
2001 ISDA

Margin Provisions

ISDA[®]

INTERNATIONAL SWAPS AND DERIVATIVES ASSOCIATION, INC.

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2001 ISDA MARGIN PROVISIONS

The 2001 ISDA Margin Provisions (as published by the International Swaps and Derivatives Association, Inc. (“ISDA”)) (the “Provisions”) set out standard terms for a margin arrangement between two parties to an agreement. Part 1 (Operational Provisions) sets out general rights and obligations of the parties and describes the commercial and economic aspects of the margin arrangement. Parts 2 and 3 of the Provisions set out jurisdiction-specific provisions, allowing the parties to apply one governing law to the whole or part of the arrangement between them. By deciding which governing law to apply, the parties choose the legal characterization of the arrangement. The Provider may either create a security interest in the margin in favor of the Taker under New York law or transfer title to the margin to the Taker under English law.

If parties elect to have Part 2 apply to all or part of their margin arrangement, the arrangement (or that part of the arrangement) will consist of a security interest approach governed by New York law. If the parties elect to have Part 3 apply to all or part of their margin arrangement, the arrangement (or that part of the arrangement) will consist of a title transfer approach governed by English law. Users may, by specific language included in the Supplement, choose to apply a different governing law under the security interest approach or the title transfer approach, but should carefully consider the implications of such choice and consult their legal advisers as to the proper use and effect of these Provisions and the margin arrangement they contemplate under such other governing law. The Provisions were prepared for use with the ISDA Master Agreement. Users should consult their legal advisers if they wish to use the Provisions in conjunction with documentation not produced by ISDA.

Any of the following definitions and provisions may be incorporated into a document (a “Supplement”) by wording in the document indicating that the Supplement is subject to the Provisions. Users may find it convenient to prepare the Supplement on the basis of the form of 2001 ISDA Margin Supplement set out in Appendix A. Such a document may, if the parties prefer, be entered into in electronic form.

All definitions and provisions incorporated in a Supplement will be applicable to that Supplement, as modified or amended in that Supplement. A term defined in these Provisions and used in a definition or provision incorporated into a Supplement will have the meaning given to that term in these Provisions, unless otherwise provided in the Supplement. Any term used in a Supplement will, when combined with the name of a party, have that meaning in respect of the named party only.

References in these Provisions to “Sections”, “Parts” or “Appendices” are references to Sections of, Parts of or Appendices to these Provisions; and references in these Provisions to “Paragraphs” are references to Paragraphs of the Supplement. Any capitalized term not defined in these Provisions will have the meaning specified in the ISDA Master Agreement.

References in these Provisions to the “Taker” will be to either party when acting as a party demanding Lock-up Margin or a holder of Margin Received, the party demanding Eligible Margin pursuant to Section 1.1(a) or the recipient of a Substitution Notice and all corresponding references to the “Provider” will be to the other party.

PART 1

OPERATIONAL PROVISIONS

Section 1.1 Margin Transfer Obligations.

(a) **Delivery Amount.** Upon a demand made by the Taker on or promptly following a Valuation Date, if the Delivery Amount for that Valuation Date equals or exceeds the Provider's Minimum Transfer Amount, then the Provider will Transfer to the Taker Eligible Margin having a Value as of the date that the Transfer is Initiated at least equal to the applicable Delivery Amount (rounded as specified in the Supplement). The Delivery Amount (adjusted as referred to in the definition of such term) applicable to the Provider for any Valuation Date will equal the amount by which:

(i) the Margin Required

exceeds

(ii) the Value as of that Valuation Date of all Margin Received held by the Taker.

(b) **Return Amount.** Upon a demand made by the Provider on or promptly following a Valuation Date, if the Return Amount for that Valuation Date equals or exceeds the Taker's Minimum Transfer Amount, then the Taker will Transfer to the Provider Equivalent Margin having a Value as of the date that the Transfer is Initiated as close as practicable to the applicable Return Amount (rounded as specified in the Supplement). The Return Amount (adjusted as referred to in the definition of such term) applicable to the Taker for any Valuation Date will equal the amount by which:

(i) the Value as of that Valuation Date of all Margin Received held by the Taker

exceeds

(ii) the Margin Required.

In no circumstances shall the Taker be required to Transfer Equivalent Margin with a Value in excess of the Return Amount. The Provider may specify in a demand the Equivalent Margin to be Transferred by the Taker to the extent the Value of such Equivalent Margin is equal to or less than the Return Amount.

(c) **Lock-up Margin.**

(i) If Lock-up Margin is specified with respect to a party as Provider, it will not be taken into account in, is separate from, and is in addition to, any calculation of Margin Required with respect to the Provider, but will be Transferred by the Provider to

the Taker on the date of the Supplement, or on such date as the parties may agree as specified in the Supplement or otherwise.

(ii) A Provider may demand the return of Lock-up Margin (if Part 2 applies) or Cash, securities or other property of the same type, nominal value, description and amount as such Lock-up Margin (if Part 3 applies) from Taker in any circumstances specified in the Supplement. Once the specified circumstances are no longer continuing, the Taker may demand delivery of new Lock-up Margin.

(iii) Notice of a demand will be given by the Taker, and Lock-up Margin will be Transferred by the Provider, as if it were a demand for Transfer of a Delivery Amount. Notice of a demand will be given by the Provider, and Lock-up Margin (if Part 2 applies) or Cash, securities or other property of the same type, nominal value, description and amount as such Lock-up Margin (if Part 3 applies) will be Transferred by the Taker, as if it were a demand for Transfer of a Return Amount.

(d) **No Offset.** Except as otherwise provided in these Provisions or in the Supplement, if either party is required to make a Transfer of Lock-up Margin, then that Transfer will be made free of any set-off (as defined in Section 14 of the ISDA Master Agreement), lien or withholding whatsoever, including in respect of any Delivery Amount or Return Amount to be Transferred on the same date or Margin Received held by either party.

Section 1.2 Conditions Precedent. Each Transfer obligation of the Provider and of the Taker under Part 1 of these Provisions is subject to the conditions precedent that:

(a) no Event of Default (or event which, with the giving of Notice or the lapse of time or both, would constitute an Event of Default) or Specified Condition has occurred and is continuing with respect to the other party; and

(b) no date on which all outstanding Transactions under the Agreement have been or will be accelerated, terminated, liquidated or cancelled and for which any unsatisfied payment obligations exist has occurred or been designated as the result of an Event of Default or Specified Condition with respect to the other party.

Section 1.3 Transfer Timing.

(a) Each reference in this Section 1.3 to a time or to a Margin Business Day is a reference to that time or Margin Business Day in the location of the Call Recipient.

(b) If a Call Recipient receives a demand for the Transfer of Eligible Margin or Equivalent Margin by the Notification Time on a Margin Business Day, then by 5:00 p.m. on that Margin Business Day, the Call Recipient must Initiate the Transfer and provide Notice (such Notice may be in the form of Appendix B) to the Calling Party of:

(i) the type of Eligible Margin or Equivalent Margin that it will deliver; and

(ii) the Settlement Date for such Eligible Margin or Equivalent Margin.

(c) If a Call Recipient receives a demand for the Transfer of Eligible Margin or Equivalent Margin after the Notification Time, the demand will be deemed to have been received at the Notification Time on the next Margin Business Day, unless a subsequent demand is received prior to such Notification Time, in which case such subsequent demand will govern.

(d) Any Transfer contemplated by this Section 1.3 must be completed by 5:00 p.m. in the location of the account of the Calling Party on the Settlement Date.

(e) If a Transfer of Eligible Margin or Equivalent Margin is not completed in accordance with Section 1.3(d), or the Notice required by Section 1.3(b) is not provided by 5:00 p.m. in the location of the Call Recipient, then:

(i) Without prejudice to the rights of the Calling Party under sub- Section 1.3(e)(ii) below, the Calling Party may elect to notify the Call Recipient of its failure to Transfer Eligible Margin or Equivalent Margin or its failure to give such Notice (such Notice of failure may be in the form of Appendix C) and request that the Call Recipient remedy such failure by such time and on such day as the Calling Party shall specify in such Notice of failure.

(ii) The Calling Party may give the Notice provided for under Section 1.4(b)(i), in the event of a failure to Transfer Eligible Margin or Equivalent Margin, or give the Notice provided for under Section 1.4(b)(ii), in the event of a failure to give the Notice required by Section 1.3(b).

Section 1.4 Additional Events of Default.

(a) Each reference in this Section 1.4 to a Margin Business Day is a reference to that Margin Business Day in the location of the recipient of the related Notice.

(b) In addition to the Events of Default specified in an Agreement, an Event of Default will exist with respect to a party if:

(i) that party fails (or fails to cause its Custodian) to make, when due, a Transfer of:

(A) Lock-up Margin or Cash, securities or other property of the same type, nominal value, description and amount as any Lock-up Margin; or

(B) Eligible Margin or Equivalent Margin; or

(C) Equivalent Distributions or any Interest Amount;

and such failure is not remedied on or before the first Margin Business Day after Notice to that party of such failure;

(ii) that party fails to provide the Notice required by Section 1.3(b) below and such failure is not remedied on or before the first Margin Business Day after Notice to that party of such failure; or

(iii) that party fails (or fails to cause its Custodian) to comply with or perform any agreement or obligation under these Provisions or a Supplement (other than any obligations referenced in sub-Section 1.4(b)(i) and sub-Section 1.4(b)(ii) above and Section 2.3 below) to be complied with or performed by the party in accordance with these Provisions if such failure is not remedied on or before the thirtieth day after Notice to that party of such failure.

(c) The failure by a party to make a Transfer of any amount which is the subject of a dispute will not be considered a failure to make, when due, a Transfer for purposes of sub-Section 1.4(b)(i) above for so long as such party is performing its obligations in accordance with the dispute resolution procedures set out in Section 1.6 below.

(d) Any Notice given pursuant to Section 1.4(b) may be in the form of Appendix D.

Section 1.5 Calculations as of Valuation Time. All calculations of Value and Exposure for purposes of Section 1.1 and Section 1.6 will be based on information obtained as of the Valuation Time.

Section 1.6 Procedures for Dispute Resolution.

(a) **General.**

(i) Each party agrees to attempt to resolve any dispute as quickly as possible following Notice of the dispute being given or received.

(ii) If either party fails to comply with any of the requirements for delivery of Notices stated below in this Section 1.6, the failure will not be deemed an Event of Default. However, the party that fails to comply with such requirements for delivery of Notices will, for the purpose of determining the Delivery Amount, the Return Amount or any Value, no longer be able to dispute the information contained in the Notice most recently provided by the other party. Any Delivery Amount, Return Amount or Value will be calculated based on such information and any information previously agreed or notified by the parties.

(b) **Dispute of Delivery Amount or Return Amount.**

(i) Each reference in this sub-Section 1.6(b) to a time or to a Margin Business Day is a reference to that time or Margin Business Day in the location of the Call Recipient.

(ii) If a Call Recipient disputes a demand to Transfer a Delivery Amount or a Return Amount, it must, as Disputing Party, on the same Margin Business Day the demand is received or deemed received, as relevant:

(A) transmit a Notice of dispute (such Notice of dispute may be in the form of Appendix E) for receipt by the Calling Party by 1:00 p.m. that day;

(B) Initiate Transfer to the Calling Party by 5:00 p.m. in accordance with Section 1.3(b) of Eligible Margin having a Value as of the date Transfer is Initiated equal to the Undisputed Amount, if the Undisputed Amount equals or exceeds the Disputing Party's Minimum Transfer Amount; and

(C) transmit Portfolio Information for receipt by the Calling Party by 5:00 p.m. that day.

(iii) The Calling Party must review the Portfolio Information and information held by it regarding the relevant portfolio of Transactions between the parties. The Calling Party will transmit Notice to the Disputing Party by 10:00 a.m. on the next Margin Business Day (the "Second Day") in the location of the Call Recipient of:

(A) the details of any differences between the Disputing Party's Portfolio Information and information held by the Calling Party regarding the Transactions, including a description of all available evidence (which must be transmitted with such Notice, to the extent practicable), as relevant, of Transactions the Calling Party considers outstanding or a request for evidence of the execution and detailed particulars of relevant Transactions, in the case of differences as to the existence or characteristics of any Transaction; and

(B) the Calling Party's Valuation Data in the case of a difference as to calculation of the Exposure or the Value of Margin Received.

(iv) By 1:00 p.m. on the Second Day, the Disputing Party must by Notice to the Calling Party provide any evidence or information requested by the Calling Party, the Disputing Party's relevant Valuation Data and such other information as the Disputing Party considers appropriate.

(v) In the case of any dispute as to Exposure or Value of Margin Received, if the dispute has not been resolved by 5:00 p.m. on the Second Day, each party must in good faith select one independent reference source and the following procedures shall apply:

(A) Each independent reference source will be instructed to determine the Exposure associated with any disputed Transaction or the Value of any Margin Received (or determine any constituent element within the calculation of Exposure or Value that has been isolated by the parties as an element in dispute) as of the Valuation Date relating to the relevant demand.

(B) The independent reference sources will be instructed to report to both parties their determinations by 5:00 p.m. on the Margin Business Day following the Second Day (the "Third Day").

(C) Each independent reference source will be instructed to use the same methods, practices and degree of care that it would use to establish any facts and make any calculations were it required to do so in its own business.

(D) Each independent reference source must be a leading dealer in the particular type of Transaction in dispute or any entity that provides valuation services with respect to such type of Transaction in the general course of its business and must be independent of each of the parties, which independence will not be deemed diminished solely because the independent reference source is active in the same market in which either of the parties is active or has entered into transactions with either of the parties.

(E) The parties agree that the arithmetic average of the determinations from each independent reference source will prevail.

(F) If by 5:00 p.m. on the Third Day:

(1) the parties are unable to obtain quotes from two independent reference sources; or

(2) the independent reference sources disagree on any material facts,

the parties may choose (x) to continue the negotiations, (y) to seek such other remedy as each in its discretion determines or (z) if Dispute Termination Event is specified as applicable in the Supplement and the dispute relates to the Exposure associated with specific disputed Transactions, to terminate such disputed Transactions in accordance with the procedures, and in pursuit of such remedies, set forth in the Agreement as they relate to a Dispute Termination Event.

(vi) In the case of a dispute as to the existence or agreed characteristics of a Transaction, if the dispute has not been resolved by 5:00 p.m. on the Second Day, the parties may choose to continue the negotiations or to seek such other remedy as each in its discretion determines.

(vii) Following the resolution or deemed resolution of a dispute, the Disputing Party must Transfer Eligible Margin or Equivalent Margin to the Calling Party in satisfaction of the demand for such margin that gave rise to the dispute as if in response to a demand received by the Notification Time on the Margin Business Day following the resolution, subject to Section 1.3 above and without regard to the Minimum Transfer Amount, after taking into account any prior Transfer of any relevant Undisputed Amount and any adjustment agreed between the parties or determined by the independent reference sources in accordance with sub-Section 1.6(b)(v) above (and no further obligations will arise on the part of either party in respect of the dispute).

(c) Dispute of Value of Transfer.

(i) Each reference in this sub-Section to a time or to a Margin Business Day is a reference to that time or Margin Business Day in the location of the Calling Party.

(ii) If a Calling Party (which term includes a Taker of Substitute Margin for purposes of this sub-Section 1.6(c)) disputes the Value of a Transfer of Eligible Margin, Lock-up Margin (or Cash, securities or other property of the same type, nominal value, description and amount as such Lock-up Margin), Substitute Margin or Equivalent Margin it must, as Disputing Party, on the Margin Business Day following the Margin Business Day Transfer is Initiated, transmit a Notice of dispute (such Notice of dispute may be in the form of Appendix F) for receipt by the other party by 1:00 p.m. on that day.

(iii) Before 10:00 a.m. on the Margin Business Day immediately following the Margin Business Day on which the Notice of dispute was received, the Call Recipient (which term includes a Provider of Substitute Margin for purposes of this sub-Section 1.6(c)) will recalculate the Value of the relevant margin, using any undisputed values set forth in the Notice of dispute, as of the date the Transfer was Initiated and in accordance with the procedures (if any) in the Supplement.

(iv) Immediately following a recalculation, the Call Recipient must notify the Disputing Party of the results of the recalculation. The Call Recipient must Initiate Transfer by 5:00 p.m. on the Margin Business Day immediately following the Margin Business Day on which the Notice of dispute was received of any additional Eligible Margin, additional Lock-up Margin (or Cash, securities or other property of the same type, nominal value, description and amount as such Lock-up Margin), additional Substitute Margin or Equivalent Margin required based on such recalculation. The Minimum Transfer Amount shall not apply to margin to be Transferred pursuant to this sub-Section 1.6(c)(iv).

(v) If:

(A) the Call Recipient is unable, due to circumstances beyond its control, to recalculate the Value of the relevant margin; or

(B) the Disputing Party disputes the recalculated Value of the relevant margin,

the parties may choose (x) to continue the negotiations, (y) to seek such other remedy as each in its discretion determines or (z) if Dispute Termination Event is specified as applicable in the Supplement and the dispute relates to the Value associated with the Transfer of Eligible Margin, Lock-up Margin (or Cash, securities or other property of the same type, nominal value, description and amount as such Lock-up Margin), Substitute Margin or Equivalent Margin, to terminate the Agreement in accordance with the procedures, and in pursuit of

such remedies, set forth in the Agreement as they relate to a Dispute Termination Event.

Section 1.7 Substitutions.

(a) **Times.** Each reference in this Section 1.7 to a time or to a Margin Business Day is a reference to that time or Margin Business Day in the location of the Taker.

(b) **Delivery of Substitution Notice.** Unless otherwise specified in the Supplement, the Provider may deliver a Substitution Notice (such Substitution Notice may be in the form of Appendix G) to the Taker.

(c) **Timing of Delivery of Substitution Notice.** If the Taker receives a Substitution Notice after 5:00 p.m. or other than on a Margin Business Day, it will be deemed to have been received by the Taker on the next Margin Business Day. References to receipt of a Substitution Notice in this Section 1.7 are references to both actual receipt and deemed receipt, as relevant.

(d) **Consent to Substitution.** Each substitution pursuant to a Substitution Notice will be subject to Paragraph 8 of the Supplement.

(e) **Substitute Margin.** The Provider will Initiate Transfer of Substitute Margin having a Value as of the date Transfer is Initiated as close as practicable to, but in any event not less than, the amount specified in the Substitution Notice by 1:00 p.m. on any Margin Business Day on or after the date the Substitution Notice is effective.

(f) **Timing of Substitutions.**

(i) If the Taker is able to confirm, to its reasonable satisfaction, that it has received the Substitute Margin by 1:00 p.m. on a Margin Business Day, then the Taker will Initiate Transfer to the Provider of the Equivalent Margin specified in the Substitution Notice by 5:00 p.m. on the same day.

(ii) If the Taker is able to confirm, to its reasonable satisfaction, that it has received the Substitute Margin after 1:00 p.m. on a Margin Business Day, then the Taker will Initiate Transfer to the Provider of the Equivalent Margin specified in the Substitution Notice by 5:00 p.m. on the next Margin Business Day.

(g) **Value of Equivalent Margin.** In any substitution pursuant to this Section 1.7, the Taker must Transfer Equivalent Margin with a Value as close as practicable to, but in any event not greater than, the Value of the Substitute Margin as of the date Transfer of the Equivalent Margin is Initiated.

Section 1.8 Distributions and Interest Amounts.

(a) **Times.** Each reference in this Section 1.8 to a time or to a Margin Business Day is a reference to that time or Margin Business Day in the location of the Taker.

(b) **Distributions.** If, with respect to any Margin Received (and without regard to any use or disposition of Margin Received by the Taker), the Taker is deemed to receive Distributions on a Distributions Date, it will Transfer Equivalent Distributions to the Provider. The Transfer must be Initiated by 5:00 p.m. on the Margin Business Day immediately following the Distributions Date. The Taker is required to Transfer Equivalent Distributions only to the extent that a Delivery Amount would not be created or increased by that Transfer, as calculated by the Taker (and the date of calculation will be deemed to be a Valuation Date for this purpose).

(c) **Interest Amount.**

(i) In lieu of any interest or other amounts paid or deemed to have been paid with respect to Margin Received in the form of Cash (all of which may be retained by the Taker), the Taker will Transfer the Interest Amount to the Provider. The Transfer of an Interest Amount will be Initiated no later than two Margin Business Days after the end of the relevant Interest Period. The Interest Amount will be determined by the Taker based on the principal amount of Margin Received in the form of Cash held by the Taker on each day in an Interest Period. The Interest Amount will be computed for each Interest Period on a simple basis, unless otherwise provided for in the Supplement. The Taker is required to Transfer the Interest Amount only to the extent that a Delivery Amount would not be created or increased by that Transfer, as calculated by the Taker (and the date of calculation will be deemed to be a Valuation Date for this purpose).

(ii) If Eligible Margin in the form of Cash is received after 5:00 p.m. in the location of the Taker, the Taker will have no obligation to pay interest for that day and interest will begin to accrue on the following Margin Business Day, unless that Taker is, in the ordinary course of business, able to invest the Cash so received on an overnight basis.

Section 1.9 Additional Definitions With Respect to Margin Subject to Article 8 of the New York Uniform Commercial Code. In the event that Margin Received or Equivalent Margin is of a type and subject to circumstances to which Article 8 of the New York Uniform Commercial Code would apply, Article 8 of the New York Uniform Commercial Code will apply and the definitions set forth in Annex A to these Provisions will be deemed to be incorporated into these Provisions.

Section 1.10 Miscellaneous.

(a) **Expenses.** Each party will be liable for and pay its own costs and expenses (including, without limitation, any stamp, transfer or similar transaction tax or duty payable on any Transfer that it is required to make) in connection with performing its obligations in relation to any margin arrangements under these Provisions.

(b) **Default Interest.** A Taker that fails to make, when due, any Transfer of Equivalent Margin, Substitute Margin, Equivalent Distributions or an Interest Amount will be obligated to compensate the Provider. The Taker must pay the Provider (to the extent permitted

under applicable law) interest on the Value of the Cash or items of property that were required to be Transferred, from (and including) the date that the Equivalent Margin, Substitute Margin, Equivalent Distributions or Interest Amount was required to be Transferred to (but excluding) the date of Transfer of that Equivalent Margin, Equivalent Distributions or Interest Amount, at a rate per annum equal to the Default Rate. The Value of these items will be calculated as of the relevant Valuation Date and as if all items are Eligible Margin. Such interest will be calculated on the basis of daily compounding and the actual number of days elapsed.

(c) **Demands.** All demands referenced in these Provisions may be made or given substantially in the form, if any, attached hereto, and will be effective if delivered in a manner and at the time set forth in the Notices Section, except as otherwise provided in these Provisions or in the Supplement. References in these Provisions to receipt of a demand are references to both actual receipt and deemed receipt, as relevant.

(d) **Notices.** All Notices referenced in these Provisions may be made or given substantially in the form, if any, attached hereto, and will be effective if delivered in a manner and at the time set forth in the Notices Section, except as otherwise provided in these Provisions or in the Supplement. The place for delivery of any Notice is the place specified as the Calling Party's or Call Recipient's address or contact details for Notices in the Supplement (or if no such details are provided in the Supplement, such details as are provided in the Agreement) or such other address or contact details as has been notified to the other party at least five Margin Business Days (by reference to the location of the party to which the Notice is sent) prior to the relevant demand being made.

(e) **Specifications of Certain Matters.** Anything referred to in these Provisions as being specified in the Supplement also may be specified in one or more Confirmations or other documents, and these Provisions will be construed accordingly.

(f) **Good Faith and Commercially Reasonable Manner.** Performance of all obligations under these Provisions, including, but not limited to, all calculations, valuations and determinations made by either party, will be made or conducted in good faith and in a commercially reasonable manner.

PART 2

ELECTIVE PROVISIONS – SECURITY INTEREST APPROACH (NEW YORK LAW)

The parties may elect, by incorporation of this Part 2 into the Supplement, to have the following provisions apply to Transfers of Cash or other property under these Provisions, in which case the provisions of this Part 2 shall be construed in accordance with New York law.

Section 2.1 Security Interest and Set-off. Each party, as the Provider, hereby pledges to the other party, as the Taker, as security for its Obligations, and grants to the Taker a first priority continuing security interest in, lien on and right of set-off in, on or against all Margin Received received by the Taker. Upon the Transfer by the Taker to the Provider of Margin Received, the security interest, lien and right of set-off granted under this Section 2.1 in, on and against that Margin Received will be released immediately and, to the fullest extent possible, without any further action by either party. The Interest Amount or portion thereof not Transferred pursuant to Section 1.8(c) will constitute Margin Received in the form of Cash and will be subject to the security interest, lien and right of set-off granted under this Section 2.1.

Section 2.2 Holding and Using Margin Received.

(a) **Care of Margin Received.** Without limiting the Taker's rights under Section 2.2(c), the Taker will exercise reasonable care to assure the safe custody of all Margin Received to the extent required by applicable law. In any event, the Taker will be deemed to have exercised reasonable care if it exercises at least the same degree of care as it would exercise with respect to its own property. Except as specified in the preceding sentence, the Taker will have no duty with respect to Margin Received, including, without limitation, any duty to collect any Distributions, or enforce or preserve any rights pertaining thereto.

(b) **Eligibility to Hold Margin Received; Custodians.**

(i) Upon Notice by the Taker to the Provider of the appointment of a Custodian, the Provider's obligations to make any Transfer will be discharged by making the Transfer to that Custodian. The holding of Margin Received by a Custodian will be deemed to be the holding of that Margin Received by the Taker for which the Custodian is acting.

(ii) If the Taker or its Custodian fails to satisfy any conditions specified in the Supplement for holding Margin Received, then upon a demand made by the Provider, the Taker will, not later than five Margin Business Days after the demand, Transfer or cause its Custodian to Transfer all Margin Received held by it to a Custodian that satisfies those conditions or, if no such Custodian is specified, to the Taker.

(iii) The Taker will be liable for the acts or omissions of its Custodian to the same extent that the Taker would be liable for its own acts or omissions.

(c) **Use of Margin Received.**

(i) Unless otherwise specified in the Supplement and without limiting the rights and obligations of the parties under Sections 1.1 to 1.8 or Section 2.4, if no Event of Default with respect to the Taker has occurred and is continuing, and if no Specified Condition has occurred with respect to the Taker (or with respect to which Specified Condition the Taker is an Affected Party, in the case of an ISDA Master Agreement), and if no date has occurred or been designated on which all outstanding Transactions have been or will be accelerated, terminated, liquidated or cancelled as a result of an Event of Default or Specified Condition with respect to the Taker (or with respect to which Specified Condition the Taker is an Affected Party, in the case of an ISDA Master Agreement), then the Taker will, notwithstanding Section 9-207 of the New York Uniform Commercial Code, have the right to:

(A) sell, pledge, rehypothecate, assign, invest, use, commingle or otherwise dispose of, or otherwise use in its business, any Margin Received it holds, free from any claim or right of any nature whatsoever of the Provider, including any equity or right of redemption by the Provider; and

(B) register any Margin Received in the name of the Taker, its Custodian or a nominee for either.

(ii) For purposes of the obligation to Transfer Eligible Margin or Equivalent Margin pursuant to Sections 1.1, 1.3, 1.6 and 1.7 and any rights or remedies authorized under these Provisions, the Taker will be deemed to continue to hold all Margin Received and receive Distributions made thereon, regardless of whether the Taker has exercised any rights with respect to any Margin Received pursuant to sub-Section 2.2(c)(i) above.

Section 2.3 Additional Event of Default. An Event of Default will exist with respect to a party (including for purposes of Section 5(a)(iii)(1) of the ISDA Master Agreement) if that party fails to comply with any restriction or prohibition specified in these Provisions with respect to any of the rights specified in Section 2.2(c) and that failure continues for five Margin Business Days after Notice of that failure is given to that party.

Section 2.4 Certain Rights and Remedies.

(a) **Taker's Rights and Remedies.** If at any time (1) an Event of Default or Specified Condition with respect to the Provider (or with respect to which Specified Condition the Provider is an Affected Party, in the case of an ISDA Master Agreement) has occurred and is continuing or (2) a date on which all outstanding Transactions have been or will be accelerated, terminated, liquidated or cancelled has occurred or been designated as the result of an Event of Default or Specified Condition with respect to the Provider (or with respect to which Specified Condition the Provider is an Affected Party, in the case of an ISDA Master Agreement), then, unless the Provider has paid in full all its Obligations that are then due, the Taker may exercise one or more of the following rights and remedies:

(i) all rights and remedies available to a secured party under applicable law with respect to Margin Received held by the Taker;

(ii) the right to set-off any amounts payable by the Provider with respect to any Obligations against any Margin Received or the Cash equivalent of any Margin Received held by the Taker (or any obligation of the Taker to Transfer that Margin Received); and

(iii) the right to liquidate any Margin Received held by the Taker through one or more public or private sales or other dispositions with such prior Notice, if any, as may be required and cannot be waived under applicable law, free from any claim or right of any nature whatsoever of the Provider, including any equity or right of redemption by the Provider (with the Taker having the right to purchase any or all of the Margin Received to be sold) and to apply the proceeds (or the Cash equivalent of the proceeds) from the liquidation of the Margin Received to any amounts payable by the Provider with respect to any Obligations in such order as the Taker may elect.

(b) **Market Risk.** Each party acknowledges and agrees that Margin Received in the form of securities may decline rapidly in value or is of a type customarily sold on a recognized market and, accordingly, the Provider is not entitled to prior Notice of any sale of that Margin Received by the Taker, except any Notice that is required under applicable law and cannot be waived.

(c) **Provider's Rights and Remedies.** If at any time a date on which all outstanding Transactions have been or will be accelerated, terminated, liquidated or cancelled has occurred or been designated as the result of an Event of Default or Specified Condition with respect to the Taker (or with respect to which Specified Condition the Taker is an Affected Party, in the case of an ISDA Master Agreement), then, except in the case of a date on which less than all outstanding Transactions have been or will be accelerated, terminated, liquidated or cancelled where the Taker has paid in full all of its Obligations that are then due with respect to payments upon early termination of those Transactions:

(i) the Provider may exercise all rights and remedies available to a pledgor under applicable law with respect to Margin Received held by the Taker;

(ii) the Taker will be obligated immediately to Transfer all Margin Received and any Interest Amount to the Provider; and

(iii) to the extent that Margin Received or the Interest Amount is not so Transferred pursuant to sub-Section 2.4(c)(ii) above, the Provider may:

(A) set-off any amounts payable by the Provider with respect to any Obligations against any Margin Received or the Cash equivalent of any Margin Received held by the Taker (or any obligation of the Taker to Transfer that Margin Received); and

(B) to the extent that the Provider does not set-off under sub-Section 2.4(c)(iii)(A) above, withhold payment of any remaining amounts payable by the Provider with respect to any Obligations, up to the Value of any remaining Margin Received held by the Taker, until that Margin Received is Transferred to the Provider.

(d) **Deficiencies and Excess Proceeds.** When no amounts are or thereafter may become payable by the Provider with respect to any Obligations (other than with respect to a contingent tax gross-up or similar ancillary contingent obligation or any contingent obligation under Section 2.6 or Section 1.10(a)), the Taker will Transfer to the Provider any proceeds and Margin Received remaining after liquidation, set-off and/or application under this Section 2.4. The Provider in all events will remain liable for any amounts remaining unpaid after any liquidation, set-off and/or application under this Section 2.4.

(e) **Final Returns.** When no amounts are or thereafter may become payable by the Provider with respect to any Obligations (other than with respect to a contingent tax gross-up or similar ancillary contingent obligation or any contingent obligation under Section 2.6 and Section 1.10(a)), the Taker will Transfer to the Provider all Margin Received.

Section 2.5 Representations. Each party represents to the other party (which representations will be deemed to be repeated as of each date on which it, as the Provider, Transfers Margin Received) that:

(a) it has the power to grant a security interest in and lien on any Margin Received it Transfers as the Provider and has taken all necessary actions to authorize the granting of that security interest and lien;

(b) it is the sole owner of or otherwise has the right to Transfer all Margin Received it Transfers to the Taker pursuant to these Provisions, free and clear of any security interest, lien, encumbrance, claim of a property interest or restriction (including without limitation any restriction or requirement imposed by any securities law or regulation) other than the security interest and lien granted under Section 2.1;

(c) upon the Transfer of any Margin Received to the Taker under the terms of these Provisions, the Taker will have a valid and perfected first priority security interest in such Margin Received (assuming that any central clearing corporation or any third-party financial intermediary or other entity not within the control of the Provider involved in the Transfer of that Margin Received gives the Notices and takes the action required of it under applicable law for perfection of that interest); and

(d) the performance by it of its obligations as set out in these Provisions will not result in the creation of any security interest, lien, encumbrance, claim of a property interest or restriction (including without limitation any restriction or requirement imposed by any securities law or regulation) on any Margin Received other than the security interest, lien and right of set-off granted under Section 2.1.

Section 2.6 Distributions. Without prejudice to Section 2.2(b), on each Distributions Date the Taker will be deemed, for purposes of Section 1.8(b), to have received Distributions in respect of Margin Received.

Section 2.7 Expenses.

(a) **Margin Received.** Section 1.10(a) notwithstanding, the Provider will promptly pay when due all taxes, assessments or charges of any nature that are imposed with respect to Margin Received held by the Taker upon becoming aware of them, regardless of whether any portion of that Margin Received is subsequently disposed of under Section 2.2(c), except for those taxes, assessments and charges that result from the exercise of the Taker's rights under Section 2.2(c).

(b) **Liquidation and/or Application of Margin Received.** Section 1.10(a) notwithstanding, all reasonable costs and expenses incurred by or on behalf of the Taker or the Provider in connection with the liquidation and/or application of any Margin Received under Section 2.4 will be payable, on demand and pursuant to the Expenses Section, by the party in respect of which an Event of Default has occurred. If there is no party to which an Event of Default has occurred, each party is liable for its own costs and expenses.

Section 2.8 Miscellaneous.

(a) **Further Assurances.** Promptly following a demand made by a party, the other party will execute, deliver, file and record any financing statement, specific assignment or other document and take any other action that may be necessary or desirable and reasonably requested by that party to create, preserve, perfect or validate any security interest, lien or right of set-off created or granted under Section 2.1, to enable that party to exercise or enforce its rights with respect to Margin Received or to effect or document a release of a security interest in or lien on Margin Received.

(b) **Further Protection.** The Provider will promptly give Notice to the Taker of, and defend against, any suit, action, proceeding or lien, encumbrance, claim of a property interest or restriction that involves Margin Received Transferred by the Provider or that could adversely affect the security interest, lien or right of set-off created or granted by it under Section 2.1, unless that suit, action, proceeding or lien, encumbrance, claim of a property interest or restriction results from the exercise of the Taker's rights under Section 2.2(c).

PART 3

ELECTIVE PROVISIONS – TITLE TRANSFER APPROACH (ENGLISH LAW)

The parties may elect, by incorporation of this Part 3 into the Supplement, to have the following provisions apply to Transfers of Cash or other property under these Provisions, in which case the provisions of this Part 3 shall be construed in accordance with English law.

Section 3.1 Transfer of Title and No Security Interest.

(a) **Transfer of Title.** Each party agrees that all right, title and interest in and to any Lock-up Margin, Eligible Margin, Equivalent Margin, Substitute Margin, Equivalent Distributions or Interest Amount which it Transfers to the other party under these Provisions will vest in the recipient free and clear of any liens, claims, charges or encumbrances or any other interest of the Transferring party or of any third person (other than a lien routinely imposed on all securities in a relevant clearance system). Each Transfer under these Provisions will be made so as to constitute or result in a valid and legally effective transfer of the Transferring party's legal and beneficial title to the recipient.

(b) **No Security Interest.** The parties do not intend to create in favor of either party any mortgage, charge, lien, pledge, encumbrance or other security interest in any Cash or other property, to which this Part 3 applies, Transferred by one party to the other party under these Provisions.

Section 3.2 Default.

(a) If at any time a date on which all outstanding Transactions have been or will be accelerated, terminated, liquidated or cancelled has occurred or been designated as a result of an Event of Default or Specified Condition in relation to either party (an "Early Termination Date" in the case of an ISDA Master Agreement):

(i) in the case of an ISDA Master Agreement for which Market Quotation is the applicable payment measure for purposes of Section 6(e) of the ISDA Master Agreement, an amount equal to the Value of the Margin Received held by the Taker will be an Unpaid Amount due from the Taker to the Provider for purposes of Section 6(e) of the ISDA Master Agreement; and

(ii) in the case of an ISDA Master Agreement for which Loss is the applicable payment measure for purposes of Section 6(e) of the ISDA Master Agreement, Loss shall include an amount equal to the Value of the Margin Received held by the Taker (expressed as a negative number) for purposes of Section 6(e) of the ISDA Master Agreement.

(iii) in the case of an Agreement which is not in the form of an ISDA Master Agreement:

(A) if the Provider is the defaulting party or the party impaired by the relevant Specified Condition, then the Taker has the right, without prior notice to the Provider, to set-off any amounts payable by the Provider with respect to any Obligations against an amount equal to the Value of the Margin Received by the Taker; and

(B) if the Taker is the defaulting party, then the Provider has the right, without prior Notice to the Taker, to set-off the Value of the Margin Received by the Taker against any amounts payable by the Provider with respect to any Obligations.

(b) For purposes of effecting any set-off permitted by this Section 3.2, the party exercising the right of set-off may convert any obligation to another currency at a market rate determined by that party.

(c) The Taker will Transfer to the Provider any Equivalent Margin relating to Margin Received remaining after any application of this Section 3.2 after satisfaction in full of all amounts payable by the Provider with respect to any Obligations. The Provider in any event will remain liable for any amounts remaining unpaid by it after any application of this Section 3.2.

Section 3.3 Representation. Each party represents to the other party (which representation will be deemed to be repeated as of each date on which it Transfers Eligible Margin, Equivalent Margin, Substitute Margin or Equivalent Distributions or any other Cash, securities or other property under these Provisions) that it is the sole owner of or otherwise has the right to Transfer all Eligible Margin, Equivalent Margin, Substitute Margin or Equivalent Distributions or any other Cash, securities or other property it Transfers to the other party under these Provisions, free and clear of any security interest, lien, encumbrance or other restriction (other than a lien routinely imposed on all securities in a relevant clearance system).

Section 3.4 Distributions. Without prejudice to Section 3.1, on each Distributions Date the Taker will be deemed, for purposes of Section 1.8(b), to have received Distributions in respect of Margin Received.

PART 4

ELECTIVE PROVISIONS¹

The parties may elect, by incorporation of either Part 2 or Part 3 and the relevant Section of this Part 4 into the Supplement, to have one or more of the following Sections apply to Transfers of Cash or other property under these Provisions, in which case the provisions of this Part 4 shall be construed in accordance with Japanese law.

Section 4.1 Japanese Credit Support Provisions - Loan and Deposit.¹ Provisions for Parties using Japanese Margin.

(a) **Characterization of the Arrangement.** Solely for the purposes of determining each Party's rights and obligations with respect to the Transfer of Eligible Margin or Equivalent Margin consisting of Japanese Margin, and without prejudice to other provisions of these Provisions or the Agreement, each Party agrees as follows:

(i) The term "Transfer" under Section 1.1(a) means a loan (for the avoidance of doubt, if these Provisions are governed by Japanese law or if the term *shohi-taishaku* is to be construed under Japanese law) of Japanese Margin held in the form of securities and a deposit (for the avoidance of doubt, if these Provisions are governed by Japanese law or if the term *shohi-kitaku* is to be construed under Japanese law) of Japanese Margin held in the form of Cash.

(ii) Until the Taker is required, pursuant to the terms of these Provisions, to return the Japanese Margin Received, as long as (A) no Event of Default with respect to the Taker has occurred and is continuing, (B) no Specified Condition has occurred with respect to the Taker and (C) no date has occurred or been designated on which all outstanding Transactions have been or will be accelerated, terminated, liquidated or cancelled as a result of an Event of Default or Specified Condition (with respect to which Specified Condition the Taker is an Affected Party, in the case of an ISDA Master Agreement), the Taker shall be entitled to have all the incidents of ownership of such Japanese Margin, including without limitation, the right to sell, transfer, lend or otherwise dispose of, pledge, assign, invest, use, commingle or otherwise use in its business and register or record in the name of the Taker, its Custodian or nominee for the Japanese Margin Received.

(iii) Where the Japanese Margin is in the form of securities, the Taker may repay the Japanese Yen Cash equivalent of such Japanese Margin. The Transfer of Equivalent Margin or repayment of the Japanese Yen Cash equivalent shall be deemed to

¹ The content of this Part 4 may change from time to time, as published on the ISDA website, www.isda.org, and such content is incorporated into these Provisions automatically, with effect from the date of publication of such content. Margin arrangements incorporating these Provisions that are in existence at the time of publication would not be considered to incorporate such content without further action by the parties. In particular, other jurisdiction-specific modification to this Part 4 may be published from time to time.

² Parties should consult their legal advisers in determining whether it is necessary to use either a loan or a deposit in order to assert rights under Japanese Law concerning Close-out Netting of Specified Financial Transactions entered into by Financial Institutions, etc. (Law No. 108 of 1998) in certain Japanese insolvency proceedings.

be a return of the Japanese Margin under Section 1.1(b). However, solely for the purpose of Section 1.1(b), and as long as an Early Termination Date has not occurred (in the case of an ISDA Master Agreement) or no date has occurred or been designated on which all outstanding Transactions have been or will be accelerated, terminated, liquidated or cancelled, the Taker's option to repay such Japanese Yen Cash equivalent is subject to the prior written consent of the Provider.

(b) **Event of Default or Specified Condition.** If a date has occurred or been designated on which all outstanding Transactions have been or will be accelerated, terminated, liquidated or cancelled (in the case of an ISDA Master Agreement, an Event of Default) as a result of an Event of Default or Specified Condition in relation to a Party (with respect to which Specified Condition, such Party is an Affected Party), the Non-Defaulting Party or the Party which is not the Affected Party, as the case may be, has the right specified below. If such Event of Default is an event to which the Parties specified the Automatic Early Termination provision of Section 6(a) of the ISDA Master Agreement or any provision in an Agreement, other than the ISDA Master Agreement, of like effect, to be applicable, or is one of the Other Japanese Events of Default, then, in any such case, without regard to the intention of either of the Parties, the following shall be deemed to occur automatically as of the time specified in Section 6(a) of the ISDA Master Agreement and, in all other cases, as of the time immediately preceding the occurrence of the relevant event(s):

(i) Where the Japanese Margin Received is held in the form of securities, the Taker, without any action on the part of either Party, will be deemed to have elected to repay the Japanese Yen Cash equivalent (computed by reference to the actual interest rates, quotations on the relevant exchanges and other indices or market prices) and together with the Japanese Margin Received in the form of Cash, such amounts will be immediately due and payable to the Provider.

(ii) Any such amounts due under sub-Section (b)(i) above shall be set-off against any Obligations of the Provider, without prior Notice or formalities which might otherwise be required, and if necessary, such amounts are deemed to have been converted into the currency of such Obligations at the relevant rate prevailing on the date when such set-off is effected or deemed to have been exercised.

(iii) The Taker will Transfer to the Provider an amount, if any, remaining after the application of the foregoing. The Provider in all events will remain liable for any amounts, including, but not limited to, the Obligation under other part(s) of these Provisions to immediately Transfer Margin Received and any Interest Amount under such Part(s) (in the event it is, at such time the Taker of any Margin Received) to the Taker, remaining unpaid or undelivered, if any, after such application. Either or both of such amounts shall be subject to set-off hereunder or the general rights of set-off available to the Parties under the relevant laws. For purposes of effecting any set-off, the amount of an Obligation to Transfer Margin Received shall be equal to the Value of such Margin Received and the party exercising the right of set-off may, together with any other amounts owing to it, convert such amount into another currency at a market rate determined by that party.

(iv) All reasonable costs and expenses incurred by or on behalf of the Non-Defaulting Party in connection with the liquidation and/or application of any Japanese Margin above will be payable on demand by the Defaulting Party and shall be subject to the general rights of set-off available to the Parties under the relevant laws.

(v) The Provider shall promptly pay when due taxes, assessments or charges of any nature that are imposed on the Taker by any government or other taxing authority with respect to Japanese Margin Received held by the Taker upon becoming aware of the same.

(c) **Additional Events of Default.** The following shall be Additional Events of Default:

(ix) **Other Japanese Events of Default.** A Party:

(1) has a pre-judgment attachment (*karisariosae*), post-judgment attachment (*sashiosae*) or other court order of enforcement issued in respect of any of its rights to receive the Japanese Margin Received or the Obligations; or

(2) Transfers, assigns or pledges any of its rights to receive the Japanese Margin Received or the Obligations to a third Party.

In the case of an ISDA Master Agreement, Section 6(a) of the ISDA Master Agreement is amended by inserting after the words, “or, to the extent analogous thereto, (8)” at the end thereof the words “or specified in Section 5(a)(ix)(1) or (2) of the 2001 ISDA Margin Provisions”.

(d) **Governing Law and Jurisdiction.** The Transaction(s) under this Section 4.1 shall be governed by and construed in accordance with the laws of Japan or, if another governing law is specified as applying for purposes of this Section 4.1, such other governing law. If the laws of Japan apply for purposes of this Part 4, the following shall apply:

Where an election (*sentaku*) to repay in Cash is made or deemed made under Section 4.1(b)(i), the Taker’s obligation (such obligation is intended by the Parties to be a *sentaku-saimu* under Japanese laws) to return the Japanese Margin Received will be deemed to be an obligation to return the Japanese Yen Cash equivalent from the time of receipt of the relevant Japanese Margin.³

With respect to any suit, action or proceedings relating to Margin Received to which this Part 4 applies and to which Japanese law is applicable, each Party irrevocably submits to the jurisdiction of the Japanese courts in addition to the submission to other courts provided in the Agreement.

³ Applicable only where the loan is governed by Japanese law. Parties should consult with legal counsel as to whether this provision is valid under other laws.

(e) **Definitions.** Part 5 is amended to include the following additional definitions (which will replace any inconsistent definitions of the same terms that may exist in Part 5):

(i) **Equivalent Margin.** “Equivalent Margin” means in relation to Japanese Margin, securities of the same type, nominal value, description and amount and issuer, class, series, maturity, coupon rate and principal amount as that Japanese Margin or new or different securities which have been exchanged for, converted into or substituted for that Japanese Margin.

(ii) **Japanese Margin.** “Japanese Margin” means Eligible Margin consisting of negotiable debt obligations of the Government of Japan and/or Cash denominated in Japanese Yen and such other items specified for a Party as Japanese Margin which is Eligible Margin in the Supplement.

(iii) **Japanese Margin Received.** “Japanese Margin Received” means Margin Received which is Japanese Margin.

PART 5

DEFINITIONS

Section 5.1 Additional Margin Amount. “Additional Margin Amount” with respect to a party means the amount (expressed in the Base Currency) specified as such for that party in the Supplement or, if no amount is specified, zero.

Section 5.2 Agreement. “Agreement” means the agreement or agreements specified on the first page of the Supplement. If no agreement is specified, “Agreement” means an agreement in the form of the ISDA Master Agreement and all Transactions will be deemed to be governed by and form part of such an agreement. If more than one agreement is specified in the Supplement, the Exposure of each party will be calculated based on the net aggregate of the Exposures under each separate agreement, and references in the Provisions to the Agreement will include a reference to each such agreement.

Section 5.3 Base Currency. “Base Currency” means the currency freely available and specified as such in the Supplement, or if no currency is specified, the currency (if any) agreed by the parties in the Agreement as the currency in which payment of any amount payable upon the early termination of a Transaction is to be made and otherwise United States Dollars.

Section 5.4 Call Recipient. “Call Recipient” means the party receiving a demand under Section 1.1.

Section 5.5 Calling Party. “Calling Party” means the party making a demand under Section 1.1.

Section 5.6 Cash. “Cash” means an amount of money in one or more of the currencies specified in the Supplement, if such currency is freely available.

Section 5.7 Confirmation. “Confirmation” means such documents or other confirming evidence, if any, which evidences the terms of a Transaction.

Section 5.8 Custodian. “Custodian” means an agent appointed by the Taker to hold Lock-up Margin (if any) or Margin Received for the Taker as specified in the Supplement.

Section 5.9 Default Rate. “Default Rate” means a rate per annum equal to the cost (without proof or evidence of any actual cost) to the relevant payee (as certified by it) if it were to fund or of funding the relevant amount plus 1% per annum.

Section 5.10 Delivery Amount. “Delivery Amount” means, with respect to the Provider and for any Valuation Date, the amount by which the Margin Required exceeds the Value of the Margin Received held by the Taker, as set forth in Section 1.1(a). In performing this calculation, the Value of the Margin Received must be adjusted to include any prior Delivery Amount (or, in the case of any dispute concerning a Delivery Amount, any Undisputed Amount with respect to that Delivery Amount) and to exclude any prior Return Amount (or, in the case of any dispute concerning a Return Amount, any Undisputed Amount with respect to that Return Amount), the

Transfer of which, in either case, has not yet been completed and for which the relevant Settlement Date falls on or after the relevant Valuation Date.

Section 5.11 Dispute Termination Event. “Dispute Termination Event” means the following:

(a) if, under the terms of an Agreement, a process of terminating Transactions under the Agreement on a no-fault basis is provided for, an event triggering such process and for purposes of sub-Section 1.6(b)(v)(F), a termination on a mid-market basis; and

(b) if the Agreement is an ISDA Master Agreement, an event that will constitute an Additional Termination Event, as described in Section 5(b)(v) of the ISDA Master Agreement, with two Affected Parties.

Section 5.12 Disputing Party. “Disputing Party” means the party referred to as such in Section 1.6.

Section 5.13 Distributions.

(a) “Distributions” means all payments and distributions of cash or other property to which an owner, holder of record or one similarly entitled to property of the same type, nominal value, description and amount as any Lock-up Margin or Margin Received would be entitled from time to time.

(b) Distributions do not include:

(i) any distributions with respect to Lock-up Margin in the form of Cash or Margin Received in the form of Cash; or

(ii) any item of property acquired by the Taker upon any disposition or liquidation of Lock-up Margin or Margin Received.

Section 5.14 Distributions Date. A “Distributions Date” means each date on which an owner, holder of record or one similarly entitled to Distributions actually would be entitled to receive Distributions or, if that date is not a Margin Business Day with respect to the Taker, the next following Margin Business Day.

Section 5.15 Eligible Margin. “Eligible Margin” means, with respect to a party as Provider, any or all of the items specified as such for that party in the Supplement.

Section 5.16 Equivalent Margin.

(a) If the parties elect to incorporate Part 2 into the Supplement, “Equivalent Margin” means Margin Received; and

(b) If the parties elect to incorporate Part 3 into the Supplement, in relation to any Margin Received, “Equivalent Margin” means Cash, securities or other property of the same type, nominal value, description and amount as such Margin Received.

Section 5.17 Equivalent Distributions. “Equivalent Distributions” means Cash, securities or other property of the same type, nominal value, description and amount as a relevant Distribution.

Section 5.18 Event of Default. An “Event of Default” means any event or condition described in an Agreement and relating to a party as a result of which all outstanding Transactions under the Agreement may be accelerated, terminated, liquidated or cancelled by the other party or automatically other than any event or condition eligible to be selected as a Specified Condition. With respect to an ISDA Master Agreement, “Event of Default” is as defined in that Agreement (except to the extent modified by these Provisions or the Schedule) and does not include any Termination Event as defined in that Agreement.

Section 5.19 Expenses Section. “Expenses Section” means, with respect to an Agreement, the section, if any, allocating between the parties expenses relating to an Event of Default and any related early termination. With respect to an ISDA Master Agreement, Expenses Section means Section 11 of the ISDA Master Agreement.

Section 5.20 Exposure. “Exposure” means, with respect to a party and a Valuation Date (or other date for which Exposure is calculated), the amount (expressed in the Base Currency), if any, that would be payable pursuant to the Agreement (or where more than one Agreement is specified, the net aggregate amount payable under such Agreements) to that party by the other party (expressed as a positive number) or by that party to the other party (expressed as a negative number) as if all Transactions were being accelerated, terminated, liquidated or cancelled as of the relevant Valuation Time. Any exclusions from the calculation of Exposure described in the Supplement apply solely for purposes of computing Margin Required and do not affect any other provisions of the Agreement.

With respect to an ISDA Master Agreement, “Exposure” means with respect to a party the amount (expressed in the Base Currency), if any, that would be payable pursuant to Section 6(e)(ii)(1) to that party by the other party (expressed as a positive number) or by that party to the other party (expressed as a negative number) as if all Transactions were being terminated as of the relevant Valuation Time, and Exposure shall be determined on the basis of mid-market valuations.

Section 5.21 Initiate. “Initiate” means, with respect to a party, the taking of all necessary steps by that party to achieve a Transfer by the relevant Settlement Date without requiring any further action by that party. “Initiated” will be interpreted accordingly.

Section 5.22 Interest Amount. “Interest Amount” means the amount of interest determined for each relevant currency and calculated for each day in the relevant Interest Period for that currency as follows:

(a) the amount of Cash denominated in the relevant currency on that day, multiplied by

(b) the Interest Rate in effect on that day for such currency, divided by 360 (or, if the currency is pounds sterling, 365).

Section 5.23 Interest Period. “Interest Period” means the period from (and including) the last Margin Business Day on which an Interest Amount was Transferred (or, if no Interest Amount has yet been Transferred, the Margin Business Day on which Margin Received in the form of Cash was Transferred to or received by the Taker) to (but excluding) the days specified in the Supplement as the end dates for the Interest Period. For these purposes, Margin Business Day means a Margin Business Day in the location of the Taker.

Section 5.24 Interest Rate. An “Interest Rate” for Cash denominated in a particular currency means the rate specified for that currency in the Supplement.

Section 5.25 ISDA Master Agreement. “ISDA Master Agreement” means the published form of the 1992 ISDA Master Agreement (Multicurrency – Cross Border) and Schedule; and if an agreement in that form (together with any elections and amendments agreed by the parties) is specified as the Agreement in the Supplement, that agreement.

Section 5.26 Jurisdiction Section. “Jurisdiction Section” means, with respect to an Agreement, the jurisdiction section, if any, of the Agreement. With respect to an ISDA Master Agreement, Jurisdiction Section means Section 13(b) of the ISDA Master Agreement.

Section 5.27 Lock-up Margin. “Lock-up Margin” means the specified type, quantity or amount of Eligible Margin, if any, as set forth for a party in the Supplement.

Section 5.28 Margin Business Day. Unless otherwise specified in these Provisions or in the Supplement, “Margin Business Day” means:

(a) in relation to a Transfer of securities, a day on which the relevant clearance system agreed by the parties is open for the acceptance and execution of settlement instructions and a day on which the securities intermediary or commercial bank in which the relevant account is located is open or, if delivery of the securities is contemplated by other means, a day on which commercial banks are open for business (including dealings in foreign exchange and foreign currency deposits) in the place(s) agreed between the parties for this purpose;

(b) in relation to a Transfer of Cash or property other than securities, a day on which commercial banks, foreign exchange markets and relevant clearance systems settle payments and are open for business (including dealings in foreign exchange and foreign currency deposits) in the place where the relevant account is located and, if different, in the principal financial center (if any) of the currency of any such payment;

(c) in relation to valuations under these Provisions, a day on which commercial banks are open for business (including dealings in foreign exchange and foreign currency deposits) in the location of the Calling Party and in any other place(s) agreed between the parties for this purpose;

(d) in relation to any notice or other communication, a day on which commercial banks are open for business (including dealings in foreign exchange and foreign currency deposits) in the location of the recipient of the notice or communication; and

(e) in relation to the location of a party, a day on which commercial banks are open for business (including dealings in foreign exchange and foreign currency deposits) in the place specified as that party's address for notices in the Supplement, or if none is specified in the Agreement, such other address as has most recently been notified to the other party in accordance with the Notices Section.

Section 5.29 Margin Received. "Margin Received" means all Eligible Margin, other property, Distributions and all proceeds thereof (including, without limitation, Lock-up Margin except for purposes of the calculation of Delivery Amount and Return Amount) that have been received by the Taker under these Provisions and as to which Transfer to the Provider of Equivalent Margin or Equivalent Distributions has not been Initiated pursuant to under Sections 1.1(b), 1.7(f), 1.8 or 3.2 or released by the Taker under Part 2. Any Equivalent Distributions or Interest Amount, or portion thereof, not Transferred pursuant to Section 1.8 will constitute Margin Received.

Section 5.30 Margin Required. "Margin Required" means the sum of the Taker's Exposure and the Additional Margin Amount applicable to the Provider minus the Additional Margin Amount applicable to the Taker minus the Provider's Threshold.

Section 5.31 Minimum Transfer Amount. The "Minimum Transfer Amount" means the amount (expressed in the Base Currency) specified as such for a party in the Supplement or, if no amount is specified, zero. The Minimum Transfer Amount will be zero with respect to any Return Amount demanded by the Provider if there are no Transactions with respect to which the Provider has a current or future payment or delivery obligation outstanding under the Agreement, whether absolute or contingent (other than with respect to a contingent tax gross-up or similar ancillary contingent obligation or any contingent obligation under Section 1.10(a) and Section 2.6 if applicable).

Section 5.32 New York Uniform Commercial Code. The "New York Uniform Commercial Code" means the New York State Consolidated Laws, Chapter 38, as amended.

Section 5.33 Notice. "Notice" means, notwithstanding the Notices Section, an irrevocable notice, which may be written, oral, by telephone, by facsimile transmission, telex, e-mail or message generated by an electronic messaging system or otherwise.

Section 5.34 Notices Section. "Notices Section" means, with respect to an Agreement, the section, if any, governing communications between the parties. With respect to an ISDA Master Agreement, Notices Section means Section 12 of the ISDA Master Agreement.

Section 5.35 Notification Time. "Notification Time" means 10:00 a.m. on a Margin Business Day in the location of the Call Recipient, being the place specified as the Call Recipient's address for Notices in the Supplement, or such other address as has been notified to the Calling Party at least five Margin Business Days prior to the relevant Notice being given.

Section 5.36 Obligations. "Obligations" means all present and future obligations of a party under the Agreement and any additional obligations specified as such for that party in the Supplement.

Section 5.37 Portfolio Information. “Portfolio Information” means information in writing regarding all attributes of a Transaction that the Call Recipient considers relevant to establishing the existence, identity or terms of a Transaction. Portfolio Information may include, for example, any one or more of the following: the trade date; the effective date; the maturity date; the Exposure related to such Transaction (as if the date of the Portfolio Information were a Valuation Date and as if such Transaction were the sole Transaction governed by the relevant Agreement); the Transaction type; any strike and/or any underlying; any notional amount; any deal number ascribed to such Transaction by the party providing the information; and any record the party providing the information may have as to the deal number ascribed to such Transaction by the other party. For these purposes, writing includes facsimile transmission, telex, e-mail or messages generated by an electronic messaging system, notwithstanding anything to the contrary in the Notices Section.

Section 5.38 Return Amount. “Return Amount” means, with respect to the Taker and for any Valuation Date, the amount by which the Value of the Margin Received held by the Taker exceeds the Margin Required, as set forth in Section 1.1(b). In performing this calculation, the Value of all Margin Received must be adjusted to include any prior Delivery Amount (or, in the case of any dispute concerning a Delivery Amount, any Undisputed Amount with respect to that Delivery Amount) and to exclude any prior Return Amount (or, in the case of any dispute concerning a Return Amount, any Undisputed Amount with respect to that Return Amount), the Transfer of which, in either case, has been Initiated but has not yet been completed and for which the relevant Settlement Date falls on or after the relevant Valuation Date.

Section 5.39 Settlement Date. “Settlement Date” means:

(a) with respect to a Transfer of Cash in the form of U.S. Dollars, the same Margin Business Day Transfer is Initiated;

(b) with respect to a Transfer of Cash other than U.S. Dollars or other property (other than securities), the same Margin Business Day Transfer is Initiated or, if same-day settlement is not customary for such currency or property, the number of Margin Business Days following the Margin Business Day Transfer is Initiated as is customary for payments in the required currency or for Transfers of the required property; and

(c) with respect to a Transfer of securities Initiated on a certain date, the first Margin Business Day after such date on which settlement of a trade in the relevant securities executed on such date would have been accomplished in accordance with customary practice of the market in which such securities are principally traded or, if the parties have agreed to a clearance system for the settlement of securities, the customary practice of that clearance system. If there is no such customary practice, the “Settlement Date” will be the first Margin Business Day after such certain date on which it is reasonably practicable to settle such securities.

Section 5.40 Specified Condition. A “Specified Condition” means an event or condition specified as such for a party in the Supplement. With respect to an ISDA Master Agreement, “Specified Condition” may include any of Illegality, Tax Event, Tax Event Upon Merger, Credit Event Upon Merger or any Additional Termination Events and any other events, if specified as such for a party, in the Supplement.

Section 5.41 Substitute Margin. “Substitute Margin” means the Eligible Margin specified as such in a Substitution Notice.

Section 5.42 Substitution Notice. “Substitution Notice” means a notice which may be in the form of Appendix G informing the Taker that the Provider wishes to Transfer to the Taker specified Substitute Margin in exchange for specified Equivalent Margin.

Section 5.43 Threshold. “Threshold” means, with respect to a party, the amount (expressed in the Base Currency) specified as such for that party in the Supplement or, if no amount is specified, zero.

Section 5.44 Transaction. “Transaction” means any transaction governed by an Agreement or otherwise as specified in the Supplement.

Section 5.45 Transfer. “Transfer” means:

(a) in relation to Cash, payment or delivery by wire transfer into one or more bank accounts, as specified in the Supplement;

(b) in relation to certificated securities that cannot, or which the parties have agreed will not, be paid or delivered by book-entry, payment or delivery in appropriate physical form to the recipient or its account accompanied by any duly executed instruments of transfer, assignments in blank, transfer tax stamps and any other documents necessary to constitute a valid and legally effective transfer to the recipient, as specified in the Supplement; and

(c) in relation to securities that must, or which the parties have agreed will, be paid or delivered by book-entry, Initiating the Transfer by the giving of written instructions (including instructions given by telephone, facsimile transmission, telex, e-mail or message generated by an electronic messaging system or otherwise) to the relevant depository institution or other entity specified by the recipient, together with a written copy thereof to the recipient, sufficient if complied with to result in a valid and legally effective transfer of the relevant interest to the recipient, as specified in the Supplement.

Section 5.46 Undisputed Amount. “Undisputed Amount” means the amount of any demand identified by the Disputing Party as being undisputed if the Disputing Party is the Call Recipient and the amount of Eligible Margin Transferred if the Disputing Party is the Calling Party. The Undisputed Amount is zero when the parties disagree as to which party must Transfer Eligible Margin or Equivalent Margin or disagree as to whether the Minimum Transfer Amount has been exceeded.

Section 5.47 Valuation Data. “Valuation Data” includes all relevant publicly available rates, prices, spreads and statistics (and historical or predictive compilations of the same) and similar materials used in valuing Transactions or Margin Received and such other material as a party may provide to the other party.

Section 5.48 Valuation Date. Unless otherwise specified in the Supplement, “Valuation Date” means each Margin Business Day.

Section 5.49 Valuation Percentage. “Valuation Percentage” means, with respect to an item of Eligible Margin, the percentage specified in the Supplement, or if no such percentage is specified, 100%.

Section 5.50 Valuation Time. “Valuation Time” means 5:00 p.m. in the relevant market on the Margin Business Day immediately preceding the relevant Valuation Date.

Section 5.51 Value. Subject to Section 1.6, for any Valuation Date or other date for which Value is calculated, “Value” means:

(a) with respect to Eligible Margin or Margin Received that is an amount of Cash, such amount (expressed in the Base Currency) multiplied by the applicable Valuation Percentage, if any;

(b) with respect to Eligible Margin or Margin Received that is a security, an amount (expressed in the Base Currency) equal to the bid price obtained by the Calling Party multiplied by the nominal amount of such security, plus any income which, as of such date, has accrued but not yet been paid in respect of the security to the extent not included in such price as of such date, multiplied by the applicable Valuation Percentage, if any; and

(c) with respect to Margin Received that consists of items that are not specified as Eligible Margin, an amount equal to zero.

NOTE: THIS SUPPLEMENT IS DESIGNED FOR USE WITH THE 2001 ISDA MARGIN PROVISIONS. THIS SUPPLEMENT MUST BE READ IN CONJUNCTION WITH THOSE PROVISIONS.

ISDA

International Swaps and Derivatives Association, Inc.

2001 ISDA MARGIN SUPPLEMENT, dated as of _____

to the following Agreements: dated as of _____

_____ dated as of _____

_____ dated as of _____

_____ dated as of _____

between

_____ and _____
("Party A") ("Party B")

This 2001 ISDA Margin Supplement (this "Supplement") supplements, forms part of, and is subject to, the above-referenced Agreements and the 2001 ISDA Margin Provisions (the "Provisions"), as published by the International Swaps and Derivatives Association, Inc. The Provisions are incorporated into this Supplement to the extent set out below. In the event of any inconsistency between this Supplement and the Provisions or the provisions of the above-referenced Agreements, this Supplement will prevail. In the event of any inconsistency between the provisions of any Confirmation and the Provisions (including the Supplement), such Confirmation will prevail for purposes of the relevant Transaction or Transactions.

Supplement

Paragraph 1. Margin Approach. Part [2] [3] [and Section ____ of Part 4] of the Provisions [is] [are] hereby incorporated into this Supplement.¹

Paragraph 2. Exposure. Transactions or classes of Transactions which are not to be taken into account when calculating Exposure: _____.

Paragraph 3. Base Currency. Base Currency has the following meaning: _____, if such currency is freely available.

¹ In some cases, for legal reasons, parties may wish to apply one margin approach to a particular class of Eligible Margin, and apply another margin approach to another class of Eligible Margin. Accordingly, in lieu of Paragraph 1, parties may wish to include the following sentence: "In respect of any Eligible Margin specified in Paragraph 4 below, the relevant Part of the Provisions corresponding to such Eligible Margin (as detailed in Paragraph 4 below) is hereby incorporated into this Supplement in respect of such Eligible Margin."

Paragraph 4. Margin.²

Eligible Margin for Party A	Valuation Percentage
(A) Cash (denominated in the currencies specified here)	
(B) Securities (listed by issuer and with any conditions as to remaining maturity)	

Eligible Margin for Party B	Valuation Percentage
(A) Cash (denominated in the currencies specified here)	
(B) Securities (listed by issuer and with any conditions as to remaining maturity)	

Paragraph 5. Structural Parameters³

Party A	Fixed amount in Base Currency
Lock-up Margin	
Additional Margin Amount	
Threshold	
Minimum Transfer Amount	

² As noted in footnote 1 of the Supplement above, where different Parts apply to different types of Eligible Margin, the parties should specify the Part applicable to each type of Eligible Margin in this Paragraph 4.

³ The parties may choose from the parameters offered, deleting those they determine to be inapplicable.

Party A may make a demand under Section 1.1(c)(ii) in the following circumstances:

if no Transactions are outstanding between the parties and Party A has no payment obligations, absolute or contingent, other than with respect to a tax gross-up or similar ancillary contingent obligation or any contingent obligation under Section 1.10(a) and Section 2.6, if applicable, pursuant to any Agreement.

if Party B's Exposure is equal to or less than _____.

Party B	Fixed amount in Base Currency
Lock-up Margin	
Additional Margin Amount	
Threshold	
Minimum Transfer Amount	

Party B may make a demand under Section 1.1(c)(ii) in the following circumstances:

if no Transactions are outstanding between the parties and Party B has no payment obligations, absolute or contingent, other than with respect to a tax gross-up or similar ancillary contingent obligation or any contingent obligation under Section 1.10(a) and Section 2.6, if applicable, pursuant to any Agreement.

if Party A's Exposure is equal to or less than _____.

Rounding. [The Delivery Amount and the Return Amount will each be rounded down to the nearest integral multiple of .../up and down to the nearest integral multiple of ..., respectively⁴]

Paragraph 6. Dispute Resolution – Dispute Termination Event. For purposes of sub-Sections 1.6(b)(v)(F) and 1.6(c)(v), Dispute Termination Event is not applicable between the parties, unless otherwise stated here: _____.

⁴ Delete as applicable.

Paragraph 7. Dispute Resolution – Value. For the purpose of sub-Section 1.6(c)(iii), the Value of Eligible Margin or Margin Received will be re-calculated based on the higher of the bid price quoted by the Call Recipient or the offer price quoted by the Calling Party, in each case on the basis of a purchase by the Call Recipient from or a sale by the Calling Party to, independent third party dealers in the relevant security.

Paragraph 8. Consent to Substitution. If specified here as applicable, then the Provider must obtain the Taker’s consent for any substitution pursuant to Section 1.7(d): [applicable/inapplicable].⁵

Paragraph 9. Interest Rate, Interest Amount and Interest Period. The Interest Rate in relation to Eligible Margin comprised of Cash in each currency will be:

Cash (specify currency)	Interest Rate

The Interest Amount will be computed for each Interest Period on a simple basis, pursuant to Section 1.8(c), unless otherwise stated here: _____.

The Interest Period end dates will be [the first calendar day of each month] [any date on which a Return Amount consisting wholly or partly of Cash is Transferred to the Provider pursuant to Section 1.1(b)] [specify other Interest Period end dates].

Paragraph 10. Demands and Notices.

Addresses for Demands and Notice:

Party A: _____.

Party B: _____.

Paragraph 11. Transfer Information.

Party A: _____.

Party B: _____.

Paragraph 12. Conditions Precedent and Rights and Remedies. The following events will be a Specified Condition for the party specified: _____.

⁵ The parties should consider selecting “applicable” where substitution without consent could give rise to a registration requirements to perfect properly the security interest in Margin Received (e.g., where a party is the New York branch of an English bank).

Paragraph 13. Obligations. The term “Obligations” as used in the Provisions includes the following additional obligations:

With respect to Party A: _____.

With respect to Party B: _____.

Security Interest Approach (Part 2) Only:

Paragraph 14. Eligibility to Hold Margin Received; Custodians. Party A and its Custodian will be entitled to hold Margin Received pursuant to Section 2.2(b); *provided* that the following conditions applicable to Party A are satisfied:

(i) An Event of Default with respect to Party A has not occurred and is then continuing.

(ii) Margin Received may be held only in the following jurisdictions:
_____.

Initially, the Custodian for Party A is _____.

Party B and its Custodian will be entitled to hold Margin Received pursuant to Section 2.2(b); *provided* that the following conditions applicable to Party B are satisfied:

(i) An Event of Default with respect to Party B has not occurred and is then continuing.

(ii) Margin Received may be held only in the following jurisdictions:
_____.

Initially, the Custodian for Party B is _____.

Paragraph 15. Use of Margin Received. The provisions of Section 2.2(c) will not apply to the [party/parties] specified here:

[] Party A

[] Party B

and [that party/those parties] will not be permitted to:_____.

Paragraph 16. Other Provisions. ⁶

IN WITNESS WHEREOF the parties have executed this document on the respective dates set forth below with effect from the date of the Supplement referenced on the first page of this document.

(Name of Party)

(Name of Party)

By: _____
Name:
Title:
Date:

By: _____
Name:
Title:
Date:

⁶ Parties should specify any other agreed terms not addressed in the Supplement or Provisions. In particular, parties should note that the following terms will have the meanings given to them in the appropriate Sections of the Provisions unless otherwise specified here: Base Currency, Margin Business Day; Confirmation; Distributions; and Settlement Date. In addition, any other provisions in the 2001 Margin Provisions can be modified by agreement of the parties by including the agreed modification in this Supplement.

DRAFT FORM OF NOTICE OF TRANSFER

ISDA

International Swaps and Derivatives Association, Inc.

NOTICE OF TRANSFER

Date: []

To: [Name and address, telex number, electronic messaging address, e-mail address or facsimile number of [Calling Party]

From: [Call Recipient]

Re: Notice of Transfer

Dear _____:

This Notice is to confirm that the following type(s) of Eligible Margin or Equivalent Margin that the undersigned is delivering to you, the Settlement Date applicable to such Eligible Margin or Equivalent Margin and the fact that the Transfer has been Initiated as required by Section 1.3 of the 2001 ISDA Margin Provisions (the “Provisions”) incorporated in the [Agreements] between us. Specifically, [describe type of Eligible Margin or Equivalent Margin and applicable Settlement Date(s)].

(Name of Party)

By: _____

Name:

Title:

Date:

DRAFT FORM OF UNDER SECTION 1.3(e)

ISDA

International Swaps and Derivatives Association, Inc.

SECTION 1.3(e) NOTICE

Date: []

To: [Name and address, telex number, electronic messaging address, e-mail address or facsimile number of [Call Recipient] [Taker]]

From: [Party A]

Re: Section 1.3(e)

Dear _____:

This Notice is to inform you that you have failed to

[SPECIFY THE FOLLOWING AS APPROPRIATE:]

[make a Transfer of [Eligible Margin] [Substitute Margin] [Equivalent Margin] [Interest Amount]]

[give Notice of a Transfer of [Eligible Margin] [Substitute Margin] [Equivalent Margin] [Interest Amount] [Equivalent Distributions]

as required by the 2001 ISDA Margin Provisions (the "Provisions") incorporated in the [Agreements] between us.

You are hereby requested to [make such Transfer] [provide such Notice] by [specify time] on [specify date]¹, and in the event you fail to do so, we shall be entitled to exercise such remedies as may be available to us, including, without limitation, under Section 1.4(b) of the Provisions.

(Name of Party)

By: _____

Name:

Title:

Date:

¹ The Calling Party should consider, based on the facts and circumstances at the time, whether a shorter or longer timeframe is appropriate. Where the Notice relates to a failure to give Notice required by Section 1.3(b), the Calling Party may wish to specify a short time period in the event there is concern about whether the failure to give such Notice may relate to a failure by the Call Recipient to Initiate Transfer of Eligible Margin or Equivalent Margin.

DRAFT FORM OF NOTICE UNDER SECTION 1.4(b)

ISDA

International Swaps and Derivatives Association, Inc.

SECTION 1.4(b) NOTICE

Date: []

To: [Name and address, telex number, electronic messaging address, e-mail address or facsimile number of [Call Recipient] [Taker]]

From: [Party A]

Re: Section 1.4(b)

Dear _____:

This Notice is to inform you that you have failed to:

[SPECIFY THE FOLLOWING AS APPROPRIATE:]

[make a Transfer of [Eligible Margin] Substitution Margin] [Equivalent Margin] [Interest Amount] [Equivalent Distributions]]

[give Notice of a Transfer of [Eligible Margin] [Substitute Margin] [Equivalent Margin] [Interest Amount] [Equivalent Distributions]]

[comply with [specify relevant agreement or obligation under the Provisions or the Supplement]]

as required by the 2001 ISDA Margin Provisions (the “Provisions”) incorporated in the [Agreements] between us. In the event you do not remedy such failure on or before the first Margin Business Day after this Notice, an Event of Default will exist with respect to you for purposes of Section 5(a)(iii)(1) of the ISDA Master Agreement] [_____] will exist with respect to you for the purposes of [the relevant provision in the non-ISDA Master Agreement] dated as of [date] between us, and we will be entitled to exercise such remedies as may be provided for under the Agreement and the Provisions.

(Name of Party)

By: _____

Name:

Title:

Date:

DRAFT FORM OF NOTICE OF DISPUTE**ISDA**

International Swaps and Derivatives Association, Inc.

NOTICE OF DISPUTE WITH RESPECT TO A DEMAND FOR MARGIN

Date: []

To: [Telex number, electronic messaging address, e-mail address or facsimile number of Calling Party]

From: [Party A]

Re: Demand for Margin

Dear _____:

This constitutes a Notice of Dispute for the purposes of Section 1.6(b) of the 2001 ISDA Margin Provisions (the “Provisions”) incorporated in the Agreement[s] between us. The purpose of this Notice of Dispute is to inform you that we dispute the accuracy of the following demand for margin made by you:

Terms of Demand for Margin	
Time and date when the demand was received in the location of the Disputing Party as specified in the Supplement as its address for Notices:	[]
Date of 2001 ISDA Margin Supplement under which the demand for margin was made:	[]
Value of margin demanded:	[]
Undisputed Amount:	[]

Please note that we intend to forward Portfolio Information to you by 5:00 p.m. in the manner agreed by us in Section 1.6(b) of the Provisions referred to above.

Please refer to Section 1.6 of the Provisions between us for the timetable and procedures for dispute resolution.

(Name of Party)

By: _____

Name:

Title:

Date:

DRAFT FORM OF NOTICE OF DISPUTE**ISDA**

International Swaps and Derivatives Association, Inc.

NOTICE OF DISPUTE WITH RESPECT TO THE VALUE OF MARGIN TRANSFERRED

Date: []

To: [Telex number, electronic messaging address, e-mail address or facsimile number of Calling Party]

From: [Party A]

Re: Value of Margin Transferred

Dear _____:

This constitutes a Notice of Dispute under Section 1.6(c) of the 2001 ISDA Margin Provisions (the "Provisions") incorporated in the Agreement[s] between us. The purpose of this Notice of Dispute is to inform you that we wish to dispute the Value of margin (or for which Transfer has been Initiated):

Terms of Demand for Margin	
Time and date when the demand was received in the location of the Disputing Party as specified in the Supplement as its address for Notices:	[]
Date of 2001 ISDA Margin Supplement under which the demand for margin was made:	[]
Type of margin Transferred:	[]
Value of margin required to be Transferred:	[]
Value of margin Transferred as calculated by us:	[]

Please refer to Section 1.6 of the Provisions between us for the timetable and procedures for dispute resolution.

(Name of Party)

By: _____

Name:
Title:
Date:

DRAFT FORM OF SUBSTITUTION NOTICE**ISDA**

International Swaps and Derivatives Association, Inc.

SUBSTITUTION NOTICE

Date: []

To: [Name and address, telex number, electronic messaging address, e-mail address or facsimile number of Taker]

From: [Party A]

Re: Substitute Margin

Dear _____:

This constitutes a Substitution Notice under Section 1.7 of the 2001 ISDA Margin Provisions (the “Provisions”) incorporated in the Agreement[s] between us. The purpose of this Substitution Notice is to inform you that we wish to exchange Substitute Margin in accordance with the Section 1.7 of the Provisions. The Substitute Margin specified below will be in exchange for the Equivalent Margin specified below. The Equivalent Margin specified in this Substitution Notice relates to Eligible Margin that was Transferred to you on [date].

Securities¹	Substitute Margin	Equivalent Margin
Name of issuer of securities:		
Name of the issue of securities:		
CUSIP and/or ISIN number:		
Currency of denomination:		
Cash:		
Currency:		

(Name of Party)

By: _____

Name:

Title:

Date:

¹ The characteristics listed are examples of information that would be relevant in connection with Substitution. Parties may wish to include additional items, such as current value, face amount and relevant transfer instructions, for example.

**Additional Definitions With Respect to Margin Subject to Article 8 of the
New York Uniform Commercial Code**

(a) **Entitlement Holder.** “Entitlement Holder” means a party identified in the records of a Securities Intermediary as the party having a Security Entitlement against the Securities Intermediary. If a party acquires a Security Entitlement by virtue of a Transfer pursuant to sub-Section (g)(i)(B) or (C) below, that party is the Entitlement Holder.

(b) **Entitlement Order.** “Entitlement Order” means a notification communicated to a Securities Intermediary directing Transfer or redemption of a Financial Asset to which the Entitlement Holder has a Security Entitlement.

(c) **Financial Asset.** “Financial Asset” has the meaning set forth in Section 8-102 of the New York Uniform Commercial Code, as amended from time to time.

(d) **Securities Account.** “Securities Account” means an account to which a Financial Asset is or may be credited in accordance with an agreement under which the person maintaining the account undertakes to treat the person for whom the account is maintained as entitled to exercise the rights that comprise the Financial Asset.

(e) **Securities Intermediary.** “Securities Intermediary” means (i) a clearing corporation; or (ii) a person, including a bank or broker, that in the ordinary course of its business maintains Securities Accounts for others and is acting in that capacity.

(f) **Security Entitlement.** “Security Entitlement” means the rights and property interests of an Entitlement Holder identified as such under Section 8-501 of the New York Uniform Commercial Code, as amended from time to time.

(g) **Transfer.** Transfer has the meaning specified in Section 5.45, with the addition of the following clauses:

(i) in the case of a Security Entitlement:

(A) a Securities Intermediary's indication by book entry that a Financial Asset has been credited to the recipient's Securities Account with the Securities Intermediary; or

(B) a Securities Intermediary's receipt of a Financial Asset from the recipient or acquisition of a Financial Asset for the recipient and, in either case, acceptance of the Financial Asset for credit to the recipient's account with the Securities Intermediary; or

(C) a Securities Intermediary's incurrence otherwise of an obligation under law, regulation or rule to credit a Financial Asset to the recipient's Securities Account with the Securities Intermediary; or

(D) the recipient's agreement with a Securities Intermediary, consented to by the other party who is the Entitlement Holder, that the Securities Intermediary will comply with Entitlement Orders originated by the recipient without further consent by the Entitlement Holder; or

(E) the recipient is the Securities Intermediary for the other party, who is the Entitlement Holder.

(ii) in the case of a Securities Account, the Transfer of all Security Entitlements contained in the Securities Account.

2001 ISDA Margin Provisions
Part 4 – Elective Provisions
Erratum dated March 28, 2002

Preamble

The preamble in Part 4 should be deleted in its entirety and replaced by:

“The parties may elect to incorporate the relevant Section of this Part 4 into the Supplement to have one or more of the following Sections apply to Transfers of Cash or other property under these Provisions. Parties may agree to govern such Section by laws different from the governing law chosen by the parties in other Sections of these Provisions.”

Section 4.1(a)(i)

The phrase “(for the avoidance of doubt, if these Provisions are governed by Japanese law or if the term *shohi-taishaku* is to be construed under Japanese law)” should be replaced by:

“(for the avoidance of doubt, if such term is to be construed under Japanese law, *shohi-taishaku*)”.

The phrase “(for the avoidance of doubt, if these Provisions are governed by Japanese law or if the term *shohi-kitaku* is to be construed under Japanese law)” should be replaced by:

“(for the avoidance of doubt, if such term is to be construed under Japanese law, *shohi-kitaku*)”.

Section 4.1(c)

The term “...the 2001 ISDA Margin Provisions” should be replaced by “this Agreement”.

Section 4.1(d)

The first sentence in Section 4.1(d) is amended to read:

“The Transaction(s) under this Section 4.1 shall be governed by and construed in accordance with the law chosen by the parties in the Governing Law section of the Schedule to this Agreement, unless the parties agree otherwise in the Supplement. If the laws of Japan apply for purposes of this Section 4.1, the following shall apply:”.