
2000 ISDA

Definitions

ISDA®

INTERNATIONAL SWAPS AND DERIVATIVES ASSOCIATION, INC.

2000 ISDA

Definitions

ISDA®

INTERNATIONAL SWAPS AND DERIVATIVES ASSOCIATION, INC.

Copyright © 2000 by
INTERNATIONAL SWAPS AND DERIVATIVES ASSOCIATION, INC.
600 Fifth Avenue, 27th Floor
Rockefeller Center
New York, N.Y. 10020-2302

TABLE OF CONTENTS

	<u>Page</u>
INTRODUCTION TO THE 2000 ISDA DEFINITIONS.....	v

ARTICLE 1

CERTAIN GENERAL DEFINITIONS

SECTION 1.1.	Swap Transaction.....	1
SECTION 1.2.	Confirmation.....	1
SECTION 1.3.	Banking Day.....	1
SECTION 1.4.	Business Day.....	1
SECTION 1.5.	Financial Centers	2
SECTION 1.6.	Certain Business Days.....	2
SECTION 1.7.	Currencies	2
SECTION 1.8.	TARGET Settlement Day.....	2
SECTION 1.9.	New York Fed Business Day	2
SECTION 1.10.	NYSE Business Day	2
SECTION 1.11.	U.S. Government Securities Business Day.....	2
SECTION 1.12.	EC Treaty.....	2

ARTICLE 2

PARTIES

SECTION 2.1.	Fixed Rate Payer; Fixed Amount Payer	3
SECTION 2.2.	Floating Rate Payer; Floating Amount Payer	3

ARTICLE 3

TERM AND DATES

SECTION 3.1.	Term.....	3
SECTION 3.2.	Effective Date	3
SECTION 3.3.	Termination Date	3
SECTION 3.4.	Initial Exchange Date	3
SECTION 3.5.	Interim Exchange Date; Periodic Exchange Date	3
SECTION 3.6.	Final Exchange Date; Exchange Date; Maturity Date	4
SECTION 3.7.	Trade Date	4

ARTICLE 4

CERTAIN DEFINITIONS RELATING TO PAYMENTS

SECTION 4.1.	Initial Exchange Amount	4
--------------	-------------------------------	---

SECTION 4.2.	Interim Exchange Amount; Periodic Exchange Amount.....	4
SECTION 4.3.	Final Exchange Amount; Exchange Amount.....	4
SECTION 4.4.	Fixed Amount.....	4
SECTION 4.5.	Floating Amount.....	4
SECTION 4.6.	Currency Amount.....	4
SECTION 4.7.	Notional Amount.....	4
SECTION 4.8.	Calculation Amount.....	5
SECTION 4.9.	Payment Date.....	5
SECTION 4.10.	Period End Date.....	5
SECTION 4.11.	FRN Convention; Eurodollar Convention.....	6
SECTION 4.12.	Business Day Convention.....	6
SECTION 4.13.	Calculation Period.....	7
SECTION 4.14.	Calculation Agent.....	7
SECTION 4.15.	Calculation Date.....	7
SECTION 4.16.	Day Count Fraction.....	7
SECTION 4.17.	IMM Settlement Dates.....	7

ARTICLE 5

FIXED AMOUNTS

SECTION 5.1.	Calculation of a Fixed Amount.....	8
SECTION 5.2.	Certain Definitions Relating to Fixed Amounts.....	8

ARTICLE 6

FLOATING AMOUNTS

SECTION 6.1.	Calculation of a Floating Amount.....	8
SECTION 6.2.	Certain Definitions Relating to Floating Amounts.....	9
SECTION 6.3.	Certain Definitions Relating to Compounding.....	11
SECTION 6.4.	Negative Interest Rates.....	12

ARTICLE 7

CALCULATION OF RATES FOR CERTAIN FLOATING RATE OPTIONS

SECTION 7.1.	Rate Options.....	13
SECTION 7.2.	Certain Published and Displayed Sources.....	13
SECTION 7.3.	Certain General Definitions Relating to Floating Rate Options.....	13
SECTION 7.4.	Price Source Conversion.....	13
SECTION 7.5.	Certain Definitions Relating to Price Source Conversion.....	13
SECTION 7.6.	Corrections to Published and Displayed Rates.....	13

ARTICLE 8

ROUNDING; INTERPOLATION; DISCOUNTING

SECTION 8.1.	Rounding.....	13
--------------	---------------	----

SECTION 8.2.	Rounding of Currency Amounts.....	14
SECTION 8.3.	Interpolation	14
SECTION 8.4.	Discounting	14

ARTICLE 9

PAYMENTS

SECTION 9.1.	Relating Payments to Calculation Periods	15
--------------	--	----

ARTICLE 10

OPTION TRANSACTION; SWAPTION

SECTION 10.1.	Option Transaction.....	16
SECTION 10.2.	Swaption.....	16

ARTICLE 11

CERTAIN DEFINITIONS AND PROVISIONS RELATING TO OPTION TRANSACTIONS

SECTION 11.1.	Parties.....	16
SECTION 11.2.	Option Style.....	17
SECTION 11.3.	Terms Relating to Premium.....	17
SECTION 11.4.	Exercise Business Day	17
SECTION 11.5.	Notional Amount for Option Transactions.....	18

ARTICLE 12

EXERCISE OF OPTIONS

SECTION 12.1.	General Terms Relating to Exercise.....	18
SECTION 12.2.	Procedure for Exercise	19
SECTION 12.3.	Partial Exercise.....	19
SECTION 12.4.	Multiple Exercise.....	20
SECTION 12.5.	Minimum Notional Amount	20
SECTION 12.6.	Maximum Notional Amount	20
SECTION 12.7.	Automatic Exercise	20
SECTION 12.8.	Fallback Exercise.....	21
SECTION 12.9.	Settlement Rate on Automatic or Fallback Exercise.....	21

ARTICLE 13

GENERAL TERMS AND PROVISIONS RELATING TO SETTLEMENT OF SWAPTIONS

SECTION 13.1.	Certain Definitions Relating to Settlement of Swaptions	23
---------------	---	----

ARTICLE 14

PHYSICAL SETTLEMENT OF SWAPTIONS

SECTION 14.1.	Physical Settlement	23
---------------	---------------------------	----

ARTICLE 15

OPTIONAL EARLY TERMINATION

SECTION 15.1.	Optional Early Termination.....	24
SECTION 15.2.	Optional Early Termination Date	24

ARTICLE 16

MANDATORY EARLY TERMINATION

SECTION 16.1.	Mandatory Early Termination	25
SECTION 16.2.	Mandatory Early Termination Date	25

ARTICLE 17

CASH SETTLEMENT

SECTION 17.1.	Cash Settlement	25
SECTION 17.2.	Certain Definitions Relating to Cash Settlement	26
SECTION 17.3.	Cash Settlement Methods	30
SECTION 17.4.	In-the-money	32
SECTION 17.5.	Out-of-the-money.....	33
SECTION 17.6.	Corrections to Published and Displayed Rates for Settlement Rate	33
EXHIBIT I	Sample Form of Confirmation.....	35
EXHIBIT II	Sample Forms of Specific Provisions for Particular Types of Swap Transactions:	
A.	Rate Swap Transaction or Cross-Currency Rate Swap Transaction	37
B.	Rate Cap Transaction, Rate Floor Transaction or Rate Collar Transaction	41
C.	Forward Rate Agreement.....	43
D.	Self-Compounding Overnight Interest Rate Swap Transaction.....	45
E.	Swaption.....	47
F.	Swap Transaction to which Optional Early Termination applies	51
G.	Swap Transaction to which Mandatory Early Termination applies	55
INDEX OF TERMS		57

INTRODUCTION TO THE 2000 ISDA DEFINITIONS

The 2000 ISDA Definitions (the "2000 Definitions"), which include the Annex to the 2000 ISDA Definitions (the "Annex"), are intended for use in confirmations of individual transactions ("Confirmations") governed by agreements such as the 1992 ISDA Master Agreements (the "ISDA Master Agreements") published by the International Swaps and Derivatives Association, Inc. ("ISDA"). Copies of the ISDA Master Agreements are available from the executive offices of ISDA. A sample form of document constituting a Confirmation is attached as Exhibit I. Exhibits II-A to II-G set out sample forms of specific provisions for inclusion in a Confirmation to document particular types of transactions.

The 2000 Definitions are a consolidation and update of the 1991 ISDA Definitions (the "1991 Definitions"), the 1998 Supplement to the 1991 ISDA Definitions (the "1998 Supplement") and certain provisions of the 1998 ISDA Euro Definitions (the "Euro Definitions"), which many parties to privately negotiated derivative transactions have incorporated into existing Confirmations or other documents. The 2000 Definitions can be incorporated into future Confirmations or other documents. Existing Confirmations or other documents that incorporate the 1991 Definitions, whether or not supplemented by the 1998 Supplement or amended and supplemented by the Euro Definitions, will not, without further action by the parties, be affected by the use of the 2000 Definitions for subsequent transactions.

The purpose of the 2000 Definitions is to provide the basic framework for the documentation of privately negotiated interest rate and currency derivative transactions. Although the 2000 Definitions were drafted with this purpose in mind, ISDA recognizes that parties documenting other types of privately negotiated derivative transactions might find it helpful to incorporate the 2000 Definitions into Confirmations for those transactions. For example, when documenting an equity swap transaction using the 1996 ISDA Equity Derivatives Definitions, a commodity swap using the 1993 ISDA Commodity Derivatives Definitions (whether or not supplemented by the 2000 Supplement to those definitions) or a bullion swap using the 1997 ISDA Bullion Definitions, parties may wish to incorporate the 2000 Definitions into the relevant Confirmation in order more easily to document floating or fixed payments arising under those transactions.

As in the case of other product-specific sets of definitions published by ISDA, parties using the 2000 Definitions to document a transaction may adapt or supplement the standard provisions set out in the 2000 Definitions in accordance with the specific economic terms agreed between them.

The 2000 Definitions were developed by a working group of ISDA member institutions, including representatives of leading participants in the privately negotiated interest rate and currency derivatives industry, and were informed by market practice with the goal of achieving consensus on various issues. Inevitably, in certain areas market practice has not been uniform or has otherwise not provided definitive guidance. The working group has given studied consideration to these issues in formulating the provisions set out in the 2000 Definitions. Each member of the working group has, where appropriate, sought the views of its own trading, operational, legal, compliance and other relevant personnel. None of this research, however, obviates the need for each user of the 2000 Definitions to review the provisions of the 2000 Definitions carefully and to form its own independent judgment on whether the 2000 Definitions are appropriate for documenting any particular transaction.

The 2000 Definitions may be updated or replaced in the future to include additional definitions and provisions, although it is not anticipated that they will be changed substantively unless then prevailing market practice supports such a change. However, it is anticipated that day count fraction,

currency and floating rate option definitions (and related definitions and provisions) will be added or changed from time to time as transactions involving rates and currencies not included in the 2000 Definitions become more prevalent and as necessary to reflect market practice. To accommodate such additions and changes, the relevant sections of the 2000 Definitions are set forth in the Annex. ISDA anticipates that it will publish amendments and supplements to the Annex from time to time (including on its website, www.isda.org). ISDA also anticipates that it may publish revised versions of the Annex over time in order to consolidate all such amendments and supplements. At any time, a copy of the 2000 Definitions and the latest version of the Annex may be obtained from the executive offices of ISDA.

The Annex forms part of the 2000 Definitions. **Unless otherwise agreed, where parties incorporate the 2000 Definitions into a Confirmation, they will automatically incorporate the version of the Annex most recently published at the date on which they enter into the relevant transaction, as the Annex has been amended and supplemented through that date. Unless otherwise agreed, where parties incorporate the 2000 Definitions into any other document, they will automatically incorporate the version of the Annex most recently published at the date on which they enter into the agreement evidenced by that document, as the Annex has been amended and supplemented through that date.** Amendments and supplements to the Annex will be deemed to have been made when published by ISDA. If parties want to incorporate a different version of the Annex, or exclude amendments and supplements made to the most recently published version, they should specify a particular version of the Annex by reference to a date (*e.g.*, "June 2000 Version") or an "as amended and supplemented through" date (*e.g.*, "June 2000 Version, as amended and supplemented through January 1, 2001").

ISDA has provided the 2000 Definitions to assist the smooth and efficient functioning of privately negotiated derivatives activity by providing a common set of terms for parties to use in preparing Confirmations. *The precise documentation of each individual transaction remains, however, the responsibility of the parties concerned. ISDA does not assume any responsibility for any use to which the 2000 Definitions may be put, including, without limitation, any use of the 2000 Definitions in connection with any privately negotiated derivative transaction. Each party to a transaction evidenced by a Confirmation or other document referring to or incorporating the 2000 Definitions must satisfy itself that the 2000 Definitions are appropriate for the transaction, have been properly used or adapted in that Confirmation or other document and that the Confirmation or other document has generally been properly drafted, in each case to reflect the commercial intentions of the parties.*

ISDA has not undertaken to review all applicable laws and regulations of any jurisdiction in which the 2000 Definitions may be used or any jurisdiction the currency of which may be the subject of a privately negotiated derivative transaction, and therefore parties are advised to consider the application of any relevant jurisdiction's regulatory, tax, accounting, exchange or other requirements that may exist in connection with entering into and documenting such a transaction.

COVERAGE OF THE DEFINITIONS

The 2000 Definitions reflect a number of changes from the 1991 Definitions that are intended to clarify the types of transactions for which the 2000 Definitions are designed to be used. This clarification is achieved in several ways:

- **Definition of Swap Transaction.** The definition of "Swap Transaction" has been refined. In the 1991 Definitions the term included reference to commodity swaps, forward foreign exchange transactions and currency options. Since 1991, ISDA has published product-specific sets of definitions (such as the 1993 ISDA Commodity Derivatives Definitions (together with the 2000 Supplement to those definitions) and (together with the Emerging Markets Traders Association and The Foreign Exchange Committee) the 1998 FX and Currency Option Definitions) that were prepared specifically for those types of transactions. The revised definition of "Swap Transaction" therefore omits reference to those types of transactions and instead identifies the following particular types of transactions:
 - rate swap transactions;
 - basis swaps;
 - forward rate transactions;
 - interest rate cap transactions;
 - interest rate floor transactions;
 - interest rate collar transactions;
 - currency swap transactions; and
 - cross-currency rate swap transactions.

In addition to these particular types of transactions, the definition of "Swap Transaction" also includes (a) any transaction to which the 2000 Definitions are specified to apply and (b) any transaction identified as a "Swap Transaction" in the related Confirmation.

The term "Swap Transaction" has been retained to define the types of transactions to which the 2000 Definitions are to apply. Users are reminded that the use of the term "Swap Transaction" is relevant only in the context of the 2000 Definitions. The term "Transaction" where used in the ISDA Master Agreements serves a different purpose and the different designations should assist in distinguishing between the two terms.

- **Definition of Option Transaction.** The definition of "Swap Transaction" also includes reference to any transaction that is an "Option Transaction". The definition of "Option Transaction" in Section 10.1 of the 2000 Definitions encompasses Swap Transactions that contain rights of optional early termination and options on swaps, as well as any transaction identified as an "Option Transaction" in the related Confirmation. Definitions and provisions relating to Option Transactions are contained in Articles 10 through 15 and Article 17 of the 2000 Definitions and are based on equivalent definitions and provisions contained in the 1998 Supplement. Consistent with ISDA's approach of isolating product types by way of product-specific sets of definitions, the definitions and provisions relating to Option Transactions do not specifically contemplate options on commodity prices, equity indices or currencies in the manner of the 1991 Definitions. *The 2000 Definitions have not been drafted for use*

in documenting these types of options in the way that the 1993 ISDA Commodity Derivatives Definitions (together with the 2000 Supplement to those definitions) and the 1996 ISDA Equity Derivatives Definitions have been. However, parties may find that certain provisions contained in the 2000 Definitions provide a useful starting point when drafting a Confirmation for these types of options.

- **Deletion of References to Equity Indices and Commodity Prices.** The 2000 Definitions do not include provisions relating to equity indices or commodity prices. This omission is consistent with the publication of the 1996 ISDA Equity Derivatives Definitions and the 1993 ISDA Commodity Derivatives Definitions (together with the 2000 Supplement to those definitions). As noted above, although parties might find it useful to incorporate the 2000 Definitions into Confirmations for equity or commodity swap transactions, this is likely to be for purposes of documenting the fixed or floating rate leg rather than the equity or commodity leg of the swap.

CHANGES IN THE DEFINITIONS FROM THE 1991 DEFINITIONS

Other than the changes identified above, several other modifications have been made in the 2000 Definitions as compared with the 1991 Definitions. The principal modifications are:

- **European Economic and Monetary Union ("EMU").** ISDA has been very active in trying to find solutions to market practice and documentation issues arising out of the introduction of the euro. As part of its work in this field, ISDA published the ISDA EMU Protocol (the "Protocol") and the Euro Definitions. The Protocol was a multilateral mechanism for making certain standardized amendments to existing agreements. The Euro Definitions were a set of definitions and provisions intended to facilitate documenting transactions involving the euro and, to the extent necessary to achieve this purpose, incorporated certain provisions from the Protocol.

The 2000 Definitions incorporate provisions from the Euro Definitions, such as the definition of "euro" and certain floating rate options for the euro. The 2000 Definitions also incorporate, in Sections 7.4 and 7.5, price source conversion provisions from the Euro Definitions intended to allow parties to document an agreement to move from one floating rate option to another at a future date.

One aspect of EMU is that the currencies of member states of the European Union that adopted the euro as their new currency on January 1, 1999 ceased to exist as currencies in their own right. Instead, for a limited transition period prior to their final disappearance (scheduled to occur on December 31, 2001), they exist as distinct units of the euro ("national currency units"). The Protocol contained provisions intended to address the effects of this transition period on transactions entered into prior to January 1, 1999. These provisions, and indeed terms relating to national currency units generally, are not reflected in the 2000 Definitions. This is because the 2000 Definitions are intended for use with transactions entered into after their publication and the volume of relevant transactions referring to national currency units is expected to be low. However, at the same time as it publishes the 2000 Definitions, ISDA is also publishing the NCU Supplement to the 2000 ISDA Definitions (the "NCU Supplement"). The NCU Supplement is available for use by parties that wish to document transactions involving one or more national currency units.

- **NCU Supplement.** As noted above, when introduced on January 1, 1999, the euro replaced the existing currencies of those member states of the European Union that adopted it. However, under the terms of Council Regulation (EC) No 974/98, the former currencies of those member states were

preserved as national currency units and, for the duration of the transition period, parties are free to enter into contracts denominated in national currency units.

With this in mind, ISDA has published the NCU Supplement and made it available on its website (www.isda.org) in order to enable parties to document transactions involving national currency units. The NCU Supplement contains definitions of the various national currency units, together with certain other provisions, including associated business day definitions, that may be relevant to transactions involving national currency units. The NCU Supplement does not contain definitions for any national currency unit floating rate options. Parties that wish to specify a national currency unit floating rate option (to the extent that such floating rate options are still being published) may wish to define that floating rate option in their Confirmation or specify a floating rate option by reference to the 1998 Supplement to the 1991 ISDA Definitions. Further guidance can be found in the NCU Supplement.

Where parties incorporate the 2000 Definitions into a Confirmation or other document that evidences a transaction involving a national currency unit or that otherwise contains words or phrases defined in the NCU Supplement, the definitions and provisions in the NCU Supplement will be deemed to be incorporated into that Confirmation or other document. The NCU Supplement may also be incorporated into a Confirmation or other document by wording indicating that, or the extent to which, the Confirmation or other document is subject to the 2000 ISDA Definitions (as supplemented by the NCU Supplement to the 2000 ISDA Definitions).

- **Business Day.** The 2000 Definitions include definitions of "New York Fed Business Day", "NYSE Business Day" and "U.S. Government Securities Business Day". While U.S. Government Securities Business Days are referred to in and are therefore relevant to certain U.S. Dollar floating rate option definitions, the terms "New York Fed Business Day" and "NYSE Business Day" are not used elsewhere in the 2000 Definitions. The purpose of including definitions for these business day terms is to enable parties to relate reset dates or other relevant dates to such business days by using the terms in their Confirmations, if appropriate.
- **Interim Exchange/Periodic Exchange.** Provisions have been included in the 2000 Definitions to assist parties to a currency swap transaction that wish to document some type of interim or periodic exchange of currency amounts during the life of the swap transaction. Such an exchange might occur on one or more dates specified in a Confirmation (or determined pursuant to a method specified for such purpose).
- **Day Count Fractions.** Day count fraction definitions are published in the Annex to facilitate the amendment of or addition to these provisions. It is anticipated that additional day count fraction definitions may be included as market practice develops. In particular, ISDA's Euro Committee and the working group on the 2000 Definitions considered the introduction of two new day count fraction definitions based on rules or market conventions published by other organizations for the calculation of accrued interest on an "actual/actual" basis. One of these definitions was based on the rules of the International Securities Market Association ("ISMA") and the other was based on the market conventions of the Association Française des Banques ("AFB"). At the time of initial publication of the June 2000 version of the Annex, forms of provisions had not been agreed for inclusion in the Annex to reflect these ISMA rules and AFB market conventions. ISDA expects to continue discussion on this matter and publish an amendment or supplement to the Annex once wording has been agreed. In the interim, parties that wish to adopt the ISMA or AFB approaches may choose to

specify in their Confirmation, in place of a reference to a day count fraction defined in the Annex, one of the following formulations:

For Actual/Actual (ISMA): "The [Fixed/Floating] Amount will be calculated in accordance with Rule 251 of the statutes, by-laws, rules and recommendations of the International Securities Market Association, as published in April 1999, as applied to straight and convertible bonds issued after December 31, 1998, as though the [Fixed/Floating] Amount were the interest coupon on such a bond."

For Actual/Actual (AFB): "The [Fixed/Floating] Amount will be calculated in accordance with the "BASE EXACT/EXACT" day count fraction, as defined in the "Definitions Communes à plusieurs Additifs Techniques" published by the Association Française des Banques in September 1994."

For a more detailed analysis of how ISDA understands various actual/actual day count fractions are calculated (including Actual/Actual as defined in the 2000 Definitions), see the memorandum prepared by ISDA for use with its Market Conventions Survey of June 3, 1999 (which is available to ISDA members from the executive offices of ISDA).

- **Calculation Agent.** The definition of "Calculation Agent" has been refined. The definition in the 1991 Definitions and the 1998 Supplement required the Calculation Agent to perform a number of specific duties. The definition in the 2000 Definitions requires the Calculation Agent to perform, in addition to the specific duties identified in the 2000 Definitions, any other duties specified in a Confirmation as being duties required to be performed by the Calculation Agent.

A more general requirement for the Calculation Agent to act in good faith and in a commercially reasonable manner is also introduced in the definition. In the 1991 Definitions and the 1998 Supplement, the definition included a provision requiring the Calculation Agent, essentially, to act in good faith after consultation with the other party (or the parties, if the Calculation Agent was a third party), if practicable, when selecting banks or dealers for purposes of making any calculation or determination or to select any exchange rate. In the 2000 Definitions, the definition requires the Calculation Agent, when acting or exercising judgment in any other way, to do so in good faith and in a commercially reasonable manner. In light of this revision, which applies the good faith and commercial reasonableness standard to actions taken by the Calculation Agent generally, there are no separate references to such a standard elsewhere in the 2000 Definitions.

- **Negative Interest Rates.** The 2000 Definitions include provisions from the 1998 Supplement that were originally set out in ISDA's November 1995 Negative Interest Rate Memorandum (the "1995 Memorandum"). These provisions address the means of calculating payment obligations when a floating rate is negative (either due to a quoted negative floating rate or by operation of a spread that is subtracted from the floating rate). Although the scope of the 1995 Memorandum was limited to interest rate and currency swap transactions, the same issue arises with respect to any transaction where a floating amount payable by a party (in a given currency) is calculated by reference to a floating rate. For certain of these transactions, however, the 2000 Definitions already explicitly describe how such payment obligations are to be calculated, including a floor transaction (Section 6.2(a)(ii)) and certain forward rate agreements (Section 8.4(b)). Accordingly, the 2000 Definitions presume that the negative interest rate provisions will apply to all transactions where a floating amount payable by one party is calculated by reference to a floating rate other than floor transactions and certain forward rate agreements. If parties want to alter this presumption and have such

provisions apply to a different group of transactions, they should so specify in their agreement or in a Confirmation.

- **U.S. Dollar Rate Options.** As noted earlier, many of the rate option definitions contained in Section 7.1 of the 2000 Definitions (published in the Annex) have been amended, and various additional definitions have been included. Among the amendments are several important changes to the definitions of "USD-CP-H.15", "USD-Federal Funds-H.15" and "USD-Prime-H.15".

Members participating in the U.S. Dollar interest rate swap markets expressed concerns about the timing of the publication of these rates in the H.15(519) weekly statistical release (and its daily update) published by the Board of Governors of the Federal Reserve System. The rate for any day is typically (but not always) published on the following day. Under the definitions contained in the 1998 Supplement, if a rate is not published for a day, parties fall back to a rate obtained by seeking quotations from reference dealers or reference banks on that day. That day will already have passed by the time parties learn (on the following day) that a rate has not been published. In order to address the difficulty of obtaining historical quotations, parties should note that the definitions of "USD-CP-H.15", "USD-Federal Funds-H.15" and "USD-Prime-H.15" now provide that if the relevant rate does not appear in the relevant rate source by 5:00 p.m., New York City time, on the day that is one New York City banking day following the reset date, the rate for that reset date will be the rate for the first preceding day for which such rate appears in H.15(519). Although no longer relevant as fallback provisions, the definitions of "USD-CP-Reference Dealers", "USD-Federal Funds-Reference Dealers" and "USD-Prime-Reference Banks" have been retained in the 2000 Definitions because ISDA recognizes that some parties may wish to use these rates as primary rate sources.

In addition, unless the parties specify otherwise, the rate for each reset date in the period from, and including, the day that is two New York City banking days preceding the end of a calculation period (the "rate cut-off date") to, but excluding, the last day of that calculation period will be the rate in effect on that rate cut-off date (see Sections 6.2(d) and 6.2(e)).

Parties should also note that a definition of "USD-CP-ISDD" is not included in the 2000 Definitions.

- **Rounding.** The provisions in the 2000 Definitions relating to rounding (Sections 8.1 and 8.2) contain changes from the 1991 Definitions. The changes are intended to reflect market practice in relation to rounding of rates achieved by means of interpolation. In the 1991 Definitions, all percentages were required to be rounded to the nearest one hundred-thousandth of a percentage point (five decimal places). In the 2000 Definitions, however, percentages calculated by way of interpolation between two published rates are required to be rounded to the same degree of accuracy used in the relevant publication (subject to a minimum level of accuracy equivalent to three decimal places). Market practice in relation to rounding of rates achieved by means of compounding or averaging is less clear. Where ISDA has been able to discern a clear market practice in relation to particular compounded or averaged rates (*e.g.*, EONIA), rounding of such rates has been addressed in the relevant floating rate option definition.

PRACTICE NOTES

- **Information Vendors.** Apart from certain arrangements with Garban-Intercapital plc and Reuters in relation to collecting information for publication on certain Reuters ISDAFIX pages, and the fact that certain relevant organizations may be associate members of ISDA, ISDA has no relationship with, is not affiliated with and has not received compensation from any of the organizations ("Information

Vendors") that have created or publish or provide the information that serves as a basis for the rates referred to in the 2000 Definitions. ISDA does not assume any responsibility for the non-availability or miscalculation of, or any error or omission in, any of the rates referred to in the 2000 Definitions and does not assume any responsibility for any use of any rate, price or published index in connection with a Swap Transaction or in connection with any other transaction.

For the definition of individual floating rate options, the 2000 Definitions typically refer to only one Information Vendor due to the need to provide for one authoritative source in the event of a dispute. However, ISDA wishes to make clear that users of the 2000 Definitions are free, as a matter of operational convenience, to obtain rate information from sources other than the one listed in a specific floating rate option (including from other Information Vendors), bearing in mind that in the event of a discrepancy between the source actually used and the source referred to in the floating rate option definition, the latter will prevail.

- **Overnight Interest Rate Swaps.** Certain of the floating rate option definitions contained in the 2000 Definitions (and published in the Annex) refer to overnight deposit rates, where a rate is announced daily. Overnight interest rate swaps are swap transactions under which one party pays a floating amount calculated by reference to one of these overnight deposit rates. Typically, the floating amount is calculated by applying a compounded overnight rate to a notional amount. Some of the relevant floating rate option definitions anticipate this and provide for the compounding to occur in the process of arriving at the floating rate. So, for example, the "EUR-EONIA-OIS-COMPOUND" floating rate option definition provides that the rate for a reset date will be a compounded rate based on EONIA (an overnight deposit rate for the euro) as published for each day in the relevant calculation period and calculated pursuant to a formula set out in the floating rate option definition. This floating rate option, and others that take a similar approach, is referred to as a self-compounding floating rate option.

Where parties wish to refer to a self-compounding floating rate option in their Confirmation, they should note that there is no need to deal separately with compounding of the rate. Instead, provided that a reset date is established for each relevant calculation period, the rate for that reset date will, under the terms of the self-compounding floating rate option definition, already have been compounded.

A sample form of specific provisions for inclusion in a Confirmation to document a self-compounding overnight interest rate swap transaction is set out in Exhibit II-D.

- **Options and Cash Settlement Language.** The 2000 Definitions contain provisions that address terms relevant to swaptions, rights of optional early termination and break clauses (Articles 10 to 17). The provisions are based on equivalent provisions in the 1998 Supplement. These provisions categorize those transaction types as "Swaptions", "Swap Transactions to which Optional Early Termination applies" and "Swap Transactions to which Mandatory Early Termination applies", respectively. Sample forms of specific provisions for inclusion in Confirmations to document each type of transaction are set out in Exhibits II-E through II-G.

Where the transaction contains optional rights, whether to terminate the swap transaction, to cause the underlying swap transaction to become effective or to trigger a cash payment, the 2000 Definitions contain definitions and terms that conform broadly with similar concepts in other sets of definitions published by ISDA (such as the 1996 ISDA Equity Derivatives Definitions and the 1997 ISDA Government Bond Option Definitions). As a consequence, the 2000 Definitions contain provisions

that could allow the buyer of a European style option to exercise less than the entire option entitlement on the expiration date of the option ("partial exercise") and the buyer of an American or Bermuda style option to exercise part, but not necessarily all, of the option entitlement on one or more days during the exercise period for the option ("multiple exercise"). Users should note that the sample form of specific provisions for inclusion in a Confirmation to document a transaction to which "Optional Early Termination" applies (set out in Exhibit II-F) contains terms that will be familiar in the context of more straightforward "option" transactions.

Users should also note, however, that neither partial exercise nor multiple exercise is presumed to apply. A positive election is required if they are to apply. This reflects a change in approach from the 1998 Supplement. In both cases, limits may be placed on the exercising party's right to exercise either partially or more than once. These limits are defined by specifying in the relevant confirmation a "Minimum Notional Amount", a "Maximum Notional Amount" or that "Integral Multiple" applies. If a minimum notional amount is specified for an option where partial or multiple exercise is applicable, the exercising party may only exercise in respect of an amount equal to or greater than the specified minimum. If a maximum notional amount is specified for an option where multiple exercise is applicable, the exercising party may only exercise in respect of an amount equal to or less than the specified maximum. If an integral multiple is also specified (for an option where partial or multiple exercise is applicable), the exercise must be in respect of an amount equal to, or an integral multiple of, the specified amount, with any purported exercise of an amount in excess of an integral multiple being effective in respect of the next lower integral multiple of the amount specified.

In cases where multiple exercise applies, the limitations imposed by use of a minimum notional amount, a maximum notional amount or an integral multiple do not apply on the expiration date or if the exercising party intends to exercise in respect of the entire unexercised portion of the transaction.

- **Automatic Exercise.** The 2000 Definitions also contain provisions that allow parties to a swaption to specify that, on the expiration date of the swaption, the notional amount of the underlying swap transaction not previously exercised under the swaption will be automatically exercised ("automatic exercise"). Similar provisions were contained in the 1998 Supplement. Automatic exercise, as distinct from fallback exercise (discussed below), continues to be a term that parties should negotiate for any transaction to which it is relevant, including agreement on the relevant threshold for triggering automatic exercise.
- **Fallback Exercise.** A new concept introduced in the 2000 Definitions is "fallback exercise", which deems certain types of swaptions to be exercised on the expiration date if they are deeply in-the-money. These provisions have been included for the sole purpose of providing a safety net for buyers of swaptions that are deeply in-the-money at the expiration date, but who forget to exercise the option. Unless the parties agree otherwise, fallback exercise will be deemed to apply to a swaption where the underlying swap transaction is a single currency non-amortizing fixed-for-floating interest rate swap transaction. The standard for determining whether a swaption is deeply in-the-money is based on a comparison between the fixed rate for the underlying swap transaction and the prevailing market swap rates. If the difference between the two is greater than or equal to 0.10%, the swaption will be deemed to be exercised.
- **Physically Settled Swaptions.** Where the transaction contains optional rights to cause the underlying swap transaction to become effective (a physically settled swaption), parties may wish to consider linking the effective date for the underlying swap transaction to the expiration date of the swaption,

for example by specifying that the effective date is "two [London] Business Days following the Expiration Date".

- **Cash Settlement.** The 2000 Definitions include provisions for calculating the amount that is payable if cash settlement is applicable, and provide a number of alternative methods for determining that amount ("cash settlement methods"). In all cases, the first step is for parties to attempt to agree an amount. If the parties are unable to agree the amount, the method used to calculate it is determined by the cash settlement method selected by the parties from the following list:
 - Cash Price;
 - Cash Price - Alternate Method;
 - Par Yield Curve - Adjusted;
 - Zero Coupon Yield - Adjusted; and
 - Par Yield Curve - Unadjusted.

The variety of methods included in the 2000 Definitions is intended to reflect the variety of methods currently used in practice.

Although the cash settlement provisions have been drafted on the basis that they should be capable of application to cross-currency swaps as well as single currency interest rate swaps, users of the 2000 Definitions should consider whether additional terms are necessary for swaps involving more than one currency. In particular, because they rely on valuation by means of comparison of a fixed rate against a prevailing market swap rate, the Par Yield Curve - Adjusted, Zero Coupon Yield - Adjusted and Par Yield Curve - Unadjusted cash settlement methods may be inappropriate for transactions other than single currency fixed-for-floating interest rate swaps.

2000 ISDA DEFINITIONS

Any or all of the following definitions and provisions may be incorporated into a document (including in electronic form) by wording in the document indicating that, or the extent to which, the document is subject to the 2000 ISDA Definitions (as published by the International Swaps and Derivatives Association, Inc.) (the "2000 Definitions"). References to the 2000 Definitions include references to the Annex to the 2000 ISDA Definitions (the "Annex") and, where the relevant document evidences a transaction involving a National Currency Unit (as defined in the NCU Supplement to the 2000 ISDA Definitions (the "NCU Supplement")) or that otherwise contains words or phrases defined in the NCU Supplement, the NCU Supplement. Unless otherwise agreed, where parties incorporate the 2000 Definitions into a document (including in electronic form), they will automatically incorporate the version of the Annex most recently published at the date on which they enter into the relevant transaction or agreement, as the Annex has been amended and supplemented through that date. If parties want to incorporate a different version of the Annex, or exclude amendments and supplements made to the most recently published version, they should specify a particular version of the Annex by reference to a date or an "as amended and supplemented through" date. All definitions and provisions so incorporated in a document will be applicable to that document unless otherwise provided in that document, and all terms defined in these 2000 Definitions and used in any definition or provision that is incorporated by reference in a document will have the respective meanings set forth in these 2000 Definitions unless otherwise provided in that document. Any term used in a document 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. Swap Transaction. "Swap Transaction" means (a) any transaction which is a rate swap transaction, basis swap, forward rate transaction, interest rate cap transaction, interest rate floor transaction, interest rate collar transaction, currency swap transaction, cross-currency rate swap transaction, or any other similar transaction, including an Option Transaction, (b) any combination of these transactions, (c) any transaction evidenced by a document (including a message in electronic form) that incorporates these 2000 Definitions and (d) any other transaction identified as a Swap Transaction in the related Confirmation.

Section 1.2. Confirmation. "Confirmation" means, with respect to a Swap Transaction, one or more documents or other confirming evidence exchanged between the parties (including by means of an electronic messaging system or e-mail) which, taken together, confirm all of the terms of that Swap Transaction.

Section 1.3. Banking Day. "Banking Day" means, in respect of any city, any day on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in that city.

Section 1.4. Business Day. "Business Day" means, in respect of any date that is specified in these 2000 Definitions or in a Confirmation to be subject to adjustment in accordance with any applicable Business Day Convention, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealings in foreign exchange and foreign currency deposits) in the place(s) and on the days specified for that purpose in the related Confirmation, a TARGET Settlement Day (if "TARGET" or "TARGET Settlement Day" is specified for that purpose in

the related Confirmation), a New York Fed Business Day (if "Federal Reserve", "New York Fed" or "New York Fed Business Day" is specified for that purpose in the related Confirmation), a NYSE Business Day (if "New York Stock Exchange", "NYSE" or "NYSE Business Day" is specified for that purpose in the related Confirmation) and, if place(s) and days, or such terms, are not so specified, a day:

(a) on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealings in foreign exchange and foreign currency deposits) in the same currency as the payment obligation that is payable on or calculated by reference to that date in:

(i) the financial center(s) indicated for such currency in Section 1.5 (Financial Centers); and

(ii) the financial center(s) indicated for such currency in Section 1.6 (Certain Business Days); and

(iii) the principal financial center of such currency, if the currency is other than those currencies specified in Section 1.7 (Currencies); and

(b) that is a TARGET Settlement Day, if the currency of the payment obligation that is payable on or calculated by reference to that date is the euro; and

(c) that is a Business Day or TARGET Settlement Day, as the case may be, in respect of each relevant currency, where the payment obligations that are payable on a Payment Date are denominated in different currencies.

Section 1.5. Financial Centers. The provisions of Section 1.5 (Financial Centers) are published in the Annex.

Section 1.6. Certain Business Days. The provisions of Section 1.6 (Certain Business Days) are published in the Annex.

Section 1.7. Currencies. The provisions of Section 1.7 (Currencies) are published in the Annex.

Section 1.8. TARGET Settlement Day. "TARGET Settlement Day" means any day on which TARGET (the Trans-European Automated Real-time Gross settlement Express Transfer system) is open.

Section 1.9. New York Fed Business Day. "New York Fed Business Day" means any day except for a Saturday, Sunday or a day on which the Federal Reserve Bank of New York is closed.

Section 1.10. NYSE Business Day. "NYSE Business Day" means any day on which the New York Stock Exchange is open for business.

Section 1.11. U.S. Government Securities Business Day. "U.S. Government Securities Business Day" means any day except for a Saturday, Sunday or a day on which The Bond Market Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in U.S. government securities.

Section 1.12. EC Treaty. "EC Treaty" means the Treaty establishing the European Community (signed in Rome on March 25, 1957), as amended by the Treaty on European Union (signed in Maastricht

on February 7, 1992) and as amended by the Treaty of Amsterdam (signed in Amsterdam on October 2, 1997).

ARTICLE 2

PARTIES

Section 2.1. Fixed Rate Payer; Fixed Amount Payer. "Fixed Rate Payer" or "Fixed Amount Payer" means, in respect of a Swap Transaction, a party obligated to make payments from time to time during the Term of the Swap Transaction of amounts calculated by reference to a fixed per annum rate or to make one or more payments of a Fixed Amount.

Section 2.2. Floating Rate Payer; Floating Amount Payer. "Floating Rate Payer" or "Floating Amount Payer" means, in respect of a Swap Transaction, a party obligated to make payments from time to time during the Term of the Swap Transaction of amounts calculated by reference to a floating per annum rate or to make one or more payments of a Floating Amount.

ARTICLE 3

TERM AND DATES

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

Section 3.2. Effective Date. "Effective Date" means the date specified as such for a Swap Transaction, which date is the first day of the Term of the Swap Transaction. The Effective Date shall not be subject to adjustment in accordance with any Business Day Convention unless the parties specify in a Confirmation that the Effective Date will be adjusted in accordance with a specified Business Day Convention.

Section 3.3. Termination Date. "Termination Date" means the date specified as such for a Swap Transaction, which date is the last day of the Term of the Swap Transaction. The Termination Date shall not be subject to adjustment in accordance with any Business Day Convention unless the parties specify in a Confirmation that the Termination Date will be adjusted in accordance with a specified Business Day Convention.

Section 3.4. Initial Exchange Date. "Initial Exchange Date" means, in respect of a Swap Transaction and a party, the date specified as such in the related Confirmation or, if a date is not so specified and an Initial Exchange Amount is specified, the Effective Date, which Initial Exchange Date shall be subject to adjustment in accordance with the Following Business Day Convention unless otherwise specified in a Confirmation.

Section 3.5. Interim Exchange Date; Periodic Exchange Date. "Interim Exchange Date" or "Periodic Exchange Date" means, in respect of a Swap Transaction and a party, each date specified as such in the related Confirmation (or determined pursuant to a method specified for such purpose), which date shall be subject to adjustment in accordance with the Modified Following Business Day Convention unless otherwise specified in a Confirmation.

Section 3.6. Final Exchange Date; Exchange Date; Maturity Date. "Final Exchange Date", "Exchange Date" or "Maturity Date" means, in respect of a Swap Transaction and a party, each date specified as such or, if a date is not so specified and a Final Exchange Amount or an Exchange Amount is specified, the Termination Date, which date shall be subject to adjustment in accordance with the Modified Following Business Day Convention unless otherwise specified in a Confirmation.

Section 3.7. Trade Date. "Trade Date" means, in respect of a Swap Transaction, the date on which the parties enter into the Swap Transaction.

ARTICLE 4

CERTAIN DEFINITIONS RELATING TO PAYMENTS

Section 4.1. Initial Exchange Amount. "Initial Exchange Amount" means, in respect of a Swap Transaction and a party, an amount that is specified as such for that party and, subject to any applicable condition precedent, is payable by that party on the Initial Exchange Date.

Section 4.2. Interim Exchange Amount; Periodic Exchange Amount. "Interim Exchange Amount" or "Periodic Exchange Amount" means, in respect of a Swap Transaction and a party, an amount that is specified as such (or determined pursuant to a method specified for such purpose) for that party and, subject to any applicable condition precedent, is payable by that party on an applicable Interim Exchange Date.

Section 4.3. Final Exchange Amount; Exchange Amount. "Final Exchange Amount" or "Exchange Amount" means, in respect of a Swap Transaction and a party, an amount that is specified as such for that party and, subject to any applicable condition precedent, is payable by that party on an applicable Final Exchange Date.

Section 4.4. Fixed Amount. "Fixed Amount" means, in respect of a Swap Transaction and a Fixed Rate Payer, an amount that, subject to any applicable condition precedent, is payable by that Fixed Rate Payer on an applicable Payment Date and is specified in a Confirmation or is determined as provided in Article 5 of these 2000 Definitions or as provided in a Confirmation.

Section 4.5. Floating Amount. "Floating Amount" means, in respect of a Swap Transaction and a Floating Rate Payer, an amount that, subject to any applicable condition precedent, is payable by that Floating Rate Payer on an applicable Payment Date and is determined by reference to a Floating Rate Option as provided in Article 6 of these 2000 Definitions or pursuant to a method specified in a Confirmation.

Section 4.6. Currency Amount. "Currency Amount" means, in respect of a party and any Calculation Period for a Swap Transaction involving more than one currency, the amount specified as such for the Swap Transaction or that party.

Section 4.7. Notional Amount. "Notional Amount":

(a) means, in respect of a party and any Calculation Period for a Swap Transaction involving one currency other than an Option Transaction, the amount specified as such for the Swap Transaction; and

(b) in respect of any Option Transaction, has the meaning set forth in Section 11.5 (Notional Amount for Option Transactions).

Section 4.8. Calculation Amount. "Calculation Amount" means, in respect of a Swap Transaction and a party, the applicable Notional Amount or Currency Amount, as the case may be.

Section 4.9. Payment Date. "Payment Date" means, in respect of a Swap Transaction and a party:

(a) if "Delayed Payment" or "Early Payment" is not specified for the Swap Transaction or that party and Payment Dates are specified or otherwise predetermined for the Swap Transaction or that party, each day during the Term of the Swap Transaction so specified or predetermined and the Termination Date;

(b) if "Delayed Payment" or "Early Payment" is not specified for the Swap Transaction or that party and the parties specify that Payment Dates for the Swap Transaction or that party will occur in accordance with the FRN Convention at a specified interval of calendar months, each day during the Term of the Swap Transaction at the specified interval, determined in accordance with the FRN Convention, and the Termination Date;

(c) if "Delayed Payment" and a period of days are specified for the Swap Transaction or that party and Period End Dates are established for the Swap Transaction or that party, each day that is the specified number of days after an applicable Period End Date or after the Termination Date; or

(d) if "Early Payment" and a period of days are specified for the Swap Transaction or that party and Period End Dates are established for the Swap Transaction or that party, each day that is the specified number of days before an applicable Period End Date or before the Termination Date;

except that (i) in the case of subsections (a), (c) and (d) above, each Payment Date shall be subject to adjustment in accordance with the Modified Following Business Day Convention unless another Business Day Convention is specified to be applicable to Payment Dates in respect of the Swap Transaction or that party and (ii) in the case of subsection (a) above, a Payment Date in respect of a Fixed Rate Payer may be a specified day prior to the Effective Date where the Floating Amounts payable by the Floating Rate Payer are calculated by reference to a cap rate or floor rate.

Section 4.10. Period End Date. "Period End Date" means, in respect of a Swap Transaction and a party:

(a) if Period End Dates are not established for the Swap Transaction or that party, each Payment Date of that party during the Term of the Swap Transaction;

(b) if Period End Dates are specified or otherwise predetermined for the Swap Transaction or that party, each day during the Term so specified or predetermined; or

(c) if it is specified for the Swap Transaction or that party that Period End Dates will occur in accordance with the FRN Convention and an interval of calendar months is specified, and if "Delayed Payment" or "Early Payment" is specified for the Swap Transaction or that party, each day during the Term at the specified interval, determined in accordance with the FRN Convention;

except that, in the case of subsection (b) above, each Period End Date shall be subject to adjustment in accordance with the Modified Following Business Day Convention unless (i) another Business Day Convention is specified to be applicable to Period End Dates in respect of the Swap Transaction or that party, in which case an adjustment will be made in accordance with that Business Day Convention or (ii) "No Adjustment" is specified in connection with Period End Dates for the Swap Transaction or that party, in which case no adjustment will be made, notwithstanding that the Period End Date occurs on a day that is not a Business Day.

Section 4.11. FRN Convention; Eurodollar Convention. "FRN Convention" or "Eurodollar Convention" means, in respect of either Payment Dates or Period End Dates for a Swap Transaction and a party, that the Payment Dates or Period End Dates of that party will be each day during the Term of the Swap Transaction that numerically corresponds to the preceding applicable Payment Date or Period End Date, as the case may be, of that party 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 the 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, of that party should occur, then the Payment Date or Period End Date will be the last day that is a Business Day in that month, (b) if a Payment Date or Period End Date, as the case may be, of the party would otherwise fall on a day that is not a Business Day, then the Payment Date or Period End Date will be the first following day that is a Business 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 Business Day and (c) if the preceding applicable Payment Date or Period End Date, as the case may be, of that party occurred on the last day in a calendar month that was a Business Day, then all subsequent applicable Payment Dates or Period End Dates, as the case may be, of that party prior to the Termination Date will be the last day that is a Business 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 4.12. Business Day Convention.

(a) "Business Day Convention" means the convention for adjusting any relevant date if it would otherwise fall on a day that is not a Business Day. The following terms, when used in conjunction with the term "Business Day Convention" and a date, shall mean that an adjustment will be made if that date would otherwise fall on a day that is not a Business Day so that:

(i) if "Following" is specified, that date will be the first following day that is a Business Day;

(ii) if "Modified Following" or "Modified" is specified, that date will be the first following day that is a Business Day unless that day falls in the next calendar month, in which case that date will be the first preceding day that is a Business Day; and

(iii) if "Preceding" is specified, that date will be the first preceding day that is a Business Day.

(b) The Business Day Convention applicable to a date that is specified in these 2000 Definitions or in a Confirmation to be subject to adjustment in accordance with an applicable Business Day Convention shall be the Business Day Convention specified for that date in these 2000 Definitions or

in that Confirmation or, if a Business Day Convention is not so specified for that date but a Business Day Convention is specified for a Swap Transaction, shall be the Business Day Convention specified in a Confirmation for that Swap Transaction.

Section 4.13. Calculation Period. "Calculation Period" means, in respect of a Swap Transaction and a party, each period from, and including, one Period End Date of that party to, but excluding, the next following applicable Period End Date during the Term of the Swap Transaction, except that (a) the initial Calculation Period for the party will commence on, and include, the Effective Date and (b) the final Calculation Period for the party will end on, but exclude, the Termination Date.

Section 4.14. Calculation Agent. "Calculation Agent" means the party to a Swap Transaction (or a third party) designated as such for the Swap Transaction and responsible for: (a) calculating the applicable Floating Rate, if any, for each Payment Date or for each Calculation Period or Compounding Period; (b) calculating any Floating Amount payable on each Payment Date or for each Calculation Period; (c) calculating any Fixed Amount payable on each Payment Date or for each Calculation Period; (d) calculating a Currency Amount by reference to a Currency Amount in another currency; (e) giving notice to the parties to the Swap Transaction on the Calculation Date for each Payment Date or for each Calculation Period, specifying (i) the Payment Date, (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 the amount or amounts were determined; (f) if, after 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 for that Payment Date or for that Calculation Period, promptly giving the parties to the Swap Transaction notice of those changes, with reasonable details as to how those changes were determined; (g) determining a Settlement Rate if fewer than three quotations are provided by the Cash Settlement Reference Banks; (h) selecting leading dealers to act as Cash Settlement Reference Banks, if relevant; (i) determining any Cash Settlement Amount, if relevant; and (j) performing any other duties specified in a Confirmation as being duties required to be performed by the Calculation Agent. Whenever the Calculation Agent is required to select banks or dealers for purposes of making any calculation or determination or to select any exchange rate, the Calculation Agent will make the selection in good faith after consultation with the other party (or the parties, if the Calculation Agent is a third party), if practicable, for purposes of obtaining a representative rate that will reasonably reflect conditions prevailing at the time in the relevant market or designating a freely convertible currency, as the case may be. Whenever the Calculation Agent is required to act or to exercise judgment in any other way, it will do so in good faith and in a commercially reasonable manner.

Section 4.15. Calculation Date. "Calculation Date" means, in respect of any Payment Date or any Calculation Period, the earliest day on which it is practicable to provide the notice that the Calculation Agent is required to give for that Payment Date or for that Calculation Period, and in no event later than the close of business on the Business Day first preceding that Payment Date or the Payment Date for that Calculation Period (unless that preceding Business Day is a Reset Date, then in no event later than the latest time that will permit any payment due on that Payment Date to be made on that Payment Date).

Section 4.16. Day Count Fraction. The provisions of Section 4.16 (Day Count Fraction) are published in the Annex.

Section 4.17. IMM Settlement Dates. "IMM Settlement Dates" means, in respect of a Calculation Period and a currency or a Floating Rate Option for which contracts are written on the International Money Market Section of the Chicago Mercantile Exchange, each day during that

Calculation Period that is specified by the Chicago Mercantile Exchange, pursuant to its contract specifications, as a "1st Delivery Date" for such currency or Floating Rate Option.

ARTICLE 5

FIXED AMOUNTS

Section 5.1. Calculation of a Fixed Amount. The Fixed Amount payable by a party on a Payment Date will be:

(a) if an amount is specified for the Swap Transaction as the Fixed Amount payable by that party for that Payment Date or for the related Calculation Period, that amount; or

(b) if an amount is not specified for the Swap Transaction as the Fixed Amount payable by that party for that Payment Date or for the related Calculation Period, an amount calculated on a formula basis for that Payment Date or for the related Calculation Period as follows:

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

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

(a) "Fixed Rate" means, for any Payment Date or for any Calculation Period in respect of a Payment Date, a rate, expressed as a decimal, equal to the per annum rate specified as such for the Swap Transaction or that party.

(b) "Fixed Rate Day Count Fraction" means, in respect of any calculation of a Fixed Amount, the Fixed Rate Day Count Fraction specified for the Swap Transaction or the Fixed Rate Payer.

ARTICLE 6

FLOATING AMOUNTS

Section 6.1. Calculation of a Floating Amount. Subject to the provisions of Section 6.4 (Negative Interest Rates), the Floating Amount payable by a party on a Payment Date will be:

(a) if Compounding is not specified for the Swap Transaction or that party, an amount calculated on a formula basis for that Payment Date or for the related Calculation Period as follows:

$$\text{Floating Amount} = \text{Calculation Amount} \times \text{Floating Rate} \pm \text{Spread} \times \frac{\text{Floating Rate Day Count}}{\text{Fraction}}$$

(b) if "Compounding" is specified to be applicable to the Swap Transaction or that party and "Flat Compounding" is not specified, an amount equal to the sum of the Compounding Period Amounts for each of the Compounding Periods in the related Calculation Period; or

(c) if "Flat Compounding" is specified to be applicable to the Swap Transaction or that party, an amount equal to the sum of the Basic Compounding Period Amounts for each of the Compounding Periods in the related Calculation Period plus the sum of the Additional Compounding Period Amounts for each such Compounding Period.

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

(a) "Floating Rate" means, for any Calculation Period in respect of a Payment Date, for any Compounding Period or for any Reset Date, a rate, expressed as a decimal, equal to:

(i) if a cap rate is specified in the related Confirmation, the excess, if any, of a rate determined pursuant to subparagraph (iii) below over the cap rate so specified; or

(ii) if a floor rate is specified in the related Confirmation, the excess, if any, of the floor rate so specified over a rate determined pursuant to subparagraph (iii) below; and

(iii) in all other cases and for purposes of subparagraphs (i) and (ii) above:

(A) if a per annum rate is specified for the Swap Transaction or that party to be the Floating Rate applicable to that Calculation Period, Compounding Period or Reset Date, the Floating Rate so specified;

(B) if only one Reset Date is established for the Swap Transaction or that party during (or in respect of) that Calculation Period or Compounding Period, the Relevant Rate for that Reset Date;

(C) if more than one Reset Date is established for the Swap Transaction or that party during (or in respect of) that Calculation Period or Compounding Period and the "Unweighted Average" method of calculation is specified, the arithmetic mean of the Relevant Rates for each of those Reset Dates;

(D) if more than one Reset Date is established for the Swap Transaction or that party during (or in respect of) that Calculation Period or Compounding Period and the "Weighted Average" method of calculation is specified, the arithmetic mean of the Relevant Rates in effect for each day in that Calculation Period or Compounding 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 Compounding Period; or

(E) if more than one Reset Date is established for the Swap Transaction or that party during (or in respect of) that Calculation Period or Compounding Period and neither the "Unweighted Average" nor the "Weighted Average" method of calculation is specified, a Floating Rate determined as if "Unweighted Average" had been specified as the applicable method of calculation.

(b) "Reset Date" means each day specified as such (or determined pursuant to a method specified for such purpose) for the Swap Transaction or that party, subject to adjustment in accordance with any applicable Business Day Convention which, if a Business Day Convention is not specified in a

Confirmation as being applicable to Reset Dates, shall be the Business Day Convention applicable to Floating Rate Payer Payment Dates in respect of that Swap Transaction, unless an adjustment in accordance with that Business Day Convention would cause a Reset Date to fall on the Payment Date in respect of the Calculation Period to which that Reset Date relates, in which case that Reset Date shall be adjusted in accordance with the Preceding Business Day Convention.

(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 these 2000 Definitions or as provided in a Confirmation or as provided in any agreement between the parties governing the Swap Transaction; or

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

(d) "Rate Cut-off Date" means:

(i) for purposes of determining a Relevant Rate by reference to a specified Floating Rate Option that is listed in Section 6.2(e) and if a day is not specified as such (or determined pursuant to a method specified for such purpose) for the Swap Transaction or that party, each day determined as indicated for that Floating Rate Option in Section 6.2(e); and

(ii) in all other cases, each day specified as such (or determined pursuant to a method specified for such purpose) for the Swap Transaction or that party.

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 (or, in the case of the last Calculation Period, the Termination 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) The provisions of Section 6.2(e) are published in the Annex.

(f) "Spread" means the per annum rate, expressed as a decimal, if any, specified as such for the Swap Transaction or the party. For purposes of determining a Floating Amount, a Compounding Period Amount or a Basic Compounding Period Amount, if positive the Spread will be added to the Floating Rate and if negative the Spread will be subtracted from the Floating Rate.

(g) "Floating Rate Day Count Fraction" means, in respect of any calculation of a Floating Amount:

(i) if a Floating Rate Day Count Fraction is specified for the Swap Transaction or the Floating Rate Payer, the Floating Rate Day Count Fraction so specified; and

(ii) if the Floating Rate Option specified as the applicable Floating Rate Option is listed in Section 6.2(h) and a Floating Rate Day Count Fraction is not specified for the Swap Transaction or the Floating Rate Payer, the Day Count Fraction indicated for that Floating Rate Option in Section 6.2(h); and

(iii) in all other cases, if a Floating Rate Option defined in Section 7.1 (Rate Options) is specified as the applicable Floating Rate Option, "Actual/360".

(h) The provisions of Section 6.2(h) are published in the Annex.

(i) "Floating Rate Option" means, in respect of a Swap Transaction and the calculation of a Floating Amount, the Floating Rate Option specified as such, which may be specified by reference to a Rate Option or may be specified by defining the Floating Rate Option in the related Confirmation or in any agreement between the parties governing that Swap Transaction.

(j) "Rate Option" means, in respect of a Swap Transaction and the calculation of a Floating Amount, any of the terms defined in Section 7.1 (Rate Options).

Section 6.3. Certain Definitions Relating to Compounding. For purposes of the calculation of a Floating Amount where "Compounding" is specified to be applicable to a Swap Transaction:

(a) "Compounding Period" means, in respect of a Calculation Period, each period from, and including, one Compounding Date to, but excluding, the next following applicable Compounding Date during that Calculation Period, except that (i) each initial Compounding Period for a Swap Transaction will commence on, and include, the Effective Date and (ii) each final Compounding Period for a Swap Transaction will end on, but exclude, the Termination Date.

(b) "Compounding Date" means each day during the Term of a Swap Transaction specified as such (or determined pursuant to a method specified for such purpose) for the Swap Transaction or a party, subject to adjustment in accordance with the Business Day Convention applicable to Period End Dates in respect of the Swap Transaction or that party.

(c) "Compounding Period Amount" means, for any Compounding Period, an amount calculated on a formula basis for that Compounding Period as follows:

$$\begin{array}{cccccc} \text{Compounding} & & \text{Adjusted} & & \text{Floating} & & \text{Floating} \\ \text{Period} & = & \text{Calculation} & \times & \text{Rate} & \times & \text{Rate} \\ \text{Amount} & & \text{Amount} & & \pm \text{ Spread} & & \text{Day Count} \\ & & & & & & \text{Fraction} \end{array}$$

(d) "Adjusted Calculation Amount" means (i) in respect of the first Compounding Period in any Calculation Period, the Calculation Amount for that Calculation Period and (ii) in respect of each succeeding Compounding Period in that Calculation Period, an amount equal to the sum of the Calculation Amount for that Calculation Period and the Compounding Period Amounts for each of the previous Compounding Periods in that Calculation Period.

(e) "Basic Compounding Period Amount" means, for any Compounding Period, an amount calculated as if a Floating Amount were being calculated for that Compounding Period, using the formula set forth in Section 6.1(a).

(f) "Additional Compounding Period Amount" means, for any Compounding Period, an amount calculated on a formula basis for that Compounding Period as follows:

$$\begin{array}{ccccccc} \text{Additional} & & & & & & \text{Floating} \\ \text{Compounding} & & \text{Flat} & & & & \text{Rate} \\ \text{Period} & = & \text{Compounding} & \times & \text{Floating} & \times & \text{Day Count} \\ \text{Amount} & & \text{Amount} & & \text{Rate} & & \text{Fraction} \end{array}$$

(g) "Flat Compounding Amount" means (i) in respect of the first Compounding Period in any Calculation Period, zero and (ii) in respect of each succeeding Compounding Period in that Calculation Period, an amount equal to the sum of the Basic Compounding Period Amounts and the Additional Compounding Period Amounts for each of the previous Compounding Periods in that Calculation Period.

Section 6.4. Negative Interest Rates. For purposes of the calculation of a Floating Amount payable by a party, other than where the provisions of Section 6.2(a)(ii) or Section 8.4(b) apply:

(a) Unless the parties specify otherwise, "Negative Interest Rate Method" will be deemed to apply to a Swap Transaction.

(b) If "Negative Interest Rate Method" is applicable to a Swap Transaction, "Compounding" or "Flat Compounding" is not specified for that Swap Transaction and the Floating Amount payable by a party on a Payment Date is a negative number (either due to a quoted negative Floating Rate or by operation of a Spread that is subtracted from the Floating Rate), then the Floating Amount payable by that party on that Payment Date will be deemed to be zero, and the other party will pay to that party the absolute value of the negative Floating Amount as calculated, in addition to any amounts otherwise payable by the other party for the related Calculation Period, on that Payment Date. Any amounts paid by the other party with respect to the absolute value of a negative Floating Amount will be paid to such account as the receiving party may designate (unless such other party gives timely notice of a reasonable objection to such designation) in the currency in which that Floating Amount would have been paid if it had been a positive number (and without regard to the currency in which the other party is otherwise obligated to make payments).

(c) If "Negative Interest Rate Method" is applicable to a Swap Transaction, either "Compounding" or "Flat Compounding" is specified to be applicable to that Swap Transaction and the Compounding Period Amount, the Basic Compounding Period Amount or the Additional Compounding Period Amount is a negative number (either due to a quoted negative Floating Rate or by operation of a Spread that is subtracted from the Floating Rate), then the Floating Amount for the Calculation Period in which that Compounding Period or those Compounding Periods occur will be either the sum of all Compounding Period Amounts or the sum of all the Basic Compounding Period Amounts and all the Additional Compounding Period Amounts in that Calculation Period (whether positive or negative). If such sum is positive, then the Floating Rate Payer with respect to the Floating Amount so calculated will pay that Floating Amount to the other party. If such sum is negative, the Floating Amount payable by the party that would otherwise be required to pay that Floating Amount will be deemed to be zero, and the other party will pay to that party the absolute value of the negative Floating Amount as calculated, such payment to be made in accordance with the provisions of subsection (a) above.

(d) If "Zero Interest Rate Method" is specified to be applicable to a Swap Transaction, "Compounding" or "Flat Compounding" is not specified for that Swap Transaction and the Floating Amount payable by a party on a Payment Date is a negative number (either due to a quoted negative

Floating Rate or by operation of a Spread that is subtracted from the Floating Rate), then the Floating Amount payable by that party on that Payment Date will be deemed to be zero, and the other party will not be required to pay to that party the absolute value of the negative Floating Amount as calculated and will only be required to pay those amounts otherwise payable by the other party for the related Calculation Period.

(e) If "Zero Interest Rate Method" is specified to be applicable to a Swap Transaction, either "Compounding" or "Flat Compounding" is specified to be applicable to that Swap Transaction and the Compounding Period Amount, the Basic Compounding Period Amount or the Additional Compounding Amount is a negative number (either due to a quoted negative Floating Rate or by operation of a Spread that is subtracted from the Floating Rate), then such Compounding Period Amount, Basic Compounding Period Amount or Additional Compounding Period Amount will be deemed to be zero, and, accordingly, such Compounding Period Amount, Basic Compounding Period Amount or Additional Compounding Period Amount will neither increase nor decrease any Adjusted Calculation Amount, Flat Compounding Amount or Floating Amount.

ARTICLE 7

CALCULATION OF RATES FOR CERTAIN FLOATING RATE OPTIONS

Section 7.1. Rate Options. The provisions of Section 7.1 (Rate Options) are published in the Annex.

Section 7.2. Certain Published and Displayed Sources. The provisions of Section 7.2 (Certain Published and Displayed Sources) are published in the Annex.

Section 7.3. Certain General Definitions Relating to Floating Rate Options. The provisions of Section 7.3 (Certain General Definitions Relating to Floating Rate Options) are published in the Annex.

Section 7.4. Price Source Conversion. The provisions of Section 7.4 (Price Source Conversion) are published in the Annex.

Section 7.5. Certain Definitions Relating to Price Source Conversion. The provisions of Section 7.5 (Certain Definitions Relating to Price Source Conversion) are published in the Annex.

Section 7.6. Corrections to Published and Displayed Rates. The provisions of Section 7.6 (Corrections to Published and Displayed Rates) are published in the Annex.

ARTICLE 8

ROUNDING; INTERPOLATION; DISCOUNTING

Section 8.1. Rounding. For purposes of any calculations referred to in these 2000 Definitions (unless otherwise specified in the Annex or elsewhere), (a) all percentages resulting from such calculations other than those determined through the use of interpolation by reference to two rates based on a Floating Rate Option will be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (*e.g.*, 9.876541% (or .09876541) being rounded down to 9.87654% (or .0987654) and 9.876545% (or .09876545) being rounded up to 9.87655% (or .0987655)), (b) all percentages determined

through the use of interpolation by reference to two rates based on a Floating Rate Option will be rounded, if necessary, in accordance with the method set forth in subsection (a) above, but to the same degree of accuracy as the two rates used to make the determination (except that such percentages will not be rounded to a lower degree of accuracy than the nearest one thousandth of a percentage point (0.001%)) and (c) all currency amounts used in or resulting from such calculations will be rounded in the manner indicated for each of the currencies set forth in Section 8.2 (Rounding of Currency Amounts), and to the nearest two decimal places in the relevant currency (with .005 being rounded upwards (e.g., .674 being rounded down to .67 and .675 being rounded up to .68)) if the currency is other than those currencies set forth in Section 8.2 (Rounding of Currency Amounts).

Section 8.2. Rounding of Currency Amounts. The provisions of Section 8.2 (Rounding of Currency Amounts) are published in the Annex.

Section 8.3. Interpolation. In respect of any Calculation Period to which "Linear Interpolation" is specified to be applicable, the Relevant Rate for the Reset Date in respect of that Calculation Period or any Compounding Period included in that Calculation Period shall be determined through the use of straight-line interpolation by reference to two rates based on the relevant Floating Rate Option, one of which shall be determined as if the Designated Maturity were the period of time for which rates are available next shorter than the length of the Calculation Period or Compounding Period (or any alternative Designated Maturity agreed to by the parties) and the other of which shall be determined as if the Designated Maturity were the period of time for which rates are available next longer than the length of the Calculation Period or Compounding Period (or any alternative Designated Maturity agreed to by the parties).

Section 8.4. Discounting.

(a) In respect of any Swap Transaction to which "Discounting" is specified to be applicable, a discounted Fixed Amount or Floating Amount for any Calculation Period not longer than one year shall be calculated by dividing the Fixed Amount or the Floating Amount, as the case may be, for that Calculation Period by an amount equal to:

$$1 + \left\{ \begin{array}{l} \text{Discount Rate} \\ \text{Discount Rate} \times \text{DayCount} \\ \text{Fraction} \end{array} \right\}$$

(b) For any Swap Transaction to which "FRA Discounting" is specified to be applicable, an FRA Amount in respect of any Calculation Period not longer than one year shall be calculated, instead of calculating a Fixed Amount and a Floating Amount for that Calculation Period, in accordance with the following formula:

$$\text{FRA Amount} = \frac{\text{Calculation Amount} \times \left\{ \begin{array}{l} (\text{Floating Rate} - \text{Fixed Rate} \\ \pm \text{Spread}) \end{array} \right\} \times \frac{\text{Day Count}}{\text{Fraction}}}{1 + \left\{ \begin{array}{l} \text{Discount Rate} \\ \text{Discount Rate} \times \frac{\text{Day Count}}{\text{Fraction}} \end{array} \right\}}$$

If the FRA Amount for any Calculation Period is positive, the Floating Rate Payer shall pay to the Fixed Rate Payer the FRA Amount on the Payment Date in respect of that Calculation Period and the Fixed Rate Payer shall not be obligated to pay any FRA Amount in respect of that Calculation Period. If the FRA Amount for any Calculation Period is negative, the Fixed Rate Payer shall pay to the Floating Rate Payer the absolute value of the FRA Amount on the Payment Date in respect of that Calculation Period and the Floating Rate Payer shall not be obligated to pay any FRA Amount in respect of that Calculation Period.

(c) "Discount Rate" means (i) if a rate is specified as such in the Confirmation, the rate so specified, expressed as a decimal, (ii) if a Discount Rate is not specified and "Discounting" is specified to be applicable to the Swap Transaction, the Fixed Rate or Floating Rate used to calculate the amount being discounted or (iii) if a Discount Rate is not specified and "FRA Discounting" is specified to be applicable to the Swap Transaction, the Floating Rate for that Calculation Period plus or minus the Spread.

(d) "Discount Rate Day Count Fraction" means (i) if a Discount Rate Day Count Fraction is specified as such in the Confirmation, the Day Count Fraction so specified, (ii) if a Discount Rate Day Count Fraction is not specified and "Discounting" is specified to be applicable to the Swap Transaction, the Day Count Fraction used to calculate the amount being discounted or (iii) if a Discount Rate Day Count Fraction is not specified and "FRA Discounting" is specified to be applicable to the Swap Transaction, the Floating Rate Day Count Fraction.

ARTICLE 9

PAYMENTS

Section 9.1. Relating Payments to Calculation Periods. Unless otherwise provided for a Swap Transaction or a party, (a) where the Fixed Amount or Floating Amount is calculated by reference to a Calculation Period, the Fixed Amount or Floating Amount applicable to a Payment Date will be the Fixed Amount or Floating Amount calculated with reference to the Calculation Period ending on, but excluding, the Period End Date that is (or is closest in time to) that Payment Date or, in the case of the final Calculation Period, ending on, but excluding, the Termination Date and (b) a Discounted Amount applicable to a Payment Date will be the Discounted Amount calculated with reference to the Calculation

Period commencing on, and including, the Period End Date that is (or is closest in time to) that Payment Date or, in the case of the initial Calculation Period, commencing on, and including, the Effective Date.

ARTICLE 10

OPTION TRANSACTION; SWAPTION

Section 10.1. Option Transaction. "Option Transaction" means (a) a Swap Transaction that is a Swaption, (b) a Swap Transaction to which Optional Early Termination is specified to be applicable and (c) any other transaction identified as an Option Transaction in the related Confirmation.

Section 10.2. Swaption. "Swaption" means a Swap Transaction that is identified in the related Confirmation as a Swaption.

ARTICLE 11

CERTAIN DEFINITIONS AND PROVISIONS RELATING TO OPTION TRANSACTIONS

Section 11.1. Parties.

(a) **Seller.** "Seller" means:

(i) in respect of a Swaption, the party specified as such or as writer in the related Confirmation, which party grants to Buyer, upon the exercise or deemed exercise of the Swaption pursuant to the provisions of Article 12 of these 2000 Definitions, (A) if Cash Settlement is applicable, the right to cause Seller to pay to Buyer the Cash Settlement Amount, if any, on the relevant Cash Settlement Payment Date and (B) if Physical Settlement is applicable, the right to cause the Underlying Swap Transaction to become effective;

(ii) in respect of a Swap Transaction to which Optional Early Termination is applicable, (A) the party specified as such or as writer in the related Confirmation or (B) if neither party is specified as such or as writer in the related Confirmation, the Non-exercising Party, which party grants to Buyer or the Exercising Party, as the case may be, the right, upon exercise pursuant to the provisions of Article 12 of these 2000 Definitions, to terminate the Swap Transaction, in whole or in part, in accordance with the provisions of Article 15 of these 2000 Definitions; and

(iii) in respect of any other Option Transaction, the party specified as such or as writer in the related Confirmation.

(b) **Buyer.** "Buyer" means:

(i) in respect of a Swaption, the party specified as such in the related Confirmation, which party will, on each Premium Payment Date, pay to Seller the Premium, if any, in respect of that Premium Payment Date;

(ii) in respect of a Swap Transaction to which Optional Early Termination is applicable, (A) the party specified as such in the related Confirmation or (B) if neither party is specified as such in the related Confirmation, the Exercising Party; and

(iii) in respect of any other Option Transaction, the party specified as such in the related Confirmation.

(c) **Seller's Agent.** "Seller's Agent" means the agent, if any, designated by Seller in a Confirmation for purposes of receiving notice of exercise.

(d) **Exercising Party.** "Exercising Party" means the party that gives notice of exercise pursuant to the provisions of Section 12.2 (Procedure for Exercise).

(e) **Non-exercising Party.** "Non-exercising Party" means the party that is given notice of exercise pursuant to the provisions of Section 12.2 (Procedure for Exercise).

Section 11.2. Option Style.

(a) **American.** "American" means a style of Option Transaction pursuant to which the right or rights granted are exercisable during an Exercise Period that consists of a period of days.

(b) **Bermuda.** "Bermuda" means a style of Option Transaction pursuant to which the right or rights granted are exercisable only during an Exercise Period which consists of a number of specified dates.

(c) **European.** "European" means a style of Option Transaction pursuant to which the right or rights granted are exercisable only on the Expiration Date.

Section 11.3. Terms Relating to Premium.

(a) **Premium.** "Premium" means, in respect of an Option Transaction and in respect of a Premium Payment Date, the amount, if any, that is specified as such in the related Confirmation (or determined pursuant to a method specified for such purpose) and, subject to any applicable condition precedent, is payable by Buyer to Seller on the Premium Payment Date or on each Premium Payment Date if more than one is specified.

(b) **Premium Payment Date.** "Premium Payment Date" means, in respect of an Option Transaction, one or more dates specified as such in the related Confirmation (or determined pursuant to a method specified for such purpose), subject to adjustment in accordance with the Following Business Day Convention unless otherwise specified in a Confirmation.

Section 11.4. Exercise Business Day. "Exercise Business Day" means any day which is a Banking Day in the place(s) specified for that purpose in the relevant Confirmation and, if place(s) are not so specified, a day which is:

(a) a Banking Day in respect of the financial center indicated for the currency which is the Cash Settlement Currency in Section 1.5 (Financial Centers);

(b) a TARGET Settlement Day, if the Cash Settlement Currency is the euro; or

(c) a Banking Day in respect of the principal financial center for the currency which is the Cash Settlement Currency, if that currency is other than those currencies specified in Section 1.7 (Currencies).

Section 11.5. Notional Amount for Option Transactions.

(a) "Notional Amount" means, in respect of an Option Transaction:

(i) if the Underlying Swap Transaction or the Swap Transaction, as appropriate, involves one currency, the Notional Amount of the Underlying Swap Transaction or the Swap Transaction, as appropriate; or

(ii) if the Underlying Swap Transaction or the Swap Transaction, as appropriate, involves more than one currency, the Currency Amount in respect of Buyer.

(b) In the event that, pursuant to the terms of an Option Transaction, the Notional Amount of an Underlying Swap Transaction or Swap Transaction is deemed to be reduced, either for purposes of exercise or for calculating future payments under the Swap Transaction, any reduction in the Currency Amount of one party to the Underlying Swap Transaction or Swap Transaction will result in an immediate and proportionate reduction in the Currency Amount of the other party.

ARTICLE 12

EXERCISE OF OPTIONS

Section 12.1. General Terms Relating to Exercise.

(a) **Exercise Period.** "Exercise Period" means (i) in respect of a European style Option Transaction, the Expiration Date from, and including, the Earliest Exercise Time to, and including, the Expiration Time, (ii) in respect of a Bermuda style Option Transaction, each Bermuda Option Exercise Date and the Expiration Date from, and including, the Earliest Exercise Time to, and including, the Latest Exercise Time and (iii) in respect of an American style Option Transaction, all days which are Exercise Business Days from, and including, the Commencement Date to, and including, the Expiration Date from, and including, the Earliest Exercise Time to, and including, the Latest Exercise Time.

(b) **Exercise Date.** "Exercise Date" means, in respect of each exercise or deemed exercise of rights under an Option Transaction, the day during the Exercise Period on which that exercise or deemed exercise occurs.

(c) **Bermuda Option Exercise Date.** "Bermuda Option Exercise Date" means, in respect of a Bermuda style Option Transaction, each date specified as such in the related Confirmation or, if that date is not an Exercise Business Day, the next following day that is an Exercise Business Day.

(d) **Earliest Exercise Time.** "Earliest Exercise Time" means, in respect of an Option Transaction, the time specified as such in the related Confirmation.

(e) **Latest Exercise Time.** "Latest Exercise Time" means, in respect of an Option Transaction, (i) on any day in the Exercise Period other than the Expiration Date, the time specified as

such in the related Confirmation and (ii) if such a time is not specified and, in any event, on the Expiration Date, the Expiration Time.

(f) **Expiration Time.** "Expiration Time" means, in respect of an Option Transaction, the time specified as such in the related Confirmation.

(g) **Commencement Date.** "Commencement Date" means, in respect of an American style Option Transaction, the date specified as such in the related Confirmation (or determined pursuant to a method specified for such purpose) or, if such a date is not specified, the first Premium Payment Date.

(h) **Expiration Date.** "Expiration Date" means, in respect of an Option Transaction, the date specified as such in the related Confirmation (or determined pursuant to a method specified for such purpose) or, if that date is not an Exercise Business Day, the next following day that is an Exercise Business Day.

(i) **Threshold.** "Threshold" means the percentage, if any, specified as such in the related Confirmation (or determined pursuant to a method specified for such purpose).

(j) **Interest Rate Swap.** "Interest Rate Swap" means a transaction pursuant to which one party is required to make periodic payments of a fixed amount (or an amount calculated by applying a fixed rate to a non-amortizing notional amount) and the other party is required to make periodic payments of amounts in the same currency calculated by applying a floating rate to a non-amortizing notional amount.

Section 12.2. Procedure for Exercise. Except when rights granted pursuant to an Option Transaction are deemed to be exercised pursuant to the provisions of Section 12.7 (Automatic Exercise) or Section 12.8 (Fallback Exercise), Buyer must give notice (which may be given orally, including by telephone, unless the parties specify otherwise in the related Confirmation) during the Exercise Period to Seller or, if designated in the relevant Confirmation, Seller's Agent, of its exercise of such rights in accordance with the contact details, if any, specified in the related Confirmation, and that notice will be deemed to be irrevocable. If notice of exercise in respect of an American style Option Transaction is given after the Latest Exercise Time on any day in an Exercise Period, then that notice will be deemed given on the next following day, if any, in that Exercise Period. If notice of exercise in respect of a European style Option Transaction or Bermuda style Option Transaction is given after the Latest Exercise Time on any day in an Exercise Period (or, in respect of any Option Transaction, after the Expiration Time), then that notice of exercise will be deemed to be ineffective. If, in respect of any Option Transaction, notice of exercise is given before the Earliest Exercise Time on any day in the Exercise Period, then that notice will be deemed given at the Earliest Exercise Time on that day. In the case of an Option Transaction to which Partial Exercise or Multiple Exercise is applicable, Buyer must specify in the notice the Notional Amount of the Underlying Swap Transaction or Swap Transaction in respect of which the Option Transaction is being exercised on the relevant Exercise Date. Unless the parties specify otherwise in the related Confirmation, Buyer will execute and deliver to Seller or, if designated in the relevant Confirmation, Seller's Agent, a written confirmation confirming the substance of any telephonic notice within one Exercise Business Day of that notice. Failure to provide that written confirmation will not affect the validity of the telephonic notice.

Section 12.3. Partial Exercise. If "Partial Exercise" is specified to be applicable to a European style Option Transaction, Buyer may exercise all or less than all the Notional Amount of the Underlying Swap Transaction or Swap Transaction on the Expiration Date, but may not exercise less than the

Minimum Notional Amount, and, if an amount is specified as the "Integral Multiple" in the related Confirmation, the Notional Amount exercised must be equal to, or be an integral multiple of, the amount so specified. Any attempt to exercise (i) less than the Minimum Notional Amount will be ineffective and (ii) a Notional Amount not equal to, or an integral multiple of, the Integral Multiple will be deemed to be an exercise of a Notional Amount equal to the next lower integral multiple of the Integral Multiple (the Notional Amount of the Underlying Swap Transaction or Swap Transaction exceeding that amount being deemed to remain unexercised).

Section 12.4. Multiple Exercise. If "Multiple Exercise" is specified to be applicable to an American style Option Transaction or a Bermuda style Option Transaction, Buyer may exercise all or less than all the unexercised Notional Amount of the Underlying Swap Transaction or Swap Transaction on one or more days in the Exercise Period, but (except as set forth below) on any such day may not exercise less than the Minimum Notional Amount or more than the Maximum Notional Amount and, if an amount is specified as the "Integral Multiple" in the related Confirmation, the Notional Amount exercised must be equal to, or be an integral multiple of, the amount so specified. Except as set forth below, any attempt to exercise on any day in the Exercise Period (i) more than the Maximum Notional Amount will be deemed to be an exercise of the Maximum Notional Amount (the Notional Amount of the Underlying Swap Transaction or Swap Transaction, exceeding the Maximum Notional Amount being deemed to remain unexercised), (ii) less than the Minimum Notional Amount will be ineffective and (iii) a Notional Amount not equal to or an integral multiple of the Integral Multiple will be deemed to be an exercise of a Notional Amount equal to the next lower integral multiple of the Integral Multiple (the Notional Amount of the Underlying Swap Transaction or Swap Transaction exceeding that amount being deemed to remain unexercised). Notwithstanding the foregoing, on any day in the Exercise Period other than the Expiration Date Buyer may exercise any Notional Amount of the Underlying Swap Transaction or Swap Transaction that does not exceed the Maximum Notional Amount if it exercises all the Notional Amount of the Underlying Swap Transaction or Swap Transaction remaining unexercised. On the Expiration Date, Buyer may exercise the entire Notional Amount of the Underlying Swap Transaction or Swap Transaction remaining unexercised.

Section 12.5. Minimum Notional Amount. "Minimum Notional Amount" means, in respect of an Option Transaction to which Multiple Exercise or Partial Exercise is applicable, the amount, if any, specified as such in the related Confirmation.

Section 12.6. Maximum Notional Amount. "Maximum Notional Amount" means, in respect of an Option Transaction to which Multiple Exercise is applicable, the amount, if any, specified as such in the related Confirmation.

Section 12.7. Automatic Exercise. If "Automatic Exercise" is specified to be applicable to a Swaption, then the Notional Amount of the Underlying Swap Transaction not previously exercised under that Swaption will be deemed to be exercised at the Expiration Time on the Expiration Date if at such time Buyer is in-the-money, unless:

(a) at such time the difference between the Settlement Rate and the Fixed Rate under the Relevant Swap Transaction is less than any applicable Threshold; or

(b) prior to such time Buyer notifies Seller or, if applicable, Seller's Agent (orally, including by telephone, or in writing) that it does not wish Automatic Exercise to apply.

If either party believes that exercise pursuant to the provisions of this Section 12.7 has occurred, it will immediately notify the other party. Failure to provide that notification will not affect the validity of such exercise.

Section 12.8. Fallback Exercise. If "Automatic Exercise" is not specified to be applicable, "Fallback Exercise" will be deemed to apply to any Swaption in respect of which the Underlying Swap Transaction is an Interest Rate Swap. If Fallback Exercise is applicable to a Swaption, then the Notional Amount of the Underlying Swap Transaction not previously exercised under that Swaption will be deemed to be exercised at the Expiration Time on the Expiration Date if at such time Buyer is in-the-money, unless:

(a) at such time the difference between the Settlement Rate and the Fixed Rate under the Relevant Swap Transaction is less than one tenth of a percentage point (0.10% or .001); or

(b) prior to such time Buyer notifies Seller or, if applicable, Seller's Agent (orally, including by telephone, or in writing) that it does not wish Fallback Exercise to apply.

If either party believes that exercise pursuant to the provisions of this Section 12.8 has occurred, it will immediately notify the other party. Failure to provide that notification will not affect the validity of such exercise.

Section 12.9. Settlement Rate on Automatic or Fallback Exercise. For purposes of Section 12.7 (Automatic Exercise) and Section 12.8 (Fallback Exercise) and determining whether Buyer is in-the-money, and for purposes of Section 17.2(f) (Settlement Rate) where a Swaption is deemed to be exercised pursuant to the provisions of Section 12.7 (Automatic Exercise) or Section 12.8 (Fallback Exercise):

(a) where Cash Settlement is specified to be applicable to a Swaption, the Settlement Rate will be determined in accordance with the provisions of this Section 12.9(a).

(i) Where Seller determines the Settlement Rate at approximately the Expiration Time on the Expiration Date, the Settlement Rate will be the rate determined by Seller on the basis of the par swap rates quoted by the Cash Settlement Reference Banks (which, if institutions are not specified in the related Confirmation, will be five leading dealers selected by Seller in good faith) using the relevant Quotation Rate (or, if a Quotation Rate is not specified in the related Confirmation, using "mid" as the relevant Quotation Rate), as of the Expiration Time on the Expiration Date, for swaps in the currency in which the Relevant Swap Transaction is denominated for a period equivalent to the remaining Term of the Relevant Swap Transaction and with dealers in the relevant market of the highest credit standing which satisfy all the credit criteria which such Cash Settlement Reference Banks apply generally at the time in deciding whether to offer or make an extension of credit. If five quotations are provided as requested, the Settlement Rate will be calculated by eliminating the highest and lowest rates and taking the arithmetic mean of the remaining rates. If at least three, but fewer than five, quotations are provided, the Settlement Rate will be the arithmetic mean of the quotations. If fewer than three quotations are provided as requested, the Settlement Rate will be determined in accordance with the method set forth in Section 12.9(a)(ii) below.

(ii) If Seller does not obtain quotes or does not obtain a sufficient number of quotes in accordance with the provisions of Section 12.9(a)(i) above, the Settlement Rate will be the par swap rate for swaps in the currency in which the Relevant Swap Transaction is denominated for a

period equivalent to the remaining Term of the Relevant Swap Transaction which appears on the relevant ISDAFIX Page as of the Expiration Time on the Expiration Date. If such rate does not appear on the relevant ISDAFIX Page or an ISDAFIX page is not available for such currency, the Settlement Rate will be determined in accordance with the method set forth in Section 12.9(a)(iii) below.

(iii) If a par swap rate for swaps in the currency in which the Relevant Swap Transaction is denominated for a period equivalent to the remaining Term of the Relevant Swap Transaction does not appear on the relevant ISDAFIX Page or an ISDAFIX page is not available for such currency, the Settlement Rate will be the rate determined by Seller on the basis of the par swap rates quoted by the Cash Settlement Reference Banks (which, if institutions are not specified in the related Confirmation, will be five leading dealers selected by Seller in good faith) using the relevant Quotation Rate (or, if a Quotation Rate is not specified in the related Confirmation, using "mid" as the relevant Quotation Rate), as of the Expiration Time on the Expiration Date (if possible) or for the Expiration Date, for swaps in the currency in which the Relevant Swap Transaction is denominated for a period equivalent to the remaining Term of the Relevant Swap Transaction and with dealers in the relevant market of the highest credit standing which satisfy all the credit criteria which such Cash Settlement Reference Banks apply generally at the time in deciding whether to offer or make an extension of credit. If five quotations are provided as requested, the Settlement Rate will be calculated by eliminating the highest and lowest rates and taking the arithmetic mean of the remaining rates. If at least three, but fewer than five, quotations are provided, the Settlement Rate will be the arithmetic mean of the quotations. If fewer than three quotations are provided as requested, the Settlement Rate will be determined by Seller in good faith and in a commercially reasonable manner; and

(b) where Physical Settlement is specified to be applicable to a Swaption, the Settlement Rate will be calculated in accordance with the provisions of this Section 12.9(b).

(i) Where Seller determines the Settlement Rate at approximately the Expiration Time on the Expiration Date, the Settlement Rate will be the rate determined by Seller on the basis of the par swap rates quoted by the Cash Settlement Reference Banks (which will be five leading dealers selected by Seller in good faith) using "mid" as the relevant Quotation Rate, as of the Expiration Time on the Expiration Date, for swaps in the currency in which the Relevant Swap Transaction is denominated for a period equivalent to the remaining Term of the Relevant Swap Transaction and with dealers in the relevant market of the highest credit standing which satisfy all the credit criteria which such Cash Settlement Reference Banks apply generally at the time in deciding whether to offer or make an extension of credit. If five quotations are provided as requested, the Settlement Rate will be calculated by eliminating the highest and lowest rates and taking the arithmetic mean of the remaining rates. If at least three, but fewer than five, quotations are provided, the Settlement Rate will be the arithmetic mean of the quotations. If fewer than three quotations are provided as requested, the Settlement Rate will be determined in accordance with the method set forth in Section 12.9(b)(ii) below.

(ii) If Seller does not obtain quotes or does not obtain a sufficient number of quotes in accordance with the provisions of Section 12.9(b)(i) above, the Settlement Rate will be the par swap rate for swaps in the currency in which the Relevant Swap Transaction is denominated for a period equivalent to the remaining Term of the Relevant Swap Transaction which appears on the relevant ISDAFIX Page as of the Expiration Time on the Expiration Date. If such rate does not appear on the relevant ISDAFIX Page or an ISDAFIX page is not available for such currency, the

Settlement Rate will be determined in accordance with the method set forth in Section 12.9(b)(iii) below.

(iii) If a par swap rate for swaps in the currency in which the Relevant Swap Transaction is denominated for a period equivalent to the remaining Term of the Relevant Swap Transaction does not appear on the relevant ISDAFIX Page or an ISDAFIX page is not available for such currency, the Settlement Rate will be the rate determined by Seller on the basis of the par swap rates quoted by the Cash Settlement Reference Banks (which will be five leading dealers selected by Seller in good faith) using "mid" as the relevant Quotation Rate, as of the Expiration Time on the Expiration Date (if possible) or for the Expiration Date, for swaps in the currency in which the Relevant Swap Transaction is denominated for a period equivalent to the remaining Term of the Relevant Swap Transaction and with dealers in the relevant market of the highest credit standing which satisfy all the credit criteria which such Cash Settlement Reference Banks apply generally at the time in deciding whether to offer or make an extension of credit. If five quotations are provided as requested, the Settlement Rate will be calculated by eliminating the highest and lowest rates and taking the arithmetic mean of the remaining rates. If at least three, but fewer than five, quotations are provided, the Settlement Rate will be the arithmetic mean of the quotations. If fewer than three quotations are provided as requested, the Settlement Rate will be determined by Seller in good faith and in a commercially reasonable manner.

ARTICLE 13

GENERAL TERMS AND PROVISIONS RELATING TO SETTLEMENT OF SWAPTIONS

Section 13.1. Certain Definitions Relating to Settlement of Swaptions.

(a) **Cash Settlement.** If "Cash" or "Cash Settlement" is specified for a Swaption in the related Confirmation, it means that "Cash Settlement" is applicable to the Swaption and that Seller grants to Buyer pursuant to the Swaption the right to cause Seller to pay Buyer the Cash Settlement Amount, if any, on the Cash Settlement Payment Date in accordance with the provisions of Article 17 of these 2000 Definitions.

(b) **Physical Settlement.** If "Physical" or "Physical Settlement" is specified for a Swaption in the related Confirmation, it means that "Physical Settlement" is applicable to the Swaption and that Seller grants to Buyer pursuant to the Swaption the right to cause the Underlying Swap Transaction to become effective in accordance with the provisions of Article 14 of these 2000 Definitions.

(c) **Underlying Swap Transaction.** "Underlying Swap Transaction" means, in respect of a Swaption, a Swap Transaction, the terms of which are identified in the related Confirmation.

ARTICLE 14

PHYSICAL SETTLEMENT OF SWAPTIONS

Section 14.1. Physical Settlement. In respect of each Exercise Date under a Swaption to which Physical Settlement is applicable, subject to any applicable condition precedent, the Underlying Swap Transaction will become effective and the Notional Amount of the Underlying Swap Transaction will (subject to the provisions of Section 12.3 (Partial Exercise), if Partial Exercise is applicable, or Section

12.4 (Multiple Exercise), if Multiple Exercise is applicable) be equal to the Notional Amount specified in the relevant notice of exercise.

ARTICLE 15

OPTIONAL EARLY TERMINATION

Section 15.1. Optional Early Termination.

(a) In respect of each Exercise Date under a Swap Transaction to which "Optional Early Termination" is specified to be applicable and to which "Cash Settlement" is applicable:

(i) the party which is out-of-the-money will pay to the party which is in-the-money the absolute value of the Cash Settlement Amount, determined in accordance with the provisions of Article 17 of these 2000 Definitions, on the Cash Settlement Payment Date; and

(ii) with effect from the Optional Early Termination Date, the Notional Amount in respect of the Swap Transaction will be reduced by an amount equal to the Notional Amount of the Swap Transaction exercised on that Exercise Date. The Notional Amount as reduced in accordance with the provisions of this Section 15.1(a)(ii) will be used for purposes of determining each Fixed Amount and Floating Amount which becomes payable subsequent to the Optional Early Termination Date notwithstanding that the reduction in the Notional Amount may have occurred during the Calculation Period applicable to such Fixed Amount or Floating Amount.

(b) In respect of each Exercise Date under a Swap Transaction to which "Optional Early Termination" is specified to be applicable and to which "Cash Settlement" is specified to be inapplicable, with effect from the Optional Early Termination Date, the Notional Amount in respect of the Swap Transaction will be reduced by an amount equal to the Notional Amount exercised on that Exercise Date. The Notional Amount as reduced in accordance with the provisions of this Section 15.1(b) will be used for purposes of determining each Fixed Amount and Floating Amount which becomes payable subsequent to the Optional Early Termination Date notwithstanding that the reduction in the Notional Amount may have occurred during the Calculation Period applicable to such Fixed Amount or Floating Amount.

(c) Unless the parties specify otherwise, Cash Settlement will be deemed to apply to a Swap Transaction to which Optional Early Termination is applicable.

Section 15.2. Optional Early Termination Date. "Optional Early Termination Date" means, in respect of a Swap Transaction to which Optional Early Termination is specified to be applicable and in respect of an Exercise Date, either (a) the date specified as such in the related Confirmation (or determined pursuant to a method specified for such purpose) or (b) if a date or a method of determination is not so specified, but Cash Settlement is applicable, the Cash Settlement Payment Date in respect of that Exercise Date, in each case subject to adjustment in accordance with the Following Business Day Convention unless otherwise specified in the related Confirmation.

ARTICLE 16

MANDATORY EARLY TERMINATION

Section 16.1. Mandatory Early Termination. In respect of a Swap Transaction to which "Mandatory Early Termination" is specified to be applicable:

(a) the party which is out-of-the-money will pay to the party which is in-the-money, subject to any applicable condition precedent, the absolute value of the Cash Settlement Amount, determined in accordance with the provisions of Article 17 of these 2000 Definitions, on the Mandatory Early Termination Date; and

(b) with effect from the Mandatory Early Termination Date, the Notional Amount in respect of the Swap Transaction will be reduced to zero and (other than the amount, if any, payable pursuant to the provisions of subsection (a) above) neither party will be required to make any further payments in respect of that Swap Transaction.

Section 16.2. Mandatory Early Termination Date. "Mandatory Early Termination Date" means, in respect of a Swap Transaction, the date specified as such in the related Confirmation (or determined pursuant to a method specified for such purpose), subject to adjustment in accordance with the Modified Following Business Day Convention unless otherwise specified in the related Confirmation.

ARTICLE 17

CASH SETTLEMENT

Section 17.1. Cash Settlement.

(a) In respect of each Exercise Date under a Swaption to which Cash Settlement is applicable or is deemed to be applicable, (i) if Buyer is the party which is in-the-money, Seller will pay to Buyer, subject to any applicable condition precedent, the Cash Settlement Amount, if any, on the relevant Cash Settlement Payment Date and (ii) if Seller is the party which is in-the-money, no amount will be payable. If the Swaption is deemed to be exercised pursuant to the provisions of Section 12.7 (Automatic Exercise) or Section 12.8 (Fallback Exercise), Seller will pay to Buyer, subject to any applicable condition precedent, the Cash Settlement Amount, if any, on the day that is two Business Days after either party notifies the other party, in accordance with the provisions of Section 12.7 (Automatic Exercise) or Section 12.8 (Fallback Exercise), that it believes such exercise has occurred.

(b) In respect of each Exercise Date under a Swap Transaction to which Optional Early Termination and Cash Settlement are applicable, the party which is out-of-the-money will pay to the party which is in-the-money, subject to any applicable condition precedent, the Cash Settlement Amount on the relevant Cash Settlement Payment Date.

(c) In respect of the Mandatory Early Termination Date under a Swap Transaction to which Mandatory Early Termination is applicable, the party which is out-of-the-money will pay to the party which is in-the-money, subject to any applicable condition precedent, the Cash Settlement Amount on the Mandatory Early Termination Date.

Section 17.2. Certain Definitions Relating to Cash Settlement.

(a) **Cash Settlement Amount.** "Cash Settlement Amount" means, in respect of a Swap Transaction, and in respect of an Exercise Date or Mandatory Early Termination Date, either:

- (i) an amount agreed between the parties; or
- (ii) if the parties are unable to agree on the Cash Settlement Amount by the Cash Settlement Valuation Time on the Cash Settlement Valuation Date, an amount determined in accordance with the Cash Settlement Method;

in each case expressed as an amount of the Cash Settlement Currency.

(b) **Cash Settlement Valuation Time.** "Cash Settlement Valuation Time" means, in respect of an Option Transaction, the time specified as such in the related Confirmation.

(c) **Cash Settlement Valuation Date.** "Cash Settlement Valuation Date" means, in respect of an Exercise Date or Mandatory Early Termination Date, the date specified as such in the related Confirmation (or determined pursuant to a method specified for such purpose), subject to adjustment in accordance with the Modified Following Business Day Convention unless otherwise specified in the Confirmation. Unless the parties specify otherwise, the Cash Settlement Valuation Date will be:

- (i) in respect of a Swaption, the Exercise Date;
- (ii) in respect of a Swap Transaction to which Optional Early Termination or Mandatory Early Termination is specified to be applicable, if the currency in which the single Notional Amount is expressed and, if relevant, the Floating Rate Option by reference to which Floating Amounts under the Swap Transaction or Underlying Swap Transaction, as appropriate, are calculated is listed in Section 17.2(d) (Certain Cash Settlement Valuation Dates), the date determined as indicated for that currency and, if relevant, Floating Rate Option in Section 17.2(d); or
- (iii) in all other cases, the day that is two Valuation Business Days preceding the Cash Settlement Payment Date, the Optional Early Termination Date or the Mandatory Early Termination Date, as appropriate.

(d) **Certain Cash Settlement Valuation Dates.** The provisions of Section 17.2(d) (Certain Cash Settlement Valuation Dates) are published in the Annex.

(e) **Cash Settlement Payment Date.** "Cash Settlement Payment Date" means, in respect of an Exercise Date, and in respect of an Option Transaction, the date specified as such in the related Confirmation (or determined pursuant to a method specified for such purpose), subject to adjustment in accordance with the Following Business Day Convention unless otherwise specified in the Confirmation.

(f) **Settlement Rate.** "Settlement Rate" means, in respect of a Swap Transaction and subject to the provisions of Section 12.9 (Settlement Rate on Automatic or Fallback Exercise) and Section 17.6 (Corrections to Published and Displayed Rates for Settlement Rate):

(i) if "ISDA Source" is specified in the related Confirmation, the par swap rate for swaps in the currency in which the Relevant Swap Transaction is denominated for a period equivalent to the remaining Term of the Relevant Swap Transaction which appears on the relevant ISDAFIX Page as of the Cash Settlement Valuation Time on the Cash Settlement Valuation Date;

(ii) if "Other Price Source" is specified in the related Confirmation, the par swap rate for swaps in the currency in which the Relevant Swap Transaction is denominated for a period equivalent to the remaining Term of the Relevant Swap Transaction which appears in the price source specified for that purpose as of the Cash Settlement Valuation Time on the Cash Settlement Valuation Date and, if appropriate, for the relevant Quotation Rate; or

(iii) if a par swap rate for swaps in the currency in which the Relevant Swap Transaction is denominated for a period equivalent to the remaining Term of the Relevant Swap Transaction does not appear on the relevant ISDAFIX Page (or an ISDAFIX page is not available for such currency) (if "ISDA Source" is specified or deemed to be specified) or in the relevant price source (if "Other Price Source" is specified) or if "Reference Banks" is specified in the related Confirmation, the rate will be determined on the basis of the par swap rates quoted by the Cash Settlement Reference Banks using the relevant Quotation Rate, as of the Cash Settlement Valuation Time on the Cash Settlement Valuation Date, for swaps in the currency in which the Relevant Swap Transaction is denominated for a period equivalent to the remaining Term of the Relevant Swap Transaction and with dealers in the relevant market of the highest credit standing which satisfy all the credit criteria which such Cash Settlement Reference Banks apply generally at the time in deciding whether to offer or make an extension of credit. If five quotations are provided as requested, the Settlement Rate will be calculated by eliminating the highest and lowest rates and taking the arithmetic mean of the remaining rates. If at least three, but fewer than five, quotations are provided, the Settlement Rate will be the arithmetic mean of the quotations. If fewer than three quotations are provided as requested, the Settlement Rate will be determined by the Calculation Agent.

(g) **Cash Settlement Reference Banks.** "Cash Settlement Reference Banks" means, subject to the provisions of Section 12.9 (Settlement Rate on Automatic or Fallback Exercise):

(i) the institutions specified as such in the related Confirmation; or

(ii) if any of the institutions specified as such in the related Confirmation have ceased to exist or to quote relevant rates or prices, whether because of merger or otherwise, those institutions specified that continue to exist and quote relevant rates or prices together with such number of additional institutions agreed between the parties on the Exercise Date or, in the case of a Swap Transaction to which Mandatory Early Termination is applicable, the Cash Settlement Valuation Date, in each case as is required to increase the number of existing and quoting institutions to the number of institutions originally specified; or

(iii) if institutions are not specified, five institutions agreed between the parties on the Exercise Date or, in the case of a Swap Transaction to which Mandatory Early Termination is applicable, the Cash Settlement Valuation Date; or

(iv) if institutions are not specified or if subparagraph (ii) above applies and the parties are unable to agree the institutions or additional institutions by the Cash Settlement

Valuation Time on the Exercise Date or, in the case of a Swap Transaction to which Mandatory Early Termination is applicable, the Cash Settlement Valuation Date, five leading dealers or such additional number as is required pursuant to the provisions of subparagraph (ii) above from the panel of dealers from whose rates the rate appearing on the relevant ISDAFIX Page is derived selected by the Calculation Agent (or, if "Cash Price - Alternate Method" is specified as the Cash Settlement Method, selected by each party for purposes of quotations obtained by that party); or

(v) if a relevant ISDAFIX page does not exist, five leading dealers selected by the Calculation Agent (or, if "Cash Price - Alternate Method" is specified as the Cash Settlement Method, selected by each party in good faith for purposes of quotations obtained by that party).

(h) **Cash Settlement Currency.** "Cash Settlement Currency" means, in respect of a Swap Transaction, the currency, if any, specified as such in the related Confirmation, and, if no currency is specified as such in the related Confirmation:

(i) if the Underlying Swap Transaction or the Swap Transaction, as appropriate, involves one currency, that currency; or

(ii) if the Underlying Swap Transaction or the Swap Transaction, as appropriate, involves more than one currency, the currency specified as the Termination Currency in the ISDA Master Agreement, if any, referred to in the related Confirmation and otherwise the currency in which Fixed Amount(s) under the Underlying Swap Transaction or the Swap Transaction, as appropriate, are payable.

(i) **ISDA Master Agreement.** "ISDA Master Agreement" means, for purposes of Section 17.2(h) (Cash Settlement Currency) and Section 17.2(j) (Quotation Rate), the ISDA Master Agreement, if any, referred to in the related Confirmation and otherwise (and, in any event, for purposes of Section 17.3(a) (Cash Price) and Section 17.3(b) (Cash Price - Alternate Method)) the standard form 1992 ISDA Master Agreement (Multicurrency–Cross Border) published by the International Swaps and Derivatives Association, Inc., and the terms "Terminated Transaction", "Early Termination Date", "Reference Market-makers", "Market Quotation", "Credit Support Document", "Event of Default" and "Potential Event of Default" have the respective meanings provided for in the ISDA Master Agreement.

(j) **Quotation Rate.** "Quotation Rate" means, in respect of an Option Transaction or a Swap Transaction to which Mandatory Early Termination is applicable:

(i) the rate specified as such in the related Confirmation and which may be a "bid", "ask" or "mid" rate; or

(ii) if "Exercising Party Pays" is specified in the related Confirmation for a Swap Transaction to which Optional Early Termination is applicable, the rate, which may be a "bid" or "ask" rate, which would result, if Seller is in-the-money, in the higher absolute value of the Cash Settlement Amount, or, if Seller is out-of-the-money, in the lower absolute value of the Cash Settlement Amount;

provided that, if, in respect of a Swap Transaction to which Optional Early Termination is specified to be applicable, an Event of Default or Potential Event of Default under the ISDA Master Agreement (other than a Potential Event of Default arising pursuant to the provisions of Section 5(a)(ii) of the ISDA Master Agreement) with respect to the Exercising Party has occurred and is continuing on the Cash Settlement

Valuation Date, then "Exercising Party Pays" will be deemed to have been specified in the related Confirmation.

(k) **Relevant Swap Transaction.** "Relevant Swap Transaction" means:

(i) in respect of a Swaption and in respect of an Exercise Date, a Swap Transaction on the same terms as the Underlying Swap Transaction but with a Notional Amount equal to the Notional Amount of the Underlying Swap Transaction exercised or deemed exercised on that Exercise Date;

(ii) in respect of a Swap Transaction to which Optional Early Termination is applicable and in respect of an Exercise Date, a Swap Transaction on the same terms as that Swap Transaction but with a Notional Amount equal to the Notional Amount of the Swap Transaction exercised or deemed exercised on that Exercise Date; and

(iii) in respect of a Swap Transaction to which Mandatory Early Termination is applicable, a Swap Transaction on the same terms as that Swap Transaction.

(l) **Cash Settlement Method.** "Cash Settlement Method" means, in respect of a Swap Transaction and the calculation of a Cash Settlement Amount, the Cash Settlement Method specified as such, which may be specified by reference to any of the methods set forth in Section 17.3 (Cash Settlement Methods) or may be specified by defining the Cash Settlement Method in the related Confirmation.

(m) **Valuation Business Day.** "Valuation Business Day" means, in respect of a Swap Transaction, any day which is a Banking Day in the place(s) specified for that purpose in the relevant Confirmation and, if place(s) are not so specified, a day:

(i) which is (A) a Banking Day in respect of the financial center(s) indicated for the currency which is the Cash Settlement Currency in Section 1.5 (Financial Centers), (B) a TARGET Settlement Day, if the Cash Settlement Currency is the euro or (C) a Banking Day in respect of the principal financial center for the Cash Settlement Currency, if the currency is other than those currencies specified in Section 1.7 (Currencies); and

(ii) which is a Banking Day in respect of the financial center, if any, referred to in the specified Floating Rate Option; and

(iii) which is a TARGET Settlement Day, if the specified Floating Rate Option refers to a TARGET Settlement Day; and

(iv) which is a U.S. Government Securities Business Day, if the specified Floating Rate Option refers to a U.S. Government Securities Business Day.

(n) **ISDAFIX Page.** "ISDAFIX Page" means, in respect of a Swap Transaction and in respect of a Cash Settlement Valuation Date or an Exercise Date, whichever of the Reuters Screen ISDAFIX pages is designated for purposes of displaying par swap rates for swaps in the currency of denomination of the Relevant Swap Transaction on that Cash Settlement Valuation Date or that Exercise Date.

Section 17.3. Cash Settlement Methods.

(a) **Cash Price.** If "Cash Price" is specified in the related Confirmation to be the Cash Settlement Method applicable to an Option Transaction or Swap Transaction to which Mandatory Early Termination is applicable, the Cash Settlement Amount will be an amount determined with respect to the Relevant Swap Transaction as of the Cash Settlement Valuation Time on the Cash Settlement Valuation Date as the amount which would be payable in accordance with the provisions of Section 6(e)(ii) of the ISDA Master Agreement, the necessary changes being made, as though (i) the Relevant Swap Transaction were a Terminated Transaction, (ii) the Cash Settlement Payment Date, Optional Early Termination Date or Mandatory Early Termination Date, as the case may be, were an Early Termination Date, (iii) the Cash Settlement Reference Banks were the Reference Market-makers and (iv) the Cash Settlement Currency were the Termination Currency, and Market Quotation will be deemed to apply for purposes of determining any payment to be made in respect of the Relevant Swap Transaction. Notwithstanding the provisions of Section 6(e) of the ISDA Master Agreement, the Calculation Agent will determine the Cash Settlement Amount on the basis of quotations from the Cash Settlement Reference Banks. The Calculation Agent will ask each Cash Settlement Reference Bank to provide a quotation using the Quotation Rate specified in the related Confirmation. In providing quotations, the Cash Settlement Reference Banks will be asked to assume that the party requesting the quotations is a dealer in the relevant market of the highest credit standing which satisfies all the credit criteria which such Cash Settlement Reference Banks apply generally at the time in deciding whether to offer or make an extension of credit, and no account will be taken of any existing Credit Support Document. Notwithstanding the provisions of Section 6(e) of the ISDA Master Agreement, if fewer than three quotations are provided, the Cash Settlement Amount will be determined by the Calculation Agent.

(b) **Cash Price - Alternate Method.** If "Cash Price - Alternate Method" is specified in the related Confirmation to be the Cash Settlement Method applicable to an Option Transaction or Swap Transaction to which Mandatory Early Termination is applicable, the Cash Settlement Amount will be an amount determined with respect to the Relevant Swap Transaction as of the Cash Settlement Valuation Time on the Cash Settlement Valuation Date as the amount which would be payable in accordance with the provisions of Section 6(e)(ii)(2) of the ISDA Master Agreement, the necessary changes being made, as though (i) the Relevant Swap Transaction were a Terminated Transaction, (ii) the Cash Settlement Payment Date, Optional Early Termination Date or Mandatory Early Termination Date, as the case may be, were an Early Termination Date, (iii) the Cash Settlement Reference Banks were the Reference Market-makers and (iv) the Cash Settlement Currency were the Termination Currency, and Market Quotation will be deemed to apply for purposes of determining any payment to be made in respect of the Relevant Swap Transaction. Notwithstanding the provisions of Section 6(e) of the ISDA Master Agreement, each party will ask each Cash Settlement Reference Bank to provide a quotation using the Quotation Rate specified in the related Confirmation. In providing quotations, the Cash Settlement Reference Banks will be asked to assume that the party requesting the quotations is a dealer in the relevant market of the highest credit standing which satisfies all the credit criteria which such Cash Settlement Reference Banks apply generally at the time in deciding whether to offer or make an extension of credit, and no account will be taken of any existing Credit Support Document. Notwithstanding the provisions of Section 6(e) of the ISDA Master Agreement, if fewer than three quotations are provided to either party, the Cash Settlement Amount will be the average of the amounts determined by each of the parties in good faith and in a commercially reasonable manner.

(c) **Par Yield Curve - Adjusted.**

(i) Subject to subparagraph (ii) below, if "Par Yield Curve - Adjusted" is specified in the related Confirmation to be the Cash Settlement Method applicable to an Option Transaction or a Swap Transaction to which Mandatory Early Termination is applicable, the Cash Settlement Amount will be an amount calculated as the present value of an annuity equal to the difference between:

(A) the amounts that would be payable by the Fixed Rate Payer under the Relevant Swap Transaction if the Fixed Rate were the Settlement Rate; and

(B) the amounts payable by the Fixed Rate Payer under the Relevant Swap Transaction.

The discount rate used to calculate such present value will be equal to the Settlement Rate, and such present value will be calculated using the Business Day Convention applicable to Fixed Rate Payer Payment Dates under the Relevant Swap Transaction.

(ii) If "Par Yield Curve - Adjusted" is specified in the related Confirmation to be the Cash Settlement Method applicable to a Swap Transaction to which Optional Early Termination or Mandatory Early Termination is applicable, and the Optional Early Termination Date or Mandatory Early Termination Date, as the case may be, falls on a date which is not both a Fixed Rate Payer Payment Date and a Floating Rate Payer Payment Date under that Swap Transaction, then the Cash Settlement Amount will be an amount equal to the Cash Settlement Amount determined pursuant to subparagraph (i) above in respect of the period from, and including, the next such date, together with an amount in respect of amounts accrued but in respect of which the originally scheduled Payment Date has not yet arisen as at the Optional Early Termination Date or Mandatory Early Termination Date, as the case may be.

(d) **Zero Coupon Yield - Adjusted.**

(i) Subject to subparagraph (ii) below, if "Zero Coupon Yield - Adjusted" is specified in the related Confirmation to be the Cash Settlement Method applicable to an Option Transaction or a Swap Transaction to which Mandatory Early Termination is applicable, the Cash Settlement Amount will be an amount calculated as the present value of an annuity equal to the difference between:

(A) the amounts that would be payable by the Fixed Rate Payer under the Relevant Swap Transaction if the Fixed Rate were the Settlement Rate; and

(B) the amounts payable by the Fixed Rate Payer under the Relevant Swap Transaction.

The discount factors used to calculate such present value will be calculated from a current zero coupon curve agreed between the parties and the Business Day Convention used to calculate such present value will be the Business Day Convention applicable to Fixed Rate Payer Payment Dates under the Relevant Swap Transaction. If the parties are unable to agree on such current market zero coupon curve, the Cash Settlement Amount will be determined as if the parties had specified "Cash Price" to be the applicable Cash Settlement Method.

(ii) If "Zero Coupon Yield - Adjusted" is specified in the related Confirmation to be the Cash Settlement Method applicable to a Swap Transaction to which Optional Early Termination or Mandatory Early Termination is applicable, and the Optional Early Termination Date or Mandatory Early Termination date, as the case may be, falls on a date which is not both a Fixed Rate Payer Payment Date and a Floating Rate Payer Payment Date under that Swap Transaction, then the Cash Settlement Amount will be an amount equal to the Cash Settlement Amount determined pursuant to subparagraph (i) above in respect of the period from, and including, the next such date, together with an amount in respect of amounts accrued but in respect of which the originally scheduled Payment Date has not yet arisen as at the Optional Early Termination Date or Mandatory Early Termination Date, as the case may be.

(e) **Par Yield Curve - Unadjusted.**

(i) Subject to subparagraph (ii) below, if "Par Yield Curve - Unadjusted" is specified in the related Confirmation to be the Cash Settlement Method applicable to an Option Transaction or Swap Transaction to which Mandatory Early Termination is applicable, the Cash Settlement Amount will be an amount calculated as the present value of an annuity equal to the difference between:

(A) the amounts that would be payable by the Fixed Rate Payer under the Relevant Swap Transaction if the Fixed Rate were the Settlement Rate; and

(B) the amounts payable by the Fixed Rate Payer under the Relevant Swap Transaction.

The discount rate used to calculate such present value will be equal to the Settlement Rate. Such annuity payment and discounting shall be calculated based on the Fixed Rate Payer Payment Dates under the Relevant Swap Transaction without regard to adjustment based on any Business Day Convention.

(ii) If "Par Yield Curve - Unadjusted" is specified in the related Confirmation to be the Cash Settlement Method applicable to a Swap Transaction to which Optional Early Termination or Mandatory Early Termination is applicable, and the Optional Early Termination Date or Mandatory Early Termination Date, as the case may be, falls on a date which is not both a Fixed Rate Payer Payment Date and a Floating Rate Payer Payment Date under that Swap Transaction, then the Cash Settlement Amount will be an amount equal to the Cash Settlement Amount determined pursuant to subparagraph (i) above in respect of the period from, and including, the next such date, together with an amount in respect of amounts accrued but in respect of which the originally scheduled Payment Date has not yet arisen as at the Optional Early Termination Date or Mandatory Early Termination Date, as the case may be.

Section 17.4. In-the-money. A party to an Option Transaction or a Swap Transaction to which Mandatory Early Termination is applicable is "in-the-money" in respect of an Exercise Date or a Mandatory Early Termination Date, as appropriate, if (i) such party is the Fixed Rate Payer under the Relevant Swap Transaction and the Settlement Rate exceeds the Fixed Rate under the Relevant Swap Transaction or (ii) such party is the Floating Rate Payer under the Relevant Swap Transaction and the Fixed Rate under the Relevant Swap Transaction exceeds the Settlement Rate, and, if a method for

determining the Settlement Rate is not specified in the related Confirmation, "ISDA Source" will be deemed to have been specified.

Section 17.5. Out-of-the-money. A party to an Option Transaction or a Swap Transaction to which Mandatory Early Termination is applicable is "out-of-the-money" in respect of an Exercise Date or a Mandatory Early Termination Date, as appropriate, if (i) such party is the Floating Rate Payer under the Relevant Swap Transaction and the Settlement Rate exceeds the Fixed Rate under the Relevant Swap Transaction or (ii) such party is the Fixed Rate Payer under the Relevant Swap Transaction and the Fixed Rate under the Relevant Swap Transaction exceeds the Settlement Rate, and, if a method for determining the Settlement Rate is not specified in the related Confirmation, "ISDA Source" will be deemed to have been specified.

Section 17.6. Corrections to Published and Displayed Rates for Settlement Rate. For purposes of determining the Settlement Rate for any day:

(a) in any case where the Settlement Rate for a day is based on information obtained from the Reuters Screen, Telerate or the Bloomberg Screen, that Settlement Rate will be subject to the corrections, if any, to that information subsequently displayed by that source within one hour of the time when such rate is first displayed by such source; and

(b) in the event that a party to any Option Transaction or Swap Transaction to which Mandatory Early Termination is applicable notifies the other party of any correction referred to in subsection (a) above no later than 15 days after the expiration of the 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 Cash Settlement Payment Date, Optional Early Termination Date or Mandatory Early Termination Date, as the case may be), together with interest on that amount at a rate per annum equal to the cost (without proof or evidence of any actual cost) to the relevant party (as certified by it) of funding that amount 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.

[This page has been left blank intentionally.]

EXHIBIT I
to 2000 ISDA Definitions

**Introduction, Standard Paragraphs and Closing for a
Confirmation of a Swap Transaction**

Heading

[Letterhead of Party A]

[Date]

Swap Transaction

[Name and Address of Party B]

Dear :

The purpose of this [facsimile/letter] (this "Confirmation") is to confirm the terms and conditions of the Swap Transaction entered into between us on the Trade Date specified below.

The definitions and provisions contained in the 2000 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc., are incorporated into this Confirmation.¹ In the event of any inconsistency between those definitions and provisions and this Confirmation, this Confirmation will govern.

This Confirmation constitutes a "Confirmation" as referred to in, and supplements, forms part of and is subject to, the ISDA Master Agreement dated as of [date], as amended and supplemented from time to time (the "Agreement"), between [Name of Party A] ("Party A") and [Name of Party B] ("Party B"). All provisions contained in the Agreement govern this Confirmation except as expressly modified below.²

¹ By using this language, the parties will incorporate the version of the Annex to the 2000 ISDA Definitions most recently published at the date on which they enter into the relevant transaction, as the Annex has been amended and supplemented through that date. If the parties want to incorporate a particular earlier version of the Annex to the 2000 ISDA Definitions, include, at the end of this sentence, ", and the version of the Annex to the 2000 ISDA Definitions that is incorporated into this Confirmation is the June 2000 version, as amended and supplemented through [January 1, 2001]."

² If the parties have not yet executed, but intend to execute, an ISDA Master Agreement, include, instead of this paragraph, the following: "This Confirmation evidences a complete and binding agreement between you and us as to the terms of the Swap Transaction to which this Confirmation relates. In addition, you and we agree to use all reasonable efforts promptly to negotiate, execute and deliver an agreement in the form of the ISDA Master Agreement (Multicurrency–Cross Border) (the "ISDA Form"), with such modifications as you and we will in good faith agree. Upon the execution by you and us of such an agreement, this Confirmation will supplement, form a part of and be subject to that agreement. All provisions contained in or incorporated by reference in that agreement upon its execution will govern this Confirmation except as expressly modified below. Until we execute and deliver that agreement, this Confirmation, together with all other documents referring to the ISDA Form (each a "Confirmation") confirming transactions (each a "Transaction") entered into between us (notwithstanding anything to the contrary in a Confirmation), shall supplement, form a part of, and be subject to, an agreement in the form of the ISDA Form as if we had executed an agreement in such form (but without any Schedule except for the election of [English law] [the laws of the State of New York] as the governing law and [specify currency] as the Termination Currency) on the Trade Date of the first such Transaction between us. In the event of any inconsistency between the provisions of that agreement and this Confirmation, this Confirmation will prevail for purposes of this Swap Transaction."

[INSERT RELEVANT ADDITIONAL PROVISIONS FROM EXHIBITS II-A THROUGH II-G TO THE 2000 ISDA DEFINITIONS]

Account Details:

Account(s) for payments to
Party A: []

Account(s) for payments to
Party B: []

[] agrees to provide the following Credit Support Document [or agrees to provide the following in accordance with [specify Credit Support Document]]:

[Offices:

(a) The Office of Party A for the Swap Transaction is [] ; and

(b) The Office of Party B for the Swap Transaction is [].]

[Broker/Arranger:]

Closing

Please confirm that the foregoing correctly sets forth the terms of our agreement by executing the copy of this Confirmation enclosed for that purpose and returning it to us or by sending to us a letter substantially similar to this letter, which letter sets forth the material terms of the Swap Transaction to which this Confirmation relates and indicates your agreement to those terms.

Yours sincerely,

[PARTY A]

By: _____
Name:
Title:

Confirmed as of the
date first above written:

[PARTY B]

By: _____
Name:
Title:

**Additional Provisions for a
Confirmation of a Swap Transaction that is a
Rate Swap Transaction or Cross-Currency Rate Swap Transaction**

[See Exhibit I for the introduction, standard paragraphs and closing for the Confirmation.]

1. The terms of the particular Swap Transaction to which this Confirmation relates are as follows:

[Notional Amount:]	[]
Trade Date:	[]
Effective Date:	[]
Termination Date:	[] [, subject to adjustment in accordance with the [Following/Modified Following/Preceding] Business Day Convention] ³

Fixed Amounts:

Fixed Rate Payer:	[Party A/B]
[Fixed Rate Payer Currency Amount:]	[]
Fixed Rate Payer Payment Dates [or Period End Dates, if Delayed Payment or Early Payment applies]:	[] [, subject to adjustment in accordance with the [Following/Modified Following/Preceding] Business Day Convention] ⁴
Fixed Amount [or Fixed Rate and Fixed Rate Day Count Fraction]:	[]

Floating Amounts:

Floating Rate Payer:	[Party B/A]
[Floating Rate Payer Currency Amount:]	[]

³ If the parties want to provide that the Termination Date will be adjusted in accordance with a Business Day Convention (and, accordingly, that the final Calculation Period will be shortened or lengthened), the appropriate Business Day Convention must be specified.

⁴ Bracketed language is not necessary if Payment Dates and Period End Dates are to be adjusted in accordance with the Modified Following Business Day Convention, as provided in the 2000 ISDA Definitions.

Floating Rate Payer Payment Dates [or Period End Dates, if Delayed Payment or Early Payment applies]:	[] [, subject to adjustment in accordance with the [Following/Modified Following/Preceding] Business Day Convention] ⁴
[Floating Rate for initial Calculation Period:]	[]
Floating Rate Option:	[]
Designated Maturity:	[]
Spread:	[Plus/Minus %] [None]
Floating Rate Day Count Fraction:	[]
Reset Dates:	[] [, subject to adjustment in accordance with the [Following/Modified Following/Preceding] Business Day Convention] ⁵
[Rate Cut-off Dates:]	[]
[Method of Averaging:]	[Unweighted/Weighted Average]
Compounding:	[Applicable/Inapplicable]
[Compounding Dates:]	[]
[Discounting:	
Discount Rate:	[]
Discount Rate Day Count Fraction:]	[]
[Initial Exchange:	
Initial Exchange Date:	[] [, subject to adjustment in accordance with the [Following/Modified Following/Preceding] Business Day Convention] ⁶
Party A Initial Exchange Amount:	[]
Party B Initial Exchange Amount:]	[]

⁵ Bracketed language is not necessary if Reset Dates are to be adjusted in accordance with the Business Day Convention applicable to Payment Dates.

⁶ Bracketed language is not necessary if this date is to be adjusted in accordance with the Modified Following Business Day Convention, as provided in the 2000 ISDA Definitions.

[Interim Exchange:

Interim Exchange Date: [] [, subject to adjustment in accordance with the [Following/Modified Following/Preceding] Business Day Convention]⁶

Party A Interim Exchange Amount: []

Party B Interim Exchange Amount:] []

[Final Exchange:

Final Exchange Date: [] [, subject to adjustment in accordance with the [Following/Modified Following/Preceding] Business Day Convention]⁶

Party A Final Exchange Amount: []

Party B Final Exchange Amount:] []

[Business Days for [first currency]:] []

[Business Days for [second currency]:] []

[Business Day Convention: [Following/Modified Following/Preceding]]⁷

Calculation Agent: []⁸

⁷ If a Business Day Convention is to apply to all dates that are stated in the 2000 ISDA Definitions to be adjusted in accordance with the applicable Business Day Convention, that Business Day Convention can be specified here.

⁸ If the Calculation Agent is a third party, the parties may wish to consider any documentation necessary to confirm its undertaking to act in that capacity.

[This page has been left blank intentionally.]

**EXHIBIT II-B
to 2000 ISDA Definitions**

**Additional Provisions for a
Confirmation of a Swap Transaction that is a Rate Cap Transaction,
Rate Floor Transaction or Rate Collar Transaction**

[See Exhibit I for the introduction, standard paragraphs and closing for the Confirmation.]

1. The terms of the particular Swap Transaction to which this Confirmation relates are as follows:

Notional Amount: []

Trade Date: []

Effective Date: []

Termination Date: [] [, subject to adjustment in accordance with the [Following/Modified Following/Preceding] Business Day Convention]⁹

Fixed Amounts:¹⁰

Fixed Rate Payer: [Party A/B]

Fixed Rate Payer Payment Date(s): [] [, subject to adjustment in accordance with the [Following/Modified Following/Preceding] Business Day Convention]¹¹

Fixed Amount: []

Floating Amounts:

Floating Rate Payer: [Party B/A]

[[Cap/Floor] Rate:] [%]

⁹ If the parties want to provide that the Termination Date will be adjusted in accordance with a Business Day Convention (and, accordingly, that the final Calculation Period will be shortened or lengthened), the appropriate Business Day Convention must be specified.

¹⁰ For a rate collar transaction there would be no Fixed Amounts or Fixed Rate Payer. Instead, one party would pay a Floating Amount based on a cap rate and the other party would pay a Floating Amount based on a floor rate. Separate Floating Amount provisions would need to be included for each party.

¹¹ Bracketed language is not necessary if Payment Dates and Period End Dates are to be adjusted in accordance with the Modified Following Business Day Convention, as provided in the 2000 ISDA Definitions.

Floating Rate Payer Payment Dates [or Period End Dates, if Delayed Payment or Early Payment applies]:	[] [, subject to adjustment in accordance with the [Following/Modified Following/Preceding] Business Day Convention] ¹¹
[Floating Rate for initial Calculation Period:]	[]
Floating Rate Option:	[]
Designated Maturity:	[]
Floating Rate Day Count Fraction:	[]
Reset Dates:	[] [, subject to adjustment in accordance with the [Following/Modified Following/Preceding] Business Day Convention] ¹²
[Rate Cut-off Dates:]	[]
[Method of Averaging:]	[Unweighted/Weighted Average]
Compounding:	[Applicable/Inapplicable]
[Compounding Dates:]	[]
[Discounting:	[]
Discount Rate:	[]
Discount Rate Day Count Fraction:]	[]
[Business Days for [first currency]:]	[]
[Business Days for [second currency]:]	[]
[Business Day Convention:	[Following/Modified Following/Preceding]] ¹³
Calculation Agent:	[] ¹⁴

¹² Bracketed language is not necessary if Reset Dates are to be adjusted in accordance with the Business Day Convention applicable to Payment Dates.

¹³ If a Business Day Convention is to apply to all dates that are stated in the 2000 ISDA Definitions to be adjusted in accordance with the applicable Business Day Convention, that Business Day Convention can be specified here.

¹⁴ If the Calculation Agent is a third party, the parties may wish to consider any documentation necessary to confirm its undertaking to act in that capacity.

**EXHIBIT II-C
to 2000 ISDA Definitions**

**Additional Provisions for a
Confirmation of a Swap Transaction
that is a Forward Rate Agreement**

[See Exhibit I for the introduction, standard paragraphs and closing for the Confirmation.]

1. The terms of the particular Swap Transaction to which this Confirmation relates are as follows:

Notional Amount:	[]
Trade Date:	[]
Effective Date:	[]
Termination Date:	[] [, subject to adjustment in accordance with the [Following/Modified Following/Preceding] Business Day Convention] ¹⁵
Fixed Rate Payer:	[Party A/B]
Fixed Rate:	[]
Floating Rate Payer:	[Party B/A]
Payment Date(s):	[] Business Days following each Reset Date [, subject to adjustment in accordance with the [Following/Modified Following/Preceding] Business Day Convention] ¹⁶
Floating Rate Option:	[]
Designated Maturity:	[]
Spread:	[Plus/Minus %] [None]
Floating Rate Day Count Fraction:	[]

¹⁵ If the parties want to provide that the Termination Date will be adjusted in accordance with a Business Day Convention (and, accordingly, that the final Calculation Period will be shortened or lengthened), the appropriate Business Day Convention must be specified.

¹⁶ Bracketed language is not necessary if Payment Date(s) are to be adjusted in accordance with the Modified Following Business Day Convention, as provided in the 2000 ISDA Definitions.

Reset Dates: [] [, subject to adjustment in accordance with the [Following/Modified Following/Preceding] Business Day Convention]¹⁷

FRA Discounting: Applicable

[Discount Rate:]¹⁸ []

[Discount Rate Day Count Fraction:]¹⁸ []

[Business Day Convention: [Following/Modified Following/Preceding]]¹⁹

Calculation Agent: []²⁰

¹⁷ Bracketed language is not necessary if Reset Dates are to be adjusted in accordance with the Business Day Convention applicable to Payment Dates.

¹⁸ If the Discount Rate and the Discount Rate Day Count Fraction are to be the Floating Rate and Floating Rate Day Count Fraction, respectively, these terms need not be separately defined.

¹⁹ If a Business Day Convention is to apply to all dates that are stated in the 2000 ISDA Definitions to be adjusted in accordance with the applicable Business Day Convention, that Business Day Convention can be specified here.

²⁰ If the Calculation Agent is a third party, the parties may wish to consider any documentation necessary to confirm its undertaking to act in that capacity.

EXHIBIT II-D
to 2000 ISDA Definitions

**Additional Provisions for a
Confirmation of a Swap Transaction that is a
Self-Compounding Overnight Interest Rate Swap Transaction²¹**

[See Exhibit I for the introduction, standard paragraphs and closing for the Confirmation.]

1. The terms of the particular Swap Transaction to which this Confirmation relates are as follows:

Notional Amount: []

Trade Date: []

Effective Date: []

Termination Date: [] [, subject to adjustment in accordance with the [Following/Modified Following/Preceding] Business Day Convention]²²

Fixed Amounts:

Fixed Rate Payer: [Party A/B]

Fixed Rate Payer Payment Dates [or Period End Dates, if Delayed Payment or Early Payment applies]: [] [, subject to adjustment in accordance with the [Following/Modified Following/Preceding] Business Day Convention]²³

Fixed Amount [or Fixed Rate and Fixed Rate Day Count Fraction]: []

Floating Amounts:

Floating Rate Payer: [Party B/A]

²¹ The provisions set out in this Exhibit are for use in interest rate swaps where the Floating Amount is calculated by reference to a self-compounding Floating Rate Option such as, for example, EUR-EONIA-OIS-COMPOUND, GBP-WMBA-SONIA-COMPOUND or CHF-TOIS-OIS-COMPOUND (each as published in the Annex to the 2000 ISDA Definitions).

²² If the parties want to provide that the Termination Date will be adjusted in accordance with a Business Day Convention (and, accordingly, that the final Calculation Period will be shortened or lengthened), the appropriate Business Day Convention must be specified.

²³ Bracketed language is not necessary if Payment Dates and Period End Dates are to be adjusted in accordance with the Modified Following Business Day Convention, as provided in the 2000 ISDA Definitions.

Floating Rate Payer Payment Dates [or Period End Dates, if Delayed Payment or Early Payment applies]:	[] [, subject to adjustment in accordance with the [Following/Modified Following/Preceding] Business Day Convention] ²³
[Floating Rate for initial Calculation Period:]	[]
Floating Rate Option:	[]
Spread:	[Plus/Minus %] [None]
Floating Rate Day Count Fraction:	[]
Reset Dates:	The last day of each Calculation Period [, subject to adjustment in accordance with the [Following/Modified Following/Preceding] Business Day Convention] ²⁴
Compounding:	Inapplicable
[Business Days:]	[]
[Business Day Convention:	[Following/Modified Following/ Preceding]] ²⁵
Calculation Agent:	[] ²⁶

²⁴ Bracketed language is not necessary if Reset Dates are to be adjusted in accordance with the Business Day Convention applicable to Payment Dates.

²⁵ If a Business Day Convention is to apply to all dates that are stated in the 2000 ISDA Definitions to be adjusted in accordance with the applicable Business Day Convention, that Business Day Convention can be specified here.

²⁶ If the Calculation Agent is a third party, the parties may wish to consider any documentation necessary to confirm its undertaking to act in that capacity.

**EXHIBIT II-E
to 2000 ISDA Definitions**

**Additional Provisions for a
Confirmation of a Swap Transaction
that is a Swaption**

[See Exhibit I for the introduction, standard paragraphs and closing for the Confirmation.]

The Swap Transaction to which this Confirmation relates is a Swaption, the terms of which are as follows:

1. Swaption Terms:

Trade Date:	[]
Option Style:	[American/Bermuda/European]
Seller:	[Party A/B]
Buyer:	[Party B/A]
Premium:	[]
Premium Payment Date:	[]
[Business Day Convention for Premium Payment Date:]	[]
[Business Days for Payments:]	[]
[Exercise Business Day:]	[]
Calculation Agent:	[] ²⁷

2. Procedure for Exercise:

[Commencement Date:]	[] ²⁸
[Bermuda Option Exercise Dates:]	[] ²⁹
Expiration Date:	[]
Earliest Exercise Time:	[]

²⁷ If the Calculation Agent is a third party, the parties may wish to consider any documentation necessary to confirm its undertaking to act in that capacity.

²⁸ Include if American style option and the Commencement Date is not the first Premium Payment Date.

²⁹ Include if Bermuda style option.

[Latest Exercise Time:]	[] ³⁰
Expiration Time:	[]
[Partial Exercise:]	[Applicable/Inapplicable] ³¹
[Multiple Exercise:]	[Applicable/Inapplicable] ³²
[Minimum Notional Amount:]	[] ³³
[Maximum Notional Amount:]	[] ³⁴
[Integral Multiple:]	[]
[Automatic Exercise:]	[Applicable/Inapplicable] ³⁵
[Threshold:]	[] % [None] ³⁶
[Fallback Exercise:]	[Applicable/Inapplicable] ³⁷
[Contact Details for Purpose of Giving Notice:]	[Seller/Seller's Agent] ³⁸

3. Settlement Terms:

Settlement:	[Cash/Physical]
[Cash Settlement Valuation Time:]	[] ³⁹
[Cash Settlement Valuation Date:]	[] ⁴⁰
[Valuation Business Days:]	[] ³⁹
[Cash Settlement Payment Date:]	[] ³⁹
[Business Day Convention for Cash Settlement Payment Date:]	[]

³⁰ Include if American or Bermuda style option and the Latest Exercise Time is not the Expiration Time.

³¹ Exclude if American or Bermuda style option.

³² Exclude if European style option.

³³ Include if Multiple Exercise or Partial Exercise is applicable.

³⁴ Include if American or Bermuda style option to which Multiple Exercise is applicable unless the Maximum Notional Amount is to equal the unexercised Notional Amount.

³⁵ Unless otherwise specified, Automatic Exercise will not apply.

³⁶ Include if Automatic Exercise is applicable.

³⁷ Unless otherwise specified, Fallback Exercise will be deemed to apply if the Underlying Swap Transaction is a single currency non-amortizing interest rate swap.

³⁸ Include Seller's Agent if an agent is designated by Seller for purposes of receiving notice of exercise. Include contact details, if desired.

³⁹ Include if Cash Settlement is applicable.

⁴⁰ Include if Cash Settlement is applicable and if the Cash Settlement Valuation Date is not the Exercise Date.

[Cash Settlement Method:]	[] ⁴¹
[Cash Settlement Currency:]	[] ⁴²
[Settlement Rate:]	[ISDA Source]/[Other Price Source [plus details]]/[Reference Banks] ⁴³
[Cash Settlement Reference Banks:]	[Specify] ³⁹
[Quotation Rate:]	[bid/mid/ask] ³⁹

4. The particular terms of the Underlying Swap Transaction to which the Swaption relates are as follows:

[Include provisions from the relevant form of Confirmation for the type of Swap Transaction to which the Swaption relates, as set forth in Exhibits II-A through II-D to the 2000 ISDA Definitions.]

⁴¹ Cash Price, Cash Price - Alternate Method, Par Yield Curve - Adjusted, Par Yield Curve - Unadjusted or Zero Coupon Curve - Adjusted.

⁴² Include if Cash Settlement is applicable, Cash Price or Cash Price - Alternate Method is the specified Cash Settlement Method and the intended Cash Settlement Currency is not (a) the currency of the Underlying Swap Transaction (if a single currency interest rate swap) or (b) the Termination Currency specified in the relevant ISDA Master Agreement, or, if none, the currency in which Fixed Amount(s) under the Underlying Swap Transaction are payable (if the Underlying Swap Transaction is a cross-currency swap).

⁴³ Include if Cash Settlement is applicable and Par Yield Curve - Adjusted, Par Yield Curve - Unadjusted or Zero Coupon Curve - Adjusted is the specified Cash Settlement Method.

[This page has been left blank intentionally.]

**EXHIBIT II-F
to 2000 ISDA Definitions**

**Additional Provisions for a
Confirmation of a Swap Transaction to which
Optional Early Termination applies**

[See Exhibit I for the introduction, standard paragraphs and closing for the Confirmation.]

[Include provisions from the relevant form of Confirmation for the Swap Transaction, as set forth in Exhibits II-A through II-D to the 2000 ISDA Definitions.]

[1.] Early Termination:

Optional Early Termination:	Applicable
Option Style:	[American/Bermuda/European]
[Optional Early Termination Date:] ⁴⁴	[]
[Seller:]	[Party A/B] ⁴⁵
[Buyer:]	[Party B/A] ⁴⁵
[Business Days for Payments:]	[]
[Exercise Business Day:]	[]
Calculation Agent:	[] ⁴⁶

[2.] Procedure for Exercise:

[Commencement Date:]	[] ⁴⁷ [<i>e.g.</i> , [Each/the] date that is 15 days preceding [a/the] Cash Settlement Payment Date]
[Bermuda Option Exercise Dates:]	[] ⁴⁸
Expiration Date:	[] [<i>e.g.</i> , [Each/the] date that is 2 days preceding [a/the] Cash Settlement Payment Date]
Earliest Exercise Time:	[]

⁴⁴ Include if the Optional Early Termination Date is not the same as the Cash Settlement Payment Date, if any.

⁴⁵ Exclude if Optional Early Termination is available to both parties.

⁴⁶ If the Calculation Agent is a third party, the parties may wish to consider any documentation necessary to confirm its undertaking to act in that capacity.

⁴⁷ Include if American style option and the Commencement Date is not the first Premium Payment Date.

⁴⁸ Include if Bermuda style option.

[Latest Exercise Time:]	[] ⁴⁹
Expiration Time:	[]
[Partial Exercise:]	[Applicable/Inapplicable] ⁵⁰
[Multiple Exercise:]	[Applicable/Inapplicable] ⁵¹
[Minimum Notional Amount:]	[] ⁵²
[Maximum Notional Amount:]	[] ⁵³
[Integral Multiple:]	[]
[Contact Details for Purpose of Giving Notice:]	[Seller/Seller's Agent] ⁵⁴

[3.] Settlement Terms:

Cash Settlement:	[Applicable/Inapplicable]
[Cash Settlement Valuation Time:]	[] ⁵⁵
[Cash Settlement Valuation Date:]	[] ⁵⁶
[Valuation Business Days:]	[] ⁵⁵
[Cash Settlement Payment Date:]	[] ⁵⁵
[Business Day Convention for Cash Settlement Payment Date:]	[]
[Cash Settlement Method:]	[] ⁵⁷

⁴⁹ Include if American or Bermuda style option and the Latest Exercise Time is not the Expiration Time.

⁵⁰ Exclude if American or Bermuda style option.

⁵¹ Exclude if European style option.

⁵² Include if Multiple Exercise or Partial Exercise is applicable.

⁵³ Include if American or Bermuda style option to which Multiple Exercise is applicable unless the Maximum Notional Amount is to equal to the unexercised Notional Amount.

⁵⁴ Include Seller's Agent if an agent is designated by Seller for purposes of receiving notice of exercise. Include contact details, if desired.

⁵⁵ Include if Cash Settlement is applicable.

⁵⁶ Include if Cash Settlement is applicable and if the Cash Settlement Valuation Date is not two Valuation Business Days preceding the Cash Settlement Payment Date or Optional Early Termination Date, as appropriate, or determined as indicated for the currency and, if relevant, Floating Rate Option in Section 17.2(d) of the 2000 ISDA Definitions.

⁵⁷ Cash Price, Cash Price - Alternate Method, Par Yield Curve - Adjusted, Par Yield Curve - Unadjusted or Zero Coupon Curve - Adjusted.

[Cash Settlement Currency:]	[] ⁵⁸
[Settlement Rate:]	[ISDA Source]/[Other Price Source [plus details]]/[Reference Banks] ⁵⁹
[Cash Settlement Reference Banks:]	[Specify] ⁵⁵
[Quotation Rate:]	[bid/mid/ask/Exercising Party Pays] ⁵⁵

⁵⁸ Include if Cash Settlement is applicable, Cash Price or Cash Price - Alternate Method is the specified Cash Settlement Method and the intended Cash Settlement Currency is not (a) the currency of the Swap Transaction (if a single currency interest rate swap) or (b) the Termination Currency specified in the relevant ISDA Master Agreement, or, if none, the currency in which Fixed Amount(s) under the Swap Transaction are payable (if the Swap Transaction is a cross-currency swap).

⁵⁹ Include if Cash Settlement is applicable and Par Yield Curve - Adjusted, Par Yield Curve - Unadjusted or Zero Coupon Curve - Adjusted is the specified Cash Settlement Method.

[This page has been left blank intentionally.]

**EXHIBIT II-G
to 2000 ISDA Definitions**

**Additional Provisions for a
Confirmation of a Swap Transaction to which
Mandatory Early Termination applies**

[See Exhibit I for the introduction, standard paragraphs and closing for the Confirmation.]

[Include provisions from the relevant form of Confirmation for the Swap Transaction, as set forth in Exhibits II-A through II-D to the 2000 ISDA Definitions.]

[1.] Early Termination:

Mandatory Early Termination:	Applicable
------------------------------	------------

[2.] Settlement Terms:

Mandatory Early Termination Date:	[]
-----------------------------------	----------------

[Business Day Convention for Mandatory Early Termination Date:]	[]
--	----------------

Cash Settlement Valuation Time:	[]
---------------------------------	----------------

[Cash Settlement Valuation Date:]	[] ⁶⁰
-----------------------------------	------------------------------

[Valuation Business Days:]	[]
----------------------------	----------------

Cash Settlement Method:	[] ⁶¹
-------------------------	------------------------------

[Cash Settlement Currency:]	[] ⁶²
-----------------------------	------------------------------

Settlement Rate:	[ISDA Source]/[Other Price Source [plus details]]/[Reference Banks] ⁶³
------------------	--

Cash Settlement Reference Banks:	[Specify]
----------------------------------	-----------

Quotation Rate:	[bid/mid/ask]
-----------------	---------------

⁶⁰ Include if the Cash Settlement Valuation Date is not two Valuation Business Days preceding the Mandatory Early Termination Date, or determined as indicated for the currency and, if relevant, Floating Rate Option in Section 17.2(d) of the 2000 ISDA Definitions.

⁶¹ Cash Price, Cash Price - Alternate Method, Par Yield Curve - Adjusted, Par Yield Curve - Unadjusted or Zero Coupon Curve - Adjusted.

⁶² Include if Cash Price or Cash Price - Alternate Method is the specified Cash Settlement Method and the intended Cash Settlement Currency is not (a) the currency of the Swap Transaction (if a single currency interest rate swap) or (b) the Termination Currency specified in the relevant ISDA Master Agreement, or, if none, the currency in which Fixed Amount(s) under the Swap Transaction are payable (if the Swap Transaction is a cross-currency swap).

⁶³ Include if Par Yield Curve - Adjusted, Par Yield Curve - Unadjusted or Zero Coupon Curve - Adjusted is the specified Cash Settlement Method.

[This page has been left blank intentionally.]

INDEX OF TERMS

<u>Term</u>	<u>Page</u>	<u>Section</u>
Additional Compounding Period Amount.....	12	6.3(f)
Adjusted Calculation Amount.....	11	6.3(d)
American.....	17	11.2(a)
Automatic Exercise.....	20	12.7
Banking Day.....	1	1.3
Basic Compounding Period Amount.....	11	6.3(e)
Bermuda.....	17	11.2(b)
Bermuda Option Exercise Date.....	18	12.1(c)
Business Day.....	1	1.4
Business Day Convention.....	6	4.12
Buyer.....	16	11.1(b)
Calculation Agent.....	7	4.14
Calculation Amount.....	5	4.8
Calculation Period.....	7	4.13
Calculation Date.....	7	4.15
Cash.....	23	13.1(a)
Cash Price.....	30	17.3(a)
Cash Price - Alternate Method.....	30	17.3(b)
Cash Settlement.....	23, 24, 25	13.1(a), 15.1(a), 17.1
Cash Settlement Amount.....	26	17.2(a)
Cash Settlement Currency.....	28	17.2(h)
Cash Settlement Method.....	29	17.2(l)
Cash Settlement Payment Date.....	26	17.2(e)
Cash Settlement Reference Banks.....	27	17.2(g)
Cash Settlement Valuation Date.....	26	17.2(c)
Cash Settlement Valuation Time.....	26	17.2(b)
Commencement Date.....	19	12.1(g)
Compounding.....	11	6.3
Compounding Date.....	11	6.3(b)
Compounding Period.....	11	6.3(a)
Compounding Period Amount.....	11	6.3(c)
Confirmation.....	1	1.2
Currency Amount.....	4	4.6
Delayed Payment.....	5	4.9(c)
Discount Rate.....	15	8.4(c)
Discount Rate Day Count Fraction.....	15	8.4(d)
Discounting.....	14	8.4
Earliest Exercise Time.....	18	12.1(d)
Early Payment.....	5	4.9(d)
EC Treaty.....	2	1.12
Effective Date.....	3	3.2
Eurodollar Convention.....	6	4.11

European.....	17	11.2(c)
Exchange Amount	4	4.3
Exchange Date	4	3.6
Exercise Business Day.....	17	11.4
Exercise Date	18	12.1(b)
Exercise Period.....	18	12.1(a)
Exercising Party	17	11.1(d)
Exercising Party Pays	28	17.2(j)(ii)
Expiration Date	19	12.1(h)
Expiration Time.....	19	12.1(f)
Fallback Exercise	21	12.8
Final Exchange Amount	4	4.3
Final Exchange Date.....	4	3.6
Fixed Amount.....	4	4.4
Fixed Amount Payer.....	3	2.1
Fixed Rate	8	5.2(a)
Fixed Rate Day Count Fraction.....	8	5.2(b)
Fixed Rate Payer	3	2.1
Flat Compounding	9	6.1(c)
Flat Compounding Amount	12	6.3(g)
Floating Amount.....	4	4.5
Floating Amount Payer.....	3	2.2
Floating Rate.....	9	6.2(a)
Floating Rate Day Count Fraction.....	10	6.2(g)
Floating Rate Option.....	11	6.2(i)
Floating Rate Payer	3	2.2
Following.....	6	4.12(a)(i)
FRA Amount.....	15	8.4(b)
FRA Discounting.....	15	8.4(b)
FRN Convention.....	6	4.11
IMM Settlement Dates	7	4.17
Initial Exchange Amount.....	4	4.1
Initial Exchange Date	3	3.4
Integral Multiple	20	12.3, 12.4
Interest Rate Swap.....	19	12.1(j)
Interim Exchange Amount.....	4	4.2
Interim Exchange Date	3	3.5
In-the-money.....	32	17.4
ISDA Master Agreement.....	28	17.2(i)
ISDA Source.....	27	17.2(f)(i)
ISDAFIX Page	29	17.2(n)
Latest Exercise Time	18	12.1(e)
Linear Interpolation	14	8.3
Mandatory Early Termination.....	25	16.1
Mandatory Early Termination Date.....	25	16.2
Maturity Date	4	3.6
Maximum Notional Amount.....	20	12.6

Minimum Notional Amount.....	20	12.5
Modified.....	6	4.12(a)(ii)
Modified Following.....	6	4.12(a)(ii)
Multiple Exercise	20	12.4
Negative Interest Rate Method.....	12	6.4(b), 6.4(c)
New York Fed Business Day.....	2	1.9
NYSE Business Day.....	2	1.10
No Adjustment	6	4.10
Non-exercising Party	17	11.1(e)
Notional Amount	4, 18	4.7, 11.5
Option Transaction	16	10.1
Optional Early Termination	24	15.1
Optional Early Termination Date	24	15.2
Other Price Source	27	17.2(f)(ii)
Out-of-the-money.....	33	17.5
Par Yield Curve - Adjusted.....	31	17.3(c)
Par Yield Curve - Unadjusted.....	32	17.3(e)
Partial Exercise	19	12.3
Payment Date.....	5	4.9
Period End Date	5	4.10
Periodic Exchange Amount	4	4.2
Periodic Exchange Date.....	3	3.5
Physical.....	23	13.1(b)
Physical Settlement.....	23	13.1(b), 14.1
Preceding.....	6	4.12(a)(iii)
Premium	17	11.3(a)
Premium Payment Date	17	11.3(b)
Quotation Rate	28	17.2(j)
Rate Cut-off Date	10	6.2(d)
Rate Option	11	6.2(j)
Reference Banks.....	27	17.2(f)(iii)
Relevant Rate.....	10	6.2(c)
Relevant Swap Transaction	29	17.2(k)
Reset Date	9	6.2(b)
Seller.....	16	11.1(a)
Seller's Agent.....	17	11.1(c)
Settlement Rate	26	17.2(f)
Spread	10	6.2(f)
Swap Transaction	1	1.1
Swaption.....	16	10.2
TARGET Settlement Day	2	1.8
Term.....	3	3.1
Termination Date	3	3.3
Threshold	19	12.1(i)
Trade Date	4	3.7
Underlying Swap Transaction.....	23	13.1(c)
Unweighted Average	9	6.2(a)(iii)(C)

U.S. Government Securities Business Day	2	1.11
Valuation Business Day	29	17.2(m)
Weighted Average	9	6.2(a)(iii)(D)
Zero Coupon Yield - Adjusted.....	31	17.3(d)
Zero Interest Rate Method.....	12, 13	6.4(d), 6.4(e)