicly announced by each Reference Bank as its prime rate or base lending rate as in effect for that day. Each change in the prime rate or base lending rate of any bank so announced by such bank will be effective as of the effective date of the announcement or, if no effective date is specified, as of the date of the announcement.

(e) "Treasury Bill" means that the rate for a Reset Date on which United States Treasury bills are issued will be the rate set forth in H.15 (519) for that day opposite the Designated Maturity under the caption "U.S. Government Securities/Treasury Bills/Auction Average (Investment)". If on the Calculation Date for a Calculation Period United States Treasury bills of the Designated Maturity have been issued on a Reset Date during that Calculation Period but such rate for such Reset Date is not yet published in H.15 (519), the rate for that Reset Date will be the Bond Equivalent Yield of the auction average rate for the issue date of these Treasury bills as announced by the United States Department of the Treasury. If United States Treasury bills of the Designated Maturity are not issued during any period of seven consecutive calendar days ending on and including any Friday and a Reset Date would have occurred if such Treasury bills had been issued during that seven-day period, such Treasury bills will be deemed to have been issued on the day during that seven-day period on which such Treasury bills would have been issued in accordance with the usual practices of the United States Department of the Treasury, and the rate for that day will be the rate for the day on which such Treasury bills would have been auctioned in accordance with the usual practices of that Department, and will be determined

as if the parties had specified "Treasury Bill (Secondary Market)" as the applicable Floating Rate Option (unless the rate swap indicates that weeks in which United States Treasury bills of the Designated Maturity are not issued will be ignored, in which case there will not be any Reset Date during that seven-day period).

(f) "Treasury Bill (Secondary Market)" means that the rate for a Reset Date (or, if "Treasury Bill" is the specified Floating Rate Option, the rate for a day on which United States Treasury bills of the Designated Maturity would have been auctioned in accordance with the usual practices of the United States Department of the Treasury) will be the Bond Equivalent Yield of the rate set forth in H.15 (519) for that day opposite the Designated Maturity under the caption "U.S. Government Securities/Treasury Bills/Secondary Market". If on the Calculation Date for a Calculation Period such rate for a Reset Date (or, if relevant, any other day) in that Calculation Period is not yet published in H.15 (519), the rate for that Reset Date (or day) will be the Bond Equivalent Yield of the arithmetic mean of the secondary market bid rates of the Reference Dealers as of approximately 3:30 p.m., New York City time, on that day for the issue of United States Treasury bills with a remaining maturity closest to the Designated Maturity.

(g) "CD" means that the rate for a Reset Date will be the rate set forth in H.15 (519) for that day opposite the Designated Maturity under the caption "CDs (Secondary Market)". If on the Calculation Date for a Calculation Period such rate for a Reset Date in that Calculation Period is not yet published in H.15 (519), the rate for that Reset Date will be the rate set forth in Composite 3:30 P.M. Quotations for U.S. Government Securities for that day in respect of the Designated Maturity under the caption "Certificates of Deposit". If on the Calculation Date for a Calculation Period the appropriate rate for a Reset Date in that Calculation Period is not yet published in either H.15 (519) or Composite 3:30 P.M. Quotations for U.S. Government Securities, the rate for that Reset Date will be determined as if the parties had specified "CD (Reference Dealers)" as the applicable Floating Rate Option.

(h) "CD (Reference Dealers)" means that the rate for a Reset Date will be the arithmetic mean of the secondary market offered rates of the Reference Dealers as of 10:00 a.m., New York City time, on that day for negotiable certificates of deposit of major United States money market banks with a remaining maturity closest to the Designated Maturity and in a Representative Amount.

(i) "Commercial Paper" means that the rate for a Reset Date will be the Money Market Yield of the rate set forth in H.15 (519) for that day opposite the Designated Maturity under the caption "Commercial Paper". If on the Calculation Date for a Calculation Period such rate for a Reset Date in that Calculation Period is not yet published in H.15 (519), the rate for that Reset Date will be the Money Market Yield of the rate set forth in Composite 3:30 P.M. Quotations for U.S. Government Securities for that day in respect of the Designated Maturity under the caption "Commercial Paper" (with a Designated Maturity of one month or three months being deemed to be equivalent to a

Designated Maturity of 30 days or 90 days, respectively). If on the Calculation Date for a Calculation Period the appropriate rate for a Reset Date in that Calculation Period is not yet published in either H.15 (519) or Composite 3:30 P.M. Quotations for U.S. Government Securities, the rate for that Reset Date will be determined as if the parties had specified "Commercial Paper (Reference Dealers)" as the applicable Floating Rate Option.

(j) "Commercial Paper (Reference Dealers)" means that the rate for a Reset Date will be the Money Market Yield of the arithmetic mean of the offered rates of the Reference Dealers as of 11:00 a.m., New York City time, on that day for commercial paper of the Designated Maturity placed for industrial issuers whose bond rating is "Aa" or the equivalent from a nationally recognized rating agency.

(k) "Federal Funds" means that the rate for a Reset Date will be the rate set forth in H.15(519) for that day opposite the caption "Federal Funds (Effective)". If on the Calculation Date for a Calculation Period such rate for a Reset Date in that Calculation Period is not yet published in H.15 (519), the rate for that Reset Date will be the rate set forth in Composite 3:30 P.M. Quotations for U.S. Government Securities for that day under the caption "Federal Funds/ Effective Rate". If on the Calculation Date for a Calculation Period the appropriate rate for a Reset Date in that Calculation Period is not yet published in either H.15 (519) or Composite 3:30 P.M. Quotations for U.S. Government Securities, the rate for that Reset Date will be determined as if the parties had specified "Federal Funds (Reference Dealers)" as the applicable Floating Rate Option.

(1) "Federal Funds (Reference Dealers)" means that the rate for a Reset Date will be the arithmetic mean of the rates for the last transaction in overnight Federal funds arranged by each Reference Dealer prior to 9:00 a.m., New York City time, on that day.

(m) "Bankers Acceptance" means that the rate for a Reset Date will be the Money Market Yield of the rate set forth in H.15 (519) for that day opposite the Designated Maturity under the caption "Bankers Acceptances (Top Rated)". If on the Calculation Date for a Calculation Period such rate for a Reset Date in that Calculation Period is not yet published in H.15 (519), the rate for that Reset Date will be determined as if the parties had specified "Bankers Acceptance (Reference Dealers)" as the applicable Floating Rate Option.

(n) "Bankers Acceptance (Reference Dealers)" means that the rate for a Reset Date will be the Money Market Yield of the arithmetic mean of the offered rates of the Reference Dealers as of the close of business in New York City on that day for top-rated bankers acceptances of the Designated Maturity and in a Representative Amount.

Section 7.2. Certain Published and Displayed Sources.

(a) "H.15 (519) " means the weekly statistical release designated as such, or any successor publication, published by the Board of Governors of the Federal Reserve System.

(b) "Composite 3:30 P.M. Quotations for U.S. Government Securities" means the daily statistical release designated as such, or any successor publication, published by the Federal Reserve Bank of New York.

(c) "Reuters Screen LIBO Page" means the display designated as page "LIBO" on the Reuter Monitor Money Rates Service (or such other page as may replace the LIBO page on that service for the purpose of displaying London interbank offered rates of major banks).

(d) "Reuters Screen NYMF Page" means the display designated as page "NYMF" on the Reuter Monitor Money Rates Service (or such other page as may replace the NYMF page on that service for the purpose of displaying prime rates or base lending rates of major United States banks).

Section 7.3. Certain General Definitions Relating to Floating Rate Options.

(a) "Representative Amount" means, for purposes of any Floating Rate Option for which a Representative Amount is relevant, an amount that is representative for a single transaction in the relevant market at the relevant time.

(b) "Designated Maturity" means the period of time specified as such in a rate swap.

(c) "Reference Banks" means (i) for purposes of the "LIBOR (Reference Banks)" Floating Rate Option, four major banks in the London interbank market and (ii) for purposes of the "Prime (Reference Banks)" Floating Rate Option, three major banks in New York City, in each case selected by the Calculation Agent.

(d) "Reference Dealers" means (i) for purposes of the "Treasury Bill (Secondary Market) " Floating Rate Option, three primary United States Government securities dealers in New York City, (ii) for purposes of the "CD (Reference Dealers)" Floating Rate Option, three leading nonbank dealers in negotiable Dollar certificates of deposit in New York City, (iii) for purposes of the "Commercial Paper (Reference Dealers)" Floating Rate Option, three leading dealers of commercial paper in New York City, (iv) for purposes of the "Federal Funds (Reference Dealers)" Floating Rate Option, three leading brokers of Federal funds transactions in New York City and (v) for purposes of the "Bankers Acceptance (Reference Dealers)" Floating Rate Option, three leading dealers of bankers acceptances in New York City, in each case selected by the Calculation Agent.

(e) "Bond Equivalent Yield" means, in respect of any security with a maturity of six months or less, the rate for which is quoted on a bank discount basis, a yield (expressed as a percentage) calculated in accordance with the following formula:

$$\text{Bond Equivalent Yield} = \frac{D \times N}{360 - (D \times M)} \times 100$$

where "D" refers to the per annum rate for the security, quoted on a bank discount basis and expressed as a decimal; "N" refers to 365 or 366, as the case may be, and "M" refers to, if the Designated Maturity approximately corresponds to the length of the Calculation Period in respect of which the Bond Equivalent

Yield is being calculated, the actual number of days in that Calculation Period and, otherwise, the actual number of days in the period from, and including, the applicable Reset Date to, but excluding, the day that numerically corresponds to that Reset Date (or, if there is not any such numerically corresponding day, the last day) in the calendar month that is the number of months corresponding to the Designated Maturity after the month in which that Reset Date occurred.

(f) "Money Market Yield" means, in respect of any security with a maturity of six months or less, the rate for which is quoted on a bank discount basis, a yield (expressed as a percentage) calculated in accordance with the following formula:

$$\text{Money Market Yield} = \frac{D \times 360}{360 - (D \times M)} \times 100$$

where "D" refers to the per annum rate for the security, quoted on a bank discount basis and expressed as a decimal; and "M" refers to, if the Designated Maturity approximately corresponds to the length of the Calculation Period in respect of which the Money Market Yield is being calculated, the actual number of days in that Calculation Period and, otherwise, the actual number of days in the period from, and including, the applicable Reset Date to, but excluding, the day that numerically corresponds to that Reset Date (or, if there is not any such numerically corresponding day, the last day) in the calendar month that is the number of months corresponding to the Designated Maturity after the month in which that Reset Date occurred.

Section 7.4. Corrections to Published and Displayed Rates. For purposes of determining the Relevant Rate for any day

(a) in any case where the Relevant Rate for a day is based on information obtained from any published or displayed source (including, without limitation, H.15 (519) or Composite 3:30 P.M. Quotations for U.S. Government Securities), that Relevant Rate will be subject to the corrections, if any, to that information subsequently published or displayed by that source within 30 days of that day;

(b) in any case where the Relevant Rate for a day is based on information obtained from any source used because H.15 (519) is not yet available, that Relevant Rate will (except in the case of rates based on quotations from Reference Banks or Reference Dealers) be subject to correction based upon the applicable rate, if any, subsequently published in H.15 (519) within 30 days of that day; and

(c) in the event that a Fixed Rate Payor or Floating Rate Payor in any rate swap notifies the other party to the rate swap of any correction referred to in subsection (a) or subsection (b) above no later than 10 New York Banking Days after the expiration of the 30-day period referred to in such subsection, an appropriate amount will be payable as a result of such correction (whether such correction is made or such notice is given before or after the Termination Date), together with interest on that amount at a rate computed on the basis of the "Federal Funds" Floating Rate Option with daily Reset Dates for the period from, and including, the day on which, based on such correction, a payment in

the incorrect amount was first made to, but excluding, the day of payment of the refund or payment resulting from such correction.

ARTICLE 8

ROUNDING

All percentages resulting from any calculations referred to in this Code will be rounded to the nearest one-thousandth of a percentage point (with five ten-thousandths of a percentage point being rounded up), and all Dollar amounts used in or resulting from such calculations will be rounded to the nearest Dollar (with 50 cents being rounded up).

ARTICLE 9

GROSS PAYMENTS AND NET PAYMENTS

Section 9.1. Gross Payments. "Gross Payments" means that, subject to Section 10.2 of this Code, each Fixed Amount and each Floating Amount is to be paid in full on the applicable Payment Date.

Section 9.2. Net Payments. "Net Payments" means that, subject to Section 10.2 of this Code, (a) on any Payment Date when amounts would otherwise be payable under the rate swap by each of two parties to the other, neither party will be obligated to make a payment of any such amount to the other party, but if the amount that would have been payable by one party exceeds the amount that would have been payable by the other party, the party by whom the larger amount would have been payable will be obligated to pay to the other party the excess of the larger amount over the smaller amount and (b) on any Payment Date when a Fixed Amount or Floating Amount would be payable under the rate swap by only one party, such amount is to be paid in full by that party.

Section 9.3. Payment Basis If Not Specified. If a rate swap does not specify "Gross Payments", "Net Payments" or any other payment basis, payments will be made as if "Net Payments" were specified.

ARTICLE 10

PAYMENTS

Section 10.1. Payment Procedures. Payments under a rate swap will be timely if made in same day funds not later than 2:00 p.m., local time at the designated place of payment, on the day on which they are due. Any amount due on a day on which banks are not open for business in the designated place of payment will be payable (without interest) on the first following day on which banks are open in that place.

Section 10.2. Conditions Precedent. Each obligation of each party to a rate swap to pay any amount in respect of any Calculation Period is subject to (a) the condition precedent that no Event of Default (as defined in Section 11.2 of this Code), or event that with the giving of notice or lapse of time (or both) would

become an Event of Default, in respect of the other party has occurred and is continuing and (b) each other applicable condition precedent specified in the rate swap.

Section 10.3. Default Rate. "Default Rate" means the rate specified as such in the rate swap; if a rate swap specifies a Default Rate, a party that defaults in the payment of any amount due will, to the extent permitted by law, be required to pay interest on such amount to the other party, on demand, for the period from, and including, the original due date for payment to, but excluding, the date of actual payment at the Default Rate.

ARTICLE 11

GENERAL DEFINITIONS RELATING TO EARLY TERMINATION

Section 11.1. Early Termination Date. "Early Termination Date" means a New York Banking Day prior to the Termination Date of a rate swap that a party to the rate swap designates as the Early Termination Date, which is the day upon which the parties to the rate swap will settle out, on a "lump-sum" basis, their payment obligations in respect of each Calculation Period that would, but for the designation and occurrence of the Early Termination Date, end after the Early Termination Date. An Early Termination Date may be designated by a party to a rate swap, if an Event of Default in respect of the other party or a Termination Event has occurred and is continuing at the time the Early Termination Date is designated, by giving to the other party such notice as the rate swap requires (specifying in reasonable detail in such notice the basis upon which it is given).

Section 11.2. Event of Default. "Event of Default" means, in respect of a party, any event specified in a rate swap as an Event of Default in respect of that party.

Section 11.3. Termination Event. "Termination Event" means any event specified as such in a rate swap.

Section 11.4. Defaulting Party. "Defaulting Party" means the party to a rate swap in respect of which an Event of Default has occurred.

Section 11.5. Affected Party. "Affected Party" means, where notice of the Early Termination Date is given as the result of a Termination Event, each party to which the Termination Event applies or relates.

ARTICLE 12

PAYMENTS ON EARLY TERMINATION

Section 12.1. Measures of Damages. For purposes of determining the amount payable on an Early Termination Date:

(a) "Agreement Value" means that on the Early Termination Date, if there is a Defaulting Party or only one Affected Party, that party will be obligated to make a payment to the other party in the amount, if any, by which the Market

Quotation determined by the other party exceeds zero. If a rate swap provides that "Agreement Value" is the applicable measure of damages and notice of the Early Termination Date is given as a result of a Termination Event but there is more than one Affected Party, the payment to be made will be determined as if the parties had specified "Agreement Value–Two Way Payments" as the applicable measure of damages.

(b) "Agreement Value–Limited Two Way Payments" means that on the Early Termination Date, if there is a Defaulting Party, that party will be obligated to make a payment to the other party in the amount, if any, by which the Market Quotation determined by the other party exceeds zero. If notice of the Early Termination Date is given as the result of a Termination Event, the payment to be made will be determined as if the parties had specified "Agreement Value–Two Way Payments" as the applicable measure of damages.

(c) "Agreement Value–Two Way Payments" means that on the Early Termination Date (i) if there is a Defaulting Party or only one Affected Party, that party will, if the Market Quotation determined by the other party exceeds zero, pay the amount of such excess to the other party, and the other party will, if the Market Quotation determined by it is less than zero, pay the amount of such deficiency to the Defaulting Party or the Affected Party, as the case may be, and (ii) if there is more than one Affected Party, each party will determine a Market Quotation for the rate swap, and the party with the lower Market Quotation will pay an amount equal to one-half of the difference between the two Market Quotations to the party with the higher Market Quotation.

(d) "Indemnification" means that on the Early Termination Date, if there is a Defaulting Party or only one Affected Party, that party will be obligated to make a payment to the other party in an amount equal to the positive amount, if any, of the other party's Loss. If a rate swap provides that "Indemnification" is the applicable measure of damages and notice of the Early Termination Date is given as the result of a Termination Event but there is more than one Affected Party, the payment to be made will be determined as if the parties had specified "Indemnification–Two Way Payments" as the applicable measure of damages.

(e) "Indemnification–Limited Two Way Payments" means that on the Early Termination Date, if there is a Defaulting Party, that party will be obligated to make a payment to the other party in an amount equal to the positive amount, if any, of the other party's Loss. If notice of the Early Termination Date is given as the result of a Termination Event, the payment to be made will be determined as if the parties had specified "Indemnification–Two Way Payments" as the applicable measure of damages.

(f) "Indemnification–Two Way Payments" means that each party will determine its Loss, and on the Early Termination Date the party with the Loss that is less will be obligated to make a payment to the party with the Loss that is greater in an amount equal to one-half of the difference between their Losses.

(g) "Formula" means that on the Early Termination Date, if there is a Defaulting Party or only one Affected Party, that party will be obligated to make a payment to the other party in an amount equal to the excess, if any, of the Formula Settlement Amount of the Defaulting Party or Affected Party, as the

case may be, over the Formula Settlement Amount of the other party. If a rate swap provides that "Formula" is the applicable measure of damages and notice of the Early Termination Date is given as the result of a Termination Event but there is more than one Affected Party, the payment to be made will be determined as if the parties had specified "Formula–Two Way Payments" as the applicable measure of damages.

(h) "Formula–Limited Two Way Payments" means that on the Early Termination Date, if there is a Defaulting Party, that party will be obligated to make a payment to the other party in an amount equal to the excess, if any, of the Formula Settlement Amount of the Defaulting Party over the Formula Settlement Amount of the other party. If notice of the Early Termination Date is given as the result of a Termination Event, the payment to be made will be determined as if the parties had specified "Formula–Two Way Payments" as the applicable measure of damages.

(i) "Formula–Two Way Payments" means that on the Early Termination Date the Formula Settlement Amounts of the parties will be netted, and the party with the higher Formula Settlement Amount will be obligated to make a payment to the party with the lower Formula Settlement Amount in an amount equal to the difference between their Formula Settlement Amounts.

Section 12.2.   Certain Definitions Relating to Agreement Value.

(a) "Market Quotation" means, with respect to a rate swap and a party to the rate swap making the determination, an amount (which may be negative) determined on the basis of quotations from Reference Market-makers for the Dollar amount that would be payable on the Early Termination Date, either by the party to the rate swap making the determination (to be expressed as a positive amount) or to such party (to be expressed as a negative amount), in consideration of an agreement between such party and the quoting Reference Market-maker and subject to such documentation as they may in good faith agree, with the Early Termination Date as an Effective Date, that would have the effect of preserving for such party the economic equivalent of the payment obligations of the parties in respect of each Calculation Period that would, but for the designation and occurrence of the Early Termination Date, end after the Early Termination Date (excluding any unpaid amounts in respect of any Calculation Period ended on or prior to the Early Termination Date but otherwise including, without limitation, any amounts that would, but for the designation and occurrence of the Early Termination Date, have been payable (assuming each applicable condition precedent had been satisfied) on the next applicable Payment Date in respect of any Calculation Period in which the Early Termination Date occurs). The party making the determination (or its agent) will request each Reference Market-maker to provide its quotation as of 11:00 a.m., New York City time, on the Early Termination Date. If more than three such quotations are provided, the Market Quotation will be the arithmetic mean of the quotations, without regard to the quotations having the highest and lowest values. If exactly three such quotations are provided, the Market Quotation will be the quotation remaining after disregarding the quotations having the highest

and lowest values. If fewer than three quotations are provided, the Market Quotation will not be determined, and (whether or not another party to the rate swap has determined a Market Quotation) the payment to be made on the Early Termination Date will be determined as if the parties had specified, as the applicable measure of damages, (i) if there is not a Floating Rate Payor or if there is only one Floating Rate Payor, "Formula" (or, if "Agreement Value–Limited Two Way Payments" or "Agreement Value–Two Way Payments" was originally specified, "Formula–Limited Two Way Payments" or "Formula–Two Way Payments", respectively), and (ii) if there is more than one Floating Rate Payor, "Indemnification" (or, if "Agreement Value–Limited Two Way Payments" or "Agreement Value–Two Way Payments" was originally specified, "Indemnification – Limited Two Way Payments" or "Indemnification–Two Way Payments", respectively).

(b) "Reference Market-makers" means four leading dealers in the Dollar rate swap market selected by the party determining a Market Quotation in good faith from among dealers of the highest credit standing which satisfy all the criteria that such party applies generally at the time in deciding whether to offer or to make an extension of credit.

Section 12.3. Loss. "Loss" means, with respect to a rate swap and a party, an amount equal to the total amount required, as determined as of the Early Termination Date by the party in good faith, to compensate the party for any losses and costs (including loss of bargain and costs of funding but excluding attorneys' fees and other out-of-pocket expenses) that it may incur as a result of the early termination of the obligations of the parties in respect of the rate swap. If a party determines that it would gain or benefit from the early termination of the obligations of the parties in respect of the rate swap and "Indemnification–Two Way Payments" is the applicable measure of damages, such party's Loss will be an amount (expressed as a negative amount) equal to the amount of the gain or benefit as determined by that party.

Section 12.4.   Certain Definitions Relating to Formula.

(a) "Formula Settlement Amount" means, with respect to a rate swap and a party, the sum of such party's (i) Interim Period Adjustment (if the Early Termination Date is not an applicable Period End Date) and (ii) Cost of Termination.

(b) "Interim Period Adjustment" means, with respect to a party, the sum of (i) the Redeployment Adjustment, if applicable, and (ii) the Adjusted Fixed Amount, if such party is a Fixed Rate Payor, or the Adjusted Floating Amount, if such party is a Floating Rate Payor.

(c) "Redeployment Adjustment" means, with respect to a rate swap and a party for which it is applicable, an amount equal to the product of (i) the Notional Amount, (ii) the Redeployment Rate and (iii) a fraction, the numerator of which is the number of days remaining (from, and including, the Early Termination Date) in the Calculation Period in which the Early Termination Date occurs and in respect of which a Floating Amount would have been payable (assuming each applicable condition precedent had been satisfied) had the Early Termination Date not occurred and the denominator of which is

the denominator of the Floating Rate Day Count Fraction that would otherwise have been applicable to that Calculation Period, after discounting that product, on a semiannual basis, from the Payment Date in respect of that Calculation Period to the Early Termination Date on the basis of the Treasury Rate. A Redeployment Adjustment will be calculated only for a rate swap in which each Floating Rate is determined by reference to a single Reset Date for the Calculation Period to which the Floating Rate applies, and if positive the Redeployment Adjustment will be included in the Interim Period Adjustment of the Fixed Rate Payor, and if negative the Redeployment Adjustment will be included (but as a positive amount) in the Interim Period Adjustment of the Floating Rate Payor.

(d) "Redeployment Rate" means a per annum rate (which may be positive or negative), expressed as a decimal, equal to (i) a hypothetical Relevant Rate for the Early Termination Date computed as if the Early Termination Date were a Reset Date and as if the Designated Maturity were approximately equal to the length of the period from the Early Termination Date to the next scheduled Payment Date but otherwise on the basis of the applicable Floating Rate Option and the other variables specified in the rate swap, less (ii) the Floating Rate utilized to calculate the Adjusted Floating Amount.

(e) "Adjusted Fixed Amount" means, in respect of any Fixed Rate Payor, an amount equal to

(i) if the Fixed Amount payable by the Fixed Rate Payor in respect of the Calculation Period in which the Early Termination Date occurs is a specified Dollar amount, such amount multiplied by a fraction the numerator of which is the actual number of days in the period from, and including, the most recent applicable Period End Date (or, if the Early Termination Date occurs before the first applicable Period End Date, from, and including, the Effective Date) to, but excluding, the Early Termination Date and the denominator of which is the actual number of days in the applicable Calculation Period in which the Early Termination Date occurs; or

(ii) if the Fixed Amount payable by the Fixed Rate Payor is determined on a formula basis, an amount determined on that basis, as specified in the rate swap, for a hypothetical Calculation Period from, and including, the most recent applicable Period End Date (or, if the Early Termination Date occurs before the first applicable Period End Date, from, and including, the Effective Date) to, but excluding, the Early Termination Date.

(f) "Adjusted Floating Amount" means, in respect of any Floating Rate Payor, an amount determined to be the Floating Amount that would be payable by the Floating Rate Payor, computed on the basis of the applicable Floating Rate Option, the applicable Spread, if any, and the other variables specified in the rate swap, for a hypothetical Calculation Period from, and including, the most recent applicable Period End Date (or, if the Early Termination Date occurs before the first applicable Period End Date, from, and including, the Effective Date) to, but excluding, the Early Termination Date (except that if no Reset Date would otherwise occur during this hypothetical Calculation Period,

the first day of this hypothetical Calculation Period will be deemed to be a Reset Date).

(g) "Cost of Termination" means (i) in respect of any Fixed Rate Payor, the Fixed Rate Payor's Discounted Remaining Fixed Amount Payments and (ii) in respect of any Floating Rate Payor, the Alternative Financing Costs adjusted to give effect to the Floating Rate Spread Adjustment, if applicable.

(h) "Discounted Remaining Fixed Amount Payments" means, in respect of a rate swap and a Fixed Rate Payor, an amount equal to the sum of the Current Values of the Fixed Amounts (after subtracting, in the case of the next scheduled Fixed Amount, the Adjusted Fixed Amount if the Early Termination Date does not coincide with an applicable Period End Date) that would have been payable (assuming each applicable condition precedent had been satisfied) by the Fixed Rate Payor after the Early Termination Date if the Early Termination Date had not occurred.

(i) "Alternative Financing Costs" means an amount which equals (i) if "Formula" is the applicable measure of damages and the Defaulting Party or Affected Party is a Fixed Rate Payor or "Formula–Limited Two Way Payments" is the applicable measure of damages and the Defaulting Party is a Fixed Rate Payor, the sum of the Current Values of each payment of interest the Floating Rate Payor would receive after the Early Termination Date (after subtracting from any such payment of interest any amount earned in respect of any period prior to the Early Termination Date) from an Alternative Fixed Rate Investment, (ii) if "Formula" is the applicable measure of damages and the Defaulting Party or Affected Party is a Floating Rate Payor or if "Formula–Limited Two Way Payments" is the applicable measure of damages and the Defaulting Party is a Floating Rate Payor, the sum of the Current Values of each payment of interest the Fixed Rate Payor would pay for an Alternative Fixed Rate Borrowing and (iii) if "Formula–Limited Two Way Payments" is the applicable measure of damages and notice of the Early Termination Date is given as the result of a Termination Event or if "Formula–Two Way Payments" is the applicable measure of damages, the arithmetic mean of the amounts described in clauses (i) and (ii) above, unless a Treasury Rate Spread is expressly provided for the purpose of this clause (iii), in which case Alternative Financing Costs will be the amount described in clause (i) above (adjusted to give effect to that Treasury Rate Spread).

(j) "Alternative Fixed Rate Borrowing" means, at the option of the Fixed Rate Payor, either

(i) a loan in a principal amount equal to the Notional Amount that is or could have been obtained by the Fixed Rate Payor on the Early Termination Date, maturing on (or as close as possible to) the Termination Date and bearing interest payable semiannually (with a short first period, if necessary) at a per annum rate equal to (A) if a Treasury Rate Spread is expressly provided for the purpose of this clause (i), the Treasury Rate adjusted to give effect to that Treasury Rate Spread, (B) if a Treasury Rate Spread is not expressly provided for the purpose of this clause (i) and the Fixed Rate Payor has actually obtained such a loan, the actual fixed rate of interest the Fixed Rate Payor is required to pay for it and (C) if a Treasury Rate Spread

is not expressly provided for the purpose of this clause (i) and the Fixed Rate Payor has not actually obtained such a loan, the arithmetic mean of the rates that two banks of nationally recognized standing in the United States, selected by the Fixed Rate Payor in good faith, estimate to be the lowest fixed rate of interest at which the Fixed Rate Payor could have (I) borrowed such a loan on the Early Termination Date from responsible lenders or (II) if the Fixed Rate Payor is a bank, funded such a loan on the Early Termination Date in the London interbank market; or

(ii) if a Treasury Rate Spread is not expressly provided for such purpose and the Fixed Rate Payor is a bank subject to the reserve requirements and insurance assessments described below, certificates of deposit of the Fixed Rate Payor in an amount equal to the Notional Amount which are or could have been issued by the Fixed Rate Payor on the Early Termination Date, with repayment of principal due on (or as close as possible to) the Termination Date and bearing interest payable semiannually (with a short first period, if necessary) at a per annum rate equal to the sum of (A) the quotient of (I) the arithmetic mean of the respective bid rates quoted to the Fixed Rate Payor as of 11:00 a.m., New York City time, on the Early Termination Date by each of three certificate of deposit dealers in New York City of recognized standing selected by the Fixed Rate Payor in good faith for the purchase at face value of such certificates of deposit, divided by (II) one minus the maximum aggregate reserve requirements (expressed as a decimal) imposed under Regulation D of the Board of Governors of the Federal Reserve System on nonpersonal time deposits of $100,000 or more having a maturity similar to such certificates of deposit, as in effect on the Early Termination Date, plus (B) the net assessment rate per annum payable to the Federal Deposit Insurance Corporation (or any successor) for the insurance of domestic deposits of the Fixed Rate Payor during the calendar year in which the Early Termination Date occurs, as determined by the Fixed Rate Payor on the Early Termination Date.

(k) "Alternative Fixed Rate Investment" means an investment in United States Treasury securities in a principal amount equal to the Notional Amount maturing on (or as close as possible to) the Termination Date which are or could have been purchased by the Floating Rate Payor on the Early Termination Date, yielding interest at a per annum rate equal to, at the option of the Floating Rate Payor, either (i) if the Floating Rate Payor has actually made such an investment, the per annum rate equal to the semiannual equivalent yield to maturity of such securities (expressed as a decimal and, in the case of United States Treasury bills, converted to a Bond Equivalent Yield), or (ii) if the Floating Rate Payor has not actually made such an investment, the Treasury Rate, in either case plus or minus the Treasury Rate Spread, if applicable.

(l) "Current Value" means, in respect of any amount, the value of that amount on the Early Termination Date after discounting that amount on a semiannual basis from the originally scheduled date for payment on the basis of the Treasury Rate.

(m) "Treasury Rate" means a per annum rate (expressed as a semiannual equivalent and as a decimal and, in the case of United States Treasury bills,

converted to a Bond Equivalent Yield) determined on the Early Termination Date to be the per annum rate equal to the semiannual equivalent yield to maturity for United States Treasury securities maturing on the Termination Date, as determined by interpolation between the most recent weekly average yields to maturity for two series of United States Treasury securities, (i) one maturing as close as possible to, but earlier than, the Termination Date and (ii) the other maturing as close as possible to, but later than, the Termination Date, in each case as published in the most recent H.15(519) (or, if a weekly average yield to maturity for United States Treasury securities maturing on the Termination Date is reported in the most recent H.15(519), as published in H.15(519)).

(n) "Treasury Rate Spread" means, in respect of any calculation for which it is applicable, the per annum rate, if any, specified as such in the rate swap (expressed as a decimal). For purposes of applying a Treasury Rate Spread, if positive the Treasury Rate Spread will be added to the Treasury Rate or other rate to which it is applicable and if negative the Treasury Rate Spread will be subtracted from that rate.

(o) "Floating Rate Spread Adjustment" means, in respect of a rate swap in which the Floating Amounts reflect a Spread, an amount equal to the Discounted Remaining Spread Amounts. In computing the Cost of Termination, the Floating Rate Spread Adjustment will be added to the Alternative Financing Costs if the Spread is positive and subtracted from the Alternative Financing Costs if the Spread is negative.

(p) "Discounted Remaining Spread Amounts" means, in respect of a rate swap, an amount equal to the sum of the Current Values of the Spread Amounts (after subtracting, if the Early Termination Date does not coincide with an applicable Period End Date, that portion, if any, of the Adjusted Floating Amount attributable to the Spread from the Spread Amount determined in respect of the Calculation Period in which the Early Termination Date occurs) computed for each Calculation Period ending after the Early Termination Date in respect of which a Floating Amount would have been payable (assuming each applicable condition precedent had been satisfied) if the Early Termination Date had not occurred.

(q) "Spread Amount" means, in respect of a Calculation Period, an amount equal to the product of (i) the Notional Amount, (ii) the Spread (for such purpose deemed to be positive) and (iii) the Floating Rate Day Count Fraction that would otherwise have been applicable to that Calculation Period.

Section 12.5. Limited Indemnification for Expenses. A Defaulting Party (unless the appropriate measure of damages contemplates "Two Way Payments") and, if there is only one Affected Party, the Affected Party (unless the appropriate measure of damages contemplates "Limited Two Way Payments" or "Two Way Payments") will, on demand, indemnify and hold harmless the other party for and against all reasonable out-of-pocket expenses, including attorneys' fees, incurred by such other party by reason of the enforcement and protection of its rights under the rate swap or the early termination of the rate swap, including, but not limited to, costs of collection.

Section 12.6. Statement of Calculations.   A party to a rate swap requesting payment of any amount under Article 12 of this Code will provide to the other party a statement in reasonable detail showing the calculation of such amount (including all relevant quotations). Absent written confirmation of a quotation obtained in determining a Market Quotation or Alternative Financing Costs from the source providing such quotation, the records of the party obtaining such quotation will be conclusive evidence of the existence and accuracy of such quotation.

ARTICLE 13

SUBMISSION TO JURISDICTION

Section 13.1. Submission to Jurisdiction.   With respect to any claim arising out of a rate swap, (a) each party irrevocably submits to the nonexclusive jurisdiction of the courts of the State of New York and the United States District Court located in the Borough of Manhattan in New York City, and (b) each party irrevocably waives any objection which it may have at any time to the laying of venue of any suit, action or proceeding arising out of or relating to the rate swap brought in any such court, irrevocably waives any claim that any such suit, action or proceeding brought in any such court has been brought in an inconvenient forum and further irrevocably waives the right to object, with respect to such claim, suit, action or proceeding brought in any such court, that such court does not have jurisdiction over such party.

Section 13.2. Jurisdiction Not Exclusive. Nothing in this Code or in a rate swap will be deemed to preclude either party to the rate swap from bringing an action or proceeding in respect of the rate swap in any other jurisdiction.

ARTICLE 14

NOTICES

Section 14.1. Notices.   Any notice or communication in respect of a rate swap will be sufficiently given to a party if in writing and delivered in person, sent by certified or registered mail (airmail if overseas) or the equivalent (with return receipt requested) or by overnight courier or given by telex (with answerback received) addressed to the party at its address or telex number provided for that purpose.

Section 14.2. Effectiveness of Notice.   A notice or communication will be effective, if delivered by hand or sent by overnight courier, on the day it is delivered (or if that day is not a day on which commercial banks are open for business in the city specified in the address for notice provided by the recipient (a "Local Banking Day"), or if delivered after the close of business on a Local Banking Day, on the first following day that is a Local Banking Day), if sent by telex, on the day the recipient's answerback is received (or if that day is not a Local Banking Day, or if after the close of business on a Local Banking Day, on the first following day that is a Local Banking Day) of, if sent by certified or registered mail (airmail if overseas) or the equivalent (return receipt requested), three Local Banking Days after dispatch if the recipient's address for notice is in the same country as the place of dispatch and otherwise seven

Local Banking Days after dispatch (or, in either case, if delivered after the close of business on a Local Banking Day, on the first following day that is a Local Banking Day).

Section 14.3. Addresses. Either party by notice to the other may designate additional or different addresses for subsequent notices or communications.

ARTICLE 15

MISCELLANEOUS

Section 15.1. No Waiver of Rights. A failure or delay in exercising any right, power or privilege in respect of a rate swap will not be presumed to operate as a waiver, and a single or partial exercise of any right, power or privilege will not be presumed to preclude any subsequent or further exercise of that right, power or privilege or the exercise of any other right, power or privilege.

Section 15.2. Counterparts. A rate swap and each written agreement relating to it may be executed in counterparts, each of which will be deemed an original.

Section 15.3, Governing Law. A rate swap and each written agreement relating to it will, unless otherwise expressly provided, be governed by and construed in accordance with the laws of the State of New York, without reference to choice of law doctrine.

Section 15.4. Headings. The article and section headings used in this Code are for convenience of reference only and are not to affect the construction of or be taken into consideration in interpreting this Code or any rate swap to which it relates.