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ISDA 2014 Resolution Stay Protocol

International Swap Dealers Association, Inc. (ISDA)

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International Swaps and Derivatives Association, Inc.

ISDA 2014 RESOLUTION STAY PROTOCOL

published on 4 November 2014
by the International Swaps and Derivatives Association, Inc.

The International Swaps and Derivatives Association, Inc. (**ISDA**) has published this ISDA 2014 Resolution Stay Protocol (this **Protocol**) to enable parties to Protocol Covered Agreements (as defined below) to amend the terms of each such Protocol Covered Agreement to contractually recognize the cross-border application of special resolution regimes applicable to certain financial companies and support the resolution of certain financial companies under the United States Bankruptcy Code.

Accordingly, a party that has entered into a Protocol Covered 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 described below.

1. Adherence to and Effectiveness of the Protocol

(a) By adhering to this Protocol in the manner set forth in this paragraph 1, a party (an **Adhering Party**) that wishes to amend the terms of a Protocol Covered Agreement, in each case on the terms and subject to the conditions set forth in this Protocol and the relevant Adherence Letter, agrees that (i) the terms of each Covered Master Agreement, if any, between it and each other Adhering Party will be amended and (ii) the terms of each Covered Credit Enhancement, if any, between it and each other Adhering Party, by it in favor of each other Adhering Party or by each other Adhering Party in favor of it will be amended, in each case with effect from the Implementation Date (as defined below) in accordance with the terms of the Attachment hereto.

(b) Adherence to this Protocol will be evidenced by the execution and online delivery, in accordance with this paragraph, to ISDA, as agent, of an Adherence Letter (in accordance with subparagraphs 1(b)(i) through 1(b)(iii) below). ISDA shall have the right, in its sole and absolute discretion, upon thirty calendar days' notice on the "ISDA 2014 Resolution Stay Protocol" section of its website at www.isda.org (or by other suitable means), to designate a closing date of this Protocol (such closing date, the **Cut-off Date**). After the Cut-off Date, ISDA will not accept any further Adherence Letters to this Protocol.

(i) Each Adhering Party will access the Protocol Management section of the ISDA website at www.isda.org to enter information online that is required to generate its form of Adherence Letter. Either by directly downloading the populated Adherence Letter from the Protocol Management system or upon receipt via e-mail of the populated Adherence Letter, each Adhering Party will print, sign and upload the signed Adherence Letter as a PDF (portable document format) attachment into the Protocol Management system. Once the signed Adherence Letter has been approved and accepted by ISDA, the Adhering Party will receive an e-mail confirmation of the Adhering Party's adherence to the Protocol.

(ii) A conformed copy of each Adherence Letter containing, in place of each signature, the printed or typewritten name of each signatory will be published by ISDA so that it may be viewed by all Adhering Parties. Each Adhering Party agrees that, for evidentiary purposes, a conformed

copy of an Adherence Letter certified by the General Counsel (or other appropriate officer) of ISDA will be deemed to be an original.

(iii) Each Adhering Party agrees that the determination of the date and time of acceptance of any Adherence Letter will be determined by ISDA in its absolute discretion.

(c) As between any two Adhering Parties, the agreement to make the amendments contemplated by this Protocol, on the terms and conditions set forth in this Protocol, will be effective on the date of acceptance by ISDA, as agent, of an Adherence Letter (in accordance with paragraph 1(b) above) from the later of such two Adhering Parties to adhere (such date with respect to such Adhering Parties, the **Implementation Date**). Acceptance by ISDA of a subsequent or revised Adherence Letter from either such Adhering Party will not have the effect of changing such Implementation Date.

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

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

(ii) Any purported adherence that ISDA, as agent, determines in good faith is not in compliance with this Protocol will be void and ISDA will inform the relevant party of such fact as soon as reasonably possible after making such determination.

(e) Each Adhering Party acknowledges and agrees that adherence to this Protocol is irrevocable, except that an Adhering Party may deliver to ISDA, as agent, a notice substantially in the form of Exhibit 2 to this Protocol that is effective (determined pursuant to paragraph 3(e) below) on any Protocol Business Day during the Annual Revocation Period (a **Revocation Notice**) to designate the next Annual Revocation Date as the last date on which (i) any counterparty may adhere to this Protocol in respect of any ISDA Master Agreement between the counterparty and such Adhering Party or (ii) any provider of credit support to, or recipient of credit support from, such Adhering Party pursuant to any Credit Enhancement may adhere to this Protocol with respect to such Credit Enhancement.

(i) Upon the effective designation of the next Annual Revocation Date by an Adhering Party, this Protocol will not amend any (i) ISDA Master Agreement between that Adhering Party and a party which adheres to this Protocol after that Annual Revocation Date occurs or (ii) Credit Enhancement by that Adhering Party in favor of a party which adheres to this Protocol after that Annual Revocation Date occurs, or by such a party in favor of that Adhering Party, and such ISDA Master Agreement or Credit Enhancement will not be a Protocol Covered Agreement. The foregoing is without prejudice to any amendment effected pursuant to this Protocol to any Protocol Covered Agreement between two Adhering Parties (or by one Adhering Party in favor of another Adhering Party) that each adhered to this Protocol on or before the day on which that Annual Revocation Date occurs or is deemed to occur, regardless of the date on which such Protocol Covered Agreement is entered into, and any such amendment shall be effective notwithstanding the occurrence or deemed occurrence of such Annual Revocation Date.

(ii) Each Revocation Notice must be delivered by the means specified in paragraph 3(e) of this Protocol below.

(iii) 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.

(iv) Any purported revocation that ISDA, as agent, determines in good faith is not in compliance with this paragraph 1(e) will be void.

2. Representations and Undertakings

(a) As of the date on which an Adhering Party adheres to this Protocol in accordance with paragraph 1 above, such Adhering Party represents to each other Adhering Party with which it has entered into a Covered Master Agreement, or to which it has provided or from which it has received credit support pursuant to a Covered Credit Enhancement, each of the following matters:

(i) **Status.** It is, if relevant, duly organized and validly existing under the laws of the jurisdiction of its organization or incorporation and, if relevant under such laws, in good standing or, if it otherwise represents its status in or pursuant to the Protocol Covered Agreement, has such status.

(ii) **Powers.** It has the power to execute and deliver the Adherence Letter and to perform its obligations under the Adherence Letter and the Protocol Covered Agreement as amended by the Adherence Letter and this Protocol (including the Attachment hereto), and has taken all necessary action to authorize such execution, delivery and performance.

(iii) **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.

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

(v) **Obligations Binding.** Its obligations under the Adherence Letter and the Protocol Covered Agreement, as amended by the Adherence Letter and this Protocol (including the Attachment hereto), constitute its legal, valid and binding obligations, enforceable in accordance with their respective terms (subject to applicable bankruptcy, reorganization, 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)).

(vi) **Credit Support.** Its adherence to this Protocol and any amendment contemplated by this Protocol will not, in and of itself, adversely affect the enforceability, effectiveness or validity of any obligations owed, whether by it or by any third party, under any Credit Support Document or Third Party Credit Support Document in respect of its obligations relating to the Protocol Covered Agreement as amended by the Adherence Letter and this Protocol (including the Attachment hereto).

(b) Each Adhering Party agrees with each other Adhering Party with which it has entered into a Protocol Covered Agreement, or to which it has provided a Protocol Covered Agreement that is a

Covered Credit Enhancement, that each of the foregoing representations will be deemed to be a representation for purposes of Section 5(a)(iv) of each such Protocol Covered Agreement that is a Covered Master Agreement, and of any analogous provisions of each such Protocol Covered Agreement that is a Covered Credit Enhancement, that is made by each Adhering Party as of the later of (A) the date on which such Adhering Party adheres to this Protocol in accordance with paragraph 1 above and (B) the date of such Protocol Covered Agreement.

(c) *Undertakings in respect of ISDA Master Agreements and Credit Enhancements with Third Party Credit Support Documents.* With respect to ISDA Master Agreements and Credit Enhancements with Third Party Credit Support Documents that expressly require the consent, approval, agreement, authorization or other action of a Third Party to be obtained, each Adhering Party whose obligations under such arrangements are secured, guaranteed or otherwise supported by such Third Party undertakes to each other Adhering Party with which it has entered into such arrangements that it has obtained the consent (including by way of paragraph 2(d) below), approval, agreement, authorization or other action of such Third Party and that it will, upon demand, deliver evidence of such consent, approval, agreement, authorization or other action to such other Adhering Party.

(d) *Deemed Third Party Consent.* Each Adhering Party which is also a Third Party in relation to a Third Party Credit Support Document is hereby deemed to have consented to the amendments imposed by this Protocol on the ISDA Master Agreement and/or Credit Enhancement supported by such Third Party Credit Support Document.

3. Miscellaneous

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

(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 provided herein) with respect thereto. Each Adhering Party acknowledges that in adhering to this Protocol it has not relied on any oral or written representation, warranty or other assurance (except as provided for or referred to elsewhere in this Protocol or in the Attachment) and waives all rights and remedies which might otherwise be available to it in respect thereof, except that nothing in this Protocol will limit or exclude any liability of an Adhering Party for fraud.

(ii) Except for any amendment deemed to be made pursuant to this Protocol in respect of any Protocol Covered Agreement, all terms and conditions of each Protocol Covered Agreement will continue in full force and effect in accordance with its provisions as in effect immediately prior to the Implementation Date. Except as explicitly stated in this Protocol, nothing herein shall constitute a waiver or release of any rights of any Adhering Party under any Protocol Covered Agreement to which such Adhering Party is a party or a provider or recipient of credit support. This Protocol will, with respect to its subject matter, survive, and any amendments deemed to be made pursuant to this Protocol will form a part of each Protocol Covered Agreement that is a Covered Master Agreement between the Adhering Parties, notwithstanding Section 9(a) of the Covered Master Agreement (or in the case of a Covered Master Agreement that is a 1992 ISDA Master Agreement (Local Currency – Single Jurisdiction), Section 8(a) of the Covered Master Agreement), and of each Protocol Covered Agreement that is a Covered Credit Enhancement between the Adhering Parties, or by one Adhering Party in favor of the other Adhering Party, notwithstanding any analogous provisions of such Covered Credit Enhancement.

(b) *Amendments.* An amendment, modification or waiver in respect of the matters contemplated by this Protocol will only be effective in respect of a Protocol Covered Agreement if made in accordance with the terms of the Protocol Covered Agreement and then only with effect between the parties to that Protocol Covered Agreement (and will only be effective to amend or override the provisions set forth in this Protocol and the Attachment to this Protocol if it expressly refers in writing to this paragraph 3(b) of this Protocol and would otherwise be effective in accordance with Section 9(b) (or in the case of an ISDA Master Agreement that is a 1992 ISDA Master Agreement (Local Currency – Single Jurisdiction), Section 8(b)) of the Covered Master Agreement in effect between the parties (or, in the case of a Credit Enhancement, any analogous provisions of such Credit Enhancement).

(c) *Headings.* The headings used in this Protocol and any Adherence Letter are for convenience 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.

(d) *Governing Law.* This Protocol and each Adherence Letter will, as between two Adhering Parties and in respect of each Protocol Covered Agreement between them or provided by one of them to the other, be governed by and construed in accordance with the laws of England and Wales, without reference to choice of law doctrine, provided that the amendments to each Protocol Covered Agreement shall be governed by and construed in accordance with the law specified to govern that Protocol Covered Agreement and otherwise in accordance with the applicable choice of law doctrine.

(e) *Notices.* Any Revocation Notice must be in writing and delivered as a locked PDF (portable document format) attachment to an email to ISDA at isda@isda.org and will be deemed effectively delivered on the date it is delivered unless on the date of that delivery ISDA's London office is closed or that communication is delivered after 5:00 p.m., London time, in which case that communication will be deemed effectively delivered on the next day ISDA's London office is open.

(f) *Ability of an Agent to Adhere to the Protocol on Behalf of a Client.*

(i) An Agent may adhere to this Protocol:

(A) on behalf of all Clients represented by such Agent (in which case such Agent need not identify each Client in its Adherence Letter);

(B) on behalf of Clients represented by such Agent that are specifically named or identified in the Adherence Letter or an attachment thereto; or

(C) on behalf of all Clients represented by such Agent, except any Client that the Agent and an Adhering Party that has entered into, provided or received a Protocol Covered Agreement with, to or from such Client agree bilaterally will not be covered by this Protocol,

provided, in each case, that such adherence shall only be effective with respect to Protocol Covered Agreements entered into, provided to or received by such Agent on behalf of such Clients.

(ii) Where an Agent adheres to this Protocol on behalf of a Client by executing and delivering an Adherence Letter on behalf of such Client in accordance with paragraph 1 and this paragraph 3(f), references to the Adhering Party for purposes of this Protocol (including the Attachment hereto) and the Adherence Letter shall be interpreted to refer to such Client.

(g) *Clients Added to an Agent Protocol Covered Agreement after the Implementation Date.* In respect of any Client added to an Agent Protocol Covered Agreement between an Agent and an Adhering Party, or provided or received by the Agent to or from such Adhering Party, after the Implementation Date (a **New Client**), the Agent and such Adhering Party agree that the terms of such Agent Protocol Covered Agreement as between such Adhering Party and any New Client will be subject to the amendments effected by this Protocol, unless otherwise agreed between such Agent and such Adhering Party.

4. Definitions

As used in this Protocol, **Transaction** has the meaning given to such term in the related Covered Master Agreement.

References in this Protocol and the Attachment to the following terms shall have the following meanings:

Adherence Letter has the definition given to such term in the introductory paragraphs hereof.

Adhering Party has the definition given to such term in subparagraph 1(a).

Agent means an entity that enters into, or provides or receives the benefit of, a Protocol Covered Agreement and executes and delivers an Adherence Letter with respect to this Protocol on behalf of, and as agent for, one or more clients, investors, funds, accounts and/or other principals.

Agent Covered Credit Enhancement means any Credit Enhancement that is entered into between, or provided by or to, an Agent, with, to or from an Adhering Party prior to the date of receipt by ISDA of an Adherence Letter from the later of such Adhering Party or such Agent.

Agent Covered Master Agreement means any ISDA Master Agreement that is signed as an umbrella agreement by an Agent and an Adhering Party prior to the date of receipt by ISDA of an Adherence Letter from the later of such Adhering Party or such Agent.

Agent Protocol Covered Agreement means an Agent Covered Credit Enhancement or an Agent Covered Master Agreement.

Annual Revocation Date means, with respect to each calendar year, December 31 of such calendar year. If December 31 in any calendar year is not a day on which ISDA's London office is open, the Annual Revocation Date with respect to such calendar year will be deemed to occur on the next day that ISDA's London office is open.

Annual Revocation Period means the period between October 1 and October 31 of any calendar year.

Client means a client, investor, fund, account and/or other principal on whose behalf an Agent acts.

Covered Credit Enhancement means, subject to an Adhering Party's right to deliver a Revocation Notice pursuant to paragraph 1(e) above, in respect of a Covered Master Agreement, any (a) Credit Enhancement executed by two Adhering Parties entered into by the Adhering Parties on or prior to the Implementation Date, or (b) Credit Enhancement executed by an Adhering Party and provided to another Adhering Party on or prior to the Implementation Date, or in the case of an Agent Covered Credit Enhancement, executed by the Agent and an Adhering Party, or by the Agent and provided to an Adhering Party or by an Adhering Party and provided to the Agent, prior to adherence by both the Adhering Party and the Agent on behalf of the relevant Client, provided that if:

- (a) any consent, approval, agreement, authorization or other action of a Third Party is expressly required under the terms of a such Credit Enhancement or a Third Party Credit Support Document, to amend or otherwise modify such Credit Enhancement;
- (b) such Credit Enhancement or a Third Party Credit Support Document includes express terms to the effect that any amendment or modification of such Credit Enhancement without the consent, approval, agreement, authorization or other action of a Third Party would void, impair or otherwise adversely affect existing or future obligations owed under such Credit Enhancement or such Third Party Credit Support Document; or
- (c) such Credit Enhancement, if amended or modified in accordance with this Protocol without the consent, approval, agreement, authorization or other action of a Third Party would void, impair or otherwise adversely affect existing or future obligations owed under a Third Party Credit Support Document,

then such Credit Enhancement shall not be a Covered Credit Enhancement unless such consent, approval, agreement, authorization or other action has been obtained or is deemed to have been given under paragraph 2(d) above.

Covered Master Agreement means, subject to an Adhering Party's right to deliver a Revocation Notice pursuant to paragraph 1(e) above:

- (a) any of the following agreements:
 - (i) ISDA Master Agreement entered into by execution by Adhering Parties of a confirmation pursuant to which an Adhering Party is deemed to have entered into an ISDA Master Agreement with another Adhering Party until such time as an ISDA Master Agreement has been executed by such Adhering Parties and that is still outstanding as of the Implementation Date;
 - (ii) ISDA Master Agreement executed, entered into or deemed entered into by two Adhering Parties; and
 - (iii) Agent Covered Master Agreement,

in each case, entered into by the Adhering Parties on or prior to the Implementation Date or, in the case of an Agent Covered Master Agreement, signed by the Agent and the counterparty prior to adherence by both the counterparty and the Agent on behalf of the relevant Client (and including all outstanding Transactions thereunder and outstanding Credit Support Documents entered into by such Adhering Parties in connection therewith); or

- (b) any ISDA Master Agreement entered into at any time after the Implementation Date and/or prior to the Cut-off Date by execution by Adhering Parties of a confirmation pursuant to which an Adhering Party is deemed to have entered into an ISDA Master Agreement with another Adhering Party until such time as an ISDA Master Agreement has been executed by such Adhering Parties, provided that if:
 - (i) any consent, approval, agreement, authorization or other action of any Third Party is expressly required, under the terms of a Third Party Credit Support Document or such ISDA Master Agreement, to amend or otherwise modify such ISDA Master Agreement;
 - (ii) such Third Party Credit Support Document or such ISDA Master Agreement includes express terms to the effect that any amendment or modification of such ISDA Master Agreement

without the consent, approval, agreement, authorization or other action of any such Third Party would void, impair or otherwise adversely affect existing or future obligations owed under such Third Party Credit Support Document; or

(iii) such ISDA Master Agreement, if amended or modified in accordance with this Protocol without the consent, approval, agreement, authorization or other action of any such Third Party would void, impair or otherwise adversely affect existing or future obligations owed under such Third Party Credit Support Document,

then such ISDA Master Agreement shall not be a Covered Master Agreement unless such consent, approval, agreement, authorization or other action has been obtained or is deemed to have been given under paragraph 2(d) above.

Credit Enhancement has the meaning specified for such term in the Attachment hereto.

Credit Support Document means, in respect of an Adhering Party and a Protocol Covered Agreement, any document in effect on the Implementation Date which by its terms secures, guarantees or otherwise supports such Adhering Party's obligations under such Protocol Covered Agreement from time to time, whether or not such document is specified as such therein or in the Protocol Covered Agreement.

Cut-off Date has the meaning given to such term in subparagraph 1(b).

Implementation Date has the meaning given to such term in subparagraph 1(c).

ISDA Master Agreement means a 2002 ISDA Master Agreement, 1992 ISDA Master Agreement (Multicurrency – Cross Border), 1992 ISDA Master Agreement (Local Currency – Single Jurisdiction), or 1987 ISDA Interest Rate and Currency Exchange Agreement, in each case as published by ISDA, in each case, including any Credit Support Annex (as defined or specified therein) forming a part thereof.

New Client has the meaning given to such term in subparagraph 3(g).

Protocol has the definition given to such term in the introductory paragraphs hereof.

Protocol Business Day means a day on which commercial banks and foreign exchange markets are generally open to settle payments in both London and New York.

Protocol Covered Agreement means a Covered Master Agreement or a Covered Credit Enhancement.

Revocation Notice has the meaning given to such term in subparagraph 1(e).

Third Party means, in relation to an agreement supported by a Third Party Credit Support Document, any party to such Third Party Credit Support Document other than either of the Adhering Parties which are parties to the agreement.

Third Party Credit Support Document means, with respect to an Adhering Party and a Protocol Covered Agreement, any Credit Support Document which is executed by one or more Third Parties (whether or not an Adhering Party is a party thereto), whether or not such document is specified as a Third Party Credit Support Document or as a Credit Support Document therein or in the Protocol Covered Agreement.

EXHIBIT 1
to the ISDA 2014 RESOLUTION STAY PROTOCOL

Form of Adherence Letter

[Letterhead of Adhering Party]

[Date]

International Swaps and Derivatives Association, Inc.

Dear Sirs,

ISDA 2014 RESOLUTION STAY PROTOCOL – Adherence

The purpose of this letter is to confirm our adherence to the ISDA 2014 Resolution Stay Protocol as published by the International Swaps and Derivatives Association, Inc. on 4 November 2014 (the *Protocol*). This letter constitutes, as between each other Adhering Party and us, an Adherence Letter as referred to in the Protocol. The definitions and provisions contained in the Protocol are incorporated into this Adherence Letter, which will supplement and form part of each Covered Master Agreement and Covered Credit Enhancement between us and each other Adhering Party, by us in favor of each other Adhering Party or in favor of us by each other Adhering Party.

1. Specified Terms

As between each other Adhering Party and us, the amendments in the Attachment to the Protocol shall apply to each Protocol Covered Agreement to which we are a party, or with respect to which we receive or provide credit support, in accordance with the terms of the Protocol and this Adherence Letter. We understand that the terms of this Protocol apply to both Covered Master Agreements and Covered Credit Enhancements between us and another Adhering Party, by us in favor of another Adhering Party or in favor of us by another Adhering Party.

2. Appointment as Agent and Release

We hereby appoint ISDA as our agent for the limited purposes of the Protocol and accordingly we waive any rights and hereby release ISDA from any 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.

3. Payment

Each Adhering Party must submit a one-time fee of U.S. \$500 to ISDA at or before the submission of this Adherence Letter.

4. Contact Details

Our contact details for purposes of this Adherence Letter are:

Name:
Address:
Telephone:
Fax:
E-mail:

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

Yours faithfully,

[ADHERING PARTY] ¹

By:

Name:
Title:
Signature:

¹ Specify legal name of Adhering Party.

If you are an Agent and act on behalf of multiple Clients, you may sign the Adherence Letter using one of the options below. If the elections in section 1 of the Adherence Letter vary between your Clients, you should use the first method and adhere separately for each Client individually or adhere for each group of Clients with identical elections named/identified in the Adherence Letter. Alternatively, if you have the required authority, you may adhere with the same elections for all Clients and then bilaterally agree any relevant variations with your counterparties.

First, if you have the authority to adhere to this Protocol as Agent on behalf of all Clients, you may indicate the following in the signature block: “acting on behalf of the funds, accounts or other principals listed in the relevant Protocol Covered Agreement (or other agreement which deems a Protocol Covered Agreement to have been created) between it (as agent) and another Adhering Party or provided by or received by it (as agent) from or to another Adhering party” or such other language that indicates the Clients to which this letter is applicable. If such a signature block is used, a separate Adherence Letter for each Client does not need to be submitted to ISDA and no specific names of Clients will be publicly disclosed on the ISDA website in connection with this Protocol.

Second, if you have the authority to adhere to this Protocol as Agent on behalf of certain Clients only, you may indicate the following in the signature block: “acting on behalf of the funds, accounts or other principals listed in the appendix to this Adherence Letter in relation to the relevant Protocol Covered Agreement (or other agreement which deems a Protocol Covered Agreement to have been created) between it (as agent) on behalf of such fund, account or other principal and another Adhering Party or provided by or received by it (as agent) on behalf of such fund, account or other principal to or from another Adhering Party” and include with the Adherence Letter an attachment that names each Client. If you cannot or do not wish to name such Clients, then provided that you can identify the adhering Clients by way of specific identifiers which will be known and recognized by all other Adhering Parties with, to and from which the relevant Clients have entered into, provided and received Protocol Covered Agreements, you may identify such Clients using specific identifiers and without including any names. In such case, the specific identifiers will be listed on the ISDA website with the Adherence Letter. If you are able to do so, you may, if you wish, identify Clients by using both names and specific identifiers but this optional and, provided you supply, at least, either names or specific identifiers, choosing not to provide both does not affect the legal validity and binding nature of this Protocol.

EXHIBIT 2
to the ISDA 2014 RESOLUTION STAY PROTOCOL

Form of Revocation Notice

[Letterhead of Adhering Party]

[Date]

International Swaps and Derivatives Association, Inc.

Send to: isda@isda.org

Dear Sirs,

ISDA 2014 RESOLUTION STAY PROTOCOL – Designation of Annual Revocation Date

The purpose of this letter is to notify you that we wish to designate this year's Annual Revocation Date as the last date on which any party may adhere to the ISDA 2014 Resolution Stay Protocol as published by the International Swaps and Derivatives Association, Inc. on 4 November 2014 (the *Protocol*) in respect of any Protocol Covered Agreement between us, or provided by us in favor of such party or by such party in favor of us.

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 Annual Revocation Date and to the disclosure by ISDA of the contents of this letter.

Yours faithfully,

[ADHERING PARTY]²

² Specify legal name of Adhering Party.

If you are an Agent and act on behalf of multiple Clients, you may sign a Revocation Notice using one of the options below.

Alternatively, you may submit one Revocation Notice per Client. First, if you have the authority to deliver a Revocation Notice for this Protocol as Agent on behalf of all Clients, you may indicate the following in the signature block: "acting on behalf of the funds, accounts or other principals listed in the relevant Protocol Covered Agreement (or other agreement which deems a Protocol Covered Agreement to have been created) between it (as agent) and another Adhering Party or provided by or received by it (as agent) from or to another Adhering Party" or such other language that indicates the Clients to which this letter is applicable. If such a signature block is used, a separate Revocation Notice for each Client does not need to be submitted to ISDA and no specific names of Clients will be publicly disclosed on the ISDA website in connection with this Protocol.

Second, if you have the authority to deliver a Revocation Notice for this Protocol as Agent on behalf of certain Clients only, you may indicate the following in the signature block: "acting on behalf of the funds,

By:

Name:
Title:
Signature:

accounts or other principals listed in the appendix to this Revocation Notice in relation to the relevant Protocol Covered Agreement (or other agreement which deems a Protocol Covered Agreement to have been created) between it (as agent) on behalf of such fund, account or other principal and another Adhering Party or provided by or received by it (as agent) on behalf of such fund, account or other principal to or from another Adhering Party” and include with the Revocation Notice an attachment that names each Client. If you cannot or do not wish to name such Clients, then provided that you can identify the revoking Clients by way of specific identifiers which will be known and recognized by all other Adhering Parties with, to and from which the relevant Clients have entered into, provided and received Protocol Covered Agreements, you may identify such Clients using specific identifiers and without including any names. In such case, the specific identifiers will be listed on the ISDA website with the Revocation Notice.

ATTACHMENT
to the ISDA 2014 RESOLUTION STAY PROTOCOL

With effect from the Implementation Date, each Protocol Covered Agreement shall be modified as follows.

The following text shall be added to the Protocol Covered Agreement:

1. Exercise of Default Rights upon Resolution

(a) *Opt-in to Special Resolution Regimes.*

(i) *Counterparty in Resolution.* If an Adhering Party to a Covered Master Agreement becomes subject to Resolution under a Special Resolution Regime (a “**Party in Resolution**”):—

(A) *Exercise of Default Rights in Respect of a Covered Master Agreement.* Notwithstanding any provision of the Covered Master Agreement, or any other agreement, the other Adhering Party to the Covered Master Agreement (the “**Section 1(a)(i) Stayed Party**”) shall be entitled to exercise Default Rights in respect of the Covered Master Agreement only to the same extent that it would be entitled to do so under such Special Resolution Regime in respect of an Equivalent Master Agreement;

(B) *Exercise of Default Rights by the Section 1(a)(i) Stayed Party in Respect of a Covered Credit Enhancement.* Notwithstanding any provision of a Covered Credit Enhancement entered into between the parties to the Covered Master Agreement, a Covered Credit Enhancement in respect of the Covered Master Agreement entered into between the Section 1(a)(i) Stayed Party and a Related Entity (that is an Adhering Party) of the Party in Resolution or a Covered Credit Enhancement in respect of the Covered Master Agreement provided to the Section 1(a)(i) Stayed Party by the Party in Resolution or a Related Entity (that is an Adhering Party) of the Party in Resolution, or any other agreement, the Section 1(a)(i) Stayed Party shall be entitled to exercise Default Rights in respect of the Covered Credit Enhancement only to the same extent that it would be entitled to do so under such Special Resolution Regime in respect of an Equivalent Credit Enhancement;

(C) *Exercise of Default Rights by a Related Entity of the Section 1(a)(i) Stayed Party in Respect of a Covered Credit Enhancement.* Notwithstanding any provision of a Covered Credit Enhancement entered into between a Related Entity (that is an Adhering Party) of the Section 1(a)(i) Stayed Party and the Party in Resolution, or provided by the Related Entity (that is an Adhering Party) of the Section 1(a)(i) Stayed Party to the Party in Resolution, or any other agreement, the Related Entity shall be entitled to exercise Default Rights in respect of the Covered Credit Enhancement only to the same extent that it would be entitled to do so under such Special Resolution Regime in respect of an Equivalent Credit Enhancement.

(D) *Transfers of a Covered Master Agreement.* A transfer, pursuant to such Special Resolution Regime, of the Covered Master Agreement (and any interest and obligation in or under, and any property securing, the Covered Master Agreement) to a successor of the Party in Resolution shall be effective to the same extent that a transfer of an Equivalent Master Agreement (and any interest and obligation in or under, and any

property securing, the Equivalent Master Agreement) would be effective pursuant to such Special Resolution Regime, notwithstanding any provision of the Covered Master Agreement, or any other agreement, purporting to prohibit, condition or void such a transfer;

(E) *Transfers of a Covered Credit Enhancement.* A transfer, pursuant to such Special Resolution Regime, of a Covered Credit Enhancement (and any interest and obligation in or under, and any property securing, the Covered Credit Enhancement) entered into between the parties to the Covered Master Agreement, or provided by a party to the Covered Master Agreement in respect of the Covered Master Agreement, to a successor of the Party in Resolution shall be effective to the same extent that a transfer of an Equivalent Credit Enhancement (and any interest and obligation in or under, and any property securing, the Equivalent Credit Enhancement) would be effective pursuant to such Special Resolution Regime, notwithstanding any provision of the Covered Credit Enhancement, or any other agreement, purporting to prohibit, condition or void such a transfer; and

(F) *Transfers of a Related Entity Covered Credit Enhancement.* A transfer, pursuant to such Special Resolution Regime, of a Covered Credit Enhancement (and any interest and obligation in or under, and property securing, the Covered Credit Enhancement) entered into between a Related Entity (that is an Adhering Party) of the Section 1(a)(i) Stayed Party and the Party in Resolution, or provided by the Related Entity (that is an Adhering Party) of the Section 1(a)(i) Stayed Party in respect of the Covered Master Agreement, to a successor of the Party in Resolution shall be effective to the same extent that a transfer of an Equivalent Credit Enhancement (and any interest and obligation in or under, and any property securing, the Equivalent Credit Enhancement) would be effective pursuant to such Special Resolution Regime, notwithstanding any provision of the Covered Credit Enhancement, or any other agreement, purporting to prohibit, condition or void such a transfer.

(ii) *Related Entity in Resolution.* If a Related Entity of an Adhering Party to a Covered Master Agreement becomes subject to Resolution under a Special Resolution Regime (a “**Related Entity in Resolution**”):—

(A) *Exercise of Default Rights in Respect of a Covered Master Agreement.* Notwithstanding any provision of the Covered Master Agreement, or any other agreement, the other Adhering Party to the Covered Master Agreement (the “**Section 1(a)(ii) Stayed Party**”) shall be entitled to exercise Default Rights in respect of the Covered Master Agreement only to the same extent that it would be entitled to do so under such Special Resolution Regime in respect of an Equivalent Master Agreement;

(B) *Exercise of Default Rights in Respect of a Covered Credit Enhancement.*

(I) Notwithstanding any provision of a Covered Credit Enhancement between the parties to the Covered Master Agreement, or provided to the Section 1(a)(ii) Stayed Party in respect of the Covered Master Agreement, or any other agreement, the Section 1(a)(ii) Stayed Party shall be entitled to exercise Default Rights in respect of the Covered Credit Enhancement only to the same extent that it would be entitled to do so under such Special Resolution Regime in respect of an Equivalent Credit Enhancement;

(II) Notwithstanding any provision of a Covered Credit Enhancement entered into between the Related Entity in Resolution (that is an Adhering Party) or another Related Entity (that is an Adhering Party) of such Adhering Party to the Covered Master Agreement and the Section 1(a)(ii) Stayed Party, or provided by the Related Entity in Resolution (that is an Adhering Party) or such other Related Entity (that is an Adhering Party) in respect of the Covered Master Agreement, or any other agreement, the Section 1(a)(ii) Stayed Party shall be entitled to exercise Default Rights in respect of the Covered Credit Enhancement only to the same extent that it would be entitled to do so under such Special Resolution Regime in respect of an Equivalent Credit Enhancement;

(C) *Exercise of Default Rights by a Related Entity of a Section 1(a)(ii) Stayed Party in Respect of a Covered Credit Enhancement.* Notwithstanding any provision of a Covered Credit Enhancement entered into between a Related Entity (that is an Adhering Party) of the Section 1(a)(ii) Stayed Party and the counterparty of the Section 1(a)(ii) Stayed Party under the Covered Master Agreement, or provided by the Related Entity (that is an Adhering Party) of the Section 1(a)(ii) Stayed Party to such counterparty in respect of the Covered Master Agreement, or any other agreement, the Related Entity of the Section 1(a)(ii) Stayed Party shall be entitled to exercise Default Rights in respect of the Covered Credit Enhancement only to the same extent it would be entitled to do so under such Special Resolution Regime in respect of an Equivalent Credit Enhancement; and

(D) *Transfers of a Covered Credit Enhancement.* A transfer, pursuant to such Special Resolution Regime, of a Covered Credit Enhancement (and any interest and obligation in or under, and any property securing, the Covered Credit Enhancement) entered into between the Related Entity in Resolution (that is an Adhering Party) and the Section 1(a)(ii) Stayed Party, or provided by the Related Entity in Resolution (that is an Adhering Party) in respect of the Covered Master Agreement, to a successor of the Related Entity in Resolution shall be effective to the same extent that:

(I) A transfer of an Equivalent Credit Enhancement (and any interest and obligation in or under, and any property securing, the Equivalent Credit Enhancement) would be effective pursuant to such Special Resolution Regime, notwithstanding any provision of the Covered Credit Enhancement, or any other agreement, purporting to prohibit, condition or void the transfer; and

(II) A transfer of an Equivalent Credit Enhancement (and any interest and obligation in or under, and any property securing, the Equivalent Credit Enhancement) supporting an Equivalent Master Agreement would be effective pursuant to such Special Resolution Regime, notwithstanding any provision of the Covered Master Agreement, or any other agreement, purporting to prohibit, condition or void the transfer.

(iii) Sections 1(a)(i) and (ii) shall apply to a Resolution under a Protocol-eligible Regime only if the exercise of authority under the Protocol-eligible Regime complies fully with each element of the Creditor Safeguards.

(iv) Sections 1(a)(i) and (ii) shall apply with respect to each Adhering Party or Related Entity of such Adhering Party subject to Resolution and each Special Resolution Regime under which each such Adhering Party or Related Entity is subject to Resolution.

(b) ***Events and Conditions Deemed Not Occurring.*** For so long as any Default Right is not exercisable under a Covered Master Agreement or a Covered Credit Enhancement as a consequence of the application of a Special Resolution Regime under Section 1(a), any event of default, termination event or similar event, as defined therein, that gave rise to such Default Right shall be deemed not to be occurring, existing or continuing for purposes of determining under any other agreement whether a default, termination event or similar event has occurred or is continuing under such Covered Master Agreement or Covered Credit Enhancement, as applicable, but only to the extent that such Special Resolution Regime would render such default, termination event or similar event under such other agreement unenforceable were such Covered Master Agreement or Covered Credit Enhancement governed by the law of the jurisdiction of such Special Resolution Regime.

(c) ***Maintenance of Perfection and Priority.*** If (i) a Special Resolution Regime under which an Adhering Party or its Related Entity is, as applicable, a Party in Resolution or a Related Entity in Resolution, or other applicable law, would preserve by operation of law the interests of the Section 1 Stayed Party in any property serving as security for obligations under an Equivalent Master Agreement or Equivalent Credit Enhancement, including the attachment, enforceability, perfection or priority thereof, notwithstanding the transfer thereof pursuant to such Special Resolution Regime, and (ii) the Section 1 Stayed Party, as a party to or beneficiary of a Covered Master Agreement or Covered Credit Enhancement transferred pursuant to such Special Resolution Regime, does not benefit from such preservation by operation of law by virtue of such Special Resolution Regime applying to such Section 1 Stayed Party as a result of the Protocol, then if the relevant transferee does not promptly cause the equivalent preservation of such interests, the Section 1 Stayed Party shall be entitled to exercise any Default Rights it may have without regard to Section 1(a). This Section 1(c) shall be without prejudice to any contractual arrangement in respect of the preservation of the Section 1 Stayed Party's interest in property serving as security for obligations under such a Covered Master Agreement or Covered Credit Enhancement.

2. Limitation on Exercise of Default Rights upon U.S. Insolvency Proceedings

(a) ***Affiliate in U.S. Insolvency Proceedings (Not a Credit Enhancement Provider).***

Notwithstanding any provision of a Covered Master Agreement between a Covered Party (the "**Direct Party**") and another Adhering Party (the "**Section 2 Stayed Party**") or a related Credit Enhancement, if an Affiliate of the Direct Party becomes subject to U.S. Insolvency Proceedings (such Affiliate, a "**Party in U.S. Proceedings**"), and such Party in U.S. Proceedings is not a Credit Enhancement Provider with respect to the Covered Master Agreement, the Section 2 Stayed Party shall, subject to Section 2(e), be entitled to exercise only Performance Default Rights or Unrelated Default Rights in respect of the Covered Master Agreement or such a related Credit Enhancement, but shall not be entitled to exercise any other Default Rights in respect of the Covered Master Agreement or such a related Credit Enhancement.

(b) ***Credit Enhancement Provider in Chapter 11 Proceedings.*** Notwithstanding any provision of a Covered Master Agreement between the Direct Party and the Section 2 Stayed Party or a related Credit Enhancement, if the Party in U.S. Proceedings is a Credit Enhancement Provider with respect to the Covered Master Agreement, and such Party in U.S. Proceedings is subject to Chapter 11 Proceedings (such Party in U.S. Proceedings, the "**Party in Chapter 11 Proceedings**"), the Section 2 Stayed Party shall, subject to Section 2(e), be entitled to exercise only Performance Default Rights or Unrelated Default Rights in respect of the Covered Master Agreement or such a related Credit Enhancement, but shall not be entitled to exercise any other Default Rights in respect of the Covered Master Agreement or such a related Credit Enhancement.

(i) ***When Section 2(b) Default-Right Overrides Apply.*** The limitations on the exercise of Default Rights in Section 2(b) are applicable:—

- (A) During the Stay Period; and
 - (B) Thereafter, only if the Party in Chapter 11 Proceedings files either a Transfer Motion or a DIP Motion before the expiration of the Stay Period, in which case only for so long as the conditions in Sections 2(b)(ii) or 2(b)(iii), as applicable, are satisfied.
- (ii) *Transfer Conditions.* If the Party in Chapter 11 Proceedings files a Transfer Motion, with respect to a Transferee identified in such Transfer Motion, a Section 2 Stayed Party and the Covered Master Agreement between such Section 2 Stayed Party and the Direct Party:—
- (A) During the Stay Period, such Transferee:—
 - (I) Is not subject to receivership, insolvency, liquidation, resolution or similar proceedings; and
 - (II) Satisfies all of its material payment and delivery obligations, if any, to each of its creditors;
 - (B) Upon the expiration of the Stay Period:—
 - (I) An order has been entered in respect of the Transfer Motion providing for all or substantially all of the assets of the Party in Chapter 11 Proceedings (or the net proceeds therefrom), excluding any assets reserved for the payment of costs and expenses of administration in the Chapter 11 Proceedings in respect of such Party in Chapter 11 Proceeding, to be transferred or sold, as soon as practicably possible, to the Transferee identified therein; and
 - (II) The Transfer Stay Conditions have been satisfied; and
 - (C) Following the Stay Period:—
 - (I) The Direct Party is and continues to be duly registered with and licensed by the regulatory body or bodies with principal supervisory authority over its business relating to transactions under ISDA Master Agreements and similar agreements;
 - (II) If the Transferee is a party other than a Bankruptcy Bridge Company, such Transferee satisfies and continues to satisfy all financial covenants and other terms applicable to the Credit Enhancement Provider under the Covered Master Agreement and each Credit Enhancement in respect thereof; and
 - (III) With respect to each Credit Enhancement (and any interest and obligation in or under, and any property securing, such Credit Enhancement) provided by the Party in Chapter 11 Proceedings with respect to Covered Master Agreements between the Direct Party and the Section 2 Stayed Party and the Direct Party and any Affiliate of the Section 2 Stayed Party that are transferred to the Transferee during the Stay Period, the Transferee continues to satisfy all provisions and covenants in such Credit Enhancements regarding the attachment, enforceability, perfection or priority of any security interest in property securing the obligations pursuant to such Credit Enhancements.

(iii) *U.S. Parent DIP Conditions.* If the Party in Chapter 11 Proceedings files a DIP Motion:—

(A) The Party in Chapter 11 Proceedings is a U.S. Parent;

(B) Upon the expiration of the Stay Period, the DIP Stay Conditions are satisfied with respect to the Section 2 Stayed Party; and

(C) Following the Stay Period, the Direct Party is and continues to be duly registered with and licensed by the regulatory body or bodies with principal supervisory authority over its business relating to transactions under ISDA Master Agreements and similar agreements.

(c) ***Exercise of Default Rights Based on Payment Failure of U.S. Parent Credit Enhancement Provider to Other Section 2 Stayed Parties.*** With respect to a U.S. Parent that is a Party in Chapter 11 Proceedings and that has filed a DIP Motion, if a Section 2 Stayed Party's ability to exercise Default Rights in respect of a Covered Master Agreement with a Direct Party would be stayed pursuant to Sections 2(b)(i) and 2(b)(iii), such Section 2 Stayed Party may nevertheless exercise such Default Rights if:—

(i) Such Direct Party fails to pay or deliver any Close-out Amount when due, in accordance with the terms of any Covered Master Agreement between such Direct Party and any other Section 2 Stayed Party; and

(ii) The Party in Chapter 11 Proceedings fails to satisfy its obligations, when due, in accordance with the terms of any Credit Enhancement in respect of such Covered Master Agreement.

(d) ***Credit Enhancement Provider in FDIA Proceedings.*** Notwithstanding any provision of a Covered Master Agreement between the Direct Party and the Section 2 Stayed Party or a related Credit Enhancement, if the Party in U.S. Proceedings is a Credit Enhancement Provider with respect to the Covered Master Agreement, and such Party in U.S. Proceedings is subject to FDIA Proceedings, the Section 2 Stayed Party shall, subject to Section 2(e), be entitled to exercise only Performance Default Rights or Unrelated Default Rights in respect of the Covered Master Agreement or such a related Credit Enhancement, but shall not be entitled to exercise any other Default Rights in respect of the Covered Master Agreement or such a related Credit Enhancement.

(i) *When Section 2(d) Default-Right Overrides Apply.* The limitations on the exercise of Default Rights in Section 2(d) are applicable:—

(A) During the FDIA Stay Period; and

(B) Thereafter, only if the Credit Enhancement (and any interest and obligation in or under, and any property securing, such Credit Enhancement) between the Credit Enhancement Provider and the Section 2 Stayed Party or provided by the Credit Enhancement Provider in respect of such Covered Master Agreement has been transferred by the FDIC in accordance with the FDIA QFC Transfer Provisions.

(ii) *Suspension of Performance.* During such FDIA Proceedings, the Section 2 Stayed Party may exercise any contractual rights to suspend performance with respect to its obligations under the Covered Master Agreement between such Section 2 Stayed Party and the Direct Party to the

same extent it would be entitled to do so as if the Covered Master Agreement were a Qualified Financial Contract with the Credit Enhancement Provider and were treated in the same manner as the Credit Enhancement.

(e) ***Override of Unexercised Default Rights.*** If an Affiliate of a Direct Party becomes subject to U.S. Insolvency Proceedings, then for so long as a Section 2 Stayed Party may not exercise Default Rights in respect of a Covered Master Agreement with such Direct Party or related Credit Enhancement as a consequence of Sections 2(a), 2(b) or 2(d), the Section 2 Stayed Party may not exercise any Default Right in respect of such Covered Master Agreement or related Credit Enhancement, other than any Performance Default Right, that exists at or prior to the time of commencement of U.S. Insolvency Proceedings but (i), in the case of a Covered Master Agreement, that has not resulted, prior to the commencement of such U.S. Insolvency Proceedings, in the occurrence of or designation by a Section 2 Stayed Party of an early termination date (including an “Early Termination Date”, as defined in the Covered Master Agreement) with respect to such Covered Master Agreement, or (ii) in the case of a related Credit Enhancement, that has not been exercised prior to the commencement of such U.S. Insolvency Proceedings.

(f) ***Override of Transfer Restrictions.*** No provision of a Covered Master Agreement or Credit Enhancement shall prevent the transfer of such Credit Enhancement (and any interest and obligation in or under, and any property securing, such Credit Enhancement) to a Transferee pursuant to Section 2(b)(ii) or to a transferee in accordance with the FDIA QFC Transfer Provisions; provided that this Section 2(f) will not apply if a transfer of such Credit Enhancement would result in the Section 2 Stayed Party being the beneficiary of a Credit Enhancement in violation of any law applicable to the Section 2 Stayed Party (including without limitation, the violation of the laws of any country in which payment or delivery pursuant to such Credit Enhancement or compliance with the terms thereof is required).

(g) ***Events and Conditions Deemed Not Occurring.*** For so long as any Default Right is not exercisable under a Covered Master Agreement or Credit Enhancement as a consequence of Section 2(a), 2(b) or 2(d), as applicable, any event of default, termination event or similar event, as defined therein, that gave rise to such Default Right shall be deemed not to be occurring, existing or continuing for purposes of determining under any other agreement that is not a Covered Master Agreement whether a default, termination event or similar event has occurred or is continuing under such Covered Master Agreement or Credit Enhancement, as applicable.

(h) ***Rights not Subject to Section 2.*** This Section 2 is without prejudice to any Default Right in respect of a Covered Master Agreement or any other agreement with or in favor of a Section 2 Stayed Party not specifically addressed herein, including without limitation, Default Rights that have resulted in the occurrence or designation of an “Early Termination Date” (as defined in the Covered Master Agreement or other agreement) prior to an Affiliate of a Direct Party entering U.S. Insolvency Proceedings.

(i) ***Burden of Proof.*** For purposes of determining whether a Section 2 Stayed Party is entitled to exercise a Default Right pursuant to Sections 2(a), 2(b) or 2(d), the Section 2 Stayed Party bears the burden of establishing that such Default Right may be exercised.

(j) ***Multiple Affiliates in U.S. Insolvency Proceedings.*** If more than one Affiliate of a Direct Party is subject to U.S. Insolvency Proceedings, Section 2 shall apply with respect to each such Affiliate that is a Party in U.S. Proceedings.

(k) ***Default Rights Against a Clearing Member.*** Nothing in this Section 2 shall affect the exercise or application of Default Rights with respect to a Cleared Client Transaction under a Covered Master

Agreement between a Section 2 Stayed Party and a Clearing Member (which, for the avoidance of doubt, may include automatic termination of Cleared Client Transactions) to the extent any such Default Right becomes exercisable or, as the case may be, applicable, as a result of, and substantially contemporaneously with, the exercise by the applicable clearing organization of any right it may have to terminate or transfer the related cleared transaction between the Clearing Member and the clearing organization.

3. Proceedings under Section 1 and Section 2

(a) ***Direct Party Subject to Special Resolution Regime Proceedings.*** If an Affiliate of a Direct Party becomes a Party in U.S. Proceedings subject to Section 2 and the Direct Party is or becomes a Party in Resolution subject to Section 1, then, notwithstanding anything to the contrary in Section 2, a Section 2 Stayed Party:—

- (i) May only exercise a Performance Default Right in respect of a Covered Master Agreement or related Credit Enhancement to the extent it would be entitled to do so pursuant to Section 1; and
- (ii) May not exercise any other Default Right in respect of such Covered Master Agreement with such Direct Party or related Credit Enhancement unless it would be entitled to do so under both Section 1 and Section 2.

(b) ***Affiliate Subject to Special Resolution Regime Proceedings.*** If an Affiliate of a Direct Party becomes a Party in U.S. Proceedings subject to Section 2 and another Affiliate of such Direct Party becomes a Party in Resolution subject to Section 1, a Section 2 Stayed Party may not exercise any Default Right in respect of a Covered Master Agreement with such Direct Party or related Credit Enhancement unless it would be entitled to do so under both Section 1 and Section 2.

(c) ***Section 1 Applicable to Party in U.S. Proceedings.*** Subject to Section 5388 of Title 12 of the United States Code, and any implementing regulations and measures, as the same may be amended from time to time, if an Affiliate of a Direct Party becomes a Party in U.S. Proceedings subject to Section 2 and such Party in U.S. Proceedings is or becomes a Party in Resolution subject to Section 1, the provisions of Section 1 will prevail; provided, however, that if such Party in U.S. Proceedings is subject to FDIA Proceedings and is also a Party in Resolution subject to Section 1, a Section 1 Stayed Party or a Section 2 Stayed Party, as applicable, may not exercise a Default Right in respect of a Covered Master Agreement or related Credit Enhancement unless it would be entitled to do so under both Section 1 and Section 2.

4. Effectiveness

(a) ***Effectiveness of Amendments.*** As between two Adhering Parties, this Attachment shall be effective as follows: —

- (i) With respect to Section 1, from the later of (i) January 1, 2015 and (ii) the Implementation Date;
- (ii) With respect to Section 2, from the later of (i) the Regulatory Compliance Date and (ii) the Implementation Date; and
- (iii) Otherwise, from the Implementation Date.

(b) ***Single-party Election Provisions.***

(i) *Section 1 Opt-outs.*

(A) *SRR Regulatory Restrictions.* If an Adhering Party (“X”) is not subject to SRR Regulatory Restrictions with respect to an Identified Regime by January 1, 2018, or if X is not subject to SRR Regulatory Restrictions with respect to a Protocol-eligible Regime by the later of (A) January 1, 2018, and (B) 18 calendar months following the initial effective date of such Protocol-eligible Regime, then any other Adhering Party (“Y”) shall be entitled, by written notice to X and X’s Primary Regulators, to elect that such Special Resolution Regime will not, as between X and Y, constitute a Special Resolution Regime with respect to X or its Related Entities. Such an election will remain effective until withdrawn by written notice from Y.

(B) *Amendments to Identified Regimes.* If an Adhering Party (“X”) determines in good faith that an amendment to an Identified Regime (other than an amendment specified in the Annex for such regime) subsequent to the First Adherence Date relating to the length of any applicable stay (or the imposition of a stay), the obligations of parties during the pendency of a stay, the treatment of netting or setoff arrangements or the priority of claims (other than any amendment relating to a bank that gives priority to the depositors of such bank over general unsecured creditors of such bank) materially and adversely affects the ability to exercise Default Rights in respect of ISDA Master Agreements or Credit Enhancements, X shall be entitled, by written notice (an “**Identified Regime Notice**”) to another Adhering Party (“Y”) eligible for resolution under such Identified Regime, and Y’s Primary Regulators, to elect that such Identified Regime will not, as between them, constitute an Identified Regime with respect to Y or its Related Entities. In the case of an Identified Regime Notice with respect to U.S. Special Resolution Regime – FDIA, Section 2(d) will be inapplicable as between X and Y. Any such election will remain effective until withdrawn by written notice from X.

(C) *Inclusion of or Amendments to Protocol-eligible Regimes.* If an Adhering Party (“X”) determines in good faith that a newly-enacted or amended resolution regime in a Protocol-eligible Jurisdiction does not comply with the definition of Protocol-eligible Regime, or that an amendment to a Protocol-eligible Regime relating to the length of any applicable stay (or the imposition of a stay), the obligations of parties during the pendency of a stay, the treatment of netting or setoff arrangements or the priority of claims (other than any amendment relating to a bank that gives priority to the depositors of such bank over general unsecured creditors of such bank) materially and adversely affects the ability to exercise Default Rights in respect of ISDA Master Agreements or Credit Enhancements, then X shall be entitled, by written notice (a “**Protocol-eligible Regime Notice**”) to another Adhering Party (“Y”) eligible for resolution under such resolution regime or Protocol-eligible Regime, as applicable, and Y’s Primary Regulators, to elect that such resolution regime or Protocol-eligible Regime, as applicable, will not, as between them, constitute a Protocol-eligible Regime with respect to Y or its Related Entities. Such an election will remain effective until withdrawn by written notice from X. An Adhering Party’s failure to deliver a Protocol-eligible Regime Notice in respect of a regime enacted by a Protocol-eligible Jurisdiction shall have no bearing on whether such regime satisfies the definition of Protocol-eligible Regime.

(ii) *Section 2 Opt-outs.* An Adhering Party (“X”) that is not a Covered Party shall be entitled, by delivering a written notice (a “**Section 2 Opt-out Notice**”), to make one or more of the following elections:—

(A) X shall be entitled to elect that the provisions of Section 2 shall not apply to any Covered Master Agreements or related Credit Enhancements between X and any other Adhering Party (“Y”) that is not a Covered Party by delivering a Section 2 Opt-out Notice to Y, provided that, if either X or Y subsequently becomes a Covered Party, such election shall be null and void and the Adhering Party that becomes a Covered Party shall promptly deliver a notice to the other Adhering Party that its prior election is no longer effective.

(B) If there are no transactions under any of the Covered Master Agreements between X and any other Adhering Party that is a Covered Party, then X shall be entitled to elect that the provisions of Section 2 shall apply to no such Covered Master Agreement or related Credit Enhancements by delivering a Section 2 Opt-out Notice to each such Covered Party, with a copy to the Primary Regulator of each such Covered Party, which Section 2 Opt-out Notice shall specify that X does not intend to enter into any transactions with any Covered Party, provided that, if X subsequently enters into any transaction under any such Covered Master Agreement with a Covered Party, such election shall be null and void with respect to all Covered Master Agreements and Credit Enhancements and X shall promptly deliver a notice to that Covered Party that its prior election is no longer effective.

(C) If none of X’s Affiliates is a Covered Party, X shall be entitled to elect that the provisions of Section 2 shall apply to none of the Covered Master Agreements or any related Credit Enhancements to which it is a party or of which it is a recipient by delivering a Section 2 Opt-out Notice to each Covered Party with which X has a Covered Master Agreement or related Credit Enhancement, with a copy to the Primary Regulator of each such Covered Party, provided that, if either X or any of X’s Affiliates subsequently becomes a Covered Party, such election shall be null and void with respect to all Covered Master Agreements and Credit Enhancements and X shall promptly deliver a notice to each other Covered Party with which it has a Covered Master Agreement or from which it has received a related Credit Enhancement that its prior election is no longer effective.

(iii) *Timing of Elections and Opt-outs.* An Adhering Party may not make any elections pursuant to the provisions of this Section 4(b), with respect to another Adhering Party upon or following such other Adhering Party or any of its Affiliates becoming a Party in Resolution, Related Entity in Resolution or Party in U.S. Proceedings, as applicable.

5. **Miscellaneous**

(a) ***Acknowledgement of the Parties.*** Each Adhering Party acknowledges and agrees that Default Rights and transfer restrictions in a Covered Master Agreement, Covered Credit Enhancement or another agreement between the parties, or provided in favor of an Adhering Party, may be limited, temporarily or permanently stayed or rendered unenforceable under certain circumstances to the extent provided under this Attachment and each applicable Special Resolution Regime.

(b) ***Delivery of Notices.***

(i) Any notice deliverable under Section 4 by one Adhering Party to a Covered Master Agreement to another Adhering Party to the Covered Master Agreement may be effected by delivering such notice in accordance with the notice provisions of the Covered Master Agreement.

(ii) Any notice deliverable under Section 4 by one Adhering Party to a Covered Master Agreement to the Credit Enhancement Provider of another Adhering Party to the Covered Master Agreement, the obligations of which are supported by such Credit Enhancement Provider, may be effected by delivering such notice to such other Adhering Party in accordance with the notice provisions of such Covered Master Agreement.

(c) ***Clearing Organization Rules and Regulations.*** Solely with respect to Cleared Client Transactions, no provision of Section 1 or 2 shall apply to a Covered Master Agreement or related Credit Enhancement if the application thereof violates the rules or regulations of any applicable clearing organization, provided that such rules and regulations are enforceable under applicable law.

(d) ***Applicability of Other Laws.*** Modifications with respect to Covered Master Agreements or Covered Credit Enhancements pursuant to the Protocol shall be without prejudice to the effect of any law to which an Adhering Party may be subject.

6. Definitions

As used in this Attachment:

“Affiliate” means, in relation to any entity (“X”):—

(a) Any other entity that is Controlled, directly or indirectly, by X, any entity that Controls, directly or indirectly, X, or any entity directly or indirectly under common Control with X; and

(b) Any other entity that would be an Affiliate of X under clause (a) but for a transfer of the direct or indirect ownership of such entity or X pursuant to a resolution under a Special Resolution Regime or pursuant to U.S. Insolvency Proceedings.

“Annex” means any annex that refers to, supplements and forms a part of the Protocol.

“Bankruptcy Bridge Company” means an entity organized for the purpose of becoming a transferee of assets of a Party in Chapter 11 Proceedings, the ultimate economic interest in which accrues to or for the benefit of the estate of such Party in Chapter 11 Proceedings, but that is not, or after giving effect to the transactions contemplated by a Transfer Motion will not be, Controlled by a Party in Chapter 11 Proceedings or creditors of, or Affiliates of, such Party in Chapter 11 Proceedings.

“BRRD” means Directive 2014/59/EU of the European Parliament and the Council of 15 May 2014.

“Business Day” means, with respect to a jurisdiction, a day on which commercial banks in such jurisdiction are open for general business (including dealings in foreign exchange and foreign currency deposits).

“Chapter 7 Proceedings” means, with respect to an Affiliate of a Direct Party, proceedings under Chapter 7 of the U.S. Bankruptcy Code, as amended from time to time, that commence upon the

voluntary filing for Chapter 7 of such Affiliate, or, in the case of an involuntary filing for Chapter 7 of such Affiliate, upon the entry of an order for relief with respect to such Affiliate.

“Chapter 11 Proceedings” means, with respect to an Affiliate of a Direct Party, proceedings under Chapter 11 of the U.S. Bankruptcy Code, as amended from time to time, that commence upon the voluntary filing for Chapter 11 of such Affiliate, or, in the case of an involuntary filing for Chapter 11 of such Affiliate, upon the entry of an order for relief with respect to such Affiliate.

“Cleared Client Transaction” means a transaction, forming a part of a Covered Master Agreement, with respect to which a related cleared transaction exists between one party, acting as a Clearing Member, and a clearing organization.

“Clearing Member” means an Adhering Party that is a member of a clearing organization that clears a transaction related to a Cleared Client Transaction through such clearing organization.

“Close-out Amount” means the amount due under a Covered Master Agreement, including any credit support deliverable, as a result of the termination or other close-out of such Covered Master Agreement in accordance with the terms thereof.

“Close-out Stay” has the definition given to such term in the definition of “Protocol-eligible Regime”.

“Control” means, with respect to an entity, ownership of a majority of the voting power of the entity; provided that, with respect to a Bankruptcy Bridge Company, an owner of a majority of the voting power of the Bankruptcy Bridge Company shall not have Control if the ability to exercise such majority voting power lies with a fiduciary or third party not Controlled by such owner.

“Covered Party” means an Adhering Party that satisfies the criteria established under U.S. Regulatory Restrictions for being subject to the requirements of such regulations.

“Credit Enhancement” means, with respect to an ISDA Master Agreement, any credit enhancement or credit support arrangement provided by a party to the ISDA Master Agreement, or an Affiliate thereof, in connection with the ISDA Master Agreement, including any 1995 Credit Support Deed (Bilateral Form – Security Interest) or any guarantee, collateral arrangement in support of obligations pursuant to the ISDA Master Agreement (including any pledge, charge, mortgage or other security interest in collateral or title transfer arrangement), trust or similar arrangement, letter of credit, transfer of margin or any similar arrangement, in each case, only to the extent such credit enhancement relates to the ISDA Master Agreement.

“Credit Enhancement Provider” means an obligor or transferor with respect to a Credit Enhancement in support of a Covered Master Agreement.

“Creditor Protection Order” means, with respect to a U.S. Parent that is a Party in Chapter 11 Proceedings and that has filed a DIP Motion, a Direct Party, a Section 2 Stayed Party and a Covered Master Agreement, a court order that:—

(a) Grants administrative expense status to such Section 2 Stayed Party’s claims arising from the obligations of such Party in Chapter 11 Proceedings under any Credit Enhancement in respect of such Covered Master Agreement that have accrued and remain unsatisfied prior to or that become due following the commencement of Chapter 11 Proceedings with respect to such Party in Chapter 11 Proceedings; provided that the Creditor Protection Order may provide that the administrative expense claims of such Section 2 Stayed Party in respect of the obligations of such Party in Chapter 11

Proceedings under such Credit Enhancement will be subordinated in payment to administrative expense claims not arising under a Credit Enhancement, including by providing that such administrative expense claims of the Section 2 Stayed Party may be paid in cash only after (i) some or all other administrative expense claims have been paid or provided for in cash in full, and (ii) the Party in Chapter 11 Proceedings, after satisfying clause (i), has available cash sufficient to pay the credit support claims;

(b) Provides that, if such Direct Party fails to meet any of its material obligations to the Section 2 Stayed Party under the Covered Master Agreement or if the Party in Chapter 11 Proceedings fails to meet any of its material obligations to the Section 2 Stayed Party pursuant to any Credit Enhancement supporting such Covered Master Agreement between the Direct Party and the Section 2 Stayed Party, in each case, in accordance with the terms thereof, the Section 2 Stayed Party may terminate such Covered Master Agreement and exercise any rights with respect to any right of setoff or netting, any collateral or any other credit support pursuant to such Covered Master Agreement or Covered Credit Enhancement immediately without seeking the approval of the U.S. Bankruptcy Court, and the Party in Chapter 11 Proceedings shall, subject to clause (a) above, be authorized to perform its obligations under such Credit Enhancement; and

(c) Provides that, if (i) the Direct Party fails to pay or deliver any Close-out Amount when due, in accordance with the terms of any Covered Master Agreement between such Direct Party and any other Section 2 Stayed Party, and (ii) the Party in Chapter 11 Proceedings fails to satisfy its obligations, when due, under any Credit Enhancement in respect of such Covered Master Agreement, then the Section 2 Stayed Party may exercise any rights with respect to any right of setoff or netting, any collateral or any other credit support pursuant to the Covered Master Agreement between such Section 2 Stayed Party and the Direct Party or any Credit Enhancement provided by the Party in Chapter 11 Proceedings supporting such Covered Master Agreement immediately without seeking the approval of the U.S. Bankruptcy Court and the Party in Chapter 11 Proceedings shall, subject to clause (a) above, be authorized to perform its obligations under such Credit Enhancement.

“Creditor Safeguards” means the creditor protections in the context of a Resolution as set forth in clauses (d) and (e) of the definition of “Protocol-eligible Regime”.

“Default Right” means, with respect to a Covered Master Agreement or Credit Enhancement, any:—

(a) Right of a party, whether contractual or otherwise (including, without limitation, rights incorporated by reference to any other contract, agreement or document, and rights afforded by statute, civil code, regulation and common law), to liquidate, terminate or accelerate such agreement or transactions thereunder, set off or net amounts owing in respect thereto (except rights related to same-day payment netting), exercise remedies in respect of collateral or other credit support related thereto, demand payment or delivery thereunder or in respect thereof (other than a right or operation of a contractual provision arising solely from a change in the value of collateral or margin or a change in the amount of an economic exposure), suspend, delay or defer payment or performance thereunder, modify the obligations of a party thereunder or any similar rights; and

(b) Right or contractual provision that alters the amount of collateral or margin that must be provided with respect to an exposure thereunder, including by altering any initial amount, threshold amount, variation margin, minimum transfer amount, the margin value of collateral or any similar amount, that entitles a party to demand the return of any collateral or margin transferred by it to the other party or a custodian or that modifies a transferee’s right to reuse collateral or margin (if such right previously existed), or any similar rights, in each case, other than a right or operation of a contractual provision arising solely from a change in the value of collateral or margin or a change in the amount of an economic exposure;

provided that, with respect to Section 2, the term “Default Right” does not include any right under a contract that allows a party to terminate the contract on demand or at its option at a specified time, or from time to time, without the need to show cause.

With respect to a Covered Master Agreement under which “Automatic Early Termination” has been specified as applying to an Adhering Party, references to the “exercise” of a Default Right or the entitlement “to exercise” a Default Right include the automatic termination of outstanding transactions forming part of the Covered Master Agreement pursuant to the terms of the Covered Master Agreement.

“**DIP Motion**” means, with respect to a U.S. Parent of a Direct Party that becomes a Party in Chapter 11 Proceedings, a motion filed by such U.S. Parent that causes the U.S. Parent to remain obligated with respect to Credit Enhancements supporting one or more Covered Master Agreements to the same extent as such U.S. Parent was obligated with respect to such Credit Enhancements immediately prior to becoming a Party in Chapter 11 Proceedings.

“**DIP Stay Conditions**” means, with respect to a Direct Party, a Party in Chapter 11 Proceedings that is a U.S. Parent of such Direct Party and has filed a DIP Motion and a Section 2 Stayed Party:—

(a) An order has been entered under which such U.S. Parent of a Direct Party remains obligated with respect to each Credit Enhancement it provides in support of Covered Master Agreements between such Direct Party and the Section 2 Stayed Party and each Covered Master Agreement between such Direct Party and each Affiliate of such Section 2 Stayed Party to the same extent as such U.S. Parent was obligated immediately prior to becoming a Party in Chapter 11 Proceedings; and

(b) A Creditor Protection Order with respect to each Credit Enhancement described in clause (a) above has been entered for the benefit of such Section 2 Stayed Party and each such Affiliate.

“**Direct Party**” has the definition given to such term in Section 2(a).

“**Equivalent Credit Enhancement**” means, with respect to a Covered Credit Enhancement and a Resolution under a Special Resolution Regime, a Credit Enhancement with the same terms as the Covered Credit Enhancement but governed by the laws of the jurisdiction of such Special Resolution Regime, provided that:—

(a) If the jurisdiction of such Special Resolution Regime is the United Kingdom, such governing law shall be the laws of England and Wales; and

(b) If the jurisdiction of such Special Resolution Regime is the United States of America, such governing law shall be the law of the State of New York.

“**Equivalent Master Agreement**” means, with respect to a Covered Master Agreement and a Resolution under a Special Resolution Regime, an ISDA Master Agreement with the same terms as the Covered Master Agreement but governed by the laws of the jurisdiction of such Special Resolution Regime, provided that:—

(a) If the jurisdiction of such Special Resolution Regime is the United Kingdom, such governing law shall be the laws of England and Wales; and

(b) If the jurisdiction of such Special Resolution Regime is the United States of America, such governing law shall be the law of the State of New York.

“Failed Financial Company” has the definition given to such term in the definition of “Protocol-eligible Regime”.

“FDIA” means the Federal Deposit Insurance Act, and any implementing regulations and measures, as the same may be amended from time to time.

“FDIA Proceedings” means with respect to an Affiliate of a Direct Party, proceedings under the FDIA that commence upon the FDIC being appointed as receiver for such Affiliate.

“FDIA QFC Transfer Provisions” means FDIA Sections 11(e)(9) and (10), and any implementing regulations and measures, as the same may be amended from time to time.

“FDIA Stay Period” means, with respect to a Party in U.S. Proceedings that is in FDIA Proceedings, the period of time during which a party to a Qualified Financial Contract with such Party in U.S. Proceedings may not exercise any right that such party has to terminate, liquidate, or net such Qualified Financial Contract, in accordance with FDIA Section 11(e), and any implementing regulations and measures, as the same may be amended from time to time.

“FDIC” means the Federal Deposit Insurance Corporation.

“First Adherence Date” means the first date on which ISDA has accepted an Adherence Letter with respect to the Protocol from any Adhering Party.

“French Annex” has the definition given to such term in the annexes attached hereto.

“French Special Resolution Regime” means, subject to the French Annex, other than any Ring-fence Provisions, Articles L. 613-31-1 to L. 613-31-19 and R. 613-28 to R. 613-32 of the French Monetary and Financial Code, and their implementing regulations and measures, as the same may be amended from time to time.

“German Annex” has the definition given to such term in the annexes attached hereto.

“German Special Resolution Regime” means, subject to the German Annex, other than any Ring-fence Provisions, (a) the German Credit Institutions Reorganization Act (*Kreditinstitute-Reorganisationsgesetz*), (b) Sections 48a through 48t of the German Banking Act (*Kreditwesengesetz*) and (c) Section 36a in conjunction with Sections 30 through 36 of the German Covered Bonds Act (*Pfandbriefgesetz*), and their implementing regulations and measures, as the same may be amended from time to time.

“Identified Regime” means, subject to Section 4(b)(i)(B), the French Special Resolution Regime, the German Special Resolution Regime, the Japanese Special Resolution Regime, the Swiss Special Resolution Regime, the U.K. Special Resolution Regime, the U.S. Special Resolution Regime – FDIA and the U.S. Special Resolution Regime – OLA.

“Identified Regime Notice” has the definition given to such term in Section 4(b)(i)(B).

“Japanese Annex” has the definition given to such term in the annexes attached hereto.

“Japanese Special Resolution Regime” means, subject to the Japanese Annex, other than any Ring-fence Provisions, the provisions of the Deposit Insurance Act (Act No. 34 of 1971, as amended), and its implementing regulations and measures, as the same may be amended from time to time.

“Parent” means, with respect to an Adhering Party, the ultimate parent entity organized under the laws of any Special Resolution Regime applicable to such Adhering Party, and if different, the ultimate parent entity of such Adhering Party.

“Party in Chapter 11 Proceedings” has the definition given to such term in Section 2(b).

“Party in Resolution” has the definition given to such term in Section 1(a)(i).

“Party in U.S. Proceedings” has the definition given to such term in Section 2(a).

“Performance Default Right” means any Default Right in respect of a Covered Master Agreement or related Credit Enhancement (including any Default Right that exists at the time of commencement of U.S. Insolvency Proceedings but (i) in the case of a Covered Master Agreement, that has not resulted, prior to the commencement of such U.S. Insolvency Proceedings, in the occurrence of or designation by a Section 2 Stayed Party of an early termination date (including an “Early Termination Date”, as defined in the Covered Master Agreement) with respect to such Covered Master Agreement, (ii) in the case of a related Credit Enhancement, that has not been exercised prior to the commencement of such U.S. Insolvency Proceedings) that arises as a result of:—

- (a) The Direct Party entering receivership, insolvency, liquidation, resolution or similar proceedings;
- (b) The failure by the Direct Party to satisfy a payment or delivery obligation to the Section 2 Stayed Party pursuant to the Covered Master Agreement (including for the avoidance of doubt, pursuant to a Credit Support Annex forming a part thereof), Credit Enhancement or any Related Contract between such parties in accordance with the terms thereof; or
- (c) The failure by a Credit Enhancement Provider under the Covered Master Agreement, or any successor thereto, to satisfy a payment or delivery obligation to the Section 2 Stayed Party pursuant to the Credit Enhancement of such Covered Master Agreement in accordance with the terms of such Credit Enhancement.

“Primary Regulator” means, with respect to an entity, the regulatory body or bodies with principal supervisory authority over the Parent of such entity, and, if different, the regulatory body or bodies with principal supervisory authority over such entity.

“Protocol-eligible Jurisdiction” means (i) each member jurisdiction, as of January 1, 2014, of the Financial Stability Board that is not a jurisdiction with an Identified Regime (such member jurisdictions being Argentina, Australia, Brazil, Canada, China, Hong Kong, India, Indonesia, Italy, Mexico, the Netherlands, Republic of Korea, Russia, Saudi Arabia, Singapore, South Africa, Spain and Turkey) and (ii) with respect only to federal bankruptcy law, the United States of America.

“Protocol-eligible Regime” means a set of laws and related regulations in a Protocol-eligible Jurisdiction, other than any Ring-fence Provisions or any provisions in the nature of “crisis prevention measures” as such term is defined in BRRD (but excluding the write-down and conversion power referred to in Article 59.1(b) of BRRD), that addresses the failure or potential failure of a financial company (a **“Failed Financial Company”**), which has the objective of restoring and recapitalizing the Failed Financial Company, or parts of its business, or its affiliates to ongoing and sustainable viability, and under which at all times:—

- (a) An administrative authority is given an active role in executing or guiding such restoration and recapitalization;

(b) Liquidity support is available to the Failed Financial Company, its affiliates or a related transferee if determined necessary or appropriate by the administrative authority or another authority;

(c) With respect to Covered Master Agreements and Covered Credit Enhancements, creditors of the Failed Financial Company have a right to compensation where they do not receive at a minimum what they would have received in a liquidation of the Failed Financial Company under the insolvency laws that would otherwise apply to such Failed Financial Company;

(d) Creditors, with respect to ISDA Master Agreements and Credit Enhancements, are not treated differently from each other or from other creditors in respect of Covered Master Agreements and Covered Credit Enhancements, or similar agreements or obligations, on the basis of nationality, the location or domicile of creditors or the jurisdiction in which claims are payable; and

(e) Resolution-based Default Rights are, or at the discretion of the administrative authority may be, temporarily or permanently stayed, nullified, invalidated or otherwise overridden with respect to Covered Master Agreements and Covered Credit Enhancements with the Failed Financial Company (“**Close-out Stay**”), provided that:—

(i) With respect to a temporary Close-out Stay:—

(A) The duration of any such temporary Close-out Stay does not exceed two Business Days in such Protocol-eligible Jurisdiction; and

(B) During the pendency of any such temporary Close-out Stay, such laws include either or both of the following requirements:—

(I) All payment and delivery obligations of the Failed Financial Company under such Covered Master Agreements and Covered Credit Enhancements are required to be satisfied; or

(II) All payment and delivery obligations of both parties under such Covered Master Agreements and Covered Credit Enhancements are deferred until the expiration of such Close-out Stay; and

(ii) With respect to any Close-out Stay:—

(A) All rights, whether contractual or otherwise (including, without limitation, rights incorporated by reference to any other contract, agreement or document, and rights afforded by statute, civil code, regulation and common law), to net or set off obligations relating to transactions documented under such Covered Master Agreements (including obligations arising from related credit support arrangements) and relating to Covered Credit Enhancements (including obligations arising from related credit support arrangements) remain in full force and effect;

(B) The Failed Financial Company or a transferee remains obligated in respect of such Covered Master Agreements and Covered Credit Enhancements to the extent the Failed Financial Company was obligated immediately prior to becoming subject to the exercise of powers under such laws;

(C) If all or substantially all of the assets of the Failed Financial Company are transferred by the administrative authority to a transferee, Resolution-based Default

Rights may be exercised in respect of any such Covered Master Agreements and Covered Credit Enhancements that are not transferred to such transferee;

(D) The Failed Financial Company or, if such Covered Master Agreements and Covered Credit Enhancements are transferred by the administrative authority to a transferee, its transferee, (1) maintains all material regulatory licenses and registrations necessary under applicable law for the continued operation of its business and, if applicable, is in good standing, (2) has balance sheet assets that exceed its balance sheet liabilities, (3) is able to satisfy its obligations with respect to such Covered Master Agreements and Covered Credit Enhancements when due and (4) is at least as creditworthy as the Failed Financial Company was immediately prior to the start of resolution proceedings;

(E) If such Covered Master Agreements and Covered Credit Enhancements are transferred, (1) any rights to net or set off thereunder, contractual or otherwise, are enforceable substantially to the same extent under the laws and regulations applicable to the transferee as under those applicable to the transferor and (2) the limitations on Resolution-based Default Rights under any Financial Company resolution laws and regulations applicable to the transferee are not substantially greater than those applicable to the transferor; and

(F) Such Close-out Stay does not apply with respect to Default Rights (1) that are not Resolution-based Default Rights or (2) that arise from subsequent and independent resolution proceedings.

“Protocol-eligible Regime Notice” has the definition given to such term in Section 4(b)(i)(C).

“Qualified Financial Contract” has the same meaning as in FDIA Section 11(e), and any implementing regulations and measures, as the same may be amended from time to time.

“Regulatory Compliance Date” means the deadline for compliance set forth in U.S. Regulatory Restrictions that are implemented in the United States of America.

“Related Contract” means, with respect to a Direct Party and a Section 2 Stayed Party, any contract under which the occurrence of a default, event of default or similar condition or event (however described) gives rise to a Default Right in a Covered Master Agreement between such parties (including, for example, contracts identified in an ISDA Master Agreement as a “Specified Transaction” or “Specified Indebtedness”, as defined in such ISDA Master Agreement).

“Related Entity” means, with respect to an Adhering Party and a Covered Master Agreement or Covered Credit Enhancement, (i) each Parent of the Adhering Party, and (ii) any Affiliate that (A) is identified as a “Credit Support Provider” in the Covered Master Agreement or otherwise provides a Credit Enhancement in respect of the Adhering Party’s obligations under the Covered Master Agreement or Covered Credit Enhancement or (B) is identified as a “Specified Entity” or is otherwise designated (including as part of a category of designated entities) in a Covered Master Agreement or a Covered Credit Enhancement for the purpose of defining when a Default Right may be exercised under the Covered Master Agreement or Covered Credit Enhancement.

“Related Entity in Resolution” has the definition given to such term in Section 1(a)(ii).

“Resolution” means, with respect to an Adhering Party or a Related Entity of such Adhering Party, the exercise of authority under a Special Resolution Regime to address the failure or potential failure of such Adhering Party or Related Entity.

“Resolution Authority” means, with respect to a Special Resolution Regime, each administrative authority that is designated as responsible for exercising powers under such Special Resolution Regime.

“Resolution-based Default Right” means any Default Right that arises directly or indirectly by reason of:—

- (a) The financial condition or insolvency of an entity or an affiliate of such entity;
- (b) An entity or an affiliate of such entity becoming subject to an insolvency or resolution regime or the exercise of powers or authority thereunder;
- (c) The appointment of an administrator, provisional liquidator, conservator, receiver, trustee, custodian or other similar official with respect to an entity or an affiliate of such entity; or
- (d) The transfer of assets or liabilities of an entity or an affiliate of an entity to a successor.

“Ring-fence Provisions” means any laws of a jurisdiction that:—

- (a) Provide for the liquidation of one or more branches or offices of an entity that operates through multiple branches or offices separately from other branches or offices of such entity; or
- (b) Provide for the resolution (but not liquidation) of one or more branches or offices of an entity that operates through multiple branches or offices separately from other branches or offices of such entity and that do not comply fully with each element of the Creditor Safeguards.

“Section 1(a)(i) Stayed Party” has the definition given to such term in Section 1(a)(i)(A).

“Section 1(a)(ii) Stayed Party” has the definition given to such term in Section 1(a)(ii)(A).

“Section 1 Stayed Party” means a Section 1(a)(i) Stayed Party and a Section 1(a)(ii) Stayed Party, as applicable.

“Section 2 Opt-out Notice” has the definition given to such term in Section 4(b)(ii).

“Section 2 Stayed Party” has the definition given to such term in Section 2(a).

“SIPA Proceedings” means with respect to an Affiliate of a Direct Party, proceedings under the Securities Investor Protection Act, as amended from time to time (“SIPA”), in respect of such Affiliate.

“Special Resolution Regime” means, subject to Section 4(b), each Identified Regime and each Protocol-eligible Regime.

“SRR Regulatory Restrictions” means, with respect to an Adhering Party and a Special Resolution Regime, any law, regulation or other binding measure that, at a minimum, prohibits the Adhering Party from entering into any derivatives transactions documented under ISDA Master Agreements not governed by the laws of the jurisdiction of that Special Resolution Regime, unless its counterparties to those ISDA Master Agreements agree to restrict the exercise of their Resolution-based Default Rights to the same extent as their exercise of such rights would be restricted under that Special Resolution Regime with

respect to similar transactions with the Adhering Party governed by the laws of the jurisdiction of that Special Resolution Regime.

“**Stay Period**” means, with respect to a Party in Chapter 11 Proceedings, the period of time beginning upon the commencement of the related Chapter 11 Proceedings and ending at the later of (a) 5 PM (Eastern Time) on the next Business Day in the jurisdiction of such Chapter 11 Proceedings and (b) 48 hours after the commencement of such Chapter 11 Proceedings.

“**Swiss Annex**” has the definition given to such term in the annexes attached hereto.

“**Swiss Special Resolution Regime**” means, subject to the Swiss Annex, other than any Ring-fence Provisions, (a) Art. 24 and section eleven (*Massnahmen bei Insolvenzgefahr*) of the Swiss Federal Law on Banks and Savings Banks of 8 November 1934 (*Bundesgesetz über die Banken und Sparkassen; SR 952.0*) and (b) the Ordinance of the Swiss Financial Market Supervisory Authority on the Insolvency of Banks and Securities Dealers of 30 August 2012 (*Verordnung der Eidgenössischen Finanzmarktaufsicht über die Insolvenz von Banken und Effekthändlern; SR 952.05*), and each of their implementing regulations and measures, as the same may be amended from time to time.

“**Transfer Motion**” means a motion filed by a Party in Chapter 11 Proceedings specifying that all or substantially all of the assets of such Party in Chapter 11 Proceedings (or the net proceeds therefrom), excluding any assets reserved for the payment of costs and expenses of administration in the Chapter 11 Proceedings, will be transferred or sold, as soon as practicably possible, to a Bankruptcy Bridge Company or to a third party that is not an Affiliate of the Party in Chapter 11 Proceedings (such Bankruptcy Bridge Company or third party, the “**Transferee**”).

“**Transfer Stay Conditions**” means, with respect to an Affiliate of a Direct Party that has filed a Transfer Motion, a Transferee identified in such Transfer Motion, a Section 2 Stayed Party and a Covered Master Agreement between such Section 2 Stayed Party and such Direct Party:—

(a) All of the direct and indirect ownership interests held by the Affiliate, if any, in the Direct Party that is a party to such Covered Master Agreement with such Section 2 Stayed Party are transferred to the Transferee;

(b) All Credit Enhancements (and any interest and obligation in or under, and any property securing, such Credit Enhancements) provided by the Affiliate in respect of each Covered Master Agreement between such Direct Party and the Section 2 Stayed Party are transferred to such Transferee, and such Transferee remains obligated in respect of such Credit Enhancements to the same extent as the Affiliate of the Direct Party immediately prior to becoming a Party in Chapter 11 Proceedings; and

(c) All Credit Enhancements (and any interest and obligation in or under, and any property securing, such Credit Enhancements) provided by the Affiliate in respect of each Covered Master Agreement, if any, between such Direct Party and each Affiliate of the Section 2 Stayed Party are transferred to such Transferee, and such Transferee remains obligated in respect of such Credit Enhancements to the same extent as the Affiliate of the Direct Party immediately prior to becoming a Party in Chapter 11 Proceedings.

“**Transferee**” has the definition given to such term in the definition of “Transfer Motion”.

“**U.K. Annex**” has the definition given to such term in the annexes attached hereto.

“U.K. Special Resolution Regime” means, subject to the U.K. Annex, other than any Ring-fence Provisions, the provisions of Part I of the U.K. Banking Act 2009, and their implementing regulations and measures, as the same may be amended from time to time.

“U.S. Bankruptcy Code” means Title 11 of the United States Code.

“U.S. Insolvency Proceedings” means Chapter 7 Proceedings, Chapter 11 Proceedings, FDIA Proceedings and SIPA Proceedings.

“U.S. Parent” means, with respect to an Adhering Party, the ultimate parent entity organized under the laws of the United States of America or any state or territory thereof having direct or indirect Control of such Adhering Party.

“U.S. Regulatory Restrictions” means federal regulations in the United States of America that limit or have the effect of limiting the ability of financial companies to enter into transactions documented under ISDA Master Agreements without limitations on the rights or remedies in respect of certain default provisions, as specified in such regulations, that may be exercised by counterparties of such financial companies upon affiliates of such financial companies becoming subject to certain specified insolvency proceedings.

“U.S. Special Resolution Regime – FDIA” means, other than any Ring-fence Provisions, the receivership provisions of the U.S. Federal Deposit Insurance Act, and its implementing regulations and measures, as the same may be amended from time to time.

“U.S. Special Resolution Regime – OLA” means, other than any Ring-fence Provisions, Title II of the U.S. Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 and its implementing regulations and measures, as the same may be amended from time to time.

“Unrelated Default Right” means, with respect to a Covered Master Agreement between the Direct Party and a Section 2 Stayed Party or a related Credit Enhancement:—

(a) Any Default Right in respect of such Covered Master Agreement or related Credit Enhancement that, both:—

(i) Is not based solely on an Affiliate of the Direct Party becoming a Party in U.S. Proceedings; and

(ii) Can be shown by clear and convincing evidence to be not related, directly or indirectly, to an Affiliate of the Direct Party becoming a Party in U.S. Proceedings, to any transfers to a Transferee contemplated by a Transfer Motion, or to a DIP Motion; and

(b) If a U.S. Parent of such Direct Party is not a Party in U.S. Proceedings, any Default Right in respect of such Covered Master Agreement or related Credit Enhancement that is based solely on an Affiliate of the Direct Party becoming subject to insolvency or resolution proceedings other than U.S. Insolvency Proceedings.

FRENCH ANNEX
to the ISDA 2014 RESOLUTION STAY PROTOCOL ATTACHMENT

The purpose of this French Annex is to supplement and modify the terms of the Attachment with respect to the French Special Resolution Regime (such annex, the “**French Annex**”). This French Annex supplements and forms a part of the Attachment. In the event of any inconsistencies between the Attachment and this French Annex, this French Annex will prevail with respect to the French Special Resolution Regime. Capitalized terms not defined herein have the meaning ascribed to them in the Protocol or the Attachment.

1. *BRRD Transposition.* Any amendments to the French Special Resolution Regime reflecting the transposition of any of Articles 68 through 71 and Article 94 of BRRD that result in provisions of French law that conform in all material respects to such Articles of BRRD do not constitute “material and adverse” amendments to the French Special Resolution Regime under Section 4(b)(i)(B) of the Attachment, and accordingly their enactment will not change the status of the French Special Resolution Regime as an Identified Regime.

2. *Limitation on Scope of French Special Resolution Regime Following BRRD Transposition.* Upon the effectiveness of any laws transposing provisions of BRRD into French law, and thereafter, the definition of French Special Resolution Regime shall be limited to only the provisions of law identified in such definition, as amended from time to time, to the extent that they relate to “crisis management measures” as such term is defined in Article 2(102) of BRRD or the write-down and conversion power referred to in Article 59.1(b) of BRRD, in each case, as transposed into French law.

GERMAN ANNEX
to the ISDA 2014 RESOLUTION STAY PROTOCOL ATTACHMENT

The purpose of this German Annex is to supplement and modify the terms of the Attachment with respect to the German Special Resolution Regime (such annex, the “**German Annex**”). This German Annex supplements and forms a part of the Attachment. In the event of any inconsistencies between the Attachment and this German Annex, this German Annex will prevail with respect to the German Special Resolution Regime. Capitalized terms not defined herein have the meaning ascribed to them in the Protocol or the Attachment.

1. Condition on Opt-in to Resolutions under the German Special Resolution Regime.

Notwithstanding anything in the Attachment to the contrary, the provisions of Section 1(a) of the Attachment will not apply with respect to the imposition of a moratorium on payments and dispositions within the meaning of Section 46, paragraph (1), sentence 2, number (4) of the German Banking Acts (*Kreditwesengesetz*), if applicable, in respect of Covered Master Agreements or Covered Credit Enhancements to Adhering Parties from the entity subject to Resolution.

2. German BRRD Implementation Act (*BRRD-Umsetzungsgesetz*). Upon the effectiveness in Germany of the German BRRD Implementation Act (*BRRD-Umsetzungsgesetz*), the definition of German Special Resolution Regime shall be deemed to be amended to include (i) the German Restructuring and Resolution Act (*Sanierungs- und Abwicklungsgesetz*), (ii) the German Credit Institutions Reorganization Act (*Kreditinstitute-Reorganisationsgesetz*), as amended, and (iii) Section 36a, in conjunction with Sections 30 through 36 of the German Covered Bonds Act (*Pfandbriefgesetz*), as amended, and as amended further from time to time, and their implementing regulations and measures; provided that:—

(a) the provisions of the German Restructuring and Resolution Act (*Sanierungs- und Abwicklungsgesetz*) reflecting the transposition of Articles 68 through 71 and Article 94 of BRRD conform in all material respects (taking into account the criteria of Section 4(b)(i)(B) of the Attachment) to the draft provisions included in clause 5 of this German Annex; if any such provision does not conform in all material respects to the respective draft provision included in clause 5 of this German Annex, all provisions of the German Restructuring and Resolution Act (*Sanierungs- und Abwicklungsgesetz*) reflecting the transposition of Articles 68 through 71 and Article 94 of BRRD shall not form part of the German Special Resolution Regime; and

(b) other than the provisions in clause 5 of this German Annex and the amendments by the BRRD Implementation Act (*BRRD-Umsetzungsgesetz*) to the German Credit Institutions Reorganization Act (*Kreditinstitute-Reorganisationsgesetz*) and Section 36a, in conjunction with Sections 30 through 36 of the German Covered Bonds Act (*Pfandbriefgesetz*), the BRRD Implementation Act (*BRRD-Umsetzungsgesetz*) and any implementing regulations or measures in respect thereof do not materially and adversely impair (taking into account the criteria of Section 4(b)(i)(B) of the Attachment) the ability to exercise Default Rights in respect of ISDA Master Agreements and Credit Enhancements, in which case any such provisions that do so further adversely impair the ability to exercise Default Rights in respect of ISDA Master Agreements and Credit Enhancements shall not form part of the German Special Resolution Regime.

3. BRRD Transposition. Amendments to the German Special Resolution Regime in compliance with clause 2 of this German Annex do not constitute “material and adverse” amendments to the German Special Resolution Regime under Section 4(b)(i)(B) of the Attachment, and accordingly their enactment (including through the enactment of the German Restructuring and Resolution Act (*Sanierungs- und*

Abwicklungsgesetz) will not change the status of the German Special Resolution Regime as an Identified Regime.

4. Limitation on Scope of German Special Resolution Regime Following BRRD Transposition.

Upon the effectiveness of any laws transposing provisions of BRRD into German law, and thereafter, the definition of German Special Resolution Regime shall be limited to only the provisions of law identified in such definition, as amended from time to time, to the extent that they relate to (i) “crisis management measures” as such term is defined in Article 2(102) of BRRD or the write-down and conversion power referred to in Article 59.1(b) of BRRD, in each case, as transposed into German law or (ii) measures under the German Credit Institutions Reorganization Act (*Kreditinstitute-Reorganisationsgesetz*).

5. Amendments to German Special Resolution Regime. In the case of any inconsistencies between the German original wording and the English translation set forth below, the former will prevail.

German original wording:

§ 82

Befugnis zur Aussetzung vertraglicher Pflichten

- (1) *Die Abwicklungsbehörde kann anordnen, dass alle oder einzelne Zahlungs- oder Lieferverpflichtungen eines in Abwicklung befindlichen Instituts oder gruppenangehörigen Unternehmens aus Verträgen, bei [denen]³ es Vertragspartei ist, ausgesetzt werden für den Zeitraum ab der öffentlichen Bekanntgabe dieser Aussetzung gemäß § 137 Absatz 1 bis zum Ablauf des auf diese Bekanntgabe folgenden Geschäftstages. Bei der Anordnung einer solchen Aussetzung berücksichtigt die Abwicklungsbehörde die möglichen Auswirkungen auf das ordnungsgemäße Funktionieren der Finanzmärkte.*
- (2) *Von einer Aussetzung gemäß Absatz 1 Satz 1 sind ausgenommen:*
 1. *erstattungsfähige Einlagen,*
 2. *Zahlungs- und Lieferverpflichtungen[, die]⁴ gegenüber Systemen im Sinne des § 1 Absatz 16 des Kreditwesengesetzes, Systembetreibern im Sinne des § 1 Absatz 16a des Kreditwesengesetzes, zentralen Gegenparteien im Sinne des § 1 Absatz 31 des Kreditwesengesetzes und Zentralbanken geschuldet werden, und*
 3. *erstattungsfähige Verbindlichkeiten aus Wertpapiergeschäften im Sinne des § 4 des Einlagensicherungs- und Anlegerentschädigungsgesetzes.*
- (3) *Werden die Zahlungs- oder Lieferverpflichtungen eines in Abwicklung befindlichen Instituts oder gruppenangehörigen Unternehmens aus einem Vertrag gemäß Absatz 1 Satz 1 ausgesetzt, so sind die Zahlungs- oder Lieferverpflichtungen der Gegenparteien des in Abwicklung befindlichen*

³ This word appears to be missing in the draft Act.

⁴ This word and the comma appear to be missing in the draft Act.

Instituts oder des gruppenangehörigen Unternehmens aus diesem Vertrag für den gleichen Zeitraum ausgesetzt.

- (4) *Eine Zahlungs- oder Lieferverpflichtung, deren Fälligkeit in den Aussetzungszeitraum fällt, wird unmittelbar nach Ablauf des Aussetzungszeitraums fällig.*

English translation:

Section 82

Power to suspend contractual obligations

- (1) The resolution authority may order that any or all payment or delivery obligations pursuant to any contract to which an institution or group entity under resolution is a party are suspended for the period from the publication of a notice of such suspension in accordance with section 137(1) until the end of the business day following such publication. When ordering such suspension, the resolution authority shall have regard to its potential impact on the orderly functioning of the financial markets.
- (2) Any suspension under paragraph 1 shall not apply to:
1. eligible deposits;
 2. payment and delivery obligations owed to systems within the meaning of section 1(16) of the Banking Act (*Kreditwesengesetz*), operators of systems within the meaning of section 1(16a) of the Banking Act, central counterparties within the meaning of section 1(31) of the Banking Act, and central banks; and
 3. claims eligible for compensation arising from securities transactions within the meaning of section 4 of the Deposit Guarantee and Investor Compensation Act (*Einlagensicherungs- und Anlegerentschädigungsgesetz*).
- (3) If payment or delivery obligations of an institution or group entity under resolution under a contract are suspended pursuant to paragraph 1 sentence 1, the payment or delivery obligations of the counterparty of the institution or group entity under resolution under that contract shall be suspended for the same period of time.
- (4) A payment or delivery obligation becoming due during the suspension period shall be due immediately upon expiry of the suspension period.

German original wording:

§ 83

Befugnis zur Beschränkung von Sicherungsrechten

- (1) *Bei Vorliegen der Abwicklungsvoraussetzungen kann die Abwicklungsbehörde den besicherten Gläubigern eines in Abwicklung befindlichen Instituts oder gruppenangehörigen Unternehmens, deren Forderungen besichert sind, die Durchsetzung von Sicherungsrechten untersagen für den Zeitraum ab der öffentlichen Bekanntgabe dieser Beschränkung gemäß § 137 Absatz 1 bis zum Ablauf des auf diese Bekanntgabe folgenden Geschäftstages. Bei der Anordnung einer solchen Beschränkung berücksichtigt die Abwicklungsbehörde die möglichen Auswirkungen auf das ordnungsgemäße Funktionieren der Finanzmärkte.*
- (2) *Von einer Beschränkung nach Absatz 1 sind Sicherungsrechte ausgenommen, die das in Abwicklung befindliche Institut oder gruppenangehörige Unternehmen Systemen im Sinne des § 1 Absatz 16 des Kreditwesengesetzes oder Systembetreibern im Sinne des § 1 Absatz 16a des Kreditwesengesetzes, zentralen Gegenparteien im Sinne des § 1 Absatz 31 des Kreditwesengesetzes und Zentralbanken an seinen Vermögenswerten bestellt hat.*

English translation:

Section 83

Power to restrict security interests

- (1) If all conditions for resolution are fulfilled, the resolution authority may restrict secured creditors of an institution or group entity under resolution from enforcing security interests for the period from the publication of a notice of the restriction in accordance with section 137(1) until the end of the business day following such publication. When ordering such restriction, the resolution authority shall have regard to its potential impact on the orderly functioning of the financial markets.
- (2) Any restriction under paragraph 1 shall not apply to security interests over assets granted by the institution or group entity under resolution to systems within the meaning of section 1(16) of the Banking Act, operators of systems within the meaning of section 1(16a) of the Banking Act, central counterparties within the meaning of section 1(31) of the Banking Act, and central banks.

German original wording:

§ 84

Befugnis zur vorübergehenden Aussetzung von Beendigungsrechten

- (1) *Bei Vorliegen der Abwicklungsvoraussetzungen kann die Abwicklungsbehörde das Recht einer Partei, einen Vertrag mit einem in Abwicklung befindlichen Institut oder gruppenangehörigen Unternehmen zu beenden, aussetzen für den Zeitraum ab der öffentlichen Bekanntgabe dieser Aussetzung gemäß § 137 Absatz 1 bis zum Ablauf des auf diese Bekanntgabe folgenden Geschäftstages.*

- (2) *Die Abwicklungsbehörde kann das Recht einer Partei, einen Vertrag mit einem gruppenangehörigen Unternehmen zu beenden, das derselben Gruppe angehört wie ein in Abwicklung befindliches gruppenangehöriges Unternehmen, aussetzen für den Zeitraum ab der öffentlichen Bekanntgabe gemäß § 137 Absatz 1 bis zum Ablauf des auf diese Bekanntgabe folgenden Geschäftstages in dem Mitgliedstaat, in dem die von der Aussetzung betroffene Vertragspartei ihren Sitz hat, wenn folgende Voraussetzungen vorliegen:*
1. *Die Erfüllung der sich aus dem Vertrag ergebenden Verpflichtungen wird von dem in Abwicklung befindlichen gruppenangehörigen Unternehmen garantiert oder auf andere Art und Weise sichergestellt;*
 2. *das Beendigungsrecht knüpft ausschließlich auf [sic⁵] das Vorliegen von Insolvenzgründen oder die Abwicklungsvoraussetzungen oder die Anordnung oder Durchführung von Abwicklungsmaßnahmen an und,*
 3. *für den Fall, dass eine Übertragungsanordnung in Bezug auf das in Abwicklung befindliche Institut oder gruppenangehörige Unternehmen angeordnet wurde oder angeordnet werden kann,*
 - a) *alle mit diesem Vertrag verbundenen Rechte und Pflichten des in Abwicklung befindlichen Instituts oder des gruppenangehörigen Unternehmens wurden auf den übernehmenden Rechtsträger übertragen und von ihm übernommen oder können [sic] auf ihn übertragen oder von ihm übernommen werden; oder*
 - b) *die Abwicklungsbehörde kann einen anderweitigen Schutz der Ansprüche der anderen Vertragspartei bewirken.*
- (3) *Bei einer Anordnung nach Absatz 1 oder Absatz 2 berücksichtigt die Abwicklungsbehörde die möglichen Auswirkungen auf das ordnungsgemäße Funktionieren der Finanzmärkte.*
- (4) *Eine Anordnung nach Absatz 1 oder 2 erfolgt nicht gegenüber Teilnehmern von Systemen im Sinne des § 1 Absatz 16 des Kreditwesengesetzes, gegenüber Systembetreibern im Sinne des § 1 Absatz 16a des Kreditwesengesetzes, gegenüber zentralen Gegenparteien im Sinne des § 1 Absatz 31 des Kreditwesengesetzes und gegenüber Zentralbanken.*
- (5) *Eine Vertragspartei kann vor Ablauf des in Absatz 1 oder Absatz 2 genannten Zeitraums von einem Beendigungsrecht nur Gebrauch machen, wenn sie von der Abwicklungsbehörde die Mitteilung erhält, dass die mit dem Vertrag verbundenen Rechte und Pflichten weder auf einen übernehmenden Rechtsträger übertragen werden, noch Gegenstand einer Herabschreibung oder Umwandlung bei der Anwendung des Instruments der Gläubigerbeteiligung sind.*

⁵ This should be “an”, not “auf”.

- (6) *Auf eine Mitteilung der Abwicklungsbehörde nach Satz 1 [sic6] besteht kein Anspruch. Eine Vertragspartei kann nach Ablauf des in Absatz 1 oder 2 genannten Zeitraums, sofern keine Mitteilung nach Absatz 5 ergangen ist, von einem Beendigungsrecht vorbehaltlich der Regelungen der §§ 82 und 144 Gebrauch machen, wenn*
1. *in Fällen, in denen die mit dem Vertrag verbundenen Rechte und Pflichten auf einen übernehmenden Rechtsträger übertragen wurden, die vertraglichen Voraussetzungen für eine Beendigung des Vertrags auch nach Übertragung an den übernehmenden Rechtsträger noch vorliegen;*
 2. *in Fällen, in denen die mit dem Vertrag verbundenen Rechte und Pflichten bei dem in Abwicklung befindlichen Institut oder gruppenangehörigen Unternehmen verbleiben und die Abwicklungsbehörde das Instrument der Gläubigerbeteiligung nicht auf das in Abwicklung befindliche Institut oder ein gruppenangehöriges Unternehmen angewendet hat, die vertraglichen Voraussetzungen für eine Beendigung des Vertrags bei Ablauf des in Absatz 1 genannten Zeitraums noch vorliegen.*
- (7) *Die Absätze 1 bis 6 gelten entsprechend für sämtliche Beendigungstatbestände, die sich aus einem Vertrag mit einem in Abwicklung befindlichen Institut oder gruppenangehörigen Unternehmen ergeben.*

English translation:

Section 84
Power to temporarily suspend termination rights

- (1) If all conditions for resolution are fulfilled, the resolution authority may suspend the rights of any party to terminate a contract with an institution or group entity under resolution for the period from the publication of a notice of such suspension in accordance with section 137(1) until the end of the business day following such publication.
- (2) The resolution authority may suspend the rights of any party to terminate a contract with a group entity belonging to the same group as a group entity under resolution for the period from the publication of a notice in accordance with section 137(1) until the end of the business day following such publication in the Member State in which the counterparty affected by the suspension is established, provided that:
 1. the obligations under that contract are guaranteed or are otherwise supported by the group entity under resolution;

⁶ Judging from the prior version of the draft Act, this reference should not be to sentence 1, but to paragraph 5.

2. the termination rights under that contract are based solely on insolvency events or conditions to resolution or the imposition or implementation of resolution measures; and
3. in the case a transfer order has been or may be issued in relation to the institution or group entity under resolution, either
 - a) all the rights and obligations under that contract of the institution or group entity under resolution have been or may be transferred to, and assumed by, the acquiring entity; or
 - b) the resolution authority can provide in any other way adequate protection for the rights of the counterparties.
- (3) When making an order according to paragraph 1 or 2, the resolution authority shall have regard to its potential impact on the orderly functioning of the financial markets.
- (4) Any suspension according to paragraph 1 or 2 shall not be ordered with respect to participants of systems within the meaning of section 1(16) of the Banking Act, operators of systems within the meaning of section 1(16a) of the Banking Act, central counterparties within the meaning of section 1(31) of the Banking Act, and central banks.
- (5) A counterparty may exercise a termination right before the end of the period referred to in paragraph 1 or paragraph 2 only if that counterparty is notified by the resolution authority that the rights and obligations under the contract will neither be transferred to an acquiring entity nor be made subject to a write-down or conversion in connection with the application of the bail-in tool.
- (6) The resolution authority is not obligated to issue any notice pursuant to sentence 1 [*sic*⁷]. Subject to sections 82 and 144, a counterparty may exercise its termination rights after the period pursuant to paragraph 1 or paragraph 2 has expired, if no notice pursuant to paragraph 5 has been issued, provided that:
 1. if the rights and obligations under the contract have been transferred to an acquiring entity, the contractual conditions to the right to terminate continue to exist after the transfer to the acquiring entity;
 2. if the rights and obligations under the contract remain with the institution or group entity under resolution and the resolution authority has not applied the bail-in tool to the institution or group entity under resolution, the contractual conditions to the right to terminate continue to exist after the expiry of the period referred to in paragraph 1.

⁷ Judging from the prior version of the draft Act, this reference should not be to sentence 1, but to paragraph 5.

- (7) Paragraphs 1 through 6 apply mutatis mutandis to any contractual right to discontinue, terminate or accelerate a contract with an institution or group entity under resolution.

German original wording:

§ 144

Ausschluss bestimmter vertraglicher Bedingungen bei frühzeitigem Eingreifen und bei der Abwicklung

- (1) *Eine Krisenpräventionsmaßnahme oder eine Krisenmanagementmaßnahme, einschließlich eines unmittelbar mit der Anwendung einer solchen Maßnahme verbundenen Ereignisses, gelten in Bezug auf das Institut oder die Gruppe und alle gruppenangehörigen Unternehmen nicht als Verwertungs- oder Beendigungsfall im Sinne der Richtlinie 2002/47/EG des Europäischen Parlaments und des Rates oder als Insolvenzverfahren im Sinne der Richtlinie 98/26/EG des Europäischen Parlaments und des Rates, wenn die Hauptleistungspflichten aus dem Vertrag, einschließlich Zahlungs- und Leistungsverpflichtungen, und die Pflicht zur Stellung von Sicherheiten weiterhin erfüllt werden. Eine Aussetzung oder Beschränkung gemäß den §§ 82 bis 84 stellt keine Nichterfüllung von vertraglichen Hauptleistungspflichten dar.*
- (2) *Wird ein Drittstaatsabwicklungsverfahren gemäß § 169 anerkannt, so gilt dieses Verfahren für die Zwecke dieser Vorschrift als Krisenmanagementmaßnahme.*
- (3) *Eine Krisenpräventionsmaßnahme oder eine Krisenmanagementmaßnahme, einschließlich eines unmittelbar mit der Anwendung einer solchen Maßnahme verbundenen Ereignisses, berechtigen nicht dazu,*
- 1. Kündigungs-, Aussetzungs-, Änderungs-, Zurückbehaltungs-, Verrechnungs- oder Aufrechnungsrechte gegenüber einem Institut oder gruppenangehörigen Unternehmen auszuüben,*
 - 2. Eigentum des betreffenden Instituts oder gruppenangehörigen Unternehmens zu erlangen, Kontrolle darüber auszuüben oder Ansprüche aus einer Sicherheit geltend zu machen, und*
 - 3. etwaige vertragliche Rechte des betreffenden Instituts oder gruppenangehörigen Unternehmens zu beeinträchtigen.*
- Dies gilt nur, wenn die Hauptleistungspflichten aus dem Vertrag, einschließlich Zahlungs- und Leistungspflichten, und die Pflicht zur Stellung von Sicherheiten weiterhin erfüllt werden. Absatz 1 Satz 2 gilt entsprechend.*
- (4) *Die in Absatz 3 Satz 1 genannten Rechte können ausgeübt werden, wenn die Rechte aufgrund eines anderen Ereignisses als einer Krisenpräventionsmaßnahme, einer Krisenmanagementmaßnahme oder einem unmittelbar mit der Anwendung einer solchen Maßnahme verbundenen Ereignis entstanden sind.*

- (5) *Aus Vereinbarungen, die den Regelungen der Absätze 1 und 3 zuwiderlaufen, können keine Rechte hergeleitet werden. Institute und gruppenangehörige Unternehmen dürfen Musterverträge im Geschäftsverkehr nur nutzen, wenn sie den Regelungen der Absätze 1 und 3 entsprechen.*

English translation:

Section 144

Exclusion of certain contractual terms in early intervention and resolution

- (1) A crisis prevention measure or a crisis management measure, including the occurrence of any event directly linked to the application of such a measure, shall not, in relation to the institution or the group and all group entities, be deemed to be an enforcement or termination event within the meaning of Directive 2002/47/EC of the European Parliament and the Council, or as insolvency proceedings within the meaning of Directive 98/26/EC of the European Parliament and the Council, provided that the substantive obligations under the contract, including payment and delivery obligations and the provision of collateral, continue to be performed. A suspension or restriction under sections 82 to 84 shall not constitute non-performance of a substantive contractual obligation.
- (2) If third country resolution proceedings are recognized pursuant to section 169, such proceedings shall constitute a crisis management measure for the purposes of this section.
- (3) A crisis prevention measure or a crisis management measure, including the occurrence of any event directly linked to the application of such a measure, does not give right to:
1. the exercise of any termination, suspension, modification, retention, netting or set-off rights against an institution or group entity;
 2. obtain ownership of, exercise control over, or enforce any security over any assets of the institution or group entity; and
 3. impair any contractual rights of the institution or the group entity.

The foregoing only applies if the substantive obligations under the contract, including payment and delivery obligations, and the provision of collateral, continue to be performed. Paragraph 1 sentence 2 applies *mutatis mutandis*.

- (4) The rights listed in paragraph 3 sentence 1 may be exercised if such rights arise by virtue of an event other than a crisis prevention measure, a crisis management measure or the occurrence of any event directly linked to the application of such a measure.
- (5) No rights may be derived from agreements that conflict with paragraphs 1 and 3. Institutions and group entities may use only such standard forms for business purposes that comply with the requirements of paragraphs 1 and 3.

German original wording:

§ 169

Anerkennung und Durchsetzung von Drittstaatsabwicklungsverfahren

- (1) *Die Bestimmungen dieses Paragraphen gelten in Bezug auf Drittstaatsabwicklungsverfahren, sofern und solange keine Übereinkunft gemäß § 167 Absatz 4 mit dem betreffenden Drittstaat in Kraft getreten ist. Sie gelten ferner nach dem Inkrafttreten einer Übereinkunft gemäß § 167 Absatz 4 mit einem Drittstaat, sofern in der Übereinkunft die Anerkennung und Durchsetzung der Drittstaatsabwicklungsverfahren nicht geregelt wird.*
- (2) *Drittstaatsabwicklungsverfahren ist eine nach dem Recht eines Drittstaats vorgesehene Maßnahme zum Umgang mit dem Ausfall eines Drittstaatsinstituts, die in ihren Zielen und zu erwartenden Ergebnissen mit den in diesem Gesetz vorgesehenen Abwicklungsmaßnahmen vergleichbar ist.*
- (3) *Besteht ein europäisches Abwicklungskollegium gemäß § 159 Absatz 1, entscheidet dieses im Rahmen einer gemeinsamen Entscheidung darüber, ob es Drittstaatsabwicklungsverfahren in Bezug auf ein Drittstaatsinstitut oder ein Mutterunternehmen anerkennt, sofern kein Fall gemäß § 170 vorliegt und sofern*
 1. *das Drittstaatsinstitut oder Mutterunternehmen inländische Tochterinstitute oder eine oder mehrere als bedeutend eingestufte, inländische Unionszweigstellen in zwei oder mehreren anderen Mitgliedstaaten hat; oder*
 2. *das Drittstaatsinstitut oder Mutterunternehmen über Vermögenswerte, Rechte oder Verbindlichkeiten verfügt, die in zwei oder mehreren Mitgliedstaaten belegen sind oder dem Recht dieser Mitgliedstaaten unterliegen.*

Hat sich das europäische Abwicklungskollegium in einer gemeinsamen Entscheidung auf die Anerkennung eines Drittstaatsabwicklungsverfahrens verständigt, so setzt die Abwicklungsbehörde dieses Drittstaatsabwicklungsverfahren, vorbehaltlich dessen Vereinbarkeit mit deutschem Recht sowie mit bestehenden zwischenstaatlichen Vereinbarungen mit dem jeweiligen Drittstaat, im Wege der Amtshilfe durch.

- (4) *Liegt keine gemeinsame Entscheidung des europäischen Abwicklungskollegiums über die Anerkennung eines Drittstaatsabwicklungsverfahrens nach Absatz 2 vor, entscheidet die Abwicklungsbehörde für Tochterinstitute mit Sitz im Inland oder eine als bedeutend eingestufte inländische Unionszweigstelle, sowie für Vermögenswerte, Rechte oder Verbindlichkeiten, die in Deutschland belegen sind oder deutschem Recht unterliegen, unter Berücksichtigung der Regelung des § 170 über die Anerkennung und Durchsetzung von Drittstaatsabwicklungsverfahren. Sie berücksichtigt dabei die Interessen der einzelnen Mitgliedstaaten, in denen ein Drittstaatsinstitut oder ein Mutterunternehmen tätig ist, sowie insbesondere mögliche Auswirkungen der*

Anerkennung und Durchsetzung von Drittstaatsabwicklungsverfahren auf andere Teile der Gruppe und auf die Finanzstabilität in den betroffenen Mitgliedstaaten.

- (5) *Unter der Voraussetzung der Vereinbarkeit mit deutschem Recht sowie mit bestehenden zwischenstaatlichen Vereinbarungen mit dem jeweiligen Drittstaat ist die Abwicklungsbehörde nach Maßgabe des Absatzes 4 insbesondere berechtigt:*
1. *zur Ausübung der Abwicklungsbefugnisse gemäß Drittstaatsabwicklungsverfahren im Wege der Amtshilfe in Bezug auf*
 - a) *Vermögenswerte eines Drittstaatsinstituts oder eines Mutterunternehmens, die sich im Inland befinden oder deutschem Recht unterliegen;*
 - b) *Rechte oder Verbindlichkeiten eines Drittstaatsinstituts, die der Unionszweigstelle im Inland obliegen oder dem deutschen Recht unterliegen oder die im Inland einklagbare Forderungen begründen;*
 2. *zum Vollzug oder zur Anordnung des Vollzugs einer Übertragung von Anteilen oder Eigentumstiteln an einem in Deutschland niedergelassenen Tochterinstitut;*
 3. *zur Ausübung der Befugnisse gemäß den §§ 82, 83 oder 84 in Bezug auf die Rechte der Parteien eines Vertrags mit einem in Absatz 3 genannten Unternehmen, wenn solche Befugnisse für die Durchsetzung der Drittstaatsabwicklungsverfahren notwendig sind;*
 4. *zur Beschränkung der Durchsetzbarkeit vertraglicher Rechte, welche insbesondere:*
 - a) *die Beendigung, Kündigung, Auflösung oder Abwicklung von Verträgen oder die Tilgung oder Fälligestellung von Forderungen zum Gegenstand haben oder*
 - b) *die vertraglichen Rechte der in Absatz 3 genannten Parteien und anderer gruppenangehöriger Unternehmen beeinträchtigen, wenn und soweit das durchzusetzende Recht aus einer Abwicklungsmaßnahme mit Bezug auf diese Parteien resultiert, unter der Maßgabe, dass die wesentlichen vertraglichen Verpflichtungen, einschließlich der Zahlungs- und Lieferverpflichtungen sowie der Verpflichtungen zur Leistung von Sicherheiten, hiervon unberührt bleiben.*
- (6) *Die Abwicklungsbehörde kann, soweit dies im öffentlichen Interesse erforderlich ist, Abwicklungsmaßnahmen in Bezug auf ein Mutterunternehmen durchführen, wenn die zuständige Drittstaatsabwicklungsbehörde zu der Einschätzung gelangt, dass dieses Unternehmen die Abwicklungsvoraussetzungen nach dem nationalen Recht dieses Drittstaates erfüllt.*

- (7) *Die Anerkennung und Durchsetzung der Drittstaatsabwicklungsverfahren berührt nicht die Insolvenzverfahren nach deutschem Recht, die gegebenenfalls im Einklang mit diesem Gesetz anwendbar sind.*
- (8) *Vorbehaltlich der vorherigen Prüfung der Vereinbarkeit mit deutschem Recht sowie mit bestehenden zwischenstaatlichen Vereinbarungen mit dem jeweiligen Drittstaat erkennt die Abwicklungsbehörde, außer in den in § 170 genannten Fällen, Drittstaatsabwicklungsverfahren an, soweit diese Regelungen vorsehen, die für die Erreichung eines oder mehrere Abwicklungsziele erforderlich sind. Die Anerkennung des Drittstaatsabwicklungsverfahrens berührt in diesem Fall nicht das Abwicklungsverfahren nach deutschem Recht.*

English translation:

Section 169

Recognition and enforcement of third-country resolution proceedings

- (1) The provisions of this section shall apply in respect of third-country resolution proceedings unless and until no agreement pursuant to section 167(4) has entered into force with the relevant third country. They shall also apply following the entry into force of an agreement pursuant to section 167(4) with a third country if such agreement does not govern the recognition and enforcement of third-country resolution proceedings.
- (2) Third-country resolution proceedings means an action under the law of a third country to manage the default of a third-country institution that, in its objectives and anticipated results, is comparable to resolution measures under this Act.
- (3) If a European resolution college pursuant to section 159(1) is established, it shall decide, by means of a joint decision, on whether to recognize third-country resolution proceedings with respect to a third-country institution or a parent undertaking, if none of the cases under section 170 is present, and provided that:
1. the third-country institution or parent undertaking has domestic subsidiary institutions, or one or more domestic Union branches regarded as significant in two or more Member States; or
 2. the third-country institution or parent undertaking has assets, rights or liabilities located in two or more Member States, or governed by the law of such Member States.

If the European resolution college, in a joint decision, has agreed to recognize the third-country resolution proceedings, the resolution authority shall enforce such third-country resolution proceedings by way of mutual assistance, provided such proceedings comply with German law and existing international treaties with the respective third country.

- (4) In the absence of a joint decision on the recognition of the third-country resolution proceedings by the European resolution college in accordance with

paragraph 2, the resolution authority shall decide, with respect to domestic subsidiary institutions, domestic Union branches regarded as significant, and assets, rights or liabilities located in Germany, or governed by German law, whether to recognize and enforce the third-country resolution proceedings, taking into account the provisions of section 170. When making the decision, it shall also take into account the interests of such Member States in which a third-country institution or parent undertaking operates, and in particular any potential impact the recognition and enforcement of the third-country resolution proceedings may have on other parts of the group and the financial stability in any affected Member States.

- (5) Subject to compliance with German law and existing international treaties with the respective third country, the resolution authority, in accordance with paragraph 4, is permitted, in particular:
1. to exercise the resolution powers pursuant to third-country resolution proceedings by way of mutual assistance in relation to:
 - a) assets of a third-country institution or parent undertaking located in Germany, or governed by German law;
 - b) rights or liabilities of a third-country institution that pertain to a domestic Union branch or which are governed by German law or which give rise to claims enforceable in Germany;
 2. to enforce, or to order enforcement, of the transfer of shares or other instruments of ownership in a subsidiary institution located in Germany;
 3. to exercise the powers pursuant to sections 82, 83 or 84 with respect to the rights of any party to a contract with an entity referred to in paragraph 3 if such powers are necessary for enforcing the third-country resolution proceedings;
 4. to restrict the enforceability of contractual rights, which, in particular:
 - a) relate to the discontinuation, termination, liquidation or resolution of contracts, or the performance or acceleration of obligations, or
 - b) impair the contractual rights of the parties referred to in paragraph 3 and of other group entities if and to the extent the right to be enforced results from a resolution measure relating to such parties, provided that the material contractual obligations, including payment and delivery obligations, and the provision of collateral remain unaffected therefrom.
- (6) The resolution authority may, insofar as is necessary in the public interest, carry out resolution measures with respect to a parent undertaking if the competent third-country resolution authority determines that such undertaking meets the conditions for resolution under the laws of such third country.

- (7) The recognition and enforcement of third-country resolution proceedings shall be without prejudice to any insolvency proceedings under German law which may be applicable, where appropriate, in accordance with this Act.
- (8) Subject to prior assessment of compliance with German law as well as any existing international treaties with the respective third country, the resolution authority, except in the cases referred to in section 170, shall recognize third-country resolution proceedings to the extent such proceedings contain provisions required for the achievement of one or more resolution objectives. In such case, the recognition of the third-country resolution proceedings shall not affect any resolution proceedings under German law.

JAPANESE ANNEX
to the ISDA 2014 RESOLUTION STAY PROTOCOL ATTACHMENT

The purpose of this Japanese Annex is to supplement and modify the terms of the Protocol with respect to the Japanese Special Resolution Regime (such annex, the “**Japanese Annex**”). This Japanese Annex supplements and forms a part of the Attachment. In the event of any inconsistencies between the Attachment and this Japanese Annex, this Japanese Annex will prevail with respect to the Japanese Special Resolution Regime. Capitalized terms not defined herein have the meaning ascribed to them in the Protocol or the Attachment.

1. ***Condition on Opt-in to Japanese Special Resolution Regime.*** Notwithstanding anything in the Attachment to the contrary, the provisions of Section 1(a) of the Attachment shall not apply with respect to a Covered Master Agreement unless, upon the commencement of Resolution, the Japanese Resolution Authority, Prime Minister or Minister of State for Financial Services issues a public statement announcing either that:—

- (a) the Covered Master Agreement and any related Credit Enhancements, as applicable, will be transferred to a successor; or
- (b) the duration of any temporary stay on Default Rights imposed by the Japanese Resolution Authority with respect to the Covered Master Agreement and any related Credit Enhancements, as applicable, will not exceed two Business Days in Japan.

SWISS ANNEX
to the ISDA 2014 RESOLUTION STAY PROTOCOL ATTACHMENT

The purpose of this Swiss Annex is to supplement and modify the terms of the Attachment with respect to the Swiss Special Resolution Regime (such annex, the “**Swiss Annex**”). This Swiss Annex supplements and forms a part of the Attachment. In the event of any inconsistencies between the Attachment and this Swiss Annex, this Swiss Annex will prevail with respect to the Swiss Special Resolution Regime. Capitalized terms not defined herein have the meaning ascribed to them in the Protocol or the Attachment.

1. Transfer of Provisions. The relevant provisions of the Swiss Federal Law on Banks and Savings Banks of 8 November 1934 (*Bundesgesetz über die Banken und Sparkassen; SR 952.0*) (“**Swiss Banking Act**”), shall constitute part of the Swiss Special Resolution Regime notwithstanding the transfer of such provisions, without substantive amendments, to another Swiss federal act, including as modified consistent with Section 2 of this Swiss Annex.

2. Effect of Certain Amendments. Amendments to the Swiss Special Resolution Regime substantially in the form of the draft provisions set forth below do not constitute “material and adverse” amendments to the Swiss Special Resolution Regime under Section 4(b)(i)(B) of the Attachment, and accordingly their enactment will not change the status of the Swiss Special Resolution Regime as an Identified Regime. In the case of any inconsistencies between the German original wording and the English translation set forth below, the former will prevail.

German original wording:

Art. 27 Vorrang von Aufrechnungs-, Verwertungs- und Übertragungsvereinbarungen

¹ *Von Anordnungen nach dem elften und zwölften Abschnitt unberührt bleiben im Voraus geschlossene Vereinbarungen über die:*

- a) Aufrechnung von Forderungen, einschliesslich der vereinbarten Methode und der Wertbestimmung;*
- b) freihändige Verwertung von Sicherheiten in Form von Effekten oder anderen Finanzinstrumenten, deren Wert objektiv bestimmbar ist;*
- c) Übertragung von Forderungen und Verpflichtungen sowie von Sicherheiten in Form von Effekten oder anderen Finanzinstrumenten, deren Wert objektiv bestimmbar ist.*

² *Vorbehalten bleibt Artikel 30a.*

Art. 30a Aufschiebung der Beendigung von Verträgen

¹ *Mit der Anordnung oder Genehmigung von Massnahmen nach diesem Abschnitt können von der FINMA aufgeschoben werden:*

- a) die Beendigung von Verträgen und die Ausübung von Rechten zu deren Beendigung;*

b) *die Ausübung von Aufrechnungs-, Verwertungs- und Übertragungsrechten nach Artikel 27.*

² *Der Aufschub kann nur angeordnet werden, wenn die Beendigung oder die Ausübung der Rechte nach Absatz 1 durch die Massnahmen begründet ist.*

³ *Er kann für längstens zwei Arbeitstage angeordnet werden. Die FINMA bezeichnet den Beginn und das Ende des Aufschubs.*

⁴ *Der Aufschub ist ausgeschlossen oder wird hinfällig, wenn die Beendigung oder die Ausübung eines Rechts nach Absatz 1:*

a) *nicht mit den Massnahmen zusammenhängt; und*

b) *zurückzuführen ist auf das Verhalten der Bank, die sich in einem Insolvenzverfahren befindet, oder des Rechtsträgers, der die Verträge ganz oder teilweise übernimmt.*

⁵ *Werden nach Ablauf des Aufschubs die Bewilligungsvoraussetzungen und die übrigen gesetzlichen Vorschriften eingehalten, so besteht der Vertrag fort und es können die mit den Massnahmen zusammenhängenden Rechte nach Absatz 1 nicht mehr ausgeübt werden.*

English translation:

Art. 27 Priority of agreements relating to netting, realization and transfers

¹ Directives according to section 11 and 12 do not affect agreements concluded in advance regarding the:

- a) netting of claims, including the agreed method and determination of value;
- b) the private realization of collateral in the form of securities or other financial instruments whose value may be determined objectively;
- c) transfer of claims, liabilities and collateral in the form of securities and other financial instruments whose value may be determined objectively.

² Art. 30a remains reserved.

Art. 30a Stay of the termination of contracts

¹ With the imposition or the approval of measures according to this section FINMA may put a stay on:

- a) the termination of contracts and the exercise of rights to terminate the same;
- b) the exercise of rights to net, realize or transfer according to art. 27.

² The stay may only be ordered if the termination or the exercise of rights according to paragraph 1 are based on the measures.

³ It may be imposed for a maximum of two business days. FINMA shall designate the beginning and the end of the stay.

⁴ The stay is excluded or ceases to apply if the termination or the exercise of a right according to paragraph 1:

- a) is unrelated to the measures; and
- b) results from the behavior of the bank which is subject to the insolvency proceeding or the legal entity acquiring the agreements in full or in part.

⁵ If after the lapse of the stay the licensing requirements and other statutory requirements are complied with, the contract continues to be in effect and the rights according to paragraph 1 that relate to the measures cannot be exercised.

U.K. ANNEX
to the ISDA 2014 RESOLUTION STAY PROTOCOL ATTACHMENT

The purpose of this U.K. Annex is to supplement and modify the terms of the Attachment with respect to the U.K. Special Resolution Regime (such annex, the “**U.K. Annex**”). This U.K. Annex supplements and forms a part of the Attachment. In the event of any inconsistencies between the Attachment and this U.K. Annex, this U.K. Annex will prevail with respect to the U.K. Special Resolution Regime. Capitalized terms not defined herein have the meaning ascribed to them in the Protocol or the Attachment.

- 1. *BRRD Transposition.*** Amendments to the U.K. Special Resolution Regime reflecting the transposition of BRRD and that conform in all material respects to the provisions included in clause 3 of this U.K. Annex do not constitute “material and adverse” amendments to the U.K. Special Resolution Regime under Section 4(b)(i)(B) of the Attachment, and accordingly their enactment will not change the status of the U.K. Special Resolution Regime as an Identified Regime.
- 2. *Limitation on Scope of U.K. Special Resolution Regime Following BRRD Transposition.*** Upon the effectiveness of any laws transposing provisions of BRRD into U.K. law, and thereafter, the definition of U.K. Special Resolution Regime shall be limited to only the provisions of law identified in such definition, as amended from time to time, to the extent that they relate to “crisis management measures” as such term is defined in Article 2(102) of BRRD or the write-down and conversion power referred to in Article 59.1(b) of BRRD, in each case, as transposed into U.K. law.
- 3. *Amendments to U.K. Special Resolution Regime.***

BANKS AND BANKING AND FINANCIAL SERVICES AND MARKETS

The Bank Recovery and Resolution Order 2014

* * *

Termination rights, etc

1. After section 48Y (inserted by Article 61), insert—

“Termination rights etc

Termination rights etc

- 48Z.**—(1) In this section—

“crisis management measure” has the meaning given in Article 2.1(102) of the recovery and resolution directive, and accordingly in relation to the United Kingdom means—

- (a) the exercise of a stabilisation power in relation to the bank by the Bank of England or the Treasury,
- (b) the appointment of a resolution administrator under section 62B,
- (c) the recognition by the Bank of England of third-country resolution action (or part of such action) in accordance with Chapter 5 of this Part, or

(d) the exercise by the Bank of a stabilisation power by virtue of section 89I(3) (exercise of powers in support of third-country resolution action);

“crisis prevention measure” has the meaning given in Article 2.1(101) of the recovery and resolution directive, and accordingly in relation to the United Kingdom means—

(a) the imposition by the PRA or the FCA of a requirement to take relevant measures described in Article 6(6) of the resolution and recovery directive,

(b) the imposition by the Bank of England of a requirement to take measures to remove impediments to resolvability under Article 17 or 18 of the recovery and resolution directive,

(c) the imposition by the FCA or the PRA of a requirement to take action described in Article 27 of the recovery and resolution directive, or

(d) the making of a mandatory reduction instrument by the Bank of England under section 6B;

“default event provision” means a Type 1 or Type 2 default event provision (see subsections (2) and (3));

“group” has the meaning given by section 474 of the Companies Act 2006(a);

“Part 1 instrument” means—

(a) a mandatory reduction instrument,

(b) a share transfer instrument,

(c) a property transfer instrument, or

(d) a resolution instrument.

“recognised third-country resolution action” means third-country resolution action, or a part of such action, recognised by the Bank of England in an instrument under section 89H(2)(b);

“third-country institution” has the meaning given by Article 2.1(86) of the recovery and resolution directive;

“third-country parent undertaking” has the meaning given by Article 2.1(87) of that directive.

(2) A Type 1 default event provision is a provision of a contract or other agreement that has the effect that if a specified event occurs or situation arises—

(a) the agreement is terminated, modified or replaced,

(b) rights or duties under the agreement are terminated, modified or replaced,

- (c) a right accrues to terminate, modify or replace the agreement,
- (d) a right accrues to terminate, modify or replace rights or duties under the agreement,
- (e) a sum becomes payable or ceases to be payable,
- (f) delivery of anything becomes due or ceases to be due,
- (g) a right to claim a payment or delivery accrues, changes or lapses,
- (h) any other right accrues, changes or lapses, or
- (i) an interest is created, changes or lapses.

(3) A Type 2 default event provision is a provision of a contract or other agreement that has the effect that a provision of the contract or agreement—

- (a) takes effect only if a specified event occurs or does not occur,
- (b) takes effect only if a specified situation arises or does not arise,
- (c) has effect only for so long as a specified event does not occur,
- (d) has effect only while a specified situation lasts,
- (e) applies differently if a specified event occurs,
- (f) applies differently if a specified situation arises, or
- (g) applies differently while a specified situation lasts.

(4) For the purposes of subsections (2) and (3) it is the effect of a provision that matters, not how it is described (nor, for example, whether it is presented in a positive or a negative form).

(5) Subsection (6) applies where a contract or other agreement—

- (a) is entered into by a bank, a third-country institution or a third-country parent undertaking,
- (b) is entered into by a subsidiary undertaking of a bank, a third-country institution or a third-country parent undertaking, whose obligations are guaranteed by a company which is a member of the same group as the bank, third-country institution or third-country parent undertaking, or
- (c) is entered into by an undertaking which is a member of the same group as a bank, third-country institution, or third country parent undertaking,

and the substantive obligations provided for in the contract or agreement (including payment and delivery obligations and provision of collateral) continue to be performed.

(6) The following are to be disregarded in determining whether a default event provision applies—

(a) a crisis prevention measure, crisis management measure or recognised third-country resolution action taken in relation to the bank, third country institution or a member of the same group as the bank or third country institution, and

(b) the occurrence of any event directly linked to the application of such a measure or action.

(7) A Part 1 instrument or share transfer order may provide for subsection (8) or (9) to apply (but need not apply either) in circumstances where subsection (6) would not apply.

(8) If this subsection applies, the Part 1 instrument or share transfer order is to be disregarded in determining whether a default event provision applies.

(9) If this subsection applies, the Part 1 instrument or share transfer order is to be disregarded in determining whether a default event provision applies except so far as the instrument or order provides otherwise.

(10) In subsections (7), (8) and (9) a reference to the Part 1 instrument or share transfer order is a reference to—

(a) the making of the instrument or order,

(b) anything that is done by the instrument or order or is to be, or may be, done under or by virtue of the instrument or order, and

(c) any action or decision taken or made under this or another enactment in so far as it resulted in, or was connected to, the making of the instrument or order.

(11) Provision under subsection (7) may apply subsection (8) or (9)—

(a) generally or only for specified purposes, cases or circumstances, or

(b) differently for different purposes, cases or circumstances.

(12) A thing is not done by virtue of a Part 1 instrument or share transfer order for the purposes of subsection (10)(b) merely by virtue of being done under a contract or other agreement rights or obligations under which have been affected by the instrument or order.”

* * *

Suspension powers

2. After section 70 insert—

“Suspension of obligations

70A.—(1) The Bank of England may suspend obligations to make a payment, or delivery, under a contract where one of the parties to the contract is a bank in respect of which the Bank is exercising a stabilisation power.

(2) A suspension imposed under subsection (1) does not apply to—

(a) payments of eligible deposits or eligible claims, or

(b) payments or deliveries to excluded persons.

(3) A suspension imposed under subsection (1)—

(a) must end no later than midnight at the end of the first business day following the day on which the instrument providing for the suspension is published, and

(a) subject to subsection (2), suspends all obligations to make a payment or delivery under the contract in question, whether the obligation concerned is that of the bank under resolution or of any other party to the contract.

(4) Where a payment or delivery under the contract concerned first fell due within the period of the suspension, that payment or delivery is treated as being due immediately on the expiry of the suspension.

(5) The power under subsection (1) must be exercised by way of provision in a share transfer instrument, property transfer instrument, resolution instrument or third-country instrument.

(6) The Bank of England must have regard to the impact a suspension might have on the orderly functioning of the financial markets before exercising the power in subsection (1).

(7) In this section—

“eligible claim” means a claim in respect of which compensation is payable under the Financial Services Compensation Scheme or a compensation scheme established under Directive 97/9/EC of the European Parliament and of the Council of 3 March 1997 on investor-compensation schemes^(a);

“eligible deposit” means a deposit in respect of which the person, or any of the persons, to whom it is owed would be eligible for compensation under the Financial Services Compensation Scheme or a scheme established under Directive 2014/49/EU of the European Parliament and of the Council of 16 April 2014 on deposit guarantee schemes^(b).

Restriction of security interests

70B.—(1) The Bank of England may suspend the rights of a secured creditor of a bank in respect of which the Bank is exercising a stabilisation power to enforce any security interest the creditor has in relation to any asset of that bank until no later than midnight at the end of the first business day following the day on which the instrument providing for the suspension is published.

(2) But the Bank of England may not suspend the rights of an excluded person to enforce any security interest that person may have in relation to any asset of the bank under resolution which has been pledged or provided to the excluded person in question as collateral or as cover for margin.

(3) The power under subsection (1) must be exercised by way of provision in a share transfer instrument, property transfer instrument, resolution instrument or third-country instrument.

(4) Where the power in subsection (1) is being exercised in a partial property transfer, the Bank of England must ensure that any restrictions on the enforcement of security interests which it imposes under that subsection are applied consistently for all banking group companies in respect of which the Bank is exercising a stabilisation power.

(5) The Bank of England must have regard to the impact a suspension might have on the orderly functioning of the financial markets before exercising the power in subsection (1).

(6) For the purposes of this section, a “security interest” means an interest or right held for the purpose of securing the payment of money or the performance of any other obligation.

Suspension of termination rights

70C.—(1) The Bank of England may suspend the termination right of any party to a qualifying contract (other than a party who is an excluded person).

(2) A contract is a “qualifying contract” for the purpose of this section if—

(a) one of the parties to the contract is a bank in respect of which the Bank is exercising a stabilisation power (a “bank under resolution”) and all the obligations under the contract to make a payment, make delivery or provide collateral continue to be performed, or

(b) one of the parties to the contract is a subsidiary undertaking of a bank under resolution and the condition in subsection (3) is met.

(3) The condition is that—

(a) the obligations of the subsidiary undertaking are guaranteed or otherwise supported by the bank under resolution,

(b) the termination rights under the contract are triggered by the insolvency or the financial condition of the bank under resolution, and

(c) if a property transfer instrument has been made in relation to the bank under resolution—

(i) all the assets and liabilities relating to the contract have been or are being transferred to, or assumed by, a single transferee, or

(ii) the Bank of England is providing adequate protection for the performance of the obligations of the subsidiary undertaking under the contract in any other way.

(4) The Bank of England must have regard to the impact a suspension might have on the orderly functioning of the financial markets before exercising the power in subsection (1).

(5) The power under subsection (1) must be exercised by way of provision in a share transfer instrument, property transfer instrument, resolution instrument or third-country instrument.

(6) A suspension imposed under subsection (1) must expire no later than midnight at the end of the first business day following the day on which the instrument providing for the suspension is published; and, where the suspension is imposed in relation to a subsidiary undertaking of a bank under resolution, “midnight” means midnight in the EEA state in which the subsidiary undertaking is established.

(7) A person may exercise a termination right under a contract before the expiry of the suspension if that person is given notice by the Bank of England that the rights and liabilities of the bank under resolution covered by the contract are not—

(a) to be transferred to another undertaking through the exercise of a stabilisation power, or

(b) to be made subject to a mandatory reduction instrument or a resolution instrument.

(8) If—

(a) no notice has been given by the Bank of England under subsection (7), and

(b) a termination right has been triggered otherwise than through the exercise of a stabilisation power or the imposition of a suspension under subsection (1) (or the occurrence of an event directly linked to the exercise of a stabilisation power),

a person may, on the expiry of the suspension, exercise the termination right in accordance with the terms of the contract.

(9) But, where the rights and liabilities of the bank under resolution or the subsidiary undertaking under the contract have been transferred to another undertaking, subsection (8) applies only if the event giving rise to the termination right has been triggered by that undertaking.

(10) For the purposes of this section, “termination right” means—

(a) a right to terminate a contract,

(b) a right to accelerate, close out, set-off or net obligations, or any similar provision that suspends, modifies or extinguishes an obligation of a party to the contract, or

(c) a provision that prevents an obligation from arising under the contract.

Suspension: general provisions

70D.—(1) For the purposes of sections 70A to 70C—

“business day” means any day other than a Saturday, a Sunday, Christmas Day, Good Friday or a day which is a bank holiday in any part of the United Kingdom;

“excluded person” means—

(a) a person who has been declared to be, or who is an operator of, a designated system under article 4 of the Financial Markets and Insolvency (Settlement Finality) Regulations 1999(a);

(b) a person who has been designated by an EEA state as a system under Article 2(a) of the Directive 98/26/EC of the European Parliament and of the Council on settlement finality in payment and securities settlement systems or an operator of such a system(b);

(c) a recognised central counterparty, EEA central counterparty or third country central counterparty; or

(d) a central bank.

(2) For the purposes of subsection (1), “EEA central counterparty”, “recognised central counterparty” and “third country central counterparty” have the meaning given in section 285 of the Financial Services and Markets Act 2000(c).”.

* * *