

# ISDA<sup>®</sup>

International Swaps and Derivatives Association, Inc.

## EMU PROTOCOL

published on 6th May, 1998

by the International Swaps and Derivatives Association, Inc.

The International Swaps and Derivatives Association, Inc. ("ISDA") has published this EMU Protocol (this "Protocol") to enable the parties to an ISDA Interest Rate and Currency Exchange Agreement or an ISDA Master Agreement (Multicurrency—Cross Border) (each an "ISDA Master Agreement") to amend that ISDA Master Agreement to confirm their intentions in respect of certain matters arising in connection with European Economic and Monetary Union.

Accordingly, a party to an ISDA Master Agreement may adhere to this Protocol and be bound by its terms by completing and delivering a letter substantially in the form of Exhibit 1 to this Protocol (an "Adherence Letter") to ISDA, as agent, as set forth below.

### **1. Amendments**

(a) By adhering to this Protocol in the manner set forth in Section 2 below, a party (an "Adhering Party") to an ISDA Master Agreement may effect one or more amendments to each ISDA Master Agreement between it and any other Adhering Party, in each case on the terms and subject to the conditions set forth in this Protocol and the relevant Adherence Letter.

(b) The amendments provided for in this Protocol are set forth in Annexes 1 to 5, and each Adhering Party may specify in its Adherence Letter its preference that one or more of these Annexes are applicable.

(c) In respect of any ISDA Master Agreement between two Adhering Parties, where at least one Adhering Party has specified a preference that less than all the Annexes are applicable, that ISDA Master Agreement will be modified only by those amendments contained in the Annexes that both parties have specified.

### **2. Adherence and Effectiveness**

(a) Adherence to this Protocol will be evidenced by the execution and delivery, in accordance with Section 5(f) below, to ISDA, as agent, of an Adherence Letter by an Adhering Party on or before 30th September, 1998.

(i) Each Adhering Party will deliver two copies of the Adherence Letter, one a manually signed original and the other a conformed copy containing, in place of each signature, the printed or typewritten name of each signatory.

(ii) Each Adhering Party agrees that, for evidentiary purposes, a conformed copy of an Adherence Letter certified by the General Counsel or an appropriate officer of ISDA will be deemed to be an original.

(b) Any amendment of an ISDA Master Agreement pursuant to this Protocol will be effective on receipt by ISDA, as agent, of an Adherence Letter from each party to that ISDA Master Agreement.

(c) This Protocol is intended for use without negotiation, but without prejudice to any amendment, modification or waiver in respect of an ISDA Master Agreement that the parties may otherwise effect in accordance with the terms of that ISDA Master Agreement.

(i) In adhering to this Protocol, an Adhering Party may not specify additional provisions, conditions or limitations in its Adherence Letter or otherwise.

(ii) Any purported adherence that ISDA, as agent, determines in good faith is not in compliance with this Section will be void.

### 3. Representations

Each Adhering Party represents to each other Adhering Party with which it has an ISDA Master Agreement, on the date on which the later of them adheres to this Protocol in accordance with Section 2 above and in respect of each ISDA Master Agreement between them, that:

(a) **Status.** It (i) is, if relevant, duly organised and validly existing under the laws of the jurisdiction of its organisation or incorporation and, if relevant under such laws, in good standing or (ii) if it has otherwise represented its status in or pursuant to the ISDA Master Agreement, confirms that representation;

(b) **Powers.** It has the power to execute and deliver the Adherence Letter and to perform its obligations under the Adherence Letter and the ISDA Master Agreement, as amended by the Adherence Letter and this Protocol, and has taken all necessary action to authorise such execution, delivery and performance;

(c) **No Violation or Conflict.** Such execution, delivery and performance do not violate or conflict with any law applicable to it, any provision of its constitutional documents, any order or judgment of any court or other agency of government applicable to it or any of its assets or any contractual restriction binding on or affecting it or any of its assets;

(d) **Consents.** All governmental and other consents that are required to have been obtained by it with respect to the Adherence Letter and the ISDA Master Agreement, as amended by the Adherence Letter and this Protocol, have been obtained and are in full force and effect and all conditions of any such consents have been complied with;

(e) **Obligations Binding.** Its obligations under the Adherence Letter and the ISDA Master Agreement, as amended by the Adherence Letter and this Protocol, constitute its legal, valid and binding obligations, enforceable in accordance with their respective terms (subject to applicable bankruptcy, reorganisation, insolvency, moratorium or similar laws affecting creditors' rights generally and subject, as to enforceability, to equitable principles of general application (regardless of whether enforcement is sought in a proceeding in equity or at law)); and

(f) **Credit Support.** Its adherence to this Protocol or any amendment contemplated by this Protocol will not, in and of itself, adversely affect any obligations owed, whether by it or by any third party, under any Credit Support Document which it is required to deliver under that ISDA Master Agreement.

Each Adhering Party agrees with each other Adhering Party with which it has an ISDA Master Agreement that each of the foregoing representations will be deemed to be a representation for purposes of Section 5(a)(iv) of each ISDA Master Agreement between them.

#### **4. Evidence of Capacity and Authority**

Each Adhering Party may deliver to ISDA, as agent, such evidence as it deems appropriate to evidence its capacity to adhere to this Protocol and the authority of anyone signing on its behalf.

#### **5. Miscellaneous**

(a) **Entire Agreement; Restatement.**

(i) This Protocol constitutes the entire agreement and understanding of the Adhering Parties with respect to its subject matter and supersedes all oral communication and prior writings (except as otherwise contemplated or provided in an Annex or elsewhere in this Protocol) with respect thereto.

(ii) Except for any amendment to an ISDA Master Agreement made pursuant to this Protocol, all terms and conditions of that ISDA Master Agreement will continue in full force and effect in accordance with its provisions on the effective date of that amendment. As used in that ISDA Master Agreement, the terms "Agreement", "this Agreement" and words of similar import will, unless the context otherwise requires, mean the ISDA Master Agreement as amended pursuant to this Protocol in accordance with the relevant Adherence Letters.

(b) **Amendments.** No amendment, modification or waiver in respect of the matters contemplated by this Protocol will be effective unless made in accordance with the terms of an ISDA Master Agreement and then only with effect between the parties to that ISDA Master Agreement.

(c) **Limited Right to Revoke.** Adherence to this Protocol is irrevocable except that an Adhering Party may, by subsequently delivering to ISDA, as agent, a notice substantially in the form of Exhibit 2 to this Protocol (a "Revocation Notice"), designate a date (an "Earlier Cut-off Date") earlier than 30th September, 1998 as the last date on which any counterparty may adhere to this Protocol in respect of any ISDA Master Agreement between them.

(i) Any designated Earlier Cut-off Date that would otherwise fall on a day that is less than three days following the day on which the Revocation Notice is effectively delivered will be deemed to occur on the day that is three days following the date of effective delivery. Any designated Earlier Cut-off Date that would otherwise fall on a day that is not a day on which the receiving ISDA office is open will be deemed to occur on the earlier of (1) the next day that ISDA office is open and (2) 30th September, 1998.

(ii) Upon the effective designation of an Earlier Cut-off Date by an Adhering Party, this Protocol will not amend or otherwise affect any ISDA Master Agreement between that Adhering Party and a party which adheres to this Protocol after that Earlier Cut-off Date occurs or is deemed to occur. The foregoing is without prejudice to any amendment to any ISDA Master Agreement between two Adhering Parties effected pursuant to this Protocol on or before the day on which that Earlier Cut-off Date occurs or is deemed to occur, which will continue in full force and effect.

- (iii) Each Revocation Notice must be delivered in duplicate, one a manually signed original and the other a conformed copy containing, in place of each signature, the printed or typewritten name of each signatory.
- (iv) Each Adhering Party agrees that, for evidentiary purposes, a conformed copy of a Revocation Notice certified by the General Counsel or an appropriate officer of ISDA will be deemed to be an original.
- (v) Any purported revocation that ISDA, as agent, determines in good faith is not in compliance with this Section will be void.
- (d) **Headings.** The headings used in this Protocol and any Adherence Letter are for purposes of reference only and are not to affect the construction of or to be taken into consideration in interpreting this Protocol or any Adherence Letter.
- (e) **Governing Law.** This Protocol and each Adherence Letter will, as between two Adhering Parties and in respect of each ISDA Master Agreement between them, be governed by and construed in accordance with the law specified to govern that ISDA Master Agreement.
- (f) **Notices.** Any Adherence Letter or Revocation Notice must be in writing and delivered in person or by courier to ISDA at either 600 Fifth Avenue, 27th Floor, Rockefeller Center, New York, NY 10020-2302 or One New Change, London EC4M 9QQ and will be deemed effectively delivered on the date it is delivered unless on the date of that delivery the receiving ISDA office is closed or that communication is delivered after 3:00 p.m., local time in the city where delivery is made, in which case that communication will be deemed effectively delivered on the next day the relevant ISDA office is open.

## 6. Definitions

As used in the Annexes:

References to the "1991 Definitions", the "1998 Supplement", the "1992 FX Definitions", the "1997 Government Bond Option Definitions" and the "1998 FX Definitions" mean the 1991 ISDA Definitions, the 1998 Supplement to the 1991 ISDA Definitions, the 1992 ISDA FX and Currency Option Definitions, the 1997 ISDA Government Bond Option Definitions and the 1998 FX and Currency Option Definitions, respectively (each as published by ISDA or, in the case of the 1998 FX Definitions, by ISDA, the Emerging Markets Traders Association and The Foreign Exchange Committee);

"Confirmation", with respect to a Transaction, has the meaning given that term in the related ISDA Master Agreement;

"Transaction" means a Swap Transaction or a Transaction entered into under an ISDA Master Agreement between two Adhering Parties; and

The terms "euro unit", "national currency unit", "participating member state" and "transitional period" have the meanings given to those terms in the European Council Regulation on the legal framework for the introduction of the euro, which it is currently anticipated will come into force on 1st January, 1999.

## ANNEX 1

### ISDA EMU CONTINUITY PROVISION

The terms of each ISDA Master Agreement are amended by the addition of the following clause:

"(a) The parties confirm that, except as provided in subsection (b) below, the occurrence or non-occurrence of an event associated with economic and monetary union in the European Community will not have the effect of altering any term of, or discharging or excusing performance under, the Agreement or any Transaction, give a party the right unilaterally to alter or terminate the Agreement or any Transaction or, in and of itself, give rise to an Event of Default, Termination Event or otherwise be the basis for the effective designation of an Early Termination Date.

"An event associated with economic and monetary union in the European Community" includes, without limitation, each (and any combination) of the following:

- (i) the introduction of, changeover to or operation of a single or unified European currency (whether known as the euro or otherwise);
  - (ii) the fixing of conversion rates between a member state's currency and the new currency or between the currencies of member states;
  - (iii) the substitution of that new currency for the ECU as the unit of account of the European Community;
  - (iv) the introduction of that new currency as lawful currency in a member state;
  - (v) the withdrawal from legal tender of any currency that, before the introduction of the new currency, was lawful currency in one of the member states; or
  - (vi) the disappearance or replacement of a relevant rate option or other price source for the ECU or the national currency of any member state, or the failure of the agreed sponsor (or a successor sponsor) to publish or display a relevant rate, index, price, page or screen.
- (b) Any agreement between the parties that amends or overrides the provisions of this Section in respect of any Transaction will be effective if it is in writing and expressly refers to this Section or to European monetary union or to an event associated with economic and monetary union in the European Community and would otherwise be effective in accordance with Section 9(b)."

## ANNEX 2

### PRICE SOURCES

In respect of each Transaction entered into before the start of the third stage of European Economic and Monetary Union ("EMU") pursuant to which amounts are payable by reference to rates for deposits in the ECU or the national currency unit of a participating member state (a "Legacy Transaction"), including (but not limited to) Legacy Transactions evidenced by a Confirmation incorporating the 1991 Definitions (whether or not supplemented by the 1998 Supplement):

(a) ***Disappearance of Price Sources.*** The parties recognise that the introduction of the euro at the start of the third stage of EMU may result in (i) the disappearance of certain published or displayed rates for deposits in the ECU or a national currency unit used to determine a Relevant Rate or (ii) changes in the way those rates are quoted and published or displayed.

(b) ***Fallbacks.*** Accordingly, the parties agree that, where a Relevant Rate is to be determined after the start of the third stage of EMU by reference to a rate for deposits in the ECU or a national currency unit which appears on a designated display page or in another published source, in accordance with the Floating Rate Option specified in the relevant Confirmation, and if the relevant information vendor has ceased to publish or display rates for deposits in the ECU or the relevant national currency unit, as the case may be, on or in the designated page or publication, then the Relevant Rate will be determined in accordance with the first applicable fallback so that:

(i) if rates for deposits in euros appear on or in the designated page or publication, the Relevant Rate will be determined by reference to those rates instead; or

(ii) if rates for deposits in euros do not appear on or in the designated page or publication, the Relevant Rate will be determined by reference to rates for deposits in euros which appear on or in the successor page or publication, if any, officially designated by the sponsor of the designated page or publication, and, for this purpose, the relevant sponsor and any designation it has made will be determined where possible by reference to the Price Sources Update published by ISDA (the "Price Sources Update"); or

(iii) if the relevant sponsor is not identified in the Price Sources Update or the sponsor has not officially designated a successor page or publication, the Relevant Rate will be determined by reference to rates for deposits in euros which appear on the successor page or publication, if any, designated by the relevant information vendor; or

(iv) if the relevant information vendor has not designated a successor page or publication and if the specified Floating Rate Option refers to a published rate for deposits in the ECU or a national currency unit (the "Original Rate") based on quotations provided by banks in the participating member states (a "Domestic Rate"), the Relevant Rate will be determined by reference to rates for deposits in euros which appear on a display page on any screen service selected by the Calculation Agent and maintained by any recognised information vendor (including, without limitation, the Reuter Monitor Money Rates Service, the Dow Jones Telerate Service and the Bloomberg service) for the display of EURIBOR or, if the Floating Rate Option refers to reference rates for overnight deposits in the national currency unit, EONIA (a "EURIBOR Screen"), for which purpose "EURIBOR" and "EONIA" each means the rate for deposits in euros designated as such and sponsored jointly by the European Banking Federation and ACI - The Financial Market Association (or any company established by the joint sponsors for the purpose of compiling and publishing such rates); or

(v) if the rate for a Reset Date cannot be determined by reference to rates for deposits in euros which appear on a EURIBOR Screen or if the Original Rate was not a Domestic Rate,

the rate for that Reset Date will be determined on the basis of the rates at which deposits in euros are offered by four major banks (the "Reference Banks") (1) if the Original Rate was a Domestic Rate, in the Euro-zone, to prime banks in the Euro-zone interbank market and (2) if the Original Rate was not a Domestic Rate, in the interbank market in the place where banks would have been polled for purposes of the Original Rate (the "Off Shore Center") to prime banks in that interbank market, in each case for a period of the Designated Maturity commencing on that Reset Date and in a Representative Amount. The Calculation Agent will request the principal Euro-zone or Off Shore Center office of each of the Reference Banks to provide a quotation of its rate. If at least two quotations are provided, the rate for that Reset Date will be the arithmetic mean of the quotations. If fewer than two quotations are provided as requested, the rate for that Reset Date will be the arithmetic mean of the rates quoted by major banks in the Euro-zone or Off Shore Center, as appropriate, selected by the Calculation Agent, for loans in euros to leading European banks for a period of the Designated Maturity commencing on that Reset Date and in a Representative Amount. For the purpose of this provision, "Euro-zone" means the region comprised of the participating member states.

(c) **Adjustment to Day Count Fraction.** The parties recognise that rates for deposits or loans, as appropriate, in euros which appear on or in the designated page or publication, the successor page or publication or a EURIBOR Screen or are quoted by the Reference Banks (the "Replacement Euro Source") may be determined on the basis of a different day count fraction (the "Euro Day Count Fraction") from that on which rates for deposits in the ECU or the relevant national currency unit originally displayed on or in the designated page or publication were based (the "Original Day Count Fraction"). Where the Relevant Rate is determined pursuant to paragraph (b) above and the Euro Day Count Fraction is different from the Original Day Count Fraction, the parties agree that an adjustment should be made to the rate determined pursuant to paragraph (b) above to reflect the Original Day Count Fraction and that the Calculation Agent will (i) if the Replacement Euro Source displays alternative rates reflecting different day count fractions, determine the Relevant Rate by reference to the alternative that reflects the Original Day Count Fraction or (ii) if no such alternative is available, make any adjustment to the rate for deposits or loans, as appropriate, in euros obtained from the Replacement Euro Source that may be necessary to reflect the Original Day Count Fraction.

(d) **Preserving Fixing Dates.** The parties recognise that the Floating Rate Option specified in the relevant Confirmation defines the Banking Day or Business Day on or preceding a Reset Date (the "Fixing Date") on which the Relevant Rate for that Reset Date is to be determined. The parties also recognise that the rates for deposits or loans, as appropriate, in euros which appear on or in the Replacement Euro Source may be determined on the basis of a different assumption as to the period (the "Fixing Period") between the Fixing Date and the Reset Date. Notwithstanding this difference, the parties agree that, for the purposes of paragraph (b) above, the original Fixing Period should be maintained and the Relevant Rate for a Reset Date will continue to be determined on the Fixing Date.

(e) **Adjustment to Fixing Time.** The parties recognise that the Floating Rate Option specified in the relevant Confirmation defines the time (the "Fixing Time") on a Fixing Date as of which the Relevant Rate for that Reset Date is to be determined. The parties also recognise that the rates for deposits in euros which appear on or in the Replacement Euro Source may be quoted and displayed as of a different time (the "Euro Fixing Time"). Where the Relevant Rate is determined pursuant to paragraph (b) above and the Euro Fixing Time is different from the Fixing Time, the parties agree that the Relevant Rate will be determined as of the Euro Fixing Time.

(f) **Interpretation of Capitalised Terms.** Capitalised terms not otherwise defined in this Annex 2 will have the meanings specified in the 1991 Definitions but will also include terms of similar import that are included or incorporated in a Confirmation for a Legacy Transaction (whether or not that Confirmation incorporates the 1991 Definitions).

(g) **Calculation Agent.** Whenever the Calculation Agent is responsible for calculating a Floating Rate having regard to paragraphs (a) to (f) above, it will do so in good faith after consultation with the other party (or the parties if the Calculation Agent is a third party), if practicable, for the purpose of obtaining a representative rate for euros as of the appropriate Fixing Time but adjusted if necessary to preserve the Original Day Count Fraction and Fixing Date of the Legacy Transaction, and its calculations will be binding in the absence of manifest error.

(h) **Contrary Agreement.** It is recognised that, following or in contemplation of the introduction of the euro, parties may wish to terminate or settle early one or more Transactions or agree a price source or conventions for one or more Transactions that are different from those that would otherwise apply in accordance with this Annex 2. Accordingly, and for the avoidance of doubt, any agreement between the parties that amends or overrides the provisions of paragraphs (a) to (g) above in respect of any Transaction will be effective if it is in writing and expressly refers to this Annex 2 or to EMU or to an event associated with EMU.



### **ANNEX 3**

#### **PAYMENT NETTING**

In respect of each Transaction entered into pursuant to an ISDA Master Agreement:

- (a) the parties recognise that the euro is expected to be introduced as the single currency of the participating member states on 1st January, 1999 and that during the transitional period payments may be made in national currency units;
- (b) for the purpose of Section 2(c) (Netting) of the ISDA Master Agreement, the parties agree that, during the transitional period, amounts stipulated to be payable in different national currency units should be treated as being payable in different currencies; and
- (c) accordingly, Section 2(c)(i) of the ISDA Master Agreement is amended to insert after the words "in the same currency" the words "but, in the case of an amount of euros (whether denominated in the euro unit or in a national currency unit) payable on any day during the transitional period, only if stipulated to be payable in the euro unit only or in the same national currency unit".

## ANNEX 4

### EMU DEFINITIONS

(a) **Euro.** The following definition is included as new Section 1.5(u) of the 1991 Definitions, new Section 3.2(ab) of the 1992 FX Definitions and new Section 3.6(x) of the 1997 Government Bond Option Definitions and replaces Section 4.3(s) of the 1998 FX Definitions in respect of each Transaction for which it may be relevant:

"(u) **Euro.** "Euro", "euro" and "EUR" each means the lawful currency of the member states of the European Union that adopt the single currency in accordance with the Treaty establishing the European Community, as amended by the Treaty on European Union."

(b) **ECU.** The following definition replaces section 1.5(g) of the 1991 Definitions, Section 3.2(h) of the 1992 FX Definitions, Section 3.6(h) of the 1997 Government Bond Option Definitions and Section 4.3(t) of the 1998 FX Definitions, as appropriate, in respect of each Transaction for which it may be relevant:

**"European Currency Unit.**

(i) "European Currency Unit", "ECU" and "XEU" each is the same as the ECU, as referred to in Article 109g of the Treaty establishing the European Community, as amended by the Treaty on European Union (the "Treaty") and as defined in Council Regulation (EC) No 3320/94, that is from time to time used as the unit of account of the European Community. Changes to the ECU may be made by the European Community, in which event the ECU will change accordingly.

(ii) Under Article 109g of the Treaty, the currency composition of the ECU may not be changed. The Treaty contemplates that European Economic and Monetary Union will occur in three stages, the second of which began on 1 January 1994 with the entry into force of the Treaty on European Union. The Treaty provides that the third stage of European Economic and Monetary Union will start on 1 January 1999 and on that date (A) the value of the ECU as against the currencies of the member states participating in the third stage will be irrevocably fixed and (B) the ECU will become a currency in its own right. On 17 June 1997, the Council of the European Union adopted Council Regulation (EC) No 1103/97, which recites that the name of that currency will be the euro and provides that, in accordance with the Treaty, references to the ECU will be replaced by references to the euro at the rate of one euro for one ECU. From the start of the third stage of European Economic and Monetary Union, all payments expressed to be payable in ECU, or sums to be calculated by reference to ECU, in respect of a Swap Transaction, an FX Transaction, a Currency Option or a Government Bond Option Transaction, as appropriate, will be payable in, or calculated by reference to, euros at the rate of one euro for one ECU."

(c) **ECU Settlement Day.** In respect of each Transaction evidenced by a Confirmation incorporating the 1991 Definitions (whether or not supplemented by the 1998 Supplement), the 1997 Government Bond Option Definitions or the 1998 FX Definitions:

(i) the parties recognise that payments in euros may be settled by commercial banks and in foreign exchange markets in a place on a day on which commercial banks in that place would otherwise be closed for business;

- (ii) the parties also recognise that, from the start of the third stage of European Economic and Monetary Union, all payments expressed to be payable in ECU in respect of a Transaction will be payable in euros at the rate of one euro for one ECU;
  - (iii) the parties agree that for the purposes of the definition of ECU Settlement Day, to preserve the existing position, days on which commercial banks and foreign exchange markets are open in a place solely for the purpose of settling payments in euros should not be considered days on which payments in the ECU can be settled by commercial banks and in foreign exchange markets in that place; and
  - (iv) accordingly, the parties agree that Section 1.6 of the 1991 Definitions, Section 3.3 of the 1997 Government Bond Options Definitions and Section 1.10 of the 1998 FX Definitions are amended to insert after the words "by commercial banks and in foreign exchange markets" the words "and on which commercial banks and foreign exchange markets are open for business (including dealings in foreign exchange and foreign currency deposits)".
- (d) **Business Day.** In respect of each Transaction evidenced by a Confirmation incorporating the 1991 Definitions (whether or not supplemented by the 1998 Supplement), the 1997 Government Bond Option Definitions or the 1998 FX Definitions:
- (i) the parties recognise that payments in euros may be settled by commercial banks and in foreign exchange markets in a place on a day on which commercial banks in that place would otherwise be closed for business;
  - (ii) the parties also recognise that, from the start of the third stage of European Economic and Monetary Union, all payments expressed to be payable in a national currency unit will technically be payable in euros and that there may be no readily identifiable principal financial center for the euro;
  - (iii) to preserve the existing position where a payment obligation is payable in or calculated by reference to a national currency unit, the parties agree that, for the purposes of the definition of Business Day, days on which commercial banks and foreign exchange markets are open in a place solely for the purpose of settling payments in euros should not be considered days on which payments in a national currency unit can be settled by commercial banks and in foreign exchange markets in that place and that references to the principal financial center of a national currency unit should continue to bear the same meaning throughout the term of the Transaction; and
  - (iv) accordingly, the parties:
    - (1) agree that Section 1.4(a) of the 1991 Definitions and Section 3.2 of the 1997 Government Bond Option Definitions are amended to insert after the words "settle payments" in the first paragraph and in sub-paragraph (i) and paragraph (a) respectively the words "and are open for general business (including dealings in foreign exchange and foreign currency deposits)"; and
    - (2) confirm for the avoidance of doubt that, notwithstanding the introduction of the euro, in relation to each national currency unit:
      - (A) references in Section 1.4(a)(i)(A) of the 1991 Definitions, Section 3.2(a)(i) of the 1997 Government Bond Option Definitions and Section 1.18 of the 1998 FX Definitions to the "financial center" of the national currency unit will be to the city there specified until the Termination Date of the related Transaction, whether that occurs during or after the transitional period; and

- (B) references in Section 1.4(a)(i)(D) of the 1991 Definitions and Section 3.2(a)(ii) of the 1997 Government Bond Option Definitions to the "principal financial center" of a national currency unit will be to the principal financial center of the national currency unit immediately prior to the start of the transitional period.
- (e) **Banking Day.** In respect of each Transaction evidenced by a Confirmation incorporating the 1991 Definitions (whether or not supplemented by the 1998 Supplement) or the 1992 FX Definitions:
  - (i) the parties recognise that banks may be open for dealings in euros in a place on a day on which commercial banks in that place would otherwise be closed for business;
  - (ii) to preserve the existing position where a function is to be performed or a payment obligation is payable in or calculated by reference to a national currency unit, the parties agree that, for the purposes of the definition of Banking Day, days on which commercial banks and foreign exchange markets are open in a place solely for the purpose of settling payments in euros should not be considered days on which payments in a national currency unit can be settled by commercial banks and in foreign exchange markets in that place; and
  - (iii) accordingly, the parties agree that Section 1.3 of the 1991 Definitions and Section 3.1 of the 1992 FX Definitions are amended to insert after the words "are open for" in the second line the word "general".

## ANNEX 5

### BOND OPTIONS

In respect of each Transaction evidenced by a Confirmation incorporating the 1997 Government Bond Option Definitions:

- (a) the parties recognise that an issuer of bonds denominated in a national currency unit may, in certain circumstances, redenominate those bonds into euros;
- (b) the parties also recognise that any redenomination of the Bonds in respect of a Government Bond Option Transaction could affect the theoretical value of that Government Bond Option Transaction; and
- (c) accordingly, the parties agree that in order to confirm that the Calculation Agent will adjust the terms of the Transaction as it determines appropriate to preserve the theoretical value of the Government Bond Option Transaction, in Section 5.2 of the 1997 Government Bond Option Definitions:
  - (i) the heading of the clause is amended to read "Conversion or Redenomination";
  - (ii) after the words "converts those Bonds into other securities" are inserted the words "or redenominates those Bonds into euros";
  - (iii) the words "and/or Option Entitlement" are deleted and replaced by the words ", Option Entitlement or such other terms"; and
  - (iv) after the words "prior to such conversion" are inserted the words "or redenomination".

**Form of Adherence Letter**

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[Letterhead of Adhering Party]

[Date]

**International Swaps and Derivatives Association, Inc.**  
[600 Fifth Avenue, 27th Floor                      [One New Change  
Rockefeller Center                                      London EC4M 9QQ]<sup>1</sup>  
New York, NY 10020-2302]<sup>1</sup>

Dear Sirs,

**EMU Protocol - Adherence**

The purpose of this letter is to confirm our adherence to the ISDA EMU Protocol as published by the International Swaps and Derivatives Association, Inc. on 6th May, 1998 (the "Protocol"). This letter constitutes an Adherence Letter as referred to in the Protocol.

The definitions and provisions contained in the Protocol are incorporated into this Adherence Letter, which supplements and forms part of each ISDA Master Agreement between us and each other Adhering Party.

**1. Specified Terms<sup>2</sup>**

Annex 1	ISDA EMU Continuity Provision	[Applicable]
Annex 2	Price Sources	[Applicable]
Annex 3	Payment Netting	[Applicable]
Annex 4	EMU Definitions	[Applicable]
Annex 5	Bond Options	[Applicable]

**2. Appointment as Agent and Release**

We hereby appoint ISDA as our agent for the limited purposes of the Protocol and accordingly we waive, and hereby release ISDA from, any rights, claims, actions or causes of action whatsoever (whether in contract, tort or otherwise) arising out of or in any way relating to this Adherence Letter or our adherence to the Protocol or any actions contemplated as being required by ISDA.

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<sup>1</sup> Delete as applicable. The Adherence Letter can be lodged at either ISDA's New York or European office. See Sections 2(a) and 5(f) of the Protocol.

<sup>2</sup> An Adhering Party may specify its preference that one or more of the Annexes are applicable by circling or only specifying the word "Applicable" for each Annex that it would like to see included.

**3. Payment**

We enclose payment of U.S.\$500, or represent that we have previously made payment of that amount to you, in respect of our adherence to the EMU Protocol.

**4. Contact Details**

Our contact details for purposes of this Adherence Letter are:

Name:  
Address:  
Telephone:  
Fax:

We consent to the publication of the conformed copy of this letter by ISDA and to the disclosure by ISDA of the contents of this letter.

Yours faithfully,

[ADHERING PARTY]<sup>3</sup>

By: \_\_\_\_\_  
Name:  
Title:

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<sup>3</sup> Specify legal name of Adhering Party. A separate Adherence Letter should be lodged for each legal entity that is a party to an ISDA Master Agreement and wishes to be bound by the terms of the Protocol.

**Form of Revocation Notice**

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**[Letterhead of Adhering Party]**

**[Date]**

**International Swaps and Derivatives Association, Inc.**  
**[600 Fifth Avenue, 27th Floor                      [One New Change**  
**Rockefeller Center                                      London EC4M 9QQ]<sup>4</sup>**  
**New York, NY 10020-2302]<sup>4</sup>**

Dear Sirs,

**EMU Protocol - Earlier Cut-off Date**

The purpose of this letter is to notify you that we wish to designate as the last date on which any counterparty may adhere to the Protocol in respect of any Master Agreement between us the following date (the "Earlier Cut-off Date"):

[     ], 1998<sup>5</sup>

This letter constitutes a Revocation Notice as referred to in the Protocol.

We consent to the publication of the conformed copy of this notice by ISDA on and after the Earlier Cut-off Date and to the disclosure by ISDA of the contents of this letter.

Yours faithfully,

[ADHERING PARTY]<sup>6</sup>

By: \_\_\_\_\_  
Name:  
Title:

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<sup>4</sup> Delete as applicable. The Revocation Notice can be lodged at either ISDA's New York or European office. See Sections 5(c) and 5(f) of the Protocol.

<sup>5</sup> Not to be later than 30th September, 1998.

<sup>6</sup> Specify legal name of Adhering Party.