

Disclosure of beginning to have substantial holding  
*Section 276, Financial Markets Conduct Act 2013*

To NZX Limited  
and  
To The A2 Milk Company Limited (ATM)

**Date this disclosure made:** 28 November 2022

**Date on which substantial holding began:** 21 October 2022

**Substantial product holder(s) giving disclosure**

Full name(s): The Goldman Sachs Group, Inc. (“GSGI”) on behalf of itself and its subsidiaries (“Goldman Sachs Group”) including its significant subsidiaries listed in Annexure A.

**Summary of substantial holding**

Class of quoted voting products: Ordinary shares

Summary for GSGI on behalf of itself and the Goldman Sachs Group.

For this disclosure,

- (a) total number held in class: 38,857,882
- (b) total in class: 743,656,528
- (c) total percentage held in class: 5.2252%

**Details of relevant interests**

Details for **Goldman Sachs Asset Management L.P. (GSAMLP)**

Nature of relevant interest(s): GSAMLP has a relevant interest in ordinary fully paid shares in its capacity as investment manager for a range of client portfolios. GSAMLP’s relevant interest arises under investment management contract(s) and only from the powers of investment contained in those contract(s), including the power to exercise, or to control the exercise of, a right to vote attached to ATM shares, or to acquire or dispose of, or to control the acquisition or disposal of, the ATM shares.

For that relevant interest,

- (a) number held in class: 273,940
- (b) percentage held in class: 0.0368%
- (c) current registered holder(s) of securities: Bank of New York Mellon
- (d) registered holder(s) once transfers registered: NA

For a derivative relevant interest, also—

- (a) type of derivative: N/A
- (b) details of derivative: N/A
- (c) parties to the derivative: N/A
- (d) if the substantial product holder is not a party to the derivative, the nature of the relevant interest in the derivative: N/A

## Details for **Goldman Sachs Asset Management International (GSAMI)**

Nature of relevant interest(s): GSAMI has a relevant interest in ordinary fully paid shares in its capacity as investment manager for a range of client portfolios. GSAMI's relevant interest arises under investment management contract(s) and only from the powers of investment contained in those contract(s), including the power to exercise, or to control the exercise of, a right to vote attached to ATM shares, or to acquire or dispose of, or to control the acquisition or disposal of, the ATM shares.

For that relevant interest,

- (a) number held in class: 7,897
- (b) percentage held in class: 0.0011%
- (c) current registered holder(s) of securities: Bank of New York Mellon
- (d) registered holder(s) once transfers registered: NA

For a derivative relevant interest, also—

- (a) type of derivative: N/A
- (b) details of derivative: N/A
- (c) parties to the derivative: N/A
- (d) if the substantial product holder is not a party to the derivative, the nature of the relevant interest in the derivative: N/A

## Details for **Goldman Sachs International (GSI)**

Nature of relevant interest(s): Beneficially owns fully paid ordinary shares.

For that relevant interest, -

- (a) number held in class: 1,491,398
- (b) percentage held in class: 0.2005%
- (c) current registered holder(s) of securities: HSBC Custody Nominees (New Zealand) Limited, HSBC Custody Nominees Australia Limited, Bank of New York Mellon
- (d) registered holder(s) once transfers are registered: NA

Nature of relevant interest(s): Derivative relevant interest over quoted underlying. Relevant agreement documents (1992 and 2002 ISDA Master Agreements) are attached in Part B of Annexure C.

For that relevant interest, -

- (a) number held in class: 458,698
- (b) percentage held in class: 0.0617%
- (c) current registered holder(s) of securities: HSBC Custody Nominees (New Zealand) Limited, HSBC Custody Nominees Australia Limited, Bank of New York Mellon
- (d) registered holder(s) once transfers are registered: NA

For a derivative relevant interest, also—

- (a) type of derivative: Equity Swap
- (b) details of derivative:

- (1) Long 91,732 cash-settled Equity Swap (0.01234% long held in class) maturing on 06 April 2023
- (2) Long 200,431 cash-settled Equity Swap (0.02695% long held in class) maturing on 16 June 2032
- (3) Long 38 cash-settled Equity Swap (0.00001% long held in class) maturing on 02 December 2022
- (4) Long 6,000 cash-settled Equity Swap (0.00081% long held in class) maturing on 23 October 2024
- (5) Long 55 cash-settled Equity Swap (0.00001% long held in class) maturing on 25 September 2024
- (6) Long 60 cash-settled Equity Swap (0.00001% long held in class) maturing on 25 September 2024
- (7) Long 86 cash-settled Equity Swap (0.00001% long held in class) maturing on 25 September 2024
- (8) Long 296 cash-settled Equity Swap (0.00004% long held in class) maturing on 25 September 2024
- (9) Long 160,000 cash-settled Equity Swap (0.02152% long held in class) maturing on 01 November 2027

(c) if the substantial product holder is not a party to the derivative, the nature of the relevant interest in the derivative: N/A

Nature of relevant interest(s): Beneficial holder subject to a qualification to its ability to exercise voting rights as set out in Master Securities Lender's Agreements. Form of Master Securities Lender's Agreements are in Part A of Annexure C.

- (a) number held in class: 14,303,485
- (b) percentage held in class: 1.9234%
- (c) current registered holder(s) of securities: HSBC Custody Nominees (New Zealand) Limited, HSBC Custody Nominees Australia Limited, Bank of New York Mellon
- (d) registered holder(s) once transfers are registered: NA

#### Details for **Goldman Sachs Financial Markets Pty Ltd (GAUS)**

Nature of relevant interest(s): Beneficially owns fully paid ordinary shares.

For that relevant interest, -

- (a) number held in class: 3,156,315
- (b) percentage held in class: 0.4244%
- (c) current registered holder(s) of securities: HSBC Custody Nominees (New Zealand) Limited, HSBC Custody Nominees Australia Limited, Bank of New York Mellon
- (d) registered holder(s) once transfers are registered: NA

Nature of relevant interest(s): Derivative relevant interest over quoted underlying. Relevant agreement documents (1992 and 2002 ISDA Master Agreements) are attached in Part B of Annexure C.

For that relevant interest, -

- (a) number held in class: 14,499,131
- (b) percentage held in class: 1.9497%
- (c) current registered holder(s) of securities: HSBC Custody Nominees (New Zealand) Limited, HSBC Custody Nominees Australia Limited, Bank of New York Mellon
- (d) registered holder(s) once transfers are registered: NA

For a derivative relevant interest, also—

(a) type of derivative: Equity Swap

(b) details of derivative:

- (1) Long 16,924 cash-settled Equity Swap (0.00228% long held in class) maturing on 23 October 2024
- (2) Long 19,130 cash-settled Equity Swap (0.00993% long held in class) maturing on 08 October 2024
- (3) Long 19,754 cash-settled Equity Swap (0.00266% long held in class) maturing on 24 September 2024
- (4) Long 20,865 cash-settled Equity Swap (0.00281% long held in class) maturing on 04 September 2024
- (5) Long 1,259,778 cash-settled Equity Swap (0.16940% long held in class) maturing on 19 August 2024
- (6) Long 1,835,176 cash-settled Equity Swap (0.24678% long held in class) maturing on 23 October 2024
- (7) Long 2,548,904 cash-settled Equity Swap (0.34275% long held in class) maturing on 08 October 2024
- (8) Long 4,064,751 cash-settled Equity Swap (0.54659% long held in class) maturing on 20 November 2023
- (9) Long 4,666,909 cash-settled Equity Swap (0.62756% long held in class) maturing on 15 October 2024
- (10) Long 62 cash-settled Equity Swap (0.00001% long held in class) maturing on 25 September 2024
- (11) Long 122 cash-settled Equity Swap (0.00002% long held in class) maturing on 25 September 2024
- (12) Long 676 cash-settled Equity Swap (0.00009% long held in class) maturing on 14 October 2024
- (13) Long 46,080 cash-settled Equity Swap (0.00620% long held in class) maturing on 15 October 2024

(c) if the substantial product holder is not a party to the derivative, the nature of the relevant interest in the derivative: N/A

#### Details for **Goldman Sachs & Co. LLC (GSCO)**

Nature of relevant interest(s): Beneficially owns fully paid ordinary shares.

For that relevant interest, -

(a) number held in class: 100

(b) percentage held in class: 0.00001%

(c) current registered holder(s) of securities: HSBC Custody Nominees (New Zealand) Limited, HSBC Custody Nominees Australia Limited, Bank of New York Mellon

(d) registered holder(s) once transfers are registered: NA

Nature of relevant interest(s): Beneficial holder subject to a qualification to its ability to exercise voting rights as set out in Master Securities Lender's Agreements. Form of Master Securities Lender's Agreements are in Part A of Annexure C.

For that relevant interest, -

(a) number held in class: 4,610,000

(b) percentage held in class: 0.6199%

(c) current registered holder(s) of securities: HSBC Custody Nominees (New Zealand) Limited, HSBC Custody Nominees Australia Limited, Bank of New York Mellon

(d) registered holder(s) once transfers are registered: NA

Nature of relevant interest(s): Derivative relevant interest over quoted underlying. Relevant agreement documents (1992 and 2002 ISDA Master Agreements) are attached in Part B of Annexure C.



For that relevant interest, -

- (a) number held in class: 1
- (b) percentage held in class: 0.0000001%
- (c) current registered holder(s) of securities: HSBC Custody Nominees (New Zealand) Limited, HSBC Custody Nominees Australia Limited, Bank of New York Mellon
- (d) registered holder(s) once transfers are registered: NA

For a derivative relevant interest, also—

- (a) type of derivative: Equity Swap
- (b) details of derivative:
  - (1) Long 1 cash-settled Equity Swap (0.00000% long held in class) maturing on 08 December 2022

(c) if the substantial product holder is not a party to the derivative, the nature of the relevant interest in the derivative: N/A

#### **Details for NN Investment Partners B.V. (NN IP B.V.)**

Nature of relevant interest(s): NN IP B.V. has a relevant interest in ordinary fully paid shares in its capacity as the management company for a collective investment scheme. investment manager for a range of client portfolios. NN IP B.V.'s relevant interest arises under investment management powers vested in it via certain management contract(s) and only from the powers of investment contained in those contract(s), including the power to exercise, or to control the exercise of, a right to vote attached to ATM shares, or to acquire or dispose of, or to control the acquisition or disposal of, the ATM shares.

For that relevant interest,

- (a) number held in class: 56,917
- (b) percentage held in class: 0.0077%
- (c) current registered holder(s) of securities: Bank of New York Mellon
- (d) registered holder(s) once transfers registered: NA

For a derivative relevant interest, also—

- (a) type of derivative: N/A
- (b) details of derivative: N/A
- (c) parties to the derivative: N/A
- (d) if the substantial product holder is not a party to the derivative, the nature of the relevant interest in the derivative: N/A

#### **Details of transactions and events giving rise to relevant event**

Details of the transactions or other events requiring disclosure: Please see Annexure B.

#### **Additional information**

Address(es) of substantial product holder(s):

The Goldman Sachs Group, Inc. - Corporation Trust Center, 1209 Orange Street, Wilmington DE 19801, U.S.A.

Goldman Sachs International - Plumtree Court, 25 Shoe Lane, London EC4A 4AU, United Kingdom

Goldman Sachs Asset Management L.P. - Corporation Trust Center, 1209 Orange Street, Wilmington DE 19801, USA

Goldman Sachs Financial Markets Pty Ltd - Level 17, 101 Collins Street, Melbourne, Victoria 3000, Australia

Goldman Sachs & Co. LLC - 200 West Street, New York, NY 10282, USA

Goldman Sachs Asset Management International- Plumtree Court, 23 Shoe Lane, London EC4A 4AU, United Kingdom

NN Investment Partners B.V. - Pr. Beatrixlaan 35, 2595 AK, The Hague, The Netherlands

**Contact details:**

Contact person – Noble Sebastian

Contact number - 852 2978 7432

Email - gs-reg-ops-pos-sgp@gs.com

**Nature of connection between substantial product holders:**


The Goldman Sachs Group, Inc. owns, directly or indirectly, at least 99% of the voting securities of each of:

- Goldman Sachs International;
- Goldman Sachs Financial Markets Pty Ltd;
- Goldman Sachs & Co. LLC.
- Goldman Sachs Asset Management L.P.
- Goldman Sachs Asset Management International and
- NN Investment Partners B.V.

**Declaration**

I, Noble Sebastian, declare that, to the best of my knowledge and belief, the information contained in this disclosure is correct and that I am duly authorised to make this disclosure by all persons for whom it is made.

**Signature**

Print name	Noble Sebastian (signing under power of attorney)	Capacity	Authorised Person
Sign here		Date	28 November 2022

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## Annexure A

### Significant Subsidiaries of The Goldman Sachs Group, Inc.


The following are significant subsidiaries of The Goldman Sachs Group, Inc. as of December 31, 2021 and the states or jurisdictions in which they are organized. Each subsidiary is indented beneath its principal parent. The Goldman Sachs Group, Inc. owns, directly or indirectly, at least 99% of the voting securities of substantially all of the subsidiaries included below. The names of particular subsidiaries have been omitted because, considered in the aggregate as a single subsidiary, they would not constitute, as of the end of the year covered by this report, a “significant subsidiary” as that term is defined in Rule 1-02(w) of Regulation S-X under the Securities Exchange Act of 1934.

Name	State or Jurisdiction of Organization of Entity
The Goldman Sachs Group, Inc.	Delaware
Goldman Sachs & Co. LLC	New York
Goldman Sachs Funding LLC	Delaware
GS European Funding S.A R.L.	Luxembourg
MTGLQ Investors, L.P.	Delaware
Goldman Sachs (UK) L.L.C.	Delaware
Goldman Sachs UK Funding Limited	United Kingdom
Goldman Sachs Group UK Limited	United Kingdom
Goldman Sachs International Bank	United Kingdom
Goldman Sachs International	United Kingdom
Goldman Sachs Group Holdings (U.K.) Limited	United Kingdom
ELQ Investors VIII Ltd	United Kingdom
J. Aron & Company LLC	New York
GSAM Holdings LLC	Delaware
GSAMI Holdings I Ltd	United Kingdom
GSAMI Holdings II Ltd	United Kingdom
Goldman Sachs Asset Management International Holdings Ltd	United Kingdom
Goldman Sachs Asset Management International	United Kingdom
Goldman Sachs Asset Management, L.P.	Delaware
Goldman Sachs Asset Management International Holdings L.L.C.	Delaware
Goldman Sachs Asset Management Co., Ltd.	Japan
Goldman Sachs (Asia) Corporate Holdings L.L.C.	Delaware
Goldman Sachs Holdings (Asia Pacific) Limited	Hong Kong
Goldman Sachs (Japan) Ltd.	British Virgin Islands
Goldman Sachs Japan Co., Ltd.	Japan
Goldman Sachs Holdings (Hong Kong) Limited	Hong Kong
Goldman Sachs Holdings (Singapore) Pte. Ltd.	Singapore
J. Aron & Company (Singapore) Pte. Ltd.	Singapore
Goldman Sachs Holdings ANZ Pty Limited	Australia
Goldman Sachs Financial Markets Pty Ltd	Australia
Goldman Sachs Australia Pty Ltd	Australia
GS Lending Partners Holdings LLC	Delaware
Goldman Sachs Lending Partners LLC	Delaware
Goldman Sachs Bank USA	New York
Goldman Sachs Bank Europe SE	Germany
Goldman Sachs Mortgage Company	New York

Name	State or Jurisdiction of Organization of Entity
GS Financial Services II, LLC	Delaware
GS Funding Europe VI Ltd	United Kingdom
GS Funding Europe I Ltd.	Cayman Islands
GS Funding Europe V Limited	United Kingdom
GSSG Holdings LLC	Delaware
Special Situations Investing Group II, LLC	Delaware
Special Situations Investing Group III, Inc.	Delaware
GS Asian Venture (Delaware) L.L.C.	Delaware
Asia Investing Holdings Pte. Ltd.	Singapore
Mercer Investments (Singapore) Pte. Ltd.	Singapore
Goldman Sachs Asia Strategic Pte. Ltd.	Singapore
ALQ Holdings (Del) LLC	Delaware
GLQ International Partners LP	United Kingdom
GLQ Broad Street Holdings Ltd.	Cayman Islands
Broad Street Brazil Ltd	Jersey
Broad Street Credit Investments Europe S.A R.L.	Luxembourg
BSCH III Designated Activity Company	Ireland
GLQ International Holdings Ltd	Jersey
GLQ Holdings (UK) Ltd	United Kingdom
ELQ Investors VI Ltd	United Kingdom
ELQ Investors II Ltd	United Kingdom
ELQ Lux Holding S.A R.L.	Luxembourg
GLQL S.A R.L.	Luxembourg
GLQC II Designated Activity Company	Ireland
Goldman Sachs Asia Strategic II Pte. Ltd.	Singapore
Broad Street Equity Investments Europe Ltd	United Kingdom
Goldman Sachs Specialty Lending Group, L.P.	Delaware
Broad Street Principal Investments Superholdco LLC	Delaware
Broad Street Principal Investments, L.L.C.	Delaware
Broad Street Credit Holdings LLC	Delaware
GS Fund Holdings, L.L.C.	Delaware
Broad Street Principal Credit Strategies, L.P.	Delaware
Goldman Sachs PSI Global Holdings, LLC	Delaware

**THE GOLDMAN SACHS GROUP, INC AND ITS SUBSIDIARIES**

**Signature**

Print name	Noble Sebastian (signing under power of attorney)	Capacity	Authorised Person
Sign here		Date	28 November 2022

## Annexure B

<b>Date of change</b>	<b>Person whose relevant interest changed</b>	<b>Nature of Change</b>	<b>Consideration given in relation to change (NZD)</b>	<b>Number of Securities</b>	<b>Class</b>
06/22/2022	GAUS	Sell	124,824	27,198	Ordinary
06/22/2022	GAUS	Sell	5,302	1,149	Ordinary
06/22/2022	GAUS	Sell	5,818	1,262	Ordinary
06/22/2022	GAUS	Sell	20,641	4,465	Ordinary
06/22/2022	GAUS	Sell	117,155	25,495	Ordinary
06/22/2022	GAUS	Sell	59,592	12,939	Ordinary
06/22/2022	GAUS	Sell	5,433	1,148	Ordinary
06/22/2022	GAUS	Sell	46,432	10,027	Ordinary
06/22/2022	GSI	Sell	29,378	6,325	Ordinary
06/23/2022	GSMLP	Buy	17,137	3,675	Ordinary
06/23/2022	GSMLP	Sell	735	156	Ordinary
06/23/2022	GAUS	Sell	418,590	89,816	Ordinary
06/23/2022	GAUS	Sell	21,493	4,629	Ordinary
06/23/2022	GAUS	Sell	50,478	11,078	Ordinary
06/23/2022	GAUS	Sell	407,030	89,327	Ordinary
06/23/2022	GAUS	Sell	132	29	Ordinary
06/23/2022	GAUS	Sell	251	55	Ordinary
06/23/2022	GAUS	Sell	1,185	260	Ordinary
06/23/2022	GAUS	Sell	141	31	Ordinary
06/23/2022	GSI	Sell	29,435	6,336	Ordinary
06/24/2022	GAUS	Sell	307,494	63,544	Ordinary
06/24/2022	GAUS	Sell	233,513	49,446	Ordinary
06/24/2022	GAUS	Sell	73,424	15,158	Ordinary
06/24/2022	GAUS	Sell	178,301	38,203	Ordinary
06/24/2022	GAUS	Sell	373	80	Ordinary
06/24/2022	GAUS	Sell	3,500	750	Ordinary
06/24/2022	GAUS	Sell	747	160	Ordinary
06/27/2022	GSMLP	Buy	5	1	Ordinary
06/27/2022	GSMLP	Buy	5	1	Ordinary
06/27/2022	GAUS	Sell	130,493	26,711	Ordinary
06/27/2022	GAUS	Sell	176,974	36,228	Ordinary
06/27/2022	GAUS	Sell	85,255	17,456	Ordinary
06/27/2022	GAUS	Sell	43,830	8,858	Ordinary
06/27/2022	GAUS	Sell	174,138	35,347	Ordinary
06/27/2022	GAUS	Sell	301	61	Ordinary
06/27/2022	GAUS	Sell	1,690	343	Ordinary

06/27/2022	GAUS	Sell	429	87	Ordinary
06/27/2022	GAUS	Sell	320	65	Ordinary
06/27/2022	GAUS	Sell	7,951	1,614	Ordinary
06/27/2022	GSI	Sell	22,629	4,642	Ordinary
06/27/2022	GSI	Buy	926,730	200,000	Ordinary
06/27/2022	GSI	Sell	926,720	200,000	Ordinary
06/28/2022	GAUS	Sell	362,758	72,714	Ordinary
06/28/2022	GAUS	Sell	35,531	7,065	Ordinary
06/28/2022	GAUS	Sell	111,302	22,413	Ordinary
06/28/2022	GAUS	Sell	300,298	60,950	Ordinary
06/28/2022	GAUS	Sell	1,862	378	Ordinary
06/28/2022	GAUS	Sell	69	14	Ordinary
06/28/2022	GAUS	Sell	399	81	Ordinary
06/28/2022	GAUS	Sell	74	15	Ordinary
06/28/2022	GAUS	Sell	99	20	Ordinary
06/28/2022	GSI	Sell	29,032	5,847	Ordinary
06/29/2022	GSAMLP	Buy	242	49	Ordinary
06/29/2022	GAUS	Sell	290,348	58,942	Ordinary
06/29/2022	GAUS	Sell	138,481	28,137	Ordinary
06/29/2022	GAUS	Sell	205,270	40,963	Ordinary
06/29/2022	GAUS	Sell	2,445	488	Ordinary
06/29/2022	GAUS	Sell	100	20	Ordinary
06/29/2022	GAUS	Sell	130	26	Ordinary
06/29/2022	GAUS	Sell	521	104	Ordinary
06/29/2022	GAUS	Sell	90	18	Ordinary
06/29/2022	GSI	Sell	12,940	2,627	Ordinary
06/30/2022	GSAMLP	Buy	94	19	Ordinary
06/30/2022	GSAMLP	Buy	89	18	Ordinary
06/30/2022	GSAMLP	Buy	114	23	Ordinary
06/30/2022	GSAMLP	Buy	69	14	Ordinary
06/30/2022	GSAMLP	Buy	138	28	Ordinary
06/30/2022	GSAMLP	Buy	30	6	Ordinary
06/30/2022	GSAMLP	Buy	114	23	Ordinary
06/30/2022	GSAMLP	Buy	109	22	Ordinary
06/30/2022	GSAMLP	Buy	15	3	Ordinary
06/30/2022	GSAMLP	Buy	59	12	Ordinary
06/30/2022	GSAMLP	Buy	5	1	Ordinary
06/30/2022	GSAMLP	Buy	5	1	Ordinary
06/30/2022	GAUS	Sell	876,240	178,654	Ordinary
06/30/2022	GAUS	Sell	197,620	40,365	Ordinary
06/30/2022	GAUS	Sell	55,453	11,273	Ordinary
06/30/2022	GAUS	Sell	820,535	167,166	Ordinary

06/30/2022	GAUS	Sell	722	147	Ordinary
06/30/2022	GAUS	Sell	4,059	827	Ordinary
06/30/2022	GAUS	Sell	1,031	210	Ordinary
06/30/2022	GAUS	Sell	771	157	Ordinary
06/30/2022	GAUS	Sell	19,128	3,897	Ordinary
06/30/2022	GSI	Sell	15,914	3,225	Ordinary
07/01/2022	GAUS	Sell	626,043	128,998	Ordinary
07/01/2022	GAUS	Sell	7,907	1,620	Ordinary
07/01/2022	GAUS	Sell	113,610	23,056	Ordinary
07/01/2022	GAUS	Sell	13,642	2,802	Ordinary
07/01/2022	GAUS	Sell	196,925	40,427	Ordinary
07/01/2022	GAUS	Sell	257,678	53,484	Ordinary
07/01/2022	GAUS	Sell	96	20	Ordinary
07/01/2022	GAUS	Sell	371	77	Ordinary
07/01/2022	GAUS	Sell	72	15	Ordinary
07/01/2022	GAUS	Sell	1,749	363	Ordinary
07/01/2022	GAUS	Sell	67	14	Ordinary
07/01/2022	GSI	Sell	13,704	2,814	Ordinary
07/04/2022	GAUS	Sell	344,334	69,104	Ordinary
07/04/2022	GAUS	Sell	158,281	31,521	Ordinary
07/04/2022	GAUS	Sell	3,778	757	Ordinary
07/04/2022	GAUS	Sell	28,185	5,655	Ordinary
07/04/2022	GAUS	Sell	243,180	50,308	Ordinary
07/04/2022	GSI	Sell	17,182	3,473	Ordinary
07/05/2022	GAUS	Sell	183,025	37,079	Ordinary
07/05/2022	GAUS	Sell	183,661	36,565	Ordinary
07/05/2022	GAUS	Sell	2,841	572	Ordinary
07/05/2022	GAUS	Sell	32,517	6,488	Ordinary
07/05/2022	GSI	Sell	1,204	242	Ordinary
07/06/2022	GAUS	Sell	50,634	9,981	Ordinary
07/06/2022	GAUS	Sell	4,631	915	Ordinary
07/06/2022	GAUS	Sell	20,506	4,060	Ordinary
07/06/2022	GAUS	Sell	46	9	Ordinary
07/06/2022	GSI	Sell	5	1	Ordinary
07/06/2022	GAUS	Sell	48,870	9,709	Ordinary
07/06/2022	GSI	Sell	30,954	6,125	Ordinary
07/06/2022	GSI	Sell	981	202	Ordinary
07/06/2022	GSI	Buy	981	202	Ordinary
07/07/2022	GSAMLP	Sell	5	1	Ordinary
07/07/2022	GSAMLP	Sell	15	3	Ordinary
07/07/2022	GSAMLP	Sell	5	1	Ordinary
07/07/2022	GSAMLP	Sell	36	7	Ordinary

07/07/2022	GSAMLP	Sell	5	1	Ordinary
07/07/2022	GSAMLP	Sell	10	2	Ordinary
07/07/2022	GSAMLP	Sell	5	1	Ordinary
07/07/2022	GSAMLP	Sell	5	1	Ordinary
07/07/2022	GSAMLP	Sell	884	173	Ordinary
07/07/2022	GSAMLP	Sell	87	17	Ordinary
07/07/2022	GSAMLP	Sell	240	47	Ordinary
07/07/2022	GSAMLP	Sell	158	31	Ordinary
07/07/2022	GSAMLP	Sell	20	4	Ordinary
07/07/2022	GAUS	Sell	203,553	39,817	Ordinary
07/07/2022	GAUS	Sell	9,303	1,808	Ordinary
07/07/2022	GAUS	Sell	10	2	Ordinary
07/07/2022	GAUS	Sell	161,598	32,082	Ordinary
07/07/2022	GSI	Sell	21,012	4,128	Ordinary
07/08/2022	GAUS	Sell	212,213	41,559	Ordinary
07/08/2022	GAUS	Sell	24,531	4,783	Ordinary
07/08/2022	GAUS	Sell	210,226	40,809	Ordinary
07/08/2022	GAUS	Sell	1,910	372	Ordinary
07/08/2022	GSI	Sell	14,146	2,767	Ordinary
07/11/2022	GSAMLP	Sell	596	120	Ordinary
07/11/2022	GAUS	Sell	241,966	48,971	Ordinary
07/11/2022	GAUS	Sell	211,949	42,839	Ordinary
07/11/2022	GAUS	Sell	293,388	59,451	Ordinary
07/11/2022	GAUS	Sell	85,159	17,332	Ordinary
07/11/2022	GAUS	Sell	235,758	47,740	Ordinary
07/11/2022	GAUS	Sell	213,885	43,337	Ordinary
07/11/2022	GAUS	Sell	54,966	11,137	Ordinary
07/11/2022	GAUS	Sell	20	4	Ordinary
07/11/2022	GAUS	Sell	151,232	29,976	Ordinary
07/11/2022	GAUS	Sell	43,420	8,812	Ordinary
07/11/2022	GAUS	Sell	565,181	114,526	Ordinary
07/11/2022	GAUS	Sell	240,854	47,740	Ordinary
07/11/2022	GSI	Sell	8,342	1,673	Ordinary
07/12/2022	GAUS	Sell	279,136	56,594	Ordinary
07/12/2022	GAUS	Sell	380,132	76,835	Ordinary
07/12/2022	GAUS	Sell	414,682	83,533	Ordinary
07/12/2022	GAUS	Sell	112,856	22,927	Ordinary
07/12/2022	GAUS	Sell	1,576	319	Ordinary
07/12/2022	GAUS	Sell	2,501,811	505,197	Ordinary
07/12/2022	GAUS	Sell	379,706	76,829	Ordinary
07/12/2022	GAUS	Sell	2,496,796	505,197	Ordinary
07/12/2022	GSI	Sell	24,896	5,049	Ordinary



07/12/2022	GSI	Sell	71,607	14,466	Ordinary
07/13/2022	GAUS	Sell	170,233	34,019	Ordinary
07/13/2022	GAUS	Sell	10,383	2,083	Ordinary
07/13/2022	GAUS	Sell	707,681	140,116	Ordinary
07/13/2022	GAUS	Sell	2,242,275	446,853	Ordinary
07/13/2022	GAUS	Sell	2,217,488	446,853	Ordinary
07/13/2022	GSI	Sell	32,313	6,483	Ordinary
07/14/2022	GAUS	Sell	57,683	11,533	Ordinary
07/14/2022	GAUS	Sell	168,755	33,822	Ordinary
07/14/2022	GAUS	Sell	1,750,975	350,571	Ordinary
07/14/2022	GAUS	Sell	53,474	10,592	Ordinary
07/14/2022	GAUS	Sell	1,769,872	350,571	Ordinary
07/14/2022	GSI	Sell	12,496	2,499	Ordinary
07/15/2022	GAUS	Sell	38,281	7,717	Ordinary
07/15/2022	GAUS	Sell	2,008	405	Ordinary
07/15/2022	GAUS	Sell	24,543	4,911	Ordinary
07/15/2022	GSI	Sell	11,894	2,400	Ordinary
07/18/2022	GAUS	Sell	165,885	33,883	Ordinary
07/18/2022	GAUS	Sell	18,685	3,747	Ordinary
07/18/2022	GAUS	Sell	30	6	Ordinary
07/18/2022	GAUS	Sell	1,021,883	207,499	Ordinary
07/18/2022	GAUS	Sell	169,112	33,883	Ordinary
07/18/2022	GAUS	Sell	1,035,637	207,499	Ordinary
07/18/2022	GSI	Sell	22,641	4,628	Ordinary
07/19/2022	GAUS	Sell	44,793	9,330	Ordinary
07/19/2022	GAUS	Sell	45,184	9,329	Ordinary
07/19/2022	GAUS	Sell	4,399	915	Ordinary
07/19/2022	GAUS	Sell	5	1	Ordinary
07/19/2022	GSI	Sell	12,393	2,577	Ordinary
07/20/2022	GAUS	Sell	505,351	102,591	Ordinary
07/20/2022	GAUS	Sell	135,635	27,500	Ordinary
07/20/2022	GAUS	Sell	158,336	33,143	Ordinary
07/20/2022	GSI	Sell	21,659	4,422	Ordinary
07/21/2022	GSAMPLP	Sell	3,511	705	Ordinary
07/21/2022	GAUS	Sell	336,944	67,702	Ordinary
07/21/2022	GAUS	Sell	46,764	9,391	Ordinary
07/21/2022	GAUS	Sell	94,014	18,913	Ordinary
07/21/2022	GAUS	Sell	332,876	67,266	Ordinary
07/21/2022	GSI	Sell	10,171	2,042	Ordinary
07/22/2022	GAUS	Sell	276,583	55,026	Ordinary
07/22/2022	GAUS	Sell	129,484	25,631	Ordinary
07/22/2022	GAUS	Sell	748,045	148,046	Ordinary

07/22/2022	GAUS	Sell	273	55	Ordinary
07/22/2022	GAUS	Sell	171,789	34,606	Ordinary
07/22/2022	GSI	Sell	21,699	4,295	Ordinary
07/25/2022	GAUS	Sell	395,051	80,655	Ordinary
07/25/2022	GAUS	Sell	118,431	24,032	Ordinary
07/25/2022	GAUS	Sell	183,797	37,800	Ordinary
07/25/2022	GAUS	Sell	1,212	247	Ordinary
07/25/2022	GAUS	Sell	407,931	80,584	Ordinary
07/25/2022	GSI	Sell	10,372	2,115	Ordinary
07/26/2022	GAUS	Sell	549,577	112,961	Ordinary
07/26/2022	GAUS	Sell	46,654	9,607	Ordinary
07/26/2022	GAUS	Sell	440,835	90,418	Ordinary
07/26/2022	GAUS	Sell	62,080	12,733	Ordinary
07/26/2022	GSI	Sell	22,382	4,613	Ordinary
07/27/2022	GAUS	Sell	486,545	101,240	Ordinary
07/27/2022	GAUS	Sell	474,009	98,708	Ordinary
07/27/2022	GAUS	Sell	93,506	19,429	Ordinary
07/27/2022	GAUS	Sell	480,779	98,708	Ordinary
07/27/2022	GAUS	Sell	127,985	26,630	Ordinary
07/27/2022	GSI	Sell	10,723	2,242	Ordinary
07/28/2022	GAUS	Sell	510,688	104,654	Ordinary
07/28/2022	GAUS	Sell	484,275	101,469	Ordinary
07/28/2022	GAUS	Sell	15,201	3,185	Ordinary
07/28/2022	GAUS	Sell	2,467	505	Ordinary
07/28/2022	GAUS	Sell	28,521	5,976	Ordinary
07/28/2022	GSI	Sell	21,394	4,358	Ordinary
07/29/2022	GAUS	Sell	301,704	60,535	Ordinary
07/29/2022	GAUS	Sell	21,446	4,386	Ordinary
07/29/2022	GAUS	Sell	274,547	56,149	Ordinary
07/29/2022	GSI	Sell	16,448	3,318	Ordinary
08/01/2022	GAUS	Sell	4,755	946	Ordinary
08/01/2022	GAUS	Sell	317,171	63,006	Ordinary
08/01/2022	GAUS	Sell	4,762	946	Ordinary
08/01/2022	GSI	Sell	15,245	3,035	Ordinary
08/01/2022	GSI	Sell	823	164	Ordinary
08/02/2022	GAUS	Sell	171,770	31,974	Ordinary
08/02/2022	GAUS	Sell	109	20	Ordinary
08/02/2022	GAUS	Sell	163,767	32,049	Ordinary
08/02/2022	GAUS	Sell	112,458	22,077	Ordinary
08/02/2022	GAUS	Sell	160,703	31,994	Ordinary
08/02/2022	GAUS	Sell	7,414	1,476	Ordinary
08/02/2022	GSI	Sell	17,438	3,475	Ordinary

08/03/2022	GAUS	Sell	144,833	26,422	Ordinary
08/03/2022	GAUS	Sell	143,635	26,422	Ordinary
08/03/2022	GSI	Sell	24,770	4,534	Ordinary
08/04/2022	GAUS	Sell	455,363	81,103	Ordinary
08/04/2022	GAUS	Sell	112,213	20,162	Ordinary
08/04/2022	GAUS	Sell	13,906	2,539	Ordinary
08/04/2022	GAUS	Sell	430,297	78,564	Ordinary
08/04/2022	GSI	Sell	28,079	5,005	Ordinary
08/05/2022	GAUS	Sell	76,583	13,660	Ordinary
08/05/2022	GAUS	Sell	6	1	Ordinary
08/05/2022	GAUS	Sell	42,141	7,564	Ordinary
08/05/2022	GAUS	Sell	33,963	6,096	Ordinary
08/05/2022	GSI	Sell	16,630	2,974	Ordinary
08/08/2022	GAUS	Sell	59,496	10,807	Ordinary
08/08/2022	GAUS	Sell	682	124	Ordinary
08/08/2022	GAUS	Sell	697	124	Ordinary
08/08/2022	GSI	Sell	27,998	5,114	Ordinary
08/09/2022	GSAMLP	Buy	64,005	11,303	Ordinary
08/09/2022	GAUS	Sell	1,013,351	178,909	Ordinary
08/09/2022	GAUS	Sell	9,058	1,599	Ordinary
08/09/2022	GAUS	Sell	39,096	6,904	Ordinary
08/09/2022	GAUS	Sell	987,329	178,909	Ordinary
08/09/2022	GSI	Sell	28,843	5,114	Ordinary
08/10/2022	GAUS	Sell	95,286	18,264	Ordinary
08/10/2022	GAUS	Sell	129,221	24,572	Ordinary
08/10/2022	GAUS	Sell	33,581	6,459	Ordinary
08/10/2022	GAUS	Sell	25,377	4,495	Ordinary
08/10/2022	GAUS	Sell	49,122	8,701	Ordinary
08/10/2022	GAUS	Sell	28,612	5,068	Ordinary
08/10/2022	GSI	Sell	27,585	5,311	Ordinary
08/11/2022	GAUS	Sell	34,549	6,416	Ordinary
08/11/2022	GAUS	Sell	408,308	75,710	Ordinary
08/11/2022	GAUS	Sell	72,026	13,365	Ordinary
08/11/2022	GAUS	Sell	2,225	423	Ordinary
08/11/2022	GAUS	Sell	199,827	37,987	Ordinary
08/11/2022	GSI	Sell	28,494	5,289	Ordinary
08/12/2022	GAUS	Sell	639,314	118,183	Ordinary
08/12/2022	GAUS	Sell	107,511	19,859	Ordinary
08/12/2022	GAUS	Sell	89,007	16,462	Ordinary
08/12/2022	GAUS	Sell	493,529	91,583	Ordinary
08/12/2022	GAUS	Sell	13,822	2,565	Ordinary
08/12/2022	GAUS	Sell	7,334	1,361	Ordinary

08/12/2022	GSI	Sell	13,356	2,479	Ordinary
08/15/2022	GAUS	Sell	615,804	112,749	Ordinary
08/15/2022	GAUS	Sell	161,451	29,601	Ordinary
08/15/2022	GAUS	Sell	122,850	22,674	Ordinary
08/15/2022	GAUS	Sell	412,584	76,149	Ordinary
08/15/2022	GSI	Sell	15,410	2,833	Ordinary
08/15/2022	GSI	Sell	3,868	715	Ordinary
08/16/2022	GAUS	Sell	890,349	162,099	Ordinary
08/16/2022	GAUS	Sell	27,503	4,987	Ordinary
08/16/2022	GAUS	Sell	35,846	6,524	Ordinary
08/16/2022	GAUS	Sell	31,953	5,786	Ordinary
08/16/2022	GAUS	Sell	27,280	4,987	Ordinary
08/16/2022	GAUS	Sell	531,291	97,124	Ordinary
08/16/2022	GAUS	Sell	2,008	367	Ordinary
08/16/2022	GAUS	Sell	142	26	Ordinary
08/16/2022	GAUS	Sell	148	27	Ordinary
08/16/2022	GAUS	Sell	831	152	Ordinary
08/16/2022	GAUS	Sell	2,948	539	Ordinary
08/16/2022	GAUS	Sell	115	21	Ordinary
08/16/2022	GAUS	Sell	31,651	5,786	Ordinary
08/16/2022	GSI	Sell	31,351	5,739	Ordinary
08/17/2022	GAUS	Sell	433,476	79,336	Ordinary
08/17/2022	GAUS	Sell	1,928	351	Ordinary
08/17/2022	GAUS	Sell	253,740	46,425	Ordinary
08/17/2022	GSI	Sell	23,175	4,248	Ordinary
08/17/2022	GAUS	Buy	1,752,468	323,203	Ordinary
08/18/2022	GAUS	Sell	73,984	13,556	Ordinary
08/18/2022	GAUS	Sell	1,494	272	Ordinary
08/18/2022	GAUS	Sell	324,982	59,019	Ordinary
08/18/2022	GAUS	Sell	1,729	314	Ordinary
08/18/2022	GAUS	Sell	16,404	2,979	Ordinary
08/18/2022	GSI	Sell	6,632	1,219	Ordinary
08/19/2022	GAUS	Sell	353,163	64,389	Ordinary
08/19/2022	GAUS	Sell	70,651	12,869	Ordinary
08/19/2022	GSI	Sell	7,852	1,449	Ordinary
08/22/2022	GAUS	Sell	253,543	46,904	Ordinary
08/22/2022	GAUS	Sell	44,173	7,990	Ordinary
08/22/2022	GSI	Sell	11,420	2,102	Ordinary
08/23/2022	GAUS	Sell	595,381	112,308	Ordinary
08/23/2022	GAUS	Sell	465,041	87,573	Ordinary
08/23/2022	GAUS	Sell	174,751	32,894	Ordinary
08/23/2022	GAUS	Sell	3,163	596	Ordinary

08/23/2022	GAUS	Sell	480,488	89,608	Ordinary
08/23/2022	GAUS	Sell	649,153	121,063	Ordinary
08/23/2022	GSI	Sell	27,026	5,088	Ordinary
08/24/2022	GAUS	Sell	393,634	73,765	Ordinary
08/24/2022	GAUS	Sell	57,835	10,859	Ordinary
08/24/2022	GAUS	Sell	94,709	17,699	Ordinary
08/24/2022	GAUS	Sell	9,291	1,747	Ordinary
08/24/2022	GAUS	Sell	197,511	37,458	Ordinary
08/24/2022	GAUS	Sell	460,291	86,390	Ordinary
08/24/2022	GAUS	Sell	361,988	68,651	Ordinary
08/24/2022	GSI	Sell	20,240	3,797	Ordinary
08/25/2022	GAUS	Sell	803,138	147,466	Ordinary
08/25/2022	GAUS	Sell	62,670	11,547	Ordinary
08/25/2022	GAUS	Sell	29,708	5,472	Ordinary
08/25/2022	GAUS	Sell	17,620	3,280	Ordinary
08/25/2022	GAUS	Sell	24,007	4,426	Ordinary
08/25/2022	GAUS	Sell	1,752	324	Ordinary
08/25/2022	GAUS	Sell	351,016	65,341	Ordinary
08/25/2022	GAUS	Sell	754,592	140,466	Ordinary
08/25/2022	GSI	Sell	14,487	2,683	Ordinary
08/26/2022	GSAMLP	Buy	6	1	Ordinary
08/26/2022	GAUS	Sell	1,068,428	194,045	Ordinary
08/26/2022	GAUS	Sell	39,551	7,203	Ordinary
08/26/2022	GAUS	Sell	5,842	1,064	Ordinary
08/26/2022	GAUS	Sell	999,441	182,016	Ordinary
08/26/2022	GAUS	Sell	5,842	1,064	Ordinary
08/26/2022	GAUS	Sell	5,842	1,064	Ordinary
08/26/2022	GAUS	Sell	4,552	829	Ordinary
08/26/2022	GAUS	Sell	99,721	18,161	Ordinary
08/26/2022	GSI	Sell	24,256	4,426	Ordinary
08/29/2022	GSAMLP	Buy	6	1	Ordinary
08/29/2022	GSAMLP	Buy	6	1	Ordinary
08/29/2022	GAUS	Sell	10,258,399	1,718,646	Ordinary
08/29/2022	GAUS	Sell	44,042	7,289	Ordinary
08/29/2022	GAUS	Sell	7,783	1,290	Ordinary
08/29/2022	GAUS	Sell	2,597,641	428,352	Ordinary
08/29/2022	GAUS	Sell	182,433	30,000	Ordinary
08/29/2022	GAUS	Sell	543,260	90,000	Ordinary
08/29/2022	GAUS	Sell	1,917,017	321,778	Ordinary
08/29/2022	GAUS	Sell	727,847	132,132	Ordinary
08/29/2022	GAUS	Sell	47,257	8,579	Ordinary
08/29/2022	GSI	Sell	36,349	6,102	Ordinary

08/29/2022	GSI	Sell	71,162	11,862	Ordinary
08/30/2022	GAUS	Sell	8,079,377	1,301,451	Ordinary
08/30/2022	GAUS	Sell	403,153	62,976	Ordinary
08/30/2022	GAUS	Sell	54,441	8,614	Ordinary
08/30/2022	GAUS	Sell	809,914	126,809	Ordinary
08/30/2022	GAUS	Sell	38,462	6,130	Ordinary
08/30/2022	GAUS	Sell	75,295	12,006	Ordinary
08/30/2022	GAUS	Sell	81,157	13,228	Ordinary
08/30/2022	GAUS	Sell	14,470	2,260	Ordinary
08/30/2022	GAUS	Sell	1,098	181	Ordinary
08/30/2022	GAUS	Sell	5,261	872	Ordinary
08/30/2022	GAUS	Sell	4,359,068	693,117	Ordinary
08/30/2022	GAUS	Sell	486,792	80,688	Ordinary
08/30/2022	GSI	Sell	114,033	18,308	Ordinary
08/30/2022	GSI	Sell	51,477	8,165	Ordinary
08/31/2022	GAUS	Sell	2,829,605	443,790	Ordinary
08/31/2022	GAUS	Sell	7,026,620	1,101,647	Ordinary
08/31/2022	GAUS	Sell	58,091	9,362	Ordinary
08/31/2022	GAUS	Sell	9,030	1,415	Ordinary
08/31/2022	GAUS	Sell	4,087	638	Ordinary
08/31/2022	GAUS	Sell	320,351	50,000	Ordinary
08/31/2022	GAUS	Sell	319,792	50,000	Ordinary
08/31/2022	GAUS	Sell	19,443	3,035	Ordinary
08/31/2022	GAUS	Sell	320,910	50,000	Ordinary
08/31/2022	GAUS	Sell	4,820,861	750,000	Ordinary
08/31/2022	GSI	Sell	131,254	20,782	Ordinary
08/31/2022	GSI	Sell	5,532	888	Ordinary
08/31/2022	GSI	Sell	244,322	39,217	Ordinary
08/31/2022	GAUS	Buy	1,415,305	236,300	Ordinary
09/01/2022	GSAMLP	Sell	11,919	1,880	Ordinary
09/01/2022	GAUS	Sell	552,311	89,257	Ordinary
09/01/2022	GAUS	Sell	92,013	14,915	Ordinary
09/01/2022	GAUS	Sell	2,511	410	Ordinary
09/01/2022	GAUS	Sell	1,451,337	232,226	Ordinary
09/01/2022	GAUS	Sell	4,589	722	Ordinary
09/01/2022	GAUS	Sell	149,680	24,136	Ordinary
09/01/2022	GAUS	Sell	550,558	88,778	Ordinary
09/01/2022	GSI	Sell	95,459	15,332	Ordinary
09/01/2022	GSI	Return of Borrowed Securities	N/A	2,000,000	Ordinary
09/01/2022	GSI	Buy	231	38	Ordinary
09/02/2022	GAUS	Sell	393,490	61,216	Ordinary
09/02/2022	GAUS	Sell	327,592	50,848	Ordinary

09/02/2022	GAUS	Sell	29,504	4,598	Ordinary
09/02/2022	GAUS	Sell	16,627	2,619	Ordinary
09/02/2022	GAUS	Sell	2,266	353	Ordinary
09/02/2022	GAUS	Sell	39,102,677	6,159,098	Ordinary
09/02/2022	GSI	Sell	131,703	20,508	Ordinary
09/02/2022	GSI	Sell	10,965	1,700	Ordinary
09/02/2022	GSI	Return of Borrowed Securities	N/A	19,822	Ordinary
09/05/2022	GAUS	Sell	408,794	63,934	Ordinary
09/05/2022	GAUS	Sell	174,313	27,250	Ordinary
09/05/2022	GAUS	Sell	16,475	2,511	Ordinary
09/05/2022	GAUS	Sell	485,897	74,744	Ordinary
09/05/2022	GAUS	Sell	1,794	276	Ordinary
09/05/2022	GAUS	Sell	2,431	374	Ordinary
09/05/2022	GAUS	Sell	728	112	Ordinary
09/05/2022	GSI	Sell	36,485	5,716	Ordinary
09/05/2022	GAUS	Buy	50,152	8,104	Ordinary
09/06/2022	GAUS	Sell	51,449	8,112	Ordinary
09/06/2022	GAUS	Sell	1,144,775	180,530	Ordinary
09/06/2022	GAUS	Sell	597,018	94,464	Ordinary
09/06/2022	GAUS	Sell	37,207	5,863	Ordinary
09/06/2022	GAUS	Sell	429,477	67,745	Ordinary
09/06/2022	GAUS	Sell	34,326	5,431	Ordinary
09/06/2022	GAUS	Sell	43,567	6,886	Ordinary
09/06/2022	GAUS	Sell	1,891	295	Ordinary
09/06/2022	GAUS	Sell	747	117	Ordinary
09/06/2022	GAUS	Sell	715	112	Ordinary
09/06/2022	GSI	Sell	2,778	438	Ordinary
09/06/2022	GAUS	Buy	335,230	52,763	Ordinary
09/07/2022	GAUS	Sell	497,155	80,689	Ordinary
09/07/2022	GAUS	Sell	172,163	28,230	Ordinary
09/07/2022	GAUS	Sell	564,723	91,630	Ordinary
09/07/2022	GAUS	Sell	27,648	4,473	Ordinary
09/07/2022	GAUS	Sell	256,549	41,595	Ordinary
09/07/2022	GAUS	Sell	42,019	6,798	Ordinary
09/07/2022	GAUS	Sell	531	85	Ordinary
09/07/2022	GAUS	Sell	2,376	376	Ordinary
09/07/2022	GAUS	Sell	708	112	Ordinary
09/07/2022	GSI	Sell	67,735	10,993	Ordinary
09/07/2022	GSI	Sell	19,333	3,132	Ordinary
09/07/2022	GAUS	Buy	1,418,808	222,125	Ordinary
09/07/2022	GAUS	Buy	296,543	45,640	Ordinary
09/08/2022	GSAMLP	Buy	194,727	31,355	Ordinary

09/08/2022	GAUS	Sell	162,601	26,192	Ordinary
09/08/2022	GAUS	Sell	190,532	30,649	Ordinary
09/08/2022	GAUS	Sell	35,737	5,749	Ordinary
09/08/2022	GAUS	Sell	39,505	6,364	Ordinary
09/08/2022	GAUS	Sell	672,809	108,185	Ordinary
09/08/2022	GAUS	Sell	49	8	Ordinary
09/08/2022	GAUS	Sell	6,846	1,112	Ordinary
09/08/2022	GAUS	Sell	130	21	Ordinary
09/08/2022	GAUS	Sell	1,388	225	Ordinary
09/08/2022	GSI	Sell	64,293	10,352	Ordinary
09/08/2022	GSI	Sell	1,894	305	Ordinary
09/08/2022	GSI	Sell	22,358	3,583	Ordinary
09/08/2022	GSI	Sell	1,445	229	Ordinary
09/08/2022	GSCO	Buy	6	1	Ordinary
09/08/2022	GSI	Buy	1,445	229	Ordinary
09/09/2022	GAUS	Sell	241,122	39,218	Ordinary
09/09/2022	GAUS	Sell	249,007	40,818	Ordinary
09/09/2022	GAUS	Sell	13,811	2,243	Ordinary
09/09/2022	GAUS	Sell	169,075	27,351	Ordinary
09/09/2022	GAUS	Sell	407,480	66,082	Ordinary
09/09/2022	GAUS	Sell	4,073	656	Ordinary
09/09/2022	GAUS	Sell	43	7	Ordinary
09/09/2022	GAUS	Sell	79,604	12,874	Ordinary
09/09/2022	GAUS	Sell	700	112	Ordinary
09/09/2022	GSI	Sell	16,438	2,676	Ordinary
09/09/2022	GSI	Sell	84,865	13,869	Ordinary
09/09/2022	GSI	Sell	41,058	6,636	Ordinary
09/09/2022	GAUS	Buy	1,436,741	232,650	Ordinary
09/09/2022	GAUS	Buy	88,148	13,872	Ordinary
09/12/2022	GAUS	Sell	365,972	57,290	Ordinary
09/12/2022	GAUS	Sell	273,541	42,101	Ordinary
09/12/2022	GAUS	Sell	11,807	1,846	Ordinary
09/12/2022	GAUS	Sell	369,191	57,885	Ordinary
09/12/2022	GAUS	Sell	136,111	21,380	Ordinary
09/12/2022	GAUS	Sell	20,551	3,295	Ordinary
09/12/2022	GAUS	Sell	290	45	Ordinary
09/12/2022	GAUS	Sell	69,375	10,871	Ordinary
09/12/2022	GAUS	Sell	306	48	Ordinary
09/12/2022	GAUS	Sell	699	112	Ordinary
09/12/2022	GSI	Sell	110,398	17,267	Ordinary
09/12/2022	GSI	Sell	662	104	Ordinary
09/12/2022	GAUS	Buy	398,111	64,176	Ordinary



09/13/2022	GAUS	Sell	164,780	26,051	Ordinary
09/13/2022	GAUS	Sell	126,840	19,999	Ordinary
09/13/2022	GAUS	Sell	105,339	16,638	Ordinary
09/13/2022	GAUS	Sell	20,064	3,178	Ordinary
09/13/2022	GAUS	Sell	6,238	986	Ordinary
09/13/2022	GAUS	Sell	4,422	702	Ordinary
09/13/2022	GAUS	Sell	100,011	15,613	Ordinary
09/13/2022	GSI	Sell	54,951	8,714	Ordinary
09/13/2022	GSI	Sell	1,061	168	Ordinary
09/13/2022	GAUS	Buy	262,019	41,784	Ordinary
09/14/2022	GAUS	Sell	244,823	39,398	Ordinary
09/14/2022	GAUS	Sell	129,587	20,422	Ordinary
09/14/2022	GAUS	Sell	451,501	71,163	Ordinary
09/14/2022	GAUS	Sell	34,545	5,512	Ordinary
09/14/2022	GAUS	Sell	4,683	750	Ordinary
09/14/2022	GAUS	Sell	812	131	Ordinary
09/14/2022	GAUS	Sell	16,568	2,608	Ordinary
09/14/2022	GAUS	Sell	417,124	66,333	Ordinary
09/14/2022	GSI	Sell	37,600	6,011	Ordinary
09/15/2022	GSI	Sell	1,111,373	175,128	Ordinary
09/15/2022	GSI	Sell	1,101,538	175,128	Ordinary
09/15/2022	GAUS	Sell	87,363	13,831	Ordinary
09/15/2022	GAUS	Sell	804,958	125,952	Ordinary
09/15/2022	GAUS	Sell	2,538	399	Ordinary
09/15/2022	GAUS	Sell	5,886	932	Ordinary
09/15/2022	GAUS	Sell	396,151	62,982	Ordinary
09/15/2022	GAUS	Sell	1,059	168	Ordinary
09/15/2022	GAUS	Sell	326	51	Ordinary
09/15/2022	GAUS	Sell	259,188	40,865	Ordinary
09/15/2022	GAUS	Sell	4,808	757	Ordinary
09/15/2022	GAUS	Sell	50,977	8,033	Ordinary
09/15/2022	GAUS	Sell	1,111,373	175,128	Ordinary
09/15/2022	GAUS	Sell	1,111,373	175,128	Ordinary
09/15/2022	GAUS	Sell	2,443,601	388,496	Ordinary
09/15/2022	GSI	Sell	76,772	12,072	Ordinary
09/15/2022	GAUS	Sell	99,958	15,613	Ordinary
09/15/2022	NN IP B.V.	BUY	184,217	28,965	Ordinary
09/16/2022	GSAMPLP	Buy	2,028	325	Ordinary
09/16/2022	GAUS	Sell	735,908	118,661	Ordinary
09/16/2022	GAUS	Sell	173,786	27,891	Ordinary
09/16/2022	GAUS	Sell	43,163	6,958	Ordinary
09/16/2022	GAUS	Sell	75,129	12,094	Ordinary

09/16/2022	GAUS	Sell	368,873	59,362	Ordinary
09/16/2022	GAUS	Sell	9,075	1,446	Ordinary
09/16/2022	GAUS	Sell	134,878	21,492	Ordinary
09/16/2022	GAUS	Buy	85,070	13,341	Ordinary
09/19/2022	GAUS	Sell	28,044	4,502	Ordinary
09/19/2022	GAUS	Sell	22,940	3,714	Ordinary
09/19/2022	GAUS	Sell	3,938	638	Ordinary
09/19/2022	GAUS	Sell	380	61	Ordinary
09/19/2022	GAUS	Sell	84,736	13,657	Ordinary
09/19/2022	GAUS	Sell	24,070	3,838	Ordinary
09/19/2022	GAUS	Sell	6,794	1,091	Ordinary
09/19/2022	GAUS	Sell	4,923	785	Ordinary
09/19/2022	GSI	Sell	53,994	8,753	Ordinary
09/19/2022	GAUS	Buy	955,958	150,000	Ordinary
09/19/2022	GAUS	Buy	49,225	7,724	Ordinary
09/20/2022	GAUS	Sell	225,756	36,006	Ordinary
09/20/2022	GAUS	Sell	173,006	27,659	Ordinary
09/20/2022	GAUS	Sell	395,173	62,758	Ordinary
09/20/2022	GAUS	Sell	142,306	22,665	Ordinary
09/20/2022	GAUS	Sell	78,980	12,551	Ordinary
09/20/2022	GAUS	Sell	520	83	Ordinary
09/20/2022	GAUS	Sell	1,534	248	Ordinary
09/20/2022	GSI	Sell	65,110	10,403	Ordinary
09/20/2022	GAUS	Buy	2,859,080	450,000	Ordinary
09/20/2022	GAUS	Buy	55,587	8,749	Ordinary
09/21/2022	GAUS	Sell	202,886	32,667	Ordinary
09/21/2022	GAUS	Sell	39,034	6,270	Ordinary
09/21/2022	GAUS	Sell	781,395	125,517	Ordinary
09/21/2022	GAUS	Sell	241,769	38,910	Ordinary
09/21/2022	GAUS	Sell	4,117	660	Ordinary
09/21/2022	GAUS	Sell	8,754	1,391	Ordinary
09/21/2022	GSI	Sell	42,269	6,813	Ordinary
09/21/2022	GSI	Sell	1,620	261	Ordinary
09/21/2022	NN IP B.V.	BUY	119,436	18,993	Ordinary
09/22/2022	GSI	Sell	31,586	5,057	Ordinary
09/22/2022	GSI	Sell	2,207	355	Ordinary
09/23/2022	GAUS	Sell	427,339	70,354	Ordinary
09/23/2022	GAUS	Sell	37,764	6,319	Ordinary
09/23/2022	GAUS	Sell	60,331	10,072	Ordinary
09/23/2022	GAUS	Sell	2,722	452	Ordinary
09/23/2022	GAUS	Sell	40,926	6,827	Ordinary
09/23/2022	GAUS	Sell	156	26	Ordinary

09/23/2022	GAUS	Sell	31,163	4,996	Ordinary
09/23/2022	GSI	Sell	85,261	14,121	Ordinary
09/23/2022	GSI	Sell	1,371	226	Ordinary
09/23/2022	GAUS	Buy	103,034	16,609	Ordinary
09/23/2022	GAUS	Buy	57,377	9,121	Ordinary
09/23/2022	NN IP B.V.	BUY	55,692	8,959	Ordinary
09/26/2022	GAUS	Sell	191,548	31,379	Ordinary
09/26/2022	GAUS	Sell	5,005	820	Ordinary
09/26/2022	GAUS	Sell	73,450	12,026	Ordinary
09/26/2022	GAUS	Sell	398,703	66,436	Ordinary
09/26/2022	GAUS	Sell	19,517	3,263	Ordinary
09/26/2022	GAUS	Sell	223,678	37,077	Ordinary
09/26/2022	GAUS	Sell	76,073	12,628	Ordinary
09/26/2022	GAUS	Sell	40,296	6,689	Ordinary
09/26/2022	GAUS	Sell	8,842	1,391	Ordinary
09/26/2022	GAUS	Buy	394	62	Ordinary
09/26/2022	GAUS	Buy	775	122	Ordinary
09/26/2022	GSI	Buy	350	55	Ordinary
09/26/2022	GSI	Buy	381	60	Ordinary
09/26/2022	GSI	Buy	547	86	Ordinary
09/26/2022	GSI	Buy	1,881	296	Ordinary
09/27/2022	GAUS	Sell	281,949	46,283	Ordinary
09/27/2022	GAUS	Sell	545,005	89,425	Ordinary
09/27/2022	GAUS	Sell	766,069	125,517	Ordinary
09/27/2022	GAUS	Sell	303,088	49,846	Ordinary
09/27/2022	GAUS	Sell	18	3	Ordinary
09/27/2022	GAUS	Sell	65,274	10,735	Ordinary
09/27/2022	GSI	Sell	36,594	6,009	Ordinary
09/27/2022	GAUS	Buy	1,473,717	245,500	Ordinary
09/28/2022	GAUS	Sell	496,418	81,964	Ordinary
09/28/2022	GAUS	Sell	56,072	9,204	Ordinary
09/28/2022	GAUS	Sell	53,423	8,717	Ordinary
09/28/2022	GAUS	Sell	853	140	Ordinary
09/28/2022	GAUS	Sell	44,529	7,309	Ordinary
09/28/2022	GAUS	Sell	44,529	7,309	Ordinary
09/28/2022	GAUS	Sell	44,529	7,309	Ordinary
09/28/2022	GSI	Sell	27,961	4,592	Ordinary
09/28/2022	GSI	Borrow of Securities	N/A	1,000,000	Ordinary
09/28/2022	GAUS	Sell	75,640	12,628	Ordinary
09/29/2022	GAUS	Sell	206,844	33,771	Ordinary
09/29/2022	GAUS	Sell	208,936	34,108	Ordinary
09/29/2022	GAUS	Sell	149,193	24,318	Ordinary

09/29/2022	GAUS	Sell	27,117	4,420	Ordinary
09/29/2022	GAUS	Sell	2,669	435	Ordinary
09/29/2022	GAUS	Sell	865	141	Ordinary
09/29/2022	GAUS	Sell	26,722	4,360	Ordinary
09/29/2022	GSI	Sell	13,870	2,256	Ordinary
09/29/2022	GSI	Buy	N/A	13,704	Ordinary
09/29/2022	GSI	Sell	83,594	13,704	Ordinary
09/29/2022	GAUS	Buy	1,453,333	240,000	Ordinary
09/29/2022	GAUS	Sell	65,006	10,735	Ordinary
09/30/2022	GAUS	Sell	260,558	42,495	Ordinary
09/30/2022	GAUS	Sell	374,877	61,001	Ordinary
09/30/2022	GAUS	Sell	222,845	36,340	Ordinary
09/30/2022	GAUS	Sell	3,567	583	Ordinary
09/30/2022	GAUS	Sell	187,295	30,517	Ordinary
09/30/2022	GAUS	Sell	217,183	35,464	Ordinary
09/30/2022	GAUS	Sell	2,488	406	Ordinary
09/30/2022	GAUS	Sell	2,490	406	Ordinary
09/30/2022	GSI	Sell	35,389	5,804	Ordinary
09/30/2022	GSI	Borrow of Securities	N/A	1,000,000	Ordinary
09/30/2022	GAUS	Buy	2,443,753	400,000	Ordinary
10/03/2022	GAUS	Sell	531,814	86,748	Ordinary
10/03/2022	GAUS	Sell	42,048	6,840	Ordinary
10/03/2022	GAUS	Sell	11,319	1,869	Ordinary
10/03/2022	GAUS	Sell	25,972	4,184	Ordinary
10/03/2022	GAUS	Sell	32,781	5,326	Ordinary
10/03/2022	GAUS	Sell	42	7	Ordinary
10/03/2022	GAUS	Sell	36,578	5,966	Ordinary
10/03/2022	GAUS	Sell	81,835	13,297	Ordinary
10/03/2022	GAUS	Sell	69,489	11,291	Ordinary
10/03/2022	GAUS	Sell	32,778	5,326	Ordinary
10/03/2022	GSI	Sell	21,471	3,461	Ordinary
10/04/2022	GAUS	Sell	204,453	33,001	Ordinary
10/04/2022	GAUS	Sell	15,725	2,523	Ordinary
10/04/2022	GAUS	Sell	589,595	94,850	Ordinary
10/04/2022	GAUS	Sell	6,050	1,002	Ordinary
10/04/2022	GAUS	Sell	172,216	27,801	Ordinary
10/04/2022	GAUS	Sell	66,834	10,701	Ordinary
10/04/2022	GAUS	Sell	62,024	10,058	Ordinary
10/04/2022	GAUS	Sell	150,438	25,104	Ordinary
10/04/2022	GAUS	Sell	6,005	1,002	Ordinary
10/04/2022	GSI	Sell	34,115	5,495	Ordinary
10/04/2022	GAUS	Buy	1,529,305	250,000	Ordinary

10/04/2022	GAUS	Sell	148,759	24,318	Ordinary
10/05/2022	GAUS	Sell	92,467	14,847	Ordinary
10/05/2022	GAUS	Sell	13,392	2,144	Ordinary
10/05/2022	GAUS	Sell	80,667	12,893	Ordinary
10/05/2022	GAUS	Sell	187,270	30,032	Ordinary
10/05/2022	GAUS	Sell	59,498	9,539	Ordinary
10/05/2022	GAUS	Sell	155	25	Ordinary
10/05/2022	GAUS	Sell	34,403	5,464	Ordinary
10/05/2022	GAUS	Sell	12,303	1,954	Ordinary
10/05/2022	GAUS	Sell	110,147	17,494	Ordinary
10/05/2022	GAUS	Sell	966	155	Ordinary
10/05/2022	GAUS	Sell	110,838	17,758	Ordinary
10/05/2022	GSI	Sell	28,667	4,604	Ordinary
10/05/2022	GSI	Sell	50,726	8,136	Ordinary
10/05/2022	GAUS	Buy	1,824,328	300,000	Ordinary
10/05/2022	GAUS	Buy	74,487	12,249	Ordinary
10/05/2022	GAUS	Buy	64,344	10,633	Ordinary
10/05/2022	GAUS	Buy	15,586,718	2,548,904	Ordinary
10/05/2022	GAUS	Buy	11,491	1,912	Ordinary
10/06/2022	GAUS	Sell	388,932	62,502	Ordinary
10/06/2022	GAUS	Sell	11,335	1,823	Ordinary
10/06/2022	GAUS	Sell	491,758	79,060	Ordinary
10/06/2022	GAUS	Sell	448,175	71,788	Ordinary
10/06/2022	GAUS	Sell	6,241	1,005	Ordinary
10/06/2022	GAUS	Sell	205,394	33,042	Ordinary
10/06/2022	GAUS	Sell	16,742	2,686	Ordinary
10/06/2022	GAUS	Sell	100,854	16,212	Ordinary
10/06/2022	GAUS	Sell	658,172	104,956	Ordinary
10/06/2022	GAUS	Sell	183,952	29,334	Ordinary
10/06/2022	GSI	Sell	64,579	10,467	Ordinary
10/06/2022	GSI	Sell	34,967	5,680	Ordinary
10/06/2022	GAUS	Buy	11,978	1,912	Ordinary
10/07/2022	GAUS	Sell	131,653	21,205	Ordinary
10/07/2022	GAUS	Sell	21,266	3,408	Ordinary
10/07/2022	GAUS	Sell	103,710	16,584	Ordinary
10/07/2022	GAUS	Sell	18,899	3,061	Ordinary
10/07/2022	GAUS	Sell	534,134	86,290	Ordinary
10/07/2022	GAUS	Sell	29,361	4,669	Ordinary
10/07/2022	GAUS	Sell	132,874	21,407	Ordinary
10/07/2022	GAUS	Sell	41,225	6,594	Ordinary
10/07/2022	GAUS	Sell	561	91	Ordinary
10/07/2022	GAUS	Sell	212,316	33,960	Ordinary

10/07/2022	GAUS	Sell	173,820	27,752	Ordinary
10/07/2022	GAUS	Sell	539,480	86,290	Ordinary
10/07/2022	GAUS	Sell	212,316	33,960	Ordinary
10/07/2022	GAUS	Sell	212,316	33,960	Ordinary
10/07/2022	GAUS	Sell	103,682	16,584	Ordinary
10/07/2022	GSI	Sell	32,857	5,281	Ordinary
10/10/2022	GSAMLP	Buy	85,574	13,780	Ordinary
10/10/2022	GAUS	Sell	275,763	44,473	Ordinary
10/10/2022	GAUS	Sell	150,998	24,462	Ordinary
10/10/2022	GAUS	Sell	506,830	81,587	Ordinary
10/10/2022	GAUS	Sell	225,436	36,353	Ordinary
10/10/2022	GAUS	Sell	448,232	71,822	Ordinary
10/10/2022	GAUS	Sell	49,665	7,990	Ordinary
10/10/2022	GAUS	Sell	271,789	43,728	Ordinary
10/10/2022	GAUS	Sell	672	108	Ordinary
10/10/2022	GAUS	Sell	447,793	71,822	Ordinary
10/10/2022	GAUS	Sell	3,353	546	Ordinary
10/10/2022	GAUS	Sell	86,570	13,885	Ordinary
10/10/2022	GAUS	Sell	43	7	Ordinary
10/10/2022	GAUS	Sell	12	2	Ordinary
10/10/2022	GSI	Sell	43,209	6,937	Ordinary
10/10/2022	GSI	Sell	10,996	1,771	Ordinary
10/10/2022	GSCO	Borrow of Securities	N/A	1,110,000	Ordinary
10/10/2022	GSI	Borrow of Securities	N/A	140,000	Ordinary
10/10/2022	GSI	Borrow of Securities	N/A	108,187	Ordinary
10/10/2022	GSI	Borrow of Securities	N/A	684,758	Ordinary
10/10/2022	GAUS	Sell	183,555	29,334	Ordinary
10/10/2022	GAUS	Buy	11,869	1,912	Ordinary
10/11/2022	GAUS	Sell	111,444	18,128	Ordinary
10/11/2022	GAUS	Sell	108,917	17,600	Ordinary
10/11/2022	GAUS	Sell	42,574	6,920	Ordinary
10/11/2022	GAUS	Sell	15,332	2,491	Ordinary
10/11/2022	GAUS	Sell	79,049	12,843	Ordinary
10/11/2022	GAUS	Sell	99,352	16,165	Ordinary
10/11/2022	GAUS	Sell	416,706	67,702	Ordinary
10/11/2022	GAUS	Sell	79,049	12,843	Ordinary
10/11/2022	GAUS	Sell	79,049	12,843	Ordinary
10/11/2022	GSI	Sell	37,752	6,093	Ordinary
10/11/2022	GSI	Sell	19,143	3,090	Ordinary
10/11/2022	GAUS	Sell	102,446	16,584	Ordinary
10/11/2022	GAUS	Buy	33,872	5,477	Ordinary
10/12/2022	GSAMLP	Buy	6	1	Ordinary


10/12/2022	GSAMPLP	Sell	191,626	31,355	Ordinary
10/12/2022	GAUS	Sell	233,231	38,223	Ordinary
10/12/2022	GAUS	Sell	152,920	25,104	Ordinary
10/12/2022	GAUS	Sell	124,178	20,200	Ordinary
10/12/2022	GAUS	Sell	154,325	25,104	Ordinary
10/12/2022	GAUS	Sell	98	16	Ordinary
10/12/2022	GSI	Sell	44,995	7,364	Ordinary
10/12/2022	GSI	Sell	21,737	3,563	Ordinary
10/12/2022	GAUS	Buy	511	83	Ordinary
10/13/2022	GAUS	Sell	130,769	21,653	Ordinary
10/13/2022	GAUS	Sell	674	112	Ordinary
10/13/2022	GAUS	Sell	293,948	48,792	Ordinary
10/13/2022	GAUS	Sell	58,019	9,603	Ordinary
10/13/2022	GAUS	Sell	120,302	19,918	Ordinary
10/13/2022	GSI	Sell	20,822	3,426	Ordinary
10/13/2022	GSI	Sell	10,632	1,745	Ordinary
10/13/2022	GAUS	Buy	3,037,539	495,266	Ordinary
10/13/2022	GAUS	Buy	858	140	Ordinary
10/13/2022	GAUS	Buy	769,827	125,519	Ordinary
10/13/2022	GAUS	Sell	415,226	67,702	Ordinary
10/14/2022	GAUS	Sell	121,332	20,365	Ordinary
10/14/2022	GAUS	Sell	148,788	25,104	Ordinary
10/14/2022	GAUS	Sell	3,868	651	Ordinary
10/14/2022	GAUS	Sell	1,162	193	Ordinary
10/14/2022	GAUS	Sell	89	15	Ordinary
10/14/2022	GAUS	Sell	205,588	34,540	Ordinary
10/14/2022	GAUS	Sell	99,160	16,645	Ordinary
10/14/2022	GAUS	Sell	1,822	304	Ordinary
10/14/2022	GAUS	Sell	150,469	25,104	Ordinary
10/14/2022	GAUS	Sell	111,555	18,729	Ordinary
10/14/2022	GAUS	Sell	93,228	15,554	Ordinary
10/14/2022	GAUS	Sell	1,822	304	Ordinary
10/14/2022	GSI	Sell	59,070	9,929	Ordinary
10/14/2022	GSI	Sell	19,160	3,227	Ordinary
10/14/2022	GAUS	Buy	2,008,560	327,779	Ordinary
10/14/2022	GAUS	Buy	778	128	Ordinary
10/14/2022	GAUS	Sell	153,832	25,104	Ordinary
10/17/2022	GAUS	Sell	330,578	56,205	Ordinary
10/17/2022	GAUS	Sell	708,813	120,444	Ordinary
10/17/2022	GAUS	Sell	18,432	3,131	Ordinary
10/17/2022	GAUS	Sell	759,426	129,014	Ordinary
10/17/2022	GAUS	Sell	13,130	2,231	Ordinary

10/17/2022	GAUS	Sell	49,841	8,400	Ordinary
10/17/2022	GAUS	Sell	429,355	72,361	Ordinary
10/17/2022	GSI	Sell	43,564	7,402	Ordinary
10/17/2022	GSCO	Borrow of Securities	N/A	2,800,000	Ordinary
10/17/2022	GSI	Borrow of Securities	N/A	29,163	Ordinary
10/17/2022	GSI	Borrow of Securities	N/A	3,000,000	Ordinary
10/17/2022	GAUS	Buy	2,193,701	360,879	Ordinary
10/17/2022	GAUS	Buy	1,022	169	Ordinary
10/17/2022	GAUS	Buy	75,313	12,551	Ordinary
10/18/2022	GAUS	Sell	95,293	16,094	Ordinary
10/18/2022	GAUS	Sell	444,957	75,180	Ordinary
10/18/2022	GAUS	Sell	23,155	3,906	Ordinary
10/18/2022	GAUS	Sell	29,503	4,978	Ordinary
10/18/2022	GAUS	Sell	94,567	16,180	Ordinary
10/18/2022	GAUS	Sell	16,788	2,832	Ordinary
10/18/2022	GAUS	Sell	213	36	Ordinary
10/18/2022	GAUS	Sell	36,222	6,105	Ordinary
10/18/2022	GAUS	Sell	63,412	10,710	Ordinary
10/18/2022	GAUS	Sell	286,494	49,018	Ordinary
10/18/2022	GSI	Sell	25,460	4,288	Ordinary
10/18/2022	GSI	Sell	10,987	1,847	Ordinary
10/18/2022	GAUS	Buy	4,228,381	709,987	Ordinary
10/18/2022	GAUS	Sell	149,509	25,104	Ordinary
10/19/2022	GAUS	Sell	177,125	29,529	Ordinary
10/19/2022	GAUS	Sell	355,984	59,153	Ordinary
10/19/2022	GAUS	Sell	109,124	18,213	Ordinary
10/19/2022	GAUS	Sell	225,125	38,100	Ordinary
10/19/2022	GAUS	Sell	269	45	Ordinary
10/19/2022	GAUS	Sell	164,690	27,872	Ordinary
10/19/2022	GSI	Sell	51,594	8,558	Ordinary
10/19/2022	GSI	Sell	30,755	5,108	Ordinary
10/19/2022	GAUS	Sell	425,163	72,361	Ordinary
10/19/2022	GAUS	Buy	1,575	269	Ordinary
10/19/2022	GAUS	Buy	2,193,792	373,374	Ordinary
10/19/2022	GAUS	Buy	415	71	Ordinary
10/20/2022	GAUS	Sell	254,090	42,831	Ordinary
10/20/2022	GAUS	Sell	110,858	18,591	Ordinary
10/20/2022	GAUS	Sell	6	1	Ordinary
10/20/2022	GAUS	Sell	88,385	14,887	Ordinary
10/20/2022	GAUS	Sell	138,575	23,365	Ordinary
10/20/2022	GAUS	Sell	50,105	8,400	Ordinary
10/20/2022	GAUS	Sell	149	25	Ordinary



10/20/2022	GAUS	Sell	25,601	4,292	Ordinary
10/20/2022	GSI	Sell	68,313	11,543	Ordinary
10/20/2022	GSI	Sell	37,456	6,370	Ordinary
10/20/2022	GSI	Buy	11,848	1,988	Ordinary
10/20/2022	GSI	Sell	N/A	1,992	Ordinary
10/20/2022	GSCO	Borrow of Securities	N/A	700,000	Ordinary
10/20/2022	GSI	Borrow of Securities	N/A	34,596	Ordinary
10/20/2022	GSI	Borrow of Securities	N/A	47,714	Ordinary
10/20/2022	GSI	Borrow of Securities	N/A	321,269	Ordinary
10/20/2022	GSI	Borrow of Securities	N/A	101,150	Ordinary
10/20/2022	GSI	Borrow of Securities	N/A	245,271	Ordinary
10/20/2022	GSI	Borrow of Securities	N/A	2,000,000	Ordinary
10/20/2022	GAUS	Buy	1,458,009	250,000	Ordinary
10/20/2022	GAUS	Sell	285,875	49,018	Ordinary
10/20/2022	GAUS	Buy	2,502,299	429,061	Ordinary
10/20/2022	GAUS	Buy	254	43	Ordinary
10/21/2022	GSAMLP	Sell	33,248	5,629	Ordinary
10/21/2022	GAUS	Sell	78,892	13,295	Ordinary
10/21/2022	GAUS	Sell	278,505	46,770	Ordinary
10/21/2022	GAUS	Sell	50,020	8,400	Ordinary
10/21/2022	GAUS	Sell	50,020	8,400	Ordinary
10/21/2022	GAUS	Sell	56,217	9,478	Ordinary
10/21/2022	GSI	Sell	27,451	4,637	Ordinary
10/21/2022	GSI	Borrow of Securities	N/A	2,000,000	Ordinary
10/21/2022	GAUS	Buy	1,783,097	300,000	Ordinary
10/21/2022	GAUS	Sell	165,662	27,872	Ordinary
10/21/2022	GAUS	Buy	5,798,560	975,588	Ordinary
10/21/2022	GAUS	Buy	253	42	Ordinary
10/21/2022	GAUS	Buy	75,303	12,552	Ordinary
10/24/2022	GAUS	Buy	1,598,823	267,453	Ordinary
10/24/2022	GAUS	Sell	25,657	4,292	Ordinary
10/24/2022	GAUS	Buy	3,805,851	636,647	Ordinary
10/25/2022	GAUS	Buy	950,732	160,000	Ordinary
10/25/2022	GAUS	Buy	45,279	7,648	Ordinary
10/25/2022	GAUS	Buy	2,129,213	358,328	Ordinary
10/25/2022	GAUS	Buy	100,167	16,924	Ordinary
10/25/2022	GAUS	Buy	10,904,758	1,835,176	Ordinary
10/25/2022	GSI	Buy	35,652	6,000	Ordinary
10/25/2022	GAUS	Buy	78,988	13,368	Ordinary
10/28/2022	GSI	Buy	942,625	160,000	Ordinary

**Signature**

Print name	Noble Sebastian (signing under power of attorney)	Capacity	Authorised Person
Sign here		Date	28 November 2022

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## **Annexure C – Relevant Agreements**

### **Part A**

DATED: 3<sup>rd</sup> July 2001.

OSL 1

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**OVERSEAS SECURITIES LENDER'S AGREEMENT**

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BETWEEN

GOLDMAN SACHS INTERNATIONAL (1)

AND

BARCLAYS GLOBAL INVESTORS LIMITED  
AS AGENT FOR EACH OF THE FUNDS AND ACCOUNTS  
SET FORTH ON APPENDIX A HERETO (2)

VERSION: BASED ON DECEMBER 1995 OSLA

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**THIS AGREEMENT** is made the 3rd day of July, 2001

**BETWEEN:-**

- (1) **Goldman Sachs International** a company incorporated under the laws of England and Wales, whose registered office is at Peterborough Court, 133 Fleet Street, London EC4A 2BB (“Borrower”); and
- (2) **Barclays Global Investors Limited**, a company incorporated in England and Wales, registered number 796793, whose registered office is at 54 Lombard Street, London EC3P 3AH, as agent for each of the funds and accounts set forth on Appendix A hereto (“Lender”)

**WHEREAS:-**

1. The Parties hereto are desirous of agreeing a procedure whereby either one of them (the “Lender”) will make available to the other of them (the “Borrower”) from time to time Securities (as hereinafter defined) in order to enable the Borrower, subject to any Inland Revenue provisions then in force, to fulfil a contract to sell such Securities or to on lend such Securities to a third party to enable such party to fulfil a contract to sell such Securities, whether or not as part of a chain of arrangements to enable the final party in such chain to fulfil a contract to sell such Securities or to replace an existing loan of Securities to such third party, or for other purposes.
2. All transactions carried out under this Agreement will be effected in accordance with the Rules (as hereinafter defined) **TOGETHER WITH** current market practices, customs and conventions.

**NOW THIS AGREEMENT WITNESSETH AND IT IS HEREBY AGREED AS FOLLOWS:-**

1. INTERPRETATION

(A) In this Agreement:-

“Act of Insolvency” means in relation to either Party

- (i) its making a general assignment for the benefit of, or entering into a reorganisation, arrangement, or composition with creditors, or
- (ii) its admitting in writing that it is unable to pay its debts as they become due, or

- (iii) its seeking, consenting to or acquiescing in the appointment of any trustee, administrator, receiver or liquidator or analogous officer of it or any material part of its property, or;
- (iv) the presentation or filing of a petition in respect of it (other than by the other Party to this Agreement in respect of any obligation under this Agreement) in any court or before any agency alleging or for the bankruptcy, winding-up or insolvency of such Party (or any analogous proceeding) or seeking any reorganisation, arrangement, composition, re-adjustment, administration, liquidation, dissolution or similar relief under any present or future statute, law or regulation, such petition (except in the case of a petition for winding-up or any analogous proceeding in respect of which no such 30 day period shall apply) not having been stayed or dismissed within 30 days of its filing;
- (v) the appointment of a receiver, administrator, liquidator or trustee or analogous officer of such Party over all or any material part of such Party's property; or
- (vi) the convening of any meeting of its creditors for the purpose of considering a voluntary arrangement as referred to in Section 3 of the Insolvency Act 1986 (or any analogous proceeding);

**“Agent”**

shall have the same meaning given in Clause 14;

**“Alternative Collateral”**

means Collateral of a Value equal to the Collateral delivered pursuant to Clause 6 and provided by way of substitution for Collateral originally delivered or previously substituted in accordance with the provisions of Clauses 6(F) or 6(G);



**“Appropriate Tax Vouchers”**

means:-

- (i) either such tax vouchers and/or certificates as shall enable the recipient to claim and receive from any relevant tax authority, in respect of interest, dividends, distributions and/or other amounts (including for the avoidance of doubt any manufactured payment) relating to particular Securities, all and any repayment of tax or benefit of tax credit to which the Lender would have been entitled but for the loan of Securities in accordance with this Agreement and/or to which the Lender is entitled in respect of tax withheld and accounted for in respect of any manufactured payment; or such tax vouchers and/or certificates as are provided by the Borrower which evidence an amount of overseas tax deducted which shall enable the recipient to claim and receive from any relevant tax authority all and any repayment of tax from the UK Inland Revenue or benefits of tax credit in the jurisdiction of the recipient’s residence; and
- (ii) such vouchers and/or certificates in respect of interest, dividends, distributions and/or other amounts relating to particular Collateral;

**“Approved UK Collecting Agent”**

means a person who is approved as such for the purposes of the Rules of the UK Inland Revenue relating to stocklending and manufactured interest and dividends;

**“Approved Intermediary”**

means a person who is approved as such for the purposes of the Rules of the UK Inland Revenue relating to stocklending and manufactured interest and dividends;

**“Assured Payment”**

means a payment obligation of a Settlement Bank arising (under the Assured Payment Agreement) as a result of a transfer of stock or other securities to a CGO stock account of a member of the CGO for whom that Settlement Bank is acting;

- “Assured Payment Agreement”** means an agreement dated 24 October 1986 between the Bank of England and all the other banks which are for the time being acting as Settlement Banks in relation to the CGO regulating the obligations of such banks to make payments in respect of transfers of securities through the CGO as supplemented and amended from time to time;
- “Base Currency”** has the meaning given in the Schedule hereto;
- “Bid Price”** in relation to Equivalent Securities or Equivalent Collateral means the best available bid price thereof on the most appropriate market in a standard size;
- “Bid Value”** Subject to Clause 8(E) means:-
- (A) in relation to Equivalent Collateral at a particular time:-
- (i) in relation to Collateral Types B(x) and C (more specifically referred to in the Schedule) the Value thereof as calculated in accordance with such Schedule;
  - (ii) in relation to all other types of Collateral (more specifically referred to in the Schedule) the amount which would be received on a sale of such Collateral at the Bid Price thereof at such time less all costs, fees and expenses that would be incurred in connection with selling or otherwise realising such Equivalent Collateral, calculated on the assumption that the aggregate thereof is the least that could reasonably be expected to be paid in order to carry out such sale or realisation and adding thereto the amount of any interest, dividends, distributions or other amounts paid to the Lender and in respect of which

equivalent amounts have not been paid to the Borrower in accordance with Clause 6(G) prior to such time in respect of such Equivalent Collateral or the original Collateral held gross of all and any tax deducted or paid in respect thereof;

and

- (B) in relation to Equivalent Securities at a particular time the amount which would be received on a sale of such Equivalent Securities at the Bid Price thereof at such time less all costs, fees and expenses that would be incurred in connection therewith, calculated on the assumption that the aggregate thereof is the least that could reasonably be expected to be paid in order to carry out the transaction;

**“Borrower”**

with respect to a particular loan of Securities means the Borrower as referred to in Recital 1 of this Agreement;

**“Borrowing Request”**

means a request made (by telephone or otherwise) by the Borrower to the Lender pursuant to Clause 2(A) specifying the description, title and amount of the Securities required by the Borrower, the proposed Settlement Date and duration of such loan and the date, time, mode and place of delivery which shall, where relevant, include the bank agent clearing or settlement system and account to which delivery of the Securities is to be made;

**“Business Day”**

means a day on which banks and securities markets are open for business generally in London and, in relation to the delivery or redelivery of any of the following in relation to any loan, in the place(s) where the relevant Securities, Equivalent Securities, Collateral (including Cash Collateral) or Equivalent Collateral are to be delivered;

**“Cash Collateral”**

means Collateral that takes the form of a deposit of currency;

**“Central Gilts Office” or  
“CGO”**

means the computer based system managed by the Bank of England to facilitate the book-entry transfer of gilt-edged securities;

**“CGO Collateral”**

shall have the meaning specified in paragraph A of the Schedule;

**“CGO Rules”**

means the requirements of the CGO for the time being in force as defined in the membership agreement regulating membership of the CGO;

**“Close of Business”**

means the time at which banks close in the business centre in which payment is to be made or Collateral is to be delivered;

**“Collateral”**

means such securities or financial instruments or deposits of currency as are referred to in the Schedule hereto or any combination thereof which are delivered by the Borrower to the Lender in accordance with this Agreement and shall include the certificates and other documents of or evidencing title and transfer in respect of the foregoing (as appropriate), and shall include Alternative Collateral;

**“Defaulting Party”**

shall have the meaning given in Clause 12;

**“Equivalent Collateral”**

or in relation to any Collateral provided under this Agreement means

**“Collateral equivalent to”**

securities, cash or other property, as the case may be, of an identical type, nominal value, description and amount to particular Collateral so provided and shall include the certificates and other documents of or evidencing title and transfer in respect of the foregoing (as appropriate). If and to the extent that such Collateral consists of securities that are partly paid or have been converted, subdivided, consolidated, redeemed, made the subject of a takeover, capitalisation issue, rights issue or event similar to any of the foregoing, the expression shall have the following meaning:

- (a) in the case of conversion, subdivision or consolidation the securities into which the relevant Collateral has been converted, subdivided or consolidated **PROVIDED THAT**, if appropriate, notice has been given in accordance with Clause 4(B)(vi);
- (b) in the case of redemption, a sum of money equivalent to the proceeds of the redemption;
- (c) in the case of a takeover, a sum of money or securities, being the consideration or alternative consideration of which the Borrower has given notice to the Lender in accordance with Clause 4(B)(vi);
- (d) in the case of a call on partly paid securities, the paid-up securities **PROVIDED THAT** the Borrower shall have paid to the Lender an amount of money equal to the sum due in respect of the call;
- (e) in the case of a capitalisation issue, the relevant Collateral **TOGETHER WITH** the securities allotted by way of a bonus thereon;
- (f) in the case of a rights issue, the relevant Collateral **TOGETHER WITH** the securities allotted thereon, **PROVIDED THAT** the Borrower has given notice to the Lender in accordance with Clause 4(B)(vi), and has paid to the Lender all and any sums due in respect thereof;
- (g) in the event that a payment or delivery of Income is made in respect of the relevant Collateral in the form of securities or a certificate which may at a future date be exchanged for securities or in the event of an option to take Income in the form of securities or a certificate which may at a future date be exchanged for securities, notice has been given to the Borrower in accordance with Clause

4(B)(vi) the relevant Collateral **TOGETHER WITH** securities or a certificate equivalent to those allotted;

- (h) in the case of any event similar to any of the foregoing, the relevant Collateral **TOGETHER WITH** or replaced by a sum of money or securities equivalent to that received in respect of such Collateral resulting from such event;

For the avoidance of doubt, in the case of Bankers' Acceptances (Collateral type B(v)), Equivalent Collateral must bear dates, acceptances and endorsements (if any) by the same entities as the bill to which it is intended to be equivalent and for the purposes of this definition, securities are equivalent to other securities where they are of an identical type, nominal value, description and amount and such term shall include the certificate and other documents of or evidencing title and transfer in respect of the foregoing (as appropriate);

**"Equivalent Securities"**

means securities of an identical type, nominal value, description and amount to particular Securities borrowed and such term shall include the certificates and other documents of or evidencing title and transfer in respect of the foregoing (as appropriate). If and to the extent that such Securities are partly paid or have been converted, subdivided, consolidated, redeemed, made the subject of a takeover, capitalisation issue, rights issue or event similar to any of the foregoing, the expression shall have the following meaning:

- (a) in the case of conversion, subdivision or consolidation the securities into which the borrowed Securities have been converted, subdivided or consolidated **PROVIDED THAT** if appropriate, notice has been given in accordance with Clause 4(B)(vi);
- (b) in the case of redemption, a sum of money equivalent to the proceeds of the redemption;

- (c) in the case of takeover, a sum of money or securities, being the consideration or alternative consideration of which the Lender has given notice to the Borrower in accordance with Clause 4(B)(vi);
- (d) in the case of a call on partly paid securities, the paid-up securities **PROVIDED THAT** the Lender shall have paid to the Borrower an amount of money equal to the sum due in respect of the call;
- (e) in the case of a capitalisation issue, the borrowed Securities **TOGETHER WITH** the securities allotted by way of a bonus thereon;
- (f) in the case of a rights issue, the borrowed Securities **TOGETHER WITH** the securities allotted thereon, **PROVIDED THAT** the Lender has given notice to the Borrower in accordance with Clause 4(B)(vi), and has paid to the Borrower all and any sums due in respect thereof;
- (g) in the event that a payment or delivery of Income is made in respect of the borrowed Securities in the form of securities or a certificate which may at a future date be exchanged for securities or in the event of an option to take Income in the form of securities or a certificate which may at a future date be exchanged for securities, notice has been given to the Borrower in accordance with Clause 4(B)(vi) the borrowed Securities **TOGETHER WITH** securities or a certificate equivalent to those allotted;
- (h) in the case of any event similar to any of the foregoing, the borrowed Securities **TOGETHER WITH** or replaced by a sum of money or securities equivalent to that received

in respect of such borrowed Securities resulting from such event;

For the purposes of this definition, securities are equivalent to other securities where they are of an identical type, nominal value, description and amount and such term shall include the certificate and other documents of or evidencing title and transfer in respect of the foregoing (as appropriate);

**“Event of Default”**

has the meaning given in Clause 12;

**“Income”**

any interest, dividends or other distributions of any kind whatsoever with respect to any Securities or Collateral;

**“Income Payment Date”,**

with respect to any Securities or Collateral means the date on which Income is paid in respect of such Securities or Collateral, or, in the case of registered Securities or Collateral, the date by reference to which particular registered holders are identified as being entitled to payment of Income;

**“Lender”**

with respect to a particular loan of Securities means the Lender as referred to in Recital 1 of this Agreement;

**“Manufactured Dividend”**

shall have the meaning given in Clause 4(B)(ii);

**“Margin”**

shall have the meaning specified in the Schedule hereto;

**“Nominee”**

means an agent or a nominee appointed by either Party and approved (if appropriate) as such by the Inland Revenue to accept delivery of, hold or deliver Securities, Equivalent Securities, Collateral and/or Equivalent Collateral on its behalf whose appointment has been notified to the other Party;

**“Non-Defaulting Party”**

shall have the meaning given in Clause 12;

**“Offer Price”**

in relation to Equivalent Securities or Equivalent Collateral means the best available offer price thereof on the most appropriate market in a standard size;



**“Offer Value”**

Subject to Clause 8(E) means:-

- (a) in relation to Collateral equivalent to Collateral types B (ix) and C (more specifically referred to in the Schedule hereto) the Value thereof as calculated in accordance with such Schedule; and
- (b) in relation to Equivalent Securities or Collateral equivalent to all other types of Collateral (more specifically referred to in the Schedule hereto) the amount it would cost to buy such Equivalent Securities or Equivalent Collateral at the Offer Price thereof at such time together with all costs, fees and expenses that would be incurred in connection therewith, calculated on the assumption that the aggregate thereof is the least that could reasonably be expected to be paid in order to carry out the transaction;

**“Parties”**

means the Lender and the Borrower and “Party” shall be construed accordingly;

**“Performance Date”**

shall have the meaning given in Clause 8;

**“Principal”**

shall have the meaning given in Clause 14;

**“Reference Price”**

means:

- (a) in relation to the valuation of Securities, Equivalent Securities, Collateral and/or Collateral equivalent to types B (ii), (viii), (xi) and (xii) (more specifically referred to in the Schedule hereto) such price as is equal to the mid market quotation of such Securities, Equivalent Securities, Collateral and/or Equivalent Collateral as derived from a reputable pricing information service (such as the services provided by Reuters, Extel Statistical Services and Telerate) reasonably chosen in good faith by the Lender or if unavailable the market value thereof as derived

from the prices or rates bid by a reputable dealer for the relevant instrument reasonably chosen in good faith by the Lender, in each case at Close of Business on the previous Business Day;

- (b) in relation to the valuation of Collateral and/or Collateral equivalent to Collateral types A and B(i) (more specifically referred to in the Schedule hereto), the CGO Reference Price of such Securities, Equivalent Securities, Collateral and/or Equivalent Collateral then current as determined in accordance with the CGO Rules from time to time in force.
- (c) in relation to the valuation of Collateral and/or Collateral equivalent to Collateral types B(iii), (iv), (v), (vi) (vii) and (ix), (more specifically referred to in the Schedule hereto), the market value thereof as derived from the rates bid by Barclays Bank PLC for such instruments or, in the absence of such a bid, the average of the rates bid by two leading market makers for such instruments at Close of Business on the previous Business Day;

**“Relevant Payment Date”**

shall have the meaning given in Clause 4(B)(i);

**“Rules”**

means the rules for the time being of the Stock Exchange (where either Party is a member of the Stock Exchange) and/or any other regulatory authority whose rules and regulations shall from time to time affect the activities of the Parties pursuant to this Agreement including but not limited to the stocklending regulations and guidance notes relating to both stocklending and manufactured interest and dividends for the time being in force of the Commissioners of the Inland Revenue and any associated procedures required pursuant thereto (**PROVIDED THAT** in an Event of Default, where either Party is a member of the Stock Exchange, the Rules and Regulations of the Stock Exchange shall prevail);

<b>“Securities”</b>	means Overseas Securities as defined in the Income Tax (Stock Lending) Regulations 1989 (S.I. 1989 No. 1299) (as amended by the Income Tax (Stock Lending) (Amendment) Regulations 1990 (S.I. 1990 No. 2552) and 1993 (S.I. 1993 No. 2003)) or any statutory modification or re-enactment thereof for the time being in force which the Borrower is entitled to borrow from the Lender in accordance with the Rules and which are the subject of a loan pursuant to this Agreement and such term shall include the certificates and other documents of title in respect of the foregoing;
<b>“Settlement Bank”</b>	means a settlement member of the CHAPS and Town Clearing systems who has entered into contractual arrangements with the CGO to provide Assured Payment facilities for members of the CGO;
<b>“Settlement Date”</b>	means the date upon which Securities are or are to be transferred to the Borrower in accordance with this Agreement;
<b>“Stock Exchange”</b>	means the London Stock Exchange Limited;
<b>“Value”</b>	at any particular time means in respect of Securities and Equivalent Securities, the Reference Price thereof then current and in respect of Collateral and/or Equivalent Collateral such worth as determined in accordance with the Schedule hereto.

- (B) All headings appear for convenience only and shall not affect the interpretation hereof.
- (C) Notwithstanding the use of expressions such as “borrow”, “lend”, “Collateral”, “Margin”, “redeliver” etc. which are used to reflect terminology used in the market for transactions of the kind provided for in this Agreement, title to Securities “borrowed” or “lent” and “Collateral” provided in accordance with this Agreement shall pass from one Party to another as provided for in this Agreement, the Party obtaining such title being obliged to redeliver Equivalent Securities or Equivalent Collateral as the case may be.

- (D) For the purposes of Clauses 6(H)-6(K) and 8(C)-8(E) of this Agreement or otherwise where a conversion into the Base Currency is required, all prices, sums or values (including any Value, Offer Value and Bid Value) of Securities, Equivalent Securities, Collateral or Equivalent Collateral (including Cash Collateral) stated in currencies other than the Base Currency shall be converted into the Base Currency at the spot rate of exchange at the relevant time in the London interbank market for the purchase of the Base Currency with the currency concerned.
- (E) Where at any time there is in existence any other agreement between the Parties the terms of which make provision for the lending of Securities (as defined in this Agreement) as well as other securities the terms of this Agreement shall apply to the lending of such Securities to the exclusion of any other such agreement.

2. LOANS OF SECURITIES

- (A) The Lender will lend Securities to the Borrower, and the Borrower will borrow Securities from the Lender in accordance with the terms and conditions of this Agreement and with the Rules **PROVIDED ALWAYS THAT** the Lender shall have received from the Borrower and accepted (by whatever means) a Borrowing Request.
- (B) The Borrower has the right to reduce the amount of Securities referred to in a Borrowing Request **PROVIDED THAT** the Borrower has notified the Lender of such reduction no later than midday London time on the day which is two Business Days prior to the Settlement Date unless otherwise agreed between the Parties and the Lender shall have accepted such reduction (by whatever means).

3. DELIVERY OF SECURITIES

The Lender shall procure the delivery of Securities to the Borrower or deliver such Securities in accordance with the relevant Borrowing Request **TOGETHER WITH** appropriate instruments of transfer duly stamped where necessary and such other instruments as may be requisite to vest title thereto in the Borrower. Such Securities shall be deemed to have been delivered by the Lender to the Borrower on delivery to the Borrower or as it shall direct of the relevant instruments of transfer, or in the case of Securities held by an agent or a clearing or settlement system on the effective instructions to such agent or the operator of such system to hold the Securities absolutely for the Borrower, or by such other means as may be agreed.

4. RIGHTS AND TITLE

(A) The Parties shall execute and deliver all necessary documents and give all necessary instructions to procure that all right, title and interest in:

- (i) any Securities borrowed pursuant to Clause 2;
- (ii) any Equivalent Securities redelivered pursuant to Clause 7;
- (iii) any Collateral delivered pursuant to Clause 6;
- (iv) any Equivalent Collateral redelivered pursuant to Clauses 6 or 7;

shall pass from one Party to the other subject to the terms and conditions mentioned herein and in accordance with the Rules, on delivery or redelivery of the same in accordance with this Agreement, free from all liens, charges and encumbrances. In the case of Securities, Collateral, Equivalent Securities or Equivalent Collateral title to which is registered in a computer based system which provides for the recording and transfer of title to the same by way of book entries, delivery and transfer of title shall take place in accordance with the rules and procedures of such system as in force from time to time. The Party acquiring such right, title and interest shall have no obligation to return or redeliver any of the assets so acquired but, in so far as any Securities are borrowed or any Collateral is delivered to such Party, such Party shall be obliged, subject to the terms of this Agreement, to redeliver Equivalent Securities or Equivalent Collateral as appropriate.

- (B)
- (i) Where Income is paid in relation to any Securities on or by reference to an Income Payment Date on which such Securities are the subject of a loan hereunder, the Borrower shall, on the date of the payment of such Income, or on such other date as the Parties may from time to time agree, (the “**Relevant Payment Date**”) pay and deliver a sum of money or property equivalent to the same (with any such endorsements or assignments as shall be customary and appropriate to effect the delivery) to the Lender or its Nominee, irrespective of whether the Borrower received the same. The provisions of sub-paragraphs (ii) to (v) below shall apply in relation thereto.
  - (ii) subject to sub-paragraph (iii) below, in the case of any Income comprising a payment, the amount (the “**Manufactured Dividend**”) payable by the Borrower shall be equal to the amount of the relevant Income together with an amount equivalent to any deduction, withholding or payment for or on account of tax made by the relevant issuer (or on its behalf) in

respect of such Income together with an amount equal to any other tax credit associated with such Income unless a lesser amount is agreed between the Parties or an Appropriate Tax Voucher (together with any further amount which may be agreed between the Parties to be paid) is provided in lieu of such deduction, withholding tax credit or payment.

- (iii) Where either the Borrower, or any person to whom the Borrower has on-lent the Securities, is unable to make payment of the Manufactured Dividend to the Lender without accounting to the Inland Revenue for any amount of relevant tax (as required by Schedule 23A to the Income and Corporation Taxes Act 1988) the Borrower shall pay to the Lender or its Nominee, in cash, the Manufactured Dividend less amounts equal to such tax. The Borrower shall at the same time if requested supply Appropriate Tax Vouchers to the Lender.
- (iv) If at any time any Manufactured Dividend falls to be paid and neither of the Parties is an Approved UK Intermediary or an Approved UK Collecting Agent, the Borrower shall procure that the payment is paid through an Approved UK Intermediary or an Approved UK Collecting Agent agreed by the Parties for this purpose, unless the rate of relevant withholding tax in respect of any Income that would have been payable to the Lender but for the loan of the Securities would have been zero and no income tax liability under Section 123 of the Income and Corporation Taxes Act 1988 would have arisen in respect thereof.
- (v) In the event of the Borrower failing to remit either directly or by its Nominee any sum payable pursuant to this Clause, the Borrower hereby undertakes to pay a rate to the Lender (upon demand) on the amount due and outstanding at the rate provided for in Clause 13 hereof. Interest on such sum shall accrue daily commencing on and inclusive of the third Business Day after the Relevant Payment Date, unless otherwise agreed between the Parties.
- (vi) Each Party undertakes that where it holds securities of the same description as any securities borrowed by it or transferred to it by way of collateral at a time when a right to vote arises in respect of such securities, it will use its best endeavours to arrange for the voting rights attached to such securities to be exercised in accordance with the instructions of the Lender or Borrower (as the case may be) **PROVIDED ALWAYS THAT** each Party shall use its best endeavours to notify the other of its instructions in writing no later than seven Business Days prior to the date upon which such votes are exercisable or as otherwise agreed between the Parties and that the Party concerned shall not be obliged so to exercise the

votes in respect of a number of Securities greater than the number so lent or transferred to it. For the avoidance of doubt the Parties agree that subject as hereinbefore provided any voting rights attaching to the relevant Securities, Equivalent Securities, Collateral and/or Equivalent Collateral shall be exercisable by the persons in whose name they are registered or in the case of Securities, Equivalent Securities, Collateral and/or Equivalent Collateral in bearer form, the persons by or on behalf of whom they are held, and not necessarily by the Borrower or the Lender (as the case may be).

- (vii) Where, in respect of any borrowed Securities or any Collateral, any rights relating to conversion, sub-division, consolidation, pre-emption, rights arising under a takeover offer or other rights, including those requiring election by the holder for the time being of such Securities or Collateral, become exercisable prior to the redelivery of Equivalent Securities or Equivalent Collateral, then the Lender or Borrower, as the case may be, may, within a reasonable time before the latest time for the exercise of the right or option give written notice to the other Party that on redelivery of Equivalent Securities or Equivalent Collateral, as the case may be, it wishes to receive Equivalent Securities or Equivalent Collateral in such form as will arise if the right is exercised or, in the case of a right which may be exercised in more than one manner, is exercised as is specified in such written notice.
- (viii) Any payment to be made by the Borrower under this Clause shall be made in a manner to be agreed between the Parties.

5. RATES

- (A) In respect of each loan of Securities, the Borrower shall pay to the Lender, in the manner prescribed in sub-Clause (C), sums calculated by applying such rate as shall be agreed between the Parties from time to time to the daily Value of the relevant Securities.
- (B) Where Cash Collateral is deposited with the Lender in respect of any loan of Securities in circumstances where:
  - (i) interest is earned by the Lender in respect of such Cash Collateral and that interest is paid to the Lender without deduction of tax, the Lender shall pay to the Borrower, in the manner prescribed in sub-Clause (C), an amount equal to the gross amount of such interest earned. Any such payment due to the Borrower may be set-off against any payment due to the Lender pursuant to sub-Clause (A) hereof if either the Borrower has

warranted to the Lender in this Agreement that it is subject to tax in the United Kingdom under Case I of Schedule D in respect of any income arising pursuant to or in connection with the borrowing of Securities hereunder or the Lender has notified the Borrower of the gross amount of such interest or income; and

- (ii) sub-Clause (B)(i) above does not apply, the Lender shall pay to the Borrower, in the manner presented in sub-Clause (C), sums calculated by applying such rates as shall be agreed between the Parties from time to time to the amount of such Cash Collateral. Any such payment due to the Borrower may be set-off against any payment due to the Lender pursuant to sub-Clause (A) hereof.

- (C) In respect of each loan of Securities, the payments referred to in sub-Clauses (A) and (B) of this Clause shall accrue daily in respect of the period commencing on and inclusive of the Settlement Day and terminating on and exclusive of the Business Day upon which Equivalent Securities are redelivered or Cash Collateral is repaid. Unless otherwise agreed, the sums so accruing in respect of each calendar month shall be paid in arrears by the Borrower to the Lender or to the Borrower by the Lender (as the case may be) not later than the Business Day which is one week after the last Business Day of the calendar month to which such payments relate or such other date as the Parties shall from time to time agree. Any payment made pursuant to sub-Clauses (A) and (B) hereof shall be in such currency and shall be paid in such manner and at such place as shall be agreed between the Parties.

## 6. COLLATERAL

- (A)
  - (i) Subject to sub-Clauses (B), (C) and (E) below the Borrower undertakes to deliver Collateral to the Lender (or in accordance with the Lender's instructions) **TOGETHER WITH** appropriate instruments of transfer duly stamped where necessary and such other instruments as may be requisite to vest title thereto in the Lender simultaneously with delivery of the borrowed Securities and in any event no later than Close of Business on the Settlement Date. Collateral may be provided in any of the forms specified in the Schedule hereto (as agreed between the Parties);
  - (ii) where Collateral is delivered to the Lender's Nominee any obligation under this Agreement to redeliver or otherwise account for Equivalent Collateral shall be an obligation of the Lender notwithstanding that any such redelivery may be effected in any particular case by the Nominee.



- (B) Where CGO Collateral is provided to the Lender or its Nominee by member-to-member delivery or delivery-by-value in accordance with the provisions of the CGO Rules from time to time in force, the obligation of the Lender shall be to redeliver Equivalent Collateral through the CGO to the Borrower in accordance with this Agreement. Any references, (howsoever expressed) in this Agreement, the Rules, and/or any other agreement or communication between the Parties to an obligation to redeliver such Equivalent Collateral shall be construed accordingly. If the loan of Securities in respect of which such Collateral was provided has not been discharged when the Collateral is redelivered, the Assured Payment obligation generated on such redelivery shall be deemed to constitute a payment of money which shall be treated as Cash Collateral until the loan is discharged, or further Equivalent Collateral is provided later during that Business Day. This procedure shall continue daily where CGO Collateral is delivered-by-value for as long as the relevant loan remains outstanding.
- (C) Where CGO Collateral or other collateral is provided by delivery-by-value to a Lender or its Nominee the Borrower may consolidate such Collateral with other Collateral provided by the same delivery to a third party for whom the Lender or its Nominee is acting.
- (D) Where Collateral is provided by delivery-by-value through an alternative book entry transfer system, not being the CGO, the obligation of the Lender shall be to redeliver Equivalent Collateral through such book entry transfer system in accordance with this Agreement. If the loan of Securities in respect of which such Collateral was provided has not been discharged when the Collateral is redelivered, any payment obligation generated within the book entry transfer system on such redelivery shall be deemed to constitute a payment of money which shall be treated as Cash Collateral until the loan is discharged, or further Equivalent Collateral is provided later during that Business Day. This procedure shall continue when Collateral is delivered-by-value for as long as the relevant loan remains outstanding;
- (E) Where Cash Collateral is provided the sum of money so deposited may be adjusted in accordance with Clause 6(H). Subject to Clause 6(H)(ii), the Cash Collateral shall be repaid at the same time as Equivalent Securities in respect of the Securities borrowed are redelivered, and the Borrower shall not assign, charge, dispose of or otherwise deal with its rights in respect of the Cash Collateral. If the Borrower fails to comply with its obligations for such redelivery of Equivalent Securities the Lender shall have the right to apply the Cash Collateral by way of set-off in accordance with Clause 8.

- (F) The Borrower may from time to time call for the repayment of Cash Collateral or the redelivery of Collateral equivalent to any Collateral delivered to the Lender prior to the date on which the same would otherwise have been repayable or redeliverable **PROVIDED THAT** at the time of such repayment or redelivery the Borrower shall have delivered or delivers Alternative Collateral acceptable to the Lender.
- (G) (i) Where Collateral (other than Cash Collateral) is delivered in respect of which any Income may become payable, the Borrower shall call for the redelivery of Collateral equivalent to such Collateral in good time to ensure that such Equivalent Collateral may be delivered prior to any such Income becoming payable to the Lender, unless in relation to such Collateral the Parties are satisfied before the relevant Collateral is transferred that no tax will be payable to the UK Inland Revenue under Schedule 23A of the Income and Corporation Taxes Act 1988. At the time of such redelivery the Borrower shall deliver Alternative Collateral acceptable to the Lender.
- (ii) Where the Lender receives any Income in circumstances where the Parties are satisfied as set out in Clause 6(G)(i) above, then the Lender shall on the date on which the Lender receives such Income or on such date as the Parties may from time to time agree, pay and deliver a sum of money or property equivalent to such Income (with any such endorsements or assignments as shall be customary and appropriate to effect the delivery) to the Borrower and shall supply Appropriate Tax Vouchers (if any) to the Borrower.
- (H) Unless the Schedule to this Agreement indicates that Clause 6(I) shall apply in lieu of this Clause 6(H), or unless otherwise agreed between the Parties, the Value of the Collateral delivered to or deposited with the Lender or its nominated bank or depositary (excluding any Collateral repaid or redelivered under sub-Clauses (H)(ii) or (I)(ii) below (as the case may be) ("**Posted Collateral**")) in respect of any loan of Securities shall bear from day to day and at any time the same proportion to the Value of the Securities borrowed under such loan as the Posted Collateral bore at the commencement of such loan. Accordingly:
- (i) the Value of the Posted Collateral to be delivered or deposited while the loan of Securities continues shall be equal to the Value of the borrowed Securities and the Margin applicable thereto (the "**Required Collateral Value**");

- (ii) if on any Business Day the Value of the Posted Collateral in respect of any loan of Securities exceeds the Required Collateral Value in respect of such loan, the Lender shall (on demand) repay such Cash Collateral and/or redeliver to the Borrower such Equivalent Collateral as will eliminate the excess; and
  - (iii) if on any Business Day the Value of the Posted Collateral falls below the Required Collateral Value, the Borrower shall (on demand) provide such further Collateral to the Lender as will eliminate the deficiency.
- (I) Subject to Clause 6(J), unless the Schedule to this Agreement indicates that Clause 6(H) shall apply in lieu of this Clause 6(I), or unless otherwise agreed between the Parties:-
  - (i) the aggregate Value of the Posted Collateral in respect of all loans of Securities outstanding under this Agreement shall equal the aggregate of the Required Collateral Values in respect of such loans;
  - (ii) if at any time the aggregate Value of the Posted Collateral in respect of all loans of Securities outstanding under this Agreement exceeds the aggregate of the Required Collateral Values in respect of such loans, the Lender shall (on demand) repay such Cash Collateral and/or redeliver to the Borrower such Equivalent Collateral as will eliminate the excess;
  - (iii) if at any time the aggregate Value of the Posted Collateral in respect of all loans of Securities outstanding under this Agreement falls below the aggregate of Required Collateral Values in respect of all such loans, the Borrower shall (on demand) provide such further Collateral to the Lender as will eliminate the deficiency.
- (J) Where Clause 6(I) applies, unless the Schedule to this Agreement indicates that this Clause 6(J) does not apply, if a Party (the “**first Party**”) would, but for this Clause 6(J), be required under Clause 6(I) to repay Cash Collateral, redeliver Equivalent Securities or provide further Collateral in circumstances where the other Party (the “**second Party**”) would, but for this Clause 6(J), also be required to repay Cash Collateral or provide or redeliver Equivalent Collateral under Clause 6(I), then the Value of the Cash Collateral or Equivalent Collateral deliverable by the first Party (“**X**”) shall be set-off against the Value of the Cash Collateral, or Equivalent Collateral or further Collateral deliverable by the second Party (“**Y**”) and the only obligation of the Parties under Clause 6(I) shall be, where X exceeds Y, an obligation of the first Party, or where Y exceeds X, an obligation of the

second Party, to repay Cash Collateral, redeliver Equivalent Collateral or to deliver further Collateral having a Value equal to the difference between X and Y.

- (K) Where Cash Collateral is repaid, Equivalent Collateral is redelivered or further Collateral is provided by a Party under Clause 6(I), the Parties shall agree to which loan or loans of Securities such repayment, redelivery or further provision is to be attributed and failing agreement it shall be attributed, as determined by the Party making such repayment, redelivery or further provision to the earliest outstanding loan and, in the case of a repayment or redelivery up to the point at which the Value of Collateral in respect of such loan is reduced to zero and, in the case of a further provision up to the point at which the Value of the Collateral in respect of such loan equals the Required Collateral Value in respect of such loan, and then to the next earliest outstanding loan up to the similar point and so on.
- (L) Where any Cash Collateral falls to be repaid or Equivalent Collateral to be redelivered or further Collateral to be provided under this Clause 6, it shall be delivered within the minimum period after demand specified in the Schedule or if no appropriate period is there specified within the standard settlement time for delivery of the relevant type of Cash Collateral, Equivalent Collateral or Collateral, as the case may be.

#### 7. REDELIVERY OF EQUIVALENT SECURITIES

- (A) The Borrower undertakes to redeliver Equivalent Securities in accordance with this Agreement and the terms of the relevant Borrowing Request. For the avoidance of doubt any reference herein or in any other agreement or communication between the Parties (howsoever expressed) to an obligation to redeliver or account for or act in relation to borrowed Securities shall accordingly be construed as a reference to an obligation to redeliver or account for or act in relation to Equivalent Securities.
- (B) Subject to Clause 8 hereof and the terms of the relevant Borrowing Request the Lender may call for the redelivery of all or any Equivalent Securities at any time by giving notice on any Business Day of not less than the standard settlement time for such Equivalent Securities on the exchange or in the clearing organisation through which the relevant borrowed Securities were originally delivered. The Borrower shall as hereinafter provided redeliver such Equivalent Securities not later than the expiry of such notice in accordance with the Lender's instructions. Simultaneously with the redelivery of the Equivalent Securities in accordance with such call, the Lender shall (subject to Clause 6(I), if applicable) repay any Cash Collateral and redeliver to the Borrower Collateral equivalent to the Collateral delivered pursuant to Clause 6 in respect of the borrowed Securities. For the avoidance of doubt any reference herein or in any other agreement or communication between the Parties (however expressed) to an obligation to

redeliver or account for or act in relation to Collateral shall accordingly be construed as a reference to an obligation to redeliver or account for or act in relation to Equivalent Collateral.

- (C) If the Borrower does not redeliver Equivalent Securities in accordance with such call, the Lender may elect to continue the loan of Securities **PROVIDED THAT** if the Lender does not elect to continue the loan the Lender may by written notice to the Borrower elect to terminate the relevant loan. Upon the expiry of such notice the provisions of Clauses (8) (B) to (F) shall apply as if upon the expiry of such notice an Event of Default had occurred in relation to the Borrower (who shall thus be the Defaulting Party for the purposes of this Agreement) and as if the relevant loan were the only loan outstanding.
- (D) In the event that as a result of the failure of the Borrower to redeliver Equivalent Securities to the Lender in accordance with this Agreement a “buy-in” is exercised against the Lender then provided that reasonable notice has been given to the Borrower of the likelihood of such a “buy-in”, the Borrower shall account to the Lender for the total costs and expenses reasonably incurred by the Lender as a result of such “buy-in”.
- (E) Subject to the terms of the relevant Borrowing Request, the Borrower shall be entitled at any time to terminate a particular loan of Securities and to redeliver all and any Equivalent Securities due and outstanding to the Lender in accordance with the Lender’s instructions. The Lender shall accept such redelivery and simultaneously therewith (subject to Clause 6(I) if applicable) shall repay to the Borrower any Cash Collateral or, as the case may be, redeliver Collateral equivalent to the Collateral provided by the Borrower pursuant to Clause 6 in respect thereof.
- (F) Where a TALISMAN short term certificate (as described in paragraph C of the Schedule) is provided by way of Collateral, the obligation to redeliver Equivalent Collateral is satisfied by the redelivery of the certificate to the Borrower or its expiry as provided for in the Rules applying to such certificate.
- (G) Where a Letter of Credit is provided by way of Collateral, the obligation to redeliver Equivalent Collateral is satisfied by the Lender redelivering for cancellation the Letter of Credit so provided, or where the Letter of Credit is provided in respect of more than one loan, by the Lender consenting to a reduction in the value of the Letter of Credit.

8. SET-OFF ETC.

- (A) On the date and time (the “**Performance Date**”) that Equivalent Securities are required to be redelivered by the Borrower in accordance with the provisions of this Agreement the Lender shall simultaneously redeliver the Equivalent Collateral and repay any Cash Collateral held (in respect of the Equivalent Securities to be redelivered) to the Borrower. Neither Party shall be obliged to make delivery (or make a payment as the case may be) to the other unless it is satisfied that the other Party will make such delivery (or make an appropriate payment as the case may be) to it simultaneously. If it is not so satisfied (whether because an Event of Default has occurred in respect of the other Party or otherwise) it shall notify the other party and unless that other Party has made arrangements which are sufficient to assure full delivery (or the appropriate payment as the case may be) to the notifying Party, the notifying Party shall (provided it is itself in a position, and willing, to perform its own obligations) be entitled to withhold delivery (or payment, as the case may be) to the other Party.
- (B) If an Event of Default occurs in relation to either Party, the Parties’ delivery and payment obligations (and any other obligations they have under this Agreement) shall be accelerated so as to require performance thereof at the time such Event of Default occurs (the date of which shall be the “**Performance Date**” for the purposes of this clause) and in such event:
- (i) the Relevant Value of the Securities to be delivered (or payment to be made, as the case may be) by each Party shall be established in accordance with Clause 8(C); and
  - (ii) on the basis of the Relevant Values so established, an account shall be taken (as at the Performance Date) of what is due from each Party to the other and (on the basis that each Party’s claim against the other in respect of delivery of Equivalent Securities or Equivalent Collateral or any cash payment equals the Relevant Value thereof) the sums due from one Party shall be set-off against the sums due from the other and only the balance of the account shall be payable (by the Party having the claim valued at the lower amount pursuant to the foregoing) and such balance shall be payable on the Performance Date.
- (C) For the purposes of Clause 8(B) the Relevant Value:-
- (i) of any cash payment obligation shall equal its par value (disregarding any amount taken into account under (ii) or (iii) below);

- (ii) of any securities to be delivered by the Defaulting Party shall, subject to Clause 8(E) below, equal the Offer Value thereof; and
  - (iii) of any securities to be delivered to the Defaulting Party shall, subject to Clause 8(E) below, equal the Bid Value thereof.
- (D) For the purposes of Clause 8(C), but subject to Clause 8(E) below, the Bid Value and Offer Value of any securities shall be calculated as at the Close of Business in the most appropriate market for securities of the relevant description (as determined by the Non-Defaulting Party) on the first Business Day following the Performance Date, or if the relevant Event of Default occurs outside the normal business hours of such market, on the second Business Day following the Performance Date (the “**Default Valuation Time**”);
- (E)
  - (i) Where the Non-Defaulting Party has following the occurrence of an Event of Default but prior to the Default Valuation Time purchased securities forming part of the same issue and being of an identical type and description to those to be delivered by the Defaulting Party and in substantially the same amount as those securities or sold securities forming part of the same issue and being of an identical type and description to those to be delivered by him to the Defaulting Party and in substantially the same amount as those securities, the cost of such purchase or the proceeds of such sale, as the case may be, (taking into account all reasonable costs, fees and expenses that would be incurred in connection therewith) shall be treated as the Offer Value or Bid Value, as the case may be, of the relevant securities for the purposes of this Clause 8.
  - (ii) Where the amount of any securities sold or purchased as mentioned in (E)(i) above is not in substantially the same amount as those securities to be valued for the purposes Clause 8(C) the Offer Value or the Bid Value (as the case may be) of those securities shall be ascertained by dividing the net proceeds of sale or cost of purchase by the amount of the securities sold or purchased so as to obtain a net unit price and multiplying that net unit price by the amount of the securities to be valued.
- (F) Any reference in this Clause 8 to securities shall include any asset other than cash provided by way of Collateral.

- (G) If the Borrower or the Lender for any reason fail to comply with their respective obligations under Clauses 6(F) or 6(G) in respect of redelivery of Equivalent Collateral or repayment of Cash Collateral such failure shall be an Event of Default for the purposes of this Clause 8, and the person failing to comply shall thus be the Defaulting Party.
- (H) Subject to and without prejudice to its rights under Clause 8(A) either Party may from time to time in accordance with market practice and in recognition of the practical difficulties in arranging simultaneous delivery of Securities, Collateral and cash transfers waive its right under this Agreement in respect of simultaneous delivery and/or payment **PROVIDED THAT** no such waiver in respect of one transaction shall bind it in respect of any other transaction.

9. TAXATION

- (A) The Borrower hereby undertakes promptly to pay and account for any transfer or similar duties or taxes chargeable in connection with any transaction effected pursuant to or contemplated by this Agreement, and shall indemnify and keep indemnified the Lender against any liability arising in respect thereof as a result of the Borrower's failure to do so.
- (B) The Borrower shall only make a Borrowing Request where the purpose of the loan meets the requirements of the Rules regarding the conditions that must be fulfilled for Section 129 of the Income and Corporation Taxes Act 1988 (or any statutory modification or re-enactment thereof for the time being in force) to apply to the arrangement concerning the loan, unless the Lender is aware that the transaction is unapproved for the purposes of the Rules of the UK Inland Revenue or such purpose is not met.
- (C) A Party undertakes to notify the other Party if it becomes or ceases to be an Approved UK Intermediary or an Approved UK Collecting Agent.

10. LENDER'S WARRANTIES

Each Party hereby warrants and undertakes to the other on a continuing basis to the intent that such warranties shall survive the completion of any transaction contemplated herein that, where acting as a Lender:

- (A) it is duly authorised and empowered to perform its duties and obligations under this Agreement;



- (B) it is not restricted under the terms of its constitution or in any other manner from lending Securities in accordance with this Agreement or from otherwise performing its obligations hereunder;
- (C) it is absolutely entitled to pass full legal and beneficial ownership of all Securities provided by it hereunder to the Borrower free from all liens, charges and encumbrances;
- (D) where the Schedule to this Agreement specifies that this Clause 10(D) applies, it is not resident in the United Kingdom for tax purposes and either is not carrying on a trade in the United Kingdom through a branch or agency or if it is carrying on such a trade the loan is not entered into in the course of the business of such branch or agency, and it has (i) delivered or caused to be delivered to the Borrower a duly completed and certified Certificate (MOD2) or a photocopy thereof bearing an Inland Revenue acknowledgement and unique number and such Certificate or photocopy remains valid or (ii) has taken all necessary steps to enable a specific authorisation to make gross payment of the Manufactured Dividend to be issued by the Inland Revenue;

11. BORROWER'S WARRANTIES

Each Party hereby warrants and undertakes to the other on a continuing basis to the intent that such warranties shall survive the completion of any transaction contemplated herein that, where acting as a Borrower:

- (A) it has all necessary licenses and approvals, and is duly authorised and empowered, to perform its duties and obligations under this Agreement and will do nothing prejudicial to the continuation of such authorisation, licences or approvals;
- (B) it is not restricted under the terms of its constitution or in any other manner from borrowing Securities in accordance with this Agreement or from otherwise performing its obligations hereunder;
- (C) it is absolutely entitled to pass full legal and beneficial ownership of all Collateral provided by it hereunder to the Lender free from all liens, charges and encumbrances;
- (D) it is acting as principal in respect of this Agreement;
- (E) where the Schedule to this Agreement specifies this Clause 11(E) applies, it is subject to tax in the United Kingdom under Case I of Schedule D in respect of any income arising pursuant to or in connection with the borrowing of Securities hereunder.

12. EVENTS OF DEFAULT

Each of the following events occurring in relation to either Party (the “**Defaulting Party**”, the other Party being the “**Non-Defaulting Party**”) shall be an Event of Default for the purpose of Clause 8:-

- (A) the Borrower or Lender failing to pay or repay Cash Collateral or deliver or redeliver Collateral or Equivalent Collateral upon the due date, and the Non-Defaulting Party serves written notice on the Defaulting Party;
- (B) the Lender or Borrower failing to comply with its obligations under Clause 6, and the Non-Defaulting Party serves written notice on the Defaulting Party;
- (C) the Borrower failing to comply with Clause 4(B)(i), (ii) or (iii) hereof, and the Non-Defaulting Party serves written notice on the Defaulting Party;
- (D) an Act of Insolvency occurring with respect to the Lender or the Borrower and (except in the case of an Act of Insolvency which is the presentation of a petition for winding up or any analogous proceeding or the appointment of a liquidator or analogous officer of the Defaulting Party in which case no such notice shall be required) the Non-Defaulting Party serves written notice on the Defaulting Party;
- (E) any representations or warranties made by the Lender or the Borrower being incorrect or untrue in any material respect when made or repeated or deemed to have been made or repeated, and the Non-Defaulting Party serves written notice on the Defaulting Party;
- (F) the Lender or the Borrower admitting to the other that it is unable to, or it intends not to, perform any of its obligations hereunder and/or in respect of any loan hereunder, and the Non-Defaulting Party serves written notice on the Defaulting Party;
- (G) the Lender (if appropriate) or the Borrower being declared in default by the appropriate authority under the Rules or being suspended or expelled from membership of or participation in any securities exchange or association or other self-regulatory organisation, or suspended from dealing in securities by any government agency, and the Non-Defaulting Party serves written notice on the Defaulting Party;

- (H) any of the assets of the Lender or the Borrower or the assets of investors held by or to the order of the Lender or the Borrower being transferred or ordered to be transferred to a trustee by a regulatory authority pursuant to any securities regulating legislation and the Non-Defaulting Party serves written notice on the Defaulting Party, or
- (I) the Lender or the Borrower failing to perform any other of its obligations hereunder and not remedying such failure within 30 days after the Non-Defaulting Party serves written notice requiring it to remedy such failure, and the Non-Defaulting Party serves a further written notice on the Defaulting Party.

Each Party shall notify the other if an Event of Default occurs in relation to it.

### 13. OUTSTANDING PAYMENTS

In the event of either Party failing to remit either directly or by its Nominee sums in accordance with this Agreement such Party hereby undertakes to pay a rate to the other Party upon demand on the net balance due and outstanding of 1% above the Barclays Bank PLC base rate from time to time in force.

### 14. TRANSACTIONS ENTERED INTO AS AGENT

- (A) Subject to the following provisions of this Clause, the Lender may enter into loans as agent (in such capacity, the “**Agent**”) for a third person (a “**Principal**”), whether as custodian or investment manager or otherwise (a loan so entered into being referred to in this clause as an “Agency Transaction”).
- (B) A Lender may enter into an Agency Transaction if, but only if:-
  - (i) if specifies that loan as an Agency Transaction at the time when it enters into it;
  - (ii) it enters into that loan on behalf of a single Principal whose identity is disclosed to the Borrower (whether by name or by reference to a code or identifier which the Parties have agreed will be used to refer to a specified Principal) at the time when it enters into the loan; and
  - (iii) it has at the time when the loan is entered into actual authority to enter into the loan and to perform on behalf of that Principal all of that Principal’s obligations under the agreement referred to in (D)(ii) below.

(C) The Lender undertakes that, if it enters as agent into an Agency Transaction, forthwith upon becoming aware:-

- (i) of any event which constitutes an Act of Insolvency with respect to the relevant Principal; or
- (ii) of any breach of any of the warranties given in Clause 14(E) below or of any event or circumstance which has the result that any such warranty would be untrue if repeated by reference to the current facts;

it will inform the Borrower of that fact and will, if so required by the Borrower, furnish it with such additional information as it may reasonably request.

- (D)
- (i) Each Agency Transaction shall be a transaction between the relevant Principal and the Borrower and no person other than the relevant Principal and the Borrower shall be a party to or have any rights or obligations under an Agency Transaction. Without limiting the foregoing, the Lender shall not be liable as principal for the performance of an Agency Transaction or for breach of any warranty contained in Clause 10(D) or 11(E) of this Agreement, but this is without prejudice to any liability of the Lender under any other provision of this Clause.
  - (ii) All the provisions of the Agreement shall apply separately as between the Borrower and each Principal for whom the Agent has entered into an Agency transaction or Agency Transactions as if each such Principal were a party to a separate agreement with the Borrower in all respects identical with this Agreement other than this paragraph and as if the Principal were Lender in respect of that agreement.

**PROVIDED THAT**

if there occurs in relation to the Agent an Event of Default or an event which would constitute an Event of Default if the Borrower served written notice under any sub-Clause of Clause 12, the Borrower shall be entitled by giving written notice to the Principal (which notice shall be validly given if given to the Lender in accordance with Clause 20) to declare that by reason of that event an Event of Default is to be treated as occurring in relation to the Principal. If the Borrower gives such a notice then an Event of Default shall be treated as occurring in relation to the Principal at the time when the notice is deemed to be given; and

if the Principal is neither incorporated nor has established a place of business in Great Britain, the Principal shall for the purposes of the

agreement referred to in (D)(ii) be deemed to have appointed as its agent to receive on its behalf service of process in the courts of England the Agent, or if the Agent is neither incorporated nor has established a place of business in the United Kingdom, the person appointed by the Agent for the purposes of this Agreement, or such other person as the Principal may from time to time specify in a written notice given to the other party.

(iii) The foregoing provisions of this Clause do not affect the operation of the Agreement as between the Borrower and the Lender in respect of any transactions into which the Lender may enter on its own account as principal.

(E) The Lender warrants to the Borrower that it will, on every occasion on which it enters or purports to enter into a transaction as an Agency Transaction, have been duly authorised to enter into that loan and perform the obligations arising thereunder on behalf of the person whom it specifies as the Principal in respect of that transaction and to perform on behalf of that person all the obligations of that person under the agreement referred to in (D)(ii).

15. TERMINATION OF COURSE OF DEALINGS BY NOTICE

Each Party shall have the right to bring the course of dealing contemplated under this Agreement to an end by giving not less than 15 Business Days' notice in writing to the other Party (which notice shall specify the date of termination) subject to an obligation to ensure that all loans and which have been entered into but not discharged at the time such notice is given are duly discharged in accordance with this Agreement and with the Rules.

16. GOVERNING PRACTICES

The Borrower shall use its best endeavours to notify the Lender (in writing) of any changes in legislation or practices governing or affecting the Lender's rights or obligations under this Agreement or the treatment of transactions effected pursuant to or contemplated by this Agreement.

17. OBSERVANCE OF PROCEDURES

Each of the Parties hereto agrees that in taking any action that may be required in accordance with this Agreement it shall observe strictly the procedures and timetable applied by the Rules and, further, shall observe strictly any agreement (oral or otherwise) as to the time for delivery or redelivery of any money, Securities, Equivalent Securities, Collateral or Equivalent Collateral entered into pursuant to this Agreement.

18. SEVERANCE

If any provision of this Agreement is declared by any judicial or other competent authority to be void or otherwise unenforceable, that provision shall be severed from the Agreement and the remaining provisions of this Agreement shall remain in full force and effect. The Agreement shall, however, thereafter be amended by the Parties in such reasonable manner so as to achieve, without illegality, the intention of the Parties with respect to that severed provision.

19. SPECIFIC PERFORMANCE

Each Party agrees that in relation to legal proceedings it will not seek specific performance of the other Party's obligation to deliver or redeliver Securities, Equivalent Securities, Collateral or Equivalent Collateral but without prejudice to any other rights it may have.

20. NOTICES

All notices issued under this Agreement shall be in writing (which shall include telex or facsimile messages) and shall be deemed validly delivered if sent by prepaid first class post to or left at the addresses or sent to the telex or facsimile number of the Parties respectively or such other addresses or telex or facsimile numbers as each Party may notify in writing to the other.

21. ASSIGNMENT

Neither Party may charge assign or transfer all or any of its rights or obligations hereunder without the prior consent of the other Party.

22. NON-WAIVER

No failure or delay by either Party to exercise any right, power or privilege hereunder shall operate as a waiver thereof nor shall any single or partial exercise of any right, power or privilege preclude any other or further exercise thereof or the exercise of any other right, power or privilege as herein provided.

23. ARBITRATION AND JURISDICTION

(A) All claims, disputes and matters of conflict between the Parties arising hereunder shall be referred to or submitted for arbitration in London in accordance with English Law before a sole arbitrator to be agreed between the Parties or in default of agreement by an arbitrator to be nominated by the Chairman of The Stock Exchange on the application of either Party, and this Agreement shall be deemed for this purpose to be a submission to arbitration within the Arbitration Acts 1950



## SCHEDULE

### INTERPRETATION

#### UK Business Day

“UK Business Day” means a day on which banks and securities markets are open for business generally in London.

### RIGHTS AND TITLE

Clause 4(C) is added and reads as follows:

“Notwithstanding anything to the contrary in Clause 4(B)(vi), the Parties agree that unless specifically agreed, the Lender shall have no obligation to exercise voting rights with respect to securities transferred to it by way of collateral.”

Clause 4(D) is added and reads as follows:

“When a non-cash distribution is declared for the benefit of holders of a Security as of a specified date, pending the payable date, the Lender shall treat the declared non-cash distribution as Securities loaned to the Borrower and the Borrower shall deliver Collateral with respect to the declared non-cash distribution to the Lender in accordance with Clause 6 hereof. If the Lender shall agree, the Borrower may continue after payable date to treat a non-cash distribution as Securities loaned to the Borrower. If the Securities are traded on exchanges in Japan: within one Business Day of the payable date with respect to a non-cash distribution on a round lot of Securities, the Borrower shall transfer to the Lender such non-cash distribution; within one Business Day of the payable date of a non-cash distribution on an odd lot of Securities, the Borrower shall pay to the Lender an amount equal to the then market value of such non-cash distribution; and the terms “payable date,” “round lot” and “odd lot” shall have the meaning that is customary with respect to securities traded on the relevant exchanges in Japan. All transfers of non-cash distributions shall be by (i) physical delivery of certificates representing the non-cash distribution in good delivery form, (ii) transfer on the books of a clearing organization, or (iii) such other means as the Lender and the Borrower agree.”

### RATES

Clause 5(D) is added and reads as follows:

“For the avoidance of doubt with respect to Clause 5, the Parties agree that Clause (B)(ii) shall apply and not Clause (B)(i).”



## COLLATERAL

### Types

Collateral acceptable under this Agreement may include the following or otherwise, as agreed between the Parties from time to time, whether transferable by hand or within a depository:-

- A. British Government Stock and other stock registered at the Bank of England which is transferable through the CGO to the Lender or its Nominee against an Assured Payment, hereinbefore referred to as CGO Collateral.
  
- B.
  - (i) British Government Stock and Sterling Issues by foreign governments (transferable through the CGO), in the form of an enfaced transfer deed or a long term collateral certificate or overnight collateral chit issued by the CGO accompanied (in each case) by an executed unenfaced transfer deed;
  - (ii) Corporation and Commonwealth Stock in the form of registered stock or allotment letters duly renounced;
  - (iii) UK Government Treasury Bills;
  - (iv) U.S. Government Treasury Bills;
  - (v) Bankers' Acceptances;
  - (vi) Sterling Certificates of Deposit;
  - (vii) Foreign Currency Certificates of Deposit;
  - (viii) Local Authority Bonds;
  - (ix) Local Authority Bills;
  - (x) Letters of Credit;
  - (xi) Bonds or Equities in registrable form or allotment letters duly renounced;
  - (xii) Bonds or Equities in bearer form.
  
- C. Cash Collateral.

### Valuation of Collateral

Collateral provided in accordance with this Agreement shall be evaluated by reference to the following, or by such means as the Parties may from time to time agree:-

- (A) in respect of Collateral types A and B(i), the current CGO value calculated by reference to the middle market price of each stock as determined daily by the Bank of England, adjusted to include the accumulated interest thereon (the CGO Reference Price);
- (B) in respect of Collateral types B(ii) to (ix), (xi) and (xii) the Reference Price thereof, PROVIDED THAT with respect to Collateral type B(iv), the Parties agree that the Reference Price shall be such price as is equal to the closing price thereof as derived from a reputable pricing information service (such as the services provided by Reuters, Extel Statistical Services and Telerate) reasonably chosen in good faith by the Lender or if unavailable the market value thereof as derived from the prices or rates bid by a reputable dealer for the relevant instrument reasonably chosen in good faith by the Lender, in each case at Close of Business on the previous Business Day.
- (C) in respect of Collateral types B(x) the value specified therein.

#### Delivery of Collateral

Clause 6(A)(i) is deleted in its entirety and replaced with the following:

“Subject to Clauses (B), (C) and (E) below, the Borrower undertakes to deliver Collateral to the Lender (or in accordance with the Lender’s instructions) **TOGETHER WITH** appropriate instruments of transfer duly stamped where necessary and such other instruments as may be requisite to vest title thereto in the Lender. After the Lender has received such Collateral, the Lender shall transfer to the Borrower the borrowed Securities. Collateral may be provided in any of the forms specified in the Schedule hereto (as agreed between the Parties);”

#### Margin

The Value of the Collateral delivered pursuant to Clause 6 by the Borrower to the Lender under the terms and conditions of this Agreement shall on each Business Day represent not less than the Value of the borrowed Securities **TOGETHER WITH** the following additional percentages hereinbefore referred to as (“the Margin”) unless otherwise agreed between the Parties:-

- (i) in the case of Collateral types B(iv) and (x), and C: 5%, or
- (ii) in the case of other Collateral types, as agreed by the Parties.

If the Value of the borrowed Securities includes any margin over the mid market price of the borrowed Securities this shall be taken into account in determining the Margin applicable.

#### Basis of Margin Maintenance

In Clause 6(F) (alternative collateral) the words “or delivers” are deleted.

In Clause 6(G)(ii) the words “on the date” are deleted and replaced with “within one Business Day of the date”.

Clause 6(I)(global margining) shall apply.

Clause 6(J) (netting of margin where one party both a Borrower and Lender) shall not apply.

#### Marking to Market

Clause 6(M) is added and reads as follows:

“Notwithstanding anything to the contrary in Clause 6:

- (i) If, at any time as of the close of business on any relevant Business Day, the aggregate amount of the Collateral does not equal or exceed the Value of the relevant Securities plus the appropriate Margin, the Borrower shall increase the amount of the Collateral by delivering to the Lender, Collateral acceptable to the Lender, in an amount sufficient to cause the aggregate amount of Collateral to be an amount equal to at least the Value of the relevant Securities plus the appropriate Margin. The Borrower shall deliver such additional Collateral by 15:00 hrs UK time on the UK Business Day next following the relevant Business Day on which the Value of the Collateral does not equal or exceed the Value of the relevant Securities plus the appropriate Margin, provided that the Borrower shall have received notice from the Lender on or before 17:00 hrs UK time on such UK Business Day.
- (ii) If, at the close of business on any relevant Business Day, the amount of Collateral shall exceed the Value of the relevant Securities plus the appropriate Margin, the Lender shall, upon notice by the Borrower, release to the Borrower, as soon as practicable after the close of business on the Business Day following such notice, the amount of Collateral which exceeds the then Value of the relevant Securities plus the appropriate Margin.
- (iii) The Borrower and the Lender agree that Collateral shall be transferred, if required pursuant to this Agreement, on any UK Business Day.
- (iv) For purposes of this Clause 6(M), Business Day means the day on which banks and securities markets are open in the place(s) where the relevant Securities are to be, or have been, delivered.”

#### Letters of Credit

Clause 6(N) is added and reads as follows:

“Where Collateral is a Letter of Credit, the Borrower agrees that at any time the Lender may by notice to the Borrower require that the Borrower, on the Business Day following the date of delivery of such notice, substitute Collateral consisting of cash or other collateral acceptable to the Lender for the Letter of Credit. Prior to the expiration of any Letter of Credit supporting the Borrower’s obligations hereunder, the Borrower shall, no later than 17:00 hrs UK time on the tenth UK Business Day prior to the date such Letter of Credit expires, obtain an extension of the expiration of such Letter of Credit or replace such Letter of Credit by providing the Lender with a substitute Letter of Credit in an amount at least equal to the amount of the Letter of Credit for which it is substituted.”

## **DELIVERY OF EQUIVALENT SECURITIES**

In the third sentence of Clause 7(B) the words "Simultaneously with" are deleted and replaced with "As soon as practicable after the Lender verifies" and the words "less in either case any amounts due and owing to the Lender pursuant to this Agreement" are added at the end of that sentence.

Clause 7(E) is deleted and replace with the following:

“Subject to the terms of the relevant Borrowing Request, and subject to giving prior notice of such termination to the Lender no later than 16:00 hrs UK time on the UK Business Day next preceding the Business Day on which the Borrower returns the Equivalent Securities to the Lender, the Borrower shall be entitled at any time to terminate a particular loan of Securities and to redeliver all and any Equivalent Securities due and outstanding to the Lender in accordance with the Lender's instructions. The Lender shall accept such redelivery and as soon as practicable after the Lender has verified such redelivery, the Lender (subject to Clause 6(I) if applicable) shall repay to the Borrower any Cash Collateral or, as the case may be, redeliver Collateral equivalent to the Collateral provided by the Borrower pursuant to Clause 6 in respect thereof less in either case any amounts due and owing to the Lender pursuant to this Agreement.”

## **SET-OFF ETC.**

In the first sentence of Clause 8(A) the word “simultaneously” is deleted and replaced with “as soon as practicable after the Lender has verified such redelivery”. In the second sentence of Clause 8(A) the word “simultaneously” is deleted.

## **BASE CURRENCY**

The Base Currency applicable to this Agreement is Pounds Sterling.

## **LENDER'S WARRANTIES**

Clause 10(D) shall not apply.

## **BORROWER'S WARRANTIES**

Clause 11(E) shall not apply

Clause 11(F) is added and reads as follows:

“prior to the making of the first loan hereunder, the Borrower shall furnish the Lender with a copy of the most recent audited statement of the Borrower's financial condition. The request by the Borrower for each loan hereafter made shall constitute a representation by the Borrower that there has been no material adverse change in its financial condition, which is not in public domain, and which in the reasonable opinion of an independent expert would materially and adversely affect the Borrower's ability to complete its obligations under this agreement, and which has not been disclosed to the Lender since the date of the most recent financial statement furnished to the Lender;”

Clause 11(G) is added and reads as follows:

“it is an Approved Intermediary.”

#### EVENTS OF DEFAULT

With respect to Clause 12 in each of Clause (D), (G) and (H), each reference to “Borrower” includes “affiliates of the Borrower” and “any bank which has issued a Letter of Credit” (“Issuing Bank”).

If an event of default described in Clause 12 (D),(G) and (H) relates solely to an Issuing Bank, the Borrower, may prevent such event from becoming an Event of Default by substituting Collateral acceptable to the Lender for the Letter of Credit of the Issuing Bank. The Borrower shall use its best endeavours to deliver such Collateral to the Lender by the close of business on the same UK Business Day the Lender notifies the Borrower of the occurrence of such event and in any event no later than 15.00 hrs on the next UK Business Day. Lender undertakes to notify Borrower as soon as reasonably practicable of such occurrence. If such Collateral is not delivered as required by this paragraph, the Lender may exercise any of the remedies provided for by this Clause 12.

#### TRANSACTIONS ENTERED INTO AS AGENT

##### Agency Transactions

In Clause 14(B)(ii) before the words “at the time when it enters into the loan” insert the words “before or” .

##### Use of Collateral by Lender

With respect to Agency Transactions, the Lender may transfer all or any portion of the Collateral among the various accounts for which it is acting as Agent hereunder as necessary to assure that the obligations of the Borrower to each such account are adequately satisfied, provided that the Borrower solely has the responsibility to provide an adequate amount of Collateral to meet its obligations hereunder.

## NOTICES

All notices and deliveries pursuant hereto shall be to the Party entitled to receive such notice or delivery at the following addresses:

If to Lender:                      Barclays Global Investors Limited  
Murray House  
1 Royal Mint Court  
London EC3N 4HH  
Attn: Securities Lending Group  
Phone: 020 7668 8000

If to Borrower:                    Goldman Sachs International  
Peterborough Court  
133 Fleet Street  
London EC4A 2BB  
  
Attn: Securities Lending Department  
Phone: 020 7774 1000

or to such other address as either party may furnish in writing to the other party.

## ASSIGNMENT

Clause 21 is deleted and replaced with the following:

### “ASSIGNMENT

Neither Party may charge assign or transfer all or any of its rights or obligations hereunder without the prior consent of the other Party, except that the Borrower may assign the whole of its rights and obligations to a body corporate that succeeds to all or substantially all of the Borrower's assets and business ("Successor Entity"), subject to the following conditions being fulfilled:

- (i) the Successor Entity assumes the rights and obligations under this Agreement (including subsequent variations) either by operation of law or by agreement with the Lender in a form reasonably required by the Lender;

- (ii) the creditworthiness (as reasonably determined by the Lender, and taking into account any guarantee provided to the Lender) of the Successor Entity is not materially weaker than that of the Borrower immediately prior to the assignment;
- (iii) the Successor Entity is incorporated in the United Kingdom or the United States and is not acting through a branch in any jurisdiction other than those stated in this paragraph (iii); and
- (iv) the Successor Entity indemnifies the Lender against any payment to be made by the Lender in respect of any tax in respect of which the Lender would not have been liable but for the assignment.”

#### TRANSFER TAXES AND COSTS

Clause 27 is added and reads as follows:

##### “TRANSFER TAXES AND COSTS

All transfer taxes and necessary costs with respect to the transfer of the Securities either by the Lender to the Borrower or by the Borrower to the Lender, shall be paid by the Borrower. If the Lender shall incur any loss by reason of the Borrower's failure to pay all said taxes and costs as may be due, the Lender shall be entitled to receive the same from the Borrower and may retain an amount of the Collateral sufficient to satisfy its claim against the Borrower in respect to said taxes and costs.”

#### SINGLE AGREEMENT

Clause 28 is added and reads as follows:

##### “SINGLE AGREEMENT

The Borrower and the Lender acknowledge that, and have entered into this Agreement in reliance on the fact that, all loans of Securities hereunder constitute a single business and contractual relationship and have been entered into in consideration of each other. Accordingly, the Borrower and the Lender hereby agree that payments, deliveries and other transfers made by either of them in respect of any loan of Securities shall be deemed to have been made in consideration of payments, deliveries and other transfers in respect of any other loan of Securities hereunder, and the obligations to make any such payments, deliveries and other transfers may be applied against each other and netted. In addition, the Borrower and the Lender acknowledge that, and have entered into this Agreement in reliance on the fact that, all loans of Securities hereunder have been entered into in consideration of each other. Accordingly, the Borrower and the Lender hereby agree that (a) each Party shall perform all of its obligations in respect of each loan of Securities hereunder, and that a default in the performance of any such obligation by the Defaulting Party in any loan hereunder shall constitute a default by the Defaulting Party under all such loans hereunder, and (b) the Non-Defaulting Party shall be entitled to set-off claims and apply property held by it in respect of

any loan hereunder against obligations owing to it in respect of any other loan of Securities with the Defaulting Party.”

### MISCELLANEOUS

Clause 29 is added and reads as follows:

The Lender who has prepared the text of this Agreement for execution confirms to the Borrower that such text conforms exactly to the text of an Overseas Securities Lender’s Agreement between the Lender and Borrower dated 10 February 2000, as amended by the parties in writing prior to the execution of this Agreement.

### 1996 UK TAX ADDENDUM

Clause 29 is added and reads as follows:

#### “1996 UK TAX ADDENDUM

The Parties agree that the provisions contained in the Overseas Securities Lender’s Agreement: 1996 UK Tax Addendum are incorporated into this Agreement.”

### COUNTRY SPECIFIC AMENDMENTS

#### **United Kingdom**

The following further amendments are agreed:

1. In Clause 1(A) in the definition of “Bid Value” the words “types B(x) and C” shall be deleted and replaced with “type B(x)”.
2. In Clause 1(A) add the following definition after the definition of “Offer Value”:

““Overseas Securities” shall have the meaning specified in paragraph 1(1) of Schedule 23A to the Income and Corporation Taxes Act 1988.”



3. In Clause 1(A) in the definition of "Reference Price":-

(i) add a new sub-paragraph (a) as follows:-

"(a) in relation to the valuation of Securities, Equivalent Securities, Collateral and/or Equivalent Collateral eligible for settlement within CREST such prices as may be established from time to time for use within such system, or, where such price is not available, the mid market quotation of such Securities, Equivalent Securities, Collateral and/or Equivalent Collateral as derived from the latest edition of the Daily Official List published by the Stock Exchange;"

and reletter the existing sub-paragraphs accordingly;

(ii) in sub-paragraph (b) (as relettered) add after the closing bracket in line four "(not designated as eligible for settlement within CREST and not being Overseas Securities) such price in (sterling) as is equal to the mid market quotation of such Securities, Equivalent Securities, Collateral and/or Equivalent Collateral as derived from the latest edition of the Daily Official List published by the Stock Exchange or, in the case of Overseas Securities," and add after "or" in line eleven "(in relation to any Securities, Equivalent Securities, Collateral and/or Equivalent Collateral of the types mentioned above not eligible for settlement within CREST)".

4. In Clause 1(A) the existing wording of the definition of "Securities" shall be deleted and the following substituted:-

"Securities" means equities and other securities, not being gilt-edged securities as defined in the Rules, and which are the subject of a loan pursuant to this Agreement and such term shall include the certificates and other documents of title in respect of the foregoing.

5. In Clause 3 delete all the words after "transfer" at the end of line five and substitute the following:-

"or in the case of Securities held by an agent or within a clearing or settlement system on the effective instructions to such agent or the operator of such system which result in such Securities being held absolutely for the Borrower, or by such other means as may be agreed".

6. In Clause 4(B)(iv) add after "If" in line one "in relation to Overseas Securities".

7. In Clause 5(B) delete the existing wording and substitute the following:-

"(B) Where Cash Collateral is deposited with the Lender in respect of any loan of Securities, the Lender shall pay to the Borrower, in the manner prescribed in Clause 5(C), sums calculated by applying such rates as shall be agreed between the Parties from time to time to the amount of such Cash Collateral. Any such payment due to

the Borrower may be set-off against any payment due to the Lender pursuant to Clause 5(A) hereof.”

8. In Clause 7 delete the existing sub-Clause (F) and reletter the existing sub-Clause (G) as (F);
9. In Clause 10(D) add the following at the beginning of the clause:-  
“in relation to Overseas Securities only,”.
10. In Clause 11 delete sub-Clause (E).

**BARCLAYS GLOBAL INVESTORS LIMITED  
FUNDS/ACCOUNTS**

**APPENDIX A**

**Barclays Bank UK Retirement Fund**

**Aquila Japanese Equity Index Fund**

**Aquila Pacific Rim Equity Index Fund**

**Barclays Global Investors Pensions Management Limited:-**

Aquila Life Europe Equity Index Fund  
Aquila Life Smaller Companies Fund  
Aquila Life UK Equity Index Fund  
Aquila Life Multinational Index Fund  
Aquila Life Multinational Local European Index Fund  
Aquila Life Multinational Local Japanese Index Fund  
Aquila Life Multinational Local Pacific Rim Index Fund  
Aquila Life Multinational US Index Fund  
Aquila Life Multinational Local UK Index Fund  
Aquila Life Corporate Bond Index Fund Over 15 Years  
Aquila Life Corporate Bond Index Fund All Stocks  
Aquila Life Japanese Equity Fund  
Aquila Life Pacific Rim Equity Fund  
Ascent Life Pacific Rim Equity Fund

**Barclays Global Investors Selection Fund:-**

BGI Europe Smaller Markets Sub Fund  
BGI US Equity Sub Fund  
BGI Europe Ex UK Equity Sub Fund  
BGI US Equity Millennium Sub Fund  
BGI Europe Ex UK Equity Millennium Sub Fund  
BGI UK Equity Sub Fund

**Barclays Global Investors Index Selection Fund:-**

BGI US Index Sub-Fund  
BGI Japan Index Sub-Fund  
BGI UK Index Sub-Fund  
BGI Europe ex UK Index Sub-Fund  
BGI Pacific Rim Index Sub-Fund

**The Former Registered Dock Workers Pension Fund**

Version: DECEMBER 1995

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DATED 25 July 2002

" JULY 2002  
OSLA "

**APPROVED - AV**

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**OVERSEAS SECURITIES LENDER'S AGREEMENT**

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Clifford Chance,  
200 Aldersgate Street  
London, EC1A 4JJ

Ref: TJH

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**THIS AGREEMENT** is made the \_\_\_\_\_ day of \_\_\_\_\_, 2002

**BETWEEN:-**

- (1) **Citibank, N.A.** whose registered office is at 336 Strand, London, WC2R 1HB; and
- (2) Goldman Sachs International, a company incorporated under the laws of ..England and Wales whose registered office is at Peterborough Court, 133 Fleet Street, London, EC4A 2BB.....

**WHEREAS:-**

1. The Parties hereto are desirous of agreeing a procedure whereby either one of them (the "**Lender**") will make available to the other of them (the "**Borrower**") from time to time Securities (as hereinafter defined) in order to enable the Borrower, subject to any Inland Revenue provisions then in force, to fulfil a contract to sell such Securities or to on lend such Securities to a third party to enable such party to fulfil a contract to sell such Securities, whether or not as part of a chain of arrangements to enable the final party in such chain to fulfil a contract to sell such Securities or to replace an existing loan of Securities to such third party, or for other purposes.
2. All transactions carried out under this Agreement will be effected in accordance with the Rules (as hereinafter defined) **TOGETHER WITH** current market practices, customs and conventions.

**NOW THIS AGREEMENT WITNESSETH AND IT IS HEREBY AGREED AS FOLLOWS:-**

1. INTERPRETATION

(A) In this Agreement:-

"**Act of Insolvency**" means in relation to either Party

- (i) its making a general assignment for the benefit of, or entering into a reorganisation, arrangement, or composition with creditors, or
- (ii) its admitting in writing that it is unable to pay its debts as they become due, or

- (iii) its seeking, consenting to or acquiescing in the appointment of any trustee, administrator, receiver or liquidator or analogous officer of it or any material part of its property, or;
- (iv) the presentation or filing of a petition in respect of it (other than by the other Party to this Agreement in respect of any obligation under this Agreement) in any court or before any agency alleging or for the bankruptcy, winding-up or insolvency of such Party (or any analogous proceeding) or seeking any reorganisation, arrangement, composition, re-adjustment, administration, liquidation, dissolution or similar relief under any present or future statute, law or regulation, such petition (except in the case of a petition for winding-up or any analogous proceeding in respect of which no such 30 day period shall apply) not having been stayed or dismissed within 30 days of its filing;
- (v) the appointment of a receiver, administrator, liquidator or trustee or analogous officer of such Party over all or any material part of such Party's property; or
- (vi) the convening of any meeting of its creditors for the purpose of considering a voluntary arrangement as referred to in Section 3 of the Insolvency Act 1986 (or any analogous proceeding);

**"Agent"**

shall have the same meaning given in Clause 14;

**"Alternative Collateral"**

means Collateral of a Value equal to the Collateral delivered pursuant to Clause 6 and provided by way of substitution for Collateral originally delivered or previously substituted in accordance with the provisions of Clauses 6(F) or 6(G);

**"Appropriate Tax Vouchers"** means:-

- (i) either such tax vouchers and/or certificates as shall enable the recipient to claim and receive from any relevant tax authority, in respect of interest, dividends, distributions and/or other amounts (including for the avoidance of doubt any manufactured payment) relating to particular Securities, all and any repayment of tax or benefit of tax credit to which the Lender would have been entitled but for the loan of Securities in accordance with this Agreement and/or to which the Lender is entitled in respect of tax withheld and accounted for in respect of any manufactured payment; or such tax vouchers and/or certificates as are provided by the Borrower which evidence an amount of overseas tax deducted which shall enable the recipient to claim and receive from any relevant tax authority all and any repayment of tax from the UK Inland Revenue or benefits of tax credit in the jurisdiction of the recipient's residence; and
- (ii) such vouchers and/or certificates in respect of interest, dividends, distributions and/or other amounts relating to particular Collateral;

**"Approved UK Collecting Agent"** means a person who is approved as such for the purposes of the Rules of the UK Inland Revenue relating to stocklending and manufactured interest and dividends;

**"Approved Intermediary"** means a person who is approved as such for the purposes of the Rules of the UK Inland Revenue relating to stocklending and manufactured interest and dividends;

**"Assured Payment"** means a payment obligation of a Settlement Bank arising (under the Assured Payment Agreement) as a result of a transfer of stock or other securities to a CGO stock account of a member of the CGO for whom that Settlement Bank is acting;



**"Assured Payment Agreement"**

means an agreement dated 24 October 1986 between the Bank of England and all the other banks which are for the time being acting as Settlement Banks in relation to the CGO regulating the obligations of such banks to make payments in respect of transfers of securities through the CGO as supplemented and amended from time to time;

**"Base Currency"**

has the meaning given in the Schedule hereto;

**"Bid Price"**

in relation to Equivalent Securities or Equivalent Collateral means the best available bid price thereof on the most appropriate market in a standard size;

**"Bid Value"**

Subject to Clause 8(E) means:-

- (a) in relation to Equivalent Collateral at a particular time:-
  - (i) in relation to Collateral Types B(x) and C (more specifically referred to in the Schedule) the Value thereof as calculated in accordance with such Schedule;
  - (ii) in relation to all other types of Collateral (more specifically referred to in the Schedule) the amount which would be received on a sale of such Collateral at the Bid Price thereof at such time less all costs, fees and expenses that would be incurred in connection with selling or otherwise realising such Equivalent Collateral, calculated on the assumption that the aggregate thereof is the least that could reasonably be expected to be paid in order to carry out such sale or realisation and adding thereto the amount of any interest, dividends, distributions or other amounts paid to the Lender and in respect of which equivalent amounts have not

been paid to the Borrower in accordance with Clause 6(G) prior to such time in respect of such Equivalent Collateral or the original Collateral held gross of all and any tax deducted or paid in respect thereof;

and

- (b) in relation to Equivalent Securities at a particular time the amount which would be received on a sale of such Equivalent Securities at the Bid Price thereof at such time less all costs, fees and expenses that would be incurred in connection therewith, calculated on the assumption that the aggregate thereof is the least that could reasonably be expected to be paid in order to carry out the transaction;

**"Borrower"**

with respect to a particular loan of Securities means the Borrower as referred to in Recital 1 of this Agreement;

**"Borrowing Request"**

means a request made (by telephone or otherwise) by the Borrower to the Lender pursuant to Clause 2(A) specifying the description, title and amount of the Securities required by the Borrower, the proposed Settlement Date and duration of such loan and the date, time, mode and place of delivery which shall, where relevant, include the bank agent clearing or settlement system and account to which delivery of the Securities is to be made;

**"Business Day"**

means a day on which banks and securities markets are open for business generally in London and, in relation to the delivery or redelivery of any of the following in relation to any loan, in the place(s) where the relevant Securities, Equivalent Securities, Collateral (including Cash Collateral) or Equivalent Collateral are to be delivered;

**"Cash Collateral"**

means Collateral that takes the form of a deposit of currency;

**"Central Gilts Office"**  
or **"CGO"**

means the computer based system managed by the Bank of England to facilitate the book-entry transfer of gilt-edged securities;

**"CGO Collateral"**

shall have the meaning specified in paragraph A of the Schedule;

**"CGO Rules"**

means the requirements of the CGO for the time being in force as defined in the membership agreement regulating membership of the CGO;

**"Close of Business"**

means the time at which banks close in the business centre in which payment is to be made or Collateral is to be delivered;

**"Collateral"**

means such securities or financial instruments or deposits of currency as are referred to in the Schedule hereto or any combination thereof which are delivered by the Borrower to the Lender in accordance with this Agreement and shall include the certificates and other documents of or evidencing title and transfer in respect of the foregoing (as appropriate), and shall include Alternative Collateral;

**"Defaulting Party"**

shall have the meaning given in Clause 12;

**"Equivalent Collateral"** or  
**"Collateral equivalent to"**

in relation to any Collateral provided under this Agreement means securities, cash or other property, as the case may be, of an identical type, nominal value, description and amount to particular Collateral so provided and shall include the certificates and other documents of or evidencing title and transfer in respect of the foregoing (as appropriate). If and to the extent that such Collateral consists of securities that are partly paid or have been converted, subdivided, consolidated, redeemed, made the subject of a takeover, capitalisation issue, rights issue or event similar to any of the foregoing, the expression shall have the following meaning:

- (a) in the case of conversion, subdivision or consolidation the securities into which the relevant Collateral has been converted, subdivided or

consolidated **PROVIDED THAT**, if appropriate, notice has been given in accordance with Clause 4(B)(vi);

- (b) in the case of redemption, a sum of money equivalent to the proceeds of the redemption;
- (c) in the case of a takeover, a sum of money or securities, being the consideration or alternative consideration of which the Borrower has given notice to the Lender in accordance with Clause 4(B)(vi);
- (d) in the case of a call on partly paid securities, the paid-up securities **PROVIDED THAT** the Borrower shall have paid to the Lender an amount of money equal to the sum due in respect of the call;
- (e) in the case of a capitalisation issue, the relevant Collateral **TOGETHER WITH** the securities allotted by way of a bonus thereon;
- (f) in the case of a rights issue, the relevant Collateral **TOGETHER WITH** the securities allotted thereon, **PROVIDED THAT** the Borrower has given notice to the Lender in accordance with Clause 4(B)(vi), and has paid to the Lender all and any sums due in respect thereof;
- (g) in the event that a payment or delivery of Income is made in respect of the relevant Collateral in the form of securities or a certificate which may at a future date be exchanged for securities or in the event of an option to take Income in the form of securities or a certificate which may at a future date be exchanged for securities, notice has been given to the Borrower in accordance with Clause 4(B)(vi) the relevant Collateral **TOGETHER WITH** securities or a certificate equivalent to those allotted;

- (h) in the case of any event similar to any of the foregoing, the relevant Collateral **TOGETHER WITH** or replaced by a sum of money or securities equivalent to that received in respect of such Collateral resulting from such event;

For the avoidance of doubt, in the case of Bankers' Acceptances (Collateral type B(v)), Equivalent Collateral must bear dates, acceptances and endorsements (if any) by the same entities as the bill to which it is intended to be equivalent and for the purposes of this definition, securities are equivalent to other securities where they are of an identical type, nominal value, description and amount and such term shall include the certificate and other documents of or evidencing title and transfer in respect of the foregoing (as appropriate);

**"Equivalent Securities"**

means securities of an identical type, nominal value, description and amount to particular Securities borrowed and such term shall include the certificates and other documents of or evidencing title and transfer in respect of the foregoing (as appropriate). If and to the extent that such Securities are partly paid or have been converted, subdivided, consolidated, redeemed, made the subject of a takeover, capitalisation issue, rights issue or event similar to any of the foregoing, the expression shall have the following meaning:

- (a) in the case of conversion, subdivision or consolidation the securities into which the borrowed Securities have been converted, subdivided or consolidated **PROVIDED THAT** if appropriate, notice has been given in accordance with Clause 4(B)(vi);
- (b) in the case of redemption, a sum of money equivalent to the proceeds of the redemption;

- (c) in the case of takeover, a sum of money or securities, being the consideration or alternative consideration of which the Lender has given notice to the Borrower in accordance with Clause 4(B)(vi);
- (d) in the case of a call on partly paid securities, the paid-up securities **PROVIDED THAT** the Lender shall have paid to the Borrower an amount of money equal to the sum due in respect of the call;
- (e) in the case of a capitalisation issue, the borrowed Securities **TOGETHER WITH** the securities allotted by way of a bonus thereon;
- (f) in the case of a rights issue, the borrowed Securities **TOGETHER WITH** the securities allotted thereon, **PROVIDED THAT** the Lender has given notice to the Borrower in accordance with Clause 4(B)(vi), and has paid to the Borrower all and any sums due in respect thereof;
- (g) in the event that a payment or delivery of Income is made in respect of the borrowed Securities in the form of securities or a certificate which may at a future date be exchanged for securities or in the event of an option to take Income in the form of securities or a certificate which may at a future date be exchanged for securities, notice has been given to the Borrower in accordance with Clause 4(B)(vi) the borrowed Securities **TOGETHER WITH** securities or a certificate equivalent to those allotted;
- (h) in the case of any event similar to any of the foregoing, the borrowed Securities **TOGETHER WITH** or replaced by a sum of money or securities equivalent to that received in respect of such borrowed Securities resulting from such event;  
For the purposes of this definition, securities are equivalent to other securities where they are of an

identical type, nominal value, description and amount and such term shall include the certificate and other documents of or evidencing title and transfer in respect of the foregoing (as appropriate);

- "Event of Default"** has the meaning given in Clause 12;
- "Income"** any interest, dividends or other distributions of any kind whatsoever with respect to any Securities or Collateral;
- "Income Payment Date"**, with respect to any Securities or Collateral means the date on which Income is paid in respect of such Securities or Collateral, or, in the case of registered Securities or Collateral, the date by reference to which particular registered holders are identified as being entitled to payment of Income;
- "Lender"** with respect to a particular loan of Securities means the Lender as referred to in Recital 1 of this Agreement;
- "Manufactured Dividend"** shall have the meaning given in Clause 4(B)(ii);
- "Margin"** shall have the meaning specified in the Schedule hereto;
- "Nominee"** means an agent or a nominee appointed by either Party and approved (if appropriate) as such by the Inland Revenue to accept delivery of, hold or deliver Securities, Equivalent Securities, Collateral and/or Equivalent Collateral on its behalf whose appointment has been notified to the other Party;
- "Non-Defaulting Party"** shall have the meaning given in Clause 12;
- "Offer Price"** in relation to Equivalent Securities or Equivalent Collateral means the best available offer price thereof on the most appropriate market in a standard size;

**"Offer Value"**

Subject to Clause 8(E) means:-

- (a) in relation to Collateral equivalent to Collateral types B (ix) and C (more specifically referred to in the Schedule hereto) the Value thereof as calculated in accordance with such Schedule; and
- (b) in relation to Equivalent Securities or Collateral equivalent to all other types of Collateral (more specifically referred to in the Schedule hereto) the amount it would cost to buy such Equivalent Securities or Equivalent Collateral at the Offer Price thereof at such time together with all costs, fees and expenses that would be incurred in connection therewith, calculated on the assumption that the aggregate thereof is the least that could reasonably be expected to be paid in order to carry out the transaction;

**"Parties"**

means the Lender and the Borrower and "Party" shall be construed accordingly;

**"Performance Date"**

shall have the meaning given in Clause 8;

**"Principal"**

shall have the meaning given in Clause 14;



**"Reference Price"**

means:

- (a) in relation to the valuation of Securities, Equivalent Securities, Collateral and/or Collateral equivalent to types B (ii), (viii), (xi) and (xii) (more specifically referred to in the Schedule hereto) such price as is equal to the mid market quotation of such Securities, Equivalent Securities, Collateral and/or Equivalent Collateral as derived from a reputable pricing information service (such as the services provided by Reuters, Extel Statistical Services and Telerate) reasonably chosen in good faith by the Lender or if unavailable the market value thereof as derived from the prices or rates bid by a reputable dealer for the relevant instrument reasonably chosen in good faith by the Lender, in each case at Close of Business on the previous Business Day;
- (b) in relation to the valuation of Collateral and/or Collateral equivalent to Collateral types A and B(i) (more specifically referred to in the Schedule hereto), the CGO Reference Price of such Securities, Equivalent Securities, Collateral and/or Equivalent Collateral then current as determined in accordance with the CGO Rules from time to time in force.
- (c) in relation to the valuation of Collateral and/or Collateral equivalent to Collateral types B(iii), (iv), (v), (vi) (vii) and (ix), (more specifically referred to in the Schedule hereto), the market value thereof as derived from the rates bid by Barclays Bank PLC for such instruments or, in the absence of such a bid, the average of the rates bid by two leading market makers for such instruments at Close of Business on the previous Business Day;

**"Relevant Payment Date"**

shall have the meaning given in Clause 4(B)(i);

**"Rules"**

means the rules for the time being of the Stock Exchange (where either Party is a member of the Stock Exchange) and/or any other regulatory authority whose rules and regulations shall from time to time affect the activities of the Parties pursuant to this Agreement including but not limited to the stocklending regulations and guidance notes relating to both stocklending and manufactured interest and dividends for the time being in force of the Commissioners of the Inland Revenue and any associated procedures required pursuant thereto (**PROVIDED THAT** in an Event of Default, where either Party is a member of the Stock Exchange, the Rules and Regulations of the Stock Exchange shall prevail);

**"Securities"**

means Overseas Securities as defined in the Income Tax (Stock Lending) Regulations 1989 (S.I. 1989 No. 1299) (as amended by the Income Tax (Stock Lending) (Amendment) Regulations 1990 (S.I. 1990 No. 2552) and 1993 (S.I. 1993 No. 2003)) or any statutory modification or re-enactment thereof for the time being in force which the Borrower is entitled to borrow from the Lender in accordance with the Rules and which are the subject of a loan pursuant to this Agreement and such term shall include the certificates and other documents of title in respect of the foregoing;

**"Settlement Bank"**

means a settlement member of the CHAPS and Town Clearing systems who has entered into contractual arrangements with the CGO to provide Assured Payment facilities for members of the CGO;

**"Settlement Date"**

means the date upon which Securities are or are to be transferred to the Borrower in accordance with this Agreement;

**"Stock Exchange"**

means the London Stock Exchange Limited;

**"Value"**

at any particular time means in respect of Securities and Equivalent Securities, the Reference Price thereof then current and in respect of Collateral and/or Equivalent Collateral such worth as determined in accordance with the Schedule hereto.

- (B) All headings appear for convenience only and shall not affect the interpretation hereof.
- (C) Notwithstanding the use of expressions such as "borrow", "lend", "Collateral", "Margin", "redeliver" etc. which are used to reflect terminology used in the market for transactions of the kind provided for in this Agreement, title to Securities "borrowed" or "lent" and "Collateral" provided in accordance with this Agreement shall pass from one Party to another as provided for in this Agreement, the Party obtaining such title being obliged to redeliver Equivalent Securities or Equivalent Collateral as the case may be.
- (D) For the purposes of Clauses 6(H)-6(K) and 8(C)-8(E) of this Agreement or otherwise where a conversion into the Base Currency is required, all prices, sums or values (including any Value, Offer Value and Bid Value) of Securities, Equivalent Securities, Collateral or Equivalent Collateral (including Cash Collateral) stated in currencies other than the Base Currency shall be converted into the Base Currency at the spot rate of exchange at the relevant time in the London interbank market for the purchase of the Base Currency with the currency concerned.
- (E) Where at any time there is in existence any other agreement between the Parties the terms of which make provision for the lending of Securities (as defined in this Agreement) as well as other securities the terms of this Agreement shall apply to the lending of such Securities to the exclusion of any other such agreement.

2. LOANS OF SECURITIES

- (A) The Lender will lend Securities to the Borrower, and the Borrower will borrow Securities from the Lender in accordance with the terms and conditions of this Agreement and with the Rules **PROVIDED ALWAYS THAT** the Lender shall have received from the Borrower and accepted (by whatever means) a Borrowing Request.
- (B) The Borrower has the right to reduce the amount of Securities referred to in a Borrowing Request **PROVIDED THAT** the Borrower has notified the Lender of such reduction no later than midday London time on the day which is two Business Days prior to the Settlement Date unless otherwise agreed between the Parties and the Lender shall have accepted such reduction (by whatever means).

3. DELIVERY OF SECURITIES

The Lender shall procure the delivery of Securities to the Borrower or deliver such Securities in accordance with the relevant Borrowing Request **TOGETHER WITH** appropriate instruments of transfer duly stamped where necessary and such other instruments as may be requisite to vest title

thereto in the Borrower. Such Securities shall be deemed to have been delivered by the Lender to the Borrower on delivery to the Borrower or as it shall direct of the relevant instruments of transfer, or in the case of Securities held by an agent or a clearing or settlement system on the effective instructions to such agent or the operator of such system to hold the Securities absolutely for the Borrower, or by such other means as may be agreed.

4. RIGHTS AND TITLE

(A) The Parties shall execute and deliver all necessary documents and give all necessary instructions to procure that all right, title and interest in:

- (i) any Securities borrowed pursuant to Clause 2;
- (ii) any Equivalent Securities redelivered pursuant to Clause 7;
- (iii) any Collateral delivered pursuant to Clause 6;
- (iv) any Equivalent Collateral redelivered pursuant to Clauses 6 or 7;

shall pass from one Party to the other subject to the terms and conditions mentioned herein and in accordance with the Rules, on delivery or redelivery of the same in accordance with this Agreement, free from all liens, charges and encumbrances. In the case of Securities, Collateral, Equivalent Securities or Equivalent Collateral title to which is registered in a computer based system which provides for the recording and transfer of title to the same by way of book entries, delivery and transfer of title shall take place in accordance with the rules and procedures of such system as in force from time to time. The Party acquiring such right, title and interest shall have no obligation to return or redeliver any of the assets so acquired but, in so far as any Securities are borrowed or any Collateral is delivered to such Party, such Party shall be obliged, subject to the terms of this Agreement, to redeliver Equivalent Securities or Equivalent Collateral as appropriate.

(B) (i) Where Income is paid in relation to any Securities on or by reference to an Income Payment Date on which such Securities are the subject of a loan hereunder, the Borrower shall, on the date of the payment of such Income, or on such other date as the Parties may from time to time agree, (the "**Relevant Payment Date**") pay and deliver a sum of money or property equivalent to the same (with any such endorsements or assignments as shall be customary and appropriate to effect the delivery) to the Lender or its Nominee, irrespective of whether the Borrower received the same. The provisions of sub-paragraphs (ii) to (v) below shall apply in relation thereto.

- (ii) subject to sub-paragraph (iii) below, in the case of any Income comprising a payment, the amount (the "**Manufactured Dividend**") payable by the Borrower shall be equal to the amount of the relevant Income together with an amount equivalent to any deduction, withholding or payment for or on account of tax made by the relevant issuer (or on its behalf) in respect of such Income together with an amount equal to any other tax credit associated with such Income unless a lesser amount is agreed between the Parties or an Appropriate Tax Voucher (together with any further amount which may be agreed between the Parties to be paid) is provided in lieu of such deduction, withholding tax credit or payment.
- (iii) Where either the Borrower, or any person to whom the Borrower has on-lent the Securities, is unable to make payment of the Manufactured Dividend to the Lender without accounting to the Inland Revenue for any amount of relevant tax (as required by Schedule 23A to the Income and Corporation Taxes Act 1988) the Borrower shall pay to the Lender or its Nominee, in cash, the Manufactured Dividend less amounts equal to such tax. The Borrower shall at the same time if requested supply Appropriate Tax Vouchers to the Lender.
- (iv) If at any time any Manufactured Dividend falls to be paid and neither of the Parties is an Approved UK Intermediary or an Approved UK Collecting Agent, the Borrower shall procure that the payment is paid through an Approved UK Intermediary or an Approved UK Collecting Agent agreed by the Parties for this purpose, unless the rate of relevant withholding tax in respect of any Income that would have been payable to the Lender but for the loan of the Securities would have been zero and no income tax liability under Section 123 of the Income and Corporation Taxes Act 1988 would have arisen in respect thereof.
- (v) In the event of the Borrower failing to remit either directly or by its Nominee any sum payable pursuant to this Clause, the Borrower hereby undertakes to pay a rate to the Lender (upon demand) on the amount due and outstanding at the rate provided for in Clause 13 hereof. Interest on such sum shall accrue daily commencing on and inclusive of the third Business Day after the Relevant Payment Date, unless otherwise agreed between the Parties.
- (vi) Each Party undertakes that where it holds securities of the same description as any securities borrowed by it or transferred to it by way of collateral at a time when a right to vote arises in respect of such securities, it will use its best endeavours to arrange for the voting rights attached to such securities to be exercised in accordance with the instructions of the Lender or Borrower (as the case may be)

**PROVIDED ALWAYS THAT** each Party shall use its best endeavours to notify the other of its instructions in writing no later than seven Business Days prior to the date upon which such votes are exercisable or as otherwise agreed between the Parties and that the Party concerned shall not be obliged so to exercise the votes in respect of a number of Securities greater than the number so lent or transferred to it. For the avoidance of doubt the Parties agree that subject as hereinbefore provided any voting rights attaching to the relevant Securities, Equivalent Securities, Collateral and/or Equivalent Collateral shall be exercisable by the persons in whose name they are registered or in the case of Securities, Equivalent Securities, Collateral and/or Equivalent Collateral in bearer form, the persons by or on behalf of whom they are held, and not necessarily by the Borrower or the Lender (as the case may be).

- (vii) Where, in respect of any borrowed Securities or any Collateral, any rights relating to conversion, sub-division, consolidation, pre-emption, rights arising under a takeover offer or other rights, including those requiring election by the holder for the time being of such Securities or Collateral, become exercisable prior to the redelivery of Equivalent Securities or Equivalent Collateral, then the Lender or Borrower, as the case may be, may, within a reasonable time before the latest time for the exercise of the right or option give written notice to the other Party that on redelivery of Equivalent Securities or Equivalent Collateral, as the case may be, it wishes to receive Equivalent Securities or Equivalent Collateral in such form as will arise if the right is exercised or, in the case of a right which may be exercised in more than one manner, is exercised as is specified in such written notice.
- (viii) Any payment to be made by the Borrower under this Clause shall be made in a manner to be agreed between the Parties.

## 5. RATES

- (A) In respect of each loan of Securities, the Borrower shall pay to the Lender, in the manner prescribed in sub-Clause (C), sums calculated by applying such rate as shall be agreed between the Parties from time to time to the daily Value of the relevant Securities.
- (B) Where Cash Collateral is deposited with the Lender in respect of any loan of Securities in circumstances where:
  - (i) interest is earned by the Lender in respect of such Cash Collateral and that interest is paid to the Lender without deduction of tax, the Lender shall pay to the

Borrower, in the manner prescribed in sub-Clause (C), an amount equal to the gross amount of such interest earned. Any such payment due to the Borrower may be set-off against any payment due to the Lender pursuant to sub-Clause (A) hereof if either the Borrower has warranted to the Lender in this Agreement that it is subject to tax in the United Kingdom under Case I of Schedule D in respect of any income arising pursuant to or in connection with the borrowing of Securities hereunder or the Lender has notified the Borrower of the gross amount of such interest or income; and

- (ii) sub-Clause (B)(i) above does not apply, the Lender shall pay to the Borrower, in the manner presented in sub-Clause (C), sums calculated by applying such rates as shall be agreed between the Parties from time to time to the amount of such Cash Collateral. Any such payment due to the Borrower may be set-off against any payment due to the Lender pursuant to sub-Clause (A) hereof.
- (C) In respect of each loan of Securities, the payments referred to in sub-Clauses (A) and (B) of this Clause shall accrue daily in respect of the period commencing on and inclusive of the Settlement Day and terminating on and exclusive of the Business Day upon which Equivalent Securities are redelivered or Cash Collateral is repaid. Unless otherwise agreed, the sums so accruing in respect of each calendar month shall be paid in arrears by the Borrower to the Lender or to the Borrower by the Lender (as the case may be) not later than the Business Day which is one week after the last Business Day of the calendar month to which such payments relate or such other date as the Parties shall from time to time agree. Any payment made pursuant to sub-Clauses (A) and (B) hereof shall be in such currency and shall be paid in such manner and at such place as shall be agreed between the Parties.

## 6. COLLATERAL

- (A) (i) Subject to sub-Clauses (B), (C) and (E) below the Borrower undertakes to deliver Collateral to the Lender (or in accordance with the Lender's instructions) **TOGETHER WITH** appropriate instruments of transfer duly stamped where necessary and such other instruments as may be requisite to vest title thereto in the Lender simultaneously with delivery of the borrowed Securities and in any event no later than Close of Business on the Settlement Date. Collateral may be provided in any of the forms specified in the Schedule hereto (as agreed between the Parties);
- (ii) where Collateral is delivered to the Lender's Nominee any obligation under this Agreement to redeliver or otherwise account for Equivalent Collateral shall be an

obligation of the Lender notwithstanding that any such redelivery may be effected in any particular case by the Nominee.

- (B) Where CGO Collateral is provided to the Lender or its Nominee by member-to-member delivery or delivery-by-value in accordance with the provisions of the CGO Rules from time to time in force, the obligation of the Lender shall be to redeliver Equivalent Collateral through the CGO to the Borrower in accordance with this Agreement. Any references, (howsoever expressed) in this Agreement, the Rules, and/or any other agreement or communication between the Parties to an obligation to redeliver such Equivalent Collateral shall be construed accordingly. If the loan of Securities in respect of which such Collateral was provided has not been discharged when the Collateral is redelivered, the Assured Payment obligation generated on such redelivery shall be deemed to constitute a payment of money which shall be treated as Cash Collateral until the loan is discharged, or further Equivalent Collateral is provided later during that Business Day. This procedure shall continue daily where CGO Collateral is delivered-by-value for as long as the relevant loan remains outstanding.
- (C) Where CGO Collateral or other collateral is provided by delivery-by-value to a Lender or its Nominee the Borrower may consolidate such Collateral with other Collateral provided by the same delivery to a third party for whom the Lender or its Nominee is acting.
- (D) Where Collateral is provided by delivery-by-value through an alternative book entry transfer system, not being the CGO, the obligation of the Lender shall be to redeliver Equivalent Collateral through such book entry transfer system in accordance with this Agreement. If the loan of Securities in respect of which such Collateral was provided has not been discharged when the Collateral is redelivered, any payment obligation generated within the book entry transfer system on such redelivery shall be deemed to constitute a payment of money which shall be treated as Cash Collateral until the loan is discharged, or further Equivalent Collateral is provided later during that Business Day. This procedure shall continue when Collateral is delivered-by-value for as long as the relevant loan remains outstanding;
- (E) Where Cash Collateral is provided the sum of money so deposited may be adjusted in accordance with Clause 6(H). Subject to Clause 6(H)(ii), the Cash Collateral shall be repaid at the same time as Equivalent Securities in respect of the Securities borrowed are redelivered, and the Borrower shall not assign, charge, dispose of or otherwise deal with its rights in respect of the Cash Collateral. If the Borrower fails to comply with its obligations for such redelivery of Equivalent Securities the Lender shall have the right to apply the Cash Collateral by way of set-off in accordance with Clause 8.



- (F) The Borrower may from time to time call for the repayment of Cash Collateral or the redelivery of Collateral equivalent to any Collateral delivered to the Lender prior to the date on which the same would otherwise have been repayable or redeliverable **PROVIDED THAT** at the time of such repayment or redelivery the Borrower shall have delivered or delivers Alternative Collateral acceptable to the Lender.
- (G) (i) Where Collateral (other than Cash Collateral) is delivered in respect of which any Income may become payable, the Borrower shall call for the redelivery of Collateral equivalent to such Collateral in good time to ensure that such Equivalent Collateral may be delivered prior to any such Income becoming payable to the Lender, unless in relation to such Collateral the Parties are satisfied before the relevant Collateral is transferred that no tax will be payable to the UK Inland Revenue under Schedule 23A of the Income and Corporation Taxes Act 1988. At the time of such redelivery the Borrower shall deliver Alternative Collateral acceptable to the Lender.
- (ii) Where the Lender receives any Income in circumstances where the Parties are satisfied as set out in Clause 6(G)(i) above, then the Lender shall on the date on which the Lender receives such Income or on such date as the Parties may from time to time agree, pay and deliver a sum of money or property equivalent to such Income (with any such endorsements or assignments as shall be customary and appropriate to effect the delivery) to the Borrower and shall supply Appropriate Tax Vouchers (if any) to the Borrower.
- (H) Unless the Schedule to this Agreement indicates that Clause 6(I) shall apply in lieu of this Clause 6(H), or unless otherwise agreed between the Parties, the Value of the Collateral delivered to or deposited with the Lender or its nominated bank or depositary (excluding any Collateral repaid or redelivered under sub-Clauses (H)(ii) or (I)(ii) below (as the case may be) ("**Posted Collateral**")) in respect of any loan of Securities shall bear from day to day and at any time the same proportion to the Value of the Securities borrowed under such loan as the Posted Collateral bore at the commencement of such loan. Accordingly:
- (i) the Value of the Posted Collateral to be delivered or deposited while the loan of Securities continues shall be equal to the Value of the borrowed Securities and the Margin applicable thereto (the "**Required Collateral Value**");
- (ii) if on any Business Day the Value of the Posted Collateral in respect of any loan of Securities exceeds the Required Collateral Value in respect of such loan, the Lender shall (on demand) repay such Cash Collateral and/or redeliver to the Borrower such Equivalent Collateral as will eliminate the excess; and

- (iii) if on any Business Day the Value of the Posted Collateral falls below the Required Collateral Value, the Borrower shall (on demand) provide such further Collateral to the Lender as will eliminate the deficiency.
  
- (I) Subject to Clause 6(J), unless the Schedule to this Agreement indicates that Clause 6(H) shall apply in lieu of this Clause 6(I), or unless otherwise agreed between the Parties:-
  - (i) the aggregate Value of the Posted Collateral in respect of all loans of Securities outstanding under this Agreement shall equal the aggregate of the Required Collateral Values in respect of such loans;
  - (ii) if at any time the aggregate Value of the Posted Collateral in respect of all loans of Securities outstanding under this Agreement exceeds the aggregate of the Required Collateral Values in respect of such loans, the Lender shall (on demand) repay such Cash Collateral and/or redeliver to the Borrower such Equivalent Collateral as will eliminate the excess;
  - (iii) if at any time the aggregate Value of the Posted Collateral in respect of all loans of Securities outstanding under this Agreement falls below the aggregate of Required Collateral Values in respect of all such loans, the Borrower shall (on demand) provide such further Collateral to the Lender as will eliminate the deficiency.
  
- (J) Where Clause 6(I) applies, unless the Schedule to this Agreement indicates that this Clause 6(J) does not apply, if a Party (the "**first Party**") would, but for this Clause 6(J), be required under Clause 6(I) to repay Cash Collateral, redeliver Equivalent Securities or provide further Collateral in circumstances where the other Party (the "**second Party**") would, but for this Clause 6(J), also be required to repay Cash Collateral or provide or redeliver Equivalent Collateral under Clause 6(I), then the Value of the Cash Collateral or Equivalent Collateral deliverable by the first Party ("X") shall be set-off against the Value of the Cash Collateral, or Equivalent Collateral or further Collateral deliverable by the second Party ("Y") and the only obligation of the Parties under Clause 6(I) shall be, where X exceeds Y, an obligation of the first Party, or where Y exceeds X, an obligation of the second Party, to repay Cash Collateral, redeliver Equivalent Collateral or to deliver further Collateral having a Value equal to the difference between X and Y.
  
- (K) Where Cash Collateral is repaid, Equivalent Collateral is redelivered or further Collateral is provided by a Party under Clause 6(I), the Parties shall agree to which loan or loans of Securities such repayment, redelivery or further provision is to be attributed and failing agreement it shall be attributed, as determined by the Party making such repayment,

redelivery or further provision to the earliest outstanding loan and, in the case of a repayment or redelivery up to the point at which the Value of Collateral in respect of such loan is reduced to zero and, in the case of a further provision up to the point at which the Value of the Collateral in respect of such loan equals the Required Collateral Value in respect of such loan, and then to the next earliest outstanding loan up to the similar point and so on.

- (L) Where any Cash Collateral falls to be repaid or Equivalent Collateral to be redelivered or further Collateral to be provided under this Clause 6, it shall be delivered within the minimum period after demand specified in the Schedule or if no appropriate period is there specified within the standard settlement time for delivery of the relevant type of Cash Collateral, Equivalent Collateral or Collateral, as the case may be.

7. REDELIVERY OF EQUIVALENT SECURITIES

- (A) The Borrower undertakes to redeliver Equivalent Securities in accordance with this Agreement and the terms of the relevant Borrowing Request. For the avoidance of doubt any reference herein or in any other agreement or communication between the Parties (howsoever expressed) to an obligation to redeliver or account for or act in relation to borrowed Securities shall accordingly be construed as a reference to an obligation to redeliver or account for or act in relation to Equivalent Securities.
- (B) Subject to Clause 8 hereof and the terms of the relevant Borrowing Request the Lender may call for the redelivery of all or any Equivalent Securities at any time by giving notice on any Business Day of not less than the standard settlement time for such Equivalent Securities on the exchange or in the clearing organisation through which the relevant borrowed Securities were originally delivered. The Borrower shall as hereinafter provided redeliver such Equivalent Securities not later than the expiry of such notice in accordance with the Lender's instructions. Simultaneously with the redelivery of the Equivalent Securities in accordance with such call, the Lender shall (subject to Clause 6(I), if applicable) repay any Cash Collateral and redeliver to the Borrower Collateral equivalent to the Collateral delivered pursuant to Clause 6 in respect of the borrowed Securities. For the avoidance of doubt any reference herein or in any other agreement or communication between the Parties (however expressed) to an obligation to redeliver or account for or act in relation to Collateral shall accordingly be construed as a reference to an obligation to redeliver or account for or act in relation to Equivalent Collateral.
- (C) If the Borrower does not redeliver Equivalent Securities in accordance with such call, the Lender may elect to continue the loan of Securities **PROVIDED THAT** if the Lender does not elect to continue the loan the Lender may by written notice to the Borrower elect to terminate the relevant loan. Upon the expiry of such notice the provisions of Clauses (8) (B)

to (F) shall apply as if upon the expiry of such notice an Event of Default had occurred in relation to the Borrower (who shall thus be the Defaulting Party for the purposes of this Agreement) and as if the relevant loan were the only loan outstanding.

- (D) In the event that as a result of the failure of the Borrower to redeliver Equivalent Securities to the Lender in accordance with this Agreement a "buy-in" is exercised against the Lender then provided that reasonable notice has been given to the Borrower of the likelihood of such a "buy-in", the Borrower shall account to the Lender for the total costs and expenses reasonably incurred by the Lender as a result of such "buy-in".
- (E) Subject to the terms of the relevant Borrowing Request, the Borrower shall be entitled at any time to terminate a particular loan of Securities and to redeliver all and any Equivalent Securities due and outstanding to the Lender in accordance with the Lender's instructions. The Lender shall accept such redelivery and simultaneously therewith (subject to Clause 6(I) if applicable) shall repay to the Borrower any Cash Collateral or, as the case may be, redeliver Collateral equivalent to the Collateral provided by the Borrower pursuant to Clause 6 in respect thereof.
- (F) Where a TALISMAN short term certificate (as described in paragraph C of the Schedule) is provided by way of Collateral, the obligation to redeliver Equivalent Collateral is satisfied by the redelivery of the certificate to the Borrower or its expiry as provided for in the Rules applying to such certificate.
- (G) Where a Letter of Credit is provided by way of Collateral, the obligation to redeliver Equivalent Collateral is satisfied by the Lender redelivering for cancellation the Letter of Credit so provided, or where the Letter of Credit is provided in respect of more than one loan, by the Lender consenting to a reduction in the value of the Letter of Credit.

8. SET-OFF ETC

- (A) On the date and time (the "**Performance Date**") that Equivalent Securities are required to be redelivered by the Borrower in accordance with the provisions of this Agreement the Lender shall simultaneously redeliver the Equivalent Collateral and repay any Cash Collateral held (in respect of the Equivalent Securities to be redelivered) to the Borrower. Neither Party shall be obliged to make delivery (or make a payment as the case may be) to the other unless it is satisfied that the other Party will make such delivery (or make an appropriate payment as the case may be) to it simultaneously. If it is not so satisfied (whether because an Event of Default has occurred in respect of the other Party or otherwise) it shall notify the other party and unless that other Party has made arrangements which are sufficient to assure full delivery (or the appropriate payment as the case may be) to

the notifying Party, the notifying Party shall (provided it is itself in a position, and willing, to perform its own obligations) be entitled to withhold delivery (or payment, as the case may be) to the other Party.

(B) If an Event of Default occurs in relation to either Party, the Parties' delivery and payment obligations (and any other obligations they have under this Agreement) shall be accelerated so as to require performance thereof at the time such Event of Default occurs (the date of which shall be the "**Performance Date**" for the purposes of this clause) and in such event:

(i) the Relevant Value of the Securities to be delivered (or payment to be made, as the case may be) by each Party shall be established in accordance with Clause 8(C); and

(ii) on the basis of the Relevant Values so established, an account shall be taken (as at the Performance Date) of what is due from each Party to the other and (on the basis that each Party's claim against the other in respect of delivery of Equivalent Securities or Equivalent Collateral or any cash payment equals the Relevant Value thereof) the sums due from one Party shall be set-off against the sums due from the other and only the balance of the account shall be payable (by the Party having the claim valued at the lower amount pursuant to the foregoing) and such balance shall be payable on the Performance Date.

(C) For the purposes of Clause 8(B) the Relevant Value:-

(i) of any cash payment obligation shall equal its par value (disregarding any amount taken into account under (ii) or (iii) below);

(ii) of any securities to be delivered by the Defaulting Party shall, subject to Clause 8(E) below, equal the Offer Value thereof; and

(iii) of any securities to be delivered to the Defaulting Party shall, subject to Clause 8(E) below, equal the Bid Value thereof.

(D) For the purposes of Clause 8(C), but subject to Clause 8(E) below, the Bid Value and Offer Value of any securities shall be calculated as at the Close of Business in the most appropriate market for securities of the relevant description (as determined by the Non-Defaulting Party) on the first Business Day following the Performance Date, or if the relevant Event of Default occurs outside the normal business hours of such market, on the second Business Day following the Performance Date (the "**Default Valuation Time**");

- (E) (i) Where the Non-Defaulting Party has following the occurrence of an Event of Default but prior to the Default Valuation Time purchased securities forming part of the same issue and being of an identical type and description to those to be delivered by the Defaulting Party and in substantially the same amount as those securities or sold securities forming part of the same issue and being of an identical type and description to those to be delivered by him to the Defaulting Party and in substantially the same amount as those securities, the cost of such purchase or the proceeds of such sale, as the case may be, (taking into account all reasonable costs, fees and expenses that would be incurred in connection therewith) shall be treated as the Offer Value or Bid Value, as the case may be, of the relevant securities for the purposes of this Clause 8.
- (ii) Where the amount of any securities sold or purchased as mentioned in (E)(i) above is not in substantially the same amount as those securities to be valued for the purposes Clause 8(C) the Offer Value or the Bid Value (as the case may be) of those securities shall be ascertained by dividing the net proceeds of sale or cost of purchase by the amount of the securities sold or purchased so as to obtain a net unit price and multiplying that net unit price by the amount of the securities to be valued.
- (F) Any reference in this Clause 8 to securities shall include any asset other than cash provided by way of Collateral.
- (G) If the Borrower or the Lender for any reason fail to comply with their respective obligations under Clauses 6(F) or 6(G) in respect of redelivery of Equivalent Collateral or repayment of Cash Collateral such failure shall be an Event of Default for the purposes of this Clause 8, and the person failing to comply shall thus be the Defaulting Party.
- (H) Subject to and without prejudice to its rights under Clause 8(A) either Party may from time to time in accordance with market practice and in recognition of the practical difficulties in arranging simultaneous delivery of Securities, Collateral and cash transfers waive its right under this Agreement in respect of simultaneous delivery and/or payment **PROVIDED THAT** no such waiver in respect of one transaction shall bind it in respect of any other transaction.

9. TAXATION

- (A) The Borrower hereby undertakes promptly to pay and account for any transfer or similar duties or taxes chargeable in connection with any transaction effected pursuant to or

contemplated by this Agreement, and shall indemnify and keep indemnified the Lender against any liability arising in respect thereof as a result of the Borrower's failure to do so.

- (B) The Borrower shall only make a Borrowing Request where the purpose of the loan meets the requirements of the Rules regarding the conditions that must be fulfilled for Section 129 of the Income and Corporation Taxes Act 1988 (or any statutory modification or re-enactment thereof for the time being in force) to apply to the arrangement concerning the loan, unless the Lender is aware that the transaction is unapproved for the purposes of the Rules of the UK Inland Revenue or such purpose is not met.
- (C) A Party undertakes to notify the other Party if it becomes or ceases to be an Approved UK Intermediary or an Approved UK Collecting Agent.

#### 10. LENDER'S WARRANTIES

Each Party hereby warrants and undertakes to the other on a continuing basis to the intent that such warranties shall survive the completion of any transaction contemplated herein that, where acting as a Lender:

- (A) it is duly authorised and empowered to perform its duties and obligations under this Agreement;
- (B) it is not restricted under the terms of its constitution or in any other manner from lending Securities in accordance with this Agreement or from otherwise performing its obligations hereunder;
- (C) it is absolutely entitled to pass full legal and beneficial ownership of all Securities provided by it hereunder to the Borrower free from all liens, charges and encumbrances;
- (D) where the Schedule to this Agreement specifies that this Clause 10(D) applies, it is not resident in the United Kingdom for tax purposes and either is not carrying on a trade in the United Kingdom through a branch or agency or if it is carrying on such a trade the loan is not entered into in the course of the business of such branch or agency, and it has (i) delivered or caused to be delivered to the Borrower a duly completed and certified Certificate (MOD2) or a photocopy thereof bearing an Inland Revenue acknowledgement and unique number and such Certificate or photocopy remains valid or (ii) has taken all necessary steps to enable a specific authorisation to make gross payment of the Manufactured Dividend to be issued by the Inland Revenue;

11. BORROWER'S WARRANTIES

Each Party hereby warrants and undertakes to the other on a continuing basis to the intent that such warranties shall survive the completion of any transaction contemplated herein that, where acting as a Borrower:

- (A) it has all necessary licenses and approvals, and is duly authorised and empowered, to perform its duties and obligations under this Agreement and will do nothing prejudicial to the continuation of such authorisation, licences or approvals;
- (B) it is not restricted under the terms of its constitution or in any other manner from borrowing Securities in accordance with this Agreement or from otherwise performing its obligations hereunder;
- (C) it is absolutely entitled to pass full legal and beneficial ownership of all Collateral provided by it hereunder to the Lender free from all liens, charges and encumbrances;
- (D) it is acting as principal in respect of this Agreement;
- (E) where the Schedule to this Agreement specifies this Clause 11(E) applies, it is subject to tax in the United Kingdom under Case I of Schedule D in respect of any income arising pursuant to or in connection with the borrowing of Securities hereunder.

12. EVENTS OF DEFAULT

Each of the following events occurring in relation to either Party (the "**Defaulting Party**", the other Party being the "**Non-Defaulting Party**") shall be an Event of Default for the purpose of Clause 8:-

- (A) the Borrower or Lender failing to pay or repay Cash Collateral or deliver or redeliver Collateral or Equivalent Collateral upon the due date, and the Non-Defaulting Party serves written notice on the Defaulting Party;
- (B) the Lender or Borrower failing to comply with its obligations under Clause 6, and the Non-Defaulting Party serves written notice on the Defaulting Party;
- (C) the Borrower failing to comply with Clause 4(B)(i), (ii) or (iii) hereof, and the Non-Defaulting Party serves written notice on the Defaulting Party;



- (D) an Act of Insolvency occurring with respect to the Lender or the Borrower and (except in the case of an Act of Insolvency which is the presentation of a petition for winding up or any analogous proceeding or the appointment of a liquidator or analogous officer of the Defaulting Party in which case no such notice shall be required) the Non-Defaulting Party serves written notice on the Defaulting Party;
- (E) any representations or warranties made by the Lender or the Borrower being incorrect or untrue in any material respect when made or repeated or deemed to have been made or repeated, and the Non-Defaulting Party serves written notice on the Defaulting Party;
- (F) the Lender or the Borrower admitting to the other that it is unable to, or it intends not to, perform any of its obligations hereunder and/or in respect of any loan hereunder, and the Non-Defaulting Party serves written notice on the Defaulting Party;
- (G) the Lender (if appropriate) or the Borrower being declared in default by the appropriate authority under the Rules or being suspended or expelled from membership of or participation in any securities exchange or association or other self-regulatory organisation, or suspended from dealing in securities by any government agency, and the Non-Defaulting Party serves written notice on the Defaulting Party;
- (H) any of the assets of the Lender or the Borrower or the assets of investors held by or to the order of the Lender or the Borrower being transferred or ordered to be transferred to a trustee by a regulatory authority pursuant to any securities regulating legislation and the Non-Defaulting Party serves written notice on the Defaulting Party, or
- (I) the Lender or the Borrower failing to perform any other of its obligations hereunder and not remedying such failure within 30 days after the Non-Defaulting Party serves written notice requiring it to remedy such failure, and the Non-Defaulting Party serves a further written notice on the Defaulting Party.

Each Party shall notify the other if an Event of Default occurs in relation to it.

### 13. OUTSTANDING PAYMENTS

In the event of either Party failing to remit either directly or by its Nominee sums in accordance with this Agreement such Party hereby undertakes to pay a rate to the other Party upon demand on the net balance due and outstanding of 1% above the Barclays Bank PLC base rate from time to time in force.

14. TRANSACTIONS ENTERED INTO AS AGENT

(A) Subject to the following provisions of this Clause, the Lender may enter into loans as agent (in such capacity, the "Agent") for a third person (a "Principal"), whether as custodian or investment manager or otherwise (a loan so entered into being referred to in this clause as an "Agency Transaction").

(B) A Lender may enter into an Agency Transaction if, but only if:-

- (i) it specifies that loan as an Agency Transaction at the time when it enters into it;
- (ii) it enters into that loan on behalf of a single Principal whose identity is disclosed to the Borrower (whether by name or by reference to a code or identifier which the Parties have agreed will be used to refer to a specified Principal) at the time when it enters into the loan; and
- (iii) it has at the time when the loan is entered into actual authority to enter into the loan and to perform on behalf of that Principal all of that Principal's obligations under the agreement referred to in (D)(ii) below.

(C) The Lender undertakes that, if it enters as agent into an Agency Transaction, forthwith upon becoming aware:-

- (i) of any event which constitutes an Act of Insolvency with respect to the relevant Principal; or
- (ii) of any breach of any of the warranties given in Clause 14(E) below or of any event or circumstance which has the result that any such warranty would be untrue if repeated by reference to the current facts;

it will inform the Borrower of that fact and will, if so required by the Borrower, furnish it with such additional information as it may reasonably request.

(D) (i) Each Agency Transaction shall be a transaction between the relevant Principal and the Borrower and no person other than the relevant Principal and the Borrower shall be a party to or have any rights or obligations under an Agency Transaction. Without limiting the foregoing, the Lender shall not be liable as principal for the performance of an Agency Transaction or for breach of any warranty contained in

Clause 10(D) or 11(E) of this Agreement, but this is without prejudice to any liability of the Lender under any other provision of this Clause.

- (ii) All the provisions of the Agreement shall apply separately as between the Borrower and each Principal for whom the Agent has entered into an Agency transaction or Agency Transactions as if each such Principal were a party to a separate agreement with the Borrower in all respects identical with this Agreement other than this paragraph and as if the Principal were Lender in respect of that agreement.

**PROVIDED THAT**

if there occurs in relation to the Agent an Event of Default or an event which would constitute an Event of Default if the Borrower served written notice under any sub-Clause of Clause 12, the Borrower shall be entitled by giving written notice to the Principal (which notice shall be validly given if given to the Lender in accordance with Clause 20) to declare that by reason of that event an Event of Default is to be treated as occurring in relation to the Principal. If the Borrower gives such a notice then an Event of Default shall be treated as occurring in relation to the Principal at the time when the notice is deemed to be given; and if the Principal is neither incorporated nor has established a place of business in Great Britain, the Principal shall for the purposes of the agreement referred to in (D)(ii) be deemed to have appointed as its agent to receive on its behalf service of process in the courts of England the Agent, or if the Agent is neither incorporated nor has established a place of business in the United Kingdom, the person appointed by the Agent for the purposes of this Agreement, or such other person as the Principal may from time to time specify in a written notice given to the other party.

- (iii) The foregoing provisions of this Clause do not affect the operation of the Agreement as between the Borrower and the Lender in respect of any transactions into which the Lender may enter on its own account as principal.
- (E) The Lender warrants to the Borrower that it will, on every occasion on which it enters or purports to enter into a transaction as an Agency Transaction, have been duly authorised to enter into that loan and perform the obligations arising thereunder on behalf of the person whom it specifies as the Principal in respect of that transaction and to perform on behalf of that person all the obligations of that person under the agreement referred to in (D)(ii).

15. TERMINATION OF COURSE OF DEALINGS BY NOTICE

Each Party shall have the right to bring the course of dealing contemplated under this Agreement to an end by giving not less than 15 Business Days' notice in writing to the other Party (which notice shall specify the date of termination) subject to an obligation to ensure that all loans and which have been entered into but not discharged at the time such notice is given are duly discharged in accordance with this Agreement and with the Rules.

16. GOVERNING PRACTICES

The Borrower shall use its best endeavours to notify the Lender (in writing) of any changes in legislation or practices governing or affecting the Lender's rights or obligations under this Agreement or the treatment of transactions effected pursuant to or contemplated by this Agreement.

17. OBSERVANCE OF PROCEDURES

Each of the Parties hereto agrees that in taking any action that may be required in accordance with this Agreement it shall observe strictly the procedures and timetable applied by the Rules and, further, shall observe strictly any agreement (oral or otherwise) as to the time for delivery or redelivery of any money, Securities, Equivalent Securities, Collateral or Equivalent Collateral entered into pursuant to this Agreement.

18. SEVERANCE

If any provision of this Agreement is declared by any judicial or other competent authority to be void or otherwise unenforceable, that provision shall be severed from the Agreement and the remaining provisions of this Agreement shall remain in full force and effect. The Agreement shall, however, thereafter be amended by the Parties in such reasonable manner so as to achieve, without illegality, the intention of the Parties with respect to that severed provision.

19. SPECIFIC PERFORMANCE

Each Party agrees that in relation to legal proceedings it will not seek specific performance of the other Party's obligation to deliver or redeliver Securities, Equivalent Securities, Collateral or Equivalent Collateral but without prejudice to any other rights it may have.

20. NOTICES

All notices issued under this Agreement shall be in writing (which shall include telex or facsimile messages) and shall be deemed validly delivered if sent by prepaid first class post to or left at the

addresses or sent to the telex or facsimile number of the Parties respectively or such other addresses or telex or facsimile numbers as each Party may notify in writing to the other.

21. ASSIGNMENT

Neither Party may charge assign or transfer all or any of its rights or obligations hereunder without the prior consent of the other Party.

22. NON-WAIVER

No failure or delay by either Party to exercise any right, power or privilege hereunder shall operate as a waiver thereof nor shall any single or partial exercise of any right, power or privilege preclude any other or further exercise thereof or the exercise of any other right, power or privilege as herein provided.

23. ARBITRATION AND JURISDICTION

(A) All claims, disputes and matters of conflict between the Parties arising hereunder shall be referred to or submitted for arbitration in London in accordance with English Law before a sole arbitrator to be agreed between the Parties or in default of agreement by an arbitrator to be nominated by the Chairman of The Stock Exchange on the application of either Party, and this Agreement shall be deemed for this purpose to be a submission to arbitration within the Arbitration Acts 1950 and 1979, or any statutory modification or re-enactment thereof for the time being in force.

(B) This Clause shall take effect notwithstanding the frustration or other termination of this Agreement.

(C) No action shall be brought upon any issue between the Parties under or in connection with this Agreement until the same has been submitted to arbitration pursuant hereto and an award made.

24. TIME

Time shall be of the essence of the Agreement.

25. RECORDING


The Parties agree that each may electronically record all telephonic conversations between them.

26. GOVERNING LAW

This Agreement is governed by, and shall be construed in accordance with, English Law.

IN WITNESS WHEREOF this Agreement has been executed on behalf of the Parties hereto the day and year first before written.

SIGNED BY )  
 )  
ON BEHALF OF )  
 )  
IN THE PRESENCE OF: )

  
Citibank, N.A. **Manuel M. Martinez**  
Vice President

SIGNED BY )  
 )  
ON BEHALF OF )  
 )  
IN THE PRESENCE OF: )

  
**Goldman Sachs International**  
ANDREW T. VEASEY  
EXECUTIVE DIRECTOR

Signature Verified  
WWSS FISS  
Citibank N.A.  
London

  
**REBECCA WALSH**

## SCHEDULE

### COLLATERAL

#### Types

Collateral acceptable under this Agreement may include the following or otherwise, as agreed between the Parties from time to time whether transferable by hand or within a depository:-

A. British Government Stock and other stock registered at the Bank of England which is transferable through the CGO to the Lender or its Nominee against an Assured Payment, hereinbefore referred to as CGO Collateral.

B. (i) British Government Stock and Sterling Issues by foreign governments (transferable through the CGO), in the form of an enfaced transfer deed or a long term collateral certificate or overnight collateral chit issued by the CGO accompanied (in each case) by an executed unenfaced transfer deed;

(ii) Corporation and Commonwealth Stock in the form of registered stock or allotment letters duly renounced;

(iii) UK Government Treasury Bills;

(iv) U.S. Government Treasury Bills;

(v) Bankers' Acceptances;

(vi) Sterling Certificates of Deposit;

(vii) Foreign Currency Certificates of Deposit;

(viii) Local Authority Bonds;

(ix) Local Authority Bills;

(x) Letters of Credit;

(xi) Bonds or Equities in registrable form or allotment letters duly renounced;

(xii) Bonds or Equities in bearer form.

Clause 6(J) (netting of margin where one party both a Borrower and Lender) ~~shall~~/shall not\* apply,

Minimum period after demand for transferring Cash Collateral or Equivalent Collateral: **Same day**

**BASE CURRENCY**

The Base Currency applicable to this Agreement is: **GBP**

**LENDER'S WARRANTIES**

Clause 10(D) ~~shall~~/shall not\* apply.

**BORROWER'S WARRANTIES**

Clause 11(E) shall/~~shall not~~\* apply.

[NB\* Delete as appropriate.]



GMSL 0394 6793

VERSION: MAY 2000



**GLOBAL MASTER SECURITIES LENDING AGREEMENT**

**CLIFFORD CHANCE**

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## **AGREEMENT**

### **BETWEEN:**

**GOLDMAN SACHS INTERNATIONAL ("Party A")**, a company incorporated with unlimited liability under the laws of England and Wales, whose registered office is at Peterborough Court, 133 Fleet Street, London EC4A 2BB acting through a Designated Office; and

**CREDIT SUISSE FIRST BOSTON ("Party B")** a company incorporated under the laws of Switzerland of Uetlibergstrasse 231, CH 8070, Zurich, Switzerland acting through a Designated Office.

### **1. APPLICABILITY**

- 1.1 From time to time the parties may enter into transactions in which one party ("**Lender**") will transfer to the other ("**Borrower**") securities and financial instruments ("**Securities**") against the transfer of Collateral (as defined in paragraph 2) with a simultaneous agreement by Borrower to transfer to Lender Securities equivalent to such Securities on a fixed date or on demand against the transfer to Borrower by Lender of assets equivalent to such Collateral.
- 1.2 Each such transaction shall be referred to in this Agreement as a "**Loan**" and shall be governed by the terms of this Agreement, including the supplemental terms and conditions contained in the Schedule and any Addenda or Annexures attached hereto, unless otherwise agreed in writing.
- 1.3 Either party may perform its obligations under this Agreement either directly or through a Nominee.

### **2. INTERPRETATION**

#### **2.1 In this Agreement:-**

"**Act of Insolvency**" means in relation to either Party

- (i) its making a general assignment for the benefit of, or entering into a reorganisation, arrangement, or composition with creditors; or
- (ii) its stating in writing that it is unable to pay its debts as they become due; or
- (iii) its seeking, consenting to or acquiescing in the appointment of any trustee, administrator, receiver or liquidator or analogous officer of it or any material part of its property; or
- (iv) the presentation or filing of a petition in respect of it (other than by the other Party to this Agreement in respect of any obligation under this Agreement) in any court or before any agency alleging or for the bankruptcy, winding-up or insolvency of such Party (or any analogous proceeding) or seeking any reorganisation,

arrangement, composition, re-adjustment, administration, liquidation, dissolution or similar relief under any present or future statute, law or regulation, such petition not having been stayed or dismissed within 30 days of its filing (except in the case of a petition for winding-up or any analogous proceeding in respect of which no such 30 day period shall apply); or

- (v) the appointment of a receiver, administrator, liquidator or trustee or analogous officer of such Party over all or any material part of such Party's property; or
- (vi) the convening of any meeting of its creditors for the purpose of considering a voluntary arrangement as referred to in Section 3 of the Insolvency Act 1986 (or any analogous proceeding);

**"Alternative Collateral"** means Collateral having a Market Value equal to the Collateral delivered pursuant to paragraph 5 and provided by way of substitution in accordance with the provisions of paragraph 5.3;

**"Base Currency"** means the currency indicated in paragraph 2 of the Schedule;

**"Business Day"** means a day other than a Saturday or a Sunday on which banks and securities markets are open for business generally in each place stated in paragraph 3 of the Schedule and, in relation to the delivery or redelivery of any of the following in relation to any Loan, in the place(s) where the relevant Securities, Equivalent Securities, Collateral or Equivalent Collateral are to be delivered;

**"Cash Collateral"** means Collateral that takes the form of a transfer of currency;

**"Close of Business"** means the time at which the relevant banks, securities exchanges or depositaries close in the business centre in which payment is to be made or Securities or Collateral is to be delivered;

**"Collateral"** means such securities or financial instruments or transfers of currency as are referred to in the table set out under paragraph 1 of the Schedule as being acceptable or any combination thereof as agreed between the Parties in relation to any particular Loan and which are delivered by Borrower to Lender in accordance with this Agreement and shall include Alternative Collateral;

**"Defaulting Party"** shall have the meaning given in paragraph 14;

**"Designated Office"** means the branch or office of a Party which is specified as such in paragraph 4 of the Schedule or such other branch or office as may be agreed to in writing by the Parties;

**"Equivalent "** or **"equivalent to"** in relation to any Securities or Collateral provided under this Agreement means securities, together with cash or other property (in the case of Collateral) as the case may be, of an identical type, nominal value, description and amount to particular Securities or Collateral, as the case may be, so provided. If and to the extent that such Securities or Collateral, as the case may be, consists of securities that are partly paid or have been converted, subdivided, consolidated, made the subject of a takeover, rights of pre-emption, rights to receive securities or a certificate which may at a

future date be exchanged for securities, the expression shall include such securities or other assets to which Lender or Borrower as the case may be, is entitled following the occurrence of the relevant event, and, if appropriate, the giving of the relevant notice in accordance with paragraph 6.4 and provided that Lender or Borrower, as the case may be, has paid to the other Party all and any sums due in respect thereof. In the event that such Securities or Collateral, as the case may be, have been redeemed, are partly paid, are the subject of a capitalisation issue or are subject to an event similar to any of the foregoing events described in this paragraph, the expression shall have the following meanings:-

- (a) in the case of redemption, a sum of money equivalent to the proceeds of the redemption;
- (b) in the case of a call on partly paid securities, securities equivalent to the relevant Loaned Securities or Collateral, as the case may be, provided that Lender shall have paid Borrower, in respect of Loaned Securities, and Borrower shall have paid to Lender, in respect of Collateral, an amount of money equal to the sum due in respect of the call;
- (c) in the case of a capitalisation issue, securities equivalent to the relevant Loaned Securities or Collateral, as the case may be, together with the securities allotted by way of bonus thereon;
- (d) in the case of any event similar to any of the foregoing events described in this paragraph, securities equivalent to the Loaned Securities or the relevant Collateral, as the case may be, together with or replaced by a sum of money or securities or other property equivalent to that received in respect of such Loaned Securities or Collateral, as the case may be, resulting from such event;

**"Income"** means any interest, dividends or other distributions of any kind whatsoever with respect to any Securities or Collateral;

**"Income Payment Date"**, with respect to any Securities or Collateral means the date on which Income is paid in respect of such Securities or Collateral, or, in the case of registered Securities or Collateral, the date by reference to which particular registered holders are identified as being entitled to payment of Income;

**"Letter of Credit"** means an irrevocable, non-negotiable letter of credit in a form, and from a bank, acceptable to Lender;

**"Loaned Securities"** means Securities which are the subject of an outstanding Loan;

**"Margin"** shall have the meaning specified in paragraph 1 of the Schedule with reference to the table set out therein;

**"Market Value"** means:

- (a) in relation to the valuation of Securities, Equivalent Securities, Collateral or Equivalent Collateral (other than Cash Collateral or a Letter of Credit):

- (i) such price as is equal to the market quotation for the bid price of such Securities, Equivalent Securities, Collateral and/or Equivalent Collateral as derived from a reputable pricing information service reasonably chosen in good faith by Lender; or
- (ii) if unavailable the market value thereof as derived from the prices or rates bid by a reputable dealer for the relevant instrument reasonably chosen in good faith by Lender,

in each case at Close of Business on the previous Business Day or, at the option of either Party where in its reasonable opinion there has been an exceptional movement in the price of the asset in question since such time, the latest available price; plus (in each case)

- (iii) the aggregate amount of Income which has accrued but not yet been paid in respect of the Securities, Equivalent Securities, Collateral or Equivalent Collateral concerned to the extent not included in such price,

(provided that the price of Securities, Equivalent Securities, Collateral or Equivalent Collateral that are suspended shall (for the purposes of paragraph 5) be nil unless the Parties otherwise agree and (for all other purposes) shall be the price of such Securities, Equivalent Securities, Collateral or Equivalent Collateral, as the case may be, as of Close of Business on the dealing day in the relevant market last preceding the date of suspension or a commercially reasonable price agreed between the Parties;

- (b) in relation to a Letter of Credit the face or stated amount of such Letter of Credit; and
- (c) in relation to Cash Collateral the amount of the currency concerned;

"**Nominee**" means an agent or a nominee appointed by either Party to accept delivery of, hold or deliver Securities, Equivalent Securities, Collateral and/or Equivalent Collateral or to receive or make payments on its behalf;

"**Non-Defaulting Party**" shall have the meaning given in paragraph 14;

"**Parties**" means Lender and Borrower and "Party" shall be construed accordingly;

"**Posted Collateral**" has the meaning given in paragraph 5.4;

"**Required Collateral Value**" shall have the meaning given in paragraph 5.4;

"**Settlement Date**" means the date upon which Securities are transferred to Borrower in accordance with this Agreement.

## 2.2 **Headings**

All headings appear for convenience only and shall not affect the interpretation of this Agreement.

## 2.3 **Market terminology**

Notwithstanding the use of expressions such as "borrow", "lend", "Collateral", "Margin", "redeliver" etc. which are used to reflect terminology used in the market for transactions of the kind provided for in this Agreement, title to Securities "borrowed" or "lent" and "Collateral" provided in accordance with this Agreement shall pass from one Party to another as provided for in this Agreement, the Party obtaining such title being obliged to redeliver Equivalent Securities or Equivalent Collateral as the case may be.

#### 2.4 **Currency conversions**

For the purposes of determining any prices, sums or values (including Market Value, Required Collateral Value, Relevant Value, Bid Value and Offer Value for the purposes of paragraphs 5 and 10 of this Agreement) prices, sums or values stated in currencies other than the Base Currency shall be converted into the Base Currency at the latest available spot rate of exchange quoted by a bank selected by Lender (or if an Event of Default has occurred in relation to Lender, by Borrower) in the London interbank market for the purchase of the Base Currency with the currency concerned on the day on which the calculation is to be made or, if that day is not a Business Day the spot rate of exchange quoted at Close of Business on the immediately preceding Business Day.

- 2.5 The parties confirm that introduction of and/or substitution (in place of an existing currency) of a new currency as the lawful currency of a country shall not have the effect of altering, or discharging, or excusing performance under, any term of the Agreement or any Loan thereunder, nor give a party the right unilaterally to alter or terminate the Agreement or any Loan thereunder. Securities will for the purposes of this Agreement be regarded as equivalent to other securities notwithstanding that as a result of such introduction and/or substitution those securities have been redenominated into the new currency or the nominal value of the securities has changed in connection with such redenomination.

#### 2.6 **Modifications etc to legislation**

Any reference in this Agreement to an act, regulation or other legislation shall include a reference to any statutory modification or re-enactment thereof for the time being in force.

### 3. **LOANS OF SECURITIES**

Lender will lend Securities to Borrower, and Borrower will borrow Securities from Lender in accordance with the terms and conditions of this Agreement. The terms of each Loan shall be agreed prior to the commencement of the relevant Loan either orally or in writing (including any agreed form of electronic communication) and confirmed in such form and on such basis as shall be agreed between the Parties. Any confirmation produced by a Party shall not supersede or prevail over the prior oral, written or electronic communication (as the case may be).

### 4. **DELIVERY**

#### 4.1 **Delivery of Securities on commencement of Loan**

Lender shall procure the delivery of Securities to Borrower or deliver such Securities in accordance with this Agreement and the terms of the relevant Loan. Such Securities shall be deemed to have been delivered by Lender to Borrower on delivery to Borrower or as it shall direct of the relevant instruments of transfer, or in the case of Securities held by an agent or within a clearing or settlement system on the effective instructions to such agent or the operator of such system which result in such Securities being held by the operator of the clearing system for the account of the Borrower or as it shall direct, or by such other means as may be agreed.

#### **4.2 Requirements to effect delivery**

The Parties shall execute and deliver all necessary documents and give all necessary instructions to procure that all right, title and interest in:

- (a) any Securities borrowed pursuant to paragraph 3;
- (b) any Equivalent Securities redelivered pursuant to paragraph 3;
- (c) any Collateral delivered pursuant to paragraph 5;
- (d) any Equivalent Collateral redelivered pursuant to paragraphs 5 or 8;

shall pass from one Party to the other subject to the terms and conditions set out in this Agreement, on delivery or redelivery of the same in accordance with this Agreement with full title guarantee, free from all liens, charges and encumbrances. In the case of Securities, Collateral, Equivalent Securities or Equivalent Collateral title to which is registered in a computer based system which provides for the recording and transfer of title to the same by way of book entries, delivery and transfer of title shall take place in accordance with the rules and procedures of such system as in force from time to time. The Party acquiring such right, title and interest shall have no obligation to return or redeliver any of the assets so acquired but, in so far as any Securities are borrowed or any Collateral is delivered to such Party, such Party shall be obliged, subject to the terms of this Agreement, to redeliver Equivalent Securities or Equivalent Collateral as appropriate.

#### **4.3 Deliveries to be simultaneous unless otherwise agreed**

Where under the terms of this Agreement a Party is not obliged to make a delivery unless simultaneously a delivery is made to it, subject to and without prejudice to its rights under paragraph 8.6 such Party may from time to time in accordance with market practice and in recognition of the practical difficulties in arranging simultaneous delivery of Securities, Collateral and cash transfers waive its right under this Agreement in respect of simultaneous delivery and/or payment provided that no such waiver (whether by course of conduct or otherwise) in respect of one transaction shall bind it in respect of any other transaction.

#### **4.4 Deliveries of Income**

In respect of Income being paid in relation to any Loaned Securities or Collateral, Borrower in the case of Income being paid in respect of Loaned Securities and Lender in



the case of Income being paid in respect of Collateral shall provide to the other Party, as the case may be, any endorsements or assignments as shall be customary and appropriate to effect the delivery of money or property equivalent to the type and amount of such Income to Lender, irrespective of whether Borrower received the same in respect of any Loaned Securities or to Borrower, irrespective of whether Lender received the same in respect of any Collateral.

## **5. COLLATERAL**

### **5.1 Delivery of Collateral on commencement of Loan**

Subject to the other provisions of this paragraph 5, Borrower undertakes to deliver to or deposit with Lender (or in accordance with Lender's instructions) Collateral simultaneously with delivery of the Securities to which the Loan relates and in any event no later than Close of Business on the Settlement Date. In respect of Collateral comprising securities, such Collateral shall be deemed to have been delivered by Borrower to Lender on delivery to Lender or as it shall direct of the relevant instruments of transfer, or in the case of such securities being held by an agent or within a clearing or settlement system, on the effective instructions to such agent or the operator of such system, which result in such securities being held by the operator of the clearing system for the account of the Lender or as it shall direct, or by such other means as may be agreed.

### **5.2 Deliveries through payment systems generating automatic payments**

Unless otherwise agreed between the Parties, where any Securities, Equivalent Securities, Collateral or Equivalent Collateral (in the form of securities) are transferred through a book entry transfer or settlement system which automatically generates a payment or delivery, or obligation to pay or deliver, against the transfer of such securities, then:-

- (i) such automatically generated payment, delivery or obligation shall be treated as a payment or delivery by the transferee to the transferor, and except to the extent that it is applied to discharge an obligation of the transferee to effect payment or delivery, such payment or delivery, or obligation to pay or deliver, shall be deemed to be a transfer of Collateral or redelivery of Equivalent Collateral, as the case may be, made by the transferee until such time as the Collateral or Equivalent Collateral is substituted with other Collateral or Equivalent Collateral if an obligation to deliver other Collateral or redeliver Equivalent Collateral existed immediately prior to the transfer of Securities, Equivalent Securities, Collateral or Equivalent Collateral; and
- (ii) the party receiving such substituted Collateral or Equivalent Collateral, or if no obligation to deliver other Collateral or redeliver Equivalent Collateral existed immediately prior to the transfer of Securities, Equivalent Securities, Collateral or Equivalent Collateral, the party receiving the deemed transfer of Collateral or redelivery of Equivalent Collateral, as the case may be, shall cause to be made to the other party for value the same day either, where such transfer is a payment, an irrevocable payment in the amount of such transfer or, where such transfer is a

delivery, an irrevocable delivery of securities (or other property, as the case may be) equivalent to such property.

### 5.3 **Substitutions of Collateral**

Borrower may from time to time call for the repayment of Cash Collateral or the redelivery of Collateral equivalent to any Collateral delivered to Lender prior to the date on which the same would otherwise have been repayable or redeliverable provided that at the time of such repayment or redelivery Borrower shall have delivered or delivers Alternative Collateral acceptable to Lender and Borrower is in compliance with paragraph 5.4 or paragraph 5.5, as applicable.

### 5.4 **Marking to Market of Collateral during the currency of a Loan on aggregated basis**

Unless paragraph 1.3 of the Schedule indicates that paragraph 5.5 shall apply in lieu of this paragraph 5.4, or unless otherwise agreed between the Parties:-

- (i) the aggregate Market Value of the Collateral delivered to or deposited with Lender (excluding any Equivalent Collateral repaid or redelivered under Paragraphs 5.4(ii) or 5.5(ii) (as the case may be)) ("**Posted Collateral**") in respect of all Loans outstanding under this Agreement shall equal the aggregate of the Market Value of the Loaned Securities and the applicable Margin (the "**Required Collateral Value**") in respect of such Loans;
- (ii) if at any time on any Business Day the aggregate Market Value of the Posted Collateral in respect of all Loans outstanding under this Agreement exceeds the aggregate of the Required Collateral Values in respect of such Loans, Lender shall (on demand) repay and/or redeliver, as the case may be, to Borrower such Equivalent Collateral as will eliminate the excess;
- (iii) if at any time on any Business Day the aggregate Market Value of the Posted Collateral in respect of all Loans outstanding under this Agreement falls below the aggregate of Required Collateral Values in respect of all such Loans, Borrower shall (on demand) provide such further Collateral to Lender as will eliminate the deficiency.

### 5.5 **Marking to Market of Collateral during the currency of a Loan on a Loan by Loan basis**

If paragraph 1.3 of the Schedule indicates this paragraph 5.5 shall apply in lieu of paragraph 5.4, the Posted Collateral in respect of any Loan shall bear from day to day and at any time the same proportion to the Market Value of the Loaned Securities as the Posted Collateral bore at the commencement of such Loan. Accordingly:

- (i) the Market Value of the Posted Collateral to be delivered or deposited while the Loan continues shall be equal to the Required Collateral Value;
- (ii) if at any time on any Business Day the Market Value of the Posted Collateral in respect of any Loan exceeds the Required Collateral Value in respect of such Loan,

Lender shall (on demand) repay and/or redeliver, as the case may be, to Borrower such Equivalent Collateral as will eliminate the excess; and

- (iii) if at any time on any Business Day the Market Value of the Posted Collateral falls below the Required Collateral Value, Borrower shall (on demand) provide such further Collateral to Lender as will eliminate the deficiency.

#### **5.6 Requirements to redeliver excess Collateral**

Where paragraph 5.4 applies, unless paragraph 1.4 of the Schedule indicates that this paragraph 5.6 does not apply, if a Party (the "**first Party**") would, but for this paragraph 5.6, be required under paragraph 5.4 to provide further Collateral or redeliver Equivalent Collateral in circumstances where the other Party (the "**second Party**") would, but for this paragraph 5.6, also be required to provide Collateral or redeliver Equivalent Collateral under paragraph 5.4, then the Market Value of the Collateral or Equivalent Collateral deliverable by the first Party ("X") shall be set-off against the Market Value of the Collateral or Equivalent Collateral deliverable by the second Party ("Y") and the only obligation of the Parties under paragraph 5.4 shall be, where X exceeds Y, an obligation of the first Party, or where Y exceeds X, an obligation of the second Party to repay and/or (as the case may be) redeliver Equivalent Collateral or to deliver further Collateral having a Market Value equal to the difference between X and Y.

- 5.7 Where Equivalent Collateral is repaid or redelivered (as the case may be) or further Collateral is provided by a Party under paragraph 5.6, the Parties shall agree to which Loan or Loans such repayment, redelivery or further provision is to be attributed and failing agreement it shall be attributed, as determined by the Party making such repayment, redelivery or further provision to the earliest outstanding Loan and, in the case of a repayment or redelivery up to the point at which the Market Value of Collateral in respect of such Loan equals the Required Collateral Value in respect of such Loan, and then to the next earliest outstanding Loan up to the similar point and so on.

#### **5.8 Timing of repayments of excess Collateral or deliveries of further Collateral**

Where any Equivalent Collateral falls to be repaid or redelivered (as the case may be) or further Collateral is to be provided under this paragraph 5, unless otherwise agreed between the Parties, it shall be delivered on the same Business Day as the relevant demand. Equivalent Collateral comprising securities shall be deemed to have been delivered by Lender to Borrower on delivery to Borrower or as it shall direct of the relevant instruments of transfer, or in the case of such securities being held by an agent or within a clearing or settlement system on the effective instructions to such agent or the operator of such system which result in such securities being held by the operator of the clearing system for the account of the Borrower or as it shall direct or by such other means as may be agreed.

#### **5.9 Substitutions and extensions of Letters of Credit**

Where Collateral is a Letter of Credit, Lender may by notice to Borrower require that Borrower, on the Business Day following the date of delivery of such notice, substitute

Collateral consisting of cash or other Collateral acceptable to Lender for the Letter of Credit. Prior to the expiration of any Letter of Credit supporting Borrower's obligations hereunder, Borrower shall, no later than 10.30a.m. UK time on the second Business Day prior to the date such Letter of Credit expires, obtain an extension of the expiration of such Letter of Credit or replace such Letter of Credit by providing Lender with a substitute Letter of Credit in an amount at least equal to the amount of the Letter of Credit for which it is substituted.

## **6. DISTRIBUTIONS AND CORPORATE ACTIONS**

### **6.1 Manufactured Payments**

Where Income is paid in relation to any Loaned Securities or Collateral (other than Cash Collateral) on or by reference to an Income Payment Date Borrower, in the case of Loaned Securities, and Lender, in the case of Collateral, shall, on the date of the payment of such Income, or on such other date as the Parties may from time to time agree, (the "**Relevant Payment Date**") pay and deliver a sum of money or property equivalent to the type and amount of such Income that, in the case of Loaned Securities, Lender would have been entitled to receive had such Securities not been loaned to Borrower and had been retained by Lender on the Income Payment Date, and, in the case of Collateral, Borrower would have been entitled to receive had such Collateral not been provided to Lender and had been retained by Borrower on the Income Payment Date unless a different sum is agreed between the Parties.

### **6.2 Income in the form of Securities**

Where Income, in the form of securities, is paid in relation to any Loaned Securities or Collateral, such securities shall be added to such Loaned Securities or Collateral (and shall constitute Loaned Securities or Collateral, as the case may be, and be part of the relevant Loan) and will not be delivered to Lender, in the case of Loaned Securities, or to Borrower, in the case of Collateral, until the end of the relevant Loan, provided that the Lender or Borrower (as the case may be) fulfils their obligations under paragraph 5.4 or 5.5 (as applicable) with respect to the additional Loaned Securities or Collateral, as the case may be.

### **6.3 Exercise of voting rights**

Where any voting rights fall to be exercised in relation to any Loaned Securities or Collateral, neither Borrower, in the case of Equivalent Securities, nor Lender, in the case of Equivalent Collateral, shall have any obligation to arrange for voting rights of that kind to be exercised in accordance with the instructions of the other Party in relation to the Securities borrowed by it or transferred to it by way of Collateral, as the case may be, unless otherwise agreed between the Parties.

### **6.4 Corporate actions**

Where, in respect of any Loaned Securities or any Collateral, any rights relating to conversion, sub-division, consolidation, pre-emption, rights arising under a takeover offer, rights to receive securities or a certificate which may at a future date be exchanged for securities or other rights, including those requiring election by the holder for the time

being of such Securities or Collateral, become exercisable prior to the redelivery of Equivalent Securities or Equivalent Collateral, then Lender or Borrower, as the case may be, may, within a reasonable time before the latest time for the exercise of the right or option give written notice to the other Party that on redelivery of Equivalent Securities or Equivalent Collateral, as the case may be, it wishes to receive Equivalent Securities or Equivalent Collateral in such form as will arise if the right is exercised or, in the case of a right which may be exercised in more than one manner, is exercised as is specified in such written notice.

## **7. RATES APPLICABLE TO LOANED SECURITIES AND CASH COLLATERAL**

### **7.1 Rates in respect of Loaned Securities**

In respect of each Loan, Borrower shall pay to Lender, in the manner prescribed in subparagraph 7.3, sums calculated by applying such rate as shall be agreed between the Parties from time to time to the daily Market Value of the Loaned Securities.

### **7.2 Rates in respect of Cash Collateral**

Where Cash Collateral is deposited with Lender in respect of any Loan, Lender shall pay to Borrower, in the manner prescribed in paragraph 7.3, sums calculated by applying such rates as shall be agreed between the Parties from time to time to the amount of such Cash Collateral. Any such payment due to Borrower may be set-off against any payment due to Lender pursuant to paragraph 7.1.

### **7.3 Payment of rates**

In respect of each Loan, the payments referred to in paragraph 7.1 and 7.2 shall accrue daily in respect of the period commencing on and inclusive of the Settlement Date and terminating on and exclusive of the Business Day upon which Equivalent Securities are redelivered or Cash Collateral is repaid. Unless otherwise agreed, the sums so accruing in respect of each calendar month shall be paid in arrear by the relevant Party not later than the Business Day which is one week after the last Business Day of the calendar month to which such payments relate or such other date as the Parties shall from time to time agree.

## **8. REDELIVERY OF EQUIVALENT SECURITIES**

### **8.1 Delivery of Equivalent Securities on termination of a Loan**

Borrower shall procure the redelivery of Equivalent Securities to Lender or redeliver Equivalent Securities in accordance with this Agreement and the terms of the relevant Loan on termination of the Loan. Such Equivalent Securities shall be deemed to have been delivered by Borrower to Lender on delivery to Lender or as it shall direct of the relevant instruments of transfer, or in the case of Equivalent Securities held by an agent or within a clearing or settlement system on the effective instructions to such agent or the operator of such system which result in such Equivalent Securities being held by the operator of the clearing system for the account of the Lender or as it shall direct, or by such other means as may be agreed. For the avoidance of doubt any reference in this Agreement or in any other agreement or communication between the Parties (howsoever

expressed) to an obligation to redeliver or account for or act in relation to Loaned Securities shall accordingly be construed as a reference to an obligation to redeliver or account for or act in relation to Equivalent Securities.

**8.2 Lender's right to terminate a Loan**

Subject to paragraph 10 and the terms of the relevant Loan, Lender shall be entitled to terminate a Loan and to call for the redelivery of all or any Equivalent Securities at any time by giving notice on any Business Day of not less than the standard settlement time for such Equivalent Securities on the exchange or in the clearing organisation through which the Loaned Securities were originally delivered. Borrower shall redeliver such Equivalent Securities not later than the expiry of such notice in accordance with Lender's instructions.

**8.3 Borrower's right to terminate a Loan**

Subject to the terms of the relevant Loan, Borrower shall be entitled at any time to terminate a Loan and to redeliver all and any Equivalent Securities due and outstanding to Lender in accordance with Lender's instructions and Lender shall accept such redelivery.

**8.4 Redelivery of Equivalent Collateral on termination of a Loan**

On the date and time that Equivalent Securities are required to be redelivered by Borrower on the termination of a Loan, Lender shall simultaneously (subject to paragraph 5.4 if applicable) repay to Borrower any Cash Collateral or, as the case may be, redeliver Collateral equivalent to the Collateral provided by Borrower pursuant to paragraph 5 in respect of such Loan. For the avoidance of doubt any reference in this Agreement or in any other agreement or communication between the Parties (however expressed) to an obligation to redeliver or account for or act in relation to Collateral shall accordingly be construed as a reference to an obligation to redeliver or account for or act in relation to Equivalent Collateral.

**8.5 Redelivery of Letters of Credit**

Where a Letter of Credit is provided by way of Collateral, the obligation to redeliver Equivalent Collateral is satisfied by Lender redelivering for cancellation the Letter of Credit so provided, or where the Letter of Credit is provided in respect of more than one Loan, by Lender consenting to a reduction in the value of the Letter of Credit.

**8.6 Redelivery obligations to be reciprocal**

Neither Party shall be obliged to make delivery (or make a payment as the case may be) to the other unless it is satisfied that the other Party will make such delivery (or make an appropriate payment as the case may be) to it. If it is not so satisfied (whether because an Event of Default has occurred in respect of the other Party or otherwise) it shall notify the other party and unless that other Party has made arrangements which are sufficient to assure full delivery (or the appropriate payment as the case may be) to the notifying Party, the notifying Party shall (provided it is itself in a position, and willing, to perform

its own obligations) be entitled to withhold delivery (or payment, as the case may be) to the other Party.

## **9. FAILURE TO REDELIVER**

### **9.1 Borrower's failure to redeliver Equivalent Securities**

- (i) If Borrower does not redeliver Equivalent Securities in accordance with paragraph 8.1 or 8.2, Lender may elect to continue the Loan (which Loan, for the avoidance of doubt, shall continue to be taken into account for the purposes of paragraph 5.4 or 5.5 as applicable) provided that if Lender does not elect to continue the Loan, Lender may either by written notice to Borrower terminate the Loan forthwith and the Parties' delivery and payment obligations in respect thereof (in which case sub-paragraph (ii) below shall apply) or serve a notice of an Event of Default in accordance with paragraph 14.
- (ii) Upon service of a notice to terminate the relevant Loan pursuant to paragraph 9.1(i):-
  - (a) there shall be set-off against the Market Value of the Equivalent Securities concerned such amount of Posted Collateral chosen by Lender (calculated at its Market Value) as is equal thereto;
  - (b) the Parties' delivery and payment obligations in relation to such assets which are set-off shall terminate;
  - (c) in the event that the Market Value of the Posted Collateral set-off is less than the Market Value of the Equivalent Securities concerned Borrower shall account to Lender for the shortfall; and
  - (d) Borrower shall account to Lender for the total costs and expenses incurred by Lender as a result thereof as set out in paragraphs 9.3 and 9.4 from the time the notice is effective.

### **9.2 Lender's failure to Redeliver Equivalent Collateral**

- (i) If Lender does not redeliver Equivalent Collateral in accordance with paragraph 8.4 or 8.5, Borrower may either by written notice to Lender terminate the Loan forthwith and the Parties' delivery and payment obligations in respect thereof (in which case sub-paragraph (ii) below shall apply) or serve a notice of an Event of Default in accordance with paragraph 14.
- (ii) Upon service of a notice to terminate the relevant Loan pursuant to paragraph 9.2(i):-
  - (a) there shall be set-off against the Market Value of the Equivalent Collateral concerned the Market Value of the Loaned Securities;
  - (b) the Parties' delivery and payment obligations in relation to such assets which are set-off shall terminate;

- (c) in the event that the Market Value of the Loaned Securities held by Borrower is less than the Market Value of the Equivalent Collateral concerned Lender shall account to Borrower for the shortfall; and
- (d) Lender shall account to Borrower for the total costs and expenses incurred by Borrower as a result thereof as set out in paragraphs 9.3 and 9.4 from the time the notice is effective.

### 9.3 Failure by either Party to redeliver

This provision applies in the event that a Party (the "Transferor") fails to meet a redelivery obligation within the standard settlement time for the asset concerned on the exchange or in the clearing organisation through which the asset equivalent to the asset concerned was originally delivered or within such other period as may be agreed between the Parties. In such situation, in addition to the Parties' rights under the general law and this Agreement where the other Party (the "Transferee") incurs interest, overdraft or similar costs and expenses the Transferor agrees to pay on demand and hold harmless the Transferee with respect to all such costs and expenses which arise directly from such failure excluding (i) such costs and expenses which arise from the negligence or wilful default of the Transferee and (ii) any indirect or consequential losses. It is agreed by the Parties that any costs reasonably and properly incurred by a Party arising in respect of the failure of a Party to meet its obligations under a transaction to sell or deliver securities resulting from the failure of the Transferor to fulfil its redelivery obligations is to be treated as a direct cost or expense for the purposes of this paragraph.

### 9.4 Exercise of buy-in on failure to redeliver

In the event that as a result of the failure of the Transferor to fulfil its redelivery obligations a "buy-in" is exercised against the Transferee, then the Transferor shall account to the Transferee for the total costs and expenses reasonably incurred by the Transferee as a result of such "buy-in".

## 10. SET-OFF ETC

### 10.1 Definitions for paragraph 10

In this paragraph 10:

"**Bid Price**" in relation to Equivalent Securities or Equivalent Collateral means the best available bid price on the most appropriate market in a standard size;

"**Bid Value**" subject to paragraph 10.5 means:-

- (a) in relation to Collateral equivalent to Collateral in the form of a Letter of Credit zero and in relation to Cash Collateral the amount of the currency concerned; and
- (b) in relation to Equivalent Securities or Collateral equivalent to all other types of Collateral the amount which would be received on a sale of such Equivalent Securities or Equivalent Collateral at the Bid Price at Close of Business on the relevant Business Day less all costs, fees and expenses that would be incurred in



connection therewith, calculated on the assumption that the aggregate thereof is the least that could reasonably be expected to be paid in order to carry out such sale or realisation and adding thereto the amount of any interest, dividends, distributions or other amounts, in the case of Equivalent Securities, paid to Borrower and in respect of which equivalent amounts have not been paid to Lender and in the case of Equivalent Collateral, paid to Lender and in respect of which equivalent amounts have not been paid to Borrower in accordance with paragraph 6.1 prior to such time in respect of such Equivalent Securities, Equivalent Collateral or the original Securities or Collateral held, gross of all and any tax deducted or paid in respect thereof;

"**Offer Price**" in relation to Equivalent Securities or Equivalent Collateral means the best available offer price on the most appropriate market in a standard size;

"**Offer Value**" subject to paragraph 10.5 means:-

- (a) in relation to Collateral equivalent to Collateral in the form of a Letter of Credit zero and in relation to Cash Collateral the amount of the currency concerned; and
- (b) in relation to Equivalent Securities or Collateral equivalent to all other types of Collateral the amount it would cost to buy such Equivalent Securities or Equivalent Collateral at the Offer Price at Close of Business on the relevant Business Day together with all costs, fees and expenses that would be incurred in connection therewith, calculated on the assumption that the aggregate thereof is the least that could reasonably be expected to be paid in order to carry out the transaction and adding thereto the amount of any interest, dividends, distributions or other amounts, in the case of Equivalent Securities, paid to Borrower and in respect of which equivalent amounts have not been paid to Lender and in the case of Equivalent Collateral, paid to Lender and in respect of which equivalent amounts have not been paid to Borrower in accordance with paragraph 6.1 prior to such time in respect of such Equivalent Securities, Equivalent Collateral or the original Securities or Collateral held, gross of all and any tax deducted or paid in respect thereof;

## 10.2 **Termination of delivery obligations upon Event of Default**

Subject to paragraph 9, if an Event of Default occurs in relation to either Party, the Parties' delivery and payment obligations (and any other obligations they have under this Agreement) shall be accelerated so as to require performance thereof at the time such Event of Default occurs (the date of which shall be the "**Termination Date**" for the purposes of this clause) so that performance of such delivery and payment obligations shall be effected only in accordance with the following provisions:

- (i) the Relevant Value of the securities which would have been required to be delivered but for such termination (or payment to be made, as the case may be) by each Party shall be established in accordance with paragraph 10.3; and

- (ii) on the basis of the Relevant Values so established, an account shall be taken (as at the Termination Date) of what is due from each Party to the other and (on the basis that each Party's claim against the other in respect of delivery of Equivalent Securities or Equivalent Collateral or any cash payment equals the Relevant Value thereof) the sums due from one Party shall be set-off against the sums due from the other and only the balance of the account shall be payable (by the Party having the claim valued at the lower amount pursuant to the foregoing) and such balance shall be payable on the Termination Date.

If the Bid Value is greater than the Offer Value, and the Non-Defaulting Party had delivered to the Defaulting Party a Letter of Credit, the Defaulting Party shall draw on the Letter of Credit to the extent of the balance due and shall subsequently redeliver for cancellation the Letter of Credit so provided.

If the Offer Value is greater than the Bid Value, and the Defaulting Party had delivered to the Non-Defaulting Party a Letter of Credit, the Non-Defaulting Party shall draw on the Letter of Credit to the extent of the balance due and shall subsequently redeliver for cancellation the Letter of Credit so provided.

In all other circumstances, where a Letter of Credit has been provided to a Party, such Party shall redeliver for cancellation the Letter of Credit so provided.

### 10.3 **Determination of delivery values upon Event of Default**

For the purposes of paragraph 10.2 the "**Relevant Value**":-

- (i) of any securities to be delivered by the Defaulting Party shall, subject to paragraph 10.5 below, equal the Offer Value of such securities; and
- (ii) of any securities to be delivered to the Defaulting Party shall, subject to paragraph 10.5 below, equal the Bid Value of such securities.

10.4 For the purposes of paragraph 10.3, but subject to paragraph 10.5, the Bid Value and Offer Value of any securities shall be calculated for securities of the relevant description (as determined by the Non-Defaulting Party) as of the first Business Day following the Termination Date, or if the relevant Event of Default occurs outside the normal business hours of such market, on the second Business Day following the Termination Date (the "**Default Valuation Time**");

10.5 Where the Non-Defaulting Party has following the occurrence of an Event of Default but prior to the close of business on the fifth Business Day following the Termination Date purchased securities forming part of the same issue and being of an identical type and description to those to be delivered by the Defaulting Party or sold securities forming part of the same issue and being of an identical type and description to those to be delivered by him to the Defaulting Party, the cost of such purchase or the proceeds of such sale, as the case may be, (taking into account all reasonable costs, fees and expenses that would be incurred in connection therewith) shall (together with any amounts owing pursuant to paragraph 6.1) be treated as the Offer Value or Bid Value, as the case may be, of the amount of securities to be delivered which is equivalent to the amount of the securities so bought or sold, as the case may be, for the purposes of this paragraph 10, so

that where the amount of securities to be delivered is more than the amount so bought or sold as the case may be, the Offer Value or Bid Value as the case may be, of the balance shall be valued in accordance with paragraph 10.4.

10.6 Any reference in this paragraph 10 to securities shall include any asset other than cash provided by way of Collateral.

**10.7 Other costs, expenses and interest payable in consequence of an Event of Default**

The Defaulting Party shall be liable to the Non-Defaulting Party for the amount of all reasonable legal and other professional expenses incurred by the Non-Defaulting Party in connection with or as a consequence of an Event of Default, together with interest thereon at the one-month London Inter Bank Offered Rate as quoted on a reputable financial information service ("**LIBOR**") as of 11.00 am, London Time, on the date on which it is to be determined or, in the case of an expense attributable to a particular transaction and where the parties have previously agreed a rate of interest for the transaction, that rate of interest if it is greater than LIBOR. The rate of LIBOR applicable to each month or part thereof that any sum payable pursuant to this paragraph 10.7 remains outstanding is the rate of LIBOR determined on the first Business Day of any such period of one month or any part thereof. Interest will accrue daily on a compound basis and will be calculated according to the actual number of days elapsed.

**11. TRANSFER TAXES**

Borrower hereby undertakes promptly to pay and account for any transfer or similar duties or taxes chargeable in connection with any transaction effected pursuant to or contemplated by this Agreement, and shall indemnify and keep indemnified Lender against any liability arising as a result of Borrower's failure to do so.

**12. LENDER'S WARRANTIES**

Each Party hereby warrants and undertakes to the other on a continuing basis to the intent that such warranties shall survive the completion of any transaction contemplated herein that, where acting as a Lender:

- (a) it is duly authorised and empowered to perform its duties and obligations under this Agreement;
- (b) it is not restricted under the terms of its constitution or in any other manner from lending Securities in accordance with this Agreement or from otherwise performing its obligations hereunder;
- (c) it is absolutely entitled to pass full legal and beneficial ownership of all Securities provided by it hereunder to Borrower free from all liens, charges and encumbrances; and
- (d) it is acting as principal in respect of this Agreement or, subject to paragraph 16, as agent and the conditions referred to in paragraph 16.2 will be fulfilled in respect of any Loan which it makes as agent.

### 13. BORROWER'S WARRANTIES

Each Party hereby warrants and undertakes to the other on a continuing basis to the intent that such warranties shall survive the completion of any transaction contemplated herein that, where acting as a Borrower:

- (a) it has all necessary licenses and approvals, and is duly authorised and empowered, to perform its duties and obligations under this Agreement and will do nothing prejudicial to the continuation of such authorisation, licences or approvals;
- (b) it is not restricted under the terms of its constitution or in any other manner from borrowing Securities in accordance with this Agreement or from otherwise performing its obligations hereunder;
- (c) it is absolutely entitled to pass full legal and beneficial ownership of all Collateral provided by it hereunder to Lender free from all liens, charges and encumbrances; and
- (d) it is acting as principal in respect of this Agreement.

### 14. EVENTS OF DEFAULT

14.1 Each of the following events occurring in relation to either Party (the "**Defaulting Party**", the other Party being the "**Non-Defaulting Party**") shall be an Event of Default for the purpose of paragraph 10 but only (subject to sub-paragraph (v) below) where the Non-Defaulting Party serves written notice on the Defaulting Party:-

- (i) Borrower or Lender failing to pay or repay Cash Collateral or deliver Collateral or redeliver Equivalent Collateral or Lender failing to deliver Securities upon the due date;
- (ii) Lender or Borrower failing to comply with its obligations under paragraph 5;
- (iii) Lender or Borrower failing to comply with its obligations under paragraph 6.1;
- (iv) Borrower failing to comply with its obligations to deliver Equivalent Securities in accordance with paragraph 8;
- (v) an Act of Insolvency occurring with respect to Lender or Borrower, an Act of Insolvency which is the presentation of a petition for winding up or any analogous proceeding or the appointment of a liquidator or analogous officer of the Defaulting Party not requiring the Non-Defaulting Party to serve written notice on the Defaulting Party;
- (vi) any representation or warranty made by Lender or Borrower being incorrect or untrue in any material respect when made or repeated or deemed to have been made or repeated;
- (vii) Lender or Borrower admitting to the other that it is unable to, or it intends not to, perform any of its obligations under this Agreement and/or in respect of any Loan;

- (viii) Lender (if applicable) or Borrower being declared in default or being suspended or expelled from membership of or participation in, any securities exchange or association or suspended or prohibited from dealing in securities by any regulatory authority;
  - (ix) any of the assets of Lender or Borrower or the assets of investors held by or to the order of Lender or Borrower being transferred or ordered to be transferred to a trustee (or a person exercising similar functions) by a regulatory authority pursuant to any securities regulating legislation, or
  - (x) Lender or Borrower failing to perform any other of its obligations under this Agreement and not remedying such failure within 30 days after the Non-Defaulting Party serves written notice requiring it to remedy such failure.
- 14.2 Each Party shall notify the other (in writing) if an Event of Default or an event which, with the passage of time and/or upon the serving of a written notice as referred to above, would be an Event of Default, occurs in relation to it.
- 14.3 The provisions of this Agreement constitute a complete statement of the remedies available to each Party in respect of any Event of Default.
- 14.4 Subject to paragraph 9.3 and 10.7, neither Party may claim any sum by way of consequential loss or damage in the event of failure by the other party to perform any of its obligations under this Agreement.

**15. INTEREST ON OUTSTANDING PAYMENTS**

In the event of either Party failing to remit sums in accordance with this Agreement such Party hereby undertakes to pay to the other Party upon demand interest (before as well as after judgment) on the net balance due and outstanding, for the period commencing on and inclusive of the original due date for payment to (but excluding) the date of actual payment, in the same currency as the principal sum and at the rate referred to in paragraph 10.7. Interest will accrue daily on a compound basis and will be calculated according to the actual number of days elapsed.

**16. TRANSACTIONS ENTERED INTO AS AGENT**

**16.1 Power for Lender to enter into Loans as agent**

Subject to the following provisions of this paragraph, Lender may (if so indicated in paragraph 6 of the Schedule) enter into Loans as agent (in such capacity, the "Agent") for a third person (a "Principal"), whether as custodian or investment manager or otherwise (a Loan so entered into being referred to in this paragraph as an "Agency Transaction").

**16.2 Conditions for agency loan**

A Lender may enter into an Agency Transaction if, but only if:-

- (i) it specifies that Loan as an Agency Transaction at the time when it enters into it;

- (ii) it enters into that Loan on behalf of a single Principal whose identity is disclosed to Borrower (whether by name or by reference to a code or identifier which the Parties have agreed will be used to refer to a specified Principal) at the time when it enters into the Loan or as otherwise agreed between the Parties; and
- (iii) it has at the time when the Loan is entered into actual authority to enter into the Loan and to perform on behalf of that Principal all of that Principal's obligations under the agreement referred to in paragraph 16.4(ii).

### 16.3 Notification by Lender of certain events affecting the principal

Lender undertakes that, if it enters as agent into an Agency Transaction, forthwith upon becoming aware:-

- (i) of any event which constitutes an Act of Insolvency with respect to the relevant Principal; or
- (ii) of any breach of any of the warranties given in paragraph 16.4 or of any event or circumstance which has the result that any such warranty would be untrue if repeated by reference to the then current facts;

it will inform Borrower of that fact and will, if so required by Borrower, furnish it with such additional information as it may reasonably request.

### 16.4 Status of agency transaction

- (i) Each Agency Transaction shall be a transaction between the relevant Principal and Borrower and no person other than the relevant Principal and Borrower shall be a party to or have any rights or obligations under an Agency Transaction. Without limiting the foregoing, Lender shall not be liable as principal for the performance of an Agency Transaction, but this is without prejudice to any liability of Lender under any other provision of this clause; and
- (ii) all the provisions of the Agreement shall apply separately as between Borrower and each Principal for whom the Agent has entered into an Agency transaction or Agency Transactions as if each such Principal were a party to a separate agreement with Borrower in all respects identical with this Agreement other than this paragraph and as if the Principal were Lender in respect of that agreement;

#### **PROVIDED THAT**

if there occurs in relation to the Agent an Event of Default or an event which would constitute an Event of Default if Borrower served written notice under any sub-clause of paragraph 14, Borrower shall be entitled by giving written notice to the Principal (which notice shall be validly given if given to Lender in accordance with paragraph 21) to declare that by reason of that event an Event of Default is to be treated as occurring in relation to the Principal. If Borrower gives such a notice then an Event of Default shall be treated as occurring in relation to the Principal at the time when the notice is deemed to be given; and

if the Principal is neither incorporated in nor has established a place of business in Great Britain, the Principal shall for the purposes of the agreement referred to in paragraph 16.4(ii) be deemed to have appointed as its agent to receive on its behalf service of process in the courts of England the Agent, or if the Agent is neither incorporated nor has established a place of business in Great Britain, the person appointed by the Agent for the purposes of this Agreement, or such other person as the Principal may from time to time specify in a written notice given to the other Party.

The foregoing provisions of this paragraph do not affect the operation of the Agreement as between Borrower and Lender in respect of any transactions into which Lender may enter on its own account as principal.

**16.5 Warranty of authority by Lender acting as agent**

Lender warrants to Borrower that it will, on every occasion on which it enters or purports to enter into a transaction as an Agency Transaction, have been duly authorised to enter into that Loan and perform the obligations arising under such transaction on behalf of the person whom it specifies as the Principal in respect of that transaction and to perform on behalf of that person all the obligations of that person under the agreement referred to in paragraph 16.4(ii).

**17. TERMINATION OF THIS AGREEMENT**

Each Party shall have the right to terminate this Agreement by giving not less than 15 Business Days' notice in writing to the other Party (which notice shall specify the date of termination) subject to an obligation to ensure that all Loans which have been entered into but not discharged at the time such notice is given are duly discharged in accordance with this Agreement.

**18. SINGLE AGREEMENT**

Each Party acknowledges that, and has entered into this Agreement and will enter into each Loan in consideration of and in reliance upon the fact that, all Loans constitute a single business and contractual relationship and are made in consideration of each other. Accordingly, each Party agrees:

- (i) to perform all of its obligations in respect of each Loan, and that a default in the performance of any such obligations shall constitute a default by it in respect of all Loans; and
- (ii) that payments, deliveries and other transfers made by either of them in respect of any Loan shall be deemed to have been made in consideration of payments, deliveries and other transfers in respect of any other Loan.

**19. SEVERANCE**

If any provision of this Agreement is declared by any judicial or other competent authority to be void or otherwise unenforceable, that provision shall be severed from the Agreement and the remaining provisions of this Agreement shall remain in full force and effect. The Agreement shall, however, thereafter be amended by the Parties in such

reasonable manner so as to achieve as far as possible, without illegality, the intention of the Parties with respect to that severed provision.

**20. SPECIFIC PERFORMANCE**

Each Party agrees that in relation to legal proceedings it will not seek specific performance of the other Party's obligation to deliver or redeliver Securities, Equivalent Securities, Collateral or Equivalent Collateral but without prejudice to any other rights it may have.

**21. NOTICES**

21.1 Any notice or other communication in respect of this Agreement may be given in any manner set forth below to the address or number or in accordance with the electronic messaging system details set out in paragraph 4 of the Schedule and will be deemed effective as indicated:

- (i) if in writing and delivered in person or by courier, on the date it is delivered;
- (ii) if sent by telex, on the date the recipient's answerback is received;
- (iii) if sent by facsimile transmission, on the date that transmission is received by a responsible employee of the recipient in legible form (it being agreed that the burden of proving receipt will be on the sender and will not be met by a transmission report generated by the sender's facsimile machine);
- (iv) if sent by certified or registered mail (airmail, if overseas) or the equivalent (return receipt requested), on the date that mail is delivered or its delivery is attempted; or
- (v) if sent by electronic messaging system, on the date that electronic message is received,

unless the date of that delivery (or attempted delivery) or the receipt, as applicable, is not a Business Day or that communication is delivered (or attempted) or received, as applicable, after the Close of Business on a Business Day, in which case that communication shall be deemed given and effective on the first following day that is a Business Day.

21.2 Either party may by notice to the other change the address, telex or facsimile number or electronic messaging system details at which notices or other communications are to be given to it.

**22. ASSIGNMENT**

Neither Party may charge assign or transfer all or any of its rights or obligations hereunder without the prior consent of the other Party.

**23. NON-WAIVER**

No failure or delay by either Party (whether by course of conduct or otherwise) to exercise any right, power or privilege hereunder shall operate as a waiver thereof nor shall any single or partial exercise of any right, power or privilege preclude any other or



further exercise thereof or the exercise of any other right, power or privilege as herein provided.

24. **GOVERNING LAW AND JURISDICTION**

24.1 This Agreement is governed by, and shall be construed in accordance with, English law.

24.2 The courts of England have exclusive jurisdiction to hear and decide any suit, action or proceedings, and to settle any disputes, which may arise out of or in connection with this Agreement (respectively, "**Proceedings**" and "**Disputes**") and, for these purposes, each party irrevocably submits to the jurisdiction of the courts of England.

24.3 Each party irrevocably waives any objection which it might at any time have to the courts of England being nominated as the forum to hear and decide any Proceedings and to settle any Disputes and agrees not to claim that the courts of England are not a convenient or appropriate forum.

24.4 Each of Party A and Party B hereby respectively appoints the person identified in paragraph 5 of the Schedule pertaining to the relevant Party as its agent to receive on its behalf service of process in the courts of England. If such an agent ceases to be an agent of Party A or party B, as the case may be, the relevant Party shall promptly appoint, and notify the other Party of the identity of its new agent in England.

25. **TIME**

Time shall be of the essence of the Agreement.

26. **RECORDING**

The Parties agree that each may record all telephone conversations between them.

27. **WAIVER OF IMMUNITY**

Each Party hereby waives all immunity (whether on the basis of sovereignty or otherwise) from jurisdiction, attachment (both before and after judgment) and execution to which it might otherwise be entitled in any action or proceeding in the courts of England or of any other country or jurisdiction relating in any way to this Agreement and agrees that it will not raise, claim or cause to be pleaded any such immunity at or in respect of any such action or proceeding.

28. **MISCELLANEOUS**

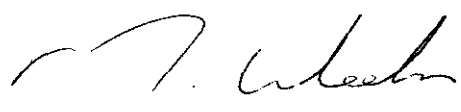
28.1 This Agreement constitutes the entire agreement and understanding of the Parties with respect to its subject matter and supersedes all oral communication and prior writings with respect thereto.

28.2 The Party (the "**Relevant Party**") who has prepared the text of this Agreement for execution (as indicated in paragraph 7 of the Schedule) warrants and undertakes to the other Party that such text conforms exactly to the text of the standard form Global Master Securities Lending Agreement posted by the International Securities Lenders Association on its website on 7 May 2000 except as notified by the Relevant Party to the other Party in writing prior to the execution of this Agreement.

- 28.3 No amendment in respect of this Agreement will be effective unless in writing (including a writing evidenced by a facsimile transmission) and executed by each of the Parties or confirmed by an exchange of telexes or electronic messages on an electronic messaging system.
- 28.4 The obligations of the Parties under this Agreement will survive the termination of any Loan.
- 28.5 The warranties contained in paragraphs 12, 13, 16 and 28.2 will survive termination of this Agreement for so long as any obligations of either of the Parties pursuant to this Agreement remain outstanding.
- 28.6 Except as provided in this Agreement, the rights, powers, remedies and privileges provided in this Agreement are cumulative and not exclusive of any rights, powers, remedies and privileges provided by law.
- 28.7 This Agreement (and each amendment in respect of it) may be executed and delivered in counterparts (including by facsimile transmission), each of which will be deemed an original.
- 28.8 A person who is not a party to this Agreement has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any terms of this Agreement, but this does not affect any right or remedy of a third party which exists or is available apart from that Act.

**EXECUTED by the PARTIES**

SIGNED BY )  
 )  
 DULY AUTHORISED FOR AND )  
 ON BEHALF OF )



**GOLDMAN SACHS INTERNATIONAL )**

Date 22/03/04

SIGNED BY )  
 )  
 DULY AUTHORISED FOR AND )  
 ON BEHALF OF )



Franco Pola  
 Director



Karsten Le Blanc  
 Managing Director

**CREDIT SUISSE FIRST BOSTON )**

Date 21 APR 2004

**SCHEDULE**

**1. Collateral**

- 1.1 The securities, financial instruments and deposits of currency set out in the table below with a cross marked next to them are acceptable forms of Collateral under this Agreement.
- 1.2 Unless otherwise agreed between the Parties, the Market Value of the Collateral delivered pursuant to paragraph 5 by Borrower to Lender under the terms and conditions of this Agreement shall on each Business Day represent not less than the Market Value of the Loaned Securities together with the percentage contained in the row of the table below corresponding to the particular form of Collateral, referred to in this Agreement as the "Margin".

<b>Security/Financial Instrument/Deposit of Currency</b>	<b>Mark "X" if acceptable form of Collateral</b>	<b>Margin (%)</b>
<b>British Government Stock and other stock registered at the Bank of England which is transfereable through the CGO to the Lender or its Nominee against an Assured Payment, Hereinbefore referred to as CGO Collateral</b>	<b>X</b>	<b>Equities: 5 Fixed Income: 2</b>
<b>British Government stock and Sterling Issues by foreign governments (transferable through the CGO), in the form of an enfaced transfer deed or a long term collateral certificate or overnight collateral chit issued by the CGO accompanied (in each case) by an executed unenfaced transfer deed</b>	<b>X</b>	<b>Equities: 5 Fixed Income: 2</b>
<b>Corporation and Commonwealth Stock in the form of registered stock or allotment letters duly renounced</b>	<b>X</b>	<b>Equities: 5 Fixed Income: 2</b>

<b>UK Government Treasury Bills</b>	<b>X</b>	<b>Equities: 5</b> <b>Fixed Income: 2</b>
<b>U.S. Government Treasury Bills</b>	<b>X</b>	<b>Equities: 5</b> <b>Fixed Income: 2</b>
<b>Bankers' Acceptances</b>	<b>X</b>	<b>Equities: 5</b> <b>Fixed Income: 2</b>
<b>Sterling Certificates of Deposit</b>	<b>X</b>	<b>Equities: 5</b> <b>Fixed Income: 2</b>
<b>Foreign Currency Certificates of Deposit</b>	<b>X</b>	<b>Equities: 5</b> <b>Fixed Income: 2</b>
<b>Local Authority Bonds</b>	<b>X</b>	<b>Equities: 5</b> <b>Fixed Income: 2</b>
<b>Local Authority Bills</b>	<b>X</b>	<b>Equities: 5</b> <b>Fixed Income: 2</b>
<b>Letters of Credit</b>	<b>X</b>	<b>Equities: 5</b> <b>Fixed Income: 2</b>
<b>Bonds or Equities in registrable form or allotment letters duly renounced</b>	<b>X</b>	<b>Equities: 5</b> <b>Fixed Income: 2</b>
<b>Bonds or Equities in bearer form</b>	<b>X</b>	<b>Equities: 5</b> <b>Fixed Income: 2</b>
<b>Cash Collateral</b>	<b>X</b>	<b>Equities: 5</b> <b>Fixed Income: 2</b>

1.3 Basis of Margin Maintenance:

Subject to Clause 7.3 below, Paragraph 5.4 (aggregation) shall not apply\*

The assumption is that paragraph 5.4 (aggregation) applies unless the box is ticked.

1.4 Paragraph 5.6 (netting of obligations to deliver Collateral and redeliver Equivalent Collateral) shall not apply\*

If paragraph 5.4 applies, the assumption is that paragraph 5.6 (netting) applies unless the box is ticked.

2. **Base Currency**

The Base Currency applicable to this Agreement is US Dollars.

3. **Places of Business**

(See definition of Business Day.)

4. **Designated Office and Address for Notices**

(A) **Designated office of Party A:**

Address for notices or communications to Party A:

Address: Goldman Sachs International,

Peterborough Court,

133 Fleet Street,

London EC4A 2BB

Attention: GSS

Facsimile No: 020 7774 1777

Telephone No:

(B) **Designated offices of Party B:**

(i) Its head office whose address is: Credit Suisse First Boston, Uetlibergstrasse 231, P.O.Box 900, CH-8070 Zurich, Switzerland;

(ii) its London branch, whose address is: Credit Suisse First Boston, One Cabot Square, London E14 4QJ, United Kingdom;

(iii) its New York branch, whose address is: Eleven Madison Avenue, New York, N.Y. 10010-3629, United States of America.

5. (A) **Agent of Party A for Service of Process**

Name: n/a

Address: n/a

(B) **Agent of Party B for Service of Process**

Credit Suisse First Boston, One Cabot Square, London E14 4QJ, United Kingdom  
**Agency**

- Paragraph 16 may apply to Party A\*

- Paragraph 16 may apply to Party B\*

6. **Party Preparing this Agreement**

Party A\*

Party B\*

7. **Miscellaneous Provisions**

7.1 Clause 22 is hereby deleted in its entirety and replaced by the following: "The rights and obligations of the parties under this Agreement and under any Transaction shall not be assigned, charged or otherwise dealt with by either party without the prior written consent of the other party and any purported assignment, charge or dealing absent such consent shall be null and void except for an assignment by either Party (the "Assignor") of its rights and obligations hereunder (in whatever form the Assignor determines may be appropriate) to a partnership, corporation, trust or other organisation in whatever form that succeeds to all or substantially all of the Assignor's assets and business and that assumes such obligations by contract, operation of law or otherwise; provided however that the creditworthiness of the Successor Entity shall not be materially weaker than the Assignor immediately prior to such assignment. Upon any such assignment the Assignor shall be relieved and fully discharged from all obligations hereunder whether such obligations arose before or after such assignment."

7.2 Where Party B is a company incorporated or organised under the laws of Switzerland or a branch established or located in Switzerland of a company incorporated or organised outside of Switzerland:

(a) the definition of "Act of Insolvency" (paragraph 2.1) is amended by inserting in the end a new sub-section :

"for the avoidance of doubt, with respect to Swiss law, the above sub-sections (i)-(vi) shall be construed so as to include (without limitation) acts and proceedings analogous to those mentioned in the relevant sub-section : (i) under the Swiss Federal Statute on Debt Prosecution and Bankruptcy of 11 April 1889 (as amended) and the pertaining ordinances (*Konkurseröffnung; Nachlassverfahren; Nachlassstundung; Nachlassverträge; Notstundung*), (ii) the Swiss Federal Statute on Banks and Savings Banks of 8 November 1934 (as amended) and the pertaining ordinances (*Fälligkeitsaufschub; Stundung; besondere Vorschriften über das Konkurs- und Nachlassverfahren*), (iii) bankruptcy and composition proceedings following the recognition of a foreign bankruptcy or a foreign composition agreement with creditors or similar proceedings (*Anerkennung ausländischer Konkursdekrete; Anerkennung ausländischer Nachlassverträge und ähnlicher Verfahren*) under the Swiss Federal Statute on Private International Law of 18 December 1987 and (iv) any substitute or supplementing legislation."

(b) paragraph 2.1 "Act of Insolvency" (iv) is deleted in its entirety and replaced with the following wording :

“(iv) the presentation or filing of a petition in respect of it (other than by the other Party to this Agreement in respect of any obligation under this Agreement) in any court or before any agency alleging or for the bankruptcy, winding-up or insolvency of such Party (or any analogous proceeding) or seeking any reorganisation, arrangement, composition, re-adjustment, administration, liquidation, dissolution or similar relief under any present or future statute, law or regulation, such petition not having been stayed or dismissed within 30 days of its filing (except in the case of (1) a petition for winding-up or any analogous proceeding or (2) the opening of bankruptcy [“Konkurseröffnung”] or the opening of composition proceedings [“Eröffnung eines Nachlassverfahrens”] within the meaning of the Swiss Federal Law on Debt Collection and Bankruptcy or the Swiss Federal Banking Statute in respect of which no such 30 day period shall apply);”

- (c) the first paragraph of Clause 10.2 is deleted in its entirety and replaced with the following wording:

“Subject to Clause 9, if an Event of Default occurs in relation to either Party, the Parties’ delivery and payment obligations (and any other obligations they have under this Agreement) shall be accelerated so as to require performance thereof at the time such Event of Default occurs (the date of which shall be the “Termination Date” for the purposes of this clause) (provided that in the case of an Act of Insolvency specified in Clause 2.1 “Act of Insolvency” (iv) (2) the Termination Date shall be deemed to occur as of the time immediately preceding the opening of the relevant proceedings [“Konkurseröffnung”; “Eröffnung des Nachlassverfahrens”]) so that the performance of such delivery and payment obligations shall be effected only in accordance with the following provisions:”

- (d) Clause 14.1(v) is deleted in its entirety and replaced with the following wording:

“(D) an Act of Insolvency occurring with respect to Lender or Borrower, an Act of Insolvency which is (1) the presentation of a petition for winding up or any analogous proceeding or the appointment of a liquidator or analogous officer of the Defaulting Party or (2) the opening of bankruptcy [“Konkurseröffnung”] or the opening of composition proceedings [“Eröffnung eines Nachlassverfahrens”] with respect to the Defaulting Party within the meaning of the Swiss Federal Law on Debt Collection and Bankruptcy or the Swiss Federal Banking Statute not requiring the Non-Defaulting Party to serve written notice on the Defaulting Party;”

### 7.3

- (i) The provisions of Clause 5.4 shall be applied separately to each Designated Office of Party B (“Relevant CSFB Party”), and for the avoidance of doubt, neither party shall, unless otherwise agreed between the parties and always subject to paragraph (iii) below, seek to reduce the amount of margin due to be transferred to one Relevant CSFB Party by the amount of any margin due to be transferred by another Relevant CSFB Party;

(ii) unless otherwise agreed, the provisions of Clause 5.4 shall be applied separately to Fixed Income products and to Equity products, and for the avoidance of doubt, neither party shall unless otherwise agreed by the parties and always subject to paragraph (iii) below, seek to reduce the amount of margin due to be transferred under loans of one type of product by the amount of any margin due to be transferred under loans of the other type; and

(iii) For the avoidance of doubt, in the event that an Event of Default occurs in relation to any Designated Office, all Loans involving all Designated Offices of Party B shall be aggregated and netted in accordance with Clause 10 of the Agreement.

7.4 All Loans entered into by Party A and Party B prior to the date of this Agreement which are outstanding at the date of the Agreement are hereby deemed to be entered into pursuant to this Agreement and are governed by its terms.







**GLOBAL MASTER SECURITIES LENDING AGREEMENT**



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## AGREEMENT

**BETWEEN:** 25 November 2020

**JPMORGAN CHASE BANK N.A.**, acting as agent (*Party A*), chartered under U.S. Federal law as a national banking association, acting through one or more Designated Offices; and

**GOLDMAN SACHS INTERNATIONAL (*Party B*)**, a company incorporated under the laws of England and Wales, acting through one or more Designated Offices.

### 1. APPLICABILITY

- 1.1 From time to time the Parties acting through one or more Designated Offices may enter into transactions in which one party (*Lender*) will transfer to the other (*Borrower*) securities and financial instruments (*Securities*) against the transfer of Collateral (as defined in paragraph 2) with a simultaneous agreement by Borrower to transfer to Lender Securities equivalent to such Securities on a fixed date or on demand against the transfer to Borrower by Lender of assets equivalent to such Collateral.
- 1.2 Each such transaction shall be referred to in this Agreement as a *Loan* and shall be governed by the terms of this Agreement, including the supplemental terms and conditions contained in the Schedule and any Addenda or Annexes attached hereto, unless otherwise agreed in writing. In the event of any inconsistency between the provisions of an Addendum or Annex and this Agreement, the provisions of such Addendum or Annex shall prevail unless the Parties otherwise agree.
- 1.3 Either Party may perform its obligations under this Agreement either directly or through a Nominee.

### 2. INTERPRETATION

- 2.1 In this Agreement:

*Act of Insolvency* means in relation to either Party:

- (a) its making a general assignment for the benefit of, or entering into a reorganisation, arrangement, or composition with creditors; or
- (b) its stating in writing that it is unable to pay its debts as they become due; or
- (c) its seeking, consenting to or acquiescing in the appointment of any trustee, administrator, receiver or liquidator or analogous officer of it or any material part of its property; or
- (d) the presentation or filing of a petition in respect of it (other than by the other Party to this Agreement in respect of any obligation under this Agreement) in any court or before any agency alleging or for the bankruptcy, winding-up or insolvency of such Party (or any analogous proceeding) or seeking any reorganisation, arrangement, composition, re-adjustment, administration, liquidation, dissolution or similar relief under any present or future statute, law or regulation, such petition not having been stayed or dismissed within 30 days of its filing (except in the case of a petition for winding-up or any

analogous proceeding in respect of which no such 30 day period shall apply);  
or

- (e) the appointment of a receiver, administrator, liquidator or trustee or analogous officer of such Party over all or any material part of such Party's property; or
- (f) the convening of any meeting of its creditors for the purpose of considering a voluntary arrangement as referred to in Section 3 of the Insolvency Act 1986 (or any analogous proceeding);

**Agency Annex** means the Annex to this Agreement published by the International Securities Lending Association and providing for Lender to act as agent for a third party in respect of one or more Loans;

**Alternative Collateral** means Collateral having a Market Value equal to the Collateral delivered pursuant to paragraph 5 and provided by way of substitution in accordance with the provisions of paragraph 5.3;

**Applicable Law** means the laws, rules and regulations (including double taxation conventions) of any relevant jurisdiction, including published practice of any government or other taxing authority in connection with such laws, rules and regulations;

**Automatic Early Termination** has the meaning given in paragraph 10.1(d);

**Base Currency** means the currency indicated in paragraph 2 of the Schedule;

**Business Day** means:

- (a) in relation to Delivery in respect of any Loan, a day other than a Saturday or a Sunday on which banks and securities markets are open for business generally in the place(s) where the relevant Securities, Equivalent Securities, Collateral or Equivalent Collateral are to be delivered;
- (b) in relation to any payments under this Agreement, a day other than a Saturday or a Sunday on which banks are open for business generally in the principal financial centre of the country of which the currency in which the payment is denominated is the official currency and, if different, in the place where any account designated by the Parties for the making or receipt of the payment is situated (or, in the case of a payment in euro, a day on which TARGET operates);
- (c) in relation to a notice or other communication served under this Agreement, any day other than a Saturday or a Sunday on which banks are open for business generally in the place designated for delivery in accordance with paragraph 3 of the Schedule; and
- (d) in any other case, a day other than a Saturday or a Sunday on which banks are open for business generally in each place stated in paragraph 6 of the Schedule;

**Buy-In** means any arrangement under which, in the event of a seller or transferor failing to deliver securities to the buyer or transferee, the buyer or transferee of such

securities is entitled under the terms of such arrangement to buy or otherwise acquire securities equivalent to such securities and to recover the cost of so doing from the seller or transferor;

**Cash Collateral** means Collateral taking the form of a transfer of currency;

**Close of Business** means the time at which the relevant banks, securities settlement systems or depositaries close in the business centre in which payment is to be made or Securities or Collateral is to be delivered;

**Collateral** means such securities or financial instruments or transfers of currency as are referred to in the table set out under paragraph 1 of the Schedule as being acceptable or any combination thereof as agreed between the Parties in relation to any particular Loan and which are delivered by Borrower to Lender in accordance with this Agreement and shall include Alternative Collateral;

**Defaulting Party** has the meaning given in paragraph 10;

**Delivery** in relation to any Securities or Collateral or Equivalent Securities or Equivalent Collateral comprising Securities means:

- (a) in the case of Securities held by a Nominee or within a clearing or settlement system, the crediting of such Securities to an account of the Borrower or Lender, as the case may be, or as it shall direct, or,
- (b) in the case of Securities otherwise held, the delivery to Borrower or Lender, as the case may be, or as the transferee shall direct of the relevant instruments of transfer, or
- (c) by such other means as may be agreed,

and *deliver* shall be construed accordingly;

**Designated Office** means the branch or office of a Party which is specified as such in paragraph 6 of the Schedule or such other branch or office as may be agreed to in writing by the Parties;

**Equivalent** or **equivalent to** in relation to any Loaned Securities or Collateral (whether Cash Collateral or Non-Cash Collateral) provided under this Agreement means Securities or other property, of an identical type, nominal value, description and amount to particular Loaned Securities or Collateral (as the case may be) so provided. If and to the extent that such Loaned Securities or Collateral (as the case may be) consists of Securities that are partly paid or have been converted, subdivided, consolidated, made the subject of a takeover, rights of pre-emption, rights to receive securities or a certificate which may at a future date be exchanged for Securities, the expression shall include such Securities or other assets to which Lender or Borrower (as the case may be) is entitled following the occurrence of the relevant event, and, if appropriate, the giving of the relevant notice in accordance with paragraph 6.7 and provided that Lender or Borrower (as the case may be) has paid to the other Party all and any sums due in respect thereof. In the event that such Loaned Securities or Collateral (as the case may be) have been redeemed, are partly paid, are the subject of a capitalisation issue or are subject to an event similar to any of the foregoing events described in this paragraph, the expression shall have the following meanings:

- (a) in the case of redemption, a sum of money equivalent to the proceeds of the redemption;
- (b) in the case of a call on partly-paid Securities, Securities equivalent to the relevant Loaned Securities or Collateral, as the case may be, provided that Lender shall have paid Borrower, in respect of Loaned Securities, and Borrower shall have paid to Lender, in respect of Collateral, an amount of money equal to the sum due in respect of the call;
- (c) in the case of a capitalisation issue, Securities equivalent to the relevant Loaned Securities or Collateral, as the case may be, together with the securities allotted by way of bonus thereon;
- (d) in the case of any event similar to any of the foregoing events described in this paragraph, Securities equivalent to the Loaned Securities or the relevant Collateral, as the case may be, together with or replaced by a sum of money or Securities or other property equivalent to that received in respect of such Loaned Securities or Collateral, as the case may be, resulting from such event;

**Income** means any interest, dividends or other distributions of any kind whatsoever with respect to any Securities or Collateral;

**Income Record Date**, with respect to any Securities or Collateral, means the date by reference to which holders of such Securities or Collateral are identified as being entitled to payment of Income;

**Letter of Credit** means an irrevocable, non-negotiable letter of credit in a form, and from a bank, acceptable to Lender;

**Loaned Securities** means Securities which are the subject of an outstanding Loan;

**Margin** has the meaning specified in paragraph 1 of the Schedule with reference to the table set out therein;

**Market Value** means:

- (a) in relation to the valuation of Securities, Equivalent Securities, Collateral or Equivalent Collateral (other than Cash Collateral or a Letter of Credit):
  - (i) such price as is equal to the market quotation for the mid price of such Securities, Equivalent Securities, Collateral and/or Equivalent Collateral as derived from a reputable pricing information service reasonably chosen in good faith by Lender; or
  - (ii) if unavailable the market value thereof as derived from the mid price or rate bid by a reputable dealer for the relevant instrument reasonably chosen in good faith by Lender,

in each case at Close of Business on the previous Business Day, or as specified in the Schedule, unless agreed otherwise or, at the option of either Party where in its reasonable opinion there has been an exceptional movement in the price of the asset in question since such time, the latest available price, plus (in each case):

- (iii) the aggregate amount of Income which has accrued but not yet been paid in respect of the Securities, Equivalent Securities, Collateral or Equivalent Collateral concerned to the extent not included in such price,

provided that the price of Securities, Equivalent Securities, Collateral or Equivalent Collateral that are suspended or that cannot legally be transferred or that are transferred or required to be transferred to a government, trustee or third party (whether by reason of nationalisation, expropriation or otherwise) shall for all purposes be a commercially reasonable price agreed between the Parties, or absent agreement, be a price provided by a third party dealer agreed between the Parties, or if the Parties do not agree a third party dealer then a price based on quotations provided by the Reference Dealers. If more than three quotations are provided, the Market Value will be the arithmetic mean of the prices, without regard to the quotations having the highest and lowest prices. If three quotations are provided, the Market Value will be the quotation remaining after disregarding the highest and lowest quotations. For this purpose, if more than one quotation has the same highest or lowest price, then one of such quotations shall be disregarded. If fewer than three quotations are provided, the Market Value of the relevant Securities, Equivalent Securities, Collateral or Equivalent Collateral shall be determined by the Party making the determination of Market Value acting reasonably;

- (b) in relation to a Letter of Credit the face or stated amount of such Letter of Credit; and
- (c) in relation to Cash Collateral the amount of the currency concerned;

**Nominee** means a nominee or agent appointed by either Party to accept delivery of, hold or deliver Securities, Equivalent Securities, Collateral and/or Equivalent Collateral or to receive or make payments on its behalf;

**Non-Cash Collateral** means Collateral other than Cash Collateral;

**Non-Defaulting Party** has the meaning given in paragraph 10;

**Notification Time** means the time specified in paragraph 1.5 of the Schedule;

**Parties** means Lender and Borrower and **Party** shall be construed accordingly;

**Posted Collateral** has the meaning given in paragraph 5.4;

**Reference Dealers** means, in relation to any Securities, Equivalent Securities, Collateral or Equivalent Collateral, four leading dealers in the relevant securities selected by the Party making the determination of Market Value in good faith;

**Required Collateral Value** has the meaning given in paragraph 5.4;

**Sales Tax** means value added tax and any other Tax of a similar nature (including, without limitation, any sales tax of any relevant jurisdiction);

**Settlement Date** means the date upon which Securities are due to be transferred to Borrower in accordance with this Agreement;

**Stamp Tax** means any stamp, transfer, registration, documentation or similar Tax; and

**Tax** means any present or future tax, levy, impost, duty, charge, assessment or fee of any nature (including interest, penalties and additions thereto) imposed by any government or other taxing authority in respect of any transaction effected pursuant to or contemplated by, or any payment under or in respect of, this Agreement.

## 2.2 **Headings**

All headings appear for convenience only and shall not affect the interpretation of this Agreement.

## 2.3 **Market terminology**

Notwithstanding the use of expressions such as “borrow”, “lend”, “Collateral”, “Margin” etc. which are used to reflect terminology used in the market for transactions of the kind provided for in this Agreement, title to Securities “borrowed” or “lent” and “Collateral” provided in accordance with this Agreement shall pass from one Party to another as provided for in this Agreement, the Party obtaining such title being obliged to deliver Equivalent Securities or Equivalent Collateral as the case may be.

## 2.4 **Currency conversions**

Subject to paragraph 11, for the purposes of determining any prices, sums or values (including Market Value and Required Collateral Value) prices, sums or values stated in currencies other than the Base Currency shall be converted into the Base Currency at the latest available spot rate of exchange quoted by a bank selected by Lender (or if an Event of Default has occurred in relation to Lender, by Borrower) in the London inter-bank market for the purchase of the Base Currency with the currency concerned on the day on which the calculation is to be made or, if that day is not a Business Day, the spot rate of exchange quoted at Close of Business on the immediately preceding Business Day on which such a quotation was available.

2.5 The Parties confirm that introduction of and/or substitution (in place of an existing currency) of a new currency as the lawful currency of a country shall not have the effect of altering, or discharging, or excusing performance under, any term of the Agreement or any Loan thereunder, nor give a Party the right unilaterally to alter or terminate the Agreement or any Loan thereunder. Securities will for the purposes of this Agreement be regarded as equivalent to other securities notwithstanding that as a result of such introduction and/or substitution those securities have been redenominated into the new currency or the nominal value of the securities has changed in connection with such redenomination.

## 2.6 **Modifications etc. to legislation**

Any reference in this Agreement to an act, regulation or other legislation shall include a reference to any statutory modification or re-enactment thereof for the time being in force.



### **3. LOANS OF SECURITIES**

Lender will lend Securities to Borrower, and Borrower will borrow Securities from Lender in accordance with the terms and conditions of this Agreement. The terms of each Loan shall be agreed prior to the commencement of the relevant Loan either orally or in writing (including any agreed form of electronic communication) and confirmed in such form and on such basis as shall be agreed between the Parties. Unless otherwise agreed, any confirmation produced by a Party shall not supersede or prevail over the prior oral, written or electronic communication (as the case may be).

### **4. DELIVERY**

#### **4.1 Delivery of Securities on commencement of Loan**

Lender shall procure the Delivery of Securities to Borrower or deliver such Securities in accordance with this Agreement and the terms of the relevant Loan.

#### **4.2 Requirements to effect Delivery**

The Parties shall execute and deliver all necessary documents and give all necessary instructions to procure that all right, title and interest in:

- (a) any Securities borrowed pursuant to paragraph 3;
- (b) any Equivalent Securities delivered pursuant to paragraph 8;
- (c) any Collateral delivered pursuant to paragraph 5;
- (d) any Equivalent Collateral delivered pursuant to paragraphs 5 or 8;

shall pass from one Party to the other subject to the terms and conditions set out in this Agreement, on delivery of the same in accordance with this Agreement with full title guarantee, free from all liens, charges and encumbrances. In the case of Securities, Collateral, Equivalent Securities or Equivalent Collateral title to which is registered in a computer-based system which provides for the recording and transfer of title to the same by way of book entries, delivery and transfer of title shall take place in accordance with the rules and procedures of such system as in force from time to time. The Party acquiring such right, title and interest shall have no obligation to return or deliver any of the assets so acquired but, in so far as any Securities are borrowed by or any Collateral is delivered to such Party, such Party shall be obliged, subject to the terms of this Agreement, to deliver Equivalent Securities or Equivalent Collateral as appropriate.

#### **4.3 Deliveries to be simultaneous unless otherwise agreed**

Where under the terms of this Agreement a Party is not obliged to make a Delivery unless simultaneously a Delivery is made to it, subject to and without prejudice to its rights under paragraph 8.6, such Party may from time to time in accordance with market practice and in recognition of the practical difficulties in arranging simultaneous delivery of Securities, Collateral and cash transfers, waive its right under this Agreement in respect of simultaneous delivery and/or payment provided that no such waiver (whether by course of conduct or otherwise) in respect of one transaction shall bind it in respect of any other transaction.

#### **4.4 Deliveries of Income**

In respect of Income being paid in relation to any Loaned Securities or Collateral, Borrower (in the case of Income being paid in respect of Loaned Securities) and Lender (in the case of Income being paid in respect of Collateral) shall provide to the other Party, as the case may be, any endorsements or assignments as shall be customary and appropriate to effect, in accordance with paragraph 6, the payment or delivery of money or property in respect of such Income to Lender, irrespective of whether Borrower received such endorsements or assignments in respect of any Loaned Securities, or to Borrower, irrespective of whether Lender received such endorsements or assignments in respect of any Collateral.

### **5. COLLATERAL**

#### **5.1 Delivery of Collateral on commencement of Loan**

Subject to the other provisions of this paragraph 5, Borrower undertakes to deliver to or deposit with Lender (or in accordance with Lender's instructions) Collateral simultaneously with Delivery of the Securities to which the Loan relates and in any event no later than Close of Business on the Settlement Date.

#### **5.2 Deliveries through securities settlement systems generating automatic payments**

Unless otherwise agreed between the Parties, where any Securities, Equivalent Securities, Collateral or Equivalent Collateral (in the form of securities) are transferred through a book entry transfer or settlement system which automatically generates a payment or delivery, or obligation to pay or deliver, against the transfer of such securities, then:

- (a) such automatically generated payment, delivery or obligation shall be treated as a payment or delivery by the transferee to the transferor, and except to the extent that it is applied to discharge an obligation of the transferee to effect payment or delivery, such payment or delivery, or obligation to pay or deliver, shall be deemed to be a transfer of Collateral or delivery of Equivalent Collateral, as the case may be, made by the transferee until such time as the Collateral or Equivalent Collateral is substituted with other Collateral or Equivalent Collateral if an obligation to deliver other Collateral or deliver Equivalent Collateral existed immediately prior to the transfer of Securities, Equivalent Securities, Collateral or Equivalent Collateral; and
- (b) the Party receiving such substituted Collateral or Equivalent Collateral, or if no obligation to deliver other Collateral or redeliver Equivalent Collateral existed immediately prior to the transfer of Securities, Equivalent Securities, Collateral or Equivalent Collateral, the Party receiving the deemed transfer of Collateral or Delivery of Equivalent Collateral, as the case may be, shall cause to be made to the other Party for value the same day either, where such transfer is a payment, an irrevocable payment in the amount of such transfer or, where such transfer is a Delivery, an irrevocable Delivery of securities (or other property, as the case may be) equivalent to such property.

### 5.3 Substitutions of Collateral

Borrower may from time to time call for the repayment of Cash Collateral or the Delivery of Collateral equivalent to any Collateral delivered to Lender prior to the date on which the same would otherwise have been repayable or deliverable provided that at or prior to the time of such repayment or Delivery Borrower shall have delivered Alternative Collateral acceptable to Lender and Borrower is in compliance with paragraph 5.4 or paragraph 5.5, as applicable.

### 5.4 Marking to Market of Collateral during the currency of a Loan on aggregated basis

Unless paragraph 1.3 of the Schedule indicates that paragraph 5.5 shall apply in lieu of this paragraph 5.4, or unless otherwise agreed between the Parties:

- (a) the aggregate Market Value of the Collateral delivered to or deposited with Lender (excluding any Equivalent Collateral repaid or delivered under paragraphs 5.4(b) or 5.5(b) (as the case may be)) (*Posted Collateral*) in respect of all Loans outstanding under this Agreement shall equal the aggregate of the Market Value of Securities equivalent to the Loaned Securities and the applicable Margin (the *Required Collateral Value*) in respect of such Loans;
- (b) if at any time on any Business Day the aggregate Market Value of the Posted Collateral in respect of all Loans outstanding under this Agreement together with: (i) all amounts due and payable by the Lender under this Agreement but which are unpaid; and (ii) if agreed between the parties and if the Income Record Date has occurred in respect of any Non-Cash Collateral, the amount or Market Value of Income payable in respect of such Non-Cash Collateral exceeds the aggregate of the Required Collateral Values in respect of such Loans together with: (i) all amounts due and payable by the Borrower under this Agreement but which are unpaid; and (ii) if agreed between the parties and if the Income Record Date has occurred in respect of any securities equivalent to Loaned Securities, the amount or Market Value of Income payable in respect of such Equivalent Securities, Lender shall (on demand) repay and/or deliver, as the case may be, to Borrower such Equivalent Collateral as will eliminate the excess;
- (c) if at any time on any Business Day the aggregate Market Value of the Posted Collateral in respect of all Loans outstanding under this Agreement together with: (i) all amounts due and payable by the Lender under this Agreement but which are unpaid; and (ii) if agreed between the parties and if the Income Record Date has occurred in respect of any Non-Cash Collateral, the amount or Market Value of Income payable in respect of such Non-Cash Collateral falls below the aggregate of Required Collateral Values in respect of all such Loans together with: (i) all amounts due and payable by the Borrower under this Agreement but which are unpaid; and (ii) if agreed between the parties and if the Income Record Date has occurred in respect of Securities equivalent to any Loaned Securities, the amount or Market Value of Income payable in respect of such Equivalent Securities, Borrower shall (on demand) provide such further Collateral to Lender as will eliminate the deficiency;

- (d) where a Party acts as both Lender and Borrower under this Agreement, the provisions of paragraphs 5.4(b) and 5.4(c) shall apply separately (and without duplication) in respect of Loans entered into by that Party as Lender and Loans entered into by that Party as Borrower.

#### 5.5 **Marking to Market of Collateral during the currency of a Loan on a Loan by Loan basis**

If paragraph 1.3 of the Schedule indicates this paragraph 5.5 shall apply in lieu of paragraph 5.4, the Posted Collateral in respect of any Loan shall bear from day to day and at any time the same proportion to the Market Value of Securities equivalent to the Loaned Securities as the Posted Collateral bore at the commencement of such Loan. Accordingly:

- (a) the Market Value of the Posted Collateral to be delivered or deposited while the Loan continues shall be equal to the Required Collateral Value;
- (b) if at any time on any Business Day the Market Value of the Posted Collateral in respect of any Loan together with: (i) all amounts due and payable by the Lender in respect of that Loan but which are unpaid; and (ii) if agreed between the parties and if the Income Record Date has occurred in respect of any Non-Cash Collateral, the amount or Market Value of Income payable in respect of such Non-Cash Collateral exceeds the Required Collateral Value in respect of such Loan together with: (i) all amounts due and payable by the Borrower in respect of that Loan; and (ii) if agreed between the parties and if the Income Record Date has occurred in respect of Securities equivalent to any Loaned Securities, the amount or Market Value of Income payable in respect of such Equivalent Securities, Lender shall (on demand) repay and/or deliver, as the case may be, to Borrower such Equivalent Collateral as will eliminate the excess; and
- (c) if at any time on any Business Day the Market Value of the Posted Collateral together with: (i) all amounts due any payable by the Lender in respect of that Loan; and (ii) if agreed between the parties and if the Income Record Date has occurred in respect of any Non-Cash Collateral, the amount or Market Value of Income payable in respect of such Non-Cash Collateral falls below the Required Collateral Value together with: (i) all amounts due and payable by the Borrower in respect of that Loan; and (ii) if agreed between the parties and if the Income Record Date has occurred in respect of Securities equivalent to any Loaned Securities, the amount or Market Value of Income payable in respect of such Equivalent Securities, Borrower shall (on demand) provide such further Collateral to Lender as will eliminate the deficiency.

#### 5.6 **Requirements to deliver excess Collateral**

Where paragraph 5.4 applies, unless paragraph 1.4 of the Schedule indicates that this paragraph 5.6 does not apply, if a Party (the *first Party*) would, but for this paragraph 5.6, be required under paragraph 5.4 to provide further Collateral or deliver Equivalent Collateral in circumstances where the other Party (the *second Party*) would, but for this paragraph 5.6, also be required to or provide Collateral or deliver Equivalent Collateral under paragraph 5.4, then the Market Value of the Collateral or Equivalent Collateral deliverable by the first Party (X) shall be set off against the Market Value of the Collateral or Equivalent Collateral deliverable by the second

Party (Y) and the only obligation of the Parties under paragraph 5.4 shall be, where X exceeds Y, an obligation of the first Party, or where Y exceeds X, an obligation of the second Party to repay and/or (as the case may be) deliver Equivalent Collateral or to deliver further Collateral having a Market Value equal to the difference between X and Y.

5.7 Where Equivalent Collateral is repaid or delivered (as the case may be) or further Collateral is provided by a Party under paragraph 5.6, the Parties shall agree to which Loan or Loans such repayment, delivery or further provision is to be attributed and failing agreement it shall be attributed, as determined by the Party making such repayment, delivery or further provision to the earliest outstanding Loan and, in the case of a repayment or delivery up to the point at which the Market Value of Collateral in respect of such Loan equals the Required Collateral Value in respect of such Loan, and then to the next earliest outstanding Loan up to the similar point and so on.

**5.8 Timing of repayments of excess Collateral or deliveries of further Collateral**

Where any Equivalent Collateral falls to be repaid or delivered (as the case may be) or further Collateral is to be provided under this paragraph 5, unless otherwise provided or agreed between the Parties, if the relevant demand is received by the Notification Time specified in paragraph 1.5 of the Schedule, then the delivery shall be made not later than the Close of Business on the same Business Day; if a demand is received after the Notification Time, then the relevant delivery shall be made not later than the Close of Business on the next Business Day after the date such demand is received.

**5.9 Substitutions and extensions of Letters of Credit**

Where Collateral is a Letter of Credit, Lender may by notice to Borrower require that Borrower, on the third Business Day following the date of delivery of such notice (or by such other time as the Parties may agree), substitute Collateral consisting of cash or other Collateral acceptable to Lender for the Letter of Credit. Prior to the expiration of any Letter of Credit supporting Borrower's obligations hereunder, Borrower shall, no later than 10.30 a.m. UK time on the second Business Day prior to the date such Letter of Credit expires (or by such other time as the Parties may agree), obtain an extension of the expiration of such Letter of Credit or replace such Letter of Credit by providing Lender with a substitute Letter of Credit in an amount at least equal to the amount of the Letter of Credit for which it is substituted.

**6. DISTRIBUTIONS AND CORPORATE ACTIONS**

6.1 In this paragraph 6, references to an amount of Income *received* by any Party in respect of any Loaned Securities or Non-Cash Collateral shall be to an amount received from the issuer after any applicable withholding or deduction for or on account of Tax.

**6.2 Manufactured payments in respect of Loaned Securities**

Where the term of a Loan extends over an Income Record Date in respect of any Loaned Securities, Borrower shall, on the date such Income is paid by the issuer, or on such other date as the Parties may from time to time agree, pay or deliver to Lender such sum of money or property as is agreed between the Parties or, failing

such agreement, a sum of money or property equivalent to (and in the same currency as) the type and amount of such Income that would be received by Lender in respect of such Loaned Securities assuming such Securities were not loaned to Borrower and were retained by Lender on the Income Record Date.

### **6.3 Manufactured payments in respect of Non-Cash Collateral**

Where Non-Cash Collateral is delivered by Borrower to Lender and an Income Record Date in respect of such Non-Cash Collateral occurs before Equivalent Collateral is delivered by Lender to Borrower, Lender shall on the date such Income is paid, or on such other date as the Parties may from time to time agree, pay or deliver to Borrower a sum of money or property as is agreed between the Parties or, failing such agreement, a sum of money or property equivalent to (and in the same currency as) the type and amount of such Income that would be received by Lender in respect of such Non-Cash Collateral assuming Lender:

- (a) retained the Non-Cash Collateral on the Income Record Date; and
- (b) is not entitled to any credit, benefit or other relief in respect of Tax under any Applicable Law.

### **6.4 Indemnity for failure to redeliver Equivalent Non-Cash Collateral**

Unless paragraph 1.6 of the Schedule indicates that this paragraph does not apply, where:

- (a) prior to any Income Record Date in relation to Non-Cash Collateral, Borrower has in accordance with paragraph 5.3 called for the Delivery of Equivalent Non-Cash Collateral;
- (b) Borrower has given notice of such call to Lender so as to be effective, at the latest, five hours before the Close of Business on the last Business Day on which Lender would customarily be required to initiate settlement of the Non-Cash Collateral to enable settlement to take place on the Business Day immediately preceding the relevant Income Record Date;
- (c) Borrower has provided reasonable details to Lender of the Non-Cash Collateral, the relevant Income Record Date and the proposed Alternative Collateral;
- (d) Lender, acting reasonably, has determined that such Alternative Collateral is acceptable to it and Borrower shall have delivered or delivers such Alternative Collateral to Lender; and
- (e) Lender has failed to make reasonable efforts to transfer Equivalent Non-Cash Collateral to Borrower prior to such Income Record Date,

Lender shall indemnify Borrower in respect of any cost, loss or damage (excluding any indirect or consequential loss or damage or any amount otherwise compensated by Lender, including pursuant to paragraphs 6.3 and/or 9.3) suffered by Borrower that it would not have suffered had the relevant Equivalent Non-Cash Collateral been transferred to Borrower prior to such Income Record Date.

## **6.5 Income in the form of Securities**

Where Income, in the form of securities, is paid in relation to any Loaned Securities or Collateral, such securities shall be added to such Loaned Securities or Collateral (and shall constitute Loaned Securities or Collateral, as the case may be, and be part of the relevant Loan) and will not be delivered to Lender, in the case of Loaned Securities, or to Borrower, in the case of Collateral, until the end of the relevant Loan, provided that the Lender or Borrower (as the case may be) fulfils its obligations under paragraph 5.4 or 5.5 (as applicable) with respect to the additional Loaned Securities or Collateral, as the case may be.

## **6.6 Exercise of voting rights**

Where any voting rights fall to be exercised in relation to any Loaned Securities or Collateral, neither Borrower, in the case of Equivalent Securities, nor Lender, in the case of Equivalent Collateral, shall have any obligation to arrange for voting rights of that kind to be exercised in accordance with the instructions of the other Party in relation to the Securities borrowed by it or transferred to it by way of Collateral, as the case may be, unless otherwise agreed between the Parties.

## **6.7 Corporate actions**

Where, in respect of any Loaned Securities or any Collateral, any rights relating to conversion, sub-division, consolidation, pre-emption, rights arising under a takeover offer, rights to receive securities or a certificate which may at a future date be exchanged for securities or other rights, including those requiring election by the holder for the time being of such Securities or Collateral, become exercisable prior to the delivery of Equivalent Securities or Equivalent Collateral, then Lender or Borrower, as the case may be, may, within a reasonable time before the latest time for the exercise of the right or option give written notice to the other Party that on delivery of Equivalent Securities or Equivalent Collateral, as the case may be, it wishes to receive Equivalent Securities or Equivalent Collateral in such form as will arise if the right is exercised or, in the case of a right which may be exercised in more than one manner, is exercised as is specified in such written notice.

## **7. RATES APPLICABLE TO LOANED SECURITIES AND CASH COLLATERAL**

### **7.1 Rates in respect of Loaned Securities**

In respect of each Loan, Borrower shall pay to Lender, in the manner prescribed in sub-paragraph 7.3, sums calculated by applying such rate as shall be agreed between the Parties from time to time to the daily Market Value of the Loaned Securities.

### **7.2 Rates in respect of Cash Collateral**

Where Cash Collateral is deposited with Lender in respect of any Loan, Lender shall pay to Borrower, in the manner prescribed in paragraph 7.3, sums calculated by applying such rates as shall be agreed between the Parties from time to time to the amount of such Cash Collateral. Any such payment due to Borrower may be set-off against any payment due to Lender pursuant to paragraph 7.1.

### **7.3 Payment of rates**

In respect of each Loan, the payments referred to in paragraph 7.1 and 7.2 shall accrue daily in respect of the period commencing on and inclusive of the Settlement Date and terminating on and exclusive of the Business Day upon which Equivalent Securities are delivered or Cash Collateral is repaid. Unless otherwise agreed, the sums so accruing in respect of each calendar month shall be paid in arrears by the relevant Party not later than the Business Day which is the tenth Business Day after the last Business Day of the calendar month to which such payments relate or such other date as the Parties shall from time to time agree.

## **8. DELIVERY OF EQUIVALENT SECURITIES**

### **8.1 Lender's right to terminate a Loan**

Subject to paragraph 11 and the terms of the relevant Loan, Lender shall be entitled to terminate a Loan and to call for the delivery of all or any Equivalent Securities at any time by giving notice on any Business Day of not less than the standard settlement time for such Equivalent Securities on the exchange or in the clearing organisation through which the Loaned Securities were originally delivered. Borrower shall deliver such Equivalent Securities not later than the expiry of such notice in accordance with Lender's instructions.

### **8.2 Borrower's right to terminate a Loan**

Subject to the terms of the relevant Loan, Borrower shall be entitled at any time to terminate a Loan and to deliver all and any Equivalent Securities due and outstanding to Lender in accordance with Lender's instructions and Lender shall accept such delivery.

### **8.3 Delivery of Equivalent Securities on termination of a Loan**

Borrower shall procure the Delivery of Equivalent Securities to Lender or deliver Equivalent Securities in accordance with this Agreement and the terms of the relevant Loan on termination of the Loan. For the avoidance of doubt any reference in this Agreement or in any other agreement or communication between the Parties (howsoever expressed) to an obligation to deliver or account for or act in relation to Loaned Securities shall accordingly be construed as a reference to an obligation to deliver or account for or act in relation to Equivalent Securities.

### **8.4 Delivery of Equivalent Collateral on termination of a Loan**

On the date and time that Equivalent Securities are required to be delivered by Borrower on the termination of a Loan, Lender shall simultaneously (subject to paragraph 5.4 if applicable) repay to Borrower any Cash Collateral or, as the case may be, deliver Collateral equivalent to the Collateral provided by Borrower pursuant to paragraph 5 in respect of such Loan. For the avoidance of doubt any reference in this Agreement or in any other agreement or communication between the Parties (however expressed) to an obligation to deliver or account for or act in relation to Collateral shall accordingly be construed as a reference to an obligation to deliver or account for or act in relation to Equivalent Collateral.

### **8.5 Delivery of Letters of Credit**



Where a Letter of Credit is provided by way of Collateral, the obligation to deliver Equivalent Collateral is satisfied by Lender delivering for cancellation the Letter of Credit so provided, or where the Letter of Credit is provided in respect of more than one Loan, by Lender consenting to a reduction in the value of the Letter of Credit.

#### **8.6 Delivery obligations to be reciprocal**

Neither Party shall be obliged to make delivery (or make a payment as the case may be) to the other unless it is satisfied that the other Party will make such delivery (or make an appropriate payment as the case may be) to it. If it is not so satisfied (whether because an Event of Default has occurred in respect of the other Party or otherwise) it shall notify the other Party and unless that other Party has made arrangements which are sufficient to assure full delivery (or the appropriate payment as the case may be) to the notifying Party, the notifying Party shall (provided it is itself in a position, and willing, to perform its own obligations) be entitled to withhold delivery (or payment, as the case may be) to the other Party until such arrangements to assure full delivery (or the appropriate payment as the case may be) are made.

### **9. FAILURE TO DELIVER**

#### **9.1 Borrower's failure to deliver Equivalent Securities**

If Borrower fails to deliver Equivalent Securities in accordance with paragraph 8.3 Lender may:

- (a) elect to continue the Loan (which, for the avoidance of doubt, shall continue to be taken into account for the purposes of paragraph 5.4 or 5.5 as applicable); or
- (b) at any time while such failure continues, by written notice to Borrower declare that that Loan (but only that Loan) shall be terminated immediately in accordance with paragraph 11.2 as if (i) an Event of Default had occurred in relation to the Borrower, (ii) references to the Termination Date were to the date on which notice was given under this sub-paragraph, and (iii) the Loan were the only Loan outstanding. For the avoidance of doubt, any such failure shall not constitute an Event of Default (including under paragraph 10.1(i)) unless the Parties otherwise agree.

#### **9.2 Lender's failure to deliver Equivalent Collateral**

If Lender fails to deliver Equivalent Collateral comprising Non-Cash Collateral in accordance with paragraph 8.4 or 8.5, Borrower may:

- (a) elect to continue the Loan (which, for the avoidance of doubt, shall continue to be taken into account for the purposes of paragraph 5.4 or 5.5 as applicable); or
- (b) at any time while such failure continues, by written notice to Lender declare that that Loan (but only that Loan) shall be terminated immediately in accordance with paragraph 11.2 as if (i) an Event of Default had occurred in relation to the Lender, (ii) references to the Termination Date were to the date on which notice was given under this sub-paragraph, and (iii) the Loan were the only Loan outstanding. For the avoidance of doubt, any such failure shall

not constitute an Event of Default (including under paragraph 10.1(i)) unless the Parties otherwise agree.

### 9.3 Failure by either Party to deliver

Where a Party (the *Transferor*) fails to deliver Equivalent Securities or Equivalent Collateral by the time required under this Agreement or within such other period as may be agreed between the Transferor and the other Party (the *Transferee*) and the Transferee:

- (a) incurs interest, overdraft or similar costs and expenses; or
- (b) incurs costs and expenses as a direct result of a Buy-in exercised against it by a third party,

then the Transferor agrees to pay within one Business Day of a demand from the Transferee and hold harmless the Transferee with respect to all reasonable costs and expenses listed in sub-paragraphs (a) and (b) above properly incurred which arise directly from such failure other than (i) such costs and expenses which arise from the negligence or wilful default of the Transferee and (ii) any indirect or consequential losses.

## 10. EVENTS OF DEFAULT

10.1 Each of the following events occurring and continuing in relation to either Party (the *Defaulting Party*, the other Party being the *Non-Defaulting Party*) shall be an Event of Default but only (subject to sub-paragraph 10.1(d)) where the Non-Defaulting Party serves written notice on the Defaulting Party:

- (a) Borrower or Lender failing to pay or repay Cash Collateral or to deliver Collateral on commencement of the Loan under paragraph 5.1 or to deliver further Collateral under paragraph 5.4 or 5.5;
- (b) Lender or Borrower failing to comply with its obligations under paragraph 6.2 or 6.3 upon the due date and not remedying such failure within three Business Days after the Non-Defaulting Party serves written notice requiring it to remedy such failure;
- (c) Lender or Borrower failing to pay any sum due under paragraph 9.1(b), 9.2(b) or 9.3 upon the due date;
- (d) an Act of Insolvency occurring with respect to Lender or Borrower, provided that, where the Parties have specified in paragraph 5 of the Schedule that Automatic Early Termination shall apply, an Act of Insolvency which is the presentation of a petition for winding up or any analogous proceeding or the appointment of a liquidator or analogous officer of the Defaulting Party shall not require the Non-Defaulting Party to serve written notice on the Defaulting Party (*Automatic Early Termination*);
- (e) any warranty made by Lender or Borrower in paragraph 13 or paragraphs 14(a) to 14(d) being incorrect or untrue in any material respect when made or repeated or deemed to have been made or repeated;

- (f) Lender or Borrower admitting to the other that it is unable to, or it intends not to, perform any of its obligations under this Agreement and/or in respect of any Loan where such failure to perform would with the service of notice or lapse of time constitute an Event of Default;
  - (g) all or any material part of the assets of Lender or Borrower being transferred or ordered to be transferred to a trustee (or a person exercising similar functions) by a regulatory authority pursuant to any legislation;
  - (h) Lender (if applicable) or Borrower being declared in default or being suspended or expelled from membership of or participation in, any securities exchange or suspended or prohibited from dealing in securities by any regulatory authority, in each case on the grounds that it has failed to meet any requirements relating to financial resources or credit rating; or
  - (i) Lender or Borrower failing to perform any other of its obligations under this Agreement and not remedying such failure within 30 days after the Non-Defaulting Party serves written notice requiring it to remedy such failure.
- 10.2 Each Party shall notify the other (in writing) if an Event of Default or an event which, with the passage of time and/or upon the serving of a written notice as referred to above, would be an Event of Default, occurs in relation to it.
- 10.3 The provisions of this Agreement constitute a complete statement of the remedies available to each Party in respect of any Event of Default.
- 10.4 Subject to paragraphs 9 and 11, neither Party may claim any sum by way of consequential loss or damage in the event of failure by the other Party to perform any of its obligations under this Agreement.

## **11. CONSEQUENCES OF AN EVENT OF DEFAULT**

- 11.1 If an Event of Default occurs in relation to either Party then paragraphs 11.2 to 11.7 below shall apply.
- 11.2 The Parties' delivery and payment obligations (and any other obligations they have under this Agreement) shall be accelerated so as to require performance thereof at the time such Event of Default occurs (the date of which shall be the **Termination Date**) so that performance of such delivery and payment obligations shall be effected only in accordance with the following provisions.
- (a) The Default Market Value of the Equivalent Securities and Equivalent Non-Cash Collateral to be delivered and the amount of any Cash Collateral (including sums accrued) to be repaid and any other cash (including interest accrued) to be paid by each Party shall be established by the Non-Defaulting Party in accordance with paragraph 11.4 and deemed as at the Termination Date.
  - (b) On the basis of the sums so established, an account shall be taken (as at the Termination Date) of what is due from each Party to the other under this Agreement (on the basis that each Party's claim against the other in respect of delivery of Equivalent Securities or Equivalent Non-Cash Collateral equal to

the Default Market Value thereof) and the sums due from one Party shall be set off against the sums due from the other and only the balance of the account shall be payable (by the Party having the claim valued at the lower amount pursuant to the foregoing) and such balance shall be payable on the next following Business Day after such account has been taken and such sums have been set off in accordance with this paragraph. For the purposes of this calculation, any sum not denominated in the Base Currency shall be converted into the Base Currency at the spot rate prevailing at such dates and times determined by the Non-Defaulting Party acting reasonably.

- (c) If the balance under sub-paragraph (b) above is payable by the Non-Defaulting Party and the Non-Defaulting Party had delivered to the Defaulting Party a Letter of Credit, the Defaulting Party shall draw on the Letter of Credit to the extent of the balance due and shall subsequently deliver for cancellation the Letter of Credit so provided.
- (d) If the balance under sub-paragraph (b) above is payable by the Defaulting Party and the Defaulting Party had delivered to the Non-Defaulting Party a Letter of Credit, the Non-Defaulting Party shall draw on the Letter of Credit to the extent of the balance due and shall subsequently deliver for cancellation the Letter of Credit so provided.
- (e) In all other circumstances, where a Letter of Credit has been provided to a Party, such Party shall deliver for cancellation the Letter of Credit so provided.

11.3 For the purposes of this Agreement, the **Default Market Value** of any Equivalent Collateral in the form of a Letter of Credit shall be zero and of any Equivalent Securities or any other Equivalent Non-Cash Collateral shall be determined in accordance with paragraphs 11.4 to 11.6 below, and for this purpose:

- (a) the **Appropriate Market** means, in relation to securities of any description, the market which is the most appropriate market for securities of that description, as determined by the Non-Defaulting Party;
- (b) the **Default Valuation Time** means, in relation to an Event of Default, the close of business in the Appropriate Market on the fifth dealing day after the day on which that Event of Default occurs or, where that Event of Default is the occurrence of an Act of Insolvency in respect of which under paragraph 10.1(d) no notice is required from the Non-Defaulting Party in order for such event to constitute an Event of Default, the close of business on the fifth dealing day after the day on which the Non-Defaulting Party first became aware of the occurrence of such Event of Default;
- (c) **Deliverable Securities** means Equivalent Securities or Equivalent Non-Cash Collateral to be delivered by the Defaulting Party;
- (d) **Net Value** means at any time, in relation to any Deliverable Securities or Receivable Securities, the amount which, in the reasonable opinion of the Non-Defaulting Party, represents their fair market value, having regard to such pricing sources and methods (which may include, without limitation, available prices for securities with similar maturities, terms and credit characteristics as the relevant Equivalent Securities or Equivalent Collateral)

as the Non-Defaulting Party considers appropriate, less, in the case of Receivable Securities, or plus, in the case of Deliverable Securities, all Transaction Costs incurred or reasonably anticipated in connection with the purchase or sale of such securities;

- (e) **Receivable Securities** means Equivalent Securities or Equivalent Non-Cash Collateral to be delivered to the Defaulting Party; and
- (f) **Transaction Costs** in relation to any transaction contemplated in paragraph 11.4 or 11.5 means the reasonable costs, commissions (including internal commissions), fees and expenses (including any mark-up or mark-down or premium paid for guaranteed delivery) incurred or reasonably anticipated in connection with the purchase of Deliverable Securities or sale of Receivable Securities, calculated on the assumption that the aggregate thereof is the least that could reasonably be expected to be paid in order to carry out the transaction.

11.4 If between the Termination Date and the Default Valuation Time:

- (a) the Non-Defaulting Party has sold, in the case of Receivable Securities, or purchased, in the case of Deliverable Securities, securities which form part of the same issue and are of an identical type and description as those Equivalent Securities or that Equivalent Collateral, (and regardless as to whether or not such sales or purchases have settled) the Non-Defaulting Party may elect to treat as the Default Market Value:
  - (i) in the case of Receivable Securities, the net proceeds of such sale after deducting all Transaction Costs; provided that, where the securities sold are not identical in amount to the Equivalent Securities or Equivalent Collateral, the Non-Defaulting Party may, acting in good faith, either (A) elect to treat such net proceeds of sale divided by the amount of securities sold and multiplied by the amount of the Equivalent Securities or Equivalent Collateral as the Default Market Value or (B) elect to treat such net proceeds of sale of the Equivalent Securities or Equivalent Collateral actually sold as the Default Market Value of that proportion of the Equivalent Securities or Equivalent Collateral, and, in the case of (B), the Default Market Value of the balance of the Equivalent Securities or Equivalent Collateral shall be determined separately in accordance with the provisions of this paragraph 11.4; or
  - (ii) in the case of Deliverable Securities, the aggregate cost of such purchase, including all Transaction Costs; provided that, where the securities purchased are not identical in amount to the Equivalent Securities or Equivalent Collateral, the Non-Defaulting Party may, acting in good faith, either (A) elect to treat such aggregate cost divided by the amount of securities purchased and multiplied by the amount of the Equivalent Securities or Equivalent Collateral as the Default Market Value or (B) elect to treat the aggregate cost of purchasing the Equivalent Securities or Equivalent Collateral actually purchased as the Default Market Value of that proportion of the Equivalent Securities or Equivalent Collateral, and, in the case of (B), the Default Market Value of the balance of the Equivalent Securities

or Equivalent Collateral shall be determined separately in accordance with the provisions of this paragraph 11.4;

- (b) the Non-Defaulting Party has received, in the case of Deliverable Securities, offer quotations or, in the case of Receivable Securities, bid quotations in respect of securities of the relevant description from two or more market makers or regular dealers in the Appropriate Market in a commercially reasonable size (as determined by the Non-Defaulting Party) the Non-Defaulting Party may elect to treat as the Default Market Value of the relevant Equivalent Securities or Equivalent Collateral:
  - (i) the price quoted (or where more than one price is so quoted, the arithmetic mean of the prices so quoted) by each of them for, in the case of Deliverable Securities, the sale by the relevant market maker or dealer of such securities or, in the case of Receivable Securities, the purchase by the relevant market maker or dealer of such securities, provided that such price or prices quoted may be adjusted in a commercially reasonable manner by the Non-Defaulting Party to reflect accrued but unpaid coupons not reflected in the price or prices quoted in respect of such Securities;
  - (ii) after deducting, in the case of Receivable Securities or adding in the case of Deliverable Securities the Transaction Costs which would be incurred or reasonably anticipated in connection with such transaction.

11.5 If, acting in good faith, either (A) the Non-Defaulting Party has endeavoured but been unable to sell or purchase securities in accordance with paragraph 11.4(a) above or to obtain quotations in accordance with paragraph 11.4(b) above (or both) or (B) the Non-Defaulting Party has determined that it would not be commercially reasonable to sell or purchase securities at the prices bid or offered or to obtain such quotations, or that it would not be commercially reasonable to use any quotations which it has obtained under paragraph 11.4(b) above the Non-Defaulting Party may determine the Net Value of the relevant Equivalent Securities or Equivalent Collateral (which shall be specified) and the Non-Defaulting Party may elect to treat such Net Value as the Default Market Value of the relevant Equivalent Securities or Equivalent Collateral.

11.6 To the extent that the Non-Defaulting Party has not determined the Default Market Value in accordance with paragraph 11.4, the Default Market Value of the relevant Equivalent Securities or Equivalent Collateral shall be an amount equal to their Net Value at the Default Valuation Time; provided that, if at the Default Valuation Time the Non-Defaulting Party reasonably determines that, owing to circumstances affecting the market in the Equivalent Securities or Equivalent Collateral in question, it is not reasonably practicable for the Non-Defaulting Party to determine a Net Value of such Equivalent Securities or Equivalent Collateral which is commercially reasonable (by reason of lack of tradable prices or otherwise), the Default Market Value of such Equivalent Securities or Equivalent Collateral shall be an amount equal to their Net Value as determined by the Non-Defaulting Party as soon as reasonably practicable after the Default Valuation Time.

### **Other costs, expenses and interest payable in consequence of an Event of Default**

11.7 The Defaulting Party shall be liable to the Non-Defaulting Party for the amount of all reasonable legal and other professional expenses incurred by the Non-Defaulting Party in connection with or as a consequence of an Event of Default, together with interest thereon at such rate as is agreed by the Parties and specified in paragraph 10 of the Schedule or, failing such agreement, the overnight London Inter Bank Offered Rate as quoted on a reputable financial information service (**LIBOR**) as at 11.00 a.m., London time, on the date on which it is to be determined or, in the case of an expense attributable to a particular transaction and, where the Parties have previously agreed a rate of interest for the transaction, that rate of interest if it is greater than LIBOR. Interest will accrue daily on a compound basis.

### **Set-off**

11.8 Any amount payable to one Party (the **Payee**) by the other Party (the **Payer**) under paragraph 11.2(b) may, at the option of the Non-Defaulting Party, be reduced by its set-off against any amount payable (whether at such time or in the future or upon the occurrence of a contingency) by the Payee to the Payer (irrespective of the currency, place of payment or booking office of the obligation) under any other agreement between the Payee and the Payer or instrument or undertaking issued or executed by one Party to, or in favour of, the other Party. If an obligation is unascertained, the Non-Defaulting Party may in good faith estimate that obligation and set off in respect of the estimate, subject to accounting to the other Party when the obligation is ascertained. Nothing in this paragraph shall be effective to create a charge or other security interest. This paragraph shall be without prejudice and in addition to any right of set-off, combination of accounts, lien or other right to which any Party is at any time otherwise entitled (whether by operation of law, contract or otherwise).

## **12. TAXES**

### **Withholding, gross-up and provision of information**

12.1 All payments under this Agreement shall be made without any deduction or withholding for or on account of any Tax unless such deduction or withholding is required by any Applicable Law.

12.2 Except as otherwise agreed, if the paying Party is so required to deduct or withhold, then that Party (**Payer**) shall:

- (a) promptly notify the other Party (**Recipient**) of such requirement;
- (b) pay or otherwise account for the full amount required to be deducted or withheld to the relevant authority;
- (c) upon written demand of Recipient, forward to Recipient documentation reasonably acceptable to Recipient, evidencing such payment to such authorities; and
- (d) other than in respect of any payment made by Lender to Borrower under paragraph 6.3, pay to Recipient, in addition to the payment to which Recipient is otherwise entitled under this Agreement, such additional amount as is necessary to ensure that the amount actually received by Recipient (after

taking account of such withholding or deduction) will equal the amount Recipient would have received had no such deduction or withholding been required; provided Payer will not be required to pay any additional amount to Recipient under this sub-paragraph (d) to the extent it would not be required to be paid but for the failure by Recipient to comply with or perform any obligation under paragraph 12.3.

- 12.3 Each Party agrees that it will upon written demand of the other Party deliver to such other Party (or to any government or other taxing authority as such other Party directs), any form or document and provide such other cooperation or assistance as may (in either case) reasonably be required in order to allow such other Party to make a payment under this Agreement without any deduction or withholding for or on account of any Tax or with such deduction or withholding at a reduced rate (so long as the completion, execution or submission of such form or document, or the provision of such cooperation or assistance, would not materially prejudice the legal or commercial position of the Party in receipt of such demand). Any such form or document shall be accurate and completed in a manner reasonably satisfactory to such other Party and shall be executed and delivered with any reasonably required certification by such date as is agreed between the Parties or, failing such agreement, as soon as reasonably practicable.

#### **Stamp Tax**

- 12.4 Unless otherwise agreed, Borrower hereby undertakes promptly to pay and account for any Stamp Tax chargeable in connection with any transaction effected pursuant to or contemplated by this Agreement (other than any Stamp Tax that would not be chargeable but for Lender's failure to comply with its obligations under this Agreement).
- 12.5 Borrower shall indemnify and keep indemnified Lender against any liability arising as a result of Borrower's failure to comply with its obligations under paragraph 12.4.

#### **Sales Tax**

- 12.6 All sums payable by one Party to another under this Agreement are exclusive of any Sales Tax chargeable on any supply to which such sums relate and an amount equal to such Sales Tax shall in each case be paid by the Party making such payment on receipt of an appropriate Sales Tax invoice.

#### **Retrospective changes in law**

- 12.7 Unless otherwise agreed, amounts payable by one Party to another under this Agreement shall be determined by reference to Applicable Law as at the date of the relevant payment and no adjustment shall be made to amounts paid under this Agreement as a result of:
- (a) any retrospective change in Applicable Law which is announced or enacted after the date of the relevant payment; or
  - (b) any decision of a court of competent jurisdiction which is made after the date of the relevant payment (other than where such decision results from an action taken with respect to this Agreement or amounts paid or payable under this Agreement).



### **13. LENDER'S WARRANTIES**

Each Party hereby warrants and undertakes to the other on a continuing basis to the intent that such warranties shall survive the completion of any transaction contemplated herein that, where acting as a Lender:

- (a) it is duly authorised and empowered to perform its duties and obligations under this Agreement;
- (b) it is not restricted under the terms of its constitution or in any other manner from lending Securities in accordance with this Agreement or from otherwise performing its obligations hereunder;
- (c) it is absolutely entitled to pass full legal and beneficial ownership of all Securities provided by it hereunder to Borrower free from all liens, charges and encumbrances; and
- (d) it is acting as principal in respect of this Agreement, other than in respect of an Agency Loan.

### **14. BORROWER'S WARRANTIES**

Each Party hereby warrants and undertakes to the other on a continuing basis to the intent that such warranties shall survive the completion of any transaction contemplated herein that, where acting as a Borrower:

- (a) it has all necessary licences and approvals, and is duly authorised and empowered, to perform its duties and obligations under this Agreement and will do nothing prejudicial to the continuation of such authorisation, licences or approvals;
- (b) it is not restricted under the terms of its constitution or in any other manner from borrowing Securities in accordance with this Agreement or from otherwise performing its obligations hereunder;
- (c) it is absolutely entitled to pass full legal and beneficial ownership of all Collateral provided by it hereunder to Lender free from all liens, charges and encumbrances;
- (d) it is acting as principal in respect of this Agreement; and
- (e) it is not entering into a Loan for the primary purpose of obtaining or exercising voting rights in respect of the Loaned Securities.

### **15. INTEREST ON OUTSTANDING PAYMENTS**

In the event of either Party failing to remit sums in accordance with this Agreement such Party hereby undertakes to pay to the other Party upon demand interest (before as well as after judgment) on the net balance due and outstanding, for the period commencing on and inclusive of the original due date for payment to (but excluding) the date of actual payment, in the same currency as the principal sum and at the rate referred to in paragraph 11.7. Interest will accrue daily on a compound basis and will be calculated according to the actual number of days elapsed. No interest shall be

payable under this paragraph in respect of any day on which one Party endeavours to make a payment to the other Party but the other Party is unable to receive it.

**16. TERMINATION OF THIS AGREEMENT**

Each Party shall have the right to terminate this Agreement by giving not less than 15 Business Days' notice in writing to the other Party (which notice shall specify the date of termination) subject to an obligation to ensure that all Loans which have been entered into but not discharged at the time such notice is given are duly discharged in accordance with this Agreement.

**17. SINGLE AGREEMENT**

Each Party acknowledges that, and has entered into this Agreement and will enter into each Loan in consideration of and in reliance upon the fact that, all Loans constitute a single business and contractual relationship and are made in consideration of each other. Accordingly, each Party agrees:

- (a) to perform all of its obligations in respect of each Loan, and that a default in the performance of any such obligations shall constitute a default by it in respect of all Loans, subject always to the other provisions of the Agreement; and
- (b) that payments, deliveries and other transfers made by either of them in respect of any Loan shall be deemed to have been made in consideration of payments, deliveries and other transfers in respect of any other Loan.

**18. SEVERANCE**

If any provision of this Agreement is declared by any judicial or other competent authority to be void or otherwise unenforceable, that provision shall be severed from the Agreement and the remaining provisions of this Agreement shall remain in full force and effect. The Agreement shall, however, thereafter be amended by the Parties in such reasonable manner so as to achieve as far as possible, without illegality, the intention of the Parties with respect to that severed provision.

**19. SPECIFIC PERFORMANCE**

Each Party agrees that in relation to legal proceedings it will not seek specific performance of the other Party's obligation to deliver Securities, Equivalent Securities, Collateral or Equivalent Collateral but without prejudice to any other rights it may have.

**20. NOTICES**

20.1 Any notice or other communication in respect of this Agreement may be given in any manner set forth below to the address or number or in accordance with the electronic messaging system details set out in paragraph 6 of the Schedule and will be deemed effective as indicated:

- (a) if in writing and delivered in person or by courier, on the date it is delivered;

- (b) if sent by facsimile transmission, on the date that transmission is received by a responsible employee of the recipient in legible form (it being agreed that the burden of proving receipt will be on the sender and will not be met by a transmission report generated by the sender's facsimile machine);
- (c) if sent by certified or registered mail (airmail, if overseas) or the equivalent (return receipt requested), on the date that mail is delivered or its delivery is attempted; or
- (d) if sent by electronic messaging system, on the date that electronic message is received,

unless the date of that delivery (or attempted delivery) or the receipt, as applicable, is not a Business Day or that communication is delivered (or attempted) or received, as applicable, after the Close of Business on a Business Day, in which case that communication shall be deemed given and effective on the first following day that is a Business Day.

- 20.2 Either Party may by notice to the other change the address or facsimile number or electronic messaging system details at which notices or other communications are to be given to it.

## **21. ASSIGNMENT**

- 21.1 Subject to paragraph 21.2, neither Party may charge, assign or otherwise deal with all or any of its rights or obligations hereunder without the prior consent of the other Party.
- 21.2 Paragraph 21.1 shall not preclude a party from charging, assigning or otherwise dealing with all or any part of its interest in any sum payable to it under paragraph 11.2(b) or 11.7.

## **22. NON-WAIVER**

No failure or delay by either Party (whether by course of conduct or otherwise) to exercise any right, power or privilege hereunder shall operate as a waiver thereof nor shall any single or partial exercise of any right, power or privilege preclude any other or further exercise thereof or the exercise of any other right, power or privilege as herein provided.

## **23. GOVERNING LAW AND JURISDICTION**

- 23.1 This Agreement and any non-contractual obligations arising out of or in connection with this Agreement shall be governed by, and shall be construed in accordance with, English law.
- 23.2 The courts of England have exclusive jurisdiction to hear and decide any suit, action or proceedings, and to settle any disputes or any non-contractual obligation which may arise out of or in connection with this Agreement (respectively, *Proceedings* and *Disputes*) and, for these purposes, each Party irrevocably submits to the jurisdiction of the courts of England.

23.3 Each Party irrevocably waives any objection which it might at any time have to the courts of England being nominated as the forum to hear and decide any Proceedings and to settle any Disputes and agrees not to claim that the courts of England are not a convenient or appropriate forum.

23.4 Each Party hereby respectively appoints the person identified in paragraph 7 of the Schedule pertaining to the relevant Party as its agent to receive on its behalf service of process in the courts of England. If such an agent ceases to be an agent of a Party, the relevant Party shall promptly appoint, and notify the other Party of the identity of its new agent in England.

#### **24. TIME**

Time shall be of the essence of the Agreement.

#### **25. RECORDING**

The Parties agree that each may record all telephone conversations between them.

#### **26. WAIVER OF IMMUNITY**

Each Party hereby waives all immunity (whether on the basis of sovereignty or otherwise) from jurisdiction, attachment (both before and after judgement) and execution to which it might otherwise be entitled in any action or proceeding in the courts of England or of any other country or jurisdiction relating in any way to this Agreement and agrees that it will not raise, claim or cause to be pleaded any such immunity at or in respect of any such action or proceeding.

#### **27. MISCELLANEOUS**

27.1 This Agreement constitutes the entire agreement and understanding of the Parties with respect to its subject matter and supersedes all oral communication and prior writings with respect thereto.

27.2 The Party (the *Relevant Party*) who has prepared the text of this Agreement for execution (as indicated in paragraph 9 of the Schedule) warrants and undertakes to the other Party that such text conforms exactly to the text of the standard form Global Master Securities Lending Agreement (2010 version) posted by the International Securities Lending Association on its website except as notified by the Relevant Party to the other Party in writing prior to the execution of this Agreement.

27.3 Unless otherwise provided for in this Agreement, no amendment in respect of this Agreement will be effective unless in writing (including a writing evidenced by a facsimile transmission) and executed by each of the Parties or confirmed by an exchange of telexes or electronic messages on an electronic messaging system.

27.4 The Parties agree that where paragraph 11 of the Schedule indicates that this paragraph 27.4 applies, this Agreement shall apply to all loans which are outstanding as at the date of this Agreement and which are subject to the securities lending agreement or agreements specified in paragraph 11 of the Schedule, and such Loans shall be treated as if they had been entered into under this Agreement, and the terms of such loans are amended accordingly with effect from the date of this Agreement.

- 27.5 The Parties agree that where paragraph 12 of the Schedule indicates that this paragraph 27.5 applies, each may use the services of a third party vendor to automate the processing of Loans under this Agreement and that any data relating to such Loans received from the other Party may be disclosed to such third party vendors.
- 27.6 The obligations of the Parties under this Agreement will survive the termination of any Loan.
- 27.7 The warranties contained in paragraphs 13, 14 and 27.2 and in the Agency Annex will survive termination of this Agreement for so long as any obligations of either of the Parties pursuant to this Agreement remain outstanding.
- 27.8 Except as provided in this Agreement, the rights, powers, remedies and privileges provided in this Agreement are cumulative and not exclusive of any rights, powers, remedies and privileges provided by law.
- 27.9 This Agreement (and each amendment in respect of it) may be executed and delivered in counterparts (including by facsimile transmission), each of which will be deemed an original.
- 27.10 A person who is not a party to this Agreement has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any terms of this Agreement, but this does not affect any right or remedy of a third party which exists or is available apart from that Act.

**EXECUTED** by the **PARTIES**

**SIGNED** by George A Rennick  
*Managing Director*  
duly authorised for and  
on behalf of  
**JPMORGAN CHASE BANK N.A.**  
**acting as agent**

)  
)  
)  
)



**SIGNED** by  
  
duly authorised for and  
on behalf of  
**GOLDMAN SACHS INTERNATIONAL**

)  
)  
)  
)



# J.P.Morgan

## SCHEDULE

### 1. COLLATERAL

1.1 The securities, financial instruments and deposits of currency set out in this Schedule are acceptable forms of Collateral under the Agreement.

1.2 Types of Collateral:

The following types of collateral shall, unless otherwise agreed, constitute Collateral acceptable hereunder:

- (i) **Cash.** The following are acceptable currencies: US Dollar (USD); Pound Sterling (GBP); Australian Dollar (AUD); Euro (EUR).
- (ii) **Government Securities**
  - (a) **U.S. Government Securities:** book-entry securities issued by the U.S. Treasury and any other securities issued or fully guaranteed as to principal and interest by the United States government.
  - (b) **US Government Sponsored Agencies Debt Securities:**
    - **US-FNMA, FHLMC, FHLB, FFCS** – Debt securities issued by the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Federal Home Loan Bank, and the Federal Farm Credit System.
  - (c) **US Government Sponsored Agencies Mortgage Backed Securities:**
    - **MBSs** - Single-class mortgage participation certificates (FNMA Certificates or FHLMC Certificates) in book-entry form backed by single family residential mortgage loans, the full and timely payment of **interest** at the applicable certificate rate and the ultimate collection of principal of which are guaranteed by the Federal National **Mortgage** Association or the **Federal** Home Loan Mortgage Corporation (excluding Real Estate Mortgage Investment Conduit (REMIC) or other multi-class passthrough certificates, collateralized mortgage obligations, pass-through certificates backed by adjustable rate mortgages, securities paying interest or principal only and similar derivative securities).
    - **Remics/CMOs** - Collateralized Mortgage Obligations (CMOs) and Real Estate Mortgage Investment Conduits (REMICs) **issued** by FNMA and FHLMC. Types include Sequential-Pay Classes, Floaters, and Planned Amortization Classes (PACs).

(d) **UK Government Securities:**

- **Unstripped British Government Debt** - Unstripped Government Debt issued by the government of the United Kingdom or by the Bank of England.
- **UK Eligible Bank Bills issued by the Bank of England** - UK bank bills are bills of exchange issued by the **Bank** of England and accepted by a UK bank. A UK bank bill represents an order in writing, addressed and signed by the Bank of England, requiring the Bank of England to pay its holder, on demand or at a fixed date, a specified sum of money.

(e) **Eurozone Government Securities:**

- **Bills, Notes and Bonds** issued or guaranteed as to principal and interest by the governments **of the following countries denominated in Euro: Austria, Belgium, Finland, France, Germany, Ireland, Italy, Luxembourg, Netherlands, Portugal, Spain.** Bills, notes, and bonds are defined as negotiable debt obligations of the listed countries.

(f) **Other Government Securities:**

- **Bills, Notes and Bonds** issued or guaranteed as to principal and interest by the governments **of the following countries: Australia, Canada, Denmark, Japan, New Zealand, Norway, Sweden, and Switzerland.** Bills, notes, and bonds are defined as negotiable debt obligations of the listed countries.

(g) **Cash-in-Lieu:**

- In the unlikely event where the Borrower is unable to supply and deliver securities described above as Collateral, a **deposit** of cash, ***which is not to be reinvested***, is required to be held overnight to meet the collateral value requirements under the Agreement **in the following currencies: U.S. Dollars (USD), Euro (EUR), Pound Sterling (GBP).**

(iii) **Equities.** Common stocks **listed** on the following indices are accepted from a limited set of borrowers selected by the Agent:

Australia S&P ASX 200 / S&P ASX 300

Austria ATX

Canada S&P / TSX Composite Index

Denmark OMX Copenhagen 20

Finland OMXH25 / OMXH General Shares

France CAC40 / CAC Mid 60 / SBF 250

Germany DAX30 / MDAX / HDAX

Hong Kong Hang Seng

Japan Nikkei 225 / Nikkei 300 / TSE Topix



Netherlands AEX / Mid Kap  
Singapore STI  
Sweden OMX 30  
Switzerland SMI  
UK FTSE 100 / FTSE 250  
US S&P 500 / Russell 3000

1.3 Margin:

- (a) Unless otherwise agreed between the Parties, the Market Value of the Collateral delivered pursuant to paragraph 5 of the Agreement by Borrower to Lender shall on each Business Day represent (i) not less than the Market Value of the Loaned Securities together with (ii) the percentage agreed between the parties in writing from time to time as corresponding to the particular form of Collateral, referred to in this Agreement as the “*Margin*”.
- (b) The types of acceptable Collateral and Margin may vary from time to time depending on each individual Loan as agreed between the parties in writing from time to time.

1.4 Basis of Margin Maintenance:

Paragraph 5.4 (*aggregation*) applies to all Loans collateralised by Non-Cash Collateral.

Paragraph 5.5 (*loan by loan*) applies to all Loans collateralised by Cash Collateral.

1.5 Paragraph 5.6 (*netting of obligations to deliver Collateral and redeliver Equivalent Collateral*) shall apply, as amended below.

1.6 For the purposes of paragraph 5.8, Notification Time means by 3.00pm, London time.

1.7 Paragraph 6.4 (*Indemnity for failure to redeliver Equivalent Non-Cash Collateral*) shall apply, as amended below.

**2. BASE CURRENCY**

The Base Currency applicable to this Agreement is U.S. Dollars, unless otherwise agreed, provided that if U.S. Dollars cease to be freely convertible the Base Currency shall be Euro, unless otherwise agreed.

**3. PLACES OF BUSINESS**

London or New York.

**4. MARKET VALUE**

(See definition of Market Value.)

**5. EVENTS OF DEFAULT**

Automatic Early Termination shall not apply in respect of Party A, unless otherwise provided in the Agreement.

Automatic Early Termination shall not apply in respect of Party B.

**6. DESIGNATED OFFICE AND ADDRESS FOR NOTICES**

**(a) Designated office of Party A:**

Address for notices or communications to Party A:

**JPMorgan Chase Bank, N.A. (London branch)**

Attention: Securities Lending Desk - Marcus Rudler

Address: 25 Bank Street, Canary Wharf, London E14 5JP

TEL: +44 20 7134 1597

FAX: +44 20 7325 6396

Electronic Messaging System Details: [marcus.c.rudler@jpmorgan.com](mailto:marcus.c.rudler@jpmorgan.com)

**JPMorgan Chase Bank, N.A. (New York branch)**

Attention: Securities Lending Desk - Brad Fryer and Michael Cardieri

Address: 4 New York Plaza, Floor 12, New York, NY, 10004-2413, United States

TEL: +1 212 552 8020/+1212 552 8055

Electronic Messaging System Details: [bradley.k.fryer@jpmorgan.com](mailto:bradley.k.fryer@jpmorgan.com);  
[Michael.Cardieri@jpmorgan.com](mailto:Michael.Cardieri@jpmorgan.com)

**JPMorgan Chase Bank, N.A. (Sydney branch)**

Attention: Securities Lending Desk - Andrew Bates

Address: 85 Castlereagh Street, Floor 20, Sydney, 2000, Australia

TEL: +61 290 038802

Electronic Messaging System Details: [andrew.j.bates@jpmorgan.com](mailto:andrew.j.bates@jpmorgan.com)

**JPMorgan Chase Bank, N.A. (Hong Kong branch)**

Attention: Securities Lending Desk - Simone Broadfield

Address: 8 Connaught Road, Central, Floor 25, Hong Kong, 999077, Hong Kong

TEL: +852 2800 9089

Electronic Messaging System Details: simone.broadfield@jpmorgan.com

The Parties acknowledge that, for the purposes of paragraphs 10, 11 and 16 all notices and/or communications for Party A shall be sent to JPMorgan Chase Bank, N.A. (London branch) contact details set out above.

(b) **Designated office of Party B:**

Address for notices or communications to Party B:

Address: Goldman Sachs International

Plumtree Court,

25 Shoe Lane,

London EC4A 4AU

Attention: Securities Lending Collateral Management (Equities) and  
GSS Compliance

Email ID: eq-ln-sl-actman@gs.com

Attention: Collateral Management (Stock)

Email ID: gsrepomarginlondon@ny.email.gs.com

Facsimile No: +44 (0) 20 7774 1777

**7. Agent of Party A for Service of Process:**

JPMorgan Chase Bank, N.A. (London branch)

Address: 25 Bank Street, Canary Wharf, London E14 5JP

**Agent of Party B for Service of Process: N/A**

**8. AGENCY**

Party A will always act as agent.

Party B will not act as agent.

The Addendum for Pooled Principal Transactions shall apply to Party A.

The Addendum for Pooled Principal Transactions shall not apply to Party B.

**9. PARTY PREPARING THIS AGREEMENT**

Party A

## 10. DEFAULT INTEREST

Rate of default interest shall be OBFR (Overnight Bank Funding Rate) plus 1%.

## 11. EXISTING LOANS

Paragraph 27.4 shall apply to any:

- (a) Overseas Securities Lenders Agreement (“OSLA”); and
- (b) Master Equity & Fixed Interest Stock Lending Agreement (“MEFISLA”); and
- (c) Master Gilt-Edged Stock Lending Agreement (“GESLA”),

agreed to between JPMorgan Chase Bank, N.A. (London branch) and the Borrower (collectively referred to as “**Historic Agreements**”), as amended, supplemented or otherwise modified from time to time. The parties agree that any Loan, including but not limited to any evergreen Loans, entered into prior to the date hereof between the parties pursuant to the terms of the Historic Agreements, shall be treated as if they had been entered into under this Agreement and deemed to incorporate the terms of and be governed by and construed in accordance with this Agreement. Such Loans shall no longer be governed by the terms of such Historic Agreements but shall be governed by the terms of this Agreement.

## 12. AUTOMATION

Paragraph 27.5 shall apply, provided that both Parties consent to the appointment of the relevant third party vendor.

## 13. SUPPLEMENTAL TERMS AND CONDITIONS

**The Parties to the Agreement agree to be governed by the Supplemental Terms and Conditions stated herein. To the extent that any provisions in these Supplemental Terms and Conditions are in conflict with provisions contained in the Agreement, the provisions contained in these Supplemental Terms and Conditions shall prevail.**

13.1 Paragraph 1.3 shall be supplemented by the following at the end thereof:

“Lender shall enter into loans of Securities as agent on behalf of third party beneficial owners and the Agency Annex (including the Addendum for Pooled Principal Agency Loans) shall take effect in accordance herewith.”

13.2 Paragraph 2.1 shall be amended as follows:

- (A) The new definition of *Agent* shall be added as follows:

“*Agent* means Party A acting as securities lending agent;”

- (B) The definition of *Business Day* shall be amended by replacing the phrase “in relation to any payments” in the first line of sub-paragraph (b) with the phrase “in relation to any cash payments”;

- (C) The definition of *Buy-In* shall be amended by replacing the phrase “the buyer or transferee of such securities” with the phrase “the buyer or transferee of such securities (or any third party, as applicable)”;

- (D) The definition of *Collateral* shall be supplemented by the following after the words “under paragraph 1 of the Schedule”:

“or as otherwise agreed by the Parties from time to time”; and

by adding the following at the end of that paragraph:

“and Cash Collateral”.

- (E) A definition of *Income Payment Date* shall be added as follows:

“*Income Payment Date* means, with respect to any Securities or Collateral means, the date on which Income is paid in respect of such Securities or Collateral, or in the case of registered Securities or Collateral, the date by reference to which particular registered holders are identified as being entitled to payment of Income”;

- (F) The definition of *Letter of Credit* shall be deleted in its entirety;

- (G) The definition of *Margin* shall be deleted in its entirety and replaced by the following:

“*Margin* has the meaning specified in paragraph 1 of the Schedule hereto;”

- (H) The definition of *Market Value* shall be amended as follows:

(a) The words “or a Letter of Credit” in sub-paragraph (a) shall be deleted in its entirety;

(b) Sub-paragraph (b) shall be deleted in its entirety; and

(c) Sub-paragraph (c) shall be renumbered as (b).

- (I) The definition of *General Data Protection Regulation* shall be added as follows:

“*General Data Protection Regulation*” means the General Data Protection Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data;”

13.3 Paragraph 4.3 **Deliveries to be simultaneous unless otherwise agreed** shall be amended by deletion of the reference to paragraph 8.6 and replacing it with the reference to paragraph 8.5.

13.4 Paragraph 4.4 (*Deliveries of Income*) shall be deleted in its entirety and replaced with the following:

“In respect of Income being paid in relation to any Loaned Securities, Borrower shall provide to Lender any endorsements or assignments (which, for the avoidance of doubt, shall not include tax vouchers) as shall be customary and appropriate to effect, in accordance with paragraph 6, the payment or delivery of money or property equivalent to the type and amount of such Income to Lender, irrespective of whether Borrower received such endorsements or assignments (which, for the avoidance of doubt, shall not include tax vouchers) in respect of any Loaned Securities.

Where Income may become payable in respect of Collateral (other than Cash Collateral) delivered to Lender, Borrower shall call for redelivery of Equivalent Collateral in good time to ensure that such Equivalent Collateral may be redelivered prior to any such Income being payable to the Lender.”

13.5 Paragraph 5.1 (*Delivery of Collateral on commencement of Loan*) shall be amended as follows:

(A) The heading of paragraph 5.1 shall be amended by deleting the word “on” and replacing it with the words “prior to”;

(B) Paragraph 5.1 shall be deleted in its entirety and replaced by the following:

“Unless otherwise agreed in respect of any particular Loan, notwithstanding anything to the contrary in this Agreement (i) any obligation of Lender to deliver Securities in respect of any Loan to Borrower is conditional upon Lender having received the Collateral agreed to be provided in respect of such Loan and (ii) any obligation of Lender to repay or deliver (as the case may be) Equivalent Collateral upon the termination of a Loan or upon the substitution of Alternative Collateral is conditional upon Lender verifying receipt of Equivalent Securities.”

13.6 Sub-paragraph (b) of paragraph 5.4 **Marking to Market of Collateral during the currency of a Loan on aggregated basis** shall be amended by adding the words “if agreed between the Parties” before the words: “all amounts due and payable by the Lender”; and “all amounts due and payable by the Borrower”;

13.7 Sub-paragraph (c) of paragraph 5.4 **Marking to Market of Collateral during the currency of a Loan on aggregated basis** shall be amended by adding the words “if agreed between the Parties” before the words: “all amounts due and payable by the Lender”; and “all amounts due and payable by the Borrower”;

13.8 Sub-paragraph (b) of paragraph 5.5 **Marking to Market of Collateral during the currency of a Loan on a Loan by Loan basis** shall be amended by adding the words “if agreed between the Parties” before the words: “all amounts due and payable by the Lender”; and “all amounts due and payable by the Borrower”;

13.9 Sub-paragraph (c) of paragraph 5.5 **Marking to Market of Collateral during the currency of a Loan on a Loan by Loan basis** shall be amended by adding the

words “if agreed between the Parties” before the words: “all amounts due and payable by the Lender”; and “all amounts due and payable by the Borrower”;

- 13.10 Paragraph 5.6 (***Requirements to deliver excess Collateral***) shall be deleted and replaced by the following:

Where paragraph 5.4 applies, unless paragraph 1.4 of the Schedule indicates that this paragraph 5.6 does not apply, if a Party (the first Party) would, but for this paragraph 5.6, be required under paragraph 5.4 to provide further Collateral or deliver Equivalent Collateral in respect of a certain eligible collateral schedule in circumstances where the other Party (the second Party) would, but for this paragraph 5.6, also be required to or provide Collateral or deliver Equivalent Collateral in respect of the same eligible collateral schedule under paragraph 5.4, then the Market Value of the Collateral or Equivalent Collateral deliverable by the first Party (X) in respect of that eligible collateral schedule shall be set off against the Market Value of the Collateral or Equivalent Collateral deliverable by the second Party (Y) in respect of that eligible collateral schedule and the only obligation of the Parties under paragraph 5.4 in respect of that eligible collateral schedule shall be, where X exceeds Y, an obligation of the first Party, or where Y exceeds X, an obligation of the second Party to repay and/or (as the case may be) deliver Equivalent Collateral or to deliver further Collateral in respect of that eligible collateral schedule having a Market Value equal to the difference between X and Y.”

- 13.11 Paragraph 5.9 (***Substitutions and extensions of Letters of Credit***) shall be deleted in its entirety.

- 13.12 Paragraph 6.1 shall be deleted in its entirety and replaced with the following:

“6.1 In this paragraph 6, references to an amount of Income received by any Party in respect of Loaned Securities or Non-Cash Collateral shall be (i) to an amount actually received from the issuer after any applicable withholding or deduction for or on account of Tax; or (ii) to an amount that the Party would have received from the issuer after any applicable withholding or deduction for or on account of Tax had such Party held the relevant Loaned Securities or Non-Cash Collateral on the applicable Income Record Date.”

- 13.13 Paragraph 6.4 (***Indemnity for failure to redeliver Equivalent Non-Cash Collateral***) shall apply subject to making the below amendment.

The last paragraph of 6.4 shall be deleted and replaced with following:

"Lender shall, on the date any Income is paid on any Non-Cash Collateral that Lender has not transferred to Borrower in accordance with the foregoing, pay or deliver to Borrower a sum of money or property as is agreed between the parties or, failing such agreement, a sum of money or property equivalent to (and in the same currency as) the type and amount of such Income that would be received by Borrower in respect of such Non-Cash Collateral, assuming such Non-Cash

Collateral had not been provided to Lender and had been retained by Borrower on the Income Record Date.

Provided that, where Collateral is managed pursuant to a triparty collateral management agreement entered into by the Lender, Borrower and a mutually agreed collateral management agent, Lender shall in the absence of its own negligence, fraud or wilful default not be liable for a failure of the collateral management agent to comply with its obligations with respect to the Collateral.”

- 13.14 Sub-paragraph 6.5(a) (***Income in the form of Securities***) shall be deleted in its entirety and replaced with the following:

“Where Income, in the form of securities, is paid in relation to any Loaned Securities, such securities shall be added to such Loaned Securities (and shall constitute Loaned Securities and be part of the relevant Loan) and will not be delivered to Lender, until the end of the relevant Loan; provided that on or prior to payment of such Income, Borrower shall have delivered or delivers any additional Collateral in respect of the relevant Loan as may be required in order to fulfil its obligations under paragraph 5.4 or 5.5 (as applicable) with respect to the additional Loaned Securities.”

- 13.15 A new sub-paragraph 6.5(b) (***Income in the form of Warrants or Rights to Purchase Shares***) shall be added as follows:

“Where Income in the form of warrants or rights to purchase shares is paid in relation to any Loaned Securities, such warrants or rights (or corresponding securities arising in respect of the exercise of such warrants or rights) shall be deemed to constitute, a new Loan of Securities to Borrower (and shall be treated as a separate Loan) and such warrants or rights (or corresponding securities arising in respect of the exercise of such warrants or rights) need not be delivered to Lender until the end of such new Loan; provided that, on or prior to payment of such Income, Borrower shall have delivered or delivers any additional Collateral in respect of the new Loan as may be required in order to fulfil its obligations under paragraph 5.4 or 5.5 (as applicable) with respect to the additional Loaned Securities.”

- 13.16 Paragraph 6.7 (***Corporate actions***) shall be amended by including the following at the end of the paragraph:

“In the event that the Borrower has returned Equivalent Securities to the Lender and an Income Record Date is announced:

- (i) retrospectively with respect to such Equivalent Securities; or
- (ii) and the exercise of such rights are subject to the fulfilment of additional conditions (including but not limited to the minimum holding period prior to or after the Income Record Date),

Borrower agrees to enter into discussions with the Lender in good faith to assess whether it is able to assist with the fulfilling the above obligations, as applicable.



Provided that, where Collateral is managed pursuant to a triparty collateral management agreement entered into by the Lender, Borrower and a mutually agreed collateral management agent, Lender shall in the absence of its own negligence, fraud or wilful default not be liable for a failure of the collateral management agent to comply with its obligations with respect to the Collateral.”

- 13.17 Paragraph 8.4 (*Delivery of Equivalent Collateral on termination of a Loan*) shall be amended by addition the words “and only upon receipt of Equivalent Securities,” after the words “on the termination of a Loan,” in the second row thereof; and deletion of the “simultaneously” after the words “Lender shall” in the third row thereof.
- 13.18 Paragraph 8.5 (*Delivery of Letters of Credit*) shall be deleted in its entirety.
- 13.19 Paragraph 8.6 (*Delivery obligations to be reciprocal*) shall be renumbered as paragraph 8.5.
- 13.20 Sub-paragraph 9.1(b) shall be amended by deletion of the word “an” in the seventh row thereof with the word “any”.
- 13.21 Paragraph 9.3 (*Failure by either Party to deliver*) shall be deleted in its entirety and replaced with the following:

**“9.3 Failure by either Party to deliver**

(a) Where a Party (the *Transferor*) fails to deliver Equivalent Securities or Equivalent Collateral by the time required under this Agreement or within such other period as may be agreed between the Transferor and the other Party (the *Transferee*), the Transferor agrees to account to the Transferee (or Agent acting on its behalf, if applicable) for all direct costs, expenses, losses, damages, penalties, liabilities or claims (*Losses*) resulting from such failure including, without limitation, Losses resulting from:

- (i) any Buy-In exercised against the Transferee; provided that where the Equivalent Securities or Equivalent Collateral which the Transferor failed to redeliver represent a percentage only of the aggregate number of Securities in respect of which a Buy-In is exercised against the Transferee then the Transferor shall only be required to pay to the Transferee such equivalent percentage only of direct Losses resulting from any such Buy-In; or
- (ii) any purchase by the Transferee (or Agent acting on its behalf, if applicable) of replacement Securities of the same issue, type, class and series in lieu of any Buy-In; or
- (iii) any failed onward sale transaction,

but excluding any indirect or consequential Losses or such Losses resulting from the negligence or wilful default of the Transferee.

Provided that, where Non-Cash Collateral is managed pursuant to a triparty collateral management agreement entered into by the Lender, Borrower and a mutually agreed collateral management agent, Lender shall in the absence of its own negligence, fraud or wilful default not be liable for a failure of the collateral management agent to comply with its obligations with respect to the Non – Cash Collateral.”

13.22 Paragraph 10.1 (*Events of Default*) is hereby amended as follows:

(a) Sub-paragraph 10.1(a) is deleted and replaced by the following:

"Borrower or Lender failing to pay or repay Cash Collateral or to deliver Collateral on commencement of the Loan under paragraph 5.1 or to deliver or redeliver Collateral or Equivalent Collateral, as the case may be under paragraph 5.4 or 5.5. However, notwithstanding the foregoing, any failure to redeliver Equivalent Collateral under paragraph 5.4 or 5.5 shall not be an Event of Default if the Lender upon notice of such failure immediately provides evidence to the reasonable satisfaction of the Borrower that such delivery failure was caused solely by an error or omission of an administrative or operational nature, unrelated to the Lender's financial condition and the relevant delivery is made within 1 Business Day from the date of failure to deliver;"

(b) Sub-paragraph 10.1(i) shall be amended by replacing “30 days” with “fifteen (15) days”;

(c) In sub-paragraph 10.1(h), by deleting the words "in each case on the grounds that it has failed to meet any requirements relating to financial resources or credit rating" and substituting with the following "and the effect of such a default, suspension, expulsion or prohibition is that the relevant party can no longer fulfil its obligations under this Agreement".

13.23 Paragraph 11.2 shall be amended by deletion of sub-paragraphs (c), (d), and (e) thereof.

13.24 Paragraph 11.3 shall be amended by deletion of the words “of any Equivalent Collateral in the form of a Letter of Credit shall be zero and” in the first and second rows thereof.

13.25 Paragraph 11.8 *Set-Off* shall be amended by the addition of the following as a new sub-paragraph (b):

“(b) As soon as reasonably practicable after effecting the calculation above, the Non-Defaulting Party shall provide to the Defaulting Party a statement showing in reasonable detail such calculations and specifying the balance payable by one party to the other and, such balance shall be due and payable on the Business Day following the date of such statement. To the extent the Non-Defaulting Party exercises its contractual set off right, the Non-Defaulting Party will use reasonable endeavours to ensure that the statement shall further specify (subject to any legal or contractual restrictions) : (A) a breakdown of all amount(s) (which will include any contingent liabilities) set off by the Non-Defaulting Party; and (B) the identification

of the relevant agreement(s), instrument(s) and/or undertaking(s) pursuant to which the amount(s) set off arise. Any failure to comply with this sub-paragraph "(b)" will not affect the validity or enforceability of any set off under this provision.”

- 13.26 Paragraph 12.7 shall be amended by adding the words “or the Income Record Date in case of any payments made pursuant to paragraph 6 **Corporate Actions and Distributions** after the words “relevant payment” in the third row thereof.
- 13.27 Sub-paragraph 12.7(a) shall be amended by adding the words “or the Income Record Date, as the case may be” after the words “relevant payment” in the second row thereof.
- 13.28 Sub-paragraph 12.7(b) shall be amended by adding the words “or the Income Record Date, as the case may be” after the words “relevant payment” in the second row thereof.
- 13.29 New paragraph 14(f) shall be added as follows:

“(f) it is a “qualified investor” within the meaning of Section 3(a)(54) of the Securities Exchange Act 1934 as amended.”

- 13.30 Paragraph 21.1 (*Assignment*) is hereby deleted in its entirety and replaced by the following:

“Subject to paragraph 21.2, neither Party may charge, assign or transfer all or any of its rights or obligations hereunder without the prior consent of the other Party and any purported assignment, charge or other dealing absent such consent shall be null and void, except for an assignment by Borrower of all its rights and obligations hereunder (including but not limited to any outstanding Loans) in whatever form Borrower determines may be appropriate to a partnership, corporation, trust or other organisation in whatever form that succeeds to all or substantially all of Borrower's assets and business and that assumes such obligations by contract, operation of law or otherwise (a "**Successor Entity**"); provided always that:

- (i) the creditworthiness of the Successor Entity shall not be Materially Weaker than the creditworthiness of Borrower immediately prior to such assignment; and
- (ii) such Successor Entity is organised in a G7 country (Canada, France, Germany, Italy, Japan, United Kingdom or United States of America), Australia, Hong Kong, New Zealand, Singapore or Switzerland, or in a member country of the European Union.

For the purposes of this paragraph, Borrower will notify Lender of any assignment at least fifteen (15) Business Days prior to such assignment. For the avoidance of doubt, in the event that Borrower fails to notify Lender of such assignment it will not invalidate, negate or otherwise render such assignment unenforceable, to the extent that such assignment is otherwise permitted under this paragraph 21.1, and for the purposes of the Agreement, such failure to notify Lender shall not constitute an Event of Default under Paragraph 10.

In the case of an assignment by Borrower without Lender prior written consent, Lender may, within 30 calendar days following being made aware of such assignment, by written notice to Borrower, terminate all Loans under the Agreement by serving a written notice to Borrower such notice to be binding upon any

Successor Entity (the “**Termination Notice**”).

The Termination Notice shall specify a termination date (the “**Termination Date**”) which shall provide for termination of all Loans to occur on a Business Day after not less than the standard settlement time for the Equivalent Securities on the relevant exchange or in the relevant clearing organisation through which the Loaned Securities were originally delivered.

The Borrower shall deliver all Equivalent Securities for each Loan to the Lender no later than the Termination Date, upon which delivery the Loans will terminate.

For the avoidance of doubt, any assignment under this paragraph shall not constitute an Event of Default. Upon any such assumption of obligations by the Successor Entity, Borrower shall be relieved of and fully discharged from all obligations hereunder, whether such obligations arose before or after such assumption.

“**Materially Weaker**” means the long-term, senior, unsecured credit rating assigned to the Successor Entity (taking into account any credit support) upon the transfer is below Baa3 by Moody’s and below BBB- by S&P, in each case following the issuance of such a rating by either S&P or Moody’s.

“**S&P**” means Standard & Poor's Rating Group, a division of McGraw-Hill, Inc., including any official successor to S&P.

“**Moody's**” means Moody's Investors Service, Inc. including any official successor to Moody's.”

- 13.31 Paragraph 26 **Waiver of Immunity** shall be deleted and replaced with the following:

“Unless otherwise agreed in writing by the Parties, each Party hereby waives all immunity (whether on the basis of sovereignty or otherwise) from jurisdiction, attachment (both before and after judgement) and execution to which it might otherwise be entitled in any action or proceeding in the courts of England or of any other country or jurisdiction relating in any way to this Agreement and agrees that it will not raise, claim or cause to be pleaded any such immunity at or in respect of any such action or proceeding.”

- 13.32 New paragraph 28 **DATA PRIVACY** shall be added as follows:

- (a) For the purposes of this paragraph 28, the terms “controller”, “personal data” and “processing” shall have the meaning given in the General Data Protection Regulation.
- (b) The Parties agree that, where Party A determines the means or purposes of the processing of personal data, it is a controller with respect to the personal data disclosed, provided or otherwise made available to Party A by Party B in relation to the arrangement contemplated by these terms.
- (c) Details of Party A’s processing activities of personal data can be found in its EMEA Privacy Policy, effective from 25 May 2018, which is available on J.P. Morgan Chase & Co’s website at [www.jpmorgan.com/privacy](http://www.jpmorgan.com/privacy).
- (d) Party B agrees that it has lawful authority to provide personal data to Party A and to the extent required by applicable laws that it has or will provide notice to individuals whose personal data is to be transferred to Party A.

13.33 New paragraph 29 **U.S. SPECIAL RESOLUTION REGIME** shall be added as follows:

“Notwithstanding anything to the contrary in the Agreement,

- (a) In the event Party A or Party B becomes subject to a resolution proceeding under the Federal Deposit Insurance Act (12 U.S.C. 1811–1835a) or Title II of the Dodd-Frank Wall Street Reform and Consumer Protection Act (12 U.S.C. 5381–5394) and regulations promulgated under those statutes (each, a “U.S. Special Resolution Regime”) the transfer of this Agreement (and any interest and obligation in or under, and any property securing, the Agreement) from Party A or Party B will be effective to the same extent as the transfer would be effective under the U.S. Special Resolution Regime if the Agreement (and any interest and obligation in or under, and any property securing, the Agreement) were governed by the laws of the United States or a state of the United States.
- (b) In the event that Party B or an Affiliate of Party B becomes subject to a proceeding under a U.S. Special Resolution Regime, any Default Rights (as defined in 12 C.F.R. §§ 252.81, 47.2 or 382.1, as applicable (“Default Right”)) under this Agreement that may be exercised against Party B are permitted to be exercised to no greater extent than such Default Rights could be exercised under the U.S. Special Resolution Regime if this Agreement were governed by the laws of the United States or a state of the United States.
- (c) If any entity on whose behalf Party A acts as agent, or Party B, has previously adhered to, or subsequently adheres to, the ISDA 2018 U.S. Resolution Stay Protocol as published by the International Swaps and Derivatives Association, Inc. as of July 31, 2018 (the “ISDA U.S. Protocol”), the terms of such protocol shall be incorporated into and form a part of this Agreement and the terms of the ISDA U.S. Protocol shall supersede and replace the terms of this Paragraph 29. For purposes of incorporating the ISDA U.S. Protocol, each party shall be deemed to have the same status as “Regulated Entity” and/or “Adhering Party” as applicable to it under the ISDA U.S. Protocol, and this Agreement shall be deemed to be a Protocol Covered Agreement. Capitalised terms used but not defined in this paragraph shall have the meanings given to them in the ISDA U.S. Protocol.

For purposes of this Paragraph 29:

“*Affiliate*” is defined in, and shall be interpreted in accordance with, 12 U.S.C. § 1841(k).”

13.34 New paragraph 30 **IRISH SECURITIES** shall be added as follows:

“The Borrower undertakes that in respect of any Irish securities or stock borrowed under the terms of this agreement it will return to the Lender equivalent securities or stock not later than 12 months after the date on which the Borrower acquired such securities or stock.”

#### **14. AGENCY ANNEX AND ADDENDUM FOR POOLED PRINCIPAL AGENCY LOANS**

Parties to the Agreement agree to be governed by the Agency Annex and the Addendum for Pooled Principal Agency Loans as attached hereto as Annex I.

- 15. The Jurisdictional Annex appended hereto as Annex II, as amended and restated from time to time by agreement in writing between the Parties, will apply to and amend (as applicable) this Agreement.
- 16. Parties to the Agreement agree to be bound by the UK Tax Addendum as set out in Annex III.
- 17. Parties to the Agreement agree to be bound by the US Tax Addendum as set out in Annex IV
- 18. Parties to the Agreement agree to be governed by the Market Terms as attached hereto as Annex V.

**EXECUTED by the PARTIES**

**SIGNED** by  
duly authorised for and  
on behalf of  
**JPMORGAN CHASE BANK N.A.**  
**acting as agent**

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)  
)  
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**SIGNED** by  
duly authorised for and  
on behalf of  
**GOLDMAN SACHS INTERNATIONAL**

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## ANNEX I

### AGENCY ANNEX

#### 1. TRANSACTIONS ENTERED INTO AS AGENT

##### 1.1 Power for Lender to enter into Loans as agent

Subject to the following provisions of this paragraph, Lender may enter into Loans as agent (in such capacity, the *Agent*) for a third person (a *Principal*), whether as custodian or investment manager or otherwise (a Loan so entered into being referred to in this paragraph as an *Agency Loan*).

If the Lender has indicated in paragraph 8 of the Schedule that it may act as Agent, it must identify each Loan in respect of which it acts as Agent as an Agency Loan at the time it is entered into. If the Lender has indicated in paragraph 8 of the Schedule that it will always act as Agent, it need not identify each Loan as an Agency Loan.

##### 1.2 Pooled Principal transactions

The Lender may enter into an Agency Loan on behalf of more than one Principal and accordingly the addendum hereto for pooled principal transactions shall apply.

##### 1.3 Conditions for Agency Loan

**A Lender may enter into an Agency Loan if, but only if:**

- (a) it provides to Borrower, prior to effecting any Agency Loan, such information in its possession necessary to complete all required fields in the format generally used in the industry, or as otherwise agreed by Agent and Borrower (**Agreed Format**), and will use its best efforts to provide to Borrower any optional information that may be requested by the Borrower for the purpose of identifying such Principal (all such information being the **Principal Information**). Agent represents and warrants that the Principal Information is true and accurate to the best of its knowledge and has been provided to it by Principal;
- (b) it enters into that Loan on behalf of a single Principal whose identity, is disclosed to Borrower (whether by name or by reference to a code or identifier which the Parties have agreed will be used to refer to a specified Principal) either at the time when it enters into the Loan or before the Close of Business on the next Business Day after the date on which Loaned Securities are transferred to the Borrower in the Agreed Format or as otherwise agreed between the Parties; and
- (c) it has at the time when the Loan is entered into actual authority to enter into the Loan and to perform on behalf of that Principal all of that Principal's obligations under the agreement referred to in paragraph 1.5(b) below.

Agent agrees that it will not effect any Loan with Borrower on behalf of any Principal unless Borrower has notified Agent of Borrower's approval of such Principal, and has not notified Agent that it has withdrawn such approval (such Principal, an *Approved Principal*), with both such notifications in the Agreed Format.

Borrower acknowledges that Agent shall not have any obligation to provide it with confidential information regarding the financial status of its Principals; Agent agrees, however, that it will assist Borrower in obtaining from Agent's Principals such information regarding the financial status of such Principals as Borrower may reasonably request.

##### 1.4 Notification by Agent of certain events affecting any Principal

Agent undertakes that, if it enters as agent into an Agency Loan, forthwith upon becoming aware:

- (a) of any event which constitutes an Act of Insolvency with respect to the relevant Principal; or

- (b) of any breach of any of the warranties given in paragraph 1.6 below or of any event or circumstance which results in any such warranty being untrue if repeated by reference to the then current facts,
- it will inform Borrower of that fact and will, if so required by Borrower, furnish it with such additional information as it may reasonably request to the extent that such information is readily obtainable by Agent.

#### 1.5 **Status of Agency Loan**

- (a) Each Agency Loan shall be a transaction between the relevant Principal and Borrower and no person other than the relevant Principal and Borrower shall be a party to or have any rights or obligations under an Agency Loan. Without limiting the foregoing, Agent shall not be liable as principal for the performance of an Agency Loan, but this is without prejudice to any liability of Agent under any other provision of this Annex; and
- (b) all the provisions of the Agreement shall apply separately as between Borrower and each Principal for whom the Agent has entered into an Agency Loan or Agency Loans as if each such Principal were a party to a separate agreement with Borrower in all respects identical with this Agreement other than this Annex and as if the Principal were Lender in respect of that agreement; provided that:
- (i) if there occurs in relation to the Agent an Event of Default or an event which would constitute an Event of Default if Borrower served written notice under any sub-clause of paragraph 10 of the Agreement, Borrower shall be entitled by giving written notice to the Principal (which notice shall be validly given if given in accordance with paragraph 20 of the Agreement) to declare that by reason of that event an Event of Default is to be treated as occurring in relation to the Principal. If Borrower gives such a notice then an Event of Default shall be treated as occurring in relation to the Principal at the time when the notice is deemed to be given; and
  - (ii) if the Principal is neither incorporated in nor has established a place of business in Great Britain, the Principal shall for the purposes of the agreement referred to in paragraph 1.5(b) above be deemed to have appointed as its agent to receive on its behalf service of process in the courts of England the Agent, or if the Agent is neither incorporated nor has established a place of business in Great Britain, the person appointed by the Agent for the purposes of this Agreement, or such other person as the Principal may from time to time specify in a written notice given to the other Party.

If Lender has indicated in paragraph 6 of the Schedule that it may enter into Loans as agent, the foregoing provisions of this paragraph do not affect the operation of the Agreement as between Borrower and Lender in respect of any Loans into which Lender may enter on its own account as principal.

#### 1.6 **Warranty of authority by Lender acting as Agent**

Agent warrants to Borrower that it will, on every occasion on which it enters or purports to enter into a Loan as an Agency Loan, have been duly authorised to enter into that Loan and perform the obligations arising under such Loan on behalf of the Principal in respect of that Loan and to perform on behalf of the Principal all the obligations of that person under the agreement referred to in paragraph 1.5(b) above.



## ADDENDUM FOR POOLED PRINCIPAL AGENCY LOANS

### 1. SCOPE

This addendum applies where the Agent wishes to enter into an Agency Loan on behalf of more than one Principal. The Agency Annex shall apply to such a Loan subject to the modifications and additional terms and conditions contained in paragraph 2 to 7 below.

### 2. INTERPRETATION

2.1 In this addendum:

- (a) *Collateral Transfer* has the meaning given in paragraph 5.1 below;
- (b) if at any time on any Business Day the aggregate Market Value of Posted Collateral in respect of all Agency Loans outstanding with a Principal under the Agreement exceeds the aggregate of the Required Collateral Value in respect of such Agency Loans, Borrower has a *Net Loan Exposure* to that Principal equal to that excess; if at any time on any Business Day the aggregate Market Value of Posted Collateral in respect of all Agency Loans outstanding under the Agreement with a Principal falls below the aggregate of the Required Collateral Value in respect of such Agency Loans, that Principal has a *Net Loan Exposure* to Borrower for such Agency Loans equal to that deficiency;
- (c) *Pooled Principal* has the meaning given in paragraph 6(a) below; and
- (d) *Pooled Loan* has the meaning given in paragraph 6(a) below.

### 3. MODIFICATIONS TO THE AGENCY ANNEX

3.1 Paragraph 1.3(b) of the Agency Annex is deleted and replaced by the following:

“it enters into that Loan on behalf of one or more Principals and at or before the time when it enters into the Loan it discloses to Borrower the identity and the jurisdiction of incorporation, organisation or establishment of each such Principal (and such disclosure may be made either directly or by reference to a code or identifier which the Parties have agreed will be used to refer to a specified Principal);”

3.2 Paragraph 1.3(c) of the Agency Annex is deleted and replaced by the following:

“it has at the time when the Loan is entered into actual authority to enter into the Loan on behalf of each Principal and to perform on behalf of each Principal all of that Principal’s obligations under the Agreement”.

### 4. ALLOCATION OF AGENCY LOANS

4.1 The Agent undertakes that if, at the time of entering into an Agency Loan, the Agent has not allocated the Loan to a Principal, it will allocate the Loan before the Settlement Date for that Agency Loan either to a single Principal or to several Principals, each of whom shall be responsible for only that part of the Agency Loan which has been allocated to it. Promptly following such allocation, the Agent shall notify Borrower of the Principal or Principals (whether by name or reference to a code or identifier which the Parties have agreed will be used to refer to a specified Principal) to which that Loan or part of that Loan has been allocated.

4.2 Upon allocation of a Loan in accordance with paragraph 4.1 above or otherwise, with effect from the date on which the Loan was entered into:

- (a) where the allocation is to a single Principal, the Loan shall be deemed to have been entered into between Borrower and that Principal; and
- (b) where the allocation is to two or more Principals, a separate Loan shall be deemed to have been entered into between Borrower and each such Principal with respect to the appropriate proportion of the Loan.

4.3 If the Agent shall fail to perform its obligations under paragraph 4.2 above then for the purposes of assessing any damage suffered by Borrower (but for no other purpose) it shall be assumed that, if the Loan concerned (to the extent not allocated) had been allocated in accordance with that paragraph, all the terms of the Loan would have been duly performed.

## 5. ALLOCATION OF COLLATERAL

5.1 Unless the Agent expressly allocates (a) a deposit or delivery of Posted Collateral or (b) a repayment of Cash Collateral or a redelivery of Equivalent Collateral (each a *Collateral Transfer*) before such time, the Agent shall, at the time of making or receiving that Collateral Transfer, be deemed to have allocated any Collateral Transfer in accordance with paragraph 6.3 below.

5.2 (a) If the Agent has made a Collateral Transfer on behalf of more than one Pooled Principal, that Collateral Transfer shall be allocated in proportion to Borrower's Net Loan Exposure in respect of each Pooled Principal at the Agent's close of business on the Business Day before the Collateral Transfer is made; and

(b) if the Agent has received a Collateral Transfer on behalf of more than one Pooled Principal, that Collateral Transfer shall be allocated in proportion to each Pooled Principal's Net Loan Exposure in respect of Borrower at the Agent's close of business on the Business Day before the Collateral Transfer is made.

(c) Sub-paragraphs (a) and (b) shall not apply in respect of any Collateral Transfer which is effected or deemed to have been effected under paragraph 6.3 below.

## 6. POOLED PRINCIPALS: REBALANCING OF MARGIN

6.1 Where the Agent acts on behalf of more than one Principal, the Parties may agree that, as regards all (but not some only) outstanding Agency Loans with those Principals, or with such of those Principals as they may agree (*Pooled Principals*, such Agency Loans being *Pooled Loans*), any Collateral Transfers are to be made on an aggregate basis.

6.2 Paragraphs 6.3 to 6.5 below shall have effect for the purpose of ensuring that Posted Collateral is, so far as is practicable, transferred and held uniformly, as between the respective Pooled Principals, in respect of all Pooled Loans for the time being outstanding under the Agreement.

6.3 At or as soon as practicable after the Agent's close of business on each Business Day on which Pooled Loans are outstanding (or at such other times as the Parties may from time to time agree) there shall be effected such Collateral Transfers as shall ensure that immediately thereafter:

(a) in respect of all Pooled Principals which have a Net Loan Exposure to Borrower, the amount of Collateral then deliverable or Cash Collateral then payable by Borrower to each such Pooled Principal is equal to such proportion of the aggregate amount of Collateral then deliverable or Cash Collateral then payable, to all such Pooled Principals as corresponds to the proportion which the Net Loan Exposure of the relevant Pooled Principal bears to the aggregate of the Net Loan Exposures of all Pooled Principals to Borrower; and

(b) in respect of all Pooled Principals to which Borrower has a Net Loan Exposure, the aggregate amount of Equivalent Collateral then deliverable or repayable by each such Pooled Principal to Borrower is equal to such proportion of the aggregate amount of Equivalent Collateral then deliverable or repayable by all such Pooled Principals as corresponds to the proportion which the Net Loan Exposure of Borrower to the relevant Pooled Principal bears to the aggregate of the Net Loan Exposures of Borrower to all Pooled Principals.

6.4 Collateral Transfers effected under paragraph 6.3 shall be effected (and if not so effected shall be deemed to have been so effected) by appropriations made by the Agent and shall be reflected by entries in accounting and other records maintained by the Agent. Accordingly, it shall not be necessary for payments of cash or deliveries of Securities to be made through any settlement system for the purpose of such Collateral Transfers. Without limiting the generality of the foregoing, the Agent is hereby authorised and instructed by Borrower to do all such things on behalf of Borrower as may be necessary or expedient, including in its discretion by way of allocation and reallocation of Collateral posted by Borrower among Pooled Principals who are a party to a Transaction with Borrower, to effect and record the receipt on behalf of Borrower of cash

and Securities from, and the delivery on behalf of Borrower of cash and Securities to, Pooled Principals in the course or for the purposes of any Collateral Transfer effected under that paragraph.

6.5 Promptly following the Collateral Transfers effected under paragraph 6.3 above, and as at the Agent's close of business on any Business Day, the Agent shall prepare a statement showing in respect of each Pooled Principal the amount of cash Collateral which has been paid, and the amount of non-cash Collateral of each description which have been transferred, by or to that Pooled Principal immediately after those Collateral Transfers. If Borrower so requests, the Agent shall deliver to Borrower a copy of the statement so prepared in a format and to a timetable generally used in the market or as otherwise agreed between the parties.

## **7. WARRANTIES**

7.1 The Agent warrants to Borrower that:

- (a) all notifications provided to Borrower under paragraph 4.1 above and all statements provided to the other party under paragraph 6.5 above shall be complete and accurate in all material respects;
- (b) at the time of allocating an Agency Loan in accordance with paragraph 4.1 above, each Principal or Principals to whom the Agent has allocated that Agency Loan or any part of that Agency Loan is duly authorised to enter into the Agency Loans contemplated by this Agreement and to perform its obligations thereunder; and
- (c) at the time of allocating an Agency Loan in accordance with paragraph 4.1 above, no Event of Default or event which would constitute an Event of Default with the service of a Default Notice or other written notice under paragraph 14 of the Agreement has occurred in relation to any Principal or Principals to whom the Agent has allocated that Agency Loan or any part of that Agency Loan.

## ANNEX II

### JURISDICTIONAL ANNEX

The parties to the Agreement agree to be governed by the jurisdictional specific provisions stated herein. To the extent that any provisions in this Jurisdiction Annex are in conflict with provisions contained in the Agreement, Schedule or Supplemental Terms and Conditions, the provisions contained in the Jurisdictional Annex shall prevail.

#### 1.1 Bahrain

The following provisions apply to a Principal established or incorporated in Bahrain:

- (A) Paragraph 10.1 is amended by adding "or" at the end of the existing sub-paragraph (i) and including the following sub-paragraph (j) immediately after the subsisting sub-paragraph (i):

"any fund issued by instrument by the Fund Company shall become insolvent or any Act of Insolvency by the Fund Company has the effect of rendering the fund insolvent."

#### 1.2 Finland

- (a) Where a Principal is incorporated or established in Finland, Paragraph 10.1 of the Agreement shall be amended by adding "or" at the end of sub-paragraph (i) and by adding the following sub-paragraphs (j) and (k) thereto:

“(j) An attachment is targeted against the Agreement, any claim or Collateral thereunder;

- (k) If the Principal is a mutual fund, the assets of the mutual fund are liquidated (or an analogous proceeding occurs)."

#### 1.3 Germany

The following provisions apply to a Principal established or incorporated in Germany:

- (A) **Events of Default.**

Paragraph 10.1 shall be amended as follows:

- (a) add "and sub-paragraph 10.1 (j)" after "subject to sub-paragraph 10.1(d)" in the brackets in line 3 of paragraph 10.1; and
- (b) add the following sub-paragraph (j) after sub-paragraph (i):

"(j) Without limiting any other provision of paragraph 10 of the Agreement, in the case of a Lender or Borrower incorporated in Germany an Event of Default shall occur immediately, if the opening of an Insolvenzverfahren in respect of the Defaulting Party occurs not requiring the Non-Defaulting Party to serve written notice on the Defaulting Party."

- (B) **Insolvency Provisions.**

The definition of "**Act of Insolvency**" in paragraph 2.1 will be amended by incorporating a new sub-paragraph (g) as follows solely in respect of a party incorporated in Germany:

"(g) Without limiting any other provision of paragraph 2.1 "Act of Insolvency" or paragraph 10 of the Agreement, in the case of a party incorporated in Germany:

(aa) the references to an analogous officer in paragraph 2.1 "Act of Insolvency" sub-paragraph (c) and (e) shall include an Insolvenzverwalter;

(bb) the reference to any analogous proceeding in paragraph 2.1 "Act of Insolvency", sub-paragraph (d) shall include an Insolvenzverfahren;

and for the purposes of this paragraph 2.1 "Act of Insolvency" subparagraph (g) and paragraph 10.1 (j),

**"German Insolvency Act"** means the Insolvenzordnung which came into force in Germany on 1 January 1999;

**"Insolvenzverfahren"** means insolvency proceedings instituted under the German Insolvency Act; and

**"Insolvenzverwalter"** means an Insolvenzverwalter appointed under the German Insolvency Act."

#### 1.4 Guernsey

Where the relevant Principal is an entity or legal arrangement incorporated, organized, established or formed under the laws of Guernsey, the definition of "Act of Insolvency" under paragraph 10.1 of the Agreement shall be amended by the addition of the following sub paragraph (vii):

"the commencement of proceedings towards the making of a declaration that its affairs are *en état de désastre* (or the making of such a declaration) and any steps being taken towards the making of an application for a preliminary vesting order in *saisie* proceedings in Guernsey in respect of its realty (or the making of such a preliminary vesting order)."

#### 1.5 Ireland

The following provisions apply to a Principal established or incorporated in Ireland:

Where the Principal is the ***Trustee of a Unit Trust***:

(A) The occurrence of the following event shall be an Act of Insolvency in respect of the Principal that is the trustee of a Unit Trust and the definition of "Act of Insolvency" contained in paragraph 2 of the Agreement shall be amended accordingly:

(i) "the initiation of any action pursuant to Order 54, rule 1 of the Irish Rules of the Superior Courts, as the same may be amended or replaced from time to time, (Order 54) in respect of, or otherwise in connection with, the Trust that would, or might reasonably be expected to, affect the performance by the Trustee of any of its obligations under this Agreement in accordance with its terms.

- (ii) The Trustee covenants with Party B to notify it of the initiation by any party of any action pursuant to Order 54 in respect of, or otherwise in connection with, the Trust and provide to Party B such details of that action as are available to the Trustee.”
- (B) **Events of Default.** The following events shall constitute Events of Default with respect to the Principal that is the Trustee of a Unit Trust, acting solely in respect of that Unit Trust. The following shall be inserted as new sub-clauses in Paragraph 10.1 of the Agreement:
  - "(j) the termination, liquidation, winding up or dissolution of the Unit Trust in respect of which the Trustee acts for the purposes of the Agreement (and any action taken in furtherance of any thereof

**Where the Principal is UCITS:**

1. a company incorporated under the laws of Ireland with variable capital and authorised as an undertaking for the collective investment in transferable securities under the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011, as amended, consolidated or replaced from time to time (the "**UCITS Regulations**", and such company an "**Irish UCITS Company**") that is organized as an umbrella fund with segregated liability between sub-funds acting, solely in respect of a single, specified sub-fund thereof (the "**Relevant Sub-Fund**"), the parties agree that this Agreement constitutes a series of separate agreements between Party B and Agent as agent for each Relevant Sub-Fund. The provisions of this Agreement apply separately to, or in respect of, as the case may be, each relevant Party A;
2. references in this Agreement to Party A or to “a party” shall, insofar as they refer to that Party and where the context requires or permits (recognising, however, that the Relevant Sub-Fund does not have any legal personality), include reference to the Relevant Sub-Fund.

**1.6 Japan**

The following paragraphs shall apply only in respect of a Party to the Agreement that is incorporated, organised, established or formed under the laws of Japan (a "**Japanese Party**").

- (A) The following definition shall be inserted as a new definition under paragraph 2.1 of the Agreement:

**"Japanese Party"** means a Party to the Agreement that is incorporated, organised, established or formed under the laws of Japan.
- (B) The definition of Act of Insolvency under paragraph 2.1(d) of the Agreement shall be replaced with the following text:

"(d) the presentation or filing of a petition in respect of it in any court or before any agency alleging or for the bankruptcy, winding-up or insolvency of such Party (or any analogous proceeding) or seeking any reorganisation, arrangement, composition, re-adjustment, administration, liquidation, dissolution or similar relief under any present or future statute, law or regulation, such petition (except in the case of a petition for the bankruptcy, winding-up or insolvency or any analogous proceeding

in respect of which no such 30 day period shall apply) not having been stayed or dismissed within 30 days of its filing; or"

- (C) Paragraph 10.1(d) of the Agreement shall be replaced with the following text:

"(d) an Act of Insolvency occurring with respect to Lender or Borrower, provided that, where the Parties have specified in paragraph 5 of the Schedule that Automatic Early Termination shall apply, an Act of Insolvency which is the presentation of a petition for the bankruptcy, winding up, insolvency or any analogous proceeding or the appointment of a liquidator or analogous officer of the Defaulting Party shall not require the Non-Defaulting Party to serve written notice on the Defaulting Party (Automatic Early Termination);"

- (D) Paragraph 5 of the Schedule (Events of Default) related to "**Automatic Early Termination**" shall apply in respect of a Japanese Party in the event of an Act of Insolvency, as redefined in paragraph (b) above.

## 1.7 Luxembourg

The following paragraphs shall apply only in respect of a Party to the Agreement that is incorporated, organised, established or formed under the laws of Luxembourg (a "**Luxembourg Party**")

- (A) The following definition shall be inserted as a new definition under paragraph 2.1 of the Agreement:

"**Luxembourg Party**" means a Party to the Agreement that is incorporated, organised, established or formed under the laws of Luxembourg.

- (B) The definition of Act of Insolvency in paragraph 2.1 of the Agreement shall be amended by adding the following language at the end thereof:

"Without prejudice to the provisions of paragraph 2.1 of the Agreement, the definition of Act of Insolvency shall include, in relation to any Luxembourg Party, whether with its principal office or through a branch (it being understood that the 30 days period referred to in sub-clause (d) of paragraph 2.1 (**Act of Insolvency**) of the Agreement shall not apply):

- (i) the filing of a petition for "*sursis de paiement*" proceedings, as defined in Article 122 of the Luxembourg Law dated 18 December 2015 on the default of credit institutions and certain investment firms or Article 244 of the Luxembourg Law dated 7 December 2015 on the insurance sector; and
- (ii) the opening of "*sursis à tout paiement*" proceedings as provided for in Article 142 of the Law dated 17 December 2010 on undertakings for collective investments (UCIs) and Article 46 of the amended Law dated 13 February 2007 concerning specialised UCIs; and
- (iii) the withdrawal of the license of an individual compartment of a UCI; and
- (iv) the petition for opening of "*sursis de paiement*" proceedings as defined in Articles 593 et seq. of the Code of Commerce; and

- (v) the petition for the opening of "*gestion contr ôlée*" proceedings as defined in the Grand-Ducal Decree dated 24 May 1935 on suspension of payments and controlled management.

In relation to a UCI, the voluntary liquidation of one compartment or sub-fund shall not constitute an Act of Insolvency in relation to any other compartment of sub-fund of the same UCL

Likewise in relation to UCIs, while the judicial winding-up and liquidation (*dissolution et liquidation*) of, the suspension of any payment (*sursis à tout paiement*) over or the withdrawal of license in relation to one compartment or sub-fund shall constitute an Act of Insolvency in relation to such compartment, it does not constitute an Act of Insolvency in relation to any other compartment or sub-fund of the same UCL"

- (C) The Agreement shall be amended by the addition of the following warranties by a Luxembourg Party that is a UCI:

"The Luxembourg Party that is a UCI hereby represents and warrants that the entry into any of the Loans will not constitute a violation of applicable investment policies or restrictions applicable to it and arising by either applicable laws, regulatory requirements, its constitutional documents (including its prospectus) or management regulations.

In addition, the Luxembourg Party that is a UCI represents and warrants that it has been granted an authorisation to act as a UCI by the CSSF under the 2007 Law or 2010 Law, as applicable, and that such authorisation has not been withdrawn, and to the best of its knowledge and belief, no proceedings have been commenced, the result of which may lead to the revocation of such authorisation."

- (D) The Agreement shall be amended by the addition of the following warranties when dealing with a Luxembourg Party that is an insurance undertaking ("**Insurance Undertaking**"):

"Insurance Undertaking hereby represents and warrants that none of the Loaned Securities, Equivalent Securities, Margin, Cash Margin, Margin Securities, Cash Equivalent Amount, Equivalent Margin Securities, Securities or Collateral form part of any technical reserves and that the delivery of the same does not violate any solvency or reserve requirements."

## 1.8 Netherlands

The following paragraphs shall apply only in respect of a Party to the Agreement that is incorporated, organised, established or formed under the laws of the Netherlands (a "**Netherlands Party**").

- (A) The following definition shall be inserted as a new definition under paragraph 2.1 of the Agreement:

"**Netherlands Party**" means a Party to the Agreement that is incorporated, organized, established or formed under the laws of the Netherlands.

- (B) Paragraph 10.1 of the Agreement shall be amended by inserting the following subparagraphs (j) and (k) at the end thereof:



(j) In respect of a **Netherlands Party**, the appointment of a special administrator (*stille curator*) for any of its corporate bodies or representatives pursuant to Section 1:76 of the Act on Financial Supervision (*Wet op het financieel toezicht, the "WFT"*) shall be deemed to constitute an Act of Insolvency within the meaning of paragraph 2.1(d) of the Agreement; provided however, that notwithstanding anything in this Agreement to the contrary, special administration shall only constitute an Event of Default upon the service of a written notice on the Defaulting Party .

Any reference to a provision of the WFT will also be deemed to refer to, without limitation, amended or revised successor provisions and re-enacted provisions, whether or not amended. References to the WFT include, without limitation, references to amendment, revision or re-enactment of the WFT; or

(k) If at least one Party to this Agreement is a Netherlands Party, a creditor of the counterparty of such Netherlands Party (hereinafter, the "**Counterparty**") takes possession of, or an attachment, distress, execution, sequestration or other analogous legal process is levied or enforced upon any present or future claims of the Counterparty vis-a-vis the Netherlands Party, including but not limited to any claims for the transfer of Securities or Collateral and such process is not dismissed or discharged within fourteen (14) days thereafter, and the Netherlands Party serves a Default Notice on the Counterparty.

## 1.9 Nigeria

Where a Principal is incorporated or established in Nigeria, the definition of "Act of Insolvency" in section 2.1 of the Agreement shall be amended by inserting a clause 2.1 (h):

"(h) (i) the proposal of any legislation, rule, law, statute or regulation pursuant to which the Central Bank of Nigeria may be subject to any insolvency, bankruptcy, administration or bank resolution proceedings; (ii) the enactment of a statute by the National Assembly of the Federal Republic of Nigeria to put the Central Bank of Nigeria in liquidation;"

## 1.10 Oman

The following provisions apply to a Party established or incorporated in Oman:

(A) The definition of "Act of Insolvency" at paragraph 2.1 of the Agreement is amended by adding "or" at the end of the existing sub-paragraph (f) and including the following sub-paragraph (g) immediately after the subsisting sub-paragraph (f):

"the receipt of a court summons, arraigning such Party in relation to bankruptcy or insolvency, unless the court stays or dismisses the proceedings, at the first hearing."

(B) Paragraph 23 shall be deleted in its entirety and replaced with the following:

### **"Governing Law and Arbitration:**

23.1 This Agreement and any non-contractual obligations arising out of or in connection with this Agreement shall be governed by, and interpreted in accordance with, the laws of England.

23.2 The parties agree that any claim, dispute or difference of whatever nature arising under, out of or in connection with this Agreement (including a claim, dispute or difference regarding its existence, termination or validity or any non-contractual obligations arising out of or in connection with this

Agreement) (a “**Dispute**”), shall be referred to and finally settled by arbitration.

23.3 The arbitration shall be conducted in accordance with the London Court of International Arbitration (the “**LCIA**”) Arbitration Rules (the “**Rules**”). Capitalised terms used in this Section which are not otherwise defined in this Agreement have the meaning given to them in the Rules.

23.4 The Tribunal shall consist of three arbitrators. The claimant shall nominate one arbitrator. The respondent shall nominate one arbitrator. The third arbitrator (who shall be presiding arbitrator of the Tribunal shall be selected and appointed by the LCIA Court. The parties may nominate and the LCIA Court may appoint arbitrators from among the nationals of any country, whether or not a party is a national of that country.

23.5 The seat of arbitration shall be London, England and the language of arbitration shall be English."

### 1.11 Portugal

The following provisions apply to a Principal established or incorporated in Portugal:

(A) The definition of "Act of Insolvency" at paragraph 2.1 of the Agreement is amended as follows:

(i) Paragraph 2.1(b) shall be deleted entirely and replaced with the words "its admitting that it is unable or that there is a risk that it may become unable or is unwilling to pay its debts (or some of its debts) as they become due or otherwise if it is actually unable to satisfy its matured debts;"

(ii) Paragraph 2.1(c) is amended by adding "or" after the words "analogous officer" and including the words "liquidation committee"

(iii) adding "or" at the end of the existing sub-paragraph (f) and including the following sub-paragraph (g) immediately after the subsisting sub-paragraph (f):

"In respect of a Portuguese Principal, the imposition by any supervisory entity of extraordinary measures for the composition, reorganisation or resolution of credit institutions, financial institutions and investment firms or the reorganisation of insurance companies (including, where applicable, branches in Portugal of credit institutions, investment firms or insurance companies with head offices in a non EU Member State)."

### 1.12 South Africa

The following provisions apply to a Principal established or incorporated in South Africa:

(A) In relation to the **South African Reserve Bank** acting as Principal, the definition of "Act of Insolvency" at paragraph 2.1 of the Agreement is amended as follows:

(i) adding "or" at the end of the existing sub-paragraph (f) and including the following sub-paragraph (g) immediately after the subsisting sub-paragraph (f):

“The passing into law of any future statute, law or regulation in respect of it sanctioning the bankruptcy, winding-up or other insolvency of such Party (or any analogous proceeding) or seeking any reorganisation, arrangement, composition, curatorship, statutory management, re-adjustment, administration, liquidation, dissolution or similar relief under such future statute, law or regulation”.

- (B) In relation to **companies** (including companies that are collective investment schemes), **banks, securities dealers and insurers** registered under the Insurance Act acting as Principal:
- (a) The definition of “**Events of Default**” in paragraph 10.1 of the Agreement shall be amended by:
- (i) deleting at the end of sub-paragraph (h) the word “or”;
  - (ii) deleting at the end of sub-paragraph (i) “.” and inserting in its place “,”; and
  - (iii) adding the following sub-paragraphs at the end thereof:
    - “(j) Such Party commencing business rescue proceedings in accordance with section 136 of the Companies Act, 2008
    - (k) Such Party being wound up by a court in accordance with Section 344 of the Companies Act, 1973 or section 81 of the Companies Act, 2008;
    - (l) Such Party being deemed “financially distressed” in accordance with section 128(1)(f) of the Companies Act, 2008;
    - (m) Such Party being deemed to be unable to pay its debts, as contemplated in Section 345 of the Companies Act, 1973;
    - (n) an application being made for the voluntary winding up of the Such Party in terms of Section 348, 350 or 351 of the Companies Act 1973 or section 80 of the Companies Act 2008; or
    - (o) an application being made to a court by creditors of the Such Party (as the case may be) to be placed in liquidation in circumstances where its liabilities exceed its assets.”
    - (p) an Act of Insolvency occurs which is the presentation of a petition for winding-up or any analogous proceedings (including business rescue proceedings under the Companies Act 2008, curatorship under the Banks Act or curatorship or statutory management under the Financial Institutions (POF Act) of the appointment of a liquidator, business rescue practitioner, curator, statutory manager or analogous officer of the Defaulting Party; or
    - (q) the performance by, or occurrence of, any of the acts or events contemplated in clauses (j) to (p) above in respect of the manager or trustee (that is a company) of a collective investment scheme or hedge fund.”
- (b) the definition of “**Act of Insolvency**” at paragraph 2.1 of the Agreement is amended by adding at the end of the definition:

"Without limiting any other provision of paragraph 2.1:–

- (i) for the purposes of paragraph (a) in the definition of Act of Insolvency, the reference to a reorganisation, arrangement or composition with creditors shall include any reorganisation, arrangement or compromise or composition with creditors or any one or more classes of creditors.
- (ii) the reference in paragraph (d) in the definition of Act of Insolvency to the presentation or filing of any petition shall include any application for winding up and the reference to analogous proceedings shall include the provisional or final bankruptcy, winding-up or insolvency, curatorship under the Banks Act, curatorship or statutory management under the Financial Institutions (POF) Act, or any compromise or business rescue (whether provisional or final); and
- (iii) the reference to an analogous officer in paragraph (e) in the definition of Act of Insolvency shall include a business rescue practitioner, curator or a statutory manager."

(C) In relation to a **collective investment scheme** (other than in the form of companies) or **hedge funds** acting as Principal:

(a) the definition of "Act of Insolvency" at paragraph 2.1 of the Agreement is amended as follows:

(i) deleting at the end of sub-paragraph (e) the word "or";

(ii) deleting at the end of sub-paragraph (f) "." and inserting in its place ","; and

(iii) adding the following sub-paragraphs at the end thereof:

"(g) the reference in paragraph 2.1 to the presentation of filing of any petition shall include any application for acceptance of a voluntary surrender or compulsory sequestration and the reference to analogous proceedings shall include curatorship or statutory management under the Financial Institutions (POF) Act; and

the reference to an analogous officer in paragraph 2.1 shall include a curator bonis, curator or statutory manager."

(b) the definition of "Events of Default" in paragraph 10.1 of the Agreement shall be amended by:

(i) deleting at the end of sub-paragraph (h) the word "or";

(ii) deleting at the end of sub-paragraph (i) "." and inserting in its place ","; and

(iii) adding the following sub-paragraphs at the end thereof:

"(j) such Party applying for acceptance of the surrender of its estate in accordance with section 3(1) of the Insolvency Act;

(k) an application for compulsory sequestration of such Party's estate in accordance with section 9(1) of the Insolvency Act; or

(l) such Party publishing a notice contemplated in section 4(1) of the Insolvency Act."

(D) In relation to the Government Employees Pension Fund:

(a) Without limiting any other provision of paragraph 2 defining "Act of Insolvency", for the purposes of paragraph (d) of the definition of Act of Insolvency, the reference to a reorganisation, arrangement or composition with creditors shall include any reorganisation, arrangement or compromise or composition with any one or more classes of creditors.

(b) the definition of "Events of Default" in paragraph 10.1 of the Agreement shall be amended by:

- (i) deleting at the end of sub-paragraph (h) the word "or";
- (ii) deleting at the end of sub-paragraph (i) "." and inserting in its place "; or"; and
- (iii) adding the following sub-paragraphs at the end thereof:

"(j) the GEPF being dissolved in accordance with section 33 of the Government Employees Pension Law, No 21 of 1996 and/or section 28 or section 29 of the Pension Funds Act, No. 24 of 1956".

### 1.13 Switzerland

The following paragraphs shall apply only in respect of a Party to the Agreement that is incorporated, organised, established or formed under the Laws of Switzerland (a "**Swiss Party**").

(A) The following definition shall be inserted as a new definition under paragraph 2.1 of the Agreement:

"**Swiss Party**" means a Party to the Agreement that is incorporated, organized, established or formed under the laws of Switzerland.

(B) Sub-clause (d) of paragraph 2.1 "**Act of Insolvency**" of the Agreement shall be deleted in its entirety and shall be replaced with the following text:

"the presentation or filing of a petition in respect of it (other than by the other Party to this Agreement in respect of any obligation under this Agreement) in any court or before any agency or the commencement of any proceeding by any competent authority (being a regulator, supervisor or any similar official with primary insolvency, rehabilitative or regulatory jurisdiction over a party in the jurisdiction of its incorporation or establishment or the jurisdiction of its head office) alleging or for the bankruptcy, winding-up or insolvency of such Party (or any analogous proceeding) or seeking any reorganisation, arrangement, composition, re-adjustment, administration, liquidation, dissolution or similar relief under any present or future statute, law or regulation, such petition not having been stayed or dismissed within 30 days of its filing (except in the case of (1) a petition for winding-up or any analogous proceeding or (2) the opening of bankruptcy ("*Konkurseröffnung*") or the opening of composition proceedings ("*Eröffnung eines Nachlassverfahrens*") under Swiss law in respect of which no such 30 day period shall apply)"

- (C) The definition of "**Act of Insolvency**" in paragraph 2.1 of the Agreement is further amended by inserting the following at the end thereof:

"for the avoidance of doubt, with respect to Swiss law, the above sub-sections (a)-(f) shall be construed so as to include acts and proceedings under Swiss law analogous to those mentioned in the relevant sub-section, including (without limitation): (i) under the Swiss Federal Statute on Debt Prosecution and Bankruptcy (*SchKG*) and the pertaining ordinances (*Konkurseröffnung; Nachlassverfahren; Nachlassstundung; Nachlassverträge; Notstundung*), (ii) under the Swiss Federal Statute on Banks and Saving Banks (*Bankengesetz*) and the FINMA Banking Insolvency Ordinance (*Bankinsolvenzverordnung*)(*Schutzmassnahmen; Fälligkeitsaufschub; Stundung; Aufschub der Beendigung von Verträgen sowie der Ausübung von Beendigungs-, Aufrechnungs-, Verwertungs- und Übertragungsrechten; Sanierungsverfahren; Konkursliquidation insolventer Banken (Bankenkonkurs); Anerkennung ausländischer Konkursdekrete und Massnahmen* (recognition of foreign bankruptcy decrees and measures)) (for the avoidance of doubt, irrespective of whether applied in relation to banks (*Banken*), to securities houses (*Wertpapierhauser*), to fund management companies (*Fondsleitungen*), to group parent companies (*Konzernobergesellschaften*) of a financial group (*Finanzgruppe*) or financial conglomerate (*Finanzkonglomerat*) which have their registered office in Switzerland or to group companies which have their registered office in Switzerland and have been identified by FINMA pursuant to the Swiss Federal Statute on Banks and Saving Banks (*Bankengesetz*) or the Financial Institutions Act (*Finanzinstitutsgesetz*) to perform significant functions for activities which require authorisation (*Wesentliche Gruppengesellschaften*), (iii) the corporate law provisions on moratorium (postponement of the opening of bankruptcy; *gesellschaftsrechtliches Moratorium*) pursuant to articles 725a, 820 and 903 of the Swiss Federal Code of Obligations (*Obligationenrecht*), (iv) the recognition of a foreign bankruptcy or a foreign composition agreement with creditors or similar proceedings (*Anerkennung ausländischer Konkursdekrete; Anerkennung ausländischer Nachlassverträge und ähnlicher Verfahren*) under the Swiss Federal Statute on Private International Law (*IPRG*), (v) under the Swiss Federal Statute on the Swiss National Bank (*nationalbankgesetz*)(*Liquidation*), (vi) under the Swiss Federal Statute on the Supervision of Insurance Companies (*Versicherungsaufsichtsgesetz*) and the FINMA Ordinance on the Bankruptcy of Insurance Companies (*Versicherungskonkursverordnung-FINMA*)(*Sichernde Massnahmen, Liquidation, Konkurs*) or the recognition of foreign bankruptcy decrees and measures (*Anerkennung ausländischer Konkursdekrete und Massnahmen*) (for the avoidance of doubt; irrespective of whether applied in relation to insurance companies (*Versicherungen*) or group companies of an insurance group (*Versicherungsgruppe*) or insurance conglomerate (*Versicherungskonglomerat*) which have their registered office in Switzerland and have been identified by FINMA to perform significant functions for activities which require authorisation (*Wesentliche Gruppengesellschaften*)), (vii) under the Swiss Federal Statute on Collective Investments Schemes (*Kollektivanlagengesetz*) and the FINMA Ordinance on the Bankruptcy of Collective Investment Schemes (*Kollektivanlagen-Konkursverordnung-FINMA*) (*Konkurseröffnung; Anerkennung ausländischer Konkursdekrete und Insolvenzmassnahmen*), (viii) the Swiss Federal Statute on Financial Institutions (*Finanzinstitutsgesetz*) and (ix) under any substitute or supplementing legislation."

- (D) Sub-clause 10.1(d) shall be deleted in its entirety and replacing it with the following wording:

"(d) an Act of Insolvency occurring with respect to Lender or Borrower, an Act of Insolvency which is (1) the presentation of a petition for winding up or any analogous proceeding or the appointment of a liquidator or analogous officer of the Defaulting Party or (2) the opening of bankruptcy ("*Konkurseröffnung*") or the opening of composition proceedings ("*Eröffnung eines Nachlassverfahrens*") with respect to the Defaulting Party under Swiss law, shall not require the Non-Defaulting Party to serve written notice on the Defaulting Party (Automatic Early Termination);"

- (E) The first paragraph of paragraph 11.2 of the Agreement shall be deleted in its entirety and shall be replaced with the following text:

"Subject to Paragraph 9, if an Event of Default occurs in relation to either Party, the Parties' delivery and payment obligations (and any other obligations they have under this Agreement) shall be accelerated so as to require performance thereof at the time such Event of Default occurs (the date of which shall be the "**Termination Date**" for the purposes of this sub-paragraph (provided that in the case of an Act of Insolvency specified in Clause 2.1 "Act of Insolvency" specified in Clause 2.1(d) the Termination Date shall be deemed to occur as of the time immediately preceding the opening of the relevant proceedings ("*Konkurseröffnung*"; "*Eröffnung des Nachlassverfahrens*")) so that performance of such delivery and payment obligations shall be effected only in accordance with the following provisions:"

- (F) Paragraph 5 of the Schedule (Events of Default) related to "**Automatic Early Termination**" shall apply in respect of a Swiss Party, but with respect of the occurrence of the following events only: the Opening of Bankruptcy ("*Konkurseröffnung*") under Swiss law; the opening of composition proceedings ("*Eröffnung eines Nachlassverfahrens*") under Swiss law.

### ANNEX III

#### GLOBAL MASTER SECURITIES LENDING AGREEMENT (VERSION: JANUARY 2010) 2014 UK TAX ADDENDUM

We hereby agree that the attached Global Master Securities Lending Agreement dated <sup>25 November 2020</sup> (the *Agreement*) shall as from the date of this Addendum be subject to the following and supplemental terms:-

#### 1. DISAPPLICATION OF PREVIOUS ADDENDUM

- 1.1 Any previous UK tax addendum or equivalent or similar provision (the *Previous Addendum*) shall no longer apply insofar as it relates to the UK income tax treatment of any payment.
- 1.2 For the avoidance of doubt, any undertaking made in the Agreement or the Previous Addendum pursuant to which a Party undertakes to notify the other Party about its status as an approved UK intermediary or an approved UK collecting agent shall no longer apply.

#### 2. APPLICATION OF THIS ADDENDUM

The remaining provisions of this Addendum shall apply in relation to any payment made by Borrower under paragraph 6.2 or by Lender under paragraph 6.3 where:

- (a) Borrower, in relation to any payment made under paragraph 6.2, or Lender, in relation to any payment made under paragraph 6.3, is either UK resident (except where the payment is an Exempt Branch Payment) or makes such payment in the course of a trade carried on in the UK through a branch or agency; and
- (b) the Loaned Securities or Non-Cash Collateral (as the case may be) are REIT Shares, Net Paying UK Securities or PAIF Shares.

#### 3. DISAPPLICATION OF GROSS-UP

3.1 Except as otherwise agreed, Borrower shall not be obliged to pay an additional amount under paragraph 12.2(d) in respect of any payment made under paragraph 6.2.

3.2 When determining whether any deduction or withholding is required under paragraph 12.1, Borrower, in relation to any payment made under paragraph 6.2, and Lender, in relation to any payment made under paragraph 6.3 shall (in each case acting reasonably) take account of:

- (a) any warranties made by the other Party under this Addendum; and
- (b) any relevant documentation, warranty, certification or notice provided by the other Party.

#### 4. APPLICATION OF WARRANTIES

Each Party shall specify in the Schedule to this Addendum which (if any) of paragraphs 5 to 7 below shall apply in relation to it and where or to the extent that no such specification is made it shall be assumed that such paragraphs do not apply in relation to Borrower and/or Lender, as the case may be.

#### 5. MANUFACTURED PAYMENTS: NET PAYING UK SECURITIES

Lender, in relation to any Loan of Net Paying UK Securities, and Borrower, in relation to any Non-Cash Collateral in the form of any Net Paying UK Securities provided, warrants to the other Party on a continuing basis that, unless otherwise notified:

- (a) the person beneficially entitled to any payment made under, as the case may be, paragraph 6.2 or 6.3 in respect of such Net Paying UK Securities is either:
  - (i) a UK resident company; or



(ii) a non-UK resident company carrying on a trade in the UK through a permanent establishment which is required to bring any such payment made to it into account in computing its chargeable profits for UK corporation tax purposes; or

(b) the person beneficially entitled to any payment made under, as the case may be, paragraph 6.2 or 6.3 in respect of such Net Paying UK Securities is a partnership each member of which is a company mentioned in (a)(i) or (ii) above; or

(c) the recipient of any payment made under, as the case may be, paragraph 6.2 or 6.3 in respect of such Net Paying UK Securities is either:

(i) an ISA Manager or a PEP Manager, or the nominee of such a person, who receives such payment in respect of investments under the plan; or

(ii) a scheme administrator of a Registered Pension Scheme.

## 6. MANUFACTURED PAYMENTS: REIT SHARES

Lender, in relation to any Loan of any REIT Shares, and Borrower, in relation to any Non-Cash Collateral in the form of any REIT Shares, warrants to the other Party on a continuing basis that, unless otherwise notified:

(a) the person beneficially entitled to any payment made under, as the case may be, paragraph 6.2 or 6.3 in respect of such shares is either:

(i) a UK resident company; or

(ii) a non-UK resident company carrying on a trade in the UK through a permanent establishment which is required to bring any such payment made to it into account in computing its chargeable profits for UK corporation tax purposes; or

(b) the recipient of any payment made under, as the case may be, paragraph 6.2 or 6.3 in respect of such shares is a partnership each member of which is a company mentioned in (a)(i) or (ii) above; or

(c) the recipient of any payment made under, as the case may be, paragraph 6.2 or 6.3 in respect of such shares is either a scheme administrator of a Registered Pension Scheme or an ISA Manager or a PEP Manager and (in each case) any such payment is applied for the purposes of the scheme, account or plan in respect of which the recipient has duties.

## 7. MANUFACTURED PAYMENTS: PAIF SHARES

Lender, in relation to any Loan of any PAIF Shares, and Borrower, in relation to any Non-Cash Collateral in the form of any PAIF Shares, warrants to the other Party on a continuing basis that, unless otherwise notified, the warranties in paragraphs 5 and 6 of this Addendum shall apply in relation to any payment made under, as the case may be, paragraph 6.2 or 6.3 in respect of such shares as if such paragraphs referred to PAIF Shares.

## 8. INTERPRETATION

8.1 In this Addendum the following definitions shall apply:

***Exempt Branch Payment*** means a payment where both (i) section 18A of the Corporation Tax Act 2009 has effect in relation to the payer for the accounting period in which the payment is made and (ii) the payment is made in the course of a trade carried on through a permanent establishment in a territory outside the UK;

***ISA Manager*** means the account manager of an account within the meaning of regulation 4(1) of the Individual Savings Account Regulations 1998;

***Net Paying UK Securities*** means securities (including any loan stock or any similar security, but excluding any shares) of the UK government or a local authority (or other public authority) in the UK or a UK resident company or other UK resident body, where such securities are neither gilt-edged securities nor other securities on which interest is payable without deduction of UK income tax;

**PAIF Shares** means shares in an open-ended investment company to which Part 4A of the Authorised Investment Funds (Tax) Regulations 2006 applies;

**PEP Manager** means the plan manager of a plan within the meaning of regulation 4(1) of the Personal Equity Plan Regulations 1989;

**Previous Addendum** has the meaning given to it in paragraph 1.1 of this Addendum;

**REIT Shares** means shares in a company UK REIT or the principal company of a group UK REIT (each as defined in Part 12 of the Corporation Tax Act 2010); and

**Registered Pension Scheme** means a registered pension scheme for the purposes of Part 4 of the Finance Act 2004.

8.2 Terms to which a defined meaning is given in the Agreement have the same meanings in this Addendum.

8.3 Unless otherwise specified, references to paragraphs in this Addendum are to paragraphs in the Agreement.

8.4 Any reference to a provision of law includes references to that provision as amended, consolidated or re-enacted.

**EXECUTED by the PARTIES**

**SIGNED** by George A Rennick )  
*Managing Director* )  
duly authorised for and )  
on behalf of )  
**JPMORGAN CHASE BANK N.A.** )  
**acting as agent** )



**SIGNED** by )  
 )  
duly authorised for and )  
on behalf of )  
**GOLDMAN SACHS INTERNATIONAL** )



## SCHEDULE

### 1. PARTY A WARRANTIES

In relation to Party A:

In relation to each Loan entered into by Party A as agent for a Principal, Party A will confirm if a Principal is either (i) a resident in the United Kingdom; or (ii) is a non-UK resident company carrying on a trade in the UK through a branch, agency or permanent establishment; or (iii) is a partnership each member of which is a company mentioned in (i) or (ii), and, if (i), (ii) or (iii) applies to a Principal, then:

- (a) paragraph 5 of this Addendum shall apply;
- (b) paragraph 6 of this Addendum shall apply; and
- (c) paragraph 7 of this Addendum shall apply.

In relation to each Loan entered into by Party A as agent for a Principal, Party A will confirm if a Principal is neither (i), (ii) or (iii) as described in the paragraph above. Where a Principal is neither (i), (ii) or (iii), then:

- (a) paragraph 5 of this Addendum shall not apply;
- (b) paragraph 6 of this Addendum shall not apply; and
- (c) paragraph 7 of this Addendum shall not apply.

### 2. PARTY B WARRANTIES

In relation to Party B:

- (a) paragraph 5 of this Addendum shall apply;
- (b) paragraph 6 of this Addendum shall apply; and
- (c) paragraph 7 of this Addendum shall apply.

## ANNEX IV

### GLOBAL MASTER SECURITIES LENDING AGREEMENT

#### 2020 US TAX ADDENDUM

(For use with the GMSLA 2010)

We hereby agree that the attached Global Master Securities Lending Agreement dated <sup>25 November 2020</sup> (the Agreement) shall as from the date of this Addendum be subject to the following and supplemental terms:-

#### 1. WARRANTIES AND DOCUMENTATION

1.1 When determining whether any US Tax is required to be deducted or withheld from any payment under the Agreement, each Party shall take account of any US Withholding Certificate or other form, documentation, warranty, representation, certification or notice provided by the other Party.

1.2 Each Party agrees to deliver to the other Party, upon reasonable request by such other Party, (a) a US Withholding Certificate and (b) other FATCA Information. Any such US Withholding Certificate or FATCA Information shall be accurate and completed in a manner reasonably satisfactory to such other Party and shall be executed and delivered with any reasonably required certification by such date as is agreed between the Parties or, failing such agreement, as soon as reasonably practicable. Each Party agrees that if any US Withholding Certificate or FATCA Information provided pursuant to this paragraph becomes incorrect, inaccurate or incomplete, such Party shall promptly update such US Withholding Certificate or FATCA Information or promptly notify the other Party in writing of its legal inability to do so.

1.3 Paragraph 12.3 of the Agreement is amended to delete the words “(so long as the completion, execution or submission of such form or document, or the provision of such cooperation or assistance, would not materially prejudice the legal or commercial position of the Party in receipt of such demand)” from the paragraph.

#### 2. ADJUSTMENTS TO WITHHOLDING AND ADDITIONAL AMOUNTS

2.1 Notwithstanding paragraph 6 and sub-paragraph 12.2(d) of the Agreement:

(a) Paragraph 6.2 “Manufactured payments in respect of Loaned Securities” shall be amended by removing the full stop at the end of the paragraph and adding the following wording: “except that, notwithstanding paragraph 6.1 above, any US Tax that would be imposed on such Income is disregarded in determining the amount that shall be paid or delivered by the Borrower to the Lender hereunder.”

(b) Unless the Schedule to this Addendum applies, Paragraph 6.3 of the Agreement shall be amended by inserting the word “and” at the end of sub-paragraph (b) and adding the following sub-paragraph: “(c) is a FATCA Compliant Entity, unless neither Lender nor Borrower is actually a FATCA Compliant Entity.”

(c) Sub-paragraph 12.2(d) shall be amended by deleting the full stop at the end of the paragraph, and inserting the following wording: “or paragraph 1.2 of the 2020 US Tax Addendum or, solely in the case of US Tax, to the extent either (i) the Tax is imposed or collected under FATCA, or (ii) Tax of an equivalent or greater amount would have been withheld or deducted in respect of Income paid or distributed on Loaned Securities had the Loaned Securities been retained by the Recipient. Payer shall be entitled to rely upon any certificate, document or information provided by the Recipient, or the absence of such items, in determining whether additional amounts are required to be paid.”

#### 3. INDEMNITY

If (a) Payer is required by Applicable Law, as modified by the practice of any government or other taxing authority, to make any deduction or withholding in respect of which Payer would not be required to pay additional amounts to Recipient under this Agreement or this Addendum, (b) Payer does not so deduct or withhold, and (c) a liability resulting from such Tax is assessed directly against Payer, then, except to the

extent Recipient has satisfied or then satisfies such liability, Recipient will promptly pay to Payer the amount of such liability (including any related liability for interest or penalties, but including any related liability for penalties only if Recipient has failed to comply with or perform any agreement contained in paragraph 12.3 of the Agreement and paragraph 1.2 of this Addendum, except that in no event shall Recipient be responsible to pay any such penalties to the extent the penalties are imposed solely as a result of Payer's gross negligence or wilful misconduct).

#### 4. AGENCY LOANS

4.1 In the case of any Agency Loan, the rights and obligations under paragraphs 1.1 and 1.2 of this Addendum and sub-paragraphs 12.2(a), 12.2(b), 12.2(c) and 12.3 of the Agreement applicable to Lender shall be deemed to apply to Agent.

4.2 In the case of any payment under an Agency Loan:

(a) for purposes of sub-paragraph 2.1(a) of this Addendum and paragraph 6.2 of the Agreement, any US Tax that would be imposed on the Income to which such payment relates if the Loaned Securities were held by Agent on behalf of Principal is also disregarded in determining the amount that shall be paid or delivered by the Borrower; and

(b) when determining whether any US Tax is required to be deducted or withheld from a payment under an Agency Loan, the Borrower shall take account of any US Withholding Certificate or other form, documentation, warranty, representation, certification or notice provided by the Agent.

#### 5. OTHER AMENDMENTS

5.1 The following will be added to the end of the definition of the term "Equivalent or equivalent to" in the Agreement:

"in each case, without taking into account any deduction or withholding imposed or collected in connection with FATCA with respect to the proceeds of a redemption of Loaned Securities or Collateral, or money or other property received in respect of Loaned Securities or Collateral, that is imposed due to Lender's (in the case of Collateral) or Borrower's (in the case of Loaned Securities) non-compliance with FATCA."

5.2 The following definitions shall be added to paragraph 2.1 of the Agreement:

**Code** means the Internal Revenue Code of 1986, as amended, of the United States of America;

**FATCA** means sections 1471 to 1474 of the Code, any current or future regulations or official interpretations thereof, any agreement entered into pursuant to section 1471(b) of the Code, or any fiscal or regulatory legislation, rules or practices adopted pursuant to any intergovernmental agreement entered into in connection with the implementation of such sections of the Code;

**FATCA Compliant Entity** means a Party that is entitled to receive payments free from any FATCA Withholding Tax;

**FATCA Withholding Tax** means tax required to be withheld from any payment under FATCA;

#### 6. INTERPRETATION

6.1 In this Addendum the following definitions shall apply:

**FATCA Information** means forms, documentation and other information relating to a either Party's status under FATCA as that other Party reasonably requests for the purposes of that other Party's compliance with FATCA.

**US Tax** means tax required to be withheld from any payment under any of sections 1441, 1442, 1443 or 1445 of the Code and any FATCA Withholding Tax.

**US Withholding Certificate** means any “withholding certificate” within the meaning of §1.1441-1(c)(16) of the United States Treasury Regulations, or any successor guidance, and includes any permissible substitute form.

6.2 Terms to which a defined meaning is given in the Agreement have the same meanings in this Addendum.

6.3 Unless otherwise specified, references to paragraphs in this Addendum are to paragraphs in the Agreement.

6.4 Any reference to a provision of law includes references to that provision as amended, consolidated or re-enacted.

**EXECUTED by the PARTIES**

**SIGNED** by

duly authorised for and  
on behalf of  
**JPMORGAN CHASE BANK N.A.**  
acting as agent

)  
)  
)   
)

**SIGNED** by

duly authorised for and  
on behalf of  
**GOLDMAN SACHS INTERNATIONAL**

)  
)  
)   
)

**SCHEDULE**

- 1.1 In the case of any Agency Loan where Lender is unable to determine that all underlying Principals are each a FATCA Compliant Entity, the Parties agree that:
- (a) Borrower shall effect the return and substitution of Equivalent Collateral by any Income Record Date where such event could give rise to FATCA Withholding Tax; and
  - (b) Sub-paragraph 2.1(b) of this Addendum shall accordingly not apply, unless Borrower's failure to effect the return and substitution was due to any failure by Lender to deliver Equivalent Collateral, in which case sub-paragraph 2.1(b) of this Addendum shall apply.

**THE PARTIES AGREE THAT SCHEDULE SHALL APPLY:**

Please *tick*:

## ANNEX V

## MARKET TERMS

Unless otherwise agreed between the parties, in the event the Lender: (i) lends Securities to the Borrower; or (ii) accepts Collateral from the Borrower, in respect of any of the following markets, the below additional market requirements will apply to such Loans and Collateral in such relevant market. This Annex supplements the Global Master Securities Lending Agreement dated <sup>25 November</sup>2020 entered into between the parties (the “**Agreement**”). In case of any conflict between the terms of this Annex and the Agreement, the terms of this Annex shall prevail to the extent of such inconsistency.

Section	Lending Markets
I.	Canada
II.	Hong Kong
III.	Japan
IV.	South Africa
V.	Taiwan

### I. Canada

To the extent that the Borrower is established or incorporated in Canada, the Parties agree and acknowledge that the terms “Tax” and “withholding” as used in paragraph 12.1 to 12.3 of the Agreement, inclusive, shall not include any U.S. federal withholding tax imposed or collected pursuant to Sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986, as amended (the “**Code**”), any current or future regulations or official interpretations thereof, any agreement entered into pursuant to Section 1471(b) of the Code, or any fiscal or regulatory legislation, rules or practices adopted pursuant to any intergovernmental agreement entered into in connection with the implementation of such Sections of the Code (a “**FATCA Withholding Tax**”). For the avoidance of doubt, a FATCA Withholding Tax is a tax the deduction or withholding for which Borrower shall not be obliged to pay an additional amount under paragraph 12.2 (*Taxes*) of the Agreement in respect of any payment made under paragraph 6.2 (*Manufactured payments in respect of Loaned Securities*) of the Agreement. In determining the amount, if any, of FATCA Withholding Tax required to be deducted or withheld from any payment it makes agrees that it will properly take into account any FATCA Certification provided by the other Party.

### II. Hong Kong

Where any Loan consists of Hong Kong stocks (as such term is defined under the Hong Kong Stamp Duty Ordinance (Cap 117, Laws of Hong Kong) (the “**SDO**”)), the Borrower agrees it shall be subject to and responsible for compliance with all applicable provisions and requirements of the SDO which shall include:



- a) the timely registration of the Agreement with the Collector of Stamp Revenue as appointed under the SDO (the "**Collector**") in accordance with Section 19(12A) of the SDO in Hong Kong including the provision of:
  - i. two certified true copies of the Agreement;
  - ii. such fees and duties as may be specified from time to time under the SDO; and
  - iii. such other documents, particulars and information as the Collector may require (including a duly completed "Stock Borrowing and Lending Agreement Registration Form" in duplicate),  
  
at any time after the execution of the Agreement and in any event before the expiry of thirty (30) days after the first stock borrowing of Hong Kong stocks is effected;
- b) all filing, record-keeping and six-monthly reporting obligations as may be required under the SDO; and
- c) any other acts and things as may be required by the Collector.

### **III. Japan**

The Borrower acknowledges and agrees that:

- a) if it borrows foreign registered shares of Japanese issuers ("**Foreign Shares**") from a non-Japanese Lender and the foreign ownership limit on such shares is reached either during the term of the Loan or after termination of the Loan but prior to reregistration of such shares, then Agent on behalf of the Lender shall be unable to re-register the shares into the foreign Lender's name with the result that the Lender will be unable to receive entitlements, by way of distributions, dividends or otherwise (collectively the "**Entitlements**"), that it would otherwise have received on the Foreign Shares; and
- b) it shall pay to the Agent, on behalf of any such Lender(s), an amount equal to any lost Entitlements, until such time as Borrower both returns Foreign Shares to the Agent on behalf of the Lender(s) and such shares have been re-registered so as to permit the Lender(s) to again receive Entitlements. The Borrower agrees that such compensation shall be paid on the payable date of the Entitlement for which compensation is being made. In the event that Borrower shall fail to make any such payment, then Agent on behalf of the Lender may, without limiting any other rights the Lender may have, charge any such failed compensation payments against any Collateral then held by it.

## South African Market Terms

### 1. SPECIFIC AMENDMENTS

1.1 Should there be a conflict between any provision of the Agreement and this Appendix 1, the provisions of this Appendix 1 shall prevail to the extent of such conflict. Should there be a conflict between any provision of a confirmation of a Loan and the Agreement and/or this Appendix 1, the confirmation shall prevail to the extent of such conflict.

1.2 If any word, phrase, sentence, paragraph or section of the Agreement or this Appendix 1 is found to be void or unenforceable, such word, phrase, sentence, paragraph or section shall be deemed to be separate from all other words, phrases, sentences, paragraphs or sections and the remaining words, phrases, sentences, paragraphs and sections of the Agreement and this Appendix 1 shall remain in full force and effect.

1.3 Paragraph 2.3 of the Agreement shall be deleted and replaced with the following paragraph:

**“2.3 Market Terminology**

*Notwithstanding the use of expressions such as borrow, lend, Collateral, Margin etc. which are used to reflect terminology used in the market for transactions of the kind provided for in this Agreement: (a) title to Securities borrowed or lent provided in accordance with this Agreement shall pass from the Lender to the Borrower as provided for in this Agreement, the Borrower being obliged to deliver Equivalent Securities; and (b) title to Collateral provided in accordance with this Agreement shall, at the election of the Parties, either: (i) in the case of a cession in securitatem debiti of the Collateral, remain with the Borrower, the Lender being obliged to redeliver the same Collateral, or (ii) in the case of an outright transfer of the Collateral, pass from the Borrower to the Lender, the Lender being obliged to deliver Equivalent Collateral.”.*

1.4 The following new paragraph 6.8 shall be inserted in the Agreement:

**“6.8 Distribution of Securities, warrants or rights**

- (i) Any distribution of Securities made in exchange for Loaned Securities or Collateral Securities shall be deemed substituted for such Loaned Securities or Collateral Securities respectively, and shall be treated as if such Securities were originally the subject of the relevant Loan or originally provided as Collateral, as the case may be.*
- (ii) Income comprising a distribution of warrants or rights to purchase shares shall, if made in respect of Securities, be deemed to be a new Loan at the rate agreed upon by the Parties, and shall, if made in respect of Collateral, be deemed to be a provision of additional Collateral subject to the Margin agreed upon by the Parties.”*

1.5 Paragraph 7.1 of the Agreement shall be amended by inserting the words “*plus Value Added Tax at the prescribed rate in terms of the Value Added Tax Act, No. 89 of 1991*” at the end thereof.

1.6 Paragraph 10.4 of the Agreement shall be amended by adding in the second line thereof the words “*, special or indirect*” after the word “*consequential*”.

1.7 Paragraph 13 of the Agreement shall be amended by:

- A. deleting at the end of sub-paragraph (c) the word “and”;
  - B. deleting at the end of sub-paragraph (d) “.” and inserting in its place “; and”; and
  - C. adding the following sub-paragraph at the end thereof:
    - “(e) *it is not relying on any communication (whether oral or written, except for the express representations, warranties, covenants, undertakings and agreements set forth in the Agreement and this Annex) of the other Party or any Agent as advice, warranties or representations, and it has obtained such independent professional tax, accounting, regulatory, legal and financial advice as it has deemed necessary.*”.
- 1.8 Paragraph 14 of the Agreement shall be amended by:
- A. inserting at the beginning of sub-paragraph (c) the words:
    - “*except in respect of any encumbrance created by the terms of this Agreement, it is the sole legal and beneficial owner of the Collateral and*”;
  - B. deleting at the end of sub-paragraph (c) the word “and”; and
  - C. inserting at the end of sub-paragraph (d) “*other than in respect of an Agency Loan*”;
  - D. deleting at the end of sub-paragraph (e) the “.” and replacing it with the words “; and”;
  - E. inserting a new sub-paragraph (f) as follows:
    - “(f) *it is not relying on any communication (whether oral or written, except for the express representations, warranties, covenants, undertakings and agreements set forth in the Agreement and this Annex) of the other Party or any Agent as advice, warranties or representations, and it has obtained such independent professional tax, accounting, regulatory, legal and financial advice as it has deemed necessary.*”.
- 1.9 Paragraph 20 of the Agreement shall be amended by inserting the following new paragraph 20.3 at the end thereof:
- “20.3 *The addresses referred to in paragraph 6 of the Schedule to the Agreement are chosen by the Parties as their respective domicilia citandi et executandi.*”.
- 1.10 The Agency Annex shall apply to Loans entered into by the Borrower as Agent on the same basis as Loans entered into by the Lender as Agent, mutatis mutandis.
- 1.11 Paragraph 1.5(b) of the Agency Annex shall be amended by:
- A. in sub-paragraph (i):
    - (i) deleting the number (i) at the beginning thereof; and
    - (ii) deleting the word “; and” and replacing it with a “.” at the end thereof, and
  - B. deleting sub-paragraph (ii).
- 2. MISCELLANEOUS**

## 2.1 "Lending Arrangement"

- A. The Borrower is obliged to ensure that the Loan of South African Securities constitutes a "lending arrangement" as defined in section 1 of the Securities Transfer Tax Act, 2007 (as may be amended, supplemented or replaced from time to time, the *STT Act*), therefore the Borrower is obliged to, *inter alia*:
- (i) effect delivery of the South African Securities (which form the basis of the Loan) (other than to any lender in relation to that Borrower, unless the Borrower can demonstrate that the Loan was not entered into for the purposes of the avoidance of tax and was not entered into for the purposes of keeping any position open for more than 12 months) within 10 Business Days after the date of transfer of such Securities from the Lender to the Borrower in terms of the Loan;
  - (ii) ensure that the Loan shall terminate and that Equivalent Securities which are South African Securities be returned by the Borrower to the Lender in respect of such Loan (unless the failure to return such Equivalent Securities which are South African Securities is due to an arrangement that is announced and released as a corporate action as contemplated in the listing requirements of the Johannesburg Stock Exchange Limited Listing Requirements (*JSE Listing Requirements*) in the Stock Exchange News Service (*SENS*) as defined in the JSE Listing Requirements) on a Business Day that occurs less than 12 calendar months from the date of transfer of the Securities from the Lender to the Borrower in terms of the Loan;
  - (iii) in accordance with paragraph 6.2 of the Agreement, compensate the Lender for any distributions in respect of the South African Securities which the Lender would have been entitled to receive in respect of the Securities during the period of the Loan (being a period of less than 12 calendar months as set out in paragraph above).
- B. The Loan shall not affect the Lender's benefits and risks arising from fluctuations in the market value of the South African Securities forming the basis of the Loan).
- C. The Borrower hereby irrevocably and unconditionally indemnifies and holds Lender and its affiliates, officers, employees, contractors, sub-contractors, agents and assigns harmless, on first written demand, against any securities transfer tax or other tax liability or payment (including, without limitation, any income tax or tax on any capital gain included in the taxable income of the Lender) and any costs, interest, penalties, expenses or charges relating to such securities transfer tax or other tax liability or payment arising out of or in relation to a Loan if the Loan does not constitute a "lending arrangement" as defined in section 1 of the STT Act as a consequence of the Borrower not complying with any of its obligations in terms of this definition.

For the purposes of this paragraph:

"**South African Securities**" means any (i) share or any other share that is substituted for South African Securities in terms of an arrangement that is announced and released as a corporate action as contemplated in the Johannesburg Stock Exchange Limited Listing Requirements (JSE Listing Requirements) in the Stock Exchange News Service (SENS) as defined in the JSE Limited Listing Requirements; or (ii) any bond issued by the government of South Africa in the national or local sphere or any sphere of government of any country other than South Africa if that bond is listed on a recognised exchange as defined in paragraph 1 of the Eighth Schedule to the Income Tax Act, 1962".

## Taiwan Market Terms

In respect of the lending and borrowing of Taiwan Securities (as hereinafter defined) (“**Taiwan Transactions**”) under the “**Taiwan Stock Exchange Corporation Securities Lending and Borrowing Regulations**”, the Parties acknowledge and agree that the Agreement shall be amended as follows:

### 1. INTERPRETATION

- 1.1 Except as otherwise provided or modified below, capitalized terms shall have the same meaning as set out in the Agreement.
- 1.2 In relation to Taiwan Transactions, the following definitions shall apply in place of those in the Agreement:

The definition of “**Act of Insolvency**” set out in paragraph 2.1 shall be amended by deleting the word “or” at the end of sub-paragraph (e), adding the word “or” at the end of sub-paragraph (f) and adding the following as new sub-paragraph (g) thereof:

“(g) if it is a Taiwan financial institution, its management and operations being taken over by any regulatory, deposit insurance or like body under any applicable banking, securities, insurance or similar law or law or regulation governing the insolvency of financial institutions.”

The definition of “**Business Day**” set out in paragraph 2.1 shall be amended by deleting the existing definition in its entirety and replacing it with the following:

“**Business Day**” means a day on which banks and securities markets are open for business generally in Taipei and, if applicable, in relation to the delivery or redelivery of any of the following in relation to any Loan, in the place(s) where the relevant Securities, Equivalent Securities, Collateral (including Cash Collateral) or Equivalent Collateral are to be delivered.

“**Latest Available Price**” means the closing price of the most recent trading date on which the subject Securities traded without suspension or restriction on the applicable stock exchange in Taiwan.

- 1.3 The definition of “**Market Value**” set out in paragraph 2.1 of the Agreement shall be amended by:
  - (a) deleting sub-paragraph (a) in its entirety and adding the following as new sub-paragraph (a):

“(a)

    - (1) in relation to the valuation of Securities, Equivalent Securities, Collateral or Equivalent Collateral which are shares of stock traded on the Taiwan Stock Exchange or the TPEX, the most recent closing price of such shares as quoted by the Taiwan Stock Exchange or TPEX; and
    - (2) in relation to the valuation of Securities, Equivalent Securities, Collateral or Equivalent Collateral (other than shares of stock traded on the Taiwan Stock Exchange or TPEX, R.O.C. government bonds, Cash Collateral or a Letter of Credit):
      - (i) such price as is equal to the market quotation for the mid price of such Securities, Equivalent Securities, Collateral and/or Equivalent Collateral as derived from a reputable pricing information service

reasonably chosen in good faith by the Lender; or

- (ii) if unavailable, the market value thereof as derived from the mid price or rate bid by a reputable dealer for the relevant instrument reasonably chosen in good faith by the Lender,

in each case at Close of Business on the previous Business Day or, as specified in the Schedule of the Agreement, unless agreed otherwise or, at the option of either Party where in its reasonable opinion there has been an exceptional movement in the price of the asset in question since such time, the Latest Available Price;

plus (in each case);

- (3) the aggregate amount of Income which has accrued but not yet been paid in respect of the Securities, Equivalent Securities, Collateral or Equivalent Collateral concerned (to the extent not included in such price);

(provided that the price of Securities, Equivalent Securities, Collateral or Equivalent Collateral that are suspended or that cannot legally be transferred or that are transferred or required to be transferred to a government, trustee or third party (whether by reason of nationalisation, expropriation or otherwise) shall for all purposes be a commercially reasonable price agreed between the Parties or absent agreement, be a price provided by a third party dealer agreed between the Parties, or if the Parties do not agree a third party dealer then a price based on quotations provided by the Reference Dealers. If more than three quotations are provided, the Market Value will be the arithmetic mean of the prices, without regard to the quotations having the highest and lowest prices. If three quotations are provided, the Market Value will be the quotation remaining after disregarding the highest and lowest quotations. For this purpose, if more than one quotation has the same highest or lowest price, then one of such quotations shall be disregarded. If fewer than three quotations are provided, the Market Value of the relevant Securities, Equivalent Securities, Collateral or Equivalent Collateral shall be determined by the Party making the determination of Market Value acting reasonably”; and

- (b) deleting the word “and” at the end of sub-paragraph (b); adding the word “and” at the end of sub-paragraph (c) and adding the following as new sub-paragraph (d):

“(d) in relation to Securities, Equivalent Securities, Collateral or Equivalent Collateral which are R.O.C. government bonds, the face or stated amount of such R.O.C. government bonds;”

“**NT Dollars**” means the lawful currency of the R.O.C.;

“**R.O.C.**” means the Republic of China;

“**Rules**” means the Taiwan Stock Exchange Corporation Securities Lending and Borrowing Regulations and such other rules for the time being of the Taiwan Stock Exchange *and/or* TPEX and/or any other governmental *or* regulatory authority whose rules and regulations shall from time to time affect the activities of the Parties pursuant to this Agreement including, but not limited to, the stock lending regulations and guidance notes relating to: (i) securities lending, manufactured interest, and dividends, and (ii) any associated procedures required pursuant thereto;

“**Taiwan Securities**” mean the Securities issued by an issuer which is organized under the laws of the R.O.C. which the Borrower is permitted to borrow from the Lender and meet the criteria set forth for the loaned securities under the Rules;

“**Taiwan Stock Exchange**” means the Taiwan Stock Exchange Corporation.

“**Taiwan Transactions**” means the negotiated loan transactions which are governed by this Taiwan Addendum as defined in the preamble;

“**TDCC**” means the Taiwan Depository and Clearing Corporation; and

“**TPEX**” means the Taipei Exchange.

- 1.4 Paragraph 2.4 (Currency conversions) of the Agreement shall be amended by adding the following at the end thereof:

“provided; that conversions from NT Dollars into the Base Currency shall be made at the rate of exchange agreed between the Parties on the date of the conversion, or absent agreement, at a rate provided by a third party dealer agreed between the Parties. If the Parties do not agree on a third party dealer, then each Party shall appoint a third party dealer within one Business Day and those two third party dealers together shall agree on a third party dealer, who will provide the relevant rate of exchange.”

- 1.5 The parties acknowledge and agree that each Taiwan Transaction and this Addendum are subject to the Rules and the Taiwan Securities in relation thereto shall be administrated in accordance with the Rules.

In the event of any inconsistency between this Addendum and the Rules, the Rules shall prevail to the extent of such inconsistency. If the Rules are amended, the Parties agree to amend this Addendum, if deemed necessary by the Parties, to comply with the amended Rules.

Notwithstanding the above, it is hereby agreed that paragraph 10 of the GMSLA shall in all cases apply in accordance with its terms in the context of an Event of Default.

## **1. LOANS OF SECURITIES**

- 1.1 Paragraph 3 of the Agreement is hereby amended by renumbering the existing paragraph 3 as paragraph 3.1 and adding the following as new paragraph 3.2 thereof:

*“The term of each Loan shall not exceed six (6) months. The term of each such Loan may be extended up to twice for a further period of no more than six months so long as no terms and conditions (other than tenor) of the original Loan are amended (the “Rollover”):*

*The Borrower may request a Rollover by delivering to the Taiwan Stock Exchange during the period from the tenth Business Day prior to the expiry date of the original term a written notice requesting the Rollover for notification to the Lender (the “Extension Notice”). The Lender shall within three Business Days from the date of receipt of the Extension Notice notify the Borrower or the Taiwan Stock Exchange for notification to the Borrower of its acceptance or non-acceptance of the Rollover for the additional term specified in the Extension Notice with any failure to give such notification deemed to be non-acceptance.*

*The Rollover of any Loan shall be on the same terms and conditions as the original Loan except for the tenor of the loan which shall be as provided in the Extension Notice. Neither the giving of an Extension Notice nor the Lender’s notification of acceptance thereof shall prejudice the Lender’s right of recall under paragraph 8.1 of the Agreement.”*

## 2. DELIVERY OF SECURITIES

- 2.1 Paragraph 4.1 of the Agreement is hereby amended by re-numbering the existing paragraph 4.1 as paragraph 4.1(a), and adding the following as sub- paragraphs (b) and (c) thereof:

*“(b) In order to receive a confirmation of execution from the Taiwan Stock Exchange or TPEx, as applicable, the Parties agree to cause their respective securities firms (each a “**Securities Firm**”) to report, by the relevant cut off time during the relevant trading hours of the Taiwan Stock Exchange of the Settlement Date, to the Taiwan Stock Exchange the name of the borrowed Taiwan Securities and the number thereof, the transaction type, the lending fee rate, the stock redelivery date, the securities book-entry transfer date, the collateral ratio, the Parties’ securities lending and borrowing accounts at the Taiwan Stock Exchange and the Parties’ securities custodial accounts at the TDCC to the extent required by the Rules.*

*(c) The Parties acknowledge that the Taiwan Stock Exchange, after providing confirmation of execution, will notify TDCC to deliver the borrowed Taiwan Securities through book entry from the Lender’s custodial account to the Borrower’s custodial account.”*

- 2.2 Paragraph 4.4 of the Agreement is hereby amended by re-numbering the existing paragraph 4.4 as paragraph 4.4(a), and adding the following as sub-paragraph (b) thereto:

*“(b) The Borrower shall deliver, or cause to be delivered, to Party A a withholding tax statement showing the amount of Taiwanese withholding tax, if applicable, that has been withheld on Income on the loaned Taiwan Security held over record date by the Borrower”.*

## 3. RATES APPLICABLE TO LOANED SECURITIES AND CASH COLLATERAL

- 3.1 Paragraph 7.1 of the Agreement is hereby amended by re-numbering the existing paragraph 7.1 as paragraph 7.1(a) and adding the following as sub-paragraph (b) thereof:

*“(b) It is acknowledged that the Taiwan Stock Exchange securities borrowing and lending computer system requires input of a minimum rate of 0.01% for each negotiated type securities borrowing and lending transaction, provided that the rate cannot exceed 20% per annum in any event. Both lender and borrower shall cause, through their Securities Firms, such minimum rate to be input on each transaction for matching purposes only. No fees will be payable via the Taiwan Stock Exchange system.”*

- 3.2 Paragraph 7.2 of the Agreement is hereby amended by re-numbering the existing paragraph 7.2 as paragraph 7.2(a) and adding the following as sub-paragraph (b) thereof:

*“(b) The rate(s) agreed pursuant to sub-paragraph (a) above shall be agreed between the Parties on a commercially reasonable basis.”*

- 3.3 Paragraph 7 of the Agreement is hereby amended by adding the following as paragraph 7.4 thereof:

*“7.4 Payment of the Taiwan Stock Exchange handling fees*

*The Taiwan Stock Exchange handling fees charged to the Lender will be paid by the Borrower on the day falling immediately after the settlement date of the relevant loan return, by payment from the Borrower to the Taiwan Stock Exchange via the Borrower’s Securities Firm.”*



#### 4. DELIVERY OF EQUIVALENT SECURITIES

- 4.1 Paragraph 8.1 of the Agreement is hereby amended by re-numbering the existing paragraph 8.1 as paragraph 8.1(a) and inserting the following as sub-paragraph (b) thereof:

*“(b) Each of the Parties shall cause its respective Securities Firm (to the extent required by the Rules) to report to the Taiwan Stock Exchange any changes to the stock redelivery date.”*

- 4.2 Paragraph 8.2 of the Agreement is hereby amended by re-numbering the existing paragraph 8.2 as paragraph 8.2(a) and inserting the following as sub-paragraph (b) thereof:

*“(b) Each of the Parties shall cause its respective Securities Firm (to the extent required by the Rules) to report to the Taiwan Stock Exchange any changes to the stock redelivery date.”*

- 4.3 Paragraph 8.3 of the Agreement is hereby amended by:

*(a) renumbering the existing paragraph 8.3 as paragraph 8.3(a) and inserting, after “termination of the Loan” on the third line, the words “; provided, that, if the Lender recalls for redelivery of Equivalent Securities prior to the originally scheduled return date thereof pursuant to the terms of the Loan, paragraph 8.1 shall apply.”; and*

*(b) inserting the following as the sub-paragraph 8.3(b) thereof:*

*“(b) The Parties acknowledge that after notifying the Borrower of the termination of the Loan, which notice will be given through the Securities Firm by the Taiwan Stock Exchange ten (10) Business Days prior to the scheduled return date, the Taiwan Stock Exchange will notify the TDCC to redeliver Equivalent Securities from the Borrower's securities custodial account to the Lender's securities custodial account.”*

#### 6. DISTRIBUTIONS AND CORPORATE ACTIONS.

Paragraph 6.5(a) (Income in the form of Securities) (as amended in accordance with the Schedule of the Agreement) shall be amended by adding the following paragraph at the end thereof:

*“When such Income becomes payable to the Lender in accordance with the preceding sub-paragraph, each of the Parties shall cause their respective securities firms to report to the Stock Exchange such information and cause the delivery of the Structured Dividend to the Lender via the Stock Exchange securities lending computer system.”*

#### 7. FAILURE TO DELIVER

- 7.1 Paragraph 9.1 of the Agreement is amended by adding the following at the end of paragraph 9.1:

*“The Lender may only elect to continue the Loan under sub-paragraph (a) above, to the extent that such continuance is permitted by the Rules and, in such case, the Borrower must do all acts required to allow the Loan to be continued. To the extent that the Lender elects to terminate the Loan under sub-paragraph (b) above, the Parties agree to report the Borrower's failure to deliver Equivalent Securities to the Taiwan Stock Exchange and take all necessary actions and provide any documents to the Stock Exchange as required under the Rules in connection therewith.”*

- 7.2 Paragraph 9.2 of the Agreement is amended by adding the following at the end of paragraph 9.2:

*“The Borrower may only elect to continue the Loan under sub-paragraph (a) above, to the extent that such continuance is permitted by the Rules and, in such case, the Lender must do all acts required to allow the Loan to be continued. To the extent that the Borrower elects to terminate the Loan under subparagraph (b) above, the Parties agree to report the Lender’s failure to deliver Equivalent Collateral to the Taiwan Stock Exchange.”*

## 8. TAXATION

The Parties acknowledge that:

The ruling dated August 20, 2007 issued by the Ministry of Finance (Ref. No.: Tai-Tsai-Shui-09600210970), as amended, supplemented or substituted from time to time (“**Tax Ruling**”), shall apply to each party's tax responsibilities with respect to manufactured dividends and lending/borrowing fees, where the Borrower shall be the “borrower” as referred to in the Tax Ruling and the Lender shall be the “lender” as referred to in the Tax Ruling.

## 9. EVENTS OF DEFAULT

Paragraph 10 of the Agreement is hereby amended by adding the following as paragraph 10.5 thereof:

*“The Parties shall notify the Taiwan Stock Exchange of the occurrence of an Event of Default, after giving effect to any applicable cure or grace periods therein, and shall take all necessary actions and provide any documents required under the Rules in connection therewith to the Taiwan Stock Exchange.”*

## 10. PROVISION OF INFORMATION.

Without prejudice to the generality of any applicable law, each Party (“X”) expressly consents to the other party (“Y”), or its affiliates, disclosing and submitting to the relevant Taiwan judicial and/or competent authorities or agents, including without limitation the Taiwan Stock Exchange and the Financial Supervisory Commission, all such information relating to the Taiwan Transactions, including the name of X, in order for Y or any of its affiliates to comply with laws and regulations of Taiwan, including without limitation the Regulations Governing Investments in Securities by Overseas Chinese and Foreign Nationals or the Rules or requests by Taiwan authorities that are applicable to Y or its affiliate in connection with their dealings in the Taiwan Transactions and each Party irrevocably and unconditionally waives any objection such Party may have thereto on the grounds of confidentiality or otherwise.

## **Information Statement in accordance with Article 15 of the Securities Financing Transactions Regulation**

**This Information Statement is provided for information purposes only and does not amend or supersede the express terms of any Transaction, Collateral Arrangement or any rights or obligations you may have under applicable law, create any rights or obligations, or otherwise affect your or our liabilities and obligations.**

### **1. Introduction**

You have received this Information Statement because you have entered into or may hereafter enter into one or more title transfer collateral arrangements or security collateral arrangements containing a right of use (together, "**Collateral Arrangements**") with us.

This Information Statement has been prepared to comply with Article 15 of the Securities Financing Transactions Regulation by informing you of the general risks and consequences that may be involved in consenting to a right of use of collateral provided under a security collateral arrangement or of concluding a title transfer collateral arrangement ("**Re-use Risks and Consequences**"). The information required to be provided to you pursuant to Article 15 of the Securities Financing Transactions Regulation relates only to Re-use Risks and Consequences, and so this Information Statement does not address any other risks or consequences that may arise as a result of your particular circumstances or as a result of the terms of particular Transactions.

This Information Statement is not intended to be, and should not be relied upon as, legal, financial, tax, accounting or other advice. Unless otherwise expressly agreed in writing, we are not providing you with any such legal, financial, tax, accounting or other advice and you should consult your own advisors for advice on consenting to a right of use of collateral provided under a security collateral arrangement or on concluding a title transfer collateral arrangement, including the impact on your business and the requirements of, and results of, entering into any Transaction.

Appendix 2 sets out an indicative (but not exhaustive) list of types of agreement that may constitute Collateral Arrangements.

Appendix 3 sets out alternative disclosures that are applicable if we are (1) a U.S. broker-dealer or futures commission merchant or (2) a U.S. bank or U.S. branch or agency office of a non-U.S. bank.

In this Information Statement:

- "we", "our", "ours" and "us" refer to the provider of this Information Statement that may conduct Transactions with you (or, where we are acting on behalf of another person, including where that person is an affiliate, that person);
- "you", "your" and "yours" refer to each of the persons to which this Information Statement is delivered or addressed in connection with entering into, continuing, executing or agreeing upon the terms of Transactions with us (or, where you are acting on behalf of other persons, each of those persons);

- "right of use" means any right we have to use, in our own name and on our own account or the account of another counterparty, financial instruments received by us by way of collateral under a security collateral arrangement between you and us;
- "Securities Financing Transactions Regulation" means Regulation (EU) 2015/2365 of the European Parliament and of the Council of 25 November 2015 on transparency of securities financing transactions and of reuse and amending Regulation (EU) No 648/2012 (as amended from time to time);
- "Transaction" means a transaction entered into, executed or agreed between you and us under which you agree to provide financial instruments as collateral, either under a security collateral arrangement or under a title transfer collateral arrangement;
- "financial instruments", "security collateral arrangement" and "title transfer collateral arrangement" have the meaning given to those terms in the Securities Financing Transactions Regulation. These are set out in Appendix 1 for reference.

## 2. Re-use Risks and Consequences

- a) Where you provide financial instruments to us under a title transfer collateral arrangement or if we exercise a right of use in relation to any financial instruments that you have provided to us by way of collateral under a security collateral arrangement containing a right of use, we draw your attention to the following Re-use Risks and Consequences:<sup>1</sup>
  - i. your rights, including any proprietary rights that you may have had, in those financial instruments will be replaced by an unsecured contractual claim for delivery of equivalent financial instruments subject to the terms of the relevant Collateral Arrangement;
  - ii. those financial instruments will not be held by us in accordance with client asset rules, and, if they had benefited from any client asset protection rights, those protection rights will not apply (for example, the financial instruments will not be segregated from our assets and will not be held subject to a trust);
  - iii. in the event of our insolvency or default under the relevant agreement your claim against us for delivery of equivalent financial instruments will not be secured and will be subject to the terms of the relevant Collateral Arrangement and applicable law and, accordingly, you may not receive such equivalent financial instruments or recover the full value of the financial instruments (although your exposure may be reduced to the extent that you have liabilities to us which can be set off or netted against or discharged by reference to our obligation to deliver equivalent financial instruments to you);
  - iv. in the event that a resolution authority exercises its powers under any relevant resolution regime in relation to us any rights you may have to take any action

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<sup>1</sup> As noted above, Appendix 3 sets forth the risks and consequences that may arise in connection with re-use of financial instruments by a U.S. broker-dealer, U.S. futures commission merchant, or U.S. bank or U.S. branch or agency office of a non-U.S. bank.

against us, such as to terminate our agreement, may be subject to a stay by the relevant resolution authority and:

- a) your claim for delivery of equivalent financial instruments may be reduced (in part or in full) or converted into equity; or
- b) a transfer of assets or liabilities may result in your claim on us, or our claim on you, being transferred to different entities although you may be protected to the extent that the exercise of resolution powers is restricted by the availability of set-off or netting rights;
- v. as a result of your ceasing to have a proprietary interest in those financial instruments you will not be entitled to exercise any voting, consent or similar rights attached to the financial instruments, and even if we have agreed to exercise voting, consent or similar rights attached to any equivalent financial instruments in accordance with your instructions or the relevant Collateral Arrangement entitles you to notify us that the equivalent financial instruments to be delivered by us to you should reflect your instructions with respect to the subject matter of such vote, consent or exercise of rights, in the event that we do not hold and are not able to readily obtain equivalent financial instruments, we may not be able to comply (subject to any other solution that may have been agreed between the parties);
- vi. in the event that we are not able to readily obtain equivalent financial instruments to deliver to you at the time required: you may be unable to fulfil your settlement obligations under a hedging or other transaction you have entered into in relation to those financial instruments; a counterparty, exchange or other person may exercise a right to buy-in the relevant financial instruments; and you may be unable to exercise rights or take other action in relation to those financial instruments;
- vii. subject to any express agreement between you and us, we will have no obligation to inform you of any corporate events or actions in relation to those financial instruments;
- viii. you will not be entitled to receive any dividends, coupon or other payments, interests or rights (including securities or property accruing or offered at any time) payable in relation to those financial instruments, although the express written terms of the relevant Collateral Arrangement or Transaction may provide for you to receive or be credited with a payment by reference to such dividend, coupon or other payment (a "manufactured payment");
- ix. the provision of title transfer collateral to us, our exercise of a right of use in respect of any financial collateral provided to us by you and the delivery by us to you of equivalent financial instruments may give rise to tax consequences that differ from the tax consequences that would have otherwise applied in relation to the holding by you or by us for your account of those financial instruments;

- x. where you receive or are credited with a manufactured payment, your tax treatment may differ from your tax treatment in respect of the original dividend, coupon or other payment in relation to those financial instruments.
- b. Where we provide you with clearing services (whether directly as a clearing member or otherwise), we draw your attention to the following additional Re-use Risks and Consequences:
  - i. if we are declared to be in default by an EU central counterparty ("**EU CCP**") the EU CCP will try to transfer ("**port**") your transactions and assets to another clearing broker or, if this cannot be achieved, the EU CCP will terminate your transactions;
  - ii. in the event that other parties in the clearing structure default (e.g., a central counterparty, a custodian, settlement agent or any clearing broker that we may instruct) you may not receive all of your assets back and your rights may differ depending on the law of the country in which the party is incorporated (which may not necessarily be English law) and the specific protections that that party has put in place;
  - iii. in some cases a central counterparty may benefit from legislation which protects actions it may take under its default rules in relation to a defaulting clearing member (e.g., to port transactions and related assets) from being challenged under relevant insolvency law.

## Appendix 1

Defined terms for the purposes of the Securities Financing Transactions Regulation:

**"financial instrument"** means the instruments set out in Section C of Annex I to Directive 2014/65/EU on markets in financial instruments, and includes without limitation:

- 1) Transferable securities;
- 2) Money-market instruments;
- 3) Units in collective investment undertakings.

**"title transfer collateral arrangement"** means an arrangement, including repurchase agreements, under which a collateral provider transfers full ownership of financial collateral to a collateral taker for the purpose of securing or otherwise covering the performance of relevant financial obligations.

**"security collateral arrangement"** means an arrangement under which a collateral provider provides financial collateral by way of security in favour of, or to, a collateral taker, and where the full ownership of the financial collateral remains with the collateral provider when the security right is established.

## Appendix 2

We have set out below examples of the types of agreements to which this Information Statement applies. These examples are for illustrative purposes only and should not be relied upon as a legal determination of the characterisation of each agreement. The fact that an agreement is grouped with Title Transfer Collateral Agreements below does not preclude its characterisation as a Security Collateral Arrangement with a right of use and vice versa. Moreover, the characterization of an agreement may be different under U.S. and European law.

### Title Transfer Collateral Arrangement

Such arrangements may include without limitation:

- Overseas Securities Lender's Agreement
- Global Master Securities Lending Agreement
- Global Master Repurchase Agreement
- SIFMA Master Repurchase Agreement
- An ISDA Master Agreement incorporating an English Law ISDA Credit Support Annex
- An ISDA/FIA Client Cleared OTC Derivatives Addendum which provides for title transfer collateral arrangements and in particular where entered into in connection with an English law governed ISDA Master Agreement which includes the English law CSA Collateral Terms as set out in Appendix 1 thereto, or when entered into in connection with a relevant FIA client clearing agreement
- Master Gilt Edged Stock Lending Agreement
- Master Equity and Fixed Interest Stock Lending Agreement
- Prime brokerage agreements which provide for title transfer collateral arrangements
- FIA client clearing agreements for exchange traded and other cleared derivatives which provide for title transfer collateral arrangements
- FIA Clearing Module which provides for title transfer collateral arrangements
- Any bespoke agreements granting security by way of transfer of title to the secured party
- Futures & Options Client Agreements
- FBE European Master Agreement with Product Annex for Repurchase Transactions
- ISDA Master Agreement incorporating a Japanese Law 1995 Credit Support Annex (Loan) and Japanese Law 2008 Credit Support Annex (Loan)
- ISDA Master Agreement incorporating a New York Law ISDA Credit Support Annex with Loan & Set-off language
- Convention-Cadre FBF Relative aux Opérations de Pension Livrées (FBF Master Agreement for Repurchase Transactions)

### Security Collateral Arrangement containing a right of use



Such arrangements may include without limitation:

- An ISDA Master Agreement incorporating a New York Law ISDA Credit Support Annex
- An ISDA/FIA Client Cleared OTC Derivatives Addendum which provides for security collateral arrangements and in particular where entered into in connection a New York law governed ISDA Master Agreement including the New York law CSA Collateral Terms as set out in Appendix 2 thereto, or when entered into in connection with a relevant FIA client clearing agreement
- An IS
- DA Master Agreement in respect of which an English Law ISDA Credit Support Deed incorporating a right of use is a credit support document
- Prime brokerage agreements which provide for the creation of security over financial instruments
- FIA client clearing agreements for exchange traded and other cleared derivatives which provide for a creation of security over financial instruments
- FIA Clearing Module which provides for a creation of security over financial instruments
- Security arrangements in relation to margin loan documentation and associated custody agreements
- SIFMA Master Securities Lending Agreement (this agreement is generally a security collateral arrangement with respect to collateral delivered to the lender; the borrower takes title to the borrowed securities)
- Any bespoke security agreements creating security in respect of financial instruments with rehypothecation rights or a right of use over the financial instruments in favour of the secured party
- SIFMA Master Securities Forward Transaction Agreement
- Futures & Options Client Agreements

### Appendix 3

#### **U.S. BROKER-DEALER, U.S. FUTURES COMMISSION MERCHANT, or U.S. BANK:**

This Appendix describes the Re-use Risks and Consequences that may arise under Collateral Arrangements with a bank chartered under U.S. federal or state law, a U.S. branch or agency office of a non-U.S. bank (any such bank, branch, or agency office, a “**U.S. banking organization**”), a U.S. entity that is registered as a broker-dealer with the U.S. Securities and Exchange Commission (“**broker-dealer**”), or a U.S. entity that is registered as a futures commission merchant with the Commodity Futures Trading Commission (“**FCM**”). A single U.S. entity can operate, and be regulated, as both a broker-dealer and an FCM, but it remains subject to separate regulatory requirements with respect to its separate activities.

U.S. law draws a distinction between financial instruments delivered to a broker-dealer or FCM and treated as customer assets (“**Customer Assets**”), financial instruments held by a U.S. banking organization in a trust or custodial capacity (“**Custodial Assets**”), and financial instruments delivered or pledged to a U.S. banking organization, broker-dealer, or FCM in a principal (non-customer) capacity (“**Non-Customer Assets**”). Customer Assets held by a broker-dealer or FCM are subject to mandatory segregation requirements under the rules of the SEC and CFTC, respectively, and special-purpose insolvency regimes under which segregated assets, *i.e.*, Customer Assets and cash required to be held in segregated accounts, are distributed to customers. Custodial Assets held by a U.S. banking organization are generally segregated on an account- or customer-specific basis, while in some circumstances broker-dealers and FCMs are permitted to segregate Customer Assets on an omnibus basis for all customers.

Financial instruments held in a securities account at a broker-dealer or delivered to an FCM as margin (or “performance bond”) for a cleared derivative generally constitute Customer Assets. On the other hand, securities delivered to us under a repurchase or securities lending agreement generally do not constitute Customer Assets. If, with respect to Customer Assets received by us as a broker-dealer, you separately agree to lend financial instruments to us under a securities lending agreement, or agree to sell financial instruments to us under a repurchase agreement, then the financial instruments are removed from your account and are no longer eligible for customer protection. Any financial instruments delivered to us under such transactions are Non-Customer Assets. *If you are uncertain whether a financial instrument pledged or delivered to us is a Customer Asset, please obtain legal advice.*

With respect to Customer Assets received by us as an FCM in connection with your CFTC-regulated transactions, we generally cannot use such Customer Assets other than to margin, guarantee or secure those transactions. That is, we may transfer such assets to segregated or secured accounts established by us with banks, clearing houses and clearing brokers, which acknowledge, via rules or written agreements, that such Customer Assets are the property of the FCM’s customers and can be utilized solely to margin, guarantee or secure customer transactions. In addition, an FCM may, pursuant to repurchase agreements, substitute such segregated Customer Assets, subject to very strict CFTC regulations, including the requirement that such substitution is made on a “delivery versus delivery” basis, and the market value of the substituted securities is at least equal to that of the Customer Assets being substituted. To the extent segregated assets were found to be insufficient to satisfy customer claims in full, customers would continue to have a claim against the proprietary assets of the FCM.

With respect to Customer Assets received by us as a broker-dealer in connection with your SEC-regulated transactions, we generally can use such Customer Assets only with your consent and subject to regulatory usage limits that are imposed both at the account level (by reference to the amount of your obligations to us) and across all customers (by reference to the amount of all customer obligations to us). The SEC requires that broker-dealers perform a daily valuation of Customer Assets (including related customer obligations) and maintain in segregation either Customer Assets or cash or other high-grade assets such that the value of segregated assets will at all times exceed the value of all Customer Assets net of customer obligations to the broker-dealer.

Further, to the extent segregated assets were to be insufficient to satisfy customer claims in full, customers would continue to have a claim against the proprietary assets of the broker-dealer.

Notwithstanding point (b) of paragraph 2 of Article 15 of the Securities Financing Transactions Regulation, when we use your Customer Assets, they continue to be included on your account statement reflecting their status as Customer Assets, and we may not identify to you the financial instruments that we have used.

If we are a broker-dealer or FCM, our exercise of our right to use Customer Assets has no effect on the nature of your property interest in the financial instruments or on your rights as a customer in the event of our insolvency. The amount of your customer claim in a broker-dealer or FCM insolvency proceeding is a function of the value of assets held in your account and the amount of your obligations to us, if any. In a broker-dealer or FCM insolvency proceeding, all customers generally receive the same pro rata share of their claims based on Customer Assets (and customer cash), regardless of whether their financial instruments were subject to use or were used by the broker-dealer or FCM. (In the case of an FCM insolvency, customers are separated into several account classes based on product type, and recoveries may vary across account classes. Customers within the same account class receive the same pro rata share of all customer claims within that class.)

In the insolvency of a U.S. banking organization, Custodial Assets are generally returned to their owners to the extent such assets are available for distribution. Your consent to our use of your financial instruments may prevent them from being treated as Custodial Assets, and it may jeopardize your right to obtain their return in the event of our insolvency.

Collateral Arrangements with respect to Non-Customer Assets can take a variety of forms with differing legal characterizations and practical consequences. Generally, a title transfer collateral arrangement entitles you only to a creditor claim for the return of your financial instruments. Under a security collateral arrangement, in some cases you may retain a property interest in the financial instruments delivered to us as collateral, but your property right (if any) may be subject to superior rights of our creditors or of a party to which we have transferred the financial instruments. Additionally, in the event of our insolvency, you may lose your property interest if you are unable to identify your property as distinct from our other assets, and our use of your financial instruments may impair your ability to do so.

This Appendix is not intended to provide a complete description of the treatment of Collateral Arrangements under U.S. law or the U.S. customer protection system, and you should not rely on it for that purpose.

If we are a U.S. broker-dealer, U.S. FCM, or U.S. banking organization, Sections 2(a)(i) through (v) of the Information Statement do not apply. Instead, where you provide financial instruments to us under a title transfer collateral arrangement or if we exercise a right of use in relation to any financial instruments that you have provided to us by way of collateral under a security collateral arrangement containing a right of use, we draw your attention to the following Re-use Risks and Consequences:

***Risks in Connection with Financial Instruments That Are Customer Assets***

If we are a U.S. broker-dealer or FCM and your financial instruments are Customer Assets, then we are permitted to use your financial instruments (i) to post as margin in respect of CFTC-regulated products with a clearing organization or other intermediary, and (ii) as otherwise permitted within the limits imposed by U.S. customer protection rules. When we use your Customer Assets, we may not hold them in segregation or trust, depending on the applicable U.S. regulation, but we continue to report them on your account statement reflecting their status as Customer Assets. As a result of our use of your Customer Assets, those assets are subject to the Re-use Risks and Consequences listed in Sections 2(a)(vi) through (x) of the Information Statement. In addition, if we provide you with clearing services (whether directly as a clearing member or otherwise), Customer Assets are subject

to the Re-use Risks and Consequences listed in Section 2(b) of the Information Statement.

Moreover, as a result of our use of those financial instruments (including, in some cases, your ceasing to have a proprietary interest in those financial instruments), or the failure of a third party to deliver to us financial instruments, you may not be entitled to exercise any voting, consent or similar rights attached to the financial instruments, and even if we have agreed to exercise voting, consent or similar rights attached to any equivalent financial instruments in accordance with your instructions or the relevant Collateral Arrangement entitles you to notify us that the equivalent financial instruments to be delivered by us to you should reflect your instructions with respect to the subject matter of such vote, consent or exercise of rights, in the event that we do not hold and are not able to readily obtain equivalent financial instruments, we may not be able to comply (subject to any other solution that may have been agreed between the parties).

However, our right to use Customer Assets and our actual use of Customer Assets do not present any insolvency-related Re-use Risks and Consequences. This is because, as described above, in the event of our insolvency your claim for Customer Assets would be calculated according to a formula that does not take our use of assets into account.

In the event that a receiver, conservator or other insolvency official exercises its powers under an insolvency regime in relation to us, any rights you may have to take any action against us, such as to terminate our agreement, may be subject to a stay by the relevant authority and a transfer of assets or liabilities may result in your claim on us, or our claim on you, being transferred to different entities. However, this risk exists regardless of whether we have used your financial instruments or you have consented to their use.

#### ***Risks in Connection with Financial Instruments That Are Non-Customer Assets***

Non-Customer Assets are not protected by the U.S. customer protection rules that apply to Customer Assets. If we are a U.S. broker-dealer or FCM and your financial instruments are Non-Customer Assets, or we are a U.S. banking organization, and you have granted us a right to use your financial instruments, then we will not hold such financial instruments in segregation or trust. Your rights, including any proprietary rights that you may have had, in those financial instruments may be replaced by a contractual claim (which would be unsecured unless otherwise agreed) for the delivery of equivalent financial instruments subject to the terms of the relevant Collateral Arrangement. As a result of our use of your Non-Customer Assets, those assets are subject to the Re-use Risks and Consequences listed in Sections 2(a)(vi) through (x) of the Information Statement.

If we are a U.S. banking organization, as a result of your consent to our use of your financial instruments, those financial instruments may not be held by us in accordance with the rules that apply to Custodial Assets, and, if they had benefited from any protections as Custodial Assets, those protection rights may not apply (for example, the financial instruments will not be segregated from our assets and will not be held subject to a trust).

Moreover, as a result of our use of financial instruments (including, in some cases, your ceasing to have a proprietary interest in those financial instruments), or the failure of a third party to deliver to us financial instruments, you may not be entitled to exercise any voting, consent or similar rights attached to the financial instruments, and even if we have agreed to exercise voting, consent or similar rights attached to any equivalent financial instruments in accordance with your instructions or the relevant Collateral Arrangement entitles you to notify us that the equivalent financial instruments to be delivered by us to you should reflect your instructions with respect to the subject matter of such vote, consent or exercise of rights, in the event that we do not hold and are not able to readily obtain equivalent financial instruments, we may not be able to comply (subject to any other solution that may have been agreed between the parties).

In the event of our insolvency your rights in financial instruments that we have used may be replaced by a general claim (which would be unsecured unless otherwise agreed) against us for equivalent financial instruments or the value of those financial instruments, and you may not receive such equivalent financial instruments or recover the full value of the financial instruments (although your exposure may be reduced to the extent that we have provided collateral to you or you have liabilities to us which can be set off or netted against or discharged by reference to our obligation to deliver equivalent financial instruments to you). To the extent you retain a property interest in financial assets we have used, our use of the financial instruments may give other parties superior rights in them and may interfere with your ability to identify the financial instruments for the purpose of obtaining their return.

In the event that a receiver, conservator or other insolvency official exercises its powers under an insolvency regime in relation to us, any rights you may have to take any action against us, such as to terminate our agreement, may be subject to a stay by the relevant authority and a transfer of assets or liabilities may result in your claim on us, or our claim on you, being transferred to different entities. However, this risk exists regardless of whether we have used your financial instruments or you have consented to their use.

0394 1222 6 OSL1

Version: DECEMBER 1995

DATED \_\_\_\_\_

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**OVERSEAS SECURITIES LENDER'S AGREEMENT**

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Clifford Chance,  
200 Aldersgate Street  
London, EC1A 4JJ

Ref: TJH



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**THIS AGREEMENT** is made the            day of            , 2004

**BETWEEN:-**

- (1) Royal Trust Corporation of Canada, a company incorporated under the laws of Canada whose registered office is at Royal Trust Tower, 77 King Street, West, 35<sup>th</sup> Floor, Toronto, Ontario, Canada, M5W 1P9; and
- (2) Goldman Sachs International, an unlimited company incorporated under the laws of England whose registered office is at Peterborough Court, 133 Fleet Street, London EC4A 2BB, England.

**WHEREAS:-**

1. The Parties hereto are desirous of agreeing a procedure whereby either one of them (the "**Lender**") will make available to the other of them (the "**Borrower**") from time to time Securities (as hereinafter defined) in order to enable the Borrower; subject to any Inland Revenue provisions then in force, to fulfil a contract to sell such Securities or to on-lend such Securities to a third party to enable such party to fulfil a contract to sell such Securities, whether or not as part of a chain of arrangements to enable the final party in such chain to fulfil a contract to sell such Securities or to replace an existing loan of Securities to such third party, or for other purposes.
2. All transactions carried out under this Agreement will be effected in accordance with the Rules (as hereinafter defined) **TOGETHER WITH** current market practices, customs and conventions.

**NOW THIS AGREEMENT WITNESSETH AND IT IS HEREBY AGREED AS FOLLOWS:**

1. INTERPRETATION

(A) In this Agreement:-

"**Act of Insolvency**" means in relation to either Party

- (i) its making a general assignment for the benefit of, or entering into a reorganization, arrangement, or composition with creditors, or



- (ii) its admitting in writing that it is unable to pay its debts as they become due, or
- (iii) its seeking, consenting to or acquiescing in the appointment of any trustee, administrator, receiver or liquidator or analogous officer of it or any material part of its property, or;
- (iv) the presentation or filing of a petition in respect of it (other than by the other Party to this Agreement in respect of any obligation under this Agreement) in any court or before any agency alleging or for the bankruptcy, winding-up or insolvency of such Party (or any analogous proceeding) or seeking any reorganization, arrangement, composition, re-adjustment, administration, liquidation, dissolution or similar relief under any present or future statute, law or regulation, such petition (except in the case of a petition for winding-up or any analogous proceeding in respect of which no such 30 day period shall apply), not having been stayed or dismissed within 30 days of its filing;
- (v) the appointment of a receiver, administrator, liquidator or trustee or analogous officer of such party over all or any material part of such party's property; or
- (vi) the convening of any meeting of its creditors for the purpose of considering a voluntary arrangement as referred to in Section 3 of the Insolvency Act 1986 (or any analogous proceeding;

**"Agent"**

shall have the same meaning given in Clause 14;

**"Alternative Collateral"**

means Collateral of a Value equal to the Collateral delivered pursuant to Clause 6 and provided by way of substitution for Collateral originally delivered or previously substituted in accordance with the provisions of Clauses 6(F) or 6(G);

**"Appropriate Tax Vouchers"** means:-

- (i) either such tax vouchers and/or certificates as shall enable the recipient to claim and receive from any relevant tax authority, in respect of interest, dividends, distribution and/or other amounts (including for the avoidance of doubt any manufactured payment) relating to particular Securities, all and any repayment of tax or benefit of tax credit to which the Lender would have been entitled but for the loan of Securities in accordance with this Agreement and/or to which the Lender is entitled in respect of tax withheld and accounted for in respect of any manufactured payment; or such tax vouchers and/or certificates as are provided by the Borrower which evidence an amount of overseas tax deducted which shall enable the recipient to claim and receive from any relevant tax authority all and any repayment of tax from the UK Inland Revenue or benefits of tax credit in the jurisdiction of the recipient's residence; and
- (ii) such vouchers and/or certificates in respect of interest, dividends, distributions and/or other amounts relating to particular Collateral;

**"Approved UK Collecting Agent"**

means a person who is approved as such for the purposes of the Rules of the UK Inland Revenue relating to stocklending and manufactured interest and dividends;

**"Approved Intermediary"**

means a person who is approved as such for the purposes of the Rules of UK Inland Revenue relating to stocklending and manufactured interest and dividends;

**"Assured Payment"**

means a payment obligation of a Settlement Bank arising (under the Assured Payment Agreement) as a result of a transfer of stock or other securities to a CGO stock account of a member of the CGO for whom that Settlement Bank is acting;

**"Assured Payment Agreement"**

means an agreement dated 24 October 1986 between the Bank of England and all other banks which are for the time being acting as Settlement Banks in relation to the CGO regulating the obligations of such banks to make payments in respect of transfers of securities through the CGO as supplemented and amended from time to time;

**"Base Currency"**

has the meaning given in the Schedule hereto;

**"Bid Price"**

in relation to Equivalent Securities or Equivalent Collateral means the best available bid price thereof on the most appropriate market in a standard size;

**"Bid Value"**

Subject to Clause 8(E) means:-

- (a) in relation to Equivalent Collateral at a particular time:-
  - (i) in relation to Collateral Types B(x) and C (more specifically referred to in the Schedule) the Value thereof as calculated in accordance with such Schedule;
  - (ii) in relation to all other types of Collateral (more specifically referred to in the Schedule) the amount which would be received on a sale of such Collateral at the Bid Price thereof at such times less all costs, fees and expenses that would be incurred in connection with selling or otherwise realising such Equivalent Collateral, calculated on the assumption that the aggregate thereof is the least that could reasonably be expected to be paid in order to carry out such sale or realisation and adding thereto the amount of any interest, dividends, distributions or other amounts paid to the Lender and in respect of which equivalent amounts have not been paid to the Borrower in

accordance with Clause 6(G) prior to such time in respect of such Equivalent Collateral or the original Collateral held gross of all and any tax deducted or paid in respect thereof;

and

- (b) in relation to Equivalent Securities at a particular time the amount which would be received on a sale of such Equivalent Securities at the Bid Price thereof at such time less all costs, fees and expenses that would be incurred in connection therewith, calculated on the assumption that the aggregate thereof is the least that could reasonably be expected to be paid in order to carry out the transaction;

**"Borrower"**

with respect to a particular loan of Securities means the Borrower as referred to in Recital 1 of this Agreement;

**"Borrowing Request"**

means a request made (by telephone or otherwise) by the Borrower to the Lender pursuant to Clause 2(A) specifying the description, title and amount of the Securities required by the Borrower, the proposed Settlement Date and duration of such loan and the date, time, mode and place of delivery which shall, where relevant, include the bank agent clearing or settlement system and account to which delivery of the Securities is to be made;

**"Business Day"**

means a day on which banks and securities markets are open for business generally in London and, in relation to the delivery or redelivery of any of the following in relation to any loan, in the place(s) where the relevant Securities, Equivalent Securities, Collateral (including Cash Collateral) or Equivalent Collateral are to be delivered;

**"Cash Collateral"**

means Collateral that takes the form of a deposit of currency;

<b>"Central Gilts Office"</b>	means the computer based system managed by the Bank or "CGO" of England to facilitate the book-entry transfer of gilt-edged securities;
<b>"CGO Collateral"</b>	Shall have the meaning specified in paragraph A of the Schedule;
<b>"CGO Rules"</b>	means the requirements of the CGO for the time being in force as defined in the membership agreement regulating membership of the CGO;
<b>"Close of Business"</b>	means the time at which banks close in the business centre in which payment is to be made or Collateral is to be delivered;
<b>"Collateral"</b>	means such securities or financial instruments or deposits of currency as are referred to in the Schedule hereto or any combination thereof which are delivered by the Borrower to the Lender in accordance with this Agreement and shall include the certificates and other documents of or evidencing title and transfer in respect of the foregoing (as appropriate), and shall include Alternative Collateral;
<b>"Defaulting Party"</b>	shall have the meaning given in Clause 12;
<b>"Equivalent Collateral" or "Collateral equivalent to"</b>	in relation to any Collateral provided under this Agreement means securities, cash or other property, as the case may be, of an identical type, nominal value, description and amount to particular Collateral so provided and shall include the certificates and other documents of or evidencing title and transfer in respect of the foregoing (as appropriate). If and to the extent that such Collateral consists of securities that are partly paid or have been converted, subdivided, consolidated, redeemed, made the subject of a takeover, capitalisation issue, rights issue or event similar to any of the foregoing, the expression shall have the following meaning:

- (a) in the case of conversion, subdivision or consolidation the securities into which the relevant Collateral has been converted, subdivided or consolidated **PROVIDED THAT**, if appropriate, notice has been given in accordance with Clause 4(B)(vi);
- (b) in the case of redemption, a sum of money equivalent to the proceeds of the redemption;
- (c) in the case of a takeover, a sum of money or securities, being the consideration or alternative consideration of which the Borrower has given notice to the Lender in accordance with Clause 4(B)(vi);
- (d) in the case of a call on partly paid securities, the paid-up securities **PROVIDED THAT** the Borrower shall have paid to the Lender an amount of money equal to the sum due in respect of the call;
- (e) in the case of a capitalisation issue, the relevant Collateral **TOGETHER WITH** the securities allotted by way of a bonus thereon;
- (f) in the case of a rights issue, the relevant Collateral **TOGETHER WITH** the securities allotted thereon, **PROVIDED THAT** the Borrower has given notice to the Lender in accordance with Clause 4(B)(vi), and has paid to the Lender all and any sums due in respect hereof;

- (g) in the event that a payment or delivery of Income is made in respect of the relevant Collateral in the form of securities or a certificate which may at a future date be exchanged for securities or in the event of an option to take Income in the form of securities or a certificate which may at a future date be exchanged for securities, notice has been given to the Borrower in accordance with Clause 4(B)(vi) the relevant Collateral **TOGETHER WITH** securities or a certificate equivalent to those allotted;
- (h) in the case of any event similar to any of the foregoing, the relevant Collateral **TOGETHER WITH** or replaced by a sum of money or securities equivalent to that received in respect of such Collateral resulting from such event;

For the avoidance of doubt, in the case of Banker's Acceptances (Collateral type B(v)), Equivalent Collateral must bear dates, acceptances and endorsements (if any) by the same entities as the bill to which it is intended to be equivalent and for the purposes of this definition, securities are equivalent to other securities where they are of an identical type, nominal value, description and amount and such term shall include the certificate and other documents of or evidencing title and transfer in respect of the foregoing (as appropriate);

**"Equivalent Securities"**

means securities of an identical type, nominal value, description and amount to particular Securities borrowed and such term shall include the certificates and other documents of or evidencing title and transfer in respect of the foregoing (as appropriate). If and to the extent that such Securities are partly paid or have been converted, subdivided, consolidated, redeemed, made the subject of a takeover, capitalisation issue, rights issue or event similar to any of the foregoing, the expression shall have the following meaning:

- (a) in the case of conversion, subdivision or consolidation the securities into which the borrowed Securities have been converted, subdivided or consolidated **PROVIDED THAT** if appropriate, notice has been given in accordance with Clause 4(B)(vi);
- (b) in the case of redemption, a sum of money equivalent to the proceeds of the redemption;
- (c) in the case of a takeover, a sum of money or securities, being the consideration or alternative consideration of which the Lender has given notice to the Borrower in accordance with Clause 4(B)(vi);
- (d) in the case of a call on partly paid securities, the paid-up securities **PROVIDED THAT** the Lender shall have paid to the Borrower an amount of money equal to the sum due in respect of the call;
- (e) in the case of a capitalization issue, the borrowed Securities **TOGETHER WITH** the securities allotted by way of a bonus thereon;
- (f) in the case of a rights issue, the borrowed Securities **TOGETHER WITH** the securities allotted thereon, **PROVIDED THAT** the Lender has given notice to the Borrower in accordance with Clause 4(B)(vi), and has paid to the Borrower all and any sums due in respect thereof;
- (g) in the event that a payment or delivery of Income is made in respect of the borrowed Securities in the form of securities or a certificate which may at a future date be exchanged for securities or in the event of an option to take Income in the form of securities or a certificate which may at a future date be exchanged for securities, notice has been given to the Borrower in accordance with Clause



4(B)(vi) the borrowed Securities **TOGETHER WITH** securities or a certificate equivalent to those allotted;

- (h) in the case of any event similar to any of the foregoing, the borrowed Securities **TOGETHER WITH** or replaced by a sum of money or securities equivalent to that received in respect of such borrowed Securities resulting from such event;

For the purposes of this definition securities are equivalent to other securities where they are of an identical type, nominal value, description and amount and such term shall include the certificate and other documents of or evidencing title and transfer in respect of the foregoing (as appropriate);

**"Event of Default"**

has the meaning given in Clause 12;

**"Income"**

any interest, dividends or other distributions of any kind whatsoever with respect to any Securities or Collateral;

**"Income Payment Date"**

with respect to any Securities or Collateral means the date on which Income is paid in respect of such Securities or Collateral, or, in the case of registered Securities or Collateral, the date by reference to which particular registered holders are identified as being entitled to payment of Income;

**"Lender"**

with respect to a particular loan of Securities means the Lender as referred to in Recital 1 of this Agreement;

**"Manufactured Dividend"**

shall have the meaning given in Clause 4(B)(ii);

**"Margin"**

shall have the meaning specified in the Schedule hereto;

<b>"Nominee"</b>	means an agent or a nominee appointed by either Party and approved (if appropriate) as such by the Inland Revenue to accept delivery of, hold or deliver Securities, Equivalent Securities, Collateral and/or Equivalent Collateral on its behalf whose appointment has been notified to the other Party;
<b>"Non-Defaulting Party"</b>	shall have the meaning given in Clause 12;
<b>"Offer Price"</b>	in relation to Equivalent Securities or Equivalent Collateral means the best available offer price thereof on the most appropriate market in a standard size;
<b>"Offer Value"</b>	Subject to Clause 8(E) means:- <ul style="list-style-type: none"> <li>(a) in relation to Collateral equivalent to Collateral types B (ix) and C (more specifically referred to in the Schedule hereto) the Value thereof as calculated in accordance with such Schedule; and</li> <li>(b) in relation to Equivalent Securities or Collateral equivalent to all other types of Collateral (more specifically referred to in the Schedule hereto) the amount it would cost to buy such Equivalent Securities or Equivalent Collateral at the Offer Price thereof at such time together with all costs, fees and expenses that would be incurred in connection therewith, calculated on the assumption that the aggregate thereof is the least that could reasonably be expected to be paid in order to carry out the transaction;</li> </ul>
<b>"Parties"</b>	means the Lender and the Borrower and "Party" shall be construed accordingly;
<b>"Performance Date"</b>	shall have the meaning given in Clause 8;
<b>"Principal"</b>	shall have the meaning given in Clause 14;

**"Reference Price"**

means;

- (a) in relation to the valuation of Securities, Equivalent Securities, Collateral and/or Collateral equivalent to types B (ii), (viii), (xi) and (xii) (more specifically referred to in the Schedule hereto) such price as is equal to the mid market quotation of such Securities, Equivalent Securities, Collateral and/or Equivalent Collateral as derived from a reputable pricing information service (such as the services provided by Reuters, Exel Statistical Services and Telerate) reasonably chosen in good faith by the Lender or if unavailable the market value thereof as derived from the prices or rates bid by a reputable dealer for the relevant instrument reasonably chosen in good faith by the Lender in each case at Close of Business on the previous Business Day;
- (b) in relation to the valuation of Collateral and/or Collateral equivalent to Collateral types A and B(i) (more specifically referred to in the Schedule hereto), the CGO Reference Price of such Securities, Equivalent Securities, Collateral and/or Equivalent Collateral then current as determined in accordance with the CGO Rules from time to time in force.
- (c) in relation to the valuation of Collateral and/or Collateral equivalent to Collateral types B(iii), (iv), (v), (vi), (vii) and (ix), (more specifically referred to in the Schedule hereto) the market value thereof as derived from the rates bid by Barclays Bank PLC for such instruments or, in the absence of such a bid, the average of the rates bid by two leading market makers for such instruments at Close of Business on the previous Business Day;

**"Relevant Payment Date"**

shall have the meaning given in Clause 4(B)(i);

**"Rules"**

means the rules for the time being of the Stock Exchange (where either Party is a member of the Stock Exchange) and/or any other regulatory authority whose rules and regulations shall from time to time affect the activities of the Parties pursuant to this Agreement including but not limited to the stocklending regulations and guidance notes relating to both stocklending and manufactured interest and dividends for the time being in force of the Commissioners of the Inland Revenue and any associated procedures required pursuant thereto (**PROVIDED THAT** in an Event of Default, where either Party is a member of the Stock Exchange, the Rules and Regulations of the Stock Exchange shall prevail);

**"Securities"**

means Overseas Securities as defined in the Income Tax (Stock Lending) Regulations 1989 (S.I. 1989 No. 1299) (as amended by the Income Tax (Stock Lending) (Amendment) Regulations 1990 (S.I. 1990 No. 2552) and 1993 (S.I. 1993 No. 2003)) or any statutory modification or re-enactment thereof for the time being in force which the Borrower is entitled to borrow from the Lender in accordance with the Rules and which are the subject of a loan pursuant to this Agreement and such term shall include the certificates and other documents of title in respect of the foregoing;

**"Settlement Bank"**

means a settlement member of the CHAPS and Town Clearing systems who has entered into contractual arrangements with the CGO to provide Assured Payment facilities for members of the CGO;

**"Settlement Date"**

means the date upon which Securities are or are to be transferred to the Borrower in accordance with this Agreement;

**"Stock Exchange"**

means the London Stock Exchange Limited;

**"Value"** at any particular time means in respect of Securities and Equivalent Securities, the Reference Price thereof then current and in respect of Collateral and/or Equivalent Collateral such worth as determined in accordance with the Schedule hereto.

- (B) All headings appear for convenience only and shall not affect the interpretation hereof.
- (C) Notwithstanding the use of expressions such as "borrow", "lend", "Collateral", "Margin", "redeliver", etc. which are used to reflect terminology used in the market for transactions of the kind provided for in this Agreement, title to Securities "borrowed" or "lent" and "Collateral" provided in accordance with this Agreement shall pass from one Party to another as provided for in this Agreement, the Party obtaining such title being obliged to redeliver Equivalent Securities or Equivalent Collateral as the case may be.
- (D) For the purposes of Clauses 6(H)-6(K) and 8(C)-8(E) of this Agreement or otherwise where a conversion into the Base Currency is required, all prices, sums or values (including any Value, Offer Value and Bid Value) of Securities, Equivalent Securities, Collateral or Equivalent Collateral (including Cash Collateral) stated in currencies other than the Base Currency shall be converted into the Base Currency at the spot rate of exchange at the relevant time in the London interbank market for the purchase of the Base Currency with the currency concerned.
- (E) Where at any time there is in existence any other agreement between the Parties the terms of which make provision for the lending of Securities (as defined in this Agreement) as well as other securities the terms of this Agreement shall apply to the lending of such Securities to the exclusion of any other such agreement.

## 2. LOANS OF SECURITIES

- (A) The Lender will lend Securities to the Borrower, and the Borrower will borrow Securities from the Lender in accordance with the terms and conditions of this Agreement and with the Rules **PROVIDED ALWAYS THAT** the Lender shall have received from the Borrower and accepted (by whatever means) a Borrowing Request.
- (B) The Borrower has the right to reduce the amount of Securities referred to in a Borrowing Request **PROVIDED THAT** the Borrower has notified the Lender of such reduction no later than midday London time on the day which is two Business Days prior to the Settlement Date unless otherwise agreed between the Parties and the Lender shall have accepted such reduction (by whatever means).

3. DELIVERY OF SECURITIES

The Lender shall procure the delivery of Securities to the Borrower or deliver such Securities in accordance with the relevant Borrowing Request **TOGETHER WITH** appropriate instruments of transfer duly stamped where necessary and such other instruments as may be requisite to vest title thereto in the Borrower. Such Securities shall be deemed to have been delivered by the Lender to the Borrower on delivery to the Borrower or as it shall direct of the relevant instruments of transfer, or in the case of Securities held by an agent or a clearing or settlement system on the effective instructions to such agent or the operator of such system to hold the Securities absolutely for the Borrower, or by such other means as may be agreed.

4. RIGHTS AND TITLE

(A) The Parties shall execute and deliver all necessary documents and give all necessary instructions to procure that all right, title and interest in:

- (i) any Securities borrowed pursuant to Clause 2;
- (ii) any Equivalent Securities redelivered pursuant to Clause 5;
- (iii) any Collateral delivered pursuant to Clause 6;
- (iv) any Equivalent Collateral redelivered pursuant to Clauses 6 or 7;

shall pass from one Party to the other subject to the terms and conditions mentioned herein and in accordance with the Rules, on delivery or redelivery of the same in accordance with this Agreement, free from all liens, charges and encumbrances. In the case of Securities, Collateral, Equivalent Securities or Equivalent Collateral title to which is registered in a computer based system which provides for the recording and transfer of title to the same by way of book entries, delivery and transfer of title shall take place in accordance with the rules and procedures of such system as in force from time to time. The Party acquiring such right, title and interest shall have no obligation to return or redeliver any of the assets so acquired but, in so far as any Securities are borrowed or any Collateral is delivered to such Party, such Party shall be obliged, subject to the terms of this Agreement, to redeliver Equivalent Securities or Equivalent Collateral as appropriate.

(B) (i) Where Income is paid in relation to any Securities on or by reference to an Income Payment Date on which such Securities are the subject of a loan hereunder, the Borrower shall, on the date of the payment of such Income, or on such other date as the parties may from time to time agree, (the "**Relevant Payment Date**") pay and

deliver a sum of money or property equivalent to the same (with any such endorsements or assignments as shall be customary and appropriate to effect the delivery) to the Lender or its Nominee, irrespective of whether the Borrower received the same. The provisions of sub-paragraphs (ii) to (v) below shall apply in relation hereto.

- (ii) subject to sub-paragraph (iii) below, in the case of any Income comprising a payment, the amount (the "**Manufactured Dividend**") payable by the Borrower shall be equal to the amount of the relevant Income together with an amount equivalent to any deduction, withholding or payment for or on account of tax made by the relevant issuer (or on its behalf) in respect of such Income together with any amount equal to any other tax credit associated with such Income unless a lesser amount is agreed between the Parties or an Appropriate Tax Voucher (together with any further amount which may be agreed between the Parties to be paid) is provided in lieu of such deduction, withholding tax credit or payment.
- (iii) Where either the Borrower, or any person to whom the Borrower has on-lent the Securities, is unable to make payment of the Manufactured Dividend to the Lender without accounting to the Inland Revenue for any amount of relevant tax (as required by Schedule 23A to the Income and Corporation Taxes Act 1988) the Borrower shall pay to the Lender or its nominee, in cash, the Manufactured Dividend less amounts equal to such tax. The Borrower shall at the same time if requested supply Appropriate Tax Vouchers to the Lender.
- (iv) If at any time any Manufactured Dividend falls to be paid and neither of the Parties is an Approved UK Intermediary or an Approved UK Collecting Agent, the Borrower shall procure that the payment is paid through an Approved UK Intermediary or an Approved UK Collecting Agent agreed by the Parties for this purpose, unless the rate of relevant withholding tax in respect of any Income that would have been payable to the Lender but for the loan of the Securities would have been zero and no income tax liability under Section 123 of the Income and Corporation Taxes Act 1988 would have arisen in respect thereof.
- (v) In the event of the Borrower failing to remit either directly or by its Nominee any sum payable pursuant to this Clause, the Borrower hereby undertakes to pay a rate to the Lender (upon demand) on the amount due and outstanding at the rate provided for in Clause 13 hereof. Interest on such sum shall accrue daily commencing on and inclusive of the third Business Day after the Relevant Payment Date, unless otherwise agreed between the Parties.

- (vi) Each Party undertakes that where it holds securities of the same description as any securities borrowed by it or transferred to it by way of collateral at a time when a right to vote arises in respect of such securities, it will use its best endeavours to arrange for the voting rights attached to such securities to be exercised in accordance with the instructions of the lender or Borrower (as the case may be) **PROVIDED ALWAYS THAT** each Party shall use its best endeavours to notify the other of its instructions in writing no later than seven Business Days prior to the date upon which such votes are exercisable or as otherwise agreed between the Parties and that the Party concerned shall not be obliged so to exercise the votes in respect of a number of securities greater than the number so lent or transferred to it. For the avoidance of doubt the Parties agree that subject as hereinbefore provided any voting rights attaching to the relevant Securities, Equivalent Securities, Collateral and/or Equivalent Collateral shall be exercisable by the persons in whose name they are registered or in the case of Securities, Equivalent Securities, Collateral and/or Equivalent Collateral in bearer form, the persons by or on behalf of whom they are held, and not necessarily by the Borrower or the Lender (as the case may be).
- (vii) Where, in respect of any borrowed Securities or any Collateral, any rights relating to conversion, sub-division, consolidation, pre-empting, rights arising under a takeover offer or other rights, including those requiring election by the holder for the time being of such Securities or Collateral, become exercisable prior to the redelivery of Equivalent Securities or Equivalent Collateral, then the Lender or Borrower, as the case may be, may, within a reasonable time before the latest time for the exercise of the right or option give written notice to the other party that on redelivery of Equivalent Securities or Equivalent Collateral, as the case may be, it wishes to receive Equivalent Securities or Equivalent Collateral in such form as will arise if the right is exercised or, in the case of a right which may be exercised in more than one manner, is exercised as is specified in such written notice.
- (viii) Any payment to be made by the Borrower under this Clause shall be made in a manner to be agreed between the Parties.

5. RATES

- (A) In respect of each loan of Securities, the Borrower shall pay to the Lender, in the manner prescribed in sub-Clause (C), sums calculated by applying such rate as shall be agreed between the Parties from time to time to the daily Value of the relevant Securities.
- (B) Where Cash Collateral is deposited with the Lender in respect of any loan of Securities in circumstances where:



- (i) interest is earned by the Lender in respect of such Cash Collateral and that interest is paid to the Lender without deduction of tax, the Lender shall pay to the Borrower, in the manner prescribed in sub-Clause (C), an amount equal to the gross amount of such interest earned. Any such payment due to the Borrower may be set-off against any payment due to the Lender pursuant to sub-Clause (A) hereof if either the Borrower has warranted to the Lender in this Agreement that it is subject to tax in the United Kingdom under Case I of Schedule D in respect of any income arising pursuant to or in connection with the borrowing of Securities hereunder or the Lender has notified the Borrower of the gross amount of such interest or income; and
  - (ii) sub-Clause (B)(i) above does not apply, the Lender shall pay to the Borrower, in the manner presented in sub-Clause (C), sums calculated by applying such rates as shall be agreed between the Parties from time to time to the amount of such Cash Collateral. Any such payment due to the Borrower may be set-off against any payment due to the Lender pursuant to sub-Clause (A) hereof.
- (C) In respect of each loan of Securities, the payments referred to in sub-Clauses (A) and (B) of this Clause shall accrue daily in respect of the period commencing on and inclusive of the Settlement Day and terminating on and exclusive of the Business Day upon which Equivalent Securities are redelivered or Cash Collateral is repaid. Unless otherwise agreed, the sums so accruing in respect of each calendar month shall be paid in arrears by the Borrower to the Lender or to the Borrower by the Lender (as the case may be) not later than the Business Day which is one week after the last Business Day of the calendar month to which such payments relate or such other date as the parties shall from time to time agree. Any payment made pursuant to sub-Clauses (A) and (B) hereof shall be in such currency and shall be paid in such manner and at such place as shall be agreed between the Parties.

## 6. COLLATERAL

- (A) (i) Subject to sub-Clauses (B), (C) and (E) below the Borrower undertakes to deliver Collateral to the Lender (or in accordance with the Lender's instructions) **TOGETHER WITH** appropriate instruments of transfer duly stamped where necessary and such other instruments as may be requisite to vest title thereto in the Lender simultaneously with delivery of the borrowed Securities and in any event no later than Close of Business on the Settlement Date. Collateral may be provided in any of the forms specified in the Schedule hereto (as agreed between the Parties);

- (ii) where Collateral is delivered to the Lender's Nominee any obligation under this Agreement to redeliver or otherwise account for Equivalent Collateral shall be an obligation of the Lender notwithstanding that any such redelivery may be effected in any particular case by the Nominee.
  
- (B) Where CGO Collateral is provided to the Lender or its Nominee by member-to-member delivery or delivery-by-value in accordance with the provisions of the CGO Rules from time to time in force, the obligation of the Lender shall be to redeliver Equivalent Collateral through the CGO to the Borrower in accordance with this Agreement. Any references, (howsoever expressed) in this Agreement, the Rules, and/or any other agreement or communication between the parties to an obligation to redeliver such Equivalent Collateral shall be construed accordingly. If the loan of Securities in respect of which such Collateral was provided has not been discharged when the Collateral is redelivered, the Assured Payment obligation generated on such redelivery shall be deemed to constitute a payment of money which shall be treated as Cash Collateral until the loan is discharged, or further Equivalent Collateral is provided later during that Business Day. This procedure shall continue daily where CGO Collateral is delivered-by-value for as long as the relevant loan remains outstanding.
  
- (C) Where CGO Collateral or other collateral is provided by delivery-by-value to a Lender or its Nominee the Borrower may consolidate such Collateral with other Collateral provided by the same delivery to a third party for whom the Lender or its Nominee is acting.
  
- (D) Where Collateral is provided by delivery-by-value through an alternative book entry transfer system, not being the CGO, the obligation of the Lender shall be to redeliver Equivalent Collateral through such book entry transfer system in accordance with this Agreement. If the loan of Securities in respect of which such Collateral was provided has not been discharged when the Collateral is redelivered, any payment obligation generated within the book entry transfer system on such redelivery shall be deemed to constitute a payment of money which shall be treated as Cash Collateral until the loan is discharged, or further Equivalent Collateral is provided later during that Business Day. This procedure shall continue when Collateral is delivered-by-value for as long as the relevant loan remains outstanding.
  
- (E) Where Cash Collateral is provided the sum of money so deposited may be adjusted in accordance with Clause 6(H). Subject to Clause 6(H)(ii), the Cash Collateral shall be repaid at the same time as Equivalent Securities in respect of the Securities borrowed are redelivered, and the Borrower shall not assign, charge, dispose of or otherwise deal with its rights in respect of the Cash Collateral. If the Borrower fails to comply with its obligations for such redelivery or Equivalent Securities the Lender shall have the right to apply the Cash Collateral by way of set-off in accordance with Clause 8.

- (F) The Borrower may from time to time call for the repayment of Cash Collateral or the redelivery of Collateral equivalent to any Collateral delivered to the Lender prior to the date on which the same would otherwise have been repayable or redeliverable **PROVIDED THAT** at the time of such repayment or redelivery the Borrower shall have delivered or delivers Alternative Collateral acceptable to the Lender.
- (G) (i) Where Collateral (other than Cash Collateral) is delivered in respect of which any Income may become payable, the Borrower shall call for the redelivery of Collateral equivalent to such Collateral in good time to ensure that such Equivalent Collateral may be delivered prior to any such Income becoming payable to the Lender, unless in relation to such Collateral the parties are satisfied before the relevant Collateral is transferred that no tax will be payable to the UK Inland Revenue under Schedule 23A of the Income and Corporation Taxes Act 1988. At the time of such redelivery the Borrower shall deliver Alternative Collateral acceptable to the Lender.
- (ii) Where the Lender receives any Income in circumstances where the Parties are satisfied as set out in Clause 6(G)(i) above, then the Lender shall on the date on which the Lender receives such Income or on such date as the Parties may from time to time agree, pay and deliver a sum of money or property equivalent to such Income (with any such endorsements or assignments as shall be customary and appropriate to effect the delivery) to the Borrower and shall supply Appropriate Tax Vouchers (if any) to the Borrower.
- (H) Unless the Schedule to this Agreement indicates that Clause 6(I) shall apply in lieu of this Clause 6(H), or unless otherwise agreed between the Parties, the Value of the Collateral delivered to or deposited with the Lender or its nominated bank or depository (excluding any Collateral repaid or redelivered under sub-Clauses (H)(ii) or (I)(ii) below (as the case may be) ("**Posted Collateral**")) in respect of any loan of Securities shall bear from day to day and at any time the same proportion to the Value of the Securities borrowed under such loan as the Posted Collateral bore at the commencement of such loan. Accordingly:
- (i) the Value of the Posted Collateral to be delivered or deposited while the loan of Securities continues shall be equal to the Value of the borrowed Securities and the Margin applicable thereto (the "**Required Collateral Value**");
- (ii) if on any Business Day the Value of the Posted Collateral in respect of any loan of Securities exceeds the Required Collateral Value in respect of such loan, the Lender shall (on demand) repay such Cash Collateral and/or redeliver to the Borrower such Equivalent Collateral as will eliminate the excess; and

- (iii) if on any Business Day the Value of the Posted Collateral falls below the Required Collateral Value, the Borrower shall (on demand) provide such further Collateral to the Lender as will eliminate the deficiency.
  
- (I) Subject to Clause 6(J), unless the Schedule to this Agreement indicates that Clause 6(H) shall apply in lieu of this Clause 6(I), or unless otherwise agreed between the Parties:-
  - (i) the aggregate Value of the Posted Collateral in respect of all loans of Securities outstanding under this Agreement shall equal the aggregate of the Required Collateral Values in respect of such loans;
  - (ii) if at any time the aggregate Value of the Posted Collateral in respect of all loans of Securities outstanding under this Agreement exceeds the aggregate of the Required Collateral Values in respect of such loans, the Lender shall (on demand) repay such Cash Collateral and/or redeliver to the Borrower such Equivalent Collateral as will eliminate the excess;
  - (iii) if at any time the aggregate Value of the Posted Collateral in respect of all loans of Securities outstanding under this Agreement falls below the aggregate of Required Collateral Values in respect of all such loans, the Borrower shall (on demand) provide such further Collateral to the Lender as will eliminate the deficiency.
  
- (J) Where Clause 6(I) applies, unless the Schedule to this Agreement indicates that this Clause 6(J) does not apply, if a Party (the "**first Party**") would, but for this Clause 6(J), be required under Clause 6(I) to repay Cash Collateral, redeliver Equivalent Securities or provide further Collateral in circumstances where the other Party (the "**second Party**") would, but for this Clause 6(J), also be required to repay Cash Collateral or provide or redeliver Equivalent Collateral under Clause 6(I), then the Value of the Cash Collateral or Equivalent Collateral deliverable by the first Party ("**X**") shall be set-off against the Value of the Cash Collateral, or Equivalent Collateral or further Collateral deliverable by the second Party ("**Y**") and the only obligation of the parties under Clause 6(I) shall be, where X exceeds Y, an obligation of the first Party, or where Y exceeds X, an obligation of the second Party, to repay Cash Collateral, redeliver Equivalent Collateral or to deliver further Collateral having a Value equal to the difference between X and Y.
  
- (K) Where Cash Collateral is repaid, Equivalent Collateral is redelivered or further Collateral is provided by a Party under Clause 6(I), the parties shall agree to which loan or loans of Securities such repayment, redelivery or further provision is to be attributed and failing agreement it shall be attributed, as determined by the Party making such repayment, redelivery or further provision to the earliest outstanding loan and, in the case of repayment or

redelivery up to the point at which the Value of Collateral in respect of such loan is reduced to zero and, in the case of a further provision up to the point at which the Value of the Collateral in respect of such loan equals the Required Collateral Value in respect of such loan, and then to the next earliest outstanding loan up to the similar point and so on.

- (L) Where any cash Collateral falls to be repaid or Equivalent Collateral to be redelivered or further Collateral to be provided under this Clause 6, it shall be delivered within the minimum period after demand specified in the Schedule or if no appropriate period is there specified within the standard settlement time for delivery of the relevant type of Cash Collateral, Equivalent Collateral or Collateral, as the case may be.

#### 7. REDELIVERY OF EQUIVALENT SECURITIES

- (A) The Borrower undertakes to redeliver Equivalent Securities in accordance with this Agreement and the terms of the relevant Borrowing Request. For the avoidance of doubt any reference herein or in any other agreement or communication between the Parties (howsoever expressed) to an obligation to redeliver or account for or act in relation to borrowed Securities shall accordingly be construed as a reference to an obligation to redeliver or account for or act in relation to Equivalent Securities.
- (B) Subject to Clause 8 hereof and the terms of the relevant Borrowing Request the Lender may call for the redelivery of all or any Equivalent Securities at any time by giving notice on any Business Day of not less than the standard settlement time for such Equivalent Securities on the exchange or in the clearing organisation through which the relevant borrowed Securities were originally delivered. The Borrower shall as hereinafter provided redeliver such Equivalent Securities not later than the expiry of such notice in accordance with the Lender's instructions. Simultaneously with the redelivery of the Equivalent Securities in accordance with such call, the Lender shall (subject to Clause 6(I), if applicable) repay any Cash Collateral and redeliver to the Borrower Collateral equivalent to the Collateral delivered pursuant to Clause 6 in respect of the borrowed Securities. For the avoidance of doubt any reference herein or in any other agreement or communication between the Parties (however expressed) to an obligation to redeliver or account for or act in relation to Collateral shall accordingly be construed as a reference to an obligation to redeliver or account for or act in relation to Equivalent Collateral.
- (C) If the Borrower does not redeliver Equivalent Securities in accordance with such call, the Lender may elect to continue the loan of Securities **PROVIDED THAT** if the Lender does not elect to continue the loan the Lender may by written notice to the Borrower elect to terminate the relevant loan. Upon the expiry of such notice the provisions of Clauses 8(B) to (F) shall apply as if upon the expiry of such notice an Event of Default had occurred in

relation to the Borrower (who shall thus be the Defaulting Party for the purposes of this Agreement) and as if the relevant loan were the only loan outstanding.

- (D) In the event that as a result of the failure of the Borrower to redeliver Equivalent Securities to the Lender in accordance with this Agreement a "buy-in" is exercised against the Lender then provided that reasonable notice has been given to the Borrower of the likelihood of such a "buy-in", the Borrower shall account to the Lender for the total costs and expenses reasonably incurred by the Lender as a result of such "buy-in".
- (E) Subject to the terms of the relevant Borrowing Request, the Borrower shall be entitled at any time to terminate a particular loan of Securities and to redeliver all and any Equivalent Securities due and outstanding to the Lender in accordance with the Lender's instructions. The Lender shall accept such redelivery and simultaneously therewith (subject to Clause 6(I) if applicable) shall repay to the Borrower any Cash Collateral or, as the case may be, redeliver Collateral equivalent to the Collateral provided by the Borrower pursuant to Clause 6 in respect thereof.
- (F) Where a TALISMAN short term certificate (as described in paragraph C of the Schedule) is provided by way of Collateral, the obligation to redeliver Equivalent Collateral is satisfied by the redelivery of the certificate to the Borrower or its expiry as provided for in the Rules applying to such certificate.
- (G) Where a Letter of Credit is provided by way of Collateral, the obligation to redeliver Equivalent Collateral is satisfied by the lender redelivering for cancellation the Letter of Credit so provided, or where the Letter of Credit is provided in respect of more than one loan, by the Lender consenting to a reduction in the value of the Letter of Credit.

8. SET-OFF ETC.

- (A) On the date and time (the "**Performance Date**") that Equivalent Securities are required to be redelivered by the Borrower in accordance with the provisions of this Agreement the Lender shall simultaneously redeliver the Equivalent Collateral and repay any Cash Collateral held (in respect of the Equivalent Securities to be redelivered) to the Borrower. Neither Party shall be obliged to make delivery (or make a payment as the case may be) to the other unless it is satisfied that the other Party will make such delivery (or make an appropriate payment as the case may be) to it simultaneously. If it is not so satisfied (whether because an Event of Default has occurred in respect of the other Party or otherwise) it shall notify the other Party and unless that other Party has made arrangements which are sufficient to assure full delivery (or the appropriate payment as the case may be) to the notifying Party, the notifying Party

shall (provided it is itself in a position, and willing, to perform its own obligations) be entitled to withhold delivery (or payment, as the case may be) to the other Party.

- (B) If an Event of Default occurs in relation to either party, the Parties' delivery and payment obligations (and any other obligations they have under this Agreement) shall be accelerated so as to require performance thereof at the time such Event of Default occurs (the date of which shall be the "**Performance Date**" for the purposes of this clause) and in such event:
- (i) the Relevant Value of the Securities to be delivered (or payment to be made, as the case may be) by each Party shall be established in accordance with Clause 8(C); and
  - (ii) on the basis of the Relevant Values so established, an account shall be taken (as at the Performance Date) of what is due from each Party to the other and (on the basis that each Party's claim against the other in respect of delivery of Equivalent Securities or Equivalent Collateral or any cash payment equals the Relevant Value thereof) the sums due from one Party shall be set-off against the sums due from the other and only the balance of the account shall be payable (by the Party having the claim valued at the lower amount pursuant to the foregoing) and such balance shall be payable on the Performance Date.
- (C) For the purposes of Clause 8(B) the Relevant Value:-
- (i) of any cash payment obligation shall equal its par value (disregarding any amount taken into account under (ii) or (iii) below;
  - (ii) of any securities to be delivered by the Defaulting Party shall, subject to Clause 8(E) below, equal the Offer Value thereof; and
  - (iii) of any securities to be delivered to the Defaulting Party shall, subject to Clause 8(E) below, equal the Bid Value thereof.
- (D) For the purposes of Clause 8(C), but subject to Clause 8(E) below, the Bid Value and Offer Value of any securities shall be calculated as at the Close of Business in the most appropriate market for securities of the relevant description (as determined by the Non-Defaulting Party) on the first Business Day following the Performance Date, or if the relevant Event of Default occurs outside the normal business hours of such market, on the second Business Day following the Performance Date (the "**Default Valuation Time**");
- (E) (i) Where the Non-Defaulting Party has following the occurrence of an Event of Default but prior to the Default Valuation Time purchased securities forming part of the same

issue and being of an identical type and description to those to be delivered by the Defaulting Party and in substantially the same amount as those securities or sold securities forming part of the same issue and being of an identical type and description to those to be delivered by him to the Defaulting Party and in substantially the same amount as those securities, the cost of such purchase or the proceeds of such sale, as the case may be, (taking into account all reasonable costs, fees and expenses that would be incurred in connection therewith) shall be treated as the Offer Value or Bid Value, as the case may be, of the relevant securities for the purposes of this Clause 8.

(ii) Where the amount of any securities sold or purchased as mentioned in (E)(i) above is not in substantially the same amount as those securities to be valued for the purposes of Clause 8(C) the Offer Value or the Bid Value (as the case may be) of those securities shall be ascertained by dividing the net proceeds of sale or cost of purchase by the amount of the securities sold or purchased so as to obtain a net unit price and multiplying that net unit price by the amount of the securities to be valued.

(F) Any reference in this Clause 8 to securities shall include any asset other than cash provided by way of Collateral.

(G) If the Borrower or the Lender for any reason fail to comply with their respective obligations under Clauses 6(F) or 6(G) in respect of redelivery of Equivalent Collateral or repayment of Cash Collateral such failure shall be an Event of Default for the purposes of this Clause 8, and the person failing to comply shall thus be the Defaulting Party.

(H) Subject to and without prejudice to its rights under Clause 8(A) either Party may from time to time in accordance with market practice and in recognition of the practical difficulties in arranging simultaneous delivery of Securities, Collateral and cash transfers waive its right under this Agreement in respect of simultaneous delivery and/or payment **PROVIDED THAT** no such waiver in respect of one transaction shall bind it in respect of any other transaction.

## 9. TAXATION

(A) The Borrower hereby undertakes promptly to pay and account for any transfer or similar duties or taxes chargeable in connection with any transaction effected pursuant to or contemplated by this Agreement, and shall indemnify and keep indemnified the Lender against any liability arising in respect thereof as a result of the Borrower's failure to do so.



- (B) The Borrower shall only make a Borrowing Request where the purpose of the loan meets the requirements of the Rules regarding the conditions that must be fulfilled for Section 129 of the Income and Corporation Taxes Act 1988 (or any statutory modification or re-enactment thereof for the time being in force) to apply to the arrangement concerning the loan, unless the Lender is aware that the transaction is unapproved for the purposes of the Rules of the UK Inland Revenue or such purpose is not met.
- (C) A Party undertakes to notify the other Party if it becomes or ceases to be an Approved UK Intermediary or an Approved UK Collecting Agent.

10. LENDER'S WARRANTIES

Each Party hereby warrants and undertakes to the other on a continuing basis to the intent that such warranties shall survive the completion of any transaction contemplated herein that, where acting as a Lender:

- (A) it is duly authorised and empowered to perform its duties and obligations under this Agreement;
- (B) it is not restricted under the terms of its constitution or in any other manner from lending Securities in accordance with this Agreement or from otherwise performing its obligations hereunder;
- (C) it is absolutely entitled to pass full legal and beneficial ownership of all Securities provided by it hereunder to the Borrower free from all liens, charges and encumbrances;
- (D) where the Schedule to this Agreement specifies that this Clause 10(D) applies, it is not resident in the United Kingdom for tax purposes and either is not carrying on a trade in the United Kingdom through a branch or agency or if it is carrying on such a trade the loan is not entered into in the course of the business of such branch or agency, and it has (i) delivered or caused to be delivered to the Borrower a duly completed and certified Certificate (MOD2) or a photocopy thereof bearing an Inland Revenue acknowledgement and unique number and such certificate or photocopy remains valid or (ii) has taken all necessary steps to enable a specific authorisation to make gross payment of the Manufactured Dividend to be issued by the Inland Revenue.

11. BORROWER'S WARRANTIES

Each Party hereby warrants and undertakes to the other on a continuing basis to the intent that such warranties shall survive the completion of any transaction contemplated herein that, where acting as a Borrower:

- (A) it has all necessary licenses and approvals, and is duly authorised and empowered, to perform its duties and obligations under this Agreement and will do nothing prejudicial to the continuation of such authorisation, licenses or approvals;
- (B) it is not restricted under the terms of its constitution or in any other manner from borrowing Securities in accordance with this Agreement or from otherwise performing its obligations hereunder;
- (C) it is absolutely entitled to pass full legal and beneficial ownership of all Collateral provided by it hereunder to the Lender free from all liens, charges and encumbrances;
- (D) it is acting as principal in respect of this Agreement;
- (E) where the Schedule to this Agreement specifies this Clause 11(E) applies, it is subject to tax in the United Kingdom under Case I of Schedule D in respect of any income arising pursuant to or in connection with the borrowing of Securities hereunder.

12. EVENTS OF DEFAULT

Each of the following events occurring in relation to either Party (the "**Defaulting Party**", the other Party being the "**Non-Defaulting Party**") shall be an Event of Default for the purpose of Clause 8:-

- (A) the Borrower or Lender failing to pay or repay Cash Collateral or deliver or redeliver Collateral or Equivalent Collateral upon the due date, and the Non-Defaulting Party serves written notice on the Defaulting Party;
- (B) the Lender or Borrower failing to comply with its obligations under Clause 6, and the Non-Defaulting Party serves written notice on the Defaulting Party;
- (C) the Borrower failing to comply with Clause 4(B)(i), (ii) or (iii) hereof, and the Non-Defaulting Party serves written notice on the Defaulting Party;

- (D) an Act of Insolvency occurring with respect to the Lender or the Borrower and (except in the case of an Act of Insolvency which is the presentation of a petition for winding up or any analogous proceeding or the appointment of a liquidator or analogous officer of the Defaulting Party in which case no such notice shall be required) the Non-Defaulting Party serves written notice on the Defaulting Party;
- (E) any representations or warranties made by the Lender or the Borrower being incorrect or untrue in any material respect when made or repeated or deemed to have been made or repeated, and the Non-Defaulting Party serves written notice on the Defaulting Party;
- (F) the Lender or the Borrower admitting to the other that it is unable to, or it intends not to, perform any of its obligations hereunder and/or in respect of any loan hereunder, and the Non-Defaulting Party serves written notice on the Defaulting Party;
- (G) the Lender (if appropriate) or the Borrower being declared in default by the appropriate authority under the Rules or being suspended or expelled from membership of or participation in any securities exchange or association or other self-regulatory organisation, or suspended from dealing in securities by any government agency, and the Non-Defaulting Party serves written notice on the Defaulting Party;
- (H) any of the assets of the Lender or the Borrower or the assets of investors held by or to the order of the Lender or the Borrower being transferred or ordered to be transferred to a trustee by a regulatory authority pursuant to any securities regulating legislation and the Non-Defaulting Party serves written notice on the Defaulting Party; or
- (I) the Lender or the Borrower failing to perform any other of its obligations hereunder and not remedying such failure within 30 days after the Non-Defaulting Party serves written notice requiring it to remedy such failure, and the Non-Defaulting Party serves a further written notice on the Defaulting Party.

Each Party shall notify the other if an Event of Default occurs in relation to it.

### 13. OUTSTANDING PAYMENTS

In the event of either Party failing to remit either directly or by its Nominee sums in accordance with this Agreement such Party hereby undertakes to pay a rate to the other Party upon demand on the net balance due and outstanding of 1% above the Barclays Bank PLC base rate from time to time in force.

14. TRANSACTIONS ENTERED INTO AS AGENT

- (A) Subject to the following provisions of this Clause, the Lender may enter into loans as agent (in such capacity, the "**Agent**") for a third person (a "**Principal**") whether as custodian or investment manager or otherwise (a loan so entered into being referred to in this clause as an "**Agency Transaction**").
- (B) A Lender may enter into an Agency Transaction if, but only if:-
- (i) it specifies that loan as an Agency Transaction at the time when it enters into it;
  - (ii) it enters into that loan on behalf of a single Principal whose identity is disclosed to the Borrower (whether by name or by reference to a code or identifier which the Parties have agreed will be used to refer to a specified Principal) at the time when it enters into the loan; and
  - (iii) it has at the time when the loan is entered into actual authority to enter into the loan and to perform on behalf of that Principal all of that Principal's obligations under the agreement referred to in (D)(ii) below.
- (C) The Lender undertakes that, if it enters as agent into an Agency Transaction, forthwith upon becoming aware:-
- (i) of any event which constitutes an Act of Insolvency with respect to the relevant Principal; or
  - (ii) of any breach of any of the warranties given in Clause 14(E) below or of any event or circumstance which has the result that any such warranty would be untrue if repeated by reference to the current facts;
  - (iii) it will inform the Borrower of that fact and will, if so required by the Borrower, furnish it with such additional information as it may reasonably request.
- (D) (i) Each Agency Transaction shall be a transaction between the relevant Principal and the Borrower and no person other than the relevant Principal and the Borrower shall be a party to or have any rights or obligations under an Agency Transaction. Without limiting the foregoing, the Lender shall not be liable as principal for the performance of an Agency Transaction or for breach of any warranty contained in Clause 10(D) or 11(E) of this Agreement, but this is without prejudice to any liability of the Lender under any other provision of this Clause.

- (ii) All the provisions of the Agreement shall apply separately as between the Borrower and each Principal for whom the Agent has entered into an Agency transaction or Agency Transactions as if each such Principal were a party to a separate agreement with the Borrower in all respects identical with this Agreement other than this paragraph and as if the Principal were Lender in respect of that agreement.

**PROVIDED THAT**

if there occurs in relation to the Agent an Event of Default or an event which would constitute an Event of Default if the Borrower served written notice under any sub-Clause of Clause 12, the Borrower shall be entitled by giving written notice to the Principal (which notice shall be validly given if given to the Lender in accordance with Clause 20) to declare that by reason of that event an Event of Default is to be treated as occurring in relation to the Principal. If the Borrower gives such a notice then an Event of Default shall be treated as occurring in relation to the Principal at the time when the notice is deemed to be given; and if the Principal is neither incorporated nor has established a place of business in Great Britain, the Principal shall for the purposes of the agreement referred to in (D)(ii) be deemed to have appointed as its agent to receive on its behalf service of process in the courts of England the Agent, or if the Agent is neither incorporated nor has established a place of business in the United Kingdom, the person appointed by the Agent for the purposes of this Agreement, or such other person as the Principal may from time to time specify in a written notice given to the other party.

- (iii) The foregoing provisions of this Clause do not affect the operation of the Agreement as between the Borrower and the Lender in respect of any transactions into which the Lender may enter on its own account as principal.

- (E) The Lender warrants to the Borrower that it will, on every occasion on which it enters or purports to enter into a transaction as an Agency Transaction, have been duly authorised to enter into that loan and perform the obligations arising thereunder on behalf of the person whom it specifies as the Principal in respect of that transaction and to perform on behalf of that person all the obligations of that person under the agreement referred to in (D)(ii).

15. TERMINATION OF COURSE OF DEALINGS BY NOTICE

Each Party shall have the right to bring the course of dealing contemplated under this Agreement to an end by giving not less than 15 Business Days' notice in writing to the other Party (which notice shall specify the date of termination) subject to an obligation to ensure that all loans which have been entered into but not discharged at the time such notice is given are duly discharged in accordance with this Agreement and with the Rules.

16. GOVERNING PRACTICES

The Borrower shall use its best endeavours to notify the Lender (in writing) of any changes in legislation or practices governing or affecting the Lender's rights or obligations under this Agreement or the treatment of transactions effected pursuant to or contemplated by this Agreement.

17. OBSERVANCE OF PROCEDURES

Each of the Parties hereto agrees that in taking any action that may be required in accordance with this Agreement it shall observe strictly the procedures and timetable applied by the Rules and, further, shall observe strictly any agreement (oral or otherwise) as to the time for delivery or redelivery of any money, Securities, Equivalent Securities, Collateral or Equivalent Collateral entered into pursuant to this Agreement.

18. SEVERANCE

If any provision of this Agreement is declared by any judicial or other competent authority to be void or otherwise unenforceable, that provision shall be severed from the Agreement and the remaining provisions of this Agreement shall remain in full force and effect. The Agreement shall, however, thereafter be amended by the Parties in such reasonable manner so as to achieve, without illegality, the intention of the Parties with respect to that severed provision.

19. SPECIFIC PERFORMANCE

Each Party agrees that in relation to legal proceedings it will not seek specific performance of the other Party's obligation to deliver or redeliver Securities, Equivalent Securities, Collateral or Equivalent Collateral but without prejudice to any other rights it may have.

20. NOTICES

All notices issued under this agreement shall be in writing (which shall include telex or facsimile messages) and shall be deemed validly delivered if sent by prepaid first class post to or left at the addresses or sent to the telex or facsimile number of the Parties respectively or such other addresses or telex or facsimile numbers as each Party may notify in writing to the other.

21. ASSIGNMENT

Neither Party may charge assign or transfer all or any of its rights or obligations hereunder without the prior consent of the other Party.

22. NON-WAIVER

No failure or delay by either Party to exercise any right, power or privilege hereunder shall operate as a waiver thereof nor shall any single or partial exercise of any right, power or privilege preclude any other or further exercise thereof or the exercise of any other right, power or privilege as herein provided.

23. ARBITRATION AND JURISDICTION

- (A) All claims, disputes and matters of conflict between the Parties arising hereunder shall be referred to or submitted for arbitration in London in accordance with English Law before a sole arbitrator to be agreed between the Parties or in default of agreement by an arbitrator to be nominated by the Chairman of the Stock Exchange on the application of either Party, and this Agreement shall be deemed for this purpose to be a submission to arbitration within the Arbitration Acts 1950 and 1979, or any statutory modification or re-enactment thereof for the time being in force.
- (B) This Clause shall take effect notwithstanding the frustration or other termination of this Agreement.
- (C) No action shall be brought upon any issue between the Parties under or in connection with this Agreement until the same has been submitted to arbitration pursuant hereto and an award made.

24. TIME

Time shall be of the essence of the Agreement.

25. RECORDING

The Parties agree that each may electronically record all telephonic conversations between them.

26. GOVERNING LAW

This Agreement is governed by, and shall be construed in accordance with, English Law.

AGREED to and accepted this \_\_\_\_ day of \_\_\_\_\_, 2004:

ROYAL TRUST CORPORATION OF CANADA

Per: *Susan Pike*

Per: *Lynne Hibbert-Logan*

Name: SUSAN PIKE

Name: \_\_\_\_\_

DIRECTOR, GLOBAL SECURITIES LENDING & FINANCE

Title: \_\_\_\_\_

Title: LYNNE HIBBERT-LOGAN  
MANAGER, OPERATIONS

GOLDMAN SACHS INTERNATIONAL

Per: *Mark Weeks*

Per: \_\_\_\_\_

Name: MARK WEEKS

Name: \_\_\_\_\_

Title: MANAGING DIRECTOR

Title: \_\_\_\_\_





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Version: DECEMBER 1995{PRIVATE }

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DATED 12.6.03 2003

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**OVERSEAS SECURITIES LENDER'S AGREEMENT**

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Clifford Chance,  
 200 Aldersgate Street  
 London, EC1A 4JJ

Ref: TJH

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THIS AGREEMENT is made the 12<sup>th</sup> day of JUNE

2003

**BETWEEN:-**

- (1) **GOLDMAN SACHS INTERNATIONAL**, a company incorporated with unlimited liability under the laws of England and Wales whose registered office is at Peterborough Court, 133 Fleet Street, London EC4A 2BB; and
- (2) **HSBC BANK PLC**, a company incorporated under the laws of England and Wales whose registered office is at 27-32 Poultry, London EC2P 2BX, acting as agent on behalf of various underlying principals listed on Appendix A.

**WHEREAS:-**

1. The Parties hereto are desirous of agreeing a procedure whereby either one of them (the "**Lender**") will make available to the other of them (the "**Borrower**") from time to time Securities (as hereinafter defined) in order to enable the Borrower, subject to any Inland Revenue provisions then in force, to fulfil a contract to sell such Securities or to on lend such Securities to a third party to enable such party to fulfil a contract to sell such Securities, whether or not as part of a chain of arrangements to enable the final party in such chain to fulfil a contract to sell such Securities or to replace an existing loan of Securities to such third party, or for other purposes.
2. All transactions carried out under this Agreement will be effected in accordance with the Rules (as hereinafter defined) **TOGETHER WITH** current market practices, customs and conventions.

**NOW THIS AGREEMENT WITNESSETH AND IT IS HEREBY AGREED AS FOLLOWS:-**

1. **INTERPRETATION**

(A) In this Agreement:-

"**Act of Insolvency**" means in relation to either Party

- (i) its making a general assignment for the benefit of, or entering into a reorganisation, arrangement, or composition with

creditors, or

- (ii) its admitting in writing that it is unable to pay its debts as they become due, or
- (iii) its seeking, consenting to or acquiescing in the appointment of any trustee, administrator, receiver or liquidator or analogous officer of it or any material part of its property, or;
- (iv) the presentation or filing of a petition in respect of it (other than by the other Party to this Agreement in respect of any obligation under this Agreement) in any court or before any agency alleging or for the bankruptcy, winding-up or insolvency of such Party (or any analogous proceeding) or seeking any reorganisation, arrangement, composition, re-adjustment, administration, liquidation, dissolution or similar relief under any present or future statute, law or regulation, such petition (except in the case of a petition for winding-up or any analogous proceeding in respect of which no such 30 day period shall apply) not having been stayed or dismissed within 30 days of its filing;
- (v) the appointment of a receiver, administrator, liquidator or trustee or analogous officer of such Party over all or any material part of such Party's property; or
- (vi) the convening of any meeting of its creditors for the purpose of considering a voluntary arrangement as referred to in Section 3 of the Insolvency Act 1986 (or any analogous proceeding);

**"Agent"**

shall have the same meaning given in Clause 14;

**"Alternative Collateral"**

means Collateral of a Value equal to the Collateral delivered pursuant to Clause 6 and provided by way of substitution for Collateral originally delivered or previously substituted in accordance with the provisions of Clauses 6(F) or 6(G);

**"Appropriate Tax Vouchers"** means:-

- (i) either such tax vouchers and/or certificates as shall enable the recipient to claim and receive from any relevant tax authority, in respect of interest, dividends, distributions and/or other amounts (including for the avoidance of doubt any manufactured payment) relating to particular Securities, all and any repayment of tax or benefit of tax credit to which the Lender would have been entitled but for the loan of Securities in accordance with this Agreement and/or to which the Lender is entitled in respect of tax withheld and accounted for in respect of any manufactured payment; or such tax vouchers and/or certificates as are provided by the Borrower which evidence an amount of overseas tax deducted which shall enable the recipient to claim and receive from any relevant tax authority all and any repayment of tax from the UK Inland Revenue or benefits of tax credit in the jurisdiction of the recipient's residence; and
- (ii) such vouchers and/or certificates in respect of interest, dividends, distributions and/or other amounts relating to particular Collateral;

**"Approved UK Collecting Agent"**

means a person who is approved as such for the purposes of the Rules of the UK Inland Revenue relating to stocklending and manufactured interest and dividends;

**"Approved Intermediary"**

means a person who is approved as such for the purposes of the Rules of the UK Inland Revenue relating to stocklending and manufactured interest and dividends;

**"Assured Payment"**

means a payment obligation of a Settlement Bank arising (under the Assured Payment Agreement) as a result of a transfer of stock or other securities to a CGO stock account of a member of the CGO for whom that Settlement Bank is acting;

**"Assured Payment Agreement"**

means an agreement dated 24 October 1986 between the Bank of England and all the other banks which are for the time being acting as Settlement Banks in relation to the CGO regulating the obligations of such banks to make payments in respect of transfers of securities through the CGO as supplemented and amended from time to time;

**"Base Currency"**

has the meaning given in the Schedule hereto;

**"Bid Price"**

in relation to Equivalent Securities or Equivalent Collateral means the best available bid price thereof on the most appropriate market in a standard size;

**"Bid Value"**

Subject to Clause 8(E) means:-

- (a) in relation to Equivalent Collateral at a particular time:-
  - (i) in relation to Collateral Types B(x) and C (more specifically referred to in the Schedule) the Value thereof as calculated in accordance with such Schedule;
  - (ii) in relation to all other types of Collateral (more specifically referred to in the Schedule) the amount which would be received on a sale of such Collateral at the Bid Price thereof at

such time less all costs, fees and expenses that would be incurred in connection with selling or otherwise realising such Equivalent Collateral, calculated on the assumption that the aggregate thereof is the least that could reasonably be expected to be paid in order to carry out such sale or realisation and adding thereto the amount of any interest, dividends, distributions or other amounts paid to the Lender and in respect of which equivalent amounts have not been paid to the Borrower in accordance with Clause 6(G) prior to such time in respect of such Equivalent Collateral or the original Collateral held gross of all and any tax deducted or paid in respect thereof;

and

- (b) in relation to Equivalent Securities at a particular time the amount which would be received on a sale of such Equivalent Securities at the Bid Price thereof at such time less all costs, fees and expenses that would be incurred in connection therewith, calculated on the assumption that the aggregate thereof is the least that could reasonably be expected to be paid in order to carry out the transaction;

**"Borrower"**

with respect to a particular loan of Securities means the Borrower as referred to in Recital 1 of this Agreement;

<b>"Borrowing Request"</b>	means a request made (by telephone or otherwise) by the Borrower to the Lender pursuant to Clause 2(A) specifying the description, title and amount of the Securities required by the Borrower, the proposed Settlement Date and duration of such loan and the date, time, mode and place of delivery which shall, where relevant, include the bank agent clearing or settlement system and account to which delivery of the Securities is to be made;
<b>"Business Day"</b>	means a day on which banks and securities markets are open for business generally in London and, in relation to the delivery or redelivery of any of the following in relation to any loan, in the place(s) where the relevant Securities, Equivalent Securities, Collateral (including Cash Collateral) or Equivalent Collateral are to be delivered;
<b>"Cash Collateral"</b>	means Collateral that takes the form of a deposit of currency;
<b>"Central Gilts Office" or "CGO"</b>	means the computer based system managed by the Bank of England to facilitate the book-entry transfer of gilt-edged securities;
<b>"CGO Collateral"</b>	shall have the meaning specified in paragraph A of the Schedule;
<b>"CGO Rules"</b>	means the requirements of the CGO for the time being in force as defined in the membership agreement regulating membership of the CGO;
<b>"Close of Business"</b>	means the time at which banks close in the business centre in which payment is to be made or Collateral is to be delivered;



**"Collateral"**

means such securities or financial instruments or deposits of currency as are referred to in the Schedule hereto or any combination thereof which are delivered by the Borrower to the Lender in accordance with this Agreement and shall include the certificates and other documents of or evidencing title and transfer in respect of the foregoing (as appropriate), and shall include Alternative Collateral;

**"Defaulting Party"**

shall have the meaning given in Clause 12;

**"Equivalent Collateral" or  
"Collateral equivalent to"**

in relation to any Collateral provided under this Agreement means securities, cash or other property, as the case may be, of an identical type, nominal value, description and amount to particular Collateral so provided and shall include the certificates and other documents of or evidencing title and transfer in respect of the foregoing (as appropriate). If and to the extent that such Collateral consists of securities that are partly paid or have been converted, subdivided, consolidated, redeemed, made the subject of a takeover, capitalisation issue, rights issue or event similar to any of the foregoing, the expression shall have the following meaning:

- (a) in the case of conversion, subdivision or consolidation the securities into which the relevant Collateral has been converted, subdivided or consolidated **PROVIDED THAT**, if appropriate, notice has been given in accordance with Clause 4(B)(vi);
- (b) in the case of redemption, a sum of money equivalent to the proceeds of the redemption;

- (c) in the case of a takeover, a sum of money or securities, being the consideration or alternative consideration of which the Borrower has given notice to the Lender in accordance with Clause 4(B)(vi);
- (d) in the case of a call on partly paid securities, the paid-up securities **PROVIDED THAT** the Borrower shall have paid to the Lender an amount of money equal to the sum due in respect of the call;
- (e) in the case of a capitalisation issue, the relevant Collateral **TOGETHER WITH** the securities allotted by way of a bonus thereon;
- (f) in the case of a rights issue, the relevant Collateral **TOGETHER WITH** the securities allotted thereon, **PROVIDED THAT** the Borrower has given notice to the Lender in accordance with Clause 4(B)(vi), and has paid to the Lender all and any sums due in respect thereof;
- (g) in the event that a payment or delivery of Income is made in respect of the relevant Collateral in the form of securities or a certificate which may at a future date be exchanged for securities or in the event of an option to take Income in the form of securities or a certificate which may at a future date be exchanged for securities, notice has been given to the Borrower in accordance with Clause 4(B)(vi) the relevant Collateral **TOGETHER WITH** securities or a

certificate equivalent to those allotted;

- (h) in the case of any event similar to any of the foregoing, the relevant Collateral **TOGETHER WITH** or replaced by a sum of money or securities equivalent to that received in respect of such Collateral resulting from such event;

For the avoidance of doubt, in the case of Bankers' Acceptances (Collateral type B(v)), Equivalent Collateral must bear dates, acceptances and endorsements (if any) by the same entities as the bill to which it is intended to be equivalent and for the purposes of this definition, securities are equivalent to other securities where they are of an identical type, nominal value, description and amount and such term shall include the certificate and other documents of or evidencing title and transfer in respect of the foregoing (as appropriate);

**"Equivalent Securities"**

means securities of an identical type, nominal value, description and amount to particular Securities borrowed and such term shall include the certificates and other documents of or evidencing title and transfer in respect of the foregoing (as appropriate). If and to the extent that such Securities are partly paid or have been converted, subdivided, consolidated, redeemed, made the subject of a takeover, capitalisation issue, rights issue or event similar to any of the foregoing, the expression shall have the following meaning:

- (a) in the case of conversion, subdivision or consolidation the securities into which the borrowed Securities have been converted, subdivided or consolidated **PROVIDED**

**THAT** if appropriate, notice has been given in accordance with Clause 4(B)(vi);

- (b) in the case of redemption, a sum of money equivalent to the proceeds of the redemption;
- (c) in the case of takeover, a sum of money or securities, being the consideration or alternative consideration of which the Lender has given notice to the Borrower in accordance with Clause 4(B)(vi);
- (d) in the case of a call on partly paid securities, the paid-up securities **PROVIDED THAT** the Lender shall have paid to the Borrower an amount of money equal to the sum due in respect of the call;
- (e) in the case of a capitalisation issue, the borrowed Securities **TOGETHER WITH** the securities allotted by way of a bonus thereon;
- (f) in the case of a rights issue, the borrowed Securities **TOGETHER WITH** the securities allotted thereon, **PROVIDED THAT** the Lender has given notice to the Borrower in accordance with Clause 4(B)(vi), and has paid to the Borrower all and any sums due in respect thereof;
- (g) in the event that a payment or delivery of Income is made in respect of the borrowed Securities in the form of securities or a certificate which may at a future date be exchanged for securities or in the event of an

option to take Income in the form of securities or a certificate which may at a future date be exchanged for securities, notice has been given to the Borrower in accordance with Clause 4(B)(vi) the borrowed Securities **TOGETHER WITH** securities or a certificate equivalent to those allotted;

- (h) in the case of any event similar to any of the foregoing, the borrowed Securities **TOGETHER WITH** or replaced by a sum of money or securities equivalent to that received in respect of such borrowed Securities resulting from such event;

For the purposes of this definition, securities are equivalent to other securities where they are of an identical type, nominal value, description and amount and such term shall include the certificate and other documents of or evidencing title and transfer in respect of the foregoing (as appropriate);

**"Event of Default"**

has the meaning given in Clause 12;

**"Income"**

any interest, dividends or other distributions of any kind whatsoever with respect to any Securities or Collateral;

**"Income Payment Date",**

with respect to any Securities or Collateral means the date on which Income is paid in respect of such Securities or Collateral, or, in the case of registered Securities or Collateral, the date by reference to which particular registered holders are identified as being entitled to payment of Income;

**"Lender"**

with respect to a particular loan of Securities means

the Lender as referred to in Recital 1 of this Agreement;

**"Manufactured Dividend"**

shall have the meaning given in Clause 4(B)(ii);

**"Margin"**

shall have the meaning specified in the Schedule hereto;

**"Nominee"**

means an agent or a nominee appointed by either Party and approved (if appropriate) as such by the Inland Revenue to accept delivery of, hold or deliver Securities, Equivalent Securities, Collateral and/or Equivalent Collateral on its behalf whose appointment has been notified to the other Party;

**"Non-Defaulting Party"**

shall have the meaning given in Clause 12;

**"Offer Price"**

in relation to Equivalent Securities or Equivalent Collateral means the best available offer price thereof on the most appropriate market in a standard size;

**"Offer Value"**

Subject to Clause 8(E) means:-

- (a) in relation to Collateral equivalent to Collateral types B (ix) and C (more specifically referred to in the Schedule hereto) the Value thereof as calculated in accordance with such Schedule; and
- (b) in relation to Equivalent Securities or Collateral equivalent to all other types of Collateral (more specifically referred to in the Schedule hereto) the amount it would cost to buy such Equivalent Securities or Equivalent Collateral at the Offer Price thereof at such time together with all costs, fees and expenses

that would be incurred in connection therewith, calculated on the assumption that the aggregate thereof is the least that could reasonably be expected to be paid in order to carry out the transaction;

**"Parties"**

means the Lender and the Borrower and "Party" shall be construed accordingly;

**"Performance Date"**

shall have the meaning given in Clause 8;

**"Principal"**

shall have the meaning given in Clause 14;

**"Reference Price"**

means:

- (a) in relation to the valuation of Securities, Equivalent Securities, Collateral and/or Collateral equivalent to types B (ii), (viii), (xi) and (xii) (more specifically referred to in the Schedule hereto) such price as is equal to the mid market quotation of such Securities, Equivalent Securities, Collateral and/or Equivalent Collateral as derived from a reputable pricing information service (such as the services provided by Reuters, Extel Statistical Services and Telerate) reasonably chosen in good faith by the Lender or if unavailable the market value thereof as derived from the prices or rates bid by a reputable dealer for the relevant instrument reasonably chosen in good faith by the Lender, in each case at Close of Business on the previous Business Day;
- (b) in relation to the valuation of Collateral and/or Collateral equivalent to Collateral types A and B(i) (more specifically referred

to in the Schedule hereto), the CGO Reference Price of such Securities, Equivalent Securities, Collateral and/or Equivalent Collateral then current as determined in accordance with the CGO Rules from time to time in force.

- (c) in relation to the valuation of Collateral and/or Collateral equivalent to Collateral types B(iii), (iv), (v), (vi) (vii) and (ix), (more specifically referred to in the Schedule hereto), the market value thereof as derived from the rates bid by Barclays Bank PLC for such instruments or, in the absence of such a bid, the average of the rates bid by two leading market makers for such instruments at Close of Business on the previous Business Day;

**"Relevant Payment Date"**

shall have the meaning given in Clause 4(B)(i);

**"Rules"**

means the rules for the time being of the Stock Exchange (where either Party is a member of the Stock Exchange) and/or any other regulatory authority whose rules and regulations shall from time to time affect the activities of the Parties pursuant to this Agreement including but not limited to the stocklending regulations and guidance notes relating to both stocklending and manufactured interest and dividends for the time being in force of the Commissioners of the Inland Revenue and any associated procedures required pursuant thereto (**PROVIDED THAT** in an Event of Default, where either Party is a member of the Stock Exchange, the Rules and Regulations of the Stock Exchange shall prevail);



**"Securities"**

means Overseas Securities as defined in the Income Tax (Stock Lending) Regulations 1989 (S.I. 1989 No. 1299) (as amended by the Income Tax (Stock Lending) (Amendment) Regulations 1990 (S.I. 1990 No. 2552) and 1993 (S.I. 1993 No. 2003)) or any statutory modification or re-enactment thereof for the time being in force which the Borrower is entitled to borrow from the Lender in accordance with the Rules and which are the subject of a loan pursuant to this Agreement and such term shall include the certificates and other documents of title in respect of the foregoing;

**"Settlement Bank"**

means a settlement member of the CHAPS and Town Clearing systems who has entered into contractual arrangements with the CGO to provide Assured Payment facilities for members of the CGO;

**"Settlement Date"**

means the date upon which Securities are or are to be transferred to the Borrower in accordance with this Agreement;

**"Stock Exchange"**

means the London Stock Exchange Limited;

**"Value"**

at any particular time means in respect of Securities and Equivalent Securities, the Reference Price thereof then current and in respect of Collateral and/or Equivalent Collateral such worth as determined in accordance with the Schedule hereto.

(B) All headings appear for convenience only and shall not affect the interpretation hereof.

(C) Notwithstanding the use of expressions such as "borrow", "lend", "Collateral", "Margin", "redeliver" etc. which are used to reflect terminology used in the market for transactions of the kind provided for in this Agreement, title to Securities "borrowed" or "lent" and "Collateral" provided in accordance with this Agreement shall pass from one Party to

another as provided for in this Agreement, the Party obtaining such title being obliged to redeliver Equivalent Securities or Equivalent Collateral as the case may be.

- (D) For the purposes of Clauses 6(H)-6(K) and 8(C)-8(E) of this Agreement or otherwise where a conversion into the Base Currency is required, all prices, sums or values (including any Value, Offer Value and Bid Value) of Securities, Equivalent Securities, Collateral or Equivalent Collateral (including Cash Collateral) stated in currencies other than the Base Currency shall be converted into the Base Currency at the spot rate of exchange at the relevant time in the London interbank market for the purchase of the Base Currency with the currency concerned.
- (E) Where at any time there is in existence any other agreement between the Parties the terms of which make provision for the lending of Securities (as defined in this Agreement) as well as other securities the terms of this Agreement shall apply to the lending of such Securities to the exclusion of any other such agreement.

## **2. LOANS OF SECURITIES**

- (A) The Lender will lend Securities to the Borrower, and the Borrower will borrow Securities from the Lender in accordance with the terms and conditions of this Agreement and with the Rules **PROVIDED ALWAYS THAT** the Lender shall have received from the Borrower and accepted (by whatever means) a Borrowing Request.
- (B) The Borrower has the right to reduce the amount of Securities referred to in a Borrowing Request **PROVIDED THAT** the Borrower has notified the Lender of such reduction no later than midday London time on the day which is two Business Days prior to the Settlement Date unless otherwise agreed between the Parties and the Lender shall have accepted such reduction (by whatever means).

## **3. DELIVERY OF SECURITIES**

The Lender shall procure the delivery of Securities to the Borrower or deliver such Securities in accordance with the relevant Borrowing Request **TOGETHER WITH** appropriate instruments of transfer duly stamped where necessary and such other instruments as may be requisite to vest title thereto in the Borrower. Such Securities shall be deemed to have been delivered by the Lender to the Borrower on delivery to the Borrower or as it shall direct of the relevant instruments of transfer, or in the case of Securities held by an agent or a clearing or settlement system on the effective instructions to such agent or the operator of such system to hold the Securities absolutely for the Borrower, or by such

other means as may be agreed.

#### 4. **RIGHTS AND TITLE**

(A) The Parties shall execute and deliver all necessary documents and give all necessary instructions to procure that all right, title and interest in:

- (i) any Securities borrowed pursuant to Clause 2;
- (ii) any Equivalent Securities redelivered pursuant to Clause 7;
- (iii) any Collateral delivered pursuant to Clause 6;
- (iv) any Equivalent Collateral redelivered pursuant to Clauses 6 or 7;

shall pass from one Party to the other subject to the terms and conditions mentioned herein and in accordance with the Rules, on delivery or redelivery of the same in accordance with this Agreement, free from all liens, charges and encumbrances. In the case of Securities, Collateral, Equivalent Securities or Equivalent Collateral title to which is registered in a computer based system which provides for the recording and transfer of title to the same by way of book entries, delivery and transfer of title shall take place in accordance with the rules and procedures of such system as in force from time to time. The Party acquiring such right, title and interest shall have no obligation to return or redeliver any of the assets so acquired but, in so far as any Securities are borrowed or any Collateral is delivered to such Party, such Party shall be obliged, subject to the terms of this Agreement, to redeliver Equivalent Securities or Equivalent Collateral as appropriate.

- (B) (i) Where Income is paid in relation to any Securities on or by reference to an Income Payment Date on which such Securities are the subject of a loan hereunder, the Borrower shall, on the date of the payment of such Income, or on such other date as the Parties may from time to time agree, (the "**Relevant Payment Date**") pay and deliver a sum of money or property equivalent to the same (with any such endorsements or assignments as shall be customary and appropriate to effect the delivery) to the Lender or its Nominee, irrespective of whether the Borrower received the same. The provisions of sub-paragraphs (ii) to (v) below shall apply in relation thereto.
- (ii) subject to sub-paragraph (iii) below, in the case of any Income comprising a payment,

the amount (the "**Manufactured Dividend**") payable by the Borrower shall be equal to the amount of the relevant Income together with an amount equivalent to any deduction, withholding or payment for or on account of tax made by the relevant issuer (or on its behalf) in respect of such Income together with an amount equal to any other tax credit associated with such Income unless a lesser amount is agreed between the Parties or an Appropriate Tax Voucher (together with any further amount which may be agreed between the Parties to be paid) is provided in lieu of such deduction, withholding tax credit or payment.

- (iii) Where either the Borrower, or any person to whom the Borrower has on-lent the Securities, is unable to make payment of the Manufactured Dividend to the Lender without accounting to the Inland Revenue for any amount of relevant tax (as required by Schedule 23A to the Income and Corporation Taxes Act 1988) the Borrower shall pay to the Lender or its Nominee, in cash, the Manufactured Dividend less amounts equal to such tax. The Borrower shall at the same time if requested supply Appropriate Tax Vouchers to the Lender.
- (iv) If at any time any Manufactured Dividend falls to be paid and neither of the Parties is an Approved UK Intermediary or an Approved UK Collecting Agent, the Borrower shall procure that the payment is paid through an Approved UK Intermediary or an Approved UK Collecting Agent agreed by the Parties for this purpose, unless the rate of relevant withholding tax in respect of any Income that would have been payable to the Lender but for the loan of the Securities would have been zero and no income tax liability under Section 123 of the Income and Corporation Taxes Act 1988 would have arisen in respect thereof.
- (v) In the event of the Borrower failing to remit either directly or by its Nominee any sum payable pursuant to this Clause, the Borrower hereby undertakes to pay a rate to the Lender (upon demand) on the amount due and outstanding at the rate provided for in Clause 13 hereof. Interest on such sum shall accrue daily commencing on and inclusive of the third Business Day after the Relevant Payment Date, unless otherwise agreed between the Parties.
- (vi) Each Party undertakes that where it holds securities of the same description as any securities borrowed by it or transferred to it by way of collateral at a time when a right to vote arises in respect of such securities, it will use its best endeavours to arrange for the voting rights attached to such securities to be exercised in accordance with the

instructions of the Lender or Borrower (as the case may be) **PROVIDED ALWAYS THAT** each Party shall use its best endeavours to notify the other of its instructions in writing no later than seven Business Days prior to the date upon which such votes are exercisable or as otherwise agreed between the Parties and that the Party concerned shall not be obliged so to exercise the votes in respect of a number of Securities greater than the number so lent or transferred to it. For the avoidance of doubt the Parties agree that subject as hereinbefore provided any voting rights attaching to the relevant Securities, Equivalent Securities, Collateral and/or Equivalent Collateral shall be exercisable by the persons in whose name they are registered or in the case of Securities, Equivalent Securities, Collateral and/or Equivalent Collateral in bearer form, the persons by or on behalf of whom they are held, and not necessarily by the Borrower or the Lender (as the case may be).

- (vii) Where, in respect of any borrowed Securities or any Collateral, any rights relating to conversion, sub-division, consolidation, pre-emption, rights arising under a takeover offer or other rights, including those requiring election by the holder for the time being of such Securities or Collateral, become exercisable prior to the redelivery of Equivalent Securities or Equivalent Collateral, then the Lender or Borrower, as the case may be, may, within a reasonable time before the latest time for the exercise of the right or option give written notice to the other Party that on redelivery of Equivalent Securities or Equivalent Collateral, as the case may be, it wishes to receive Equivalent Securities or Equivalent Collateral in such form as will arise if the right is exercised or, in the case of a right which may be exercised in more than one manner, is exercised as is specified in such written notice.
- (viii) Any payment to be made by the Borrower under this Clause shall be made in a manner to be agreed between the Parties.

## **5. RATES**

- (A) In respect of each loan of Securities, the Borrower shall pay to the Lender, in the manner prescribed in sub-Clause (C), sums calculated by applying such rate as shall be agreed between the Parties from time to time to the daily Value of the relevant Securities.
- (B) Where Cash Collateral is deposited with the Lender in respect of any loan of Securities in circumstances where:

- (i) interest is earned by the Lender in respect of such Cash Collateral and that interest is paid to the Lender without deduction of tax, the Lender shall pay to the Borrower, in the manner prescribed in sub-Clause (C), an amount equal to the gross amount of such interest earned. Any such payment due to the Borrower may be set-off against any payment due to the Lender pursuant to sub-Clause (A) hereof if either the Borrower has warranted to the Lender in this Agreement that it is subject to tax in the United Kingdom under Case I of Schedule D in respect of any income arising pursuant to or in connection with the borrowing of Securities hereunder or the Lender has notified the Borrower of the gross amount of such interest or income; and
  - (ii) sub-Clause (B)(i) above does not apply, the Lender shall pay to the Borrower, in the manner presented in sub-Clause (C), sums calculated by applying such rates as shall be agreed between the Parties from time to time to the amount of such Cash Collateral. Any such payment due to the Borrower may be set-off against any payment due to the Lender pursuant to sub-Clause (A) hereof.
- (C) In respect of each loan of Securities, the payments referred to in sub-Clauses (A) and (B) of this Clause shall accrue daily in respect of the period commencing on and inclusive of the Settlement Day and terminating on and exclusive of the Business Day upon which Equivalent Securities are redelivered or Cash Collateral is repaid. Unless otherwise agreed, the sums so accruing in respect of each calendar month shall be paid in arrears by the Borrower to the Lender or to the Borrower by the Lender (as the case may be) not later than the Business Day which is one week after the last Business Day of the calendar month to which such payments relate or such other date as the Parties shall from time to time agree. Any payment made pursuant to sub-Clauses (A) and (B) hereof shall be in such currency and shall be paid in such manner and at such place as shall be agreed between the Parties.

## 6. COLLATERAL

- (A) (i) Subject to sub-Clauses (B), (C) and (E) below the Borrower undertakes to deliver Collateral to the Lender (or in accordance with the Lender's instructions) **TOGETHER WITH** appropriate instruments of transfer duly stamped where necessary and such other instruments as may be requisite to vest title thereto in the Lender simultaneously with delivery of the borrowed Securities and in any event no later than Close of Business on the Settlement Date. Collateral may be provided in any of the forms specified in the Schedule hereto (as agreed between the Parties);

- (ii) where Collateral is delivered to the Lender's Nominee any obligation under this Agreement to redeliver or otherwise account for Equivalent Collateral shall be an obligation of the Lender notwithstanding that any such redelivery may be effected in any particular case by the Nominee.
  
- (B) Where CGO Collateral is provided to the Lender or its Nominee by member-to-member delivery or delivery-by-value in accordance with the provisions of the CGO Rules from time to time in force, the obligation of the Lender shall be to redeliver Equivalent Collateral through the CGO to the Borrower in accordance with this Agreement. Any references, (howsoever expressed) in this Agreement, the Rules, and/or any other agreement or communication between the Parties to an obligation to redeliver such Equivalent Collateral shall be construed accordingly. If the loan of Securities in respect of which such Collateral was provided has not been discharged when the Collateral is redelivered, the Assured Payment obligation generated on such redelivery shall be deemed to constitute a payment of money which shall be treated as Cash Collateral until the loan is discharged, or further Equivalent Collateral is provided later during that Business Day. This procedure shall continue daily where CGO Collateral is delivered-by-value for as long as the relevant loan remains outstanding.
  
- (C) Where CGO Collateral or other collateral is provided by delivery-by-value to a Lender or its Nominee the Borrower may consolidate such Collateral with other Collateral provided by the same delivery to a third party for whom the Lender or its Nominee is acting.
  
- (D) Where Collateral is provided by delivery-by-value through an alternative book entry transfer system, not being the CGO, the obligation of the Lender shall be to redeliver Equivalent Collateral through such book entry transfer system in accordance with this Agreement. If the loan of Securities in respect of which such Collateral was provided has not been discharged when the Collateral is redelivered, any payment obligation generated within the book entry transfer system on such redelivery shall be deemed to constitute a payment of money which shall be treated as Cash Collateral until the loan is discharged, or further Equivalent Collateral is provided later during that Business Day. This procedure shall continue when Collateral is delivered-by-value for as long as the relevant loan remains outstanding;
  
- (E) Where Cash Collateral is provided the sum of money so deposited may be adjusted in accordance with Clause 6(H). Subject to Clause 6(H)(ii), the Cash Collateral shall be repaid at the same time as Equivalent Securities in respect of the Securities borrowed are redelivered, and the Borrower shall not assign, charge, dispose of or otherwise deal with its rights in respect of the Cash Collateral. If the Borrower fails to comply with its obligations for such redelivery of

Equivalent Securities the Lender shall have the right to apply the Cash Collateral by way of set-off in accordance with Clause 8.

- (F) The Borrower may from time to time call for the repayment of Cash Collateral or the redelivery of Collateral equivalent to any Collateral delivered to the Lender prior to the date on which the same would otherwise have been repayable or redeliverable **PROVIDED THAT** at the time of such repayment or redelivery the Borrower shall have delivered or delivers Alternative Collateral acceptable to the Lender.
- (G) (i) Where Collateral (other than Cash Collateral) is delivered in respect of which any Income may become payable, the Borrower shall call for the redelivery of Collateral equivalent to such Collateral in good time to ensure that such Equivalent Collateral may be delivered prior to any such Income becoming payable to the Lender, unless in relation to such Collateral the Parties are satisfied before the relevant Collateral is transferred that no tax will be payable to the UK Inland Revenue under Schedule 23A of the Income and Corporation Taxes Act 1988. At the time of such redelivery the Borrower shall deliver Alternative Collateral acceptable to the Lender.
- (ii) Where the Lender receives any Income in circumstances where the Parties are satisfied as set out in Clause 6(G)(i) above, then the Lender shall on the date on which the Lender receives such Income or on such date as the Parties may from time to time agree, pay and deliver a sum of money or property equivalent to such Income (with any such endorsements or assignments as shall be customary and appropriate to effect the delivery) to the Borrower and shall supply Appropriate Tax Vouchers (if any) to the Borrower.
- (H) Unless the Schedule to this Agreement indicates that Clause 6(I) shall apply in lieu of this Clause 6(H), or unless otherwise agreed between the Parties, the Value of the Collateral delivered to or deposited with the Lender or its nominated bank or depository (excluding any Collateral repaid or redelivered under sub-Clauses (H)(ii) or (I)(ii) below (as the case may be) ("**Posted Collateral**")) in respect of any loan of Securities shall bear from day to day and at any time the same proportion to the Value of the Securities borrowed under such loan as the Posted Collateral bore at the commencement of such loan. Accordingly:
- (i) the Value of the Posted Collateral to be delivered or deposited while the loan of Securities continues shall be equal to the Value of the borrowed Securities and the Margin applicable thereto (the "**Required Collateral Value**");



- (ii) if on any Business Day the Value of the Posted Collateral in respect of any loan of Securities exceeds the Required Collateral Value in respect of such loan, the Lender shall (on demand) repay such Cash Collateral and/or redeliver to the Borrower such Equivalent Collateral as will eliminate the excess; and
  - (iii) if on any Business Day the Value of the Posted Collateral falls below the Required Collateral Value, the Borrower shall (on demand) provide such further Collateral to the Lender as will eliminate the deficiency.
- (I) Subject to Clause 6(J), unless the Schedule to this Agreement indicates that Clause 6(H) shall apply in lieu of this Clause 6(I), or unless otherwise agreed between the Parties:-
  - (i) the aggregate Value of the Posted Collateral in respect of all loans of Securities outstanding under this Agreement shall equal the aggregate of the Required Collateral Values in respect of such loans;
  - (ii) if at any time the aggregate Value of the Posted Collateral in respect of all loans of Securities outstanding under this Agreement exceeds the aggregate of the Required Collateral Values in respect of such loans, the Lender shall (on demand) repay such Cash Collateral and/or redeliver to the Borrower such Equivalent Collateral as will eliminate the excess;
  - (iii) if at any time the aggregate Value of the Posted Collateral in respect of all loans of Securities outstanding under this Agreement falls below the aggregate of Required Collateral Values in respect of all such loans, the Borrower shall (on demand) provide such further Collateral to the Lender as will eliminate the deficiency.
- (J) Where Clause 6(I) applies, unless the Schedule to this Agreement indicates that this Clause 6(J) does not apply, if a Party (the "**first Party**") would, but for this Clause 6(J), be required under Clause 6(I) to repay Cash Collateral, redeliver Equivalent Securities or provide further Collateral in circumstances where the other Party (the "**second Party**") would, but for this Clause 6(J), also be required to repay Cash Collateral or provide or redeliver Equivalent Collateral under Clause 6(I), then the Value of the Cash Collateral or Equivalent Collateral deliverable by the first Party ("X") shall be set-off against the Value of the Cash Collateral, or Equivalent Collateral or further Collateral deliverable by the second Party ("Y") and the only

obligation of the Parties under Clause 6(I) shall be, where X exceeds Y, an obligation of the first Party, or where Y exceeds X, an obligation of the second Party, to repay Cash Collateral, redeliver Equivalent Collateral or to deliver further Collateral having a Value equal to the difference between X and Y.

- (K) Where Cash Collateral is repaid, Equivalent Collateral is redelivered or further Collateral is provided by a Party under Clause 6(I), the Parties shall agree to which loan or loans of Securities such repayment, redelivery or further provision is to be attributed and failing agreement it shall be attributed, as determined by the Party making such repayment, redelivery or further provision to the earliest outstanding loan and, in the case of a repayment or redelivery up to the point at which the Value of Collateral in respect of such loan is reduced to zero and, in the case of a further provision up to the point at which the Value of the Collateral in respect of such loan equals the Required Collateral Value in respect of such loan, and then to the next earliest outstanding loan up to the similar point and so on.
- (L) Where any Cash Collateral falls to be repaid or Equivalent Collateral to be redelivered or further Collateral to be provided under this Clause 6, it shall be delivered within the minimum period after demand specified in the Schedule or if no appropriate period is there specified within the standard settlement time for delivery of the relevant type of Cash Collateral, Equivalent Collateral or Collateral, as the case may be.

## **7. REDELIVERY OF EQUIVALENT SECURITIES**

- (A) The Borrower undertakes to redeliver Equivalent Securities in accordance with this Agreement and the terms of the relevant Borrowing Request. For the avoidance of doubt any reference herein or in any other agreement or communication between the Parties (howsoever expressed) to an obligation to redeliver or account for or act in relation to borrowed Securities shall accordingly be construed as a reference to an obligation to redeliver or account for or act in relation to Equivalent Securities.
- (B) Subject to Clause 8 hereof and the terms of the relevant Borrowing Request the Lender may call for the redelivery of all or any Equivalent Securities at any time by giving notice on any Business Day of not less than the standard settlement time for such Equivalent Securities on the exchange or in the clearing organisation through which the relevant borrowed Securities were originally delivered. The Borrower shall as hereinafter provided redeliver such Equivalent Securities not later than the expiry of such notice in accordance with the Lender's instructions. Simultaneously with the redelivery of the Equivalent Securities in accordance with such call,

the Lender shall (subject to Clause 6(I), if applicable) repay any Cash Collateral and redeliver to the Borrower Collateral equivalent to the Collateral delivered pursuant to Clause 6 in respect of the borrowed Securities. For the avoidance of doubt any reference herein or in any other agreement or communication between the Parties (however expressed) to an obligation to redeliver or account for or act in relation to Collateral shall accordingly be construed as a reference to an obligation to redeliver or account for or act in relation to Equivalent Collateral.

- (C) If the Borrower does not redeliver Equivalent Securities in accordance with such call, the Lender may elect to continue the loan of Securities **PROVIDED THAT** if the Lender does not elect to continue the loan the Lender may by written notice to the Borrower elect to terminate the relevant loan. Upon the expiry of such notice the provisions of Clauses (8) (B) to (F) shall apply as if upon the expiry of such notice an Event of Default had occurred in relation to the Borrower (who shall thus be the Defaulting Party for the purposes of this Agreement) and as if the relevant loan were the only loan outstanding.
- (D) In the event that as a result of the failure of the Borrower to redeliver Equivalent Securities to the Lender in accordance with this Agreement a "buy-in" is exercised against the Lender then provided that reasonable notice has been given to the Borrower of the likelihood of such a "buy-in", the Borrower shall account to the Lender for the total costs and expenses reasonably incurred by the Lender as a result of such "buy-in".
- (E) Subject to the terms of the relevant Borrowing Request, the Borrower shall be entitled at any time to terminate a particular loan of Securities and to redeliver all and any Equivalent Securities due and outstanding to the Lender in accordance with the Lender's instructions. The Lender shall accept such redelivery and simultaneously therewith (subject to Clause 6(I) if applicable) shall repay to the Borrower any Cash Collateral or, as the case may be, redeliver Collateral equivalent to the Collateral provided by the Borrower pursuant to Clause 6 in respect thereof.
- (F) Where a TALISMAN short term certificate (as described in paragraph C of the Schedule) is provided by way of Collateral, the obligation to redeliver Equivalent Collateral is satisfied by the redelivery of the certificate to the Borrower or its expiry as provided for in the Rules applying to such certificate.
- (G) Where a Letter of Credit is provided by way of Collateral, the obligation to redeliver Equivalent Collateral is satisfied by the Lender redelivering for cancellation the Letter of Credit so provided, or where the Letter of Credit is provided in respect of more than one loan, by the

Lender consenting to a reduction in the value of the Letter of Credit.

8. **SET-OFF ETC.**

- (A) On the date and time (the "**Performance Date**") that Equivalent Securities are required to be redelivered by the Borrower in accordance with the provisions of this Agreement the Lender shall simultaneously redeliver the Equivalent Collateral and repay any Cash Collateral held (in respect of the Equivalent Securities to be redelivered) to the Borrower. Neither Party shall be obliged to make delivery (or make a payment as the case may be) to the other unless it is satisfied that the other Party will make such delivery (or make an appropriate payment as the case may be) to it simultaneously. If it is not so satisfied (whether because an Event of Default has occurred in respect of the other Party or otherwise) it shall notify the other party and unless that other Party has made arrangements which are sufficient to assure full delivery (or the appropriate payment as the case may be) to the notifying Party, the notifying Party shall (provided it is itself in a position, and willing, to perform its own obligations) be entitled to withhold delivery (or payment, as the case may be) to the other Party.
- (B) If an Event of Default occurs in relation to either Party, the Parties' delivery and payment obligations (and any other obligations they have under this Agreement) shall be accelerated so as to require performance thereof at the time such Event of Default occurs (the date of which shall be the "**Performance Date**" for the purposes of this clause) and in such event:
- (i) the Relevant Value of the Securities to be delivered (or payment to be made, as the case may be) by each Party shall be established in accordance with Clause 8(C); and
  - (ii) on the basis of the Relevant Values so established, an account shall be taken (as at the Performance Date) of what is due from each Party to the other and (on the basis that each Party's claim against the other in respect of delivery of Equivalent Securities or Equivalent Collateral or any cash payment equals the Relevant Value thereof) the sums due from one Party shall be set-off against the sums due from the other and only the balance of the account shall be payable (by the Party having the claim valued at the lower amount pursuant to the foregoing) and such balance shall be payable on the Performance Date.
- (C) For the purposes of Clause 8(B) the Relevant Value:-
- (i) of any cash payment obligation shall equal its par value (disregarding any amount taken into account under (ii) or (iii) below);

- (ii) of any securities to be delivered by the Defaulting Party shall, subject to Clause 8(E) below, equal the Offer Value thereof; and
  - (iii) of any securities to be delivered to the Defaulting Party shall, subject to Clause 8(E) below, equal the Bid Value thereof.
- (D) For the purposes of Clause 8(C), but subject to Clause 8(E) below, the Bid Value and Offer Value of any securities shall be calculated as at the Close of Business in the most appropriate market for securities of the relevant description (as determined by the Non-Defaulting Party) on the first Business Day following the Performance Date, or if the relevant Event of Default occurs outside the normal business hours of such market, on the second Business Day following the Performance Date (the "**Default Valuation Time**");
- (E)
  - (i) Where the Non-Defaulting Party has following the occurrence of an Event of Default but prior to the Default Valuation Time purchased securities forming part of the same issue and being of an identical type and description to those to be delivered by the Defaulting Party and in substantially the same amount as those securities or sold securities forming part of the same issue and being of an identical type and description to those to be delivered by him to the Defaulting Party and in substantially the same amount as those securities, the cost of such purchase or the proceeds of such sale, as the case may be, (taking into account all reasonable costs, fees and expenses that would be incurred in connection therewith) shall be treated as the Offer Value or Bid Value, as the case may be, of the relevant securities for the purposes of this Clause 8.
  - (ii) Where the amount of any securities sold or purchased as mentioned in (E)(i) above is not in substantially the same amount as those securities to be valued for the purposes Clause 8(C) the Offer Value or the Bid Value (as the case may be) of those securities shall be ascertained by dividing the net proceeds of sale or cost of purchase by the amount of the securities sold or purchased so as to obtain a net unit price and multiplying that net unit price by the amount of the securities to be valued.
- (F) Any reference in this Clause 8 to securities shall include any asset other than cash provided by way of Collateral.
- (G) If the Borrower or the Lender for any reason fail to comply with their respective obligations under Clauses 6(F) or 6(G) in respect of redelivery of Equivalent Collateral or repayment of Cash Collateral such failure shall be an Event of Default for the purposes of this Clause 8, and

the person failing to comply shall thus be the Defaulting Party.

- (H) Subject to and without prejudice to its rights under Clause 8(A) either Party may from time to time in accordance with market practice and in recognition of the practical difficulties in arranging simultaneous delivery of Securities, Collateral and cash transfers waive its right under this Agreement in respect of simultaneous delivery and/or payment **PROVIDED THAT** no such waiver in respect of one transaction shall bind it in respect of any other transaction.

## **9. TAXATION**

- (A) The Borrower hereby undertakes promptly to pay and account for any transfer or similar duties or taxes chargeable in connection with any transaction effected pursuant to or contemplated by this Agreement, and shall indemnify and keep indemnified the Lender against any liability arising in respect thereof as a result of the Borrower's failure to do so.
- (B) The Borrower shall only make a Borrowing Request where the purpose of the loan meets the requirements of the Rules regarding the conditions that must be fulfilled for Section 129 of the Income and Corporation Taxes Act 1988 (or any statutory modification or re-enactment thereof for the time being in force) to apply to the arrangement concerning the loan, unless the Lender is aware that the transaction is unapproved for the purposes of the Rules of the UK Inland Revenue or such purpose is not met.
- (C) A Party undertakes to notify the other Party if it becomes or ceases to be an Approved UK Intermediary or an Approved UK Collecting Agent.

## **10. LENDER'S WARRANTIES**

Each Party hereby warrants and undertakes to the other on a continuing basis to the intent that such warranties shall survive the completion of any transaction contemplated herein that, where acting as a Lender:

- (A) it is duly authorised and empowered to perform its duties and obligations under this Agreement;
- (B) it is not restricted under the terms of its constitution or in any other manner from lending Securities in accordance with this Agreement or from otherwise performing its obligations hereunder;

- (C) it is absolutely entitled to pass full legal and beneficial ownership of all Securities provided by it hereunder to the Borrower free from all liens, charges and encumbrances;
- (D) where the Schedule to this Agreement specifies that this Clause 10(D) applies, it is not resident in the United Kingdom for tax purposes and either is not carrying on a trade in the United Kingdom through a branch or agency or if it is carrying on such a trade the loan is not entered into in the course of the business of such branch or agency, and it has (i) delivered or caused to be delivered to the Borrower a duly completed and certified Certificate (MOD2) or a photocopy thereof bearing an Inland Revenue acknowledgement and unique number and such Certificate or photocopy remains valid or (ii) has taken all necessary steps to enable a specific authorisation to make gross payment of the Manufactured Dividend to be issued by the Inland Revenue;

## **11. BORROWER'S WARRANTIES**

Each Party hereby warrants and undertakes to the other on a continuing basis to the intent that such warranties shall survive the completion of any transaction contemplated herein that, where acting as a Borrower:

- (A) it has all necessary licenses and approvals, and is duly authorised and empowered, to perform its duties and obligations under this Agreement and will do nothing prejudicial to the continuation of such authorisation, licences or approvals;
- (B) it is not restricted under the terms of its constitution or in any other manner from borrowing Securities in accordance with this Agreement or from otherwise performing its obligations hereunder;
- (C) it is absolutely entitled to pass full legal and beneficial ownership of all Collateral provided by it hereunder to the Lender free from all liens, charges and encumbrances;
- (D) it is acting as principal in respect of this Agreement;
- (E) where the Schedule to this Agreement specifies this Clause 11(E) applies, it is subject to tax in the United Kingdom under Case I of Schedule D in respect of any income arising pursuant to or in connection with the borrowing of Securities hereunder.

## **12. EVENTS OF DEFAULT**



Each of the following events occurring in relation to either Party (the "**Defaulting Party**", the other Party being the "**Non-Defaulting Party**") shall be an Event of Default for the purpose of Clause 8:-

- (A) the Borrower or Lender failing to pay or repay Cash Collateral or deliver or redeliver Collateral or Equivalent Collateral upon the due date, and the Non-Defaulting Party serves written notice on the Defaulting Party;
- (B) the Lender or Borrower failing to comply with its obligations under Clause 6, and the Non-Defaulting Party serves written notice on the Defaulting Party;
- (C) the Borrower failing to comply with Clause 4(B)(i), (ii) or (iii) hereof, and the Non-Defaulting Party serves written notice on the Defaulting Party;
- (D) an Act of Insolvency occurring with respect to the Lender or the Borrower and (except in the case of an Act of Insolvency which is the presentation of a petition for winding up or any analogous proceeding or the appointment of a liquidator or analogous officer of the Defaulting Party in which case no such notice shall be required) the Non-Defaulting Party serves written notice on the Defaulting Party;
- (E) any representations or warranties made by the Lender or the Borrower being incorrect or untrue in any material respect when made or repeated or deemed to have been made or repeated, and the Non-Defaulting Party serves written notice on the Defaulting Party;
- (F) the Lender or the Borrower admitting to the other that it is unable to, or it intends not to, perform any of its obligations hereunder and/or in respect of any loan hereunder, and the Non-Defaulting Party serves written notice on the Defaulting Party;
- (G) the Lender (if appropriate) or the Borrower being declared in default by the appropriate authority under the Rules or being suspended or expelled from membership of or participation in any securities exchange or association or other self-regulatory organisation, or suspended from dealing in securities by any government agency, and the Non-Defaulting Party serves written notice on the Defaulting Party;
- (H) any of the assets of the Lender or the Borrower or the assets of investors held by or to the order of the Lender or the Borrower being transferred or ordered to be transferred to a trustee by a regulatory authority pursuant to any securities regulating legislation and the Non-Defaulting Party serves written notice on the Defaulting Party, or

- (I) the Lender or the Borrower failing to perform any other of its obligations hereunder and not remedying such failure within 30 days after the Non-Defaulting Party serves written notice requiring it to remedy such failure, and the Non-Defaulting Party serves a further written notice on the Defaulting Party.

Each Party shall notify the other if an Event of Default occurs in relation to it.

### **13. OUTSTANDING PAYMENTS**

In the event of either Party failing to remit either directly or by its Nominee sums in accordance with this Agreement such Party hereby undertakes to pay a rate to the other Party upon demand on the net balance due and outstanding of 1% above the Barclays Bank PLC base rate from time to time in force.

### **14. TRANSACTIONS ENTERED INTO AS AGENT**

- (A) Subject to the following provisions of this Clause, the Lender may enter into loans as agent (in such capacity, the "Agent") for a third person (a "**Principal**"), whether as custodian or investment manager or otherwise (a loan so entered into being referred to in this clause as an "Agency Transaction").
- (B) A Lender may enter into an Agency Transaction if, but only if:-
- (i) if specifies that loan as an Agency Transaction at the time when it enters into it;
  - (ii) it enters into that loan on behalf of a single Principal whose identity is disclosed to the Borrower (whether by name or by reference to a code or identifier which the Parties have agreed will be used to refer to a specified Principal) at the time when it enters into the loan; and
  - (iii) it has at the time when the loan is entered into actual authority to enter into the loan and to perform on behalf of that Principal all of that Principal's obligations under the agreement referred to in (D)(ii) below.
- (C) The Lender undertakes that, if it enters as agent into an Agency Transaction, forthwith upon becoming aware:-

- (i) of any event which constitutes an Act of Insolvency with respect to the relevant Principal; or
- (ii) of any breach of any of the warranties given in Clause 14(E) below or of any event or circumstance which has the result that any such warranty would be untrue if repeated by reference to the current facts;

it will inform the Borrower of that fact and will, if so required by the Borrower, furnish it with such additional information as it may reasonably request.

- (D) (i) Each Agency Transaction shall be a transaction between the relevant Principal and the Borrower and no person other than the relevant Principal and the Borrower shall be a party to or have any rights or obligations under an Agency Transaction. Without limiting the foregoing, the Lender shall not be liable as principal for the performance of an Agency Transaction or for breach of any warranty contained in Clause 10(D) or 11(E) of this Agreement, but this is without prejudice to any liability of the Lender under any other provision of this Clause.
- (ii) All the provisions of the Agreement shall apply separately as between the Borrower and each Principal for whom the Agent has entered into an Agency transaction or Agency Transactions as if each such Principal were a party to a separate agreement with the Borrower in all respects identical with this Agreement other than this paragraph and as if the Principal were Lender in respect of that agreement.

**PROVIDED THAT**

if there occurs in relation to the Agent an Event of Default or an event which would constitute an Event of Default if the Borrower served written notice under any sub-Clause of Clause 12, the Borrower shall be entitled by giving written notice to the Principal (which notice shall be validly given if given to the Lender in accordance with Clause 20) to declare that by reason of that event an Event of Default is to be treated as occurring in relation to the Principal. If the Borrower gives such a notice then an Event of Default shall be treated as occurring in relation to the Principal at the time when the notice is deemed to be given; and

if the Principal is neither incorporated nor has established a place of business in Great Britain, the Principal shall for the purposes of the agreement referred to in (D)(ii) be

deemed to have appointed as its agent to receive on its behalf service of process in the courts of England the Agent, or if the Agent is neither incorporated nor has established a place of business in the United Kingdom, the person appointed by the Agent for the purposes of this Agreement, or such other person as the Principal may from time to time specify in a written notice given to the other party.

(iii) The foregoing provisions of this Clause do not affect the operation of the Agreement as between the Borrower and the Lender in respect of any transactions into which the Lender may enter on its own account as principal.

(E) The Lender warrants to the Borrower that it will, on every occasion on which it enters or purports to enter into a transaction as an Agency Transaction, have been duly authorised to enter into that loan and perform the obligations arising thereunder on behalf of the person whom it specifies as the Principal in respect of that transaction and to perform on behalf of that person all the obligations of that person under the agreement referred to in (D)(ii).

#### **15. TERMINATION OF COURSE OF DEALINGS BY NOTICE**

Each Party shall have the right to bring the course of dealing contemplated under this Agreement to an end by giving not less than 15 Business Days' notice in writing to the other Party (which notice shall specify the date of termination) subject to an obligation to ensure that all loans which have been entered into but not discharged at the time such notice is given are duly discharged in accordance with this Agreement and with the Rules.

#### **16. GOVERNING PRACTICES**

The Borrower shall use its best endeavours to notify the Lender (in writing) of any changes in legislation or practices governing or affecting the Lender's rights or obligations under this Agreement or the treatment of transactions effected pursuant to or contemplated by this Agreement.

#### **17. OBSERVANCE OF PROCEDURES**

Each of the Parties hereto agrees that in taking any action that may be required in accordance with this Agreement it shall observe strictly the procedures and timetable applied by the Rules and, further, shall observe strictly any agreement (oral or otherwise) as to the time for delivery or redelivery of any money, Securities, Equivalent Securities, Collateral or Equivalent Collateral entered into pursuant to this Agreement.

**18. SEVERANCE**

If any provision of this Agreement is declared by any judicial or other competent authority to be void or otherwise unenforceable, that provision shall be severed from the Agreement and the remaining provisions of this Agreement shall remain in full force and effect. The Agreement shall, however, thereafter be amended by the Parties in such reasonable manner so as to achieve, without illegality, the intention of the Parties with respect to that severed provision.

**19. SPECIFIC PERFORMANCE**

Each Party agrees that in relation to legal proceedings it will not seek specific performance of the other Party's obligation to deliver or redeliver Securities, Equivalent Securities, Collateral or Equivalent Collateral but without prejudice to any other rights it may have.

**20. NOTICES**

All notices issued under this Agreement shall be in writing (which shall include telex or facsimile messages) and shall be deemed validly delivered if sent by prepaid first class post to or left at the addresses or sent to the telex or facsimile number of the Parties respectively or such other addresses or telex or facsimile numbers as each Party may notify in writing to the other.

**21. ASSIGNMENT**

Neither Party may charge assign or transfer all or any of its rights or obligations hereunder without the prior consent of the other Party.

**22. NON-WAIVER**

No failure or delay by either Party to exercise any right, power or privilege hereunder shall operate as a waiver thereof nor shall any single or partial exercise of any right, power or privilege preclude any other or further exercise thereof or the exercise of any other right, power or privilege as herein provided.

**23. ARBITRATION AND JURISDICTION**

(A) All claims, disputes and matters of conflict between the Parties arising hereunder shall be

referred to or submitted for arbitration in London in accordance with English Law before a sole arbitrator to be agreed between the Parties or in default of agreement by an arbitrator to be nominated by the Chairman of The Stock Exchange on the application of either Party, and this Agreement shall be deemed for this purpose to be a submission to arbitration within the Arbitration Acts 1950 and 1979, or any statutory modification or re-enactment thereof for the time being in force.

- (B) This Clause shall take effect notwithstanding the frustration or other termination of this Agreement.
- (C) No action shall be brought upon any issue between the Parties under or in connection with this Agreement until the same has been submitted to arbitration pursuant hereto and an award made.

**24. TIME**

Time shall be of the essence of the Agreement.

**25. RECORDING**

The Parties agree that each may electronically record all telephonic conversations between them.

**26. GOVERNING LAW**

This Agreement is governed by, and shall be construed in accordance with, English Law.

**IN WITNESS WHEREOF** this Agreement has been executed on behalf of the Parties hereto the day and year first before written.

SIGNED BY )  
ON BEHALF OF )  
GOLDMAN SACHS INTERNATIONAL )  
IN THE PRESENCE OF: )



SIGNED BY )

AND )

ON BEHALF OF )

**HSBC BANK PLC** )

IN THE PRESENCE OF: )

*W. Bull*

*W. L. Bull*

## **SCHEDULE**

### **COLLATERAL**

#### Types

Collateral acceptable under this Agreement may include the following or otherwise, as agreed between the Parties from time to time whether transferable by hand or within a depository:-

- A. British Government Stock and other stock registered at the Bank of England which is transferable through the CGO to the Lender or its Nominee against an Assured Payment, hereinbefore referred to as CGO Collateral.
  
- B.
  - (i) British Government Stock and Sterling Issues by foreign governments (transferable through the CGO), in the form of an enfaced transfer deed or a long term collateral certificate or overnight collateral chit issued by the CGO accompanied (in each case) by an executed unenfaced transfer deed;
  
  - (ii) Corporation and Commonwealth Stock in the form of registered stock or allotment letters duly renounced;
  
  - (iii) UK Government Treasury Bills;
  
  - (iv) U.S. Government Treasury Bills;
  
  - (v) Bankers' Acceptances;
  
  - (vi) Sterling Certificates of Deposit;
  
  - (vii) Foreign Currency Certificates of Deposit;
  
  - (viii) Local Authority Bonds;
  
  - (ix) Local Authority Bills;



- (x) Letters of Credit;
  - (xi) Bonds or Equities in registrable form or allotment letters duly renounced;
  - (xii) Bonds or Equities in bearer form.
- C. Unexpired TALISMAN short-term certificates issued by The Stock Exchange; and
- D. Cash Collateral.

**Valuation of Collateral**

Collateral provided in accordance with this Agreement shall be evaluated by reference to the following, or by such means as the Parties may from time to time agree:-

- (A) in respect of Collateral types A(i) and B(i), the current CGO value calculated by reference to the middle market price of each stock as determined daily by the Bank of England, adjusted to include the accumulated interest thereon (the CGO Reference Price);
- (B) in respect of Collateral types B(ii) to (ix), (xi) and (xii) the Reference Price thereof;
- (C) in respect of Collateral types B(x) and C the value specified therein.

**Margin**

The Value of the Collateral delivered pursuant to Clause 6 by the Borrower to the Lender under the terms and conditions of this Agreement shall on each Business Day represent not less than the Value of the borrowed Securities **TOGETHER WITH** the following additional percentages hereinbefore referred to as ("the Margin") unless otherwise agreed between the Parties:-

- (i) in the case of Collateral types B(i) to (x) and D: 5 %, (for Certificates of Deposit the Margin shall be the accumulated interest thereon); or
- (ii) in the case of Collateral types B(xi), (xii) and C: 5 %

If the Value of the borrowed Securities includes any margin over the mid market price of the borrowed Securities this shall be taken into account in determining the Margin applicable.

**Basis of Margin Maintenance**

Clause 6 (I)(global margining) shall apply.

Clause 6(J) (netting of margin where one party both a Borrower and Lender) shall apply.

Minimum period after demand for transferring Cash Collateral or Equivalent Collateral:

Next Business Day

**BASE CURRENCY**

The Base Currency applicable to this Agreement is

**LENDER'S WARRANTIES**

Clause 10(D) shall not apply to Goldman Sachs International, when acting as Lender.

Clause 10(D) shall/shall not\* apply to

**Appendix A**

**List of principals**

**West Yorkshire Pension Fund  
HSBC Bank Pension Trust (UK) Limited**



SLA

039-495635  
039-477955  
039-480785  
039-412002

039-412218  
039-460597  
039-465448  
039-432091



# Master Securities Loan Agreement

2000 Version

Dated as of: OCTOBER 26, 2006  
Between: Barclays Global Investors, N.A., as agent or trustee for various agency or trust accounts specified in Appendix A  
and Goldman, Sachs & Co.

## 1. Applicability.

From time to time the parties hereto may enter into transactions in which one party ("Lender") will lend to the other party ("Borrower") certain Securities (as defined herein) against a transfer of Collateral (as defined herein). Each such transaction shall be referred to herein as a "Loan" and, unless otherwise agreed in writing, shall be governed by this Agreement, including any supplemental terms or conditions contained in an Annex or Schedule hereto and in any other annexes identified herein or therein as applicable hereunder. Capitalized terms not otherwise defined herein shall have the meanings provided in Section 25.

## 2. Loans of Securities.

2.1 Subject to the terms and conditions of this Agreement, Borrower or Lender may, from time to time, seek to initiate a transaction in which Lender will lend Securities to Borrower. Borrower and Lender shall agree on the terms of each Loan (which terms may be amended during the Loan), including the issuer of the Securities, the amount of Securities to be lent, the basis of compensation, the amount of Collateral to be transferred by Borrower, and any additional terms. Such agreement shall be confirmed (a) by a schedule and receipt listing the Loaned Securities provided by Borrower to Lender in accordance with Section 3.2, (b) through any system that compares Loans and in which Borrower and Lender are participants, or (c) in such other manner as may be agreed by Borrower and Lender in writing. Such confirmation (the "Confirmation"), together with the Agreement, shall constitute conclusive evidence of the terms agreed between Borrower and Lender with respect to the Loan to which the Confirmation relates, unless with respect to the Confirmation specific objection is made promptly after receipt thereof. In the event of any inconsistency between the terms of such Confirmation and this Agreement, this Agreement shall prevail unless each party has executed such Confirmation.

2.2 Notwithstanding any other provision in this Agreement regarding when a Loan commences, unless otherwise agreed, a Loan hereunder shall not occur until the Loaned Securities and the Collateral therefor have been transferred in accordance with Section 15.

### **3. Transfer of Loaned Securities.**

- 3.1 Unless otherwise agreed, Lender shall transfer Loaned Securities to Borrower hereunder on or before the Cutoff Time on the date agreed to by Borrower and Lender for the commencement of the Loan.
- 3.2 Unless otherwise agreed, Borrower shall provide Lender, for each Loan in which Lender is a Customer, with a schedule and receipt listing the Loaned Securities. Such schedule and receipt may consist of (a) a schedule provided to Borrower by Lender and executed and returned by Borrower when the Loaned Securities are received, (b) in the case of Securities transferred through a Clearing Organization which provides transferors with a notice evidencing such transfer, such notice, or (c) a confirmation or other document provided to Lender by Borrower.
- 3.3 Notwithstanding any other provision in this Agreement, the parties hereto agree that they intend the Loans hereunder to be loans of Securities. If, however, any Loan is deemed to be a loan of money by Borrower to Lender, then Borrower shall have, and Lender shall be deemed to have granted, a security interest in the Loaned Securities and the proceeds thereof.

### **4. Collateral.**

- 4.1 Unless otherwise agreed, Borrower shall, prior to or concurrently with the transfer of the Loaned Securities to Borrower, but in no case later than the Close of Business on the day of such transfer, transfer to Lender Collateral with a Market Value at least equal to the Margin Percentage of the Market Value of the Loaned Securities.
- 4.2 The Collateral transferred by Borrower to Lender, as adjusted pursuant to Section 9, shall be security for Borrower's obligations in respect of such Loan and for any other obligations of Borrower to Lender hereunder. Borrower hereby pledges with, assigns to, and grants Lender a continuing first priority security interest in, and a lien upon, the Collateral, which shall attach upon the transfer of the Loaned Securities by Lender to Borrower and which shall cease upon the transfer of the Loaned Securities by Borrower to Lender. In addition to the rights and remedies given to Lender hereunder, Lender shall have all the rights and remedies of a secured party under the UCC. It is understood that Lender may use or invest the Collateral, if such consists of cash, at its own risk, but that (unless Lender is a Broker-Dealer) Lender shall, during the term of any Loan hereunder, segregate Collateral from all securities or other assets in its possession. Lender may Retransfer Collateral only (a) if Lender is a Broker-Dealer or (b) in the event of a Default by Borrower. Segregation of Collateral may be accomplished by appropriate identification on the books and records of Lender if it is a "securities intermediary" within the meaning of the UCC.
- 4.3 Except as otherwise provided herein, upon transfer to Lender of the Loaned Securities on the day a Loan is terminated pursuant to Section 6, Lender shall be obligated to transfer the Collateral (as adjusted pursuant to Section 9) to Borrower no later than the Cutoff Time on such day or, if such day is not a day on which a transfer of such Collateral may be effected under Section 15, the next day on which such a transfer may be effected.
- 4.4 If Borrower transfers Collateral to Lender, as provided in Section 4.1, and Lender does not transfer the Loaned Securities to Borrower, Borrower shall have the absolute right to the return of the Collateral; and if Lender transfers Loaned Securities to Borrower and

Borrower does not transfer Collateral to Lender as provided in Section 4.1, Lender shall have the absolute right to the return of the Loaned Securities.

- 4.5 Borrower may, upon reasonable notice to Lender (taking into account all relevant factors, including industry practice, the type of Collateral to be substituted, and the applicable method of transfer), substitute Collateral for Collateral securing any Loan or Loans; provided, however, that such substituted Collateral shall (a) consist only of cash, securities or other property that Borrower and Lender agreed would be acceptable Collateral prior to the Loan or Loans and (b) have a Market Value such that the aggregate Market Value of such substituted Collateral, together with all other Collateral for Loans in which the party substituting such Collateral is acting as Borrower, shall equal or exceed the agreed upon Margin Percentage of the Market Value of the Loaned Securities.
- 4.6 Prior to the expiration of any letter of credit supporting Borrower's obligations hereunder, Borrower shall, no later than the Extension Deadline, (a) obtain an extension of the expiration of such letter of credit, (b) replace such letter of credit by providing Lender with a substitute letter of credit in an amount at least equal to the amount of the letter of credit for which it is substituted, or (c) transfer such other Collateral to Lender as may be acceptable to Lender.

**5. Fees for Loan.**

- 5.1 Unless otherwise agreed, (a) Borrower agrees to pay Lender a loan fee (a "Loan Fee"), computed daily on each Loan to the extent such Loan is secured by Collateral other than cash, based on the aggregate Market Value of the Loaned Securities on the day for which such Loan Fee is being computed, and (b) Lender agrees to pay Borrower a fee or rebate (a "Cash Collateral Fee") on Collateral consisting of cash, computed daily based on the amount of cash held by Lender as Collateral, in the case of each of the Loan Fee and the Cash Collateral Fee at such rates as Borrower and Lender may agree. Except as Borrower and Lender may otherwise agree (in the event that cash Collateral is transferred by clearing house funds or otherwise), Loan Fees shall accrue from and including the date on which the Loaned Securities are transferred to Borrower to, but excluding, the date on which such Loaned Securities are returned to Lender, and Cash Collateral Fees shall accrue from and including the date on which the cash Collateral is transferred to Lender to, but excluding, the date on which such cash Collateral is returned to Borrower.
- 5.2 Unless otherwise agreed, any Loan Fee or Cash Collateral Fee payable hereunder shall be payable:
- (a) in the case of any Loan of Securities other than Government Securities, upon the earlier of (i) the fifteenth day of the month following the calendar month in which such fee was incurred and (ii) the termination of all Loans hereunder (or, if a transfer of cash in accordance with Section 15 may not be effected on such fifteenth day or the day of such termination, as the case may be, the next day on which such a transfer may be effected); and
  - (b) in the case of any Loan of Government Securities, upon the termination of such Loan and at such other times, if any, as may be customary in accordance with market practice.

Notwithstanding the foregoing, all Loan Fees shall be payable by Borrower immediately in the event of a Default hereunder by Borrower and all Cash Collateral Fees shall be payable immediately by Lender in the event of a Default by Lender.

**6. Termination of the Loan.**

- 6.1 (a) Unless otherwise agreed, either party may terminate a Loan on a termination date established by notice given to the other party prior to the Close of Business on a Business Day. The termination date established by a termination notice shall be a date no earlier than the standard settlement date that would apply to a purchase or sale of the Loaned Securities (in the case of a notice given by Lender) or the non-cash Collateral securing the Loan (in the case of a notice given by Borrower) entered into at the time of such notice, which date shall, unless Borrower and Lender agree to the contrary, be (i) in the case of Government Securities, the next Business Day following such notice and (ii) in the case of all other Securities, the third Business Day following such notice.
- (b) Notwithstanding paragraph (a) and unless otherwise agreed, Borrower may terminate a Loan on any Business Day by giving notice to Lender and transferring the Loaned Securities to Lender before the Cutoff Time on such Business Day if (i) the Collateral for such Loan consists of cash or Government Securities or (ii) Lender is not permitted, pursuant to Section 4.2, to Retransfer Collateral.
- 6.2 Unless otherwise agreed, Borrower shall, on or before the Cutoff Time on the termination date of a Loan, transfer the Loaned Securities to Lender; provided, however, that upon such transfer by Borrower, Lender shall transfer the Collateral (as adjusted pursuant to Section 9) to Borrower in accordance with Section 4.3.

**7. Rights in Respect of Loaned Securities and Collateral.**

- 7.1 Except as set forth in Sections 8.1 and 8.2 and as otherwise agreed by Borrower and Lender, until Loaned Securities are required to be redelivered to Lender upon termination of a Loan hereunder, Borrower shall have all of the incidents of ownership of the Loaned Securities, including the right to transfer the Loaned Securities to others. Lender hereby waives the right to vote, or to provide any consent or to take any similar action with respect to, the Loaned Securities in the event that the record date or deadline for such vote, consent or other action falls during the term of the Loan.
- 7.2 Except as set forth in Sections 8.3 and 8.4 and as otherwise agreed by Borrower and Lender, if Lender may, pursuant to Section 4.2, Retransfer Collateral, Borrower hereby waives the right to vote, or to provide any consent or take any similar action with respect to, any such Collateral in the event that the record date or deadline for such vote, consent or other action falls during the term of a Loan and such Collateral is not required to be returned to Borrower pursuant to Section 4.5 or Section 9.

**8. Distributions.**

- 8.1 Lender shall be entitled to receive all Distributions made on or in respect of the Loaned Securities which are not otherwise received by Lender, to the full extent it would be so entitled if the Loaned Securities had not been lent to Borrower.

- 8.2 Any cash Distributions made on or in respect of the Loaned Securities, which Lender is entitled to receive pursuant to Section 8.1, shall be paid by the transfer of cash to Lender by Borrower, on the date any such Distribution is paid, in an amount equal to such cash Distribution, so long as Lender is not in Default at the time of such payment. Non-cash Distributions that Lender is entitled to receive pursuant to Section 8.1 shall be added to the Loaned Securities on the date of distribution and shall be considered such for all purposes, except that if the Loan has terminated, Borrower shall forthwith transfer the same to Lender.
- 8.3 Borrower shall be entitled to receive all Distributions made on or in respect of non-cash Collateral which are not otherwise received by Borrower, to the full extent it would be so entitled if the Collateral had not been transferred to Lender.
- 8.4 Any cash Distributions made on or in respect of such Collateral, which Borrower is entitled to receive pursuant to Section 8.3, shall be paid by the transfer of cash to Borrower by Lender, on the date any such Distribution is paid, in an amount equal to such cash Distribution, so long as Borrower is not in Default at the time of such payment. Non-cash Distributions that Borrower is entitled to receive pursuant to Section 8.3 shall be added to the Collateral on the date of distribution and shall be considered such for all purposes, except that if each Loan secured by such Collateral has terminated, Lender shall forthwith transfer the same to Borrower.
- 8.5 Unless otherwise agreed by the parties:
- (a) If (i) Borrower is required to make a payment (a "Borrower Payment") with respect to cash Distributions on Loaned Securities under Sections 8.1 and 8.2 ("Securities Distributions"), or (ii) Lender is required to make a payment (a "Lender Payment") with respect to cash Distributions on Collateral under Sections 8.3 and 8.4 ("Collateral Distributions"), and (iii) Borrower or Lender, as the case may be ("Payor"), shall be required by law to collect any withholding or other tax, duty, fee, levy or charge required to be deducted or withheld from such Borrower Payment or Lender Payment ("Tax"), then Payor shall (subject to subsections (b) and (c) below), pay such additional amounts as may be necessary in order that the net amount of the Borrower Payment or Lender Payment received by the Lender or Borrower, as the case may be ("Payee"), after payment of such Tax equals the net amount of the Securities Distribution or Collateral Distribution that would have been received if such Securities Distribution or Collateral Distribution had been paid directly to the Payee.
  - (b) No additional amounts shall be payable to a Payee under subsection (a) above to the extent that Tax would have been imposed on a Securities Distribution or Collateral Distribution paid directly to the Payee.
  - (c) No additional amounts shall be payable to a Payee under subsection (a) above to the extent that such Payee is entitled to an exemption from, or reduction in the rate of, Tax on a Borrower Payment or Lender Payment subject to the provision of a certificate or other documentation, but has failed timely to provide such certificate or other documentation.
  - (d) Each party hereto shall be deemed to represent that, as of the commencement of any Loan hereunder, no Tax would be imposed on any cash Distribution paid to it with respect to (i) Loaned Securities subject to a Loan in which it is acting as



Lender or (ii) Collateral for any Loan in which it is acting as Borrower, unless such party has given notice to the contrary to the other party hereto (which notice shall specify the rate at which such Tax would be imposed). Each party agrees to notify the other of any change that occurs during the term of a Loan in the rate of any Tax that would be imposed on any such cash Distributions payable to it.

- 8.6 To the extent that, under the provisions of Sections 8.1 through 8.5, (a) a transfer of cash or other property by Borrower would give rise to a Margin Excess or (b) a transfer of cash or other property by Lender would give rise to a Margin Deficit, Borrower or Lender (as the case may be) shall not be obligated to make such transfer of cash or other property in accordance with such Sections, but shall in lieu of such transfer immediately credit the amounts that would have been transferable under such Sections to the account of Lender or Borrower (as the case may be).

**9. Mark to Market.**

- 9.1 If Lender is a Customer, Borrower shall daily mark to market any Loan hereunder and in the event that at the Close of Trading on any Business Day the Market Value of the Collateral for any Loan to Borrower shall be less than 100% of the Market Value of all the outstanding Loaned Securities subject to such Loan, Borrower shall transfer additional Collateral no later than the Close of Business on the next Business Day so that the Market Value of such additional Collateral, when added to the Market Value of the other Collateral for such Loan, shall equal 100% of the Market Value of the Loaned Securities.
- 9.2 In addition to any rights of Lender under Section 9.1, if at any time the aggregate Market Value of all Collateral for Loans by Lender shall be less than the Margin Percentage of the Market Value of all the outstanding Loaned Securities subject to such Loans (a "Margin Deficit"), Lender may, by notice to Borrower, demand that Borrower transfer to Lender additional Collateral so that the Market Value of such additional Collateral, when added to the Market Value of all other Collateral for such Loans, shall equal or exceed the Margin Percentage of the Market Value of the Loaned Securities.
- 9.3 Subject to Borrower's obligations under Section 9.1, if at any time the Market Value of all Collateral for Loans to Borrower shall be greater than the Margin Percentage of the Market Value of all the outstanding Loaned Securities subject to such Loans (a "Margin Excess"), Borrower may, by notice to Lender, demand that Lender transfer to Borrower such amount of the Collateral selected by Borrower so that the Market Value of the Collateral for such Loans, after deduction of such amounts, shall thereupon not exceed the Margin Percentage of the Market Value of the Loaned Securities.
- 9.4 Borrower and Lender may agree, with respect to one or more Loans hereunder, to mark the values to market pursuant to Sections 9.2 and 9.3 by separately valuing the Loaned Securities lent and the Collateral given in respect thereof on a Loan-by-Loan basis.
- 9.5 Borrower and Lender may agree, with respect to any or all Loans hereunder, that the respective rights of Lender and Borrower under Sections 9.2 and 9.3 may be exercised only where a Margin Excess or Margin Deficit exceeds a specified dollar amount or a specified percentage of the Market Value of the Loaned Securities under such Loans (which amount or percentage shall be agreed to by Borrower and Lender prior to entering into any such Loans).

- 9.6 If any notice is given by Borrower or Lender under Sections 9.2 or 9.3 at or before the Margin Notice Deadline on any day on which a transfer of Collateral may be effected in accordance with Section 15, the party receiving such notice shall transfer Collateral as provided in such Section no later than the Close of Business on such day. If any such notice is given after the Margin Notice Deadline, the party receiving such notice shall transfer such Collateral no later than the Close of Business on the next Business Day following the day of such notice.

**10. Representations.**

The parties to this Agreement hereby make the following representations and warranties, which shall continue during the term of any Loan hereunder:

- 10.1 Each party hereto represents and warrants that (a) it has the power to execute and deliver this Agreement, to enter into the Loans contemplated hereby and to perform its obligations hereunder, (b) it has taken all necessary action to authorize such execution, delivery and performance, and (c) this Agreement constitutes a legal, valid and binding obligation enforceable against it in accordance with its terms.
- 10.2 Each party hereto represents and warrants that it has not relied on the other for any tax or accounting advice concerning this Agreement and that it has made its own determination as to the tax and accounting treatment of any Loan and any dividends, remuneration or other funds received hereunder.
- 10.3 Each party hereto represents and warrants that it is acting for its own account unless it expressly specifies otherwise in writing and complies with Section 11.1(b).
- 10.4 Borrower represents and warrants that it has, or will have at the time of transfer of any Collateral, the right to grant a first priority security interest therein subject to the terms and conditions hereof.
- 10.5 (a) Borrower represents and warrants that it (or the person to whom it lends the Loaned Securities) is borrowing or will borrow Loaned Securities that are Equity Securities for the purpose of making delivery of such Loaned Securities in the case of short sales, failure to receive securities required to be delivered, or as otherwise permitted pursuant to Regulation T as in effect from time to time.
- (b) Borrower and Lender may agree, as provided in Section 24.2, that Borrower shall not be deemed to have made the representation or warranty in subsection (a) with respect to any Loan. By entering into any such agreement, Lender shall be deemed to have represented and warranted to Borrower (which representation and warranty shall be deemed to be repeated on each day during the term of the Loan) that Lender is either (i) an "exempted borrower" within the meaning of Regulation T or (ii) a member of a national securities exchange or a broker or dealer registered with the U.S. Securities and Exchange Commission that is entering into such Loan to finance its activities as a market maker or an underwriter.
- 10.6 Lender represents and warrants that it has, or will have at the time of transfer of any Loaned Securities, the right to transfer the Loaned Securities subject to the terms and conditions hereof.

## **11. Covenants.**

- 11.1 Each party agrees either (a) to be liable as principal with respect to its obligations hereunder or (b) to execute and comply fully with the provisions of Annex I (the terms and conditions of which Annex are incorporated herein and made a part hereof).
- 11.2 Promptly upon (and in any event within seven (7) Business Days after) demand by Lender, Borrower shall furnish Lender with Borrower's most recent publicly-available financial statements and any other financial statements mutually agreed upon by Borrower and Lender. Unless otherwise agreed, if Borrower is subject to the requirements of Rule 17a-5(c) under the Exchange Act, it may satisfy the requirements of this Section by furnishing Lender with its most recent statement required to be furnished to customers pursuant to such Rule.

## **12. Events of Default.**

All Loans hereunder may, at the option of the non-defaulting party (which option shall be deemed to have been exercised immediately upon the occurrence of an Act of Insolvency), be terminated immediately upon the occurrence of any one or more of the following events (individually, a "Default"):

- 12.1 if any Loaned Securities shall not be transferred to Lender upon termination of the Loan as required by Section 6;
- 12.2 if any Collateral shall not be transferred to Borrower upon termination of the Loan as required by Sections 4.3 and 6;
- 12.3 if either party shall fail to transfer Collateral as required by Section 9;
- 12.4 if either party (a) shall fail to transfer to the other party amounts in respect of Distributions required to be transferred by Section 8, (b) shall have been notified of such failure by the other party prior to the Close of Business on any day, and (c) shall not have cured such failure by the Cutoff Time on the next day after such Close of Business on which a transfer of cash may be effected in accordance with Section 15;
- 12.5 if an Act of Insolvency occurs with respect to either party;
- 12.6 if any representation made by either party in respect of this Agreement or any Loan or Loans hereunder shall be incorrect or untrue in any material respect during the term of any Loan hereunder;
- 12.7 if either party notifies the other of its inability to or its intention not to perform its obligations hereunder or otherwise disaffirms, rejects or repudiates any of its obligations hereunder; or
- 12.8 if either party (a) shall fail to perform any material obligation under this Agreement not specifically set forth in clauses 12.1 through 12.7, above, including but not limited to the payment of fees as required by Section 5, and the payment of transfer taxes as required by Section 14, (b) shall have been notified of such failure by the other party prior to the Close of Business on any day, and (c) shall not have cured such failure by the Cutoff Time on the next day after such Close of Business on which a transfer of cash may be effected in accordance with Section 15.

The non-defaulting party shall (except upon the occurrence of an Act of Insolvency) give notice as promptly as practicable to the defaulting party of the exercise of its option to terminate all Loans hereunder pursuant to this Section 12.

### 13. Remedies.

- 13.1 Upon the occurrence of a Default under Section 12 entitling Lender to terminate all Loans hereunder, Lender shall have the right, in addition to any other remedies provided herein, (a) to purchase a like amount of Loaned Securities ("Replacement Securities") in the principal market for such Loaned Securities in a commercially reasonable manner, (b) to sell any Collateral in the principal market for such Collateral in a commercially reasonable manner and (c) to apply and set off the Collateral and any proceeds thereof (including any amounts drawn under a letter of credit supporting any Loan) against the payment of the purchase price for such Replacement Securities and any amounts due to Lender under Sections 5, 8, 14 and 16. In the event that Lender shall exercise such rights, Borrower's obligation to return a like amount of the Loaned Securities shall terminate. Lender may similarly apply the Collateral and any proceeds thereof to any other obligation of Borrower under this Agreement, including Borrower's obligations with respect to Distributions paid to Borrower (and not forwarded to Lender) in respect of Loaned Securities. In the event that (i) the purchase price of Replacement Securities (plus all other amounts, if any, due to Lender hereunder) exceeds (ii) the amount of the Collateral, Borrower shall be liable to Lender for the amount of such excess together with interest thereon at a rate equal to (A) in the case of purchases of Foreign Securities, LIBOR, (B) in the case of purchases of any other Securities (or other amounts, if any, due to Lender hereunder), the Federal Funds Rate or (C) such other rate as may be specified in Schedule B, in each case as such rate fluctuates from day to day, from the date of such purchase until the date of payment of such excess. As security for Borrower's obligation to pay such excess, Lender shall have, and Borrower hereby grants, a security interest in any property of Borrower then held by or for Lender and a right of setoff with respect to such property and any other amount payable by Lender to Borrower. The purchase price of Replacement Securities purchased under this Section 13.1 shall include, and the proceeds of any sale of Collateral shall be determined after deduction of, broker's fees and commissions and all other reasonable costs, fees and expenses related to such purchase or sale (as the case may be). In the event Lender exercises its rights under this Section 13.1, Lender may elect in its sole discretion, in lieu of purchasing all or a portion of the Replacement Securities or selling all or a portion of the Collateral, to be deemed to have made, respectively, such purchase of Replacement Securities or sale of Collateral for an amount equal to the price therefor on the date of such exercise obtained from a generally recognized source or the last bid quotation from such a source at the most recent Close of Trading. Subject to Section 18, upon the satisfaction of all obligations hereunder, any remaining Collateral shall be returned to Borrower.
- 13.2 Upon the occurrence of a Default under Section 12 entitling Borrower to terminate all Loans hereunder, Borrower shall have the right, in addition to any other remedies provided herein, (a) to purchase a like amount of Collateral ("Replacement Collateral") in the principal market for such Collateral in a commercially reasonable manner, (b) to sell a like amount of the Loaned Securities in the principal market for such Loaned Securities in a commercially reasonable manner and (c) to apply and set off the Loaned Securities and any proceeds thereof against (i) the payment of the purchase price for such Replacement Collateral, (ii) Lender's obligation to return any cash or other Collateral, and (iii) any amounts due to Borrower under Sections 5, 8 and 16. In such event, Borrower may treat the Loaned Securities as its own and Lender's obligation to return a

like amount of the Collateral shall terminate; provided, however, that Lender shall immediately return any letters of credit supporting any Loan upon the exercise or deemed exercise by Borrower of its termination rights under Section 12. Borrower may similarly apply the Loaned Securities and any proceeds thereof to any other obligation of Lender under this Agreement, including Lender's obligations with respect to Distributions paid to Lender (and not forwarded to Borrower) in respect of Collateral. In the event that (i) the sales price received from such Loaned Securities is less than (ii) the purchase price of Replacement Collateral (plus the amount of any cash or other Collateral not replaced by Borrower and all other amounts, if any, due to Borrower hereunder), Lender shall be liable to Borrower for the amount of any such deficiency, together with interest on such amounts at a rate equal to (A) in the case of Collateral consisting of Foreign Securities, LIBOR, (B) in the case of Collateral consisting of any other Securities (or other amounts due, if any, to Borrower hereunder), the Federal Funds Rate or (C) such other rate as may be specified in Schedule B, in each case as such rate fluctuates from day to day, from the date of such sale until the date of payment of such deficiency. As security for Lender's obligation to pay such deficiency, Borrower shall have, and Lender hereby grants, a security interest in any property of Lender then held by or for Borrower and a right of setoff with respect to such property and any other amount payable by Borrower to Lender. The purchase price of any Replacement Collateral purchased under this Section 13.2 shall include, and the proceeds of any sale of Loaned Securities shall be determined after deduction of, broker's fees and commissions and all other reasonable costs, fees and expenses related to such purchase or sale (as the case may be). In the event Borrower exercises its rights under this Section 13.2, Borrower may elect in its sole discretion, in lieu of purchasing all or a portion of the Replacement Collateral or selling all or a portion of the Loaned Securities, to be deemed to have made, respectively, such purchase of Replacement Collateral or sale of Loaned Securities for an amount equal to the price therefor on the date of such exercise obtained from a generally recognized source or the last bid quotation from such a source at the most recent Close of Trading. Subject to Section 18, upon the satisfaction of all Lender's obligations hereunder, any remaining Loaned Securities (or remaining cash proceeds thereof) shall be returned to Lender.

13.3 Unless otherwise agreed, the parties acknowledge and agree that (a) the Loaned Securities and any Collateral consisting of Securities are of a type traded in a recognized market, (b) in the absence of a generally recognized source for prices or bid or offer quotations for any security, the non-defaulting party may establish the source therefor in its sole discretion, and (c) all prices and bid and offer quotations shall be increased to include accrued interest to the extent not already included therein (except to the extent contrary to market practice with respect to the relevant Securities).

13.4 In addition to its rights hereunder, the non-defaulting party shall have any rights otherwise available to it under any other agreement or applicable law.

#### 14. Transfer Taxes.

All transfer taxes with respect to the transfer of the Loaned Securities by Lender to Borrower and by Borrower to Lender upon termination of the Loan and with respect to the transfer of Collateral by Borrower to Lender and by Lender to Borrower upon termination of the Loan or pursuant to Section 4.5 or Section 9 shall be paid by Borrower.

## **15. Transfers.**

- 15.1 All transfers by either Borrower or Lender of Loaned Securities or Collateral consisting of "financial assets" (within the meaning of the UCC) hereunder shall be by (a) in the case of certificated securities, physical delivery of certificates representing such securities together with duly executed stock and bond transfer powers, as the case may be, with signatures guaranteed by a bank or a member firm of the New York Stock Exchange, Inc., (b) registration of an uncertificated security in the transferee's name by the issuer of such uncertificated security, (c) the crediting by a Clearing Organization of such financial assets to the transferee's "securities account" (within the meaning of the UCC) maintained with such Clearing Organization, or (d) such other means as Borrower and Lender may agree.
- 15.2 All transfers of cash hereunder shall be by (a) wire transfer in immediately available, freely transferable funds or (b) such other means as Borrower and Lender may agree.
- 15.3 All transfers of letters of credit from Borrower to Lender shall be made by physical delivery to Lender of an irrevocable letter of credit issued by a "bank" as defined in Section 3(a)(6)(A)-(C) of the Exchange Act. Transfers of letters of credit from Lender to Borrower shall be made by causing such letters of credit to be returned or by causing the amount of such letters of credit to be reduced to the amount required after such transfer.
- 15.4 A transfer of Securities, cash or letters of credit may be effected under this Section 15 on any day except (a) a day on which the transferee is closed for business at its address set forth in Schedule A hereto or (b) a day on which a Clearing Organization or wire transfer system is closed, if the facilities of such Clearing Organization or wire transfer system are required to effect such transfer.
- 15.5 For the avoidance of doubt, the parties agree and acknowledge that the term "securities," as used herein (except in this Section 15), shall include any "security entitlements" with respect to such securities (within the meaning of the UCC). In every transfer of "financial assets" (within the meaning of the UCC) hereunder, the transferor shall take all steps necessary (a) to effect a delivery to the transferee under Section 8-301 of the UCC, or to cause the creation of a security entitlement in favor of the transferee under Section 8-501 of the UCC, (b) to enable the transferee to obtain "control" (within the meaning of Section 8-106 of the UCC), and (c) to provide the transferee with comparable rights under any applicable foreign law or regulation.

## **16. Contractual Currency.**

- 16.1 Borrower and Lender agree that (a) any payment in respect of a Distribution under Section 8 shall be made in the currency in which the underlying Distribution of cash was made, (b) any return of cash shall be made in the currency in which the underlying transfer of cash was made, and (c) any other payment of cash in connection with a Loan under this Agreement shall be in the currency agreed upon by Borrower and Lender in connection with such Loan (the currency established under clause (a), (b) or (c) hereinafter referred to as the "Contractual Currency"). Notwithstanding the foregoing, the payee of any such payment may, at its option, accept tender thereof in any other currency; provided, however, that, to the extent permitted by applicable law, the obligation of the payor to make such payment will be discharged only to the extent of the amount of Contractual Currency that such payee may, consistent with normal banking

procedures, purchase with such other currency (after deduction of any premium and costs of exchange) on the banking day next succeeding its receipt of such currency.

- 16.2 If for any reason the amount in the Contractual Currency received under Section 16.1, including amounts received after conversion of any recovery under any judgment or order expressed in a currency other than the Contractual Currency, falls short of the amount in the Contractual Currency due in respect of this Agreement, the party required to make the payment will (unless a Default has occurred and such party is the non-defaulting party) as a separate and independent obligation and to the extent permitted by applicable law, immediately pay such additional amount in the Contractual Currency as may be necessary to compensate for the shortfall.
- 16.3 If for any reason the amount in the Contractual Currency received under Section 16.1 exceeds the amount in the Contractual Currency due in respect of this Agreement, then the party receiving the payment will (unless a Default has occurred and such party is the non-defaulting party) refund promptly the amount of such excess.

## 17. ERISA.

Lender shall, if any of the Securities transferred to the Borrower hereunder for any Loan have been or shall be obtained, directly or indirectly, from or using the assets of any Plan, so notify Borrower in writing upon the execution of this Agreement or upon initiation of such Loan under Section 2.1. If Lender so notifies Borrower, then Borrower and Lender shall conduct the Loan in accordance with the terms and conditions of Department of Labor Prohibited Transaction Exemption 81-6 (46 Fed. Reg. 7527, Jan. 23, 1981; as amended, 52 Fed. Reg. 18754, May 19, 1987), or any successor thereto (unless Borrower and Lender have agreed prior to entering into a Loan that such Loan will be conducted in reliance on another exemption, or without relying on any exemption, from the prohibited transaction provisions of Section 406 of the Employee Retirement Income Security Act of 1974, as amended, and Section 4975 of the Internal Revenue Code of 1986, as amended). Without limiting the foregoing and notwithstanding any other provision of this Agreement, if the Loan will be conducted in accordance with Prohibited Transaction Exemption 81-6, then:

- 17.1 Borrower represents and warrants to Lender that it is either (a) a bank subject to federal or state supervision, (b) a broker-dealer registered under the Exchange Act or (c) exempt from registration under Section 15(a)(1) of the Exchange Act as a dealer in Government Securities.
- 17.2 Borrower represents and warrants that, during the term of any Loan hereunder, neither Borrower nor any affiliate of Borrower has any discretionary authority or control with respect to the investment of the assets of the Plan involved in the Loan or renders investment advice (within the meaning of 29 C.F.R. Section 2510.3-21(c)) with respect to the assets of the Plan involved in the Loan. Lender agrees that, prior to or at the commencement of any Loan hereunder, it will communicate to Borrower information regarding the Plan sufficient to identify to Borrower any person or persons that have discretionary authority or control with respect to the investment of the assets of the Plan involved in the Loan or that render investment advice (as defined in the preceding sentence) with respect to the assets of the Plan involved in the Loan. In the event Lender fails to communicate and keep current during the term of any Loan such information, Lender rather than Borrower shall be deemed to have made the representation and warranty in the first sentence of this Section 17.2.

17.3 Borrower shall mark to market daily each Loan hereunder pursuant to Section 9.1 as is required if Lender is a Customer.

17.4 Borrower and Lender agree that:

- (a) the term "Collateral" shall mean cash, securities issued or guaranteed by the United States government or its agencies or instrumentalities, or irrevocable bank letters of credit issued by a person other than Borrower or an affiliate thereof;
- (b) prior to the making of any Loans hereunder, Borrower shall provide Lender with (i) the most recent available audited statement of Borrower's financial condition and (ii) the most recent available unaudited statement of Borrower's financial condition (if more recent than the most recent audited statement), and each Loan made hereunder shall be deemed a representation by Borrower that there has been no material adverse change in Borrower's financial condition subsequent to the date of the latest financial statements or information furnished in accordance herewith;
- (c) the Loan may be terminated by Lender at any time, whereupon Borrower shall deliver the Loaned Securities to Lender within the lesser of (i) the customary delivery period for such Loaned Securities, (ii) five Business Days, and (iii) the time negotiated for such delivery between Borrower and Lender; provided, however, that Borrower and Lender may agree to a longer period only if permitted by Prohibited Transaction Exemption 81-6; and
- (d) the Collateral transferred shall be security only for obligations of Borrower to the Plan with respect to Loans, and shall not be security for any obligation of Borrower to any agent or affiliate of the Plan.

**18. Single Agreement.**

Borrower and Lender acknowledge that, and have entered into this Agreement in reliance on the fact that, all Loans hereunder constitute a single business and contractual relationship and have been entered into in consideration of each other. Accordingly, Borrower and Lender hereby agree that payments, deliveries and other transfers made by either of them in respect of any Loan shall be deemed to have been made in consideration of payments, deliveries and other transfers in respect of any other Loan hereunder, and the obligations to make any such payments, deliveries and other transfers may be applied against each other and netted. In addition, Borrower and Lender acknowledge that, and have entered into this Agreement in reliance on the fact that, all Loans hereunder have been entered into in consideration of each other. Accordingly, Borrower and Lender hereby agree that (a) each shall perform all of its obligations in respect of each Loan hereunder, and that a default in the performance of any such obligation by Borrower or by Lender (the "Defaulting Party") in any Loan hereunder shall constitute a default by the Defaulting Party under all such Loans hereunder, and (b) the non-defaulting party shall be entitled to set off claims and apply property held by it in respect of any Loan hereunder against obligations owing to it in respect of any other Loan with the Defaulting Party.

**19. APPLICABLE LAW.**

THIS AGREEMENT SHALL BE GOVERNED AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK WITHOUT GIVING EFFECT TO THE CONFLICT OF LAW PRINCIPLES THEREOF.



**20. Waiver.**

The failure of a party to this Agreement to insist upon strict adherence to any term of this Agreement on any occasion shall not be considered a waiver or deprive that party of the right thereafter to insist upon strict adherence to that term or any other term of this Agreement. All waivers in respect of a Default must be in writing.

**21. Survival of Remedies.**

All remedies hereunder and all obligations with respect to any Loan shall survive the termination of the relevant Loan, return of Loaned Securities or Collateral and termination of this Agreement.

**22. Notices and Other Communications.**

Any and all notices, statements, demands or other communications hereunder may be given by a party to the other by telephone, mail, facsimile, e-mail, electronic message, telegraph, messenger or otherwise to the individuals and at the facsimile numbers and addresses specified with respect to it in Schedule A hereto, or sent to such party at any other place specified in a notice of change of number or address hereafter received by the other party. Any notice, statement, demand or other communication hereunder will be deemed effective on the day and at the time on which it is received or, if not received, on the day and at the time on which its delivery was in good faith attempted; provided, however, that any notice by a party to the other party by telephone shall be deemed effective only if (a) such notice is followed by written confirmation thereof and (b) at least one of the other means of providing notice that are specifically listed above has previously been attempted in good faith by the notifying party.

**23. SUBMISSION TO JURISDICTION; WAIVER OF JURY TRIAL.**

23.1 EACH PARTY HERETO IRREVOCABLY AND UNCONDITIONALLY (A) SUBMITS TO THE NON-EXCLUSIVE JURISDICTION OF ANY UNITED STATES FEDERAL OR NEW YORK STATE COURT SITTING IN NEW YORK CITY, AND ANY APPELLATE COURT FROM ANY SUCH COURT, SOLELY FOR THE PURPOSE OF ANY SUIT, ACTION OR PROCEEDING BROUGHT TO ENFORCE ITS OBLIGATIONS HEREUNDER OR RELATING IN ANY WAY TO THIS AGREEMENT OR ANY LOAN HEREUNDER AND (B) WAIVES, TO THE FULLEST EXTENT IT MAY EFFECTIVELY DO SO, ANY DEFENSE OF AN INCONVENIENT FORUM TO THE MAINTENANCE OF SUCH ACTION OR PROCEEDING IN ANY SUCH COURT AND ANY RIGHT OF JURISDICTION ON ACCOUNT OF ITS PLACE OF RESIDENCE OR DOMICILE.

23.2 EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES ANY RIGHT THAT IT MAY HAVE TO TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

**24. Miscellaneous.**

24.1 Except as otherwise agreed by the parties, this Agreement supersedes any other agreement between the parties hereto concerning loans of Securities between Borrower and Lender. This Agreement shall not be assigned by either party without the prior written consent of the other party and any attempted assignment without such consent shall be null and void. Subject to the foregoing, this Agreement shall be binding upon

and shall inure to the benefit of Borrower and Lender and their respective heirs, representatives, successors and assigns. This Agreement may be terminated by either party upon notice to the other, subject only to fulfillment of any obligations then outstanding. This Agreement shall not be modified, except by an instrument in writing signed by the party against whom enforcement is sought. The parties hereto acknowledge and agree that, in connection with this Agreement and each Loan hereunder, time is of the essence. Each provision and agreement herein shall be treated as separate and independent from any other provision herein and shall be enforceable notwithstanding the unenforceability of any such other provision or agreement.

- 24.2 Any agreement between Borrower and Lender pursuant to Section 10.5(b) or Section 25.37 shall be made (a) in writing, (b) orally, if confirmed promptly in writing or through any system that compares Loans and in which Borrower and Lender are participants, or (c) in such other manner as may be agreed by Borrower and Lender in writing.

## 25. Definitions.

For the purposes hereof:

- 25.1 "Act of Insolvency" shall mean, with respect to any party, (a) the commencement by such party as debtor of any case or proceeding under any bankruptcy, insolvency, reorganization, liquidation, moratorium, dissolution, delinquency or similar law, or such party's seeking the appointment or election of a receiver, conservator, trustee, custodian or similar official for such party or any substantial part of its property, or the convening of any meeting of creditors for purposes of commencing any such case or proceeding or seeking such an appointment or election, (b) the commencement of any such case or proceeding against such party, or another seeking such an appointment or election, or the filing against a party of an application for a protective decree under the provisions of the Securities Investor Protection Act of 1970, which (i) is consented to or not timely contested by such party, (ii) results in the entry of an order for relief, such an appointment or election, the issuance of such a protective decree or the entry of an order having a similar effect, or (iii) is not dismissed within 15 days, (c) the making by such party of a general assignment for the benefit of creditors, or (d) the admission in writing by such party of such party's inability to pay such party's debts as they become due.
- 25.2 "Bankruptcy Code" shall have the meaning assigned in Section 26.1
- 25.3 "Borrower" shall have the meaning assigned in Section 1.
- 25.4 "Borrower Payment" shall have the meaning assigned in Section 8.5(a).
- 25.5 "Broker-Dealer" shall mean any person that is a broker (including a municipal securities broker), dealer, municipal securities dealer, government securities broker or government securities dealer as defined in the Exchange Act, regardless of whether the activities of such person are conducted in the United States or otherwise require such person to register with the U.S. Securities and Exchange Commission or other regulatory body.
- 25.6 "Business Day" shall mean, with respect to any Loan hereunder, a day on which regular trading occurs in the principal market for the Loaned Securities subject to such Loan, provided, however, that for purposes of determining the Market Value of any Securities hereunder, such term shall mean a day on which regular trading occurs in the principal market for the Securities whose value is being determined. Notwithstanding the

foregoing, (a) for purposes of Section 9, "Business Day" shall mean any day on which regular trading occurs in the principal market for any Loaned Securities or for any Collateral consisting of Securities under any outstanding Loan hereunder and "next Business Day" shall mean the next day on which a transfer of Collateral may be effected in accordance with Section 15, and (b) in no event shall a Saturday or Sunday be considered a Business Day.

- 25.7 "Cash Collateral Fee" shall have the meaning assigned in Section 5.1.
- 25.8 "Clearing Organization" shall mean (a) The Depository Trust Company, or, if agreed to by Borrower and Lender, such other "securities intermediary" (within the meaning of the UCC) at which Borrower (or Borrower's agent) and Lender (or Lender's agent) maintain accounts, or (b) a Federal Reserve Bank, to the extent that it maintains a book-entry system.
- 25.9 "Close of Business" shall mean the time established by the parties in Schedule B or otherwise orally or in writing or, in the absence of any such agreement, as shall be determined in accordance with market practice.
- 25.10 "Close of Trading" shall mean, with respect to any Security, the end of the primary trading session established by the principal market for such Security on a Business Day, unless otherwise agreed by the parties.
- 25.11 "Collateral" shall mean, whether now owned or hereafter acquired and to the extent permitted by applicable law, (a) any property which Borrower and Lender agree prior to the Loan shall be acceptable collateral and which is transferred to Lender pursuant to Sections 4 or 9 (including as collateral, for definitional purposes, any letters of credit mutually acceptable to Lender and Borrower), (b) any property substituted therefor pursuant to Section 4.5, (c) all accounts in which such property is deposited and all securities and the like in which any cash collateral is invested or reinvested, and (d) any proceeds of any of the foregoing; *provided, however*, that if Lender is a Customer, "Collateral" shall (subject to Section 17.4(a), if applicable) be limited to cash, U.S. Treasury bills and notes, an irrevocable letter of credit issued by a "bank" (as defined in Section 3(a)(6)(A)-(C) of the Exchange Act), and any other property permitted to serve as collateral securing a loan of securities under Rule 15c3-3 under the Exchange Act or any comparable regulation of the Secretary of the Treasury under Section 15C of the Exchange Act (to the extent that Borrower is subject to such Rule or comparable regulation) pursuant to exemptive, interpretive or no-action relief or otherwise. If any new or different Security shall be exchanged for any Collateral by recapitalization, merger, consolidation or other corporate action, such new or different Security shall, effective upon such exchange, be deemed to become Collateral in substitution for the former Collateral for which such exchange is made. For purposes of return of Collateral by Lender or purchase or sale of Securities pursuant to Section 13, such term shall include Securities of the same issuer, class and quantity as the Collateral initially transferred by Borrower to Lender, as adjusted pursuant to the preceding sentence.
- 25.12 "Collateral Distributions" shall have the meaning assigned in Section 8.5(a).
- 25.13 "Confirmation" shall have the meaning assigned in Section 2.1.
- 25.14 "Contractual Currency" shall have the meaning assigned in Section 16.1.

- 25.15 "Customer" shall mean any person that is a customer of Borrower under Rule 15c3-3 under the Exchange Act or any comparable regulation of the Secretary of the Treasury under Section 15C of the Exchange Act (to the extent that Borrower is subject to such Rule or comparable regulation).
- 25.16 "Cutoff Time" shall mean a time on a Business Day by which a transfer of cash, securities or other property must be made by Borrower or Lender to the other, as shall be agreed by Borrower and Lender in Schedule B or otherwise orally or in writing or, in the absence of any such agreement, as shall be determined in accordance with market practice.
- 25.17 "Default" shall have the meaning assigned in Section 12.
- 25.18 "Defaulting Party" shall have the meaning assigned in Section 18.
- 25.19 "Distribution" shall mean, with respect to any Security at any time, any distribution made on or in respect of such Security, including, but not limited to: (a) cash and all other property, (b) stock dividends, (c) Securities received as a result of split ups of such Security and distributions in respect thereof, (d) interest payments, (e) all rights to purchase additional Securities, and (f) any cash or other consideration paid or provided by the issuer of such Security in exchange for any vote, consent or the taking of any similar action in respect of such Security (regardless of whether the record date for such vote, consent or other action falls during the term of the Loan). In the event that the holder of a Security is entitled to elect the type of distribution to be received from two or more alternatives, such election shall be made by Lender, in the case of a Distribution in respect of the Loaned Securities, and by Borrower, in the case of a Distribution in respect of Collateral.
- 25.20 "Equity Security" shall mean any security (as defined in the Exchange Act) other than a "nonequity security," as defined in Regulation T.
- 25.21 "Exchange Act" shall mean the Securities Exchange Act of 1934, as amended.
- 25.22 "Extension Deadline" shall mean, with respect to a letter of credit, the Cutoff Time on the Business Day preceding the day on which the letter of credit expires.
- 25.23 "FDIA" shall have the meaning assigned in Section 26.4.
- 25.24 "FDICIA" shall have the meaning assigned in Section 26.5.
- 25.25 "Federal Funds Rate" shall mean the rate of interest (expressed as an annual rate), as published in Federal Reserve Statistical Release H.15(519) or any publication substituted therefor, charged for federal funds (dollars in immediately available funds borrowed by banks on an overnight unsecured basis) on that day or, if that day is not a banking day in New York City, on the next preceding banking day.
- 25.26 "Foreign Securities" shall mean, unless otherwise agreed, Securities that are principally cleared and settled outside the United States.
- 25.27 "Government Securities" shall mean government securities as defined in Section 3(a)(42)(A)-(C) of the Exchange Act.
- 25.28 "Lender" shall have the meaning assigned in Section 1.

- 25.29 "Lender Payment" shall have the meaning assigned in Section 8.5(a).
- 25.30 "LIBOR" shall mean for any date, the offered rate for deposits in U.S. dollars for a period of three months which appears on the Reuters Screen LIBO page as of 11:00 a.m., London time, on such date (or, if at least two such rates appear, the arithmetic mean of such rates).
- 25.31 "Loan" shall have the meaning assigned in Section 1.
- 25.32 "Loan Fee" shall have the meaning assigned in Section 5.1.
- 25.33 "Loaned Security" shall mean any Security transferred in a Loan hereunder until such Security (or an identical Security) is transferred back to Lender hereunder, except that, if any new or different Security shall be exchanged for any Loaned Security by recapitalization, merger, consolidation or other corporate action, such new or different Security shall, effective upon such exchange, be deemed to become a Loaned Security in substitution for the former Loaned Security for which such exchange is made. For purposes of return of Loaned Securities by Borrower or purchase or sale of Securities pursuant to Section 13, such term shall include Securities of the same issuer, class and quantity as the Loaned Securities, as adjusted pursuant to the preceding sentence.
- 25.34 "Margin Deficit" shall have the meaning assigned in Section 9.2.
- 25.35 "Margin Excess" shall have the meaning assigned in Section 9.3.
- 25.36 "Margin Notice Deadline" shall mean the time agreed to by the parties in the relevant Confirmation, Schedule B hereto or otherwise as the deadline for giving notice requiring same-day satisfaction of mark-to-market obligations as provided in Section 9 hereof (or, in the absence of any such agreement, the deadline for such purposes established in accordance with market practice).
- 25.37 "Margin Percentage" shall mean, with respect to any Loan as of any date, a percentage agreed by Borrower and Lender, which shall be not less than 100%, unless (a) Borrower and Lender agree otherwise, as provided in Section 24.2, and (b) Lender is not a Customer. Notwithstanding the previous sentence, in the event that the writing or other confirmation evidencing the agreement described in clause (a) does not set out such percentage with respect to any such Loan, the Margin Percentage shall not be a percentage less than the percentage obtained by dividing (i) the Market Value of the Collateral required to be transferred by Borrower to Lender with respect to such Loan at the commencement of the Loan by (ii) the Market Value of the Loaned Securities required to be transferred by Lender to Borrower at the commencement of the Loan.
- 25.38 "Market Value" shall have the meaning set forth in Annex II or otherwise agreed to by Borrower and Lender in writing. Notwithstanding the previous sentence, in the event that the meaning of Market Value has not been set forth in Annex II or in any other writing, as described in the previous sentence, Market Value shall be determined in accordance with market practice for the Securities, based on the price for such Securities as of the most recent Close of Trading obtained from a generally recognized source agreed to by the parties or the closing bid quotation at the most recent Close of Trading obtained from such source, plus accrued interest to the extent not included therein (other than any interest credited or transferred to, or applied to the obligations of, the other party pursuant to Section 8, unless market practice with respect to the valuation of such Securities in

connection with securities loans is to the contrary). If the relevant quotation did not exist at such Close of Trading, then the Market Value shall be the relevant quotation on the next preceding Close of Trading at which there was such a quotation. The determinations of Market Value provided for in Annex II or in any other writing described in the first sentences of this Section 25.38 or, if applicable, in the preceding sentence shall apply for all purposes under this Agreement, except for purposes of Section 13.

- 25.39 "Payee" shall have the meaning assigned in Section 8.5(a).
- 25.40 "Payor" shall have the meaning assigned in Section 8.5(a).
- 25.41 "Plan" shall mean: (a) any "employee benefit plan" as defined in Section 3(3) of the Employee Retirement Income Security Act of 1974 which is subject to Part 4 of Subtitle B of Title I of such Act; (b) any "plan" as defined in Section 4975(e)(1) of the Internal Revenue Code of 1986; or (c) any entity the assets of which are deemed to be assets of any such "employee benefit plan" or "plan" by reason of the Department of Labor's plan asset regulation, 29 C.F.R. Section 2510.3-101.
- 25.42 "Regulation T" shall mean Regulation T of the Board of Governors of the Federal Reserve System, as in effect from time to time.
- 25.43 "Retransfer" shall mean, with respect to any Collateral, to pledge, repledge, hypothecate, rehypothecate, lend, relend, sell or otherwise transfer such Collateral, or to re-register any such Collateral evidenced by physical certificates in any name other than Borrower's.
- 25.44 "Securities" shall mean securities or, if agreed by the parties in writing, other assets.
- 25.45 "Securities Distributions" shall have the meaning assigned in Section 8.5(a).
- 25.46 "Tax" shall have the meaning assigned in Section 8.5(a).
- 25.47 "UCC" shall mean the New York Uniform Commercial Code.

**26. Intent.**

- 26.1 The parties recognize that each Loan hereunder is a "securities contract," as such term is defined in Section 741 of Title 11 of the United States Code (the "Bankruptcy Code"), as amended (except insofar as the type of assets subject to the Loan would render such definition inapplicable).
- 26.2 It is understood that each and every transfer of funds, securities and other property under this Agreement and each Loan hereunder is a "settlement payment" or a "margin payment," as such terms are used in Sections 362(b)(6) and 546(e) of the Bankruptcy Code.
- 26.3 It is understood that the rights given to Borrower and Lender hereunder upon a Default by the other constitute the right to cause the liquidation of a securities contract and the right to set off mutual debts and claims in connection with a securities contract, as such terms are used in Sections 555 and 362(b)(6) of the Bankruptcy Code.
- 26.4 The parties agree and acknowledge that if a party hereto is an "insured depository institution," as such term is defined in the Federal Deposit Insurance Act, as amended ("FDIA"), then each Loan hereunder is a "securities contract" and "qualified financial

contract," as such terms are defined in the FDIA and any rules, orders or policy statements thereunder (except insofar as the type of assets subject to the Loan would render such definitions inapplicable).

26.5 It is understood that this Agreement constitutes a "netting contract" as defined in and subject to Title IV of the Federal Deposit Insurance Corporation Improvement Act of 1991 ("FDICIA") and each payment obligation under any Loan hereunder shall constitute a "covered contractual payment entitlement" or "covered contractual payment obligation," respectively, as defined in and subject to FDICIA (except insofar as one or both of the parties is not a "financial institution" as that term is defined in FDICIA).

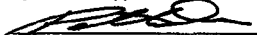
26.6 Except to the extent required by applicable law or regulation or as otherwise agreed, Borrower and Lender agree that Loans hereunder shall in no event be "exchange contracts" for purposes of the rules of any securities exchange and that Loans hereunder shall not be governed by the buy-in or similar rules of any such exchange, registered national securities association or other self-regulatory organization.

**27. DISCLOSURE RELATING TO CERTAIN FEDERAL PROTECTIONS.**


**27.1 WITHOUT WAIVING ANY RIGHTS GIVEN TO LENDER HEREUNDER, IT IS UNDERSTOOD AND AGREED THAT THE PROVISIONS OF THE SECURITIES INVESTOR PROTECTION ACT OF 1970 MAY NOT PROTECT LENDER WITH RESPECT TO LOANED SECURITIES HEREUNDER AND THAT, THEREFORE, THE COLLATERAL DELIVERED TO LENDER MAY CONSTITUTE THE ONLY SOURCE OF SATISFACTION OF BORROWER'S OBLIGATIONS IN THE EVENT BORROWER FAILS TO RETURN THE LOANED SECURITIES.**


**27.2 LENDER ACKNOWLEDGES THAT, IN CONNECTION WITH LOANS OF GOVERNMENT SECURITIES AND AS OTHERWISE PERMITTED BY APPLICABLE LAW, SOME SECURITIES PROVIDED BY BORROWER AS COLLATERAL UNDER THIS AGREEMENT MAY NOT BE GUARANTEED BY THE UNITED STATES.**

Barclays Global Investors, N.A., as agent or trustee for various agency or trust accounts specified in Appendix A

By:   
Title: Patrick Dunne  
Date: Managing Director 10/26/06

Goldman, Sachs & Co.

By:   
Title: Managing Director  
Date: 10/26/06

  
George O'Connor  
Principal 10/26/06

## Annex I—A

### Party Acting as Agent

This Annex sets forth the terms and conditions governing all transactions in which a party lending Securities (“Agent”) in a Loan is acting as agent for one or more third parties and the method by which (i) Agent shall disclose the identity of each principal (“Principal”) on whose behalf it intends to loan securities as agent to Borrower, and (ii) Borrower may accept, reject, or withdraw the acceptance of any such Principal. Unless otherwise defined, capitalized terms used but not defined in this Annex shall have the meanings assigned in the Securities Loan Agreement of which it forms a part (such agreement, together with this Annex and any other annexes, schedules or exhibits, referred to as the “Agreement”) and, unless otherwise specified, all section references herein are intended to refer to sections of such Securities Loan Agreement.

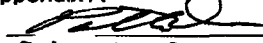
1. **Additional Representations and Warranties.** In addition to the representations and warranties set forth in the Agreement, Agent hereby makes the following representations and warranties, which shall continue during the term of any Loan: Principal has duly authorized Agent to execute and deliver the Agreement on its behalf, has the power to so authorize Agent and to enter into the Loans contemplated by the Agreement and to perform the obligations of Lender or Borrower, as the case may be, under such Loans, and has taken all necessary action to authorize such execution and delivery by Agent and such performance by it.
  
2. **Identification of Principals.** (a) Agent agrees to provide to Borrower, prior to effecting any Loan under the Agreement as agent on behalf of any Principal, such information in its possession necessary to complete all required fields in the format generally used in the industry, or as otherwise agreed by Agent and Borrower (“Agreed Format”), and will use its best efforts to provide to Borrower any optional information that may be requested by the Borrower for the purpose of identifying such Principal (all such information, the “Principal Information”). Agent represents and warrants that, with the exception of the pseudo tax identification numbers for Principal(s) who do not have an official tax identification number, the Principal Information, including but not limited to the tax identification numbers, is true and accurate to the best of its knowledge and has been provided to it by Principal. (b) Agent agrees that it shall not effect any Loan with Borrower on behalf of any Principal unless Borrower has notified Agent of Borrower's approval of such Principal, and has not notified Agent that it has withdrawn such approval (such Principal, an “Approved Principal”), with both such notifications in the Agreed Format. Agent further agrees to provide Borrower, before the Close of Business on the next Business Day after the date on which Loaned Securities are transferred to the Borrower, with notice in the Agreed Format, of the specific Approved Principal or Approved Principals for whom it is acting in connection with such Loan, and the portion of each Loan allocable to the account of each Approved Principal for which it is acting. If Agent fails to identify such Approved Principal(s) or fails to accurately allocate any portion of a Loan to such Approved Principal(s) prior to the Close of Business on such next Business Day, Borrower may terminate any Loan with such Principal or Principals, return to Agent any Loaned Securities previously transferred to Borrower, and Agent shall immediately return to Borrower that portion of the Collateral previously transferred to Agent in connection with such Loan from Principal. (c) Borrower acknowledges that

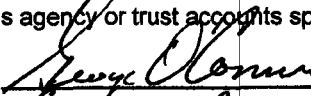


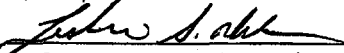
Agent shall not have any obligation to provide it with confidential information regarding the financial status of its Principals; Agent agrees, however, that it will assist Borrower in obtaining from Agent's Principals such information regarding the financial status of such Principals as Borrower may reasonably request.

3. **Limitation of Agent's Liability.** The parties expressly acknowledge that if the representations and warranties of Agent under the Agreement, including this Annex, are true and correct in all material respects during the term of any Loan and Agent otherwise complies with the provisions of this Annex, that (a) Agent's obligations under the Agreement shall not include a guarantee of performance by its Principal or Principals, and (b) the other party's remedies for breach of any term of this Annex, or any representation or warranty, shall not include a right of setoff against obligations, if any, of Agent arising in other transactions in which Agent is acting as principal and, unless explicitly agreed otherwise, under no circumstances shall Agent be bound or liable as principal.
4. **Treatment of Loans.** The parties agree that (i) the portion of any individual Loan allocable to each Principal shall be deemed a separate Loan under the Agreement, (ii) the mark to market obligations of Borrower and Principal under the Agreement shall be determined on a Principal-by-Principal basis, and (iii) Borrower's and Principal's remedies under the Agreement upon the occurrence of a Default shall be determined as if Agent had entered into a separate Agreement with the other party on behalf of each of its Principals.
5. **Interpretation of Terms.** All references to "Lender" or "Borrower," as the case may be, in the Agreement shall, subject to the provisions of this Annex (including, among other provisions, the limitations on Agent's liability in Section 3 of this Annex), be construed to reflect that (i) each Principal shall have, in connection with any Loan or Loans entered into by Agent on its behalf, the rights, responsibilities, privileges and obligations of a "Lender" or "Borrower," as the case may be, directly entering into such Loan or Loans with the other party under the Agreement, and (ii) Agent's Principal or Principals have designated Agent as their sole agent for performance of Lender's obligations to Borrower or Borrower's obligations to Lender, as the case may be, and for receipt of performance by Borrower of its obligations to Lender or Lender of its obligations to Borrower, as the case may be, in connection with any Loan or Loans under the Agreement (including, among other things, as Agent for each Principal in connection with transfers of securities, cash or other property and as agent for giving and receiving all notices under the Agreement). Both Agent and its Principal or Principals shall be deemed "parties" to the Agreement and all references to a "party" or "either party" in the Agreement shall be deemed revised accordingly (and any Default by Agent under the Agreement shall be deemed a Default by Lender).

Barclays Global Investors, N.A., as agent or trustee for various agency or trust accounts specified in Appendix A

By:   
Title: Patrick Dunne  
Date: Managing Director 10/26/06

  
George O'Connor  
Principal 10/26/06

Goldman, Sachs & Co.  
By:   
Title: Leslie S. Nelson  
Date: 10/26/06


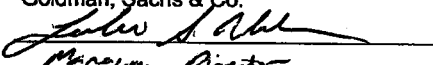
**Annex II**

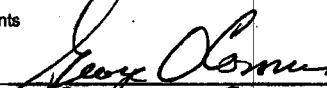
**Market Value**

Unless otherwise agreed by Borrower and Lender:

1. If the principal market for the Securities to be valued is a national securities exchange in the United States, their Market Value shall be determined by their last sale price on such exchange at the most recent Close of Trading or, if there was no sale on the Business Day of the most recent Close of Trading, by the last sale price at the Close of Trading on the next preceding Business Day on which there was a sale on such exchange, all as quoted on the Consolidated Tape or, if not quoted on the Consolidated Tape, then as quoted by such exchange.
2. If the principal market for the Securities to be valued is the over-the-counter market, and the Securities are quoted on The Nasdaq Stock Market ("Nasdaq"), their Market Value shall be the last sale price on Nasdaq at the most recent Close of Trading or, if the Securities are issues for which last sale prices are not quoted on Nasdaq, the last bid price at such Close of Trading. If the relevant quotation did not exist at such Close of Trading, then the Market Value shall be the relevant quotation on the next preceding Close of Trading at which there was such a quotation.
3. Except as provided in Section 4 of this Annex, if the principal market for the Securities to be valued is the over-the-counter market, and the Securities are not quoted on Nasdaq, their Market Value shall be determined in accordance with market practice for such Securities, based on the price for such Securities as of the most recent Close of Trading obtained from a generally recognized source agreed to by the parties or the closing bid quotation at the most recent Close of Trading obtained from such a source. If the relevant quotation did not exist at such Close of Trading, then the Market Value shall be the relevant quotation on the next preceding Close of Trading at which there was such a quotation.
4. If the Securities to be valued are Foreign Securities, their Market Value shall be determined as of the most recent Close of Trading in accordance with market practice in the principal market for such Securities.
5. The Market Value of a letter of credit shall be the undrawn amount thereof.
6. All determinations of Market Value under Sections 1 through 4 of this Annex shall include, where applicable, accrued interest to the extent not already included therein (other than any interest credited or transferred to, or applied to the obligations of, the other party pursuant to Section 8 of the Agreement), unless market practice with respect to the valuation of such Securities in connection with securities loans is to the contrary.
7. The determinations of Market Value provided for in this Annex shall apply for all purposes under the Agreement, except for purposes of Section 13 of the Agreement.

Barclays Global Investors, N.A., as agent or trustee for various agency or trust accounts specified in Appendix A

By:   
Title: Patrick Dunne  
Date: Managing Director 10/26/06  
Goldman, Sachs & Co.  
By:   
Title: Managing Director  
Date: 10/26/06

  
George Connor  
Principal 10/25/06

### **Annex III**

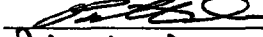
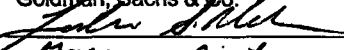
#### **Term Loans**

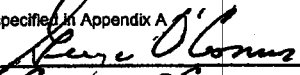
This Annex sets forth additional terms and conditions governing Loans designated as "Term Loans" in which Lender lends to Borrower a specific amount of Loaned Securities ("Term Loan Amount") against a pledge of cash Collateral by Borrower for an agreed upon Cash Collateral Fee until a scheduled termination date ("Termination Date"). Unless otherwise defined, capitalized terms used but not defined in this Annex shall have the meanings assigned in the Securities Loan Agreement of which it forms a part (such agreement, together with this Annex and any other annexes, schedules or exhibits, referred to as the "Agreement").

1. The terms of this Annex shall apply to Loans of Equity Securities only if they are designated as Term Loans in a Confirmation therefor provided pursuant to the Agreement and executed by each party, in a schedule to the Agreement or in this Annex. All Loans of Securities other than Equity Securities shall be "Term Loans" subject to this Annex, unless otherwise agreed in a Confirmation or other writing.
2. The Confirmation for a Term Loan shall set forth, in addition to any terms required to be set forth therein under the Agreement, the Term Loan Amount, the Cash Collateral Fee and the Termination Date. Lender and Borrower agree that, except as specifically provided in this Annex, each Term Loan shall be subject to all terms and conditions of the Agreement, including, without limitation, any provisions regarding the parties' respective rights to terminate a Loan.
3. In the event that either party exercises its right under the Agreement to terminate a Term Loan on a date (the "Early Termination Date") prior to the Termination Date, Lender and Borrower shall, unless otherwise agreed, use their best efforts to negotiate in good faith a new Term Loan (the "Replacement Loan") of comparable or other Securities, which shall be mutually agreed upon by the parties, with a Market Value equal to the Market Value of the Term Loan Amount under the terminated Term Loan (the "Terminated Loan") as of the Early Termination Date. Such agreement shall, in accordance with Section 2 of this Annex, be confirmed in a new Confirmation at the commencement of the Replacement Loan and be executed by each party. Each Replacement Loan shall be subject to the same terms as the corresponding Terminated Loan, other than with respect to the commencement date and the identity of the Loaned Securities. The Replacement Loan shall commence on the date on which the parties agree which Securities shall be the subject of the Replacement Loan and shall be scheduled to terminate on the scheduled Termination Date of the Terminated Loan.
4. Borrower and Lender agree that, except as provided in Section 5 of this Annex, if the parties enter into a Replacement Loan, the Collateral for the related Terminated Loan need not be returned to Borrower and shall instead serve as Collateral for such Replacement Loan.
5. If the parties are unable to negotiate and enter into a Replacement Loan for some or all of the Term Loan Amount on or before the Early Termination Date, (a) the party requesting termination of the Terminated Loan shall pay to the other party a Breakage Fee computed in accordance with Section 6 of this Annex with respect to that portion of the Term Loan Amount for which a Replacement Loan is not entered into and (b) upon the transfer by Borrower to Lender of the Loaned Securities subject to the Terminated Loan, Lender shall transfer to Borrower Collateral for the Terminated Loan in accordance with and to the extent required under the Agreement, provided that no Default has occurred with respect to Borrower.

6. For purposes of this Annex, the term "Breakage Fee" shall mean a fee agreed by Borrower and Lender in the Confirmation or otherwise orally or in writing. In the absence of any such agreement, the term "Breakage Fee" shall mean, with respect to Loans of Government Securities, a fee equal to the sum of (a) the cost to the non-terminating party (including all fees, expenses and commissions) of entering into replacement transactions and entering into or terminating hedge transactions in connection with or as a result of the termination of the Terminated Loan, and (b) any other loss, damage, cost or expense directly arising or resulting from the termination of the Terminated Loan that is incurred by the non-terminating party (other than consequential losses or costs for lost profits or lost opportunities), as determined by the non-terminating party in a commercially reasonable manner, and (c) any other amounts due and payable by the terminating party to the non-terminating party under the Agreement on the Early Termination Date.

Barclays Global Investors, N.A., as agent or trustee for various agency or trust accounts specified in Appendix A

By:   
Title: Patrick Dunne  
Date: Managing Director 10/26/06  
Goldman, Sachs & Co  
By:   
Title: Managing Director  
Date: 10/26/06

  
George O'Connor  
Principal 10/26/06

## Master Securities Loan Agreement

### Schedule B

#### Defined Terms and Supplemental Provisions

This Schedule B supplements and amends the Master Securities Loan Agreement dated as of October 26, 2006 between Barclays Global Investors, N.A. ("BGI"), as agent or trustee for various agency or trust accounts specified in Appendix A to this Schedule B (each such account, a "Lender"), as such Appendix A may be amended from time to time by mutual agreement, and Goldman, Sachs & Co. ("Borrower"). In the event of any inconsistency between the provisions of this Schedule B and the provisions of the Agreement, this Schedule shall prevail.

1. Applicable Annexes, Schedules and Appendices. The following annexes, schedules and appendices shall form part of this Agreement and shall be applicable:
  - Annex I-A – Party Acting as Agent
  - Annex II – Market Value
  - Schedule A - Names and Addresses for Communications
  - Schedule B - Defined Terms and Supplemental Provisions
    - Appendix A to Schedule B– Lenders
    - Appendix B to Schedule B – Supplemental Terms for Foreign Securities
2. Section 1. The first paragraph is renumbered Section 1.1, and the following is added:

"1.2 This Agreement (including any annexes, schedules and appendices thereto) shall amend, restate, and supercede the securities lending agreement between Lender and Borrower dated May 27, 1981, as amended, (the "Existing Agreement"), and any Loans outstanding under the Existing Agreement shall be deemed to be Loans under the Agreement, and all Collateral accepted by Lender under the Existing Agreement shall be deemed to be Collateral under this Agreement."
3. Section 3.2. For purposes of Section 3.2, in connection with each Loan pursuant to the Agreement the Borrower shall provide to the Lender a statement reflecting each security on loan, and that such statement shall constitute full compliance with the requirements of Section 3.2.
4. Section 3.3. The following sentence is deleted: "If, however, any Loan is deemed to be a loan of money by Borrower to Lender, then Borrower shall have, and Lender shall be deemed to have granted, a security interest in the Loaned Securities and the proceeds thereof."
5. Section 4.2. The following is deleted from the fifth sentence: "only (a) if Lender is a Broker-Dealer or (b) in the event of a Default by Borrower". The word "it" is deleted from the last line and replaced by "if BGI or its agent is".
6. Section 4.4. The following words are inserted at the end: ", and Borrower shall have the immediate obligation to return such Loaned Securities to Lender".
7. Section 4.6. The following is inserted before the first sentence: "If a Letter of Credit is accepted by Lender as Collateral, Borrower agrees that at any time Lender may by notice to Borrower require that Borrower, on the Business Day following the date of delivery of such notice, substitute Collateral consisting of, in the discretion of Lender, cash or U.S. Treasury

securities for the Letter of Credit in an amount at least equal to the amount of the Letter of Credit for which the Collateral is substituted; provided, however, that if an Act of Insolvency occurs with respect to an Issuing Bank, Borrower shall provide substitute Collateral by the Cutoff Time on the Business Day on which such Act of Insolvency occurs.”

8. Section 4.6. For purposes of Section 4.6, the Cutoff Time for the Extension Deadline shall be 5:00 p.m. (U.S. Eastern Time) one Business Day before the expiration of such letter of credit.
9. Section 5.1. The following is added at the end of the Section: “On any Business Day, Lender may notify Borrower that a new rate of Loan Fee or Cash Collateral Fee shall apply with respect to an outstanding Loan. If Borrower does not terminate such outstanding Loan and transfer the relevant Loaned Securities to Lender before the Cutoff Time on such Business Day, the Borrower shall be deemed to have agreed that such new rate shall apply to the Loan commencing the next Business Day.”
10. Section 5.2(a). Subsection (a) is deleted and replaced in its entirety as follows:

“(a) in the case of any Loan of Securities other than Government Securities, upon the fifteenth day of the month in which such fee was incurred (or, if a transfer of cash in accordance with Section 15 may not be effected on such fifteenth day or the day of such termination, as the case may be, the next day on which such a transfer may be effected); and”
11. Section 6.1(a). The Section is deleted and replaced in its entirety as follows:

“6.1 (a) Lender may terminate a Loan on a termination date established by notice given to the Borrower at any time. The termination date established by a termination notice given to Borrower prior to the Cutoff Time on a Business Day, shall be (i) in the case of Government Securities, the next Business Day following such notice and (ii) in the case of all other Securities, the standard settlement cycle for such securities, not to exceed three Business Days following such notice. For purposes of this Section 6.1(a), the Cutoff Time shall be 3:00 p.m. (U.S. Eastern Time) unless otherwise agreed by the parties.”
12. Section 6.1(b). The Section is deleted and replaced in its entirety as follows:

“(b) Borrower may terminate a Loan on any Business Day by giving notice to Lender in the case of (i) U.S. equities and corporate bonds, no later than 1 p.m. New York time on such Business Day and (ii) U.S. government bonds, no later than 10 a.m. New York time, and transferring the Loaned Securities to Lender before the Cutoff Time on such Business Day; provided, however, that Lender acknowledges that in unusual circumstances Borrower may be unable to provide such notice and, accordingly, Lender will accept from Borrower, before the Cutoff Time, the return of U.S. equity securities to the extent such return is required by Regulation T. For purposes of this Section 6.1(b), the Cutoff Time shall be 3:00 p.m. (U.S. Eastern Time) unless otherwise agreed by the parties”
13. Section 6.2. The following words are deleted from the beginning of the sentence: “Unless otherwise agreed”. The words “unless Borrower is in Default under this Agreement” are added at the end of Section 6.2.
14. Section 8.2. The following words are deleted: “, so long as Lender is not in Default at the time of such payment”.

15. Section 8.7. A new Section 8.7 is added, as follows:
- “8.7 Lender shall not be entitled to any Distribution with respect to any voluntary corporate action affecting Loaned Securities for which Lender must make an election for it to receive a Distribution, unless the Lender shall notify the Borrower in writing of Lender’s election as to the Loaned Securities on or before the deadline provided by the Borrower to the Lender for such notice. If Lender instructs Borrower as to its election after the deadline, Borrower shall use commercially reasonable efforts to effect such instructions, but shall otherwise have no responsibility to ensure that such instructions are put into effect.”
16. Section 9.1. The following words are deleted from the first sentence: “If Lender is a Customer.” In each instance, “100%” is deleted and replaced by “the Margin Percentage”.
17. Section 9.2. The following is added at the end of the Section: “Further, except with respect to an account that is in default, BGI may transfer all or any portion of the Collateral, and hold and apply any Letter of Credit, among the various accounts for which it is acting as agent or trustee hereunder as necessary to assure that the obligations of Borrower to each such account under each Loan are adequately secured.”
18. Section 9.6. For purposes of Section 9.6, the Margin Notice Deadline shall be the Close of Business on a Business Day, and the Close of Business shall be, for cash Collateral, the closing time of the agreed upon system for the transfer of cash Collateral, which shall be no later than the closing time of the Fed discount window, and, for Collateral that is U.S. Treasuries, the closing time of the Fed Wire system.
19. Section 10. The following section is added after Section 10.6:
- “10.7 Borrower represents and warrants to Lender that it is either (a) a bank subject to federal or state supervision, (b) a broker-dealer registered under the Exchange Act or (c) exempt from registration under Section 15(a)(1) of the Exchange Act as a dealer in Government Securities.”
20. Section 11.1. The following phrase is inserted into the parenthetical in clause (b), after the word “hereof”: “if such Annex has been executed by both parties”. The following is added at the end of Section 11.1: “Borrower acknowledges that BGI is acting as Agent on behalf of multiple Principals.”
21. Section 11.2. The following sentence is inserted after the first sentence: “Borrower may furnish such statements electronically.”
22. Section 11.3 The following section is added after Section 11.2:
- “11.3 Borrower and Lender agree that, prior to the making of any Loans hereunder, Borrower shall provide Lender with (i) the most recent available audited statement of Borrower’s financial condition and (ii) the most recent available unaudited statement of Borrower’s financial condition (if more recent than the most recent audited statement), and each Loan made hereunder shall be deemed a representation by Borrower that there has been no material adverse change in Borrower’s financial condition subsequent to the date of the latest financial statements or information furnished in accordance herewith.”
23. Section 12.3. The following words are added at the end of the Section: “or if either party shall

fail to transfer the Loaned Securities or the Collateral, as applicable, required by Section 4.6”.

24. Section 12.5. The following is added at the end of the Section: “or Goldman Sachs Group, Inc.”
25. Section 12.7. The word “or” is deleted at the end.
26. Section 12. The following sections are added after Section 12.8:
  - “12.9 if Borrower or the Goldman Sachs Group, Inc., shall have been suspended or expelled from membership or participation in any national securities exchange or association or other self-regulatory organization or if either is suspended from dealing in securities by any governmental agency; provided however, that such suspension or expulsion appears reasonably likely to have a material adverse effect on Borrower’s ability to perform its obligations hereunder; and provided further that any suspension or expulsion of Borrower by the New York Stock Exchange, Inc. or the Securities and Exchange Commission shall be deemed to have a material adverse effect.
  - “12.10 if, at any time, final judgments for the payment of money in excess of \$100 million in the aggregate shall be rendered against Borrower, and, within 60 days after the entry thereof, such judgments shall not have been discharged or execution thereof stayed pending appeal, or if, within 60 days after the expiration of any such stay, such judgments shall not have been discharged; or”
  - “12.11 if a Default with respect to Borrower shall have occurred under any securities lending arrangement between Borrower and BGI, as trustee or agent for any of its trust or agency accounts.”
27. Section 13.5 A new Section 13.5 is added, as follows:
  - “13.5 If Lender or Borrower exercises its remedies under Section 13.1 or 13.2, respectively, it shall provide prompt notice to the other party of the remedy elected, which notice shall specify all material details regarding the remedy (including the amount and price of the securities purchased or sold, and other details). Such notice shall be given to the other party (i) for Loaned Securities that are not Foreign Securities, before the Close of Business on the same day as the remedy was elected; and (ii) for Loaned Securities that are Foreign Securities, as soon as the details of the remedy are known or are reasonably knowable with due inquiry.”
28. Section 15.5. The following is inserted into the second sentence after the word “steps” and before the word “necessary”: “within its control”.
29. Section 17. The first sentence is deleted. The words “If Lender so notifies Borrower, then” are deleted from the beginning of the second sentence and replaced by the words “With respect to any Loan involving Securities transferred to the Borrower hereunder that have been or shall be obtained, directly or indirectly, from or using the assets of any Plan,”.
30. Section 17.2. In the second sentence, the words “Lender agrees that” are deleted and replaced by “Lender may”. The words “it will” is deleted between the words “hereunder” and “communicate”. The words “In the event Lender fails to communicate and keep current during the term of any Loan such information” are deleted from last sentence and replaced by the words “In the absence of such communication by Lender”. The following is added after the last sentence: “With respect to any Loan hereunder involving Plan assets from a “collective investment fund” (as defined in Prohibited Transaction Exemption 91-38, 56 Fed Reg. 31966,



July 12, 1991) trustee by BGI, Lender represents and warrants to the Borrower that BGI, in its capacity as trustee, is the only person that has discretionary authority or control with respect to the investment of, or renders investment advice with respect to, the assets of any Plan that are invested in such collective investment fund.”

31. Section 17.4. The words “irrevocable bank letters of credit issued by a person other than Borrower or an affiliate thereof” are deleted and replaced by “Letters of Credit”.
32. Section 24.1. The following clause is added to the end of the second sentence: “; except for an assignment or delegation of all of either party's rights and obligations hereunder in whatever form either party determines may be appropriate to a partnership, corporation, trust or other organization in whatever form that succeeds to all or substantially all of such party's assets and business and that assumes such obligations by contract, operation of law or otherwise. Upon any such delegation and assumption of obligations, such party shall be relieved of and fully discharged from all obligations hereunder, whether such obligations arose before or after such delegation and assumption.”
33. Section 25.37. “Margin Percentage” is deleted and replaced in its entirety as follows: “Margin Percentage” shall mean, with respect to any Loan as of any date, not less than 102% with respect to U.S. securities, and not less than 105% with respect to Foreign Securities.”
34. Section 25.11. “Collateral” is deleted and replaced in its entirety by the definition of Collateral set forth under Section 17.4(a) of the Agreement.
35. Section 25. The following definitions are added after Section 25.47:  

“25.48 “Issuing Bank” shall mean any bank that has issued a Letter of Credit as Collateral under the Agreement.”

“25.49 “Letter of Credit” shall mean Collateral in the form of an irrevocable bank letter of credit issued by a bank, other than an affiliate of Borrower, and acceptable to Lender, and in a form and substance satisfactory to Lender.”
36. Section 28. A new Section 28 is added to the Agreement:

**“28. Indemnification.**

Borrower agrees to indemnify and hold harmless Lender from any and all damages, losses, costs and expenses (“Losses”), including reasonable attorneys’ fees and excise taxes, punitive and other damages under ERISA, but excluding Losses caused by the gross negligence of Lender and indirect, consequential, special or punitive damages (other than pursuant to ERISA) or lost profits, business or opportunities that it may incur or suffer arising in any way out of (i) the use by Borrower of Loaned Securities under this Agreement, (ii) the failure of Borrower to return the Loaned Securities or (iii) the enforcement of this Agreement or any Letter of Credit or in the protection, preservation or enforcement of Lender’s rights in connection with any of the Collateral.”

37. Section 29. A new Section 29 is added as follows:

**“29. Force Majeure**

Neither party will be in breach of this Agreement by reason of any delay in the performance or non-performance on its part of its obligations hereunder (and shall not be liable for any costs or damage caused thereby) where the same is occasioned by any circumstance whatsoever beyond its reasonable control, including, without limitation, governmental action, war, or act of God."

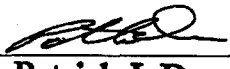
38. Annex I-A. Section 4. Section 4 is hereby amended to read as follows by deleting the provision that is struck through and adding the provisions that are underlined:

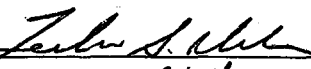
The parties agree that (i) the portion of any individual Loan allocable to each Principal shall be ~~be deemed made~~ as a separate Loan under the Agreement, (ii) the portion of any Loan reallocated to a Principal will be deemed to be made as a separate new loan and the initial loan deemed to be terminated by delivery of the securities transferred under the new loan on the books of the Agent; (iii) the mark to market obligations of Borrower and Principal under the Agreement shall be determined on a Principal-by-Principal basis, and (iv) Borrower's and Principal's remedies under the Agreement upon the occurrence of a Default shall be determined as if Agent had entered into a separate Agreement with the other party on behalf of each of its Principals.

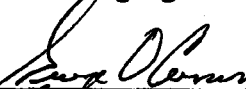
39. Unless specifically modified herein, all other terms and conditions of the Agreement (including all Annexes thereto) remain in full force and effect and apply to this Addendum. Unless specifically defined herein, defined terms in this Addendum shall have the same meaning as in the Agreement.

Barclays Global Investors, N.A., as agent  
or trustee for various agency or trust accounts  
specified in Appendix A

Goldman, Sachs & Co.

By:   
Title: Patrick J. Dunne  
Date: 10/26/06  
Managing Director

By:   
Title: Morgan Director  
Date: 10/26/06

By:   
Title: Morgan Director  
Date: 10/25/2006

## Master Securities Loan Agreement

### Appendix B to Schedule B

#### Supplemental Terms for Foreign Securities

In addition to the terms of the Agreement (including Schedules, Annexes and Appendices thereto), this Appendix B to Schedule B of the Agreement shall apply to Loans of Foreign Securities only. In the event of any inconsistency between the provisions of this Appendix B and the other provisions of the Agreement (including Schedules, Annexes and Appendices thereto), this Appendix B shall prevail.

1. Section 4.1. The words "or concurrently with" and "but in no case later than the Close of Business on the day of such transfer," are deleted from the first sentence.
2. Section 6.1. The Section is deleted in its entirety and replaced with the following:
  - "6.1 (a) Borrower may terminate a loan of any Foreign Securities by (i) giving prior notice of such termination to Lender no later than 4:00 p.m. New York time on the U.S. Business Day next preceding the relevant Business Day on which Borrower intends to return the Foreign Securities to Lender and (ii) delivering such Foreign Securities to Lender.
  - (b) In addition to its right to terminate any or all loans pursuant to Paragraph 12 hereof, Lender may terminate a loan of any Foreign Securities by giving notice to Borrower reasonably prior to the close of any Business Day. Any notice given after such time shall be deemed to have been given on the next Business Day. Any termination date established by any such notice shall be a date no earlier than the standard settlement date for the relevant Foreign Securities, but no later than five Business Days after notice of termination from Lender to Borrower ("Termination Date"). On the Termination Date or at the time specified in Borrower's notice to Lender, pursuant to paragraph 5(a) hereof, Borrower shall deliver the Foreign Securities to Lender."
3. Section 9.2. The following is added to the end of Section 9.2, as such Section is amended by Schedule B to the Agreement: "Borrower shall deliver such additional Collateral by the close of the relevant system for the delivery of the Collateral on the U.S. Business Day next following the Business Day on which the Market Value of the Collateral does not equal or exceed the Margin Percentage of the Market Value of the Loaned Foreign Securities including, in the case of fixed income Securities, 100% of accrued interest".
4. Section 24. A new Section 24.3 is added to the Agreement:
  - 24.3 Lender and/or Borrower may from time to time appoint agents for the purpose of carrying out all or a portion of their respective custodial responsibilities under this Agreement. To the extent that Lender or Borrower has notified the other party in writing of the name and address of such agent, delivery and redelivery of Foreign Securities Loaned under this Agreement may be effectuated through such agent.
5. South African Foreign Securities. Section 14 to the Agreement is renumbered 14(a), and the following Section 14(b) is added solely with respect to a Loan of Foreign Securities that are principally cleared and settled in South Africa:
  - "(b) In relation to any Securities issued or traded in South Africa that are ordinarily subject to Un-certificated Securities Tax (UST), in accordance with the South

African Un-certificated Securities Tax Act 44 1998, or Stamp Duty, in accordance with the South African Stamp Duties Act 77 1968, the Borrower undertakes that the transaction:

- (i) will not exceed 12 months in duration;
- (ii) has not been undertaken for the purpose of the avoidance of any tax;
- (iii) has not been entered into for the purpose of maintaining a position for a period exceeding 12 months; and
- (iv) the securities will be delivered to a third party either to satisfy the settlement of a sale of or a subsequent loan of identical securities within 10 days of their being loaned.

In the event that actions by the Borrower result in the transaction failing to meet the conditions laid down for an exemption from UST or Stamp Duty the Borrower hereby undertakes to account for and make payment of such taxes for both the original transfer of securities and any subsequent return. Further, the Borrower will also satisfy any fines or levies made by the South African authorities as a result of such failure, and produce evidence on request of the payment of such taxes and any other relevant amount."

6. Korean Foreign Securities. Section 6.1(c) to the Agreement is added solely with respect to a Loan of Foreign Securities that are principally cleared and settled in Korea:

"(c) In the absence of a prior termination pursuant to (a) or (b) above, a loan shall be deemed to be terminated and Borrower shall return Securities after a period of one year counted from the trade date or, in the event the Securities consist of bonds, three Korean Business Days prior to the maturity of the bonds on loan, whichever is sooner. In the event the Borrower wishes to continue the loan for a period greater than that permitted above, Borrower shall be obligated to request such extension of the KSD or other clearing organization, as applicable, and take all steps necessary to obtain such extension including, without limitation, the payment of any tax or fee."

7. Section 25.8. The word "or" is deleted between the words "accounts," and "b)", and the following words are added to the end "or (c) such other clearing agency at which Borrower (or Borrower's agent) or Lender (or Lender's agent) maintain accounts".

8. Section 25. A new Section 25.50 is added to the Agreement:

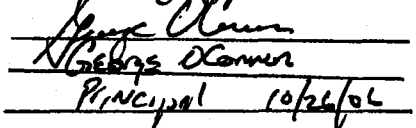
"25.50 "U.S. Business Day" shall mean the regular hours of any day on which the U.S. Federal Reserve Bank of New York, the Depository Trust Company, Borrower and Lender are open for business."

**Barclays Global Investors, N.A.**, as agent  
or trustee for various agency or trust accounts  
specified in Appendix A


**Goldman, Sachs & Co.**



**Patrick J. Dunne**  
Managing Director



George O'Connor  
Principal 10/26/06



Peter S. Johnson  
Managing Director 10/26/06

SCA

GS Account
039496971
039496989
039497250
039497268
039497276
039497284
039497292
039497300
039497318
039497326
039497334
039497342
039497359
039497367

**SECURITIES LOAN AGREEMENT**

Dated as of March 3

By and between:

Goldman, Sachs & Co. ("Borrower")

and

Brown Brothers Harriman & Co. ("Agent")

This Agreement sets forth the terms and conditions under which Agent, as agent for disclosed principals (a "Principal" or the "Principals", detailed in Annex I hereto) may, from time to time, lend to Borrower certain securities against a pledge of collateral. Capitalized terms not otherwise defined herein shall have the meanings provided in Section 27.

The parties hereto agree as follows:

**1. Loans of Securities**

1.1 Subject to the terms and conditions of this Agreement, Borrower or Agent may, from time to time, orally seek to initiate a transaction in which Agent will lend securities to Borrower. Borrower and Agent shall agree orally on the terms of each Loan, including the date of commencement of the Loan, the issuer of the securities, the description and amount of securities to be lent, the basis of compensation, delivery instructions and the amount of Collateral to be transferred by Borrower, which terms may be amended, as mutually agreed to by the parties, during the Loan.

1.2 The terms of each Loan shall, at the option of Agent, be set forth in a confirmation (a "Confirmation") prepared by Agent and delivered to Borrower at the commencement of the Loan. The Confirmation, which may be in written or electronic form, together with this Agreement, shall constitute conclusive evidence of the terms of any Loan unless an objection is made promptly thereafter by Borrower unless the parties agree that such terms are to be amended pursuant to Section 1.3 below.

1.3 Agent shall send monthly, in written or electronic form, directly or through an intermediary approved by Agent, to Borrower, information on the terms of outstanding Loans and Borrower agrees to examine promptly and to advise Agent of any errors or exceptions within 20 days of delivery of such information. Borrower's failure to so advise shall be deemed to be an admission of the accuracy of the contents thereof. Notwithstanding the above, the parties may agree to amend or correct such statements if there has been manifest error in the preparation of such statements.

1.4 Agent shall furnish to Borrower the identity of the Principals (detailed in Annex I attached hereto) on whose behalf Agent is authorized to act as agent. The identity of a Principal acting as the Lender in a Loan shall be disclosed to Borrower upon request and shall be disclosed to Borrower immediately upon a Default by such Principal. Agent agrees to seek Borrower's written approval of a Principal prior to making any loans to Borrower on behalf of such Principal.

1.5 Notwithstanding any other provision in this Agreement regarding when a Loan commences, a Loan hereunder shall not occur until the Loaned Securities and the Collateral therefor have been transferred in accordance with Section 16.

1.6 **WITHOUT WAIVING ANY RIGHTS GIVEN TO AGENT HEREUNDER, IT IS UNDERSTOOD AND AGREED THAT THE PROVISIONS OF THE SECURITIES INVESTOR PROTECTION ACT OF 1970 MAY NOT PROTECT AGENT WITH RESPECT TO LOANED SECURITIES HEREUNDER AND THAT, THEREFORE, THE COLLATERAL DELIVERED TO AGENT MAY CONSTITUTE THE ONLY SOURCE OF SATISFACTION OF BORROWER'S OBLIGATIONS IN THE EVENT BORROWER FAILS TO RETURN THE LOANED SECURITIES.**

## **2. Transfer of Loaned Securities**

Unless otherwise agreed, Agent shall transfer Loaned Securities to Borrower hereunder on the date agreed to by Borrower and Agent for the commencement of the Loan in accordance with Section 16.

## **3. Collateral**

3.1 Borrower shall, prior to or concurrently with the transfer of the Loaned Securities to Borrower, transfer to Agent Collateral with a market value at least equal to a percentage of the market value of the Loaned Securities agreed to by Borrower and Agent as reflected in Schedule A for each type of security loaned (the "Margin Percentage").

3.2 The Collateral transferred by Borrower to Agent, as adjusted pursuant to Section 8, shall be security for Borrower's obligations in respect of such Loan and for any other obligations of Borrower to Agent. Borrower hereby pledges with, assigns to, and grants Agent a continuing first security interest in, and a lien upon, the Collateral (other than letters of credit), which shall attach upon the transfer of the Loaned Securities by Agent to Borrower and which shall cease upon the transfer of the Loaned Securities to Agent by Borrower (provided Borrower is not in Default hereunder). In addition to the rights and remedies given to Agent hereunder, Agent shall have all the rights and remedies of a secured party under the New York Uniform Commercial Code. It is understood that Agent may use or invest the Collateral, if such consists of cash, at its own risk and for its own benefit and shall be entitled to retain all income and profits thereon and shall bear all respective losses thereto. Agent may, on behalf of Principal, pledge, repledge, hypothecate, rehypothecate, lend, relend, sell or otherwise transfer the securities Collateral and commingle, among Principals, the Collateral. Borrower irrevocably appoints Agent to be the attorney-in-fact of Borrower for the purpose of doing or performing any act or thing (including, without limitation, executing any document) and to take all other steps as may be required to enable Agent to effect transfer thereof to a third party or to otherwise realize upon any Collateral securing any Loans by a Principal not in Default hereunder which has been transferred to it pursuant to any Loan.

3.3 Except as otherwise provided herein, upon receipt by Agent of the Loaned Securities upon termination of a Loan, Agent shall be obligated to transfer the Collateral (as adjusted pursuant to Section 8) to Borrower by a Cutoff Time (agreed to by Agent and Borrower) on the Business Day (which must be a day upon which Agent or its designee or agent holding the Collateral is open for business in the jurisdiction in which such Collateral is held) which is coincident with the Business Day of such receipt of the Loaned Securities.

3.4 If, on any Business Day corresponding to the commencement date for a Loan, Borrower transfers Collateral to Agent, as provided in Section 3.1, and Agent does not transfer the Loaned Securities to Borrower, Borrower shall have the absolute right to the return of the Collateral; and if, on any such Business Day, Agent transfers Loaned Securities to Borrower and Borrower does not transfer Collateral to Agent as provided in Section 3.1, Agent shall have the absolute right to the immediate return of the Loaned Securities.

3.5 Borrower may, upon reasonable notice to Agent and with Agent's consent, substitute Collateral for collateral securing any Loan or Loans, provided however, that such substituted Collateral shall (a) consist only of cash, securities or other property that Borrower and Agent agreed would be acceptable Collateral prior to the commencement of the Loan or Loans and (b) have a market value such that the aggregate market value of such substituted Collateral shall equal or exceed the agreed upon Margin Percentage of the market value of the Loaned Securities. Agent's consent for such substitution shall be required if (i) Collateral being substituted is of a different form than the form of Collateral being replaced or (ii) Collateral in the form of fixed income securities is being substituted with Collateral of the same form but is of a different issuer or of a longer maturity.

3.6 Agent acknowledges that, in connection with Loans of Government Securities and as otherwise permitted by applicable law, some securities provided by Borrower as Collateral under this Agreement may not be guaranteed by the United States.

3.7 Agent shall have the right, at its sole election, at any time a Loan by a Principal is outstanding hereunder, to allocate and/or reallocate any Collateral held by it on behalf of Principal to or among any outstanding Loans by such Principal provided, however, that such Principal is not in Default hereunder. All allocations of Collateral shall be marked in BBH&Co.'s books, which shall be conclusive evidence of such allocations. It is expressly understood and agreed by the parties hereto that any allocation of Collateral to any Loan by a Principal shall in no way affect the ability of BBH&Co. to apply such Collateral to the satisfaction of any obligation of Borrower to a Principal hereunder upon a default by Borrower under this Agreement. All Collateral at any time given by a Borrower shall be considered Collateral for all the Borrower's obligations to a Principal under this Agreement and Agent may allocate such Collateral to any such obligation or obligations as Agent, on behalf of Principal, may so elect provided, however, that such Principal is not in Default hereunder.

#### 4. Fees for Loan

4.1 Unless otherwise agreed, (a) Borrower agrees to pay Agent a loan fee (a "Loan Fee"), computed daily on each Loan to the extent such Loan is secured by Collateral other than cash, based on the aggregate par value (in the case of Loans of Government Securities) or the aggregate market value (in the case of all other Loans) of the Loaned Securities on the day for which such Loan Fee is being computed, and (b) Agent agrees to pay Borrower a fee or rebate (a "Cash Collateral Fee") on Collateral consisting of cash, computed daily based on the amount of cash held by Agent as Collateral, in the case of each of the Loan Fee and the Cash Collateral Fee at such rates as Borrower and Agent may agree. Except as Borrower and Agent may otherwise agree (in the event that cash Collateral is

transferred by clearing house funds or otherwise), Loan Fees shall accrue from and including the date on which the Loaned Securities are transferred to Borrower to, but excluding, the date on which such Loaned Securities are returned to Agent, and Cash Collateral Fees shall accrue from and including the date on which the cash Collateral is transferred to Agent to, but excluding, the date on which such cash Collateral is returned to Borrower.

4.2 Unless otherwise agreed, any Loan Fee or Cash Collateral Fee payable hereunder shall be payable:

(a) in the case of any Loan of securities other than Government Securities, upon the fifteenth day of the month following the calendar month in which such fee was incurred; and

(b) in the case of any Loan of Government Securities, upon the termination of such Loan.

Notwithstanding the foregoing, all Loan Fees shall be payable by Borrower immediately in the event of a Default hereunder by Borrower and all Cash Collateral Fees, payable by a Principal, shall be payable immediately by Agent, on behalf of such Principal, in the event of a Default by such Principal.

## 5. Termination of the Loan

5.1 Borrower may terminate a Loan on any Business Day by giving notice to Agent on such Business Day by the Cutoff Time designated for such market as detailed in Schedule B hereto and in accordance with the following. For securities issued in those markets listed as "A" markets in Schedule B hereto, the termination date specified in such notice may be the same Business Day. For those securities issued in markets listed as "B" markets in Schedule B hereto, the termination date may be no earlier than the first Business Day following the day on which Borrower gives notice. For those securities issued in markets listed as "C" markets in Schedule B hereto, the termination date may be no earlier than the second Business Day following the day on which Borrower gives notice. In each case, on the termination date, the Loaned Securities shall be delivered by Borrower to Agent, and Agent and Borrower shall have submitted proper instructions to the local market in accordance with deadlines imposed by the local market and/or the applicable subcustodian bank.

5.2 Agent may terminate a Loan at any time by giving notice to Borrower prior to the close of business on a Business Day. The termination date established by such notice shall be a Business Day no later than the earlier to occur of (i) the standard settlement date for trades of the Loaned Securities entered into on the date of such notice in the principal market therefor or (ii) five Business Days from the giving of such notice. On the termination date, the Loaned Securities shall be delivered by Borrower and Agent, and Borrower shall have submitted proper instructions to the local market in accordance with applicable deadlines imposed by the local market and/or the subcustodian bank.

5.3 Upon a return of Loaned Securities by Borrower pursuant to Section 5.1 or Section 5.2 above, Agent shall transfer to Borrower the Collateral (as adjusted pursuant to Section 8) in accordance with Section 3.3.

5.4 For purposes of this Agreement, any required return by Borrower of Loaned Securities shall include securities identical in issuer, type, class and face amount to those actually transferred by Agent to Borrower at the commencement of the related Loan.



**6. Rights of Borrower in Respect of the Loaned Securities**

Except as set forth in Section 7 and as otherwise agreed to by Borrower and Agent, until Loaned Securities are required to be redelivered to Agent upon termination of a Loan hereunder, Borrower shall have all of the incidents of ownership of the Loaned Securities, including the right to transfer the Loaned Securities to others. Agent hereby waives the right to vote, or to provide any consent or to take any similar action with respect to, the Loaned Securities in the event that the record date or deadline for such vote, consent or other action falls during the term of the Loan.

**7. Dividends, Distributions, Etc.**

7.1 Agent, acting on behalf of Principal, shall be entitled to receive all distributions made on or in respect of the Loaned Securities the record dates for which occur during the term of the Loan (or which occur on a date following the return of Loaned Securities but prior to any reregistration into the name of Agent or its nominee provided, however, that Agent makes a best effort attempt to reregister in a timely fashion) and which are not otherwise received by Agent, to the full extent it would be so entitled if the Loaned Securities had not been lent to Borrower, including, but not limited to: (a) cash and all other property, (b) stock dividends or other distributions of stock, (c) securities received as a result of split-ups of the Loaned Securities and distributions in respect thereof, (d) interest payments, (e) all rights to purchase additional securities subject to Section 7.4 and (f) payments upon maturity or other redemption.

7.2 Any cash distributions made on or in respect of the Loaned Securities, which Agent is entitled to receive pursuant to Section 7.1, shall be paid by the transfer of cash to Agent by Borrower on the later of (i) payment date for any such distribution or (ii) the Business Day that next succeeds the day of notice by Agent that such payment is due, in an amount equal to such cash distribution (subject to Section 7.5) so long as Principal is not in Default at the time of such payment. Non-cash distributions received by Borrower shall be added to the Loaned Securities (unless otherwise agreed to by the parties) on the date of distribution and shall be considered such for all purposes, except that if the Loan has been terminated, Borrower shall forthwith transfer the same to Agent.

7.3 Borrower shall be entitled to receive all cash distributions made on or in respect of non-cash Collateral the record or payment dates for which occur during the term of the Loan and which are not otherwise received by Borrower, to the full extent it would be so entitled if the Collateral had not been transferred to Agent. Any distributions of cash made on or in respect of such Collateral which Borrower is entitled to receive hereunder shall be paid by the transfer of cash to Borrower by Agent, upon the date of Agent's receipt, in an amount equal to such cash distribution (subject to Section 7.5 hereof), so long as Borrower is not in Default at the time of such payment.

7.4 So long as Loaned Securities have not been returned to Agent and re-registered in the name of Agent or a nominee, the parties agree that all rights arising in respect of consolidations, redemptions, takeovers, conversions, subdivisions, preemptions, options or other rights shall be for the benefit of Agent and shall be deemed to have been exercised for the benefit of Agent in accordance with Agent's timely instructions to Borrower, which Borrower shall use its best efforts to timely seek from Agent with respect to each of the foregoing so as to be able to act in accordance therewith. Borrower's obligation to remit any such distributions or the equivalent value of such rights shall be in accordance with the giving of full effect to such instructions, irrespective of whether or not Borrower has complied with such instructions.

7.5 (a) Unless otherwise agreed, if (i) Borrower is required to make a payment (a "Borrower Payment") with respect to cash distributions on Loaned Securities under Sections 7.1 and 7.2 ("Securities Distributions"), and (ii) there is a requirement under law for any withholding or other tax, duty, fee, levy or charge to be deducted or withheld from such Borrower Payment ("Tax"), then Borrower shall pay such additional amounts as may be necessary in order that the net amount of Borrower Payment received by the Agent for benefit of the Principal, after payment of such Tax equals the net amount of the Securities Distribution that would have been received if such Securities Distribution had been paid directly to it, provided however, that any Borrower Payment shall also take into account (and Borrower shall pay such additional amounts which reflect) the value to the Principal of any tax reclaim or credit which such Principal would otherwise have been entitled to had it not lent the securities to Borrower.

(b) If Agent is required to make a payment ("Agent Payment") with respect to distributions on non-cash Collateral under Section 7.3 ("Collateral Distributions"), Agent shall pay to Borrower the net amount of the Collateral Distribution that Borrower would have received had it not transferred such non-cash Collateral and such Collateral Distribution had been paid directly to Borrower by the issuer.

## 8. Mark to Market

8.1 Borrower shall daily mark to market any Loan hereunder and, in the event that at the close of trading on any Business Day the market value of the Collateral for any Loan to Borrower shall be less than 100% of the market value of all the outstanding Loaned Securities subject to such Loan, Borrower shall transfer additional Collateral no later than the close of the next Business Day so that the market value of such additional Collateral, when added to the market value of the other Collateral for such Loan, shall equal 100% of the market value of the Loaned Securities.

8.2 Notwithstanding the above, Agent shall daily mark to market any Loan hereunder and, in the event that on any Business Day the market value of Collateral securing a Loan (as of the close of business on the prior Business Day) is less than the Margin Percentage of the market value of the outstanding Loaned Securities subject to such Loan (a "Margin Deficit"), Agent may, by notice (oral or written) to Borrower, demand that Borrower deliver to Agent additional Collateral with a market value equal to the Margin Deficit. Unless otherwise agreed, such transfer (in the case of Collateral denominated in U.S. dollars) is to be made in the United States in accordance with Agent's instructions no later than 3:00 p.m. Eastern Time ("ET") on the day of such request if such request is made prior to 11:00 a.m. ET; in the case of all other types of Collateral and in the case of Collateral denominated in U.S. dollars where demand is made subsequent to 11:00 a.m. ET, such delivery shall be completed by 4:00 p.m. ET on the next succeeding Business Day of Agent (or its designee) or such other time as may be agreed to by the parties.

8.3 In the event that at the opening of any Business Day the market value of Collateral securing a Loan (as of the close of business on the prior Business Day) is greater than the Margin Percentage of the market value of the outstanding Loaned Securities subject to such loan (a "Margin Excess"), Borrower may, by notice to Agent, demand that Agent transfer to Borrower such amount of the Collateral selected by Borrower with a market value equal to the Margin Excess. Unless otherwise agreed, such transfer (in the case of Collateral denominated in U.S. dollars) is to be made in the United States in accordance with Borrower's instructions no later than 5:00 p.m. ET on the day of such request if such request is made prior to 11:00 a.m. ET; in the case of all other types of Collateral and in the case of Collateral denominated in U.S. dollars where demand is made subsequent to 11:00 a.m. ET, such transfer shall be completed by 4:00 p.m. ET on the next succeeding Business Day of Borrower

(or its designee) or such other time as may be agreed to by the parties. Where Collateral is in the form of a letter of credit, Agent agrees to promptly consent to a reduction in the undrawn balance of the letter of credit within the time period detailed above.

8.4 Borrower and Agent may agree, with respect to one or more Loans hereunder, to mark the values to market pursuant to Sections 8.2 and 8.3 by valuing the Loaned Securities lent on behalf of a particular Principal and the Collateral given in respect thereof on an aggregate basis.

8.5 Borrower and Agent may agree, with respect to any or all Loans hereunder, that the respective rights of Agent and Borrower under Sections 8.2 and 8.3 may be exercised only where a Margin Excess or Margin Deficit exceeds a specified dollar amount or a specified percentage of the market value of the Loaned Securities under such Loans (which amount or percentage shall be agreed to by Borrower and Agent prior to entering into any such Loans).

9. Representations

Each party to this Agreement hereby makes the following representations and warranties, which shall continue during the term of any Loan hereunder:

9.1 Each party hereto represents and warrants that (a) it has the power to execute and deliver this Agreement, to enter into the Loans contemplated hereby and to perform its obligations hereunder, (b) it has taken all necessary action to authorize such execution, delivery and performance; and (c) this Agreement constitutes a legal, valid and binding obligation enforceable against it in accordance with its terms.

9.2 Each party hereto represents and warrants that the execution, delivery and performance by it of this Agreement and each Loan hereunder will at all times comply with all applicable laws and regulations including those of applicable regulatory and self-regulatory organizations.

9.3 Each party hereto represents and warrants that it has not relied on the other for any tax or accounting advice concerning this Agreement and that it has made its own determination as to the tax and accounting treatment of any Loan and any dividends, remuneration or other funds received hereunder.

9.4 Borrower represents and warrants that (a) it is an entity duly organized and validly existing under the laws of the jurisdiction of its organization (b) it has, or will have at the time of transfer of any Collateral (other than letters of credit), the right to grant a first security interest therein subject to the terms and conditions hereof and (c) as to Collateral consisting of letters of credit transferred to Agent hereunder, Borrower represents and warrants that Agent shall have full unencumbered title thereto and (d) it (or the person to whom it relends the Loaned Securities) is borrowing or will borrow the Loaned Securities (except for Loaned Securities that qualify as "exempted securities" under Regulation T of the Board of Governors of the Federal Reserve System) for the purpose of making delivery of such securities in the case of short sales, failure to receive securities required to be delivered, or as otherwise permitted pursuant to Regulation T as in effect from time to time.

9.5 Borrower represents and warrants that it is acting for its own account.

9.6 Agent represents and warrants that it is acting exclusively as agent for the Principals.

9.7 Agent represents and warrants that the Principal acting as lender in any Loan has represented and warranted to it that the Loaned Securities transferred to Borrower shall be free and clear of any lien or encumbrance at the time of transfer, and Borrower represents and warrants that the return to Agent of Loaned Securities shall be free and clear of any lien or encumbrance at the time of such return.

9.8 Agent represents and warrants that as to each Principal, such Principal has represented and warranted to it that (i) such Principal has duly authorized Agent, as agent, to execute and deliver this Agreement on its behalf, and to enter into Loans on its behalf, (ii) such Principal has the requisite power to perform, and has been duly authorized to perform, the obligations imposed hereunder and under any Loan effected pursuant hereto, and (iii) the obligations of such Principal in respect of any Loan effected pursuant to this Agreement constitute legal, valid and binding obligations of the Principal, enforceable in accordance with their terms.

9.9 Each of the representations and warranties set out in Section 9, shall, notwithstanding any provision of Section 9 or any other provision of the Agreement, be deemed made and repeated for all purposes at and as of all times when any loan entered into hereunder is outstanding.

## 10. Covenants

10.1 Each party hereto agrees and acknowledges that (a) each Loan hereunder is a "securities contract," as such term is defined in Section 741 (7) of Title 11 of the United States Code (the "Bankruptcy Code"), (b) each and every transfer of funds, securities and other property under this Agreement and each Loan hereunder is a "settlement payment" or a "margin payment," as such terms are used in Sections 362 (b) (6) and 546 (e) of the Bankruptcy Code, and (c) the rights given to Borrower and Agent hereunder upon a Default by the other constitute the right to cause the liquidation of a securities contract and the right to set off mutual debts and claims in connection with a securities contract, as such terms are used in Sections 555 and 362 (b) (6) of the Bankruptcy Code. Each party hereto further agrees and acknowledges that if a party hereto is an "insured depository institution," as such term is defined in the Federal Deposit Insurance Act, as amended ("FDIA"), then each Loan hereunder is a "securities contract" and "qualified financial contract," as such terms are defined in the FDIA and any rules, orders or policy statements thereunder.

10.2 Borrower and each Principal shall be liable as principal with respect to its obligations hereunder.

10.3 Upon execution of this Agreement, Borrower shall furnish Agent with Borrower's most recent financial statements (excluding profit and loss information) available to the public or its customers, including any statements required by Rule 17a-5c under the Exchange Act, and any other financial statements mutually agreed upon by Borrower and Agent. As long as any Loan is outstanding under this Agreement, Borrower will promptly deliver or make available to the Agent all such financial information that is subsequently available.

10.4 Except to the extent required by applicable law or regulation or as otherwise agreed, Borrower and Agent agree that Loans hereunder shall in no event be "exchange contracts" for purposes of the rules of any securities exchange and that Loans hereunder shall not be governed by the buy-in or similar rules of any such exchange, registered national securities or other self-regulatory organization.

10.5 Borrower will, from time to time, do and perform any and all acts and execute any and all further instruments required or reasonably requested by Agent to more fully to effect the purposes of this Agreement and the pledge of the Collateral hereunder.

10.6 Borrower agrees that the completion of delivery of Loaned Securities to it pursuant to a Loan shall constitute its acceptance and receipt thereof and each such acceptance and receipt shall be deemed to constitute, and shall constitute, a representation by Borrower that as of the date of such acceptance and receipt, (i) all representations and warranties set forth in this Agreement are true and correct, as if made on and as of such date, (ii) no Default hereunder has occurred and is continuing, and (iii) except as otherwise disclosed to Agent in writing, there has been no material adverse change in the financial condition of Borrower subsequent to the date of the latest financial statements or information required to be furnished in accordance herewith.

## 11. Events of Default

All Loans hereunder may, at the option of the non-defaulting party exercised by notice to the defaulting party (which option shall be deemed to have been exercised, even if no notice is given, immediately upon the occurrence of an event specified in subsection (f) below), be terminated immediately upon the occurrence of any one or more of the following events (individually, a "Default"):

(a) if any Loaned Securities shall not be transferred to Agent on the termination date of the Loan as required by Section 5.2;

(b) if any Collateral shall not be transferred to Borrower upon termination of the Loan as required by Section 5;

(c) if either party shall fail to transfer Collateral as required by Section 8;

(d) if either party (i) shall fail to transfer to the other party amounts in respect of distributions required to be transferred by Section 7, (ii) shall have received notice of such failure from the non-defaulting party, and (iii) shall not have cured such default by the next day after such notice on which a transfer of cash may be effected in accordance with Section 16;

(e) if (i) Borrower or any direct or indirect parent or the Principal shall commence as debtor any case or proceeding under any bankruptcy, insolvency, reorganization, liquidation, dissolution or similar law, or seek the appointment of a receiver, conservator, trustee, custodian or similar official for such party or any substantial part of its property, (ii) any such case or proceeding shall be commenced against Borrower or any direct or indirect parent or the Principal, or another shall seek such an appointment, or any application shall be filed against either party for a protective decree under the provisions of the Securities Investor Protection Act of 1970, which (A) is consented to or not timely contested by such party, (B) results in the entry of an order for relief, such an appointment, the issuance of such a protective decree or the entry of an order having a similar effect, or (C) is not dismissed within 30 days, (iii) Borrower or any direct or indirect parent or the Principal shall make a general assignment for the benefit of creditors, or (iv) Borrower or any direct or indirect parent or the Principal shall admit in writing its inability to pay its debts as they become due;

(f) if Borrower or the Principal shall have been suspended or expelled from membership or participation in any national securities exchange or registered national securities association of which it is member or other self-regulatory organization to whose rules it is subject or if it is suspended from dealing in securities by any federal or state government agency or regulatory body

thereof and such suspension or expulsion shall have a material impact on its ability to perform its obligations hereunder;

(g) if Borrower or the Principal shall have its license, charter, or other authorization necessary to conduct a material portion of its business withdrawn, suspended or revoked by any applicable federal or state government or agency or regulatory authority thereof and such withdrawal, suspension or revocation shall have a material impact on its ability to perform its obligations hereunder;

(h) if any representation made or deemed to be made by either party in respect of this Agreement or any Loan or Loans hereunder shall be incorrect or untrue in any material respect during the term of any Loan hereunder;

(i) if either party (i) shall fail to perform any material obligation under this Agreement not specifically set forth in clauses (a) through (j) above, including but not limited to the payment of fees as required by Section 4, and the payment of transfer taxes as required by Section 14, (ii) shall have received notice of such failure from the non-defaulting party and (iii) shall not have cured such failure by the next day after such notice on which a transfer of cash may be effected;

(j) any Affiliate of Borrower shall default under any other securities loan agreement with Brown Brothers Harriman and Co., acting as agent or Brown Brothers Harriman and Co., acting as agent, shall default under any other securities loan agreement with any Affiliate of Borrower; or

(k) if a party ("X") consolidates or amalgamates with, or merges into, or transfers all or substantially all its assets to, another entity and (i) the resulting, surviving, or transferee entity has not assumed all the obligations of X under this Agreement pursuant to an agreement reasonably satisfactory to the other party or (ii) the financial condition of the resulting, surviving, or transferee entity is, in the judgment of the other party, materially weaker than that of X prior to such transaction.

## **12. Agent's Remedies**

If any Default shall occur in respect of which Borrower is the defaulting party, Agent shall have the right (without further notice to Borrower), in addition to any other remedies provided herein or under applicable law, (i) to purchase, within a commercially reasonable time, a like amount of Loaned Securities in the principal market for such securities, or (ii) to treat the Loaned Securities as having been purchased by Borrower at a purchase price equal to the market value thereof on the day of such Default, and may apply the Collateral to the payment of such purchase (whether actual or deemed), after deducting therefrom all amounts, if any, due to Agent under Sections 4, 7, 14 and 16. Agent may similarly apply the Collateral to any other obligation of Borrower under this Agreement, including Borrower's obligations with respect to distributions paid to Borrower (and not forwarded to Agent) in respect of Loaned Securities. In the event that the purchase price or deemed purchase price (plus all other amounts, if any, due to Agent hereunder) exceeds the market value of the Collateral on the date of such purchase, Borrower shall be liable to Agent for the amount of such excess together with interest thereon at a per annum rate equal to (A) in the case of purchases of Foreign Securities, LIBOR plus 1%, (B) in the case of purchases of any other securities (or other amounts, if any, due to Agent hereunder), the Federal Funds Rate plus 1% in each case as such rate fluctuates from day to day, from the date of such purchase until the date of payment of such excess. Agent shall have, as security for Borrower's obligation to pay such excess, a security interest in or right of setoff against any property of Borrower then held by Agent and any other amount payable by Agent to Borrower. The purchase price of securities purchased or deemed to have been purchased under this Section 12 shall include broker's fees and commissions and all other reasonable costs, fees and expenses related to such purchase or exercise of

remedies, including, without limitation, reasonable legal fees and expenses but excluding any consequential or indirect expenses. Upon the satisfaction of all obligations hereunder, any remaining Collateral shall be returned to Borrower and Borrower's obligation to return Loaned Securities shall terminate.

Notwithstanding any provision of the Agreement, Borrower shall not be obligated to make any payment to Borrower under the Agreement or in respect of any Loan by a Principal (including without limitation any return of Collateral) at any time after a Default by such Principal has occurred unless and until Agent, on behalf of such Principal, has satisfied all of its obligations (contingent or otherwise) to Borrower, whether or not such obligations have at the time matured.

**13. Borrower's Remedies**

Upon the occurrence of a Default under Section 11 entitling Borrower to terminate all Loans by a Principal hereunder, Borrower shall have the right (without further notice to Agent), in addition to any other remedies provided herein or under applicable law, to sell (or be deemed to have sold) a like amount of the Loaned Securities in the principal market for such securities in a commercially reasonable manner on the day of the Default and to retain (or be deemed to have realized) the proceeds of such sale. In such event, Borrower may treat the Loaned Securities as its own and Agent's obligation to return Collateral consisting of cash and securities shall terminate. In the event the sales price received (or deemed to have been received) from such securities is less than the market value of the Collateral consisting of cash or securities on the date of sale (or deemed sale) the Principal which defaulted on the Loan shall be liable to Borrower for the amount of any deficiency (and all other amounts, if any, due to Borrower hereunder), together with interest on such amounts at a per annum rate equal to (A) in the case of Collateral consisting of Foreign Securities, LIBOR plus 1%, (B) in the case of Collateral consisting of any other securities (or other amounts due, if any, to Borrower hereunder), the Federal Funds Rate plus 1%, in each case as such rate fluctuates from day to day, from the date of such sale until the date of payment of such deficiency. As security for the Principal's obligation to pay such deficiency, Borrower shall have a security interest in any property of the Principal then held by Borrower pursuant to this Agreement and a right of setoff with respect to such property and any other amount payable to Borrower by Agent in respect of such Principal arising hereunder. In calculating this deficiency, there shall be deducted from the proceeds of the securities sold under this Section 13 broker's fees and commissions and all other reasonable costs, fees and expenses related (or deemed related) to such sale (or exercise of remedies). Upon the satisfaction of all Agent's obligations hereunder, any remaining Loaned Securities (or remaining cash proceeds thereof) shall be returned to Agent.

Notwithstanding any provision of the Agreement, Agent shall not be obligated to make any payment to Borrower under the Agreement or in respect of any Loan (including without limitation any return of Collateral) at any time after a Default has occurred unless and until Borrower has satisfied all of its obligations (contingent or otherwise) to Agent, whether or not such obligations have at the time matured.

**14. Transfer Taxes**

All costs, including, without limitation, transfer taxes, stamp duties and fees, with respect to any transfer hereunder of Loaned Securities or Collateral shall be paid by Borrower when due. Borrower and Agent covenant and agree that each shall ensure that this Agreement and all instruments of transfer in respect of any Loaned Securities or Collateral shall have been stamped in accordance with all applicable laws.

## 15. Market Value

15.1 With respect to Loaned Securities and Collateral consisting of securities, market value as of any date shall be determined on the basis of the closing prices therefor as of the trading day (for the principal market in which the securities are traded) immediately preceding the day of valuation such determination to be made by the independent pricing source utilized by Agent and disclosed to Borrower upon request. Market value shall include accrued interest in the case of debt securities. With respect to Collateral consisting of cash, market value as of any date shall be the face amount thereof held by Agent at the time of determination.

15.2 Unless otherwise agreed, where the Loaned Securities in respect of a Loan are denominated in a currency other than the currency in which the related Collateral is denominated, the currency which shall be applicable for purposes of determining market value shall be the currency in which the Collateral is denominated (the "Contractual Currency") and any Loaned Security not denominated in the Contractual Currency shall be converted into a Contractual Currency equivalent based on the most current spot rate of exchange quoted by the independent source of exchange rates utilized by Agent.

## 16. Transfers

16.1 All transfers of securities hereunder shall be by (a) in the case of certificated securities, physical delivery of certificates representing such securities together with duly executed stock and bond transfer powers, as the case may be, with signatures guaranteed by a bank or a member firm of the New York Stock Exchange, Inc., (b) registration of an uncertificated security in the transferee's name by the issuer of such uncertificated security, (c) the crediting by a securities intermediary of such financial assets to the transferee's securities account maintained with such securities intermediary, or (d) such other means as Borrower and Agent may agree. The parties agree and acknowledge that the term "securities", as used herein, shall include any "security entitlements" with respect to such securities (within the meaning of the New York Uniform Commercial Code).

16.2 All transfers of cash Collateral hereunder shall be by (a) debiting and crediting the applicable accounts at the Depository Trust Company or (b) such other means as Borrower and Agent may agree.

16.3 A transfer of securities, cash or letters of credit may be affected under this Section 16 on any day except (a) a day on which the transferor and transferee is closed for business at its address or (b) a day on which a Clearing Organization or wire transfer system is closed, if the facilities of such Clearing Organization or wire transfer system are required to effect such transfer.

## 17. Contractual Currency

17.1 Borrower and Agent agree that: (a) any payment in respect of a distribution under Section 7 shall be made in the currency in which the underlying distribution of cash was made; (b) any return of cash shall be made in the currency in which the underlying transfer of cash was made; and (c) any other payment of cash in connection with a Loan under this Agreement shall be in the currency agreed upon by Borrower and Agent in connection with such Loan (the currency established under clause (a), (b) or (c) hereinafter referred to as the "Contractual Currency"). Notwithstanding the foregoing, the payee of any such payment may, at its option, accept tender thereof in any other currency; provided, however that, to the extent permitted by applicable law, the obligation of the payor to make such payment will be discharged only to the extent of the amount of Contractual Currency that such payee may,



consistent with normal banking procedures, purchase with such other currency (after deduction of any premium and costs of exchange) on the banking day next succeeding its receipt of such currency.

17.2 If for any reason the amount in the Contractual Currency received under Section 17.1, including amounts received after conversion of any recovery under any judgment or order expressed in a currency other than the Contractual Currency, falls short of the amount in the Contractual Currency due in respect of this Agreement, the party required to make the payment will (unless a Default has occurred and such party is the non-defaulting party) as a separate and independent obligation and to the extent permitted by applicable law, immediately pay such additional amount in the Contractual Currency as may be necessary to compensate for the shortfall.

17.3 If for any reason the amount in the Contractual Currency received under Section 17.1 exceeds the amount in the Contractual Currency due in respect of this Agreement, then the party receiving the payment will (unless a Default has occurred and such party is the non-defaulting party) refund promptly the amount of such excess.

## 18. ERISA

Agent shall, if any of the securities transferred to Borrower hereunder for any Loan have been or shall be obtained, directly or indirectly, from or using the assets of any Plan, so notify Borrower in writing upon the execution of the Agreement or pursuant to Section 1. If Agent so notifies Borrower, then Borrower and Agent shall conduct the Loan in accordance with the terms and conditions of Department of Labor Prohibited Transaction Exemption 81-6 (46 Fed. Reg. 7527, Jan. 23, 1981; as amended, 52 Fed. Reg. 18754, May 19, 1987), or any successor thereto (unless Borrower certifies that it is not a party-in-interest to the plan for purposes of the Employee Retirement Income Security Act of 1974, as amended, and Section 4975 of the Internal Revenue Code of 1986, as amended). Without limiting the foregoing and notwithstanding any other provision of this Agreement, if the Loan is to be conducted in accordance with Prohibited Transaction Exemption 81-6, then:

(a) Borrower represents and warrants to Agent that it is either (i) a bank subject to federal or state supervision, (ii) a broker-dealer registered under the Exchange Act or (iii) exempt from registration under Section 15 (a) (1) of the Exchange Act as a dealer in Government Securities.

(b) Borrower represents and warrants that, neither Borrower nor any affiliate of Borrower (as defined in Prohibited Transaction Exemption 81-6) has any discretionary authority or control with respect to the investment of the assets of the Plan involved in the Loan or renders investment advice (within the meaning of 29 C.F.R. Section 2510.3-21 (c)) with respect to the assets of the Plan involved in the Loan.

(c) Agent agrees to notify Borrower if a Principal is a Plan prior to making any Loans hereunder on behalf of such Principal.

(d) Agent agrees to notify Borrower to the extent it is aware that Borrower or any affiliate of Borrower has any discretionary authority or control with respect to the investment of the assets of the Plan involved in the Loan or renders investment advice (within the meaning of 29 C.F.R. Section 2510.3-21 (c)) with respect to the assets of the Plan involved in the Loan.

**19. Obligations by Principals**

Each and every obligation, liability or undertaking of a Principal with respect to any Loan shall be solely an obligation, liability or undertaking of, and binding upon, the Principal by which such Loan is made ("Lending Principal") and shall be payable solely from the available assets of such Principal. No such obligation, liability or undertaking shall be binding upon or affect any other Principal. Neither Brown Brothers Harriman & Co. (in its individual capacity) nor any Affiliate thereof shall have any liability to Borrower whatsoever in respect of any Loan, it being understood and agreed that Borrower shall have recourse solely to the Lending Principal in the event of the occurrence of a Default involving the Lending Principal except to the extent of the negligence or breach by Brown Brothers Harriman and Co.

**20. Single Agreement**

Borrower and Agent acknowledge that, and have entered into this Agreement in reliance on the fact that, all Loans hereunder constitute a single business and contractual relationship and have been entered into in consideration of each other. Accordingly, Borrower and Agent hereby agree that payments, deliveries and other transfers made by either of them in respect of any Loan shall be deemed to have been made in consideration of payments, deliveries and other transfers in respect of any other Loan hereunder, and the obligations to make any such payments, deliveries and other transfers may be applied against each other and netted. In addition, Borrower and Agent acknowledge that, and have entered into this Agreement in reliance on the fact that, all Loans hereunder have been entered into in consideration of each other.

**21. APPLICABLE LAW**

THIS AGREEMENT SHALL BE GOVERNED AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK WITHOUT GIVING EFFECT TO THE CONFLICT OF LAW PRINCIPLES THEREOF.

**22. Waiver**

The failure of a party to this Agreement to insist upon strict adherence to any term of this Agreement on any occasion shall not be considered a waiver or deprive that party of the right thereafter to insist upon strict adherence to that term or any other term of this Agreement. All waivers in respect of a Default must be in writing.

**23. Remedies**

All remedies hereunder and all obligations with respect to any Loan shall survive the termination of the relevant Loan, return of Loaned Securities or Collateral and termination of this Agreement.

**24. Notices and Other Communications**

Unless another address is specified in writing by the respective party to whom any notice or other communication is to be given hereunder, all such notices or communications shall be in writing or confirmed in writing and delivered or transmitted (as the case may be) by registered mail, facsimile,

telex, or courier, or by telephone promptly confirmed in writing and delivered or transmitted as aforesaid at the respective addresses set forth hereto. All notices shall be effective upon actual receipt.

**25. SUBMISSION TO JURISDICTION; WAIVER OF JURY TRIAL**

25.1 EACH PARTY HERETO IRREVOCABLY AND UNCONDITIONALLY (A) SUBMITS TO THE NON-EXCLUSIVE JURISDICTION OF ANY UNITED STATES FEDERAL OR NEW YORK STATE COURT SITTING IN NEW YORK CITY, AND ANY APPELLATE COURT FROM ANY SUCH COURT, SOLELY FOR THE PURPOSE OF ANY SUIT, ACTION OR PROCEEDING BROUGHT TO ENFORCE ITS OBLIGATIONS HEREUNDER OR RELATING IN ANY WAY TO THIS AGREEMENT OR ANY LOAN HEREUNDER AND (B) WAIVES, TO THE FULLEST EXTENT IT MAY EFFECTIVELY DO SO, ANY DEFENSE OF AN INCONVENIENT FORUM TO THE MAINTENANCE OF SUCH ACTION OR PROCEEDING IN ANY SUCH COURT AND ANY RIGHT OF JURISDICTION ON ACCOUNT OF ITS PLACE OF RESIDENCE OR DOMICILE.

25.2 EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES ANY RIGHT THAT IT MAY HAVE TO TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

**26. Miscellaneous**

This Agreement supersedes any other agreement between the parties hereto concerning loans of securities between Borrower and Agent. This Agreement shall not be assigned by either party without the prior written consent of the other party and any attempted assignment without such consent shall be null and void; except for an assignment or delegation of all of either party's rights and obligations hereunder in whatever form either party determines may be appropriate to a partnership, corporation, trust or other organization in whatever form that succeeds to all or substantially all of such party's assets and business and that assumes such obligations by contract, operation of law or otherwise; provided the credit worthiness of the successor entity is not, in the judgement of the other party, materially weaker than the former entity. Upon any such delegation and assumption of obligations, such party shall be relieved of and fully discharged from all obligations hereunder, whether such obligations arose before or after such delegation and assumption. Subject to the foregoing, this Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs, representatives, successors and assigns. This Agreement may be terminated by either party upon written notice to the other, subject only to fulfillment of any obligations then outstanding. This Agreement shall not be modified, except by an instrument in writing signed by the party against whom enforcement is sought.

**27. Definitions**

For the purposes hereof:

27.1 "Affiliate" shall mean any entity which controls, is controlled by, or is under common control with another entity.

27.2 "Agent" refers to BBH&Co. acting as agent on behalf of Principals.

27.3 "Agent Payment" shall have the meaning set forth in Section 7.5.

27.4 "Bankruptcy Code" shall have the meaning set forth in Section 10.1.

27.5 "Borrower" shall have the meaning set forth in the introduction.

27.6 "Borrower Payment" shall have the meaning set forth in Section 7.5.

27.7 "Broker-Dealer" shall mean any person that is a broker (including a municipal securities broker), dealer, municipal securities dealer, government securities broker or government securities dealer as defined in the Exchange Act, regardless of whether the activities of such person are conducted in the United States or otherwise require such person to register with the Securities and Exchange Commission or other regulatory body.

27.8 "Business Day" shall mean, with respect to any Loan hereunder, a day on which regular trading occurs in the principal market for the Loaned Securities subject to such Loan, provided, however, that for purposes of Section 15, such term shall mean a day on which regular trading occurs in the principal market for the securities whose value is being determined. Notwithstanding the foregoing, for purposes of Section 8, "Business Day" shall mean any day (i) on which regular trading occurs in the principal market for any Loaned Securities or for any securities Collateral under any outstanding Loan or (ii) on which transfers of cash Collateral may be effected by Agent and Borrower (or any nominee or agent thereof) and (iii) in no event shall a Saturday or Sunday be considered a Business Day.

27.9 "Cash Collateral Fee" shall have the meaning set forth in Section 4.1.

27.10 "Clearing Organization" shall mean The Depository Trust Company, or, if agreed to by Borrower and Agent, such other clearing agency at which Borrower (or Borrower's agent) and Agent (or Agent's agent) maintain accounts, or a book-entry system maintained by a Federal Reserve Bank.

27.11 "Collateral" shall mean, whether now owned or hereafter acquired and to the extent permitted by applicable law, (a) all cash in a currency acceptable to Agent which is delivered to Agent pursuant to Section 3 or 8, (b) all irrevocable letters of credit issued by issuers and in a form acceptable to Agent, which are delivered to Agent hereunder, (c) any property substituted therefor pursuant to Section 3.5, (d) all accounts in which such property is deposited and all securities and the like in which any cash collateral is invested or reinvested (but not the income or distributions thereon or realized gains derived from Agent's use or investment of such collateral, all of which shall in any event be the property of Agent), (e) any securities issued or guaranteed by the United States government or issued by agencies or instrumentalities thereof which may not be guaranteed by the United States government or by a foreign sovereign acceptable to Agent which are delivered to Agent pursuant to Section 3 or 8, including the interest or distributions thereon or other income therefrom, and (f) any proceeds of any of the foregoing.

27.12 "Collateral Distributions" shall have the meaning set forth in Section 7.5.

27.13 "Confirmation" shall have the meaning set forth in Section 1.2.

27.14 "Contractual Currency" shall have the meaning set forth in Section 15.2.

27.15 "Customer" shall mean any person that is a customer of Borrower under Rule 15c3-3 under the Exchange Act or any comparable regulation of the Secretary of the Treasury under

Section 15C of the Exchange Act (to the extent that Borrower is subject to such Rule or comparable regulation).

27.16 "Cutoff Time" shall mean a time on a Business Day by which a transfer of cash, securities or other property must be made by Borrower or Agent to the other, as shall be agreed by Borrower and Agent in Schedule B or otherwise orally or in writing or, in the absence of any such agreement, as shall be determined in accordance with market practice.

27.17 "Default" shall have the meaning assigned in Section 11.

27.18 "Exchange Act" shall mean the Securities Exchange Act of 1934, as amended.

27.19 "FDIA" shall have the meaning set forth in Section 10.1.

27.20 "Federal Funds Rate" shall mean the rate of interest (expressed as an annual rate), as published in Federal Reserve Statistical Release H.15(519) or any publication substituted therefor, charged for federal funds (dollars in immediately available funds borrowed by banks on an overnight unsecured basis) on that day or, if that day is not a banking day in New York City, on the next preceding banking day.

27.21 "Foreign Securities" shall mean, unless otherwise agreed, securities that are principally cleared and settled outside the United States.

27.22 "Government Securities" shall mean government securities as defined in Section 3 (a) (42) (A) - (C) of the Exchange Act.

27.23 "LIBOR" shall mean for any date, the offered rate for deposits in U.S. dollars for a period of three months which appears on the Reuters Screen LIBO page as of 11:00 a.m., London time, on such date (or, if at least two such rates appear, the arithmetic mean of such rates).

27.24 "Loan" shall mean a loan of securities hereunder.

27.25 "Loaned Security" shall mean any security which is a security as defined in the Exchange Act, transferred in a Loan hereunder until such security (or an identical security) is transferred back to Agent hereunder, except that, if any new or different security shall be exchanged for any Loaned Security by recapitalization, merger, consolidation or other corporate action, such new or different security shall, effective upon such exchange, be deemed to become a Loaned Security in substitution for the former Loaned Security for which such exchange is made and shall be deemed to include any securities into which any Loaned Securities may at any time be converted or for which they may be exchanged, any additional securities distributed with respect to Loaned Securities. For purposes of return of Loaned Securities by Borrower or purchase or sale of securities pursuant to Section 12 or 13, such term shall include securities of the same issuer, class and quantity as the Loaned Securities, as adjusted pursuant to the preceding sentence.

27.26 "Loan Fee" shall have the meaning set forth in Section 4.1.

27.27 "Margin Deficit" and "Margin Excess" shall have the meanings set forth in Sections 8.2 and 8.3, respectively.

27.28 "Margin Percentage" shall have the meaning set forth in Section 3.1.

27.29 "Plan" shall mean (a) any "employee benefit plan" as defined in Section 3 (3) of the Employee Retirement Income Security Act of 1974 which is subject to Part 4 of Subtitle B of Title I of such Act; (b) any "plan" as defined in Section 4975 (e) (1) of the Internal Revenue Code of 1986; or (c) any entity the assets of which are deemed to be assets of any such "employee benefit plan" or "plan" by reason of the Department of Labor's plan asset regulation, 29 C.F.R. Section 2510.3-101.

27.30 "Principal" and "Principals" shall have the meanings set forth in the introduction.

27.31 "Securities Distributions" shall have the meaning set forth in Section 7.5.

27.32 "Tax" shall have the meaning set forth in Section 7.5.

**28. Indemnification**

Borrower agrees to indemnify and hold harmless Agent and each Principal (including the sponsor and fiduciaries of any Principal which is a Plan) from any and all losses, liabilities, costs, damages and expenses (including reasonable attorneys' fees but excluding indirect and consequential damages) which Agent or the Principal may incur or suffer arising in any way out of the use by Borrower of Loaned Securities or any failure by Borrower to deliver Loaned Securities in accordance with the terms of this Agreement or any failure by Borrower to otherwise comply with the terms of this Agreement except to the extent any such damages arise in connection with the negligence or breach by the Agent or the relevant Principal. For purposes of this section, costs incurred by an affected Principal unable to deliver shares to settle a sale and any corporate action-related benefit foregone which, in either case, arise as a result of a Default by Borrower hereunder, shall be excluded from the definition of indirect and consequential damages.

**29. Limitation of Liability**

A copy of the Agreement and Declaration of Trust of each Principal which is a Massachusetts business trust is on file with the Secretary of State of The Commonwealth of Massachusetts, and notice is hereby given that this instrument is executed on behalf of the Trustees of each such Principal as Trustees and not individually and that the obligations of this instrument are not binding upon any of the Trustees or shareholders of such Principal individually but are binding only upon the assets and property of each such Principal.

30. **Authorized Affiliates**

Borrower hereby authorizes Agent to transact with employees of Affiliates of Borrower, including non-United States Affiliates, as if such Affiliate were Borrower, pursuant to procedures that will be agreed to between the parties from time to time. Such Affiliates are authorized by Borrower to initiate, negotiate and transact loan transactions on behalf of Borrower and to give settlement instructions therefore. Borrower agrees that such transactions are direct contractual obligations of the Borrower and are binding upon Borrower in accordance with the terms of this Agreement.

Brown Brothers Harriman & Co. in its Capacity  
as agent for Principals and not in its individual  
capacity

By: Bonnie L. Hammerl  
Name: BONNIE L. HAMMERL  
Title: SVP

Address for Notices:

Brown Brothers Harriman & Co.  
40 Water Street  
Boston, MA 02109

Attention: Bonnie L. Hammerl  
Facsimile No.: 617-772-2404  
Telephone No.: 617-772-6140

Address for Notices:

Goldman, Sachs & Co.  
1 New York Plaza, 48<sup>th</sup> Floor  
New York, NY 10004

Attention: John J. Masterson  
Facsimile No.: 212-357-6722  
Telephone No.: 212-357-3473

Goldman, Sachs & Co.  
As Borrower

By: John J. Masterson  
Name:  
Title: MANAGING DIRECTOR

Schedule A

Type of Loaned Security	Margin Percentage
Foreign equity and corporate securities	105%
United States equity and corporate securities (including American Depository Receipts)	102%
United States government and agency securities	102%
Foreign government and agency securities	102%



Schedule B

	<u>Cutoff Time*</u>
<b>"A" Markets</b>	
Canada	11:30 am
Mexico	11:30 am
USA	11:30 am
<b>"B" Markets</b>	
Germany	11:00 am
Hong Kong	11:00 am
Japan	11:00 am
Singapore	11:00 am
<b>"C" Markets</b>	
Australia	3:00 pm
Austria	3:00 pm
Belgium	3:00 pm
Denmark	3:00 pm
Finland	3:00 pm
France	3:00 pm
Italy	3:00 pm
Netherlands	3:00 pm
New Zealand	3:00 pm
Norway	3:00 pm
South Africa	3:00 pm
Spain	3:00 pm
Sweden	3:00 pm
Switzerland	3:00 pm
Thailand	3:00 pm

\* The deadlines are Eastern Time.

Annex I

<u>Fund Name</u>	<u>Confirmation Account Number</u>
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AIM Blue Chip Fund

AIM Charter Fund

AIM European Development Fund

AIM International Equity Fund

AIM Value Fund

AIM Weingarten Fund

The following series of Vanguard International Equity Index Funds:

Vanguard Emerging Markets Stock Index Fund

Vanguard European Stock Index Fund

Vanguard Pacific Stock Index Fund

The following series of Vanguard Horizon Funds:

Vanguard Global Equity Fund

Vanguard Global Asset Allocation Fund

Vanguard International Value Fund, a series of Vanguard Trustee' Equity Fund

Vanguard Variable Insurance Funds-International Portfolio

Vanguard Tax-Managed International Fund, a series of Vanguard Tax-Managed Funds

SLA

~~039-072934  
039-07292-1  
039-07287-1  
039-07288-9  
039-07205-3  
039-07301-0  
039-07302-8~~

a/c 039413240

## SECURITIES LOAN AGREEMENT

Dated as of September 12, 1995

By and between:

Goldman, Sachs & Co. ("Borrower")

and

Boston Global Advisors, Inc., as agent for accounts (in such capacity and not in its individual capacity, "Lender")

This Agreement sets forth the terms and conditions under which Lender, on behalf of disclosed accounts (each, an "Account" and collectively, the "Accounts") may, from time to time, lend to Borrower certain securities against a pledge of collateral. Capitalized terms not otherwise defined herein shall have the meanings provided in Section 27.

Lender and Borrower as the parties hereto agree as follows:

### 1. Loans of Securities

1.1 Subject to the terms and conditions of this Agreement, Borrower or Lender may, from time to time, orally seek to initiate a transaction in which Lender may lend securities to Borrower. Borrower and Lender shall agree orally on the terms of each Loan, including the date of commencement of the Loan, the issuer of the securities, the description and amount of securities to be lent, the method and location of their delivery, the basis of compensation, and the amount of Collateral to be transferred by Borrower, which terms may be amended during the Loan upon mutual agreement of the parties.

1.2 (a) Each Loan shall be evidenced by a written confirmation ("Confirmation") to be prepared by Lender and delivered to Borrower at or about the commencement of the Loan. The Confirmation shall set forth the material terms of the Loan. The Confirmation, together with this Agreement, shall constitute conclusive evidence of the terms of any Loan agreed to by Borrower and Lender.

(b) If the parties heretofore agree, each Loan shall not be evidenced by the method specified in 1.2(a) but rather by Lender's records pertaining to such Loans maintained by Lender in the regular course of its business and which shall represent conclusive evidence thereof except for manifest error or willful misconduct. Lender shall send Borrower monthly statements of outstanding Loans showing Loan activity which Borrower agrees to examine promptly and to advise Lender of any errors or exceptions. Borrower's failure to so advise Lender within twenty (20) days after delivery of any such statement shall be deemed to be Borrower's admission of the accuracy and correctness of the contents thereof. The foregoing shall not be construed to prevent the parties hereto from mutually agreeing to amend or correct such statements if there has been manifest error in the preparation of such statements.

(c) Irrespective of whether the parties agree to 1.2(a) or (b) above, on a monthly basis, Lender shall furnish to Borrower a list of Accounts on whose behalf Lender is authorized to effect loans as agent. In respect to any Loan, the identity of the Account acting as lender shall be promptly furnished to Borrower upon its request and, in any event, shall be automatically furnished to Borrower by Lender upon the occurrence of a Default involving such Account.

1.3 Notwithstanding any other provision in this Agreement regarding when a Loan commences, a Loan hereunder shall not occur until the Loaned Securities and the Collateral therefor have been transferred.

1.4 WITHOUT WAIVING ANY RIGHTS GIVEN TO LENDER HEREUNDER, IT IS UNDERSTOOD AND AGREED THAT THE PROVISIONS OF THE SECURITIES INVESTOR PROTECTION ACT OF 1970 MAY NOT PROTECT LENDER WITH RESPECT TO LOANED SECURITIES HEREUNDER AND THAT, THEREFORE, THE COLLATERAL DELIVERED TO LENDER MAY CONSTITUTE THE ONLY SOURCE OF SATISFACTION OF BORROWER'S OBLIGATIONS IN THE EVENT BORROWER FAILS TO RETURN THE LOANED SECURITIES.

## **2. Transfer of Loaned Securities**

On the date for the commencement of the Loan, Lender shall transfer the Loaned Securities to Borrower or its designee by (a) physical delivery of certificates representing such securities together with duly executed stock and bond transfer powers or certificates or other instruments of transfer or assignment as are customary in the market in which such Loaned Securities are delivered; (b) causing the Loaned Securities to be credited to Borrower's account and debited to Lender's account at a clearing agency ("Clearing Organization") at which Borrower and Lender maintain accounts; or (c) such other means as Borrower and Lender may agree. Borrower agrees that the completion of a delivery of Loaned Securities to it pursuant to a Loan shall constitute its acceptance and receipt thereof and each such acceptance and receipt shall be deemed to constitute, and shall constitute, a representation by Borrower that as of the date of such acceptance and receipt (i) all representations and warranties by Borrower herein are true and correct, as if made on and as of such date, (ii) no Default hereunder has occurred and is continuing, and (iii) except as otherwise theretofore disclosed to Lender in writing, there has been no material adverse change in the financial condition or business of Borrower since the date of the most recent financial statements of Borrower provided to Lender hereunder. Lender, on behalf of the Affected Account agrees that the completion of a transfer of Collateral to an Affected Account pursuant to a Loan shall constitute its acceptance and receipt thereof and each such acceptance and receipt shall be deemed to constitute, and shall constitute, a representation by the Affected Account that as of the date of such acceptance and receipt (i) all representations and warranties by the Affected Account herein are true and correct, as if made on and as of such date and (ii) no Default hereunder has occurred and is continuing.

## **3. Collateral**

3.1 Borrower shall, prior to or concurrently with the transfer of the Loaned Securities to Borrower, transfer to Lender Collateral with a market value in an amount (the "Required Value") at least equal to the percentage (the "Margin Percentage") of the market value of the Loaned Securities agreed to by Borrower and Lender (which shall be not less than 100% of the market value of the Loaned Securities) and equal to the percentage specified in Annex 1 hereto for particular types of loans.

3.2 All transfers of Collateral consisting of securities (including those made pursuant to Section 8) shall be effected in the same manner as that provided in Section 2 for Loaned Securities.

3.3 All transfers of Collateral consisting of cash (including those made pursuant to Section 8) shall be effected by (a) wire transfer in immediately available, freely transferable funds or (b) such other means as Borrower and Lender may agree.

3.4 All transfers of Collateral consisting of a letter of credit from Borrower to Lender shall be made by delivery to Lender of an irrevocable performance letter of credit issued by a "bank" (not affiliated with Borrower) as defined in Section 3(a)(6)(A)-(C) of the Exchange Act which is acceptable to Lender and is insured by the Federal Deposit Insurance Corporation or is a foreign bank that has filed an agreement with the Board of Governors of the Federal Reserve System on Form FR T-2 (or any successor). Transfer of a letter of credit from Lender to Borrower shall be made by causing such letter of credit to be returned or, through the written consent of Lender, causing the amount of such letter of credit to be reduced to the amount required after such transfer.

3.5 A transfer of Loaned Securities or Collateral may be effected on any day except (a) a day on which the intended transferee, its designee or agent is closed for business or (b) a day on which a Clearing Organization or wire transfer system is closed, if the facilities of such Clearing Organization or wire transfer system are required to effect such transfer.

3.6 The Collateral transferred by Borrower to Lender, as adjusted pursuant to Section 8, shall be security for Borrower's obligations in respect of such Loan and for any other obligations of Borrower to Lender. Borrower hereby pledges with, assigns to, and grants Lender a continuing first security interest in, and a lien upon, the Collateral (other than letters of credit), which shall attach upon the delivery of the Collateral to Lender and which shall cease upon the redelivery of the Collateral to the Borrower. In addition to the rights and remedies given to Lender hereunder, Lender shall have all the rights and remedies of a secured party under the applicable Uniform Commercial Code. It is understood that Lender may use or invest the Collateral, if such consists of cash, at its own risk and for its own benefit and shall be entitled to retain all income and profits therefrom and shall bear all losses with respect thereto. Except as provided in Section 12 hereunder, Lender may not pledge, repledge, hypothecate, rehypothecate, lend, relend, sell or otherwise transfer any securities Collateral or commingle, with its own assets, the Collateral. However, Lender may commingle the Collateral with other collateral and may hold non-cash collateral in bulk. Borrower irrevocably appoints Lender to be the attorney-in-fact of Borrower for the purpose of doing or performing any act or thing (including, without limitation, executing any document) and to take all other steps as may be required to enable Lender, when Borrower is in Default under this Agreement, to effect transfer thereof to a third party or to otherwise realize upon any Collateral which has been transferred to it pursuant to any Loan.

3.7 Except as otherwise provided in Section 13, upon receipt by Lender of the Loaned Securities upon termination of a Loan, Lender shall be obligated to transfer the Collateral to Borrower pursuant to the terms of Section 5.2 of this Agreement.

3.8 If on any Business Day corresponding to the commencement date for a Loan, Borrower transfers Collateral to Lender, as provided in Section 3.1, and Lender does not transfer the Loaned Securities to Borrower, Borrower shall have the absolute right to the return of the Collateral; and if, on any such Business Day, Lender transfers Loaned Securities to Borrower and Borrower does not transfer Collateral to Lender as provided in Section 3.1, Lender shall have the absolute right to the immediate return of the Loaned Securities.

3.9 Borrower may, upon reasonable notice to Lender (taking into account all relevant factors, including industry practice, the type of Collateral to be substituted and the applicable method of transfer) and with Lender's consent, substitute Collateral for Collateral securing any Loan or Loans, provided,

however, that such substituted Collateral shall (a) consist only of cash, securities or other property that Borrower and Lender agreed would be acceptable Collateral prior to the commencement of the Loan or Loans and (b) have a market value such that the aggregate market value of such substituted Collateral, shall equal or exceed the agreed upon Margin Percentage of the market value of the Loaned Securities. At least seven days prior to the scheduled expiration date of any letter of credit supporting Borrower's obligations hereunder, Borrower shall obtain an extension of the expiration of such letter of credit or replace such letter of credit by providing Lender with a substitute letter of credit or other Collateral in any case, in an amount at least equal to the amount of the letter of credit for which it is substituted. Substituted Collateral shall constitute Collateral hereunder for all purposes.

3.10 (a) Except as provided in the following sentence, upon receipt of Collateral for a Loan, such Collateral shall be allocated to such Loan; provided that if Collateral is received on the same day for more than one Loan, the Lender shall allocate such Collateral to each Loan then being made so that each such Loan is secured by not less than the Required Value of Collateral. Any Collateral received by Lender with respect to a Loan in excess of the Required Value for such Loan may be held by Lender as collateral security for all Loans made to Borrower at any time without being allocated to any one Loan or, in the sole discretion of Lender, may be allocated at any time to any Loan or Loans then outstanding hereunder (except to any such Loan or Loans by an Account which is in Default under this Agreement). All allocations of Collateral shall be marked in Lender's books, which shall be conclusive evidence of such allocations. Notwithstanding the above and only in the event that Borrower is not in Default hereunder, all Loans shall remain subject to Section 8.3 of this Agreement.

(b) Lender shall have the right, at its sole election, at any time and from time to time, to allocate and/or reallocate any Collateral held by it hereunder to or among any outstanding Loan or Loans. Notwithstanding the above and only in the event that Borrower is not in Default hereunder, all Loans shall remain subject to Section 8.3 of this Agreement.

(c) It is expressly understood and agreed by the parties hereto that any allocation of Collateral to any Loan or liabilities due to any Account pursuant to the terms hereof shall in no way affect the ability of Lender to apply such Collateral to the satisfaction of any obligation of Borrower hereunder upon any default hereunder, regardless of the Loan or Account to which such obligation relates, and that all Collateral at any time given hereunder shall constitute collateral security for all the Borrower's obligations to Lender hereunder without distinction of any kind and upon any default hereunder may be applied to any such obligation or obligations as Lender in its sole discretion may elect.

3.11 Lender acknowledges that, in connection with Loans of Government Securities and as otherwise permitted by applicable law, some securities provided by Borrower as Collateral under this Agreement may not be guaranteed by the United States.

**4. Fees for Loan**

4.1 Unless otherwise agreed, (a) Borrower agrees to pay Lender a loan fee (a "Loan Fee"), computed daily on each Loan to the extent such Loan is secured by cash Collateral or Collateral other than cash, based on the aggregate par or market value of the Loaned Securities so secured on each day for which such Loan Fee is being computed, and (b) Lender agrees to pay Borrower a fee or rebate (a "Cash Collateral Fee") on Collateral consisting of cash, computed daily based on the amount of cash held by Lender as Collateral, in the case of each of the Loan Fee and the Cash Collateral Fee at such rates as Borrower and Lender may agree. Except as Borrower and Lender may otherwise agree (in the event that cash Collateral is transferred by clearing house funds or otherwise), Loan Fees shall accrue from and including the date on which the Loaned Securities are transferred to Borrower to, but excluding, the date on which such Loaned Securities are returned to Lender, and Cash Collateral Fees shall accrue from and

including the date on which the cash Collateral is transferred to Lender to, but excluding, the date on which such cash Collateral is returned to Borrower.

4.2 Unless otherwise agreed, any Loan Fee or Cash Collateral Fee payable hereunder shall be payable:

- (a) in the case of any Loan of securities other than Government Securities, upon the earlier of (i) the fifteenth day of the month following the calendar month in which such fee was incurred or (ii) the termination of all Loans hereunder (or, if a transfer of cash in accordance with Section 3.5 may not be effected on such fifteenth day or the day of such termination, as the case may be, the next day on which such a transfer may be effected); and
- (b) in the case of any Loan of Government Securities, upon the termination of such Loan.

Notwithstanding the foregoing, all Loan Fees shall be payable by Borrower immediately in the event of a Default hereunder by Borrower and all Cash Collateral Fees shall be payable immediately by Lender in the event of a Default by Lender.

## 5. Termination of the Loan

5.1 Borrower may terminate a Loan on any Business Day by giving notice to Lender at least two Business Days (or one Business Day, if agreed to by Lender for any Loan or Loans of securities which are traded in the applicable market therefor) prior to the termination date established by such notice. On the termination date, Borrower shall transfer the Loaned Securities to the Lender in the same manner as initial transfer thereof from Lender to Borrower was effected pursuant to Section 2, whereupon Lender shall transfer to Borrower the Collateral (as adjusted pursuant to Section 8) by close of the day (which must be a day upon which Lender or its designee or agent holding the Collateral is open for business in the jurisdiction in which such Collateral is held) next succeeding (or which is coincident with, if agreed to by Lender for any Loan or Loans of securities which are traded in the applicable market therefor) the day of such receipt of the Loaned Securities

5.2 Lender may terminate a Loan at any time by giving notice to Borrower prior to the close of business on a Business Day. The termination date established by such notice shall be a Business Day no later than the earlier to occur of (i) the standard settlement date for trades of the Loaned Securities entered into on the date of such notice in the principal market therefor or (ii) five Business Days from the giving of such notice. On the termination date, Borrower shall transfer to Lender the Loaned Securities in the same manner as initial transfer thereof from Lender to Borrower was effected pursuant to Section 2, whereupon Lender shall transfer to Borrower the Collateral (as adjusted pursuant to Section 8) by close of the day (which must be a day upon which Lender or its designee or agent holding the Collateral is open for business in the jurisdiction in which such Collateral is held) next succeeding (or which is coincident with, if agreed to by Lender for any Loan or Loans of securities which are traded in the applicable market therefor) the day of such receipt of the Loaned Securities.

5.3 For purposes of this Agreement, any required return by Borrower of Loaned Securities shall include securities identical in issuer, type, class and face amount to those actually transferred by Lender to Borrower at the commencement of the related Loan, and any required return by Lender of Collateral consisting of securities shall include securities identical in issuer, type, class and face amount to those actually transferred by Borrower to Lender during the term of the Loan.

## **6. Rights of Borrower in Respect of the Loaned Securities**

Except as set forth in Section 7 and as otherwise agreed to by Borrower and Lender, until a Loan is terminated in accordance herewith, Borrower shall have all of the incidents of ownership of the Loaned Securities, including the right to transfer the Loaned Securities to others. Lender hereby waives the right to vote the Loaned Securities or to provide any consent or to take any similar action which is related to such vote or consent during the term of the Loan.

## **7. Dividends, Distributions, Etc.**

7.1 Lender shall be entitled to receive all distributions made on or in respect of the Loaned Securities the record dates for which occur during the term of the Loan (or the record date for which occurs at a time following return of Loaned Securities upon termination of loan but prior to re-registration thereof in the name of Lender or its designee in the normal course provided, however that Lender shall make a best efforts attempt to re-register the Loaned Securities in the name of the Lender or its nominee upon such return and prior to such record date) and which are not otherwise received by Lender, to the full extent it would be so entitled if the Loaned Securities had not been lent to Borrower, including, but not limited to: (a) all property (including cash dividends and all other distributions of cash or property), (b) stock dividends and bonus issues, (c) securities received as a result of split ups of the Loaned Securities and distributions in respect thereof, (d) interest payments, (e) all rights to purchase additional securities and (f) consent payments or payments upon maturity or other redemption.

7.2 Any cash distributions made on or in respect of the Loaned Securities, which Lender is entitled to receive pursuant to Section 7.1, shall be paid by the transfer of cash (denominated in the currency of issue for the Loaned Securities, unless otherwise agreed) to Lender by Borrower on the relevant payment date therefor, in an amount equal to such cash distribution (subject to the provisions of Section 7.5) so long as Lender is not then in Default. Non-cash distributions received by Borrower shall be added to the Loaned Securities (unless otherwise agreed to by the parties) on the date of distribution and shall be considered such for all purposes, except that if the Loan has terminated, Borrower shall forthwith deliver the same to Lender.

7.3 Borrower shall be entitled to receive all cash distributions made on or in respect of non-cash Collateral the record or payment dates for which occur during the term of the Loan and which are not otherwise received by Borrower, to the full extent it would be so entitled if the Collateral had not been transferred to Lender. Any distributions of cash made on or in respect of such Collateral which Borrower is entitled to receive hereunder shall be paid by the transfer of cash to Borrower by Lender (denominated in the currency of issue for the Loaned Securities, unless otherwise agreed), upon the date of Lender's receipt, in an amount equal to such cash distribution (subject to the provisions of Section 7.5), so long as Borrower is not in Default at the time of such payment.

7.4 So long as Loaned Securities have not been returned to Lender and re-registered in the name of Lender or its nominee (provided, however, that Lender shall make a best efforts attempt to re-register the Loaned Securities in the name of the Lender or its nominee, upon such return and prior to such record date), the parties agree that all rights arising in respect of conversions, subdivisions, consolidations, redemptions, takeovers, preemptions, options or other rights shall be for the benefit of Lender and shall be deemed to have been exercised for the benefit of Lender in accordance with Lender's prior instructions to Borrower. Borrower will use its best efforts to seek instructions from Lender with respect to each of the foregoing at such time and in such manner as to be able to act timely in accordance with such instructions. Borrower's obligation to remit distributions and to return Loaned Securities upon the termination of the Loan



shall be made after giving full effect to such instructions, irrespective of the extent of Borrower's compliance with such instructions.

7.5 (a) If (i) Borrower is required to make a payment (a "Borrower Payment") with respect to cash distributions on Loaned Securities under Sections 7.1 and 7.2 ("Securities Distributions"), and (ii) Borrower, Borrower's custodian or Lender ("Payor"), shall be required by law to collect any withholding or other tax, duty, fee, levy or charge required to be deducted or withheld from such Borrower Payment ("Tax"), then Borrower shall pay such additional amounts as may be necessary in order that the net amount of the Borrower Payment received by Lender for benefit of the Affected Account, after payment of such Tax equals the net amount of the Securities Distribution that would have been received by the Affected Account if such Securities Distribution had been paid directly to it, provided, however, that any Borrower Payment shall also take into account (and Borrower shall pay such additional amounts which reflect) the value to the Affected Account (as notified, orally or in writing, by Lender to Borrower) of any tax refund, reclaim or credit which such Affected Account would otherwise have been entitled to had it not lent the securities to Borrower but instead had retained ownership thereof. Lender, on behalf of the Affected Account, shall disclose to Borrower the amount of the Borrower Payment which Borrower shall be obligated to pay to the Affected Account calculated pursuant to this Section 7. Such disclosure shall be made at the initiation of the Loan and thereafter during the term of such Loan if the amount of the Borrower Payment which is due to the Affected Account changes as a result of any change in tax law or otherwise (including, but not limited to, any retroactive changes) which affects the amount of Borrower Payment which Borrower is obligated to pay to such Affected Account.

(b) If Lender is required to make a payment ("Lender Payment") with respect to distributions on Collateral under Section 7.3 ("Collateral Distributions"), Lender shall pay to Borrower the net amount of the Collateral Distribution which Borrower would have received had it not pledged the Collateral and such Collateral Distribution had instead been paid directly by the applicable issuer(s) to Borrower.

(c) Each party shall supply to the other such tax information as may be requested by the other to enable it to effect the Borrower Payment or Lender Payment in the required amount, computed as per the immediately preceding paragraphs of this Section 7.

## **8. Mark to Market**

8.1 Borrower shall daily mark to market any Loan hereunder and in the event that at the close of trading on any Business Day the market value of the Collateral for any Loan to Borrower shall be less than 100% of the market value of all the outstanding Loaned Securities subject to such Loan, Borrower shall transfer additional Collateral no later than the close of the next Business Day so that the market value of such additional Collateral, when added to the market value of the other Collateral for such Loan, shall equal 100% of the market value of the Loaned Securities.

8.2 In the event that on any Business Day the market value of Collateral subject to a Loan shall be less than the Margin Percentage of the market value of the outstanding Loaned Securities subject to such Loan (a "Margin Deficit"), Lender may, by notice (which may be oral) to Borrower, demand that Borrower transfer to Lender additional Collateral so that the market value of such additional Collateral, when added to the market value of all other Collateral subject to such Loan, shall equal or exceed the agreed upon Margin Percentage of the market value of the Loaned Securities. Unless otherwise agreed, such transfer (in the case of Collateral denominated in U.S. dollars) is to be made in the United States in accordance with Lender's instructions no later than 3:00 p.m. Boston time on the day of such demand if demand is made prior to 11:00 a.m. Boston time; in the case of all other types of Collateral and in the case of Collateral denominated in U.S. dollars where demand is made subsequent to 11:00 a.m. Boston time,

such transfer shall be completed by the close of business of Lender (or its designee) in the location specified to Borrower for transfer of additional Collateral on the next succeeding day on which Lender (or its designee) is open for business thereat and not authorized or required to be closed. If the additional Collateral to be posted is intended to be through adjustment of a letter of credit heretofore delivered to Lender as Collateral, Borrower agrees to cause the issuing bank to amend the original letter of credit by delivery of an amended letter of credit to Lender within the applicable time period described in the preceding sentence. The transfer to Lender of any securities constituting Collateral the market value of which on the date on which the requirement to transfer the same was established was then sufficient to comply with such requirement of transfer shall be in full compliance with this Agreement and a full discharge of Borrower's obligation to make such transfer, notwithstanding the fact that at the date of such transfer the market value of any such securities may have declined.

8.3 In the event that on any Business Day the market value of Collateral subject to a Loan shall be greater than the Margin Percentage of the market value of the outstanding Loaned Securities subject to such Loan (a "Margin Excess"), Borrower may, by notice (which may be oral) to Lender, demand that Lender transfer to Borrower such amount of the Collateral selected by Borrower so that the market value of the Collateral, after deduction of such amount, shall not exceed the Margin Percentage of the market value of the Loaned Securities. Unless otherwise agreed, such transfer (in the case of Collateral denominated in U.S. dollars) is to be made in the United States in accordance with Borrower's instructions no later than the close of business of Lender on the day of such demand if demand is made prior to 11:00 a.m. Boston time; in the case of all other types of Collateral and in the case of Collateral denominated in U.S. dollars where demand is made subsequent to 11:00 a.m. Boston time, such transfer shall be completed by the close of business of Borrower (or its designee) in the location specified to Lender for transfer of excess Collateral on the next succeeding day on which Borrower (or its designee) is open for business thereat and not authorized or required to be closed. The return to Borrower of securities the market value of which on the date on which the requirement to return the same was established was then sufficient to comply with such requirement of return shall be in full compliance with this Agreement and a full discharge of Lender's obligation to make such return, notwithstanding the fact that at the date of such return the market value of any such securities may have declined. Where Collateral is in the form of a letter of credit, Lender agrees to promptly consent to a reduction in the undrawn balance of the letter of credit sufficient to eliminate the Margin Excess, and if Borrower delivers to Lender an amended letter of credit within the time period described in the second sentence of this Section 8.3.

8.4 Borrower and Lender may agree, with respect to one or more Loans hereunder, to mark the values to market pursuant to Sections 8.2 and 8.3 by valuing the Loaned Securities lent and the Collateral given in respect thereof on an aggregate basis.

8.5 Borrower and Lender may agree, with respect to any or all Loans hereunder, that the respective rights of Lender and Borrower under Sections 8.2 and 8.3 may be exercised only where a Margin Excess or Margin Deficit exceeds a specified dollar amount or a specified percentage of the market value of the Loaned Securities under such Loans (which amount or percentage shall be agreed to by Borrower and Lender prior to entering into any such Loans).

## 9. Representations

Each party to this Agreement hereby makes the following representations and warranties, which shall continue during the term of any Loan hereunder:

9.1 Each party hereto represents and warrants that (a) it has the power to execute and deliver this Agreement, to enter into the Loans contemplated hereby and to perform its obligations hereunder; (b) it

has taken all necessary action to authorize such execution, delivery and performance; and (c) this Agreement constitutes a legal, valid and binding obligation enforceable against it in accordance with its terms (in the case of Lender, solely in its capacity as Agent for the Account whose securities are the subject of a Loan).

9.2 Each party hereto represents and warrants that the execution, delivery and performance by it of this Agreement and each Loan hereunder will at all times comply with all applicable laws and regulations including those of applicable regulatory and self-regulatory organizations.

9.3 Each party hereto represents and warrants that it has not relied on the other for any tax or accounting advice concerning this Agreement and that it has made its own determination as to the tax and accounting treatment of any Loan and any dividends, remuneration or other funds received hereunder.

9.4 Borrower represents and warrants that it has, or will have at the time of transfer to Lender of any Collateral hereunder (other than letters of credit), the right to grant a first security priority interest therein subject to the terms and conditions hereof. As to Collateral consisting of letters of credit transferred to Lender hereunder, Borrower represents and warrants that Lender shall have full unencumbered title thereto. Borrower represents and warrants that all Loans will comply with Regulation T of the Board of Governors of the Federal Reserve System and, without limiting the foregoing, that it (or the party to whom it lends the Loaned Securities) is borrowing or will borrow the Loaned Securities (except for Loaned Securities that qualify as "exempted securities" under Regulation T of the Board of Governors of the Federal Reserve System) for the purpose of making delivery of such securities in the case of short sales, failure to receive securities required to be delivered, or as otherwise permitted pursuant to Regulation T of the Board of Governors of the Federal Reserve System as in effect from time to time.

9.5 Lender represents and warrants that the Account acting as lender in any Loan has represented and warranted to it that the Loaned Securities transferred to Borrower shall be free and clear of any lien or encumbrance at the time of transfer, and Borrower represents and warrants that the return to Lender of Loaned Securities shall be free and clear of any lien or encumbrance at the time of such return.

9.6 Lender represents and warrants that as to each Account, such Account has represented and warranted to it that (i) such Account has duly authorized Lender, as agent, to execute and deliver this Agreement on its behalf, and to enter into Loans on its behalf, (ii) such Account has the requisite power to perform, and has been duly authorized to perform, the obligations imposed hereunder and under any Loan effected pursuant hereto, and (iii) the obligations of such Account in respect of any Loan effected pursuant to this Agreement constitute legal, valid and binding obligations of the Account, enforceable in accordance with their terms.

9.7 Each of the representations and warranties set out in Section 2(i) and (ii) and in Section 9, shall, notwithstanding any provision of Section 2 or 9 or any other provision of the Agreement, be deemed made and repeated for all purposes at and as of all times when any loan entered into hereunder is outstanding.

## 10. Covenants

10.1 Each party hereto agrees and acknowledges that (a) each Loan hereunder is a "securities contract", as such term is defined in Section 741(7) of Title 11 of the United States Code (the "Bankruptcy Code"), (b) each and every transfer of funds, securities and other property under this Agreement and each Loan hereunder is a "settlement payment" or a "margin payment," as such terms are used in Sections 362(b)(6) and 546(e) of the Bankruptcy Code, and (c) the rights given to Borrower and Lender hereunder

upon a Default by the other constitute the right to cause the liquidation of a securities contract and the right to set off mutual debts and claims in connection with a securities contract, as such terms are used in Sections 555 and 362(b)(6) of the Bankruptcy Code. Each party hereto further agrees and acknowledges that if a party hereto is an "insured depository institution" as such term is defined in the Federal Deposit Insurance Act, as amended ("FDIA"), then each Loan hereunder is a "securities contract" and "qualified financial contract," as such terms are defined in the FDIA and any rules, orders or policy statements thereunder.

10.2 Borrower shall be liable as principal with respect to its obligations hereunder.

10.3 Upon execution of this Agreement, Borrower shall deliver to Lender the most recent statements of Borrower required to be furnished to Borrower's customers by Rule 17a-5(c) under the Exchange Act. As long as any Loan is outstanding under this Agreement, Borrower shall promptly deliver to Lender all such statements subsequently required to be furnished to Borrower's customers by such Rule (or any successor thereto). Upon execution of this Agreement, Borrower shall also deliver to Lender, Borrower's most recent financial information otherwise available to the public including (without limitation) the most recent available audited and unaudited statements of Borrower's financial condition and any report or notice required by Rules 17a-5(a)(2)(i) and (ii) and 17a-11 under the Exchange Act. As long as any Loan is outstanding under this Agreement, Borrower will promptly deliver to the Lender all such financial information described in this Section 10 that is subsequently available.

10.4 Upon request of Borrower, Lender shall request of any Account that such Account provide to Lender (for delivery to Borrower) a copy of such Account's most recent financial statement.

10.5 Borrower will, from time to time, do and perform any and all acts and execute any and all further instruments required or reasonably requested by Lender more fully to effect the purposes of this Agreement and the pledge of the Collateral hereunder.

11. **Events of Default.** All Loans between Borrower and Lender may, at the option of the non-defaulting party exercised by notice to the defaulting party (which option shall be deemed to have been exercised, even if no notice is given, immediately upon the occurrence of an event specified in subsection (f) below), be terminated immediately upon the occurrence of any one or more of the following events (individually, a "Default"):

- (a) if any Loaned Securities shall not be transferred to Lender on the termination date of the Loan as required by Section 5.2;
- (b) if any Collateral shall not be transferred to Borrower as contemplated by Section 5.1 ;
- (c) if either party shall fail to transfer Collateral as required by Section 8;
- (d) if Borrower shall fail to comply with the obligation to replace an expiring letter of credit under Section 3.9 and such default is not cured within one Business Day of notice of such failure to Borrower;
- (e) if either party (i) shall fail to transfer to the other party amounts in respect of distributions required to be transferred by Section 7, (ii) shall have received notice of such failure from the non-defaulting party, and (iii) shall not have cured such default within one Business Day of such notice of failure to Borrower or Lender, as the case may be;

- (f) if (i) Borrower or the Affected Account shall commence as debtor any case or proceeding under any bankruptcy, insolvency, reorganization, liquidation, dissolution or similar law, or seek the appointment of a receiver, conservator, trustee, custodian or similar official for such party or any substantial part of its property, (ii) any such case or proceeding shall be commenced against Borrower or the Affected Account, or another shall seek such an appointment, or any application shall be filed against either party for a protective decree under the provisions of the Securities Investor Protection Act of 1970, which (A) is consented to or not timely contested by such party, (B) results in the entry of an order for relief, such an appointment, the issuance of such a protective decree or the entry of an order having a similar effect, or (C) is not dismissed within 15 days, (iii) Borrower or the Affected Account shall make a general assignment for the benefit of creditors, or (iv) Borrower or the Affected Account shall admit in writing its inability to pay its debts as they become due;
- (g) If Borrower or the Affected Account shall have been suspended or expelled from membership or participation in any national securities exchange or registered national securities association of which it is a member or other self-regulatory organization to whose rules it is subject or if it is suspended from dealing in securities by any federal or state government agency or regulatory body thereof;
- (h) if Borrower or the Affected Account shall have its license, charter, or other authorization necessary to conduct a material portion of its business withdrawn, suspended or revoked by any applicable federal or state government or agency or regulatory thereof;
- (i) if any representation made or deemed to be made by either party in respect of this Agreement or any Loan or Loans hereunder shall be incorrect or untrue in any material respect during the term of any Loan hereunder;
- (j) if either party (i) fails to provide to the other party reasonable assurances of its ability to perform its obligations hereunder or under any Loan within 24 hours after request therefor is made in good faith by the requesting party; (ii) notifies the other, orally or in writing, of its inability to or its intention not to perform its obligations hereunder; or (iii) otherwise disaffirms, rejects or repudiates any of its obligations hereunder;
- (k) if either party (i) shall fail to perform any material obligation under this Agreement not specifically set forth in clauses (a) through (j) above, including but not limited to the payment of fees as required by Section 4, and the payment of transfer taxes as required by Section 14 (ii) shall have received notice of such failure from the non-defaulting party and (iii) shall not have cured such failure by the next day after such notice on which a transfer of cash may be effected;
- (l) if a party ("X") consolidates or amalgamates with, or merges into, or transfers all or substantially all its assets to, another entity and the resulting, surviving, or transferee entity has not assumed all the obligations of X under this Agreement pursuant to an agreement reasonably satisfactory to the other party.

**12. Lender's Remedies** If (a) any Default shall occur in respect of which Borrower is the defaulting party or (b) Lender is obligated to redeliver, or is otherwise deprived of its rights to, any Loaned Securities after their return, or is in any way required to pay their value or any related sum over, as a result of any bankruptcy, insolvency, liquidation, reorganization, or other similar proceeding relating to Borrower or

pursuant to any related legal requirement, including without limitation any laws relating to so-called 'preferences' or preferential payments, Lender shall have the right (without further notice to Borrower), in addition to any other remedies provided herein or under applicable law, (i) to purchase, within a commercially reasonable time, a like amount of Loaned Securities in the principal market for such securities, (ii) or to treat the Loaned Securities as having been purchased by Borrower in the principal market for such securities and in a commercially reasonable manner at a purchase price equal to the market value thereof on the day of Default (or on the date of the event referred to in (b) above, as the case may be), and may apply the Collateral to the payment of such purchase (whether actual or deemed), after deducting therefrom all amounts, if any, due to Lender under Sections 4, 7, 14 and 16. In the event Lender shall exercise such rights, Borrower's obligation to return a like amount of the Loaned Securities shall terminate. Lender may similarly apply the Collateral to any other obligation of Borrower under this Agreement including Borrower's obligations with respect to distributions paid to Borrower (and not forwarded to Lender) in respect of Loaned Securities. In the event that (i) the purchase price (plus all other amounts, if any, due to Lender hereunder) exceeds (ii) the market value of the Collateral on the date of such purchase, Borrower shall be liable to Lender for the amount of such excess together with interest thereon at a per annum rate equal to (A) in the case of purchases of Foreign Securities, LIBOR plus 2%, (B) in the case of purchases of any other securities (or other amounts, if any, due to Lender hereunder), the Federal Funds Rate plus 2% in each case as such rate fluctuates from day to day, from the date of such purchase until the date of payment of such excess. Lender shall have, as security for Borrower's obligation to pay such excess, a security interest in or right of setoff against any property of Borrower then held by Lender hereunder and any other amount payable by Lender to Borrower. The purchase price of securities purchased under this Section 12 shall include broker's fees and commissions and all other reasonable costs, fees and expenses related to such purchase or exercise of remedies including, without limitation, reasonable legal fees and expenses. Upon the satisfaction of all obligations hereunder, any remaining Collateral shall be returned to Borrower.

Notwithstanding any provision of the Agreement, provided Borrower is not in default hereunder, Borrower shall not be obligated to make any payment to Lender under the Agreement or in respect of any Loan (including without limitation any return of Collateral) at any time after a Default has occurred unless and until Lender has satisfied all of its obligations (contingent or otherwise) to Borrower, whether or not such obligations have at the time matured.

**13. Borrower's Remedies** Upon the occurrence of a Default under Section 11 entitling Borrower to terminate all Loans hereunder, Borrower shall have the right (without further notice to Lender), in addition to any other remedies provided herein or under applicable law, (a) to purchase a like amount of Collateral in the principal market therefor in a commercially reasonable manner, or (b) to sell (or be deemed to have sold) a like amount of the Loaned Securities in the principal market for such securities in a commercially reasonable manner on the day of the Default and to retain (or be deemed to have realized) the proceeds of such sale. In such event, Borrower may treat the Loaned Securities as its own and Lender's obligation to return the Collateral consisting of cash and securities shall terminate. In the event the sales price received (or deemed to have been received) from such securities is less than the market value or purchase price of the Collateral consisting of cash or securities on the date of sale (or deemed sale) the Account which defaulted on the Loan shall be liable to the Borrower for the amount of any deficiency (and all other amounts, if any due to Borrower hereunder), together with interest on such amounts at a per annum rate equal to (A) in the case of Collateral consisting of Foreign Securities, LIBOR plus 2%, (B) in the case of Collateral consisting of any other securities (or other amounts due by Account, if any, to Borrower hereunder) the Federal Funds Rate plus 2%, in each case as such rate fluctuates from day to day, from the date of such sale until the date of payment of such deficiency. As security for the Account's obligation to pay such deficiency, Borrower shall have a security interest in any property of the Account then held by Borrower pursuant to this Agreement and a right of setoff with respect to such property and any other amount payable by Borrower to Lender in respect of such Account arising hereunder. In calculating this

deficiency, there shall be deducted from the proceeds of the securities sold under this Section 13 broker's fees and commissions and all other reasonable costs, fees and expenses related (or deemed related) to such sale (or exercise of remedies) including, without limitation, reasonable legal fees and expenses. Upon the satisfaction of all Lenders obligations hereunder, any remaining Loaned Securities (or remaining cash proceeds thereof) shall be returned to Lender. Without limiting the foregoing, the parties hereto agree that they intend the Loans hereunder to be loans of securities. If, however, any Loan is deemed to be a loan of money by Borrower to Lender, then Borrower shall have, and Lender shall be deemed to have granted, a security interest in the Loaned Securities and the proceeds thereof.

Where Collateral consists of a letter of credit, Lender, upon the exercise or deemed exercise by Borrower of its termination rights under Section 11, shall immediately return the letter of credit to Borrower and not seek to draw thereunder and Borrower shall return to Lender an amount equal to the net proceeds from the sale (or deemed sale) of the Loaned Securities as reduced by all other amounts due to Borrower.

Notwithstanding any provision of the Agreement, Lender shall not be obligated to make any payment to Borrower under the Agreement or in respect of any Loan (including without limitation any return of Collateral) at any time after a Default has occurred unless and until Borrower has satisfied all of its obligations (contingent or otherwise) to Lender, whether or not such obligations have at the time matured.

**14. Transfer Taxes** All transfer taxes, stamp duties and fees with respect to any transfer hereunder of Loaned Securities or Collateral shall be paid by Borrower. Borrower covenants and agrees that it shall ensure that this Agreement and all instruments of transfer in respect of any Loaned Securities or Collateral shall have been stamped in accordance with all applicable laws.

**15. Market Value**

**15.1** With respect to Loaned Securities and Collateral consisting of securities, market value as of any date shall be determined on the basis of the closing prices therefor as of the trading day (for the principal market in which the securities are traded) immediately preceding the day of valuation, such determination to be made by the independent pricing source notified to Borrower by Lender upon Borrower's request. Such notification may be oral. Market value shall include accrued interest in the case of debt securities. With respect to Collateral consisting of cash, market value as of any date shall be the face amount thereof held by Lender at the time of determination and, with respect to Collateral consisting of letters of credit, market value as of any date shall be the undrawn balance thereof which Lender may at such time draw thereunder except that if, in the judgment of Lender, the creditworthiness of the issuer of any letter of credit has been or may be impaired, then, upon notice to Borrower by 11:00 a.m. EST on any Business Day, the market value of such letter of credit shall be calculated as zero commencing at 3:00 p.m. EST the next succeeding Business Day.

**15.2** Unless otherwise agreed, where the Loaned Securities in respect of a Loan are denominated in a currency other than the currency in which the related Collateral is denominated, the currency which shall be applicable for purposes of determining market value shall be the currency in which the Collateral is denominated (the "Contractual Currency"), and any Loaned Security not denominated in the Contractual Currency shall be converted into a Contractual Currency equivalent based on the most current spot rate of exchange quoted by the independent source of exchange rates as notified to Borrower by Lender upon Borrower's request. Such notification may be oral.

## **16. Contractual Currency**

**16.1** Unless otherwise agreed, each payment of cash under this Agreement (except as provided in Section 7) shall be made in the Contractual Currency. Notwithstanding the foregoing, the payee of any such payment may, at its option, accept tender thereof in any other currency; provided, however, that, to the extent permitted by applicable law, the obligation of the payor to make such payment will be discharged only to the extent of the amount of Contractual Currency that such payee may, consistent with normal banking procedures, purchase with such other currency (after deduction of any premium and costs of exchange) on the banking day next succeeding its receipt of such currency.

**16.2** If for any reason the amount in the Contractual Currency received under Section 16.1, including amounts received after conversion of any recovery under any judgment or order expressed in a currency other than the Contractual Currency, falls short of the amount in the Contractual Currency due in respect of this Agreement, the party required to make the payment will (unless a Default has occurred and such party is the non-defaulting party) as a separate and independent obligation and to the extent permitted by applicable law, immediately pay such additional amount in the Contractual Currency as may be necessary to compensate for the shortfall.

**16.3** If for any reason the amount in the Contractual Currency received under Section 16.1 exceeds the amount in the Contractual Currency due in respect of this Agreement, then the party receiving the payment will (unless a Default has occurred and such party is the non-defaulting party) refund promptly the amount of such excess.

**17. ERISA** Lender shall, if any of the securities transferred to the Borrower hereunder for any Loan have been or shall be obtained, directly or indirectly, from or using the assets of any Plan, so notify Borrower in writing upon the execution of the Agreement or upon initiation of such Loan under Section 1.1 or as required pursuant to Section 1.2. If Lender so notifies Borrower, then Borrower and Lender shall conduct the Loan in accordance with the terms and conditions of Department of Labor Prohibited Transaction Exemption 81-6 (46 Fed. Reg. 7527, Jan. 23, 1981; as amended, 52 Fed. Reg. 18754, May 19, 1987), or any successor thereto unless Borrower certifies that it is not a party-in-interest to the plan for purposes of the Employee Retirement Income Security Act of 1974. Without limiting the foregoing and notwithstanding any other provision of this Agreement, if the parties are relying on Prohibited Transaction Exemption 81-6 to effect any Loan, then:

- (a) Borrower represents and warrants to Lender that it is either (i) a bank subject to federal or state supervision, (ii) a broker-dealer registered under the Exchange Act or (iii) exempt from registration under Section 15(a)(1) of the Exchange Act as a dealer in Government Securities.
- (b) Borrower and Lender, on behalf of any Affected Account which is a Plan, represent and warrant that neither Borrower nor any affiliate of Borrower (as defined in Prohibited Transaction Exemption 81-6) has any discretionary authority or control with respect to the investment of the assets of the Plan involved in the Loan or renders investment advice (within the meaning of 29 C.F.R. Section 2510.3-21(c)) with respect to the assets of the Plan involved in the Loan.
- (c) Borrower and Lender agree that



- (i) the term "Collateral" shall mean cash, securities issued or guaranteed by the United States government or its agencies or instrumentalities, or irrevocable bank letters of credit issued by a person other than Borrower or an affiliate thereof;
- (ii) prior to the making of any Loans hereunder, Borrower shall provide Lender with (A) the most recent available audited statement of Borrower's financial condition and (B) the most recent available unaudited statement of Borrower's financial condition (if more recent than the most recent audited statement), and each Loan made hereunder shall be deemed a representation by Borrower that there has been no material adverse change in Borrower's financial condition subsequent to the date of the latest financial statements or information furnished in accordance herewith;
- (iii) the Loan may be terminated by Lender at any time, whereupon Borrower shall deliver the Loaned Securities to Lender within the lesser of (A) the customary delivery period for such securities; (B) five Business Days and (C) the time negotiated for such delivery between Borrower and Lender, provided, however, that Borrower and Lender may agree to a longer period only if permitted by Prohibited Transaction Exemption 81-6; and
- (iv) the Collateral transferred shall be security only for obligations of Borrower to the Plan with respect to Loans, and shall not be security for any obligation of Borrower to any agent or affiliate of the Plan.

**18. Obligations to be Separate.** Each and every obligation, liability or undertaking of an Account with respect to any Loan shall be solely an obligation, liability or undertaking of, and binding upon, the Account by which such Loan is made ("Affected Account") and shall be payable solely from the available assets of such Account. No such obligation, liability or undertaking shall be binding upon or affect any other Account. Neither Boston Global Advisors, Inc. (in its individual capacity) nor any Affiliate thereof shall have any liability to Borrower whatsoever in respect of any Loan, it being understood and agreed that Borrower shall have recourse solely to the Affected Account in the event of the occurrence of a Default involving the Affected Account.

**19. Indemnification.** Borrower agrees to indemnify and hold harmless Lender and the Affected Account (including the sponsor and fiduciaries of any Affected Account which is a Plan), except to the extent of the negligence of the Lender and/or the Affected Account or its designees, from any and all reasonably foreseeable damages, losses, liabilities, costs and expenses (including attorneys' fees but excluding any indirect or consequential damages) which Lender or the Affected Account may incur or suffer arising in any way out of the use by Borrower of Loaned Securities or any failure of Borrower to deliver Loaned Securities in accordance herewith or to otherwise comply with the terms of this Agreement. For this purpose, "reasonably foreseeable" damages, losses, liabilities, costs and expenses include financing, transaction and fail costs reasonably incurred by an Affected Account unable to provide timely redelivery of Loaned Securities to a subsequent purchaser and actual benefit or gain foregone as a result of being unable to exercise rights as a record owner in respect of corporate actions.

**20. Limitation of Liability.** A copy of the Agreement and Declaration of Trust of each Account which is a Massachusetts business trust is on file with the Secretary of State of The Commonwealth of Massachusetts, and notice is hereby given that this instrument is executed on behalf of the Trustees of each such Account as Trustees and not individually and that the obligations of this instrument are not

binding upon any of the Trustees or shareholders of such Account individually but are binding only upon the assets and property of each such Account.

**21. APPLICABLE LAW** THIS AGREEMENT SHALL BE GOVERNED AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK WITHOUT GIVING EFFECT TO THE CONFLICT OF LAW PRINCIPLES THEREOF.

**22. Waiver** The failure of a party to this Agreement to insist upon strict adherence to any term of this agreement on any occasion shall not be considered a waiver or deprive that party of the right thereafter to insist upon strict adherence to that term or any other term of this Agreement. All waivers in respect of a Default must be in writing.

**23. WAIVER OF JURY TRIAL**

**EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES ANY RIGHT THAT IT MAY HAVE TO TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.**

**24. Remedies** All remedies hereunder and all obligations with respect to any Loan shall survive the termination of the relevant Loan, return of Loaned Securities or Collateral and termination of this Agreement.

**25. Notices and Other Communications** Except as otherwise provided in this Agreement, all notices, demands, and other communications hereunder shall be sufficient if made in writing and delivered or transmitted (as the case may be) by registered mail, facsimile, telex, or courier, or by telephone promptly confirmed in writing and delivered or transmitted as aforesaid, to the intended recipient at the addresses (or to the numbers) set forth on the signature page hereof. Notices shall be effective upon receipt.

**26. Miscellaneous** This Agreement supersedes any other agreement between the parties hereto concerning loans of securities between Borrower and Lender. This Agreement shall not be assigned by either party without the prior written consent of the other party and any attempted assignment without such consent shall be null and void. Subject to the foregoing, this Agreement shall be binding upon and shall enure to the benefit of the parties hereto and their respective heirs, representatives, successors and assigns. This Agreement may be terminated by either party upon written notice to the other, subject only to fulfillment of any obligations then outstanding. This Agreement shall not be modified, except by an instrument in writing signed by the party against whom enforcement is sought.

**27. Definitions** For the purposes hereof:

**27.1** "Account" and "Accounts" shall have the meanings set forth in the introduction.

**27.2** "Affected Account" shall have the meaning set forth in Section 18.

27.3 "Affiliate" shall mean any entity which controls, is controlled by, or is under common control with another entity.

27.4 "Bankruptcy Code" shall have the meaning set forth in Section 10.1.

27.5 "Borrower" shall have the meaning set forth in the introduction.

27.6 "Borrower Payment" shall have the meaning set forth in Section 7.5.

27.7 "Broker-Dealer" shall mean any person that is a broker (including a municipal securities broker), dealer, municipal securities dealer, government securities broker or government securities dealer as defined in the Exchange Act, regardless of whether the activities of such person are conducted in the United States or otherwise require such person to register with the Securities and Exchange Commission or other regulatory body.

27.8 "Business Day" shall mean, with respect to any Loan hereunder, any day (other than a Saturday or Sunday) recognized as a settlement day in the principal market in which the Loaned Securities are traded, provided however, that for purposes of computing market value in Section 15, such term shall mean a day on which regular trading occurs in the principal market for the securities whose value is being determined. Notwithstanding the foregoing, for purposes of Section 8, "Business Day" shall mean any day (other than a Saturday or Sunday) (i) on which regular trading occurs in the principal market for any Loaned Securities or for any securities Collateral under any outstanding Loan or (ii) on which transfers of cash Collateral may be effected by Lender and Borrower (or any nominee or agent thereof).

27.9 "Cash Collateral Fee" shall have the meaning set forth in Section 4.1.

27.10 "Clearing Organization" shall have the meaning set forth in Section 2.

27.11 "Collateral" shall mean, whether now owned or hereafter acquired (a) all cash in a currency acceptable to Lender which is delivered to Lender pursuant to Section 3 or 8, (b) all irrevocable letters of credit issued by issuers acceptable to Lender and otherwise satisfactory in form and substance to Lender, which are delivered to Lender pursuant to Section 3 or 8, (c) any property in which such cash in subsection (a) is invested or reinvested (but not the income or distributions thereon or realized gains derived from Lender's use or investment of such collateral, all of which shall in any event be the property of Lender), (d) any securities issued or guaranteed by the United States government or issued by agencies or instrumentalities thereof which may not be guaranteed by the United States government or by a foreign sovereign acceptable to Lender which are delivered to Lender pursuant to Section 3 or 8, including the interest or distributions thereon or other income therefrom, and (e) any proceeds of any of the foregoing.

27.12 "Collateral Distributions" shall have the meaning set forth in Section 7.5.

27.13 "Confirmation" shall have the meaning set forth in Section 1.2.

27.14 "Contractual Currency" shall have the meaning set forth in Section 15.2.

27.15 "Default" shall have the meaning assigned in Section 11.

27.16 "Exchange Act" shall mean the Securities Exchange Act of 1934, as amended.

27.17 "EDIA" shall have the meaning set forth in Section 10.1.

27.18 "Federal Funds Rate" shall mean the rate of interest (expressed as an annual rate), as published in Federal Reserve Statistical Release H.15(519) or any publication substituted therefor, charged for federal funds (dollars in immediately available funds borrowed by banks on an overnight unsecured basis) on that day or, if that day is not a banking day in New York City, on the next preceding banking day.

27.19 "Foreign Securities" shall mean, unless otherwise agreed, securities that are principally cleared and settled outside the United States.

27.20 "Government Securities" shall mean government securities as defined in Section 3(a)(42)(A)-(C) of the Exchange Act.

27.21 "Lender" shall have the meaning set forth in the introduction.

27.22 "Lender Payment" shall have the meaning set forth in Section 7.5.

27.23 "LIBOR" shall mean for an date, the offered rate for deposits in U.S. dollars for a period of three months which appears on the Reuters Screen LIBOR page as of 11:00 A.M., London time, on such date (or, if at least two such rates appear, the arithmetic mean of such rates).

27.24 "Loan" shall mean a loan of securities hereunder.

27.25 "Loaned Security" shall mean any security which is transferred pursuant to any Loan and shall be deemed to include any securities into which any Loaned Securities may at any time be converted or for which they may be exchanged, any additional securities distributed with respect to Loaned Securities, and any securities issued otherwise in respect thereof, including without limitation in any sub-division, consolidation, or exchange, unless the Confirmation in respect of the Loan in question specifically provides to the contrary.

27.26 "Loan Fee" shall have the meaning set forth in Section 4.1.

27.27 "Margin Deficit" and "Margin Excess" shall have the meanings set forth in Sections 8.2 and 8.3, respectively.

27.28 "Margin Percentage" shall have the meaning set forth in Section 3.1.

27.29 "Plan" shall mean (a) any "employee benefit plan" as defined in Section 3(3) of the Employee Retirement Income Security Act of 1974 which is subject to Part 4 of Subtitle B of Title 1 of such Act; (b) any "plan" as defined in Section 4975(e)(1) of the Internal Revenue Code of 1986 or (c) any entity the assets of which are deemed to be assets of any such "employee benefit plan" or "plan" by reason of the Department of Labor's plan asset regulation. 29 C.F.R. Section 2510.3-101.

27.30 "Required Value" shall have the meaning set forth in Section 3.1.

27.31 "Securities Distributions" shall have the meaning set forth in Section 7.5.

27.32 "Tax" shall have the meaning set forth in Section 7.5.

28. **Single Agreement** Borrower and Lender (as agent on behalf of an Affected Account) acknowledge that, and have entered into this Agreement in reliance on the fact that, all Loans between Borrower and such Affected Account, hereunder constitute a single business and contractual relationship and have been

entered into in consideration of each other. Accordingly, Borrower and Lender (as agent on behalf of an Affected Account) hereby agree that payments, deliveries and other transfers made by either of them in respect of any Loan between Borrower and such Affected Account shall be deemed to have been made in consideration of payments, deliveries and other transfers in respect of any other Loan between Borrower and such Affected Account hereunder, and the obligations to make any such payments, deliveries and other transfers may be applied against each other and netted. In addition, Borrower and Lender, on behalf of an Affected Account, acknowledge that, and have entered into this Agreement in reliance on the fact that, all Loans with respect to an Affected Account have been entered into in consideration of each other. Accordingly, Borrower and Lender (as agent on behalf of an Affected Account) hereby agree that (a) each shall perform all of its obligations in respect of each Loan hereunder, and that a default in the performance of any such obligation by Borrower or by an Affected Account (the "Defaulting Party") in any Loan between Borrower and such Affected Account hereunder shall constitute a default by the Defaulting Party under all such Loans between Borrower and such Affected Account hereunder, and (b) the non-defaulting party shall be entitled to set off claims and apply property held by it in respect of any Loan between Borrower and such Affected Account hereunder against obligations owing to it in respect of any other Loan with the Defaulting Party.

**BOSTON GLOBAL ADVISORS, INC.** in its  
capacity as agent for Accounts and  
not in its individual capacity

By: Bonnie L. Hammer  
Name: Bonnie L. Hammer  
Title: Treasurer

Address for Notices: 50 Rowes Wharf, Ste 260  
Boston, MA 02110

Attention: Bonnie L. Hammer  
Facsimile No.: (617) 345-4222  
Telephone No.: (617) 345-4201

**GOLDMAN, SACHS & CO.**  
as Borrower

By: Daniel W. Stanton  
Name: Daniel W. Stanton  
Title: General Partner

Address for Notices: One New York Plaza  
New York, NY 10004

Attention: Anita E. Kerr  
Facsimile No.: 212-346-2168  
Telephone No.: 212-902-8077

**ANNEX I**

<b><u>Type of Loaned Security</u></b>	<b><u>Margin Percentage<sup>1</sup></u></b>
Foreign equity and corporate securities	105%
United States equity and corporate securities (including American Depository Receipts)	102%
United States government and agency securities	102%
Foreign government and agency securities	102%

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<sup>1</sup> Pursuant to Section 3.1.

# HONG KONG STOCK ADDENDUM

THIS ADDENDUM is entered into the 31st day of May 1995 between Goldman, Sachs & Co. of New York and The Chase Manhattan Bank, N.A. and supplements, amends and forms a part of the Securities Lending Agreement entered into between Goldman, Sachs & Co. and The Chase Manhattan Bank, N.A. dated the 1st day of April 1984 (the "Agreement"), a copy of which is attached hereto.

## 1. Interpretation

### (a) For the purposes of this Addendum:

"Collector" means the Collector of Stamp revenue appointed under section 3 of the <sup>Hong Kong</sup> Stamp Duty Ordinance

"Hong Kong stock" has the meaning set out in section 2 of the Hong Kong Stamp Duty Ordinance; and

"stock borrowing" has the meaning set out in section 19(16) of the Hong Kong Stamp Duty Ordinance.

### (b) Reference to the "Agreement" in the Agreement and in this Addendum shall be deemed to mean the Agreement as amended and supplemented by the terms of this Addendum, unless the context indicates otherwise. In the event of conflict or inconsistency between the terms of this Addendum and the terms of the Agreement, the terms of this Addendum shall prevail.

### (c) Capitalized terms which are not otherwise defined in this Addendum shall have the meaning ascribed to them in the Agreement.

## 2. Hong Kong Stock

The parties hereby agree that the terms of this Addendum shall apply in addition to the terms set out in the Agreement, but only to the extent that Securities borrowed by the Borrower under the Agreement fall within the definition of Hong Kong stock.

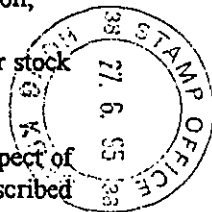
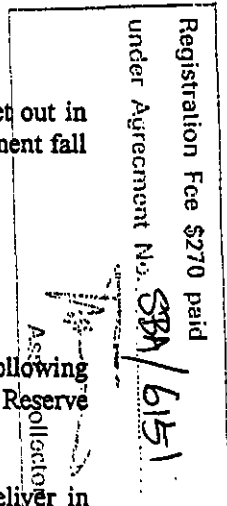
## 3. Borrower's Undertakings

Borrower hereby represents and warrants to Trustee that:

### (a) The Borrower shall borrow Securities under the Agreement for one or more of the following purposes in accordance with Regulation T of the Board of Governors of the U.S. Federal Reserve System:

- (i) to settle a contract to sell such Securities short or to avoid a future fail to deliver in connection with a sale wherever effected, whether by the Borrower or another person;
- (ii) to replace, in whole or in part, Securities obtained by the Borrower under another stock borrowing for purposes described in (i) above; or
- (iii) to on-lend the Securities to another borrower who effects a stock borrowing in respect of the same and represents to Borrower that such borrowing is for the purposes described in (i) above; and

### (b) Borrower shall, in respect of each borrowing of Securities under the Agreement, return to the Trustee Loaned Securities or Equivalent Securities not later than twelve (12) months after the day on which the Securities were borrowed from the Trustee under the Agreement. The parties hereby agree that, for purposes of section 19(12)(c) of the Hong Kong Stamp Duty Ordinance, a Borrower will only be considered to have failed to comply with the demand of the Trustee for the return of borrowed stock only if the Borrower fails to return borrowed stock to the Trustee within a time period ultimately found to be acceptable to the Trustee.



4. Indemnification

*jsb*  
Borrower shall indemnify the Trustee and the Accounts for Hong Kong stamp duty imposed on the Trustee and the Accounts by the Collector due to the failure of Borrower to file such forms and documents as required by the Collector in respect of Securities borrowed by the Borrower on or after the date hereof. This indemnification shall be operative if Trustee and the Accounts shall have complied with the requirements of paragraph 19 of the Hong Kong Stamp Office Interpretation & Practice Notes No. 2 (Relief for Stock Borrowing and Lending Transactions) issued on April 18, 1995, to the extent applicable to it.

5. Filing Obligation

- (a) Borrower hereby undertakes to Trustee to provide the Collector with an executed copy of this Addendum, such fees as may be specified from time to time by the Financial Secretary of Hong Kong for the purposes and such other documents, particulars and information that the Collector may require, within (10) Business Days of the execution of this Addendum, if executed in Hong Kong, and within twenty (20) Business Days of the execution of this Addendum, if executed outside of Hong Kong. Borrower agrees to give Trustee prompt notice of its compliance with all undertakings set forth in section 4(a).
- (b) If the Borrower shall fail to perform any of its undertakings under paragraph 4(a) above, Trustee may take such actions at the cost and expense of the Borrower and upon such failure of Borrower to so perform, Borrower will indemnify Trustee against all such costs, exposures or other claims which may arise under this Addendum. In addition, the Trustee may, in its sole discretion, notify the Collector of the Parties to this Addendum and the date of execution of this Addendum pursuant to paragraph 16 of Hong Kong Stamp Office Interpretation & Practice Note No. 2 (Relief for Stock Borrowing and Lending Transactions).

6. Law and Jurisdiction

This Agreement is governed by and shall be construed in accordance with the laws of the State of New York without reference to the conflict of laws principles thereof, and each of the parties hereby submits to the non-exclusive jurisdiction of the courts of such state and of any federal court sitting in such state.

7. Effect

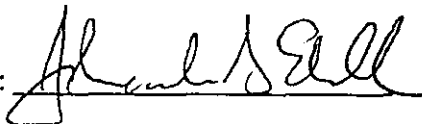
The parties agree that this Addendum has effect for all purposes from July 8, 1994 and, accordingly but without limitation to the generality of the foregoing, paragraph 3 above shall apply in relation to all borrowings of Hong Kong stock under the Agreement made prior to the date of this Addendum; provided that paragraph 4 above shall only have effect from the date of this Addendum.

8. Whole Agreement

Each party to this Addendum agrees that the Agreement, including this Addendum, contains the entire agreement between the parties in relation to securities lending transactions and supersedes all previous securities lending agreements, oral or written.

IN WITNESS whereof, this Addendum has been executed on behalf of the parties, the date and year first above written.

Signed by:



Alexander S. Ehrlich  
Vice President

on behalf of Goldman, Sachs & Co.



Signed by: Patricia Tine Abbiatici

Patricia Tine Abbiatici

Print name

Vice President

Title

on behalf The Chase Manhattan Bank, N.A.

#1517

MASTER SECURITIES LENDING AGREEMENT

This MASTER SECURITIES LENDING AGREEMENT dated as of April 1, 1984 by and between GOLDMAN, SACHS & CO. (the "Borrower") and THE CHASE MANHATTAN BANK (NATIONAL ASSOCIATION), as trustee or managing agent for those certain trusts and accounts (including accounts subject to ERISA, as hereinafter defined) from time to time listed in Appendix A hereto (The Chase Manhattan Bank (National Association), acting in its capacity as trustee or managing agent for each such trust or account, and not in its individual capacity, is hereinafter referred to as the "Trustee"),

W I T N E S S E T H T H A T:

WHEREAS, the Borrower desires to borrow, from time to time, certain securities from the Accounts, as hereinafter defined, on the terms and conditions hereinafter set forth; and

WHEREAS, the Trustee is willing, subject to mutual agreement as to each loan in the manner hereinafter set forth, to lend such securities to the Borrower from time to time on behalf of the Accounts on the terms and conditions hereinafter set forth;

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound, the parties hereto hereby agree as follows:

1. Definitions. As used in this Agreement the following words and terms shall have the meanings set forth below, unless the context clearly indicates otherwise:

"Account" shall mean each trust or account from time to time listed in Appendix A hereto, as the same may be amended from time to time in accordance with paragraph 12 hereof.

"Approved Securities" shall mean obligations of or guaranteed by the United States government which are acceptable to the Trustee in its sole discretion.

"business day" shall mean any day on which national banks and the NYSE are open for business in New York City.

"Collateral" shall mean, collectively, (a) all Pledged Cash from time to time held by the Trustee hereunder, any property in which such Pledged Cash may from time to time be invested or reinvested by the Trustee and held by it (but not the income or distributions thereon or gains therefrom), any amounts or other proceeds arising in connection with the sale, exchange, collection or other disposition of any of the foregoing and any rebates, interest or other amounts at any time due to the Borrower from the Trustee with respect to such Pledged Cash, (b) all Approved Securities from time to time delivered by the Borrower and held by the Trustee hereunder, the interest or other income therefrom and the proceeds thereof, and (c) all Letters of Credit from time to time held by the Trustee hereunder and the proceeds thereof, in each case regardless whether the same has been allocated at any time or from time to time to any particular Loan.

"ERISA" shall mean the Employee Retirement Income Security Act of 1974, as amended.

"Letter of Credit" shall mean an irrevocable performance letter of credit issued by a bank acceptable to the Trustee for the account of the Borrower or any other person acceptable to the Trustee, which letter of credit (a) expires not earlier than six months following the date it is delivered to the Trustee hereunder, (b) names as beneficiary The Chase Manhattan Bank (National Association), as trustee or managing agent, (c) is payable to the beneficiary upon presentation of a draft in the amount of any drawing and a statement of the beneficiary that the amount being drawn thereunder represents money owed to the beneficiary in connection with a loan or loans of securities, (d) permits any number of partial drawings (which pro tanto reduce the amount available under the Letter of Credit), and (e) otherwise contains such terms and provisions as are required by or acceptable to the Trustee.

"Loaned Securities" shall mean all securities loaned to the Borrower hereunder or an equal principal amount of the same issue or series and any securities issued in exchange therefor.

"Loan" shall mean each securities loan made pursuant to paragraph 2 hereof.

"Market Value" shall mean, with respect to any security, as of any date of determination thereof, (a) the closing price of such security on the NYSE on the trading day next preceding such date of determination, or (b) if such security is not listed on the NYSE, the closing price of such security on any national securities exchange selected by the Trustee on which such security is listed on the trading day next preceding such date of determination, or (c) if such security is not listed on any national securities exchange, the price of such security as quoted by a recognized pricing service selected by the Trustee (including the Associated Press as evidenced by quotations published in the New York Times and any pricing service provided by The Chase Manhattan Bank (National Association) or any affiliate thereof) at or as nearly as practicable at the close of business on the last trading day during which such security was traded next preceding such date of determination, or (d) with respect to a marketable United States government obligation, the price of such security as quoted by a recognized pricing service selected by the Trustee (including the Associated Press as evidenced by quotations published in the New York Times and any pricing service provided by The Chase Manhattan Bank (National Association) or any affiliate thereof) or if the Trustee so chooses the dealer bid price quoted by a recognized dealer in such security (which may be The Chase Manhattan Bank (National Association) or any affiliate thereof) at or as nearly as practicable at the close of business on the last business day preceding such date of determination plus, in the case of any such United States government obligation, the interest accrued on such obligation through such date of determination; provided, however, that the market value of any security held as Collateral as to which the issuer of such security is in default or as to which any third party has asserted an interest shall be zero for purposes hereof. In addition, the term "Market Value", shall mean, as of any date of determination thereof, (a) with respect to any Pledged Cash or Collateral in which such Pledged Cash is

invested, the amount of such Pledged Cash originally paid to the Trustee, as reduced by any payments of such Pledged Cash to or for the account of the Borrower, and (b) with respect to any Letter of Credit, the undrawn balance thereof which the Trustee may at such time, and for a period of at least ten business days after such date of determination, draw thereunder; provided, however, that the market value of any Letter of Credit shall be zero for all purposes hereof if (i) the bank issuing such Letter of Credit has defaulted in honoring any draft drawn thereunder or has indicated its intention not to honor any such draft, (ii) any judicial or similar restraint on payments under such Letter of Credit exists, or (iii) any of the events specified in subparagraphs 10(a)(vii) or (viii) of this Agreement shall have occurred with respect to the bank issuing such Letter of Credit (assuming for this purpose that such subparagraphs referred to the bank issuing such Letter of Credit, rather than to the Borrower).

"NYSE" shall mean the New York Stock Exchange, Inc.

"Pledged Cash" shall mean the aggregate amount of cash, in United States dollars, paid to the Trustee from time to time as Collateral with respect to any Loan, as reduced to reflect any amounts thereof paid to or for the account of the Borrower.

"Required Value" shall mean at any date, with respect to any Loan, that percentage of the Market Value of the relevant Loaned Securities determined on such date as shall have been agreed to with respect to such Loan by the parties hereto from time to time, any such agreement to be evidenced by a written confirmation from the Trustee to the Borrower. In no event shall the Required Value for any Loan be less than 100% of the Market Value of the Loaned Securities.

"SEC" shall mean the Securities and Exchange Commission.

## 2. Loans of Securities.

(a) The Loans. From time to time, upon the request of the Borrower, the Trustee may, in its sole discretion, lend securities to the Borrower from one or more of the Accounts. Each such Loan shall be made on the terms

and subject to the conditions hereinafter set forth, except as may be otherwise expressly agreed in writing by the parties hereto at the time such Loan is made. Each Loan will consist of securities of a single class or series issued by a single issuer which are loaned to the Borrower in a single transaction and shall be made from, and for the account of, a single Account. The Trustee shall, at the oral request of the Borrower, orally inform the Borrower of the identity of the Account which is making or has made any Loan. The Borrower hereby unconditionally agrees that it will punctually return all Loaned Securities to the Trustee at the times when the Loan of such Loaned Securities is terminated hereunder or when such Loaned Securities are otherwise required to be returned to the Trustee in accordance with the terms hereof, and that it will punctually pay, or cause to be paid, when due, all other amounts at any time payable by it hereunder or in connection herewith. The Borrower will give the Trustee a schedule of the securities actually borrowed hereunder at the time of the borrowing of such securities, which schedule may be in the form of a Depository Trust Company daily activity report covering the relevant Loan.

(b) Obligations to be Separate. Each and every obligation, liability or undertaking of the Trustee or an Account with respect to any Loan (i) shall be solely an obligation, liability or undertaking of, and binding upon, the Account by which such Loan is made and the Trustee acting for such Account in its capacity as such and (ii) shall be payable solely from the available assets of such Account. No such obligation, liability or undertaking shall be binding upon or affect any other Account, the Trustee acting in any other capacity or The Chase Manhattan Bank (National Association) in its individual capacity.

### 3. Method of Making the Loans.

(a) Delivery of Loaned Securities. Each Loan hereunder shall be made by the Trustee delivering to the Borrower the Loaned Securities that are the subject of such Loan against receipt by the Trustee of the Collateral required to secure such Loan. The Borrower agrees that the completion of a delivery of Loaned Securities to it as provided in this paragraph 3 shall constitute its acceptance and receipt thereof and that each such acceptance and receipt shall be deemed to constitute, and shall constitute,

a representation by the Borrower that as of the date of such acceptance and receipt (i) all representations and warranties by the Borrower herein are true and correct, as if made on and as of such date, (ii) no default hereunder has occurred and is continuing, and (iii) except as otherwise theretofore disclosed to the Trustee in writing, there has been no material adverse change in the financial condition or business of the Borrower since the date of the most recent financial statements of the Borrower provided to the Trustee in accordance with subparagraph 7(c) or 8(a) hereof.

(b) Delivery of Collateral. The Borrower hereby agrees that, as a condition precedent to the making of any Loan, it shall deliver to the Trustee Collateral consisting of (i) cash, (ii) Approved Securities, and/or (iii) Letters of Credit having an aggregate Market Value on the date of such Loan at least equal to the Required Value with respect to such Loan on such date. Collateral at any time delivered to the Trustee under this paragraph or paragraph 6 hereof shall be of such type or types listed above as are then acceptable to the Trustee in its sole discretion.

(c) Book Entry Delivery. Unless otherwise agreed by the Trustee and the Borrower, the delivery of cash, Loaned Securities and Approved Securities shall be effected for purposes hereof through book entry transfer pursuant to the rules and procedures of the Depository Trust Company (or any other clearing agency registered by the SEC) or the Federal Reserve/Treasury Book Entry System, as the case may be. All such deliveries shall be deemed to have been effected for purposes hereof when final, irreversible, credit has been made to the account of the party entitled to the receipt of such credit under the rules of such clearing agency or book entry system.

(d) Delivery of Letters of Credit. The delivery of a Letter of Credit shall be effected for the purposes of this Agreement by physical delivery of the original executed Letter of Credit by the issuing, confirming or advising bank to the Trustee; provided, however, that no such delivery shall be effective until one business day after the receipt of a Letter of Credit by the Trustee, during which period the Trustee may reject such Letter of Credit, by oral notice to the Borrower, if such Letter of Credit is not in the form approved by the Trustee.

#### 4. The Collateral.

(a) Pledge. As security for the prompt payment and performance of any and all obligations of the Borrower at any time or from time to time existing hereunder, or in connection with any Loan, the Borrower hereby pledges to the Trustee, and grants to the Trustee a security interest in, all Collateral (other than Letters of Credit) whether now owned or hereafter acquired, and whenever delivered to the Trustee (except insofar as greater rights are provided in subparagraph 4(b) hereof) and agrees that such pledge and grant of a security interest shall be effective immediately as to any Collateral upon delivery thereof to the Trustee. The Borrower hereby agrees that the Trustee shall have all right, title and interest in and to the Letters of Credit delivered as Collateral hereunder. The Trustee shall not be obligated to release Collateral, or take any other action with respect thereto, except as expressly provided herein.

(b) Pledged Cash. The Trustee shall have the unrestricted right to use and invest Collateral consisting of Pledged Cash, and any Collateral in which Pledged Cash is invested and reinvested, as it may elect, for the sole account of the Accounts. So long as appropriate records allocating such Pledged Cash or other Collateral to Loans are maintained, the Trustee may commingle such Pledged Cash or other Collateral with any other Collateral or other funds or assets, including funds or assets held by The Chase Manhattan Bank (National Association) acting in any capacity as collateral under other lending agreements, and may hold the same in its own name or the name of its nominee. The Trustee shall be entitled to collect and retain, for the account of the affected Account or Accounts, any income on such Collateral and any net gains realized upon the sale, maturity, payment, retirement or other disposition of such investments or reinvestments. The Accounts shall bear the risk of all losses in value of the principal amount of any Collateral in which Pledged Cash is invested or reinvested. The sole obligation of the Trustee with respect to Pledged Cash is to repay such Pledged Cash to the Borrower as required by paragraphs 6, 9 and 10 hereof.

(c) Approved Securities. The Trustee may commingle any Approved Securities held by it with other Collateral or other assets, including assets held by The Chase Manhattan Bank (National Association) acting in any



capacity as collateral under other lending agreements, and may hold the same in its own name or the name of its nominee. Unless a default hereunder shall have occurred and be continuing, the Borrower shall be entitled to receive all interest payments or other distributions on Approved Securities held as Collateral that are received by the Trustee (if any). The parties hereto shall deliver such suitable assignments, orders and other instruments as may be required in order to effectuate the provisions of the preceding sentence. If any interest or other distribution on any Approved Securities is paid or distributed to the Borrower or to the Trustee in respect of a time when the recipient thereof is not entitled to receive such distribution, such recipient shall, within one business day after the payment or distribution thereof, pay or deliver such distribution, or the equivalent thereof, to the party entitled to receive the same. The Borrower shall bear the risk of all losses in value of the principal amount of Approved Securities held as Collateral. The sole obligation of the Trustee with respect to Approved Securities held as Collateral, except as provided in this paragraph, is to deliver such Approved Securities to the Borrower as required by paragraphs 6, 9 and 10 hereof.

5. Rights of Borrower and Trustee with Respect to Loaned Securities.

(a) Borrower's Rights. Until a Loan is terminated in accordance with the provisions hereof, the Borrower shall have all the incidents of ownership of the relevant Loaned Securities, including, without limitation, the right to transfer such Loaned Securities or any part thereof to others, free and clear of any right, title or interest of the Trustee, and to vote or otherwise consent as holder thereof, subject, however, to all rights of the Trustee and all obligations of the Borrower hereunder, including the provisions of subparagraphs 5(b) and (c) hereof.

(b) Trustee's Rights. The Trustee shall be entitled to receive all interest, dividends and other distributions of any kind whatsoever on or with respect to the Loaned Securities made during the period of the relevant Loan or for which the record date occurs during the period of the relevant Loan. Upon the payment or distribution of any of the foregoing to any person other than the Trustee, the Borrower shall, within one business day after the

payment or distribution thereof, pay and deliver the same or identical property (with any such endorsements or assignments as shall be customary and appropriate to effect the delivery) to the Trustee, for the account of the relevant Account, irrespective of whether the Borrower received the same; provided, however, that any distribution of securities made in exchange for Loaned Securities shall be considered as substituted for such Loaned Securities and need not be delivered to the Trustee until the relevant Loan is terminated hereunder.

(c) Borrower's Obligations. The Borrower agrees that at all times it will hold all Loaned Securities in its possession, will keep the same specifically and physically set aside as specifically identifiable property of the Trustee and will not commingle Loaned Securities with any property of the Borrower or of any other person; provided, however, that the Borrower may hold securities subject to this Agreement in a qualified central securities depository, or, with respect to securities issued by the United States or any agency or instrumentality thereof, with a federal reserve bank or in the custody of a federal reserve member bank, and that the Borrower may relinquish possession of any Loaned Securities or retain possession of any Loaned Securities for the account of another person as expressly permitted by subparagraph 5(a) above.

6. Allocation and Adjustment of Collateral.

(a) Allocation of Collateral. Except as provided in the following sentence, upon receipt of Collateral for a Loan, such Collateral shall be allocated to such Loan; provided that, if Collateral is received on the same day for more than one Loan, the Trustee shall allocate such Collateral to each Loan then being made so that each such Loan is secured by not less than the required value of Collateral as specified herein. Any Collateral received by the Trustee with respect to a Loan in excess of the Required Value for such Loan may be held by the Trustee as collateral security for all Loans made to the Borrower at any time without being allocated to any one Loan or, in the sole discretion of the Trustee, may be allocated at any time to any Loan or Loans then outstanding hereunder. All allocations of Collateral shall be marked in the Trustee's books, which shall be conclusive evidence of such allocations.

(b) Marking to Market. If at any time the aggregate Market Value of the Collateral allocated to any Loan exceeds the Required Value for such Loan, then the Trustee shall, upon oral demand by the Borrower, redeliver to the Borrower Collateral having an aggregate Market Value equal to such excess within one business day after such demand. If at any time the aggregate Market Value of the Collateral allocated to any Loan is less than the Required Value for such Loan, then the Borrower shall, upon oral demand by the Trustee, deliver to the Trustee additional Collateral having a Market Value at least equal to such deficiency. The Borrower unconditionally agrees to deliver such additional Collateral to the Trustee in the manner specified herein before the close of business on the date of such demand. In addition to any other obligations which the Borrower may have hereunder, and without in any way relieving the Borrower of any such obligations or affecting any rights which the Trustee may have hereunder, the Borrower hereby agrees that it will mark each Loan to market not less than daily and, in the event that the market value of all the outstanding securities loaned hereunder at the close of trading at the end of the business day exceeds 100 percent of the Collateral then held by the Trustee, the Borrower will provide additional Collateral acceptable to the Trustee consisting exclusively of cash or United States Treasury bills and Treasury notes or an irrevocable Letter of Credit issued by a bank as defined in Section 3(a)(6)(A)-(C) of the Securities Exchange Act of 1934, as amended, to the Trustee by the close of the next business day as necessary to equal, together with the Collateral then held by the Trustee, not less than 100 percent of the market value of the securities loaned.

(c) Reallocation of Collateral. The Trustee shall have the right, at its sole election, at any time and from time to time, to allocate and/or reallocate any Collateral held by it hereunder to or among any outstanding Loan or Loans.

(d) Returns of Collateral. If, at the time, less than all of the Collateral held by the Trustee which has been allocated to any Loan or which is unallocated is required to be returned by the Trustee to the Borrower and such Collateral consists of more than one type, the Borrower may, by oral notice to the Trustee given reasonably in advance of the time such Collateral is required to be

returned, designate the particular type or types of such Collateral to be returned; provided, however, that if the Borrower does not so notify the Trustee in a timely manner, the selection of the particular type or types of such Collateral to be returned shall be solely at the election of the Trustee. If at any time the Trustee is required, or desires, to return a portion of any Approved Security to the Borrower pursuant to this Agreement, the Borrower shall, at the oral request of the Trustee, take all such action as is necessary to cause such Approved Security to be reissued in such denominations as are required to permit such a partial return and in such case the Trustee shall not be obligated to return Collateral hereunder unless and until such action has been taken and may thereafter make required returns of Collateral hereunder by returning Approved Securities in such amounts as are, as nearly as practicable, equal to but not greater than the required return. The return to the Borrower of Approved Securities the Market Value of which on the day on which the requirement to return the same was established was then sufficient to comply with such requirement of return shall be in full compliance with this Agreement and a full discharge of the Trustee's obligation to make such return, notwithstanding the fact that at the date of such return the Market Value of any such Approved Securities may have declined. Whenever a Letter of Credit is to be returned in part, such return shall be effected by the Trustee's consent to a reduction equivalent to such part in the amount available for drawings under such Letter of Credit. It is expressly understood that if, at any time, the Borrower delivers to the Trustee new Collateral acceptable to the Trustee in substitution for any Letter of Credit then held as part of the Collateral for any Loan or Loans, the Trustee will, at the request of the Borrower, promptly return such Letter of Credit to the Borrower and/or consent to the cancellation thereof if immediately after giving effect to such return and/or cancellation the Market Value of the Collateral held for such Loan or Loans is at least equal to the Required Value with respect to such Loan or Loans, all calculated as of the date of such return or cancellation.

7. Representations and Warranties.

(a) Representations and Warranties of the Borrower. The Borrower hereby represents and warrants to the Trustee that:

(i) Due Authorization, etc. The making and performance by the Borrower of this Agreement and the transactions contemplated hereby have been duly authorized by the Borrower; the Borrower has the requisite power and authority to make and perform the same; and such making and performance will not violate any applicable provision of law or regulation or result in the breach of or constitute a default or result in the creation of any lien or encumbrance, other than in favor of the Trustee under this Agreement, under any agreement or other instrument to which the Borrower is a party or by which the Borrower or its property may be bound or affected. This Agreement constitutes a legal, valid and binding obligation of the Borrower, enforceable in accordance with its terms. At any time that any Collateral is delivered to the Trustee hereunder the Borrower shall have the absolute right to transfer title to, and dispose of, such Collateral to the Trustee, and the Trustee shall at all times have a prior perfected security interest in all such Collateral, except that in the case of Letters of Credit the Trustee shall have all right, title and interest therein, in each case subject to no equal, prior or other liens, charges, encumbrances or other claims of any kind.

(ii) Borrower's Status. The Borrower is either a bank or a broker-dealer registered under the Securities Exchange Act of 1934, as amended. Neither the Borrower nor any affiliate (as defined in Department of Labor Prohibited Transaction Exemption 81-6) of the Borrower has discretionary authority or control with respect to investment of any plan assets held in any Account to which this Agreement is applicable or renders investment advice (within the meaning of 29 CFR 2510.3-21(c)) with respect to such assets, and the Borrower will promptly notify the Trustee of any change which would make the foregoing representation untrue.

(iii) The Borrower has heretofore delivered to the Trustee a copy of the annual consolidated financial statements of the Borrower and its consolidated subsidiaries for its fiscal year ended November 25, 1983 duly audited by independent certified public accountants, including a balance sheet as at the end of such fiscal year, and a copy of the unaudited consolidated financial statements of the Borrower and its consolidated subsidiaries for the six-month period ended May 25, 1983, including a balance sheet as at the end of such period, and each of said financial statements and the related notes thereto are complete and correct and fairly present the consolidated financial condition of the Borrower and its consolidated subsidiaries as at said dates, all in conformity with generally accepted accounting principles consistently applied.

(b) Representations and Warranties of the Trustee. The Trustee hereby represents and warrants to the Borrower that the Trustee, in its capacity as trustee or managing agent for each Account listed in Appendix A hereto, has been authorized by each such Account to enter into this Agreement, and the transactions contemplated hereby, on behalf of such Accounts and that this Agreement has been duly authorized, executed and delivered by the Trustee, as trustee or managing agent for each such Account.

8. Covenants of Borrower. The Borrower hereby covenants and agrees with the Trustee as follows:

(a) Delivery of Financial Statements, etc. The Borrower will furnish to the Trustee, (i) as soon as available and in any event within 90 days after the end of each of its fiscal years, a copy of the annual consolidated financial statements of the Borrower and its consolidated subsidiaries duly audited by independent certified public accountants, including a balance sheet as at the end of such fiscal year, prepared in accordance with generally accepted accounting principles consistently applied, (ii) as soon as available and in any event within 90 days after the end of the first half of each of its fiscal years, a copy of the consolidated financial statements of the Borrower and its consolidated subsidiaries for the period then ended, including a balance sheet as at the end of such period, prepared in accordance with generally accepted accounting

principles on a basis consistent with that used in the preparation of the financial statements referred to in clause (i) above and certified by an appropriate officer of the Borrower, (iii) promptly after the occurrence of any default under this Agreement, a written notice setting forth the nature of such default and the steps being taken by the Borrower to remedy such default, and (iv) from time to time such further information which is generally available to the public (whether or not of the kind mentioned above) regarding the business, affairs and financial condition of the Borrower as the Trustee may reasonably request.

(b) Notice of Certain Actions. The Borrower will give the Trustee immediate notice (i) if at any time the Borrower shall receive information that the Borrower is under special surveillance by any stock exchange, including the NYSE, or by any other self-regulatory organization, (ii) if at any time the Borrower shall receive information that the SEC or any self-regulatory organization, including the NYSE, has notified the Securities Investor Protection Corporation ("SIPC") pursuant to Section 5(a)(1) of the Securities Investor Protection Act of 1970 ("SIPC Act") of facts which indicate that the Borrower is in or is approaching financial difficulty, or (iii) if at any time SIPC shall file an application for a protective decree with respect to the Borrower under Section 5(a)(3) of the SIPC Act. Any such notice shall set forth in reasonable detail a description of the event which has occurred and of the action, if any, which the Borrower proposes to take with respect thereto. The Borrower will forward to the Trustee a copy of any written notice or other written evidence received by it of or with respect to any matter referred to in the first sentence of this subparagraph (b) with respect to which notice is required to be given to the Trustee by such sentence.

(c) Further Acts. The Borrower will, from time to time, do and perform any and all acts and execute any and all further instruments required or reasonably requested by the Trustee more fully to effect the purposes of this Agreement and the pledge of the Collateral hereunder.

9. Termination of Loans without a Default.

(a) Termination by the Borrower. The Borrower may at any time terminate any Loan by giving the Trustee oral notice of such termination and delivering the Loaned Securities with respect to such Loan to the Trustee on the date specified in such oral notice. The date so specified may be the date on which such notice is given if such notice is given at or before 10:00 A.M. (New York time) on such date, and otherwise shall be not less than 1 business day nor more than 30 business days subsequent to the giving of such notice.

(b) Termination by the Trustee. Each Loan made hereunder shall be a demand loan. The Trustee may at any time terminate any Loan, in whole or in part, by giving the Borrower oral notice of such termination, whereupon such Loan, or the portion thereof being terminated, shall become due on the date specified in such notice unless it shall become due sooner pursuant to paragraph 10 hereof. The date so specified shall be not less than 1 business day subsequent to the giving of such notice in the case of a Loan of United States government obligations and not less than 5 business days subsequent to the giving of such notice in all other cases. The Borrower hereby unconditionally promises to redeliver the Loaned Securities that are the subject of any Loan so terminated to the Trustee on the date so specified with respect to such Loan.

(c) Return of Collateral. Upon the termination of any Loan in accordance with this paragraph 9 and the return of the Loaned Securities with respect to such Loan to the Trustee, the Trustee shall, unless otherwise directed by the Borrower, deliver the Collateral then allocated to such Loan to the Borrower; provided, however, that if any default hereunder shall have occurred and be continuing the Trustee shall not be obligated to return any such Collateral until such default shall have been cured, and that if a record date for any distribution with respect to the Loaned Securities occurred during the period of such Loan and such distribution has not been paid or delivered to the Trustee, the Trustee may retain a portion of the Collateral for such Loan sufficient to satisfy the Borrower's obligation with respect to such distribution until such obligation has been satisfied in accordance with subparagraph 5(b) hereof. Such delivery shall occur on the date of the return of the



relevant Loaned Securities. The Trustee acknowledges that, if at the election of the Borrower, upon the termination in accordance with this paragraph 9 of any Loan which is secured by a Letter of Credit, or a portion thereof, and the return of the Loaned Securities with respect to such Loan, such Letter of Credit, or portion thereof, is not returned to the Borrower, the Trustee shall have no further right to draw under such Letter of Credit with respect to such Loan to the extent that the obligations of the Borrower with respect to such Loan have been fully discharged and the payments and deliveries of Loaned Securities made in respect of such obligations are not subsequently recovered from the Trustee in any bankruptcy, insolvency or similar proceeding.

10. Defaults.

(a) Events of Default. Any one or more of the following events shall constitute an "Event of Default" hereunder:

(i) A failure by the Borrower to deliver any Loaned Securities on the date specified for such delivery in accordance with subparagraph 9(a) or (b) hereof; or a failure by the Borrower to pay to the Trustee any amount due to the Trustee under this Agreement on the date when such amount is due in accordance herewith; or any default by the Borrower in the due performance or observance of any covenant or agreement contained in subparagraph 3(b), 5(b), 6(b) (other than in the last sentence of said subparagraph 6(b)) or 7(a)(i) hereof; or

(ii) Except as provided in clause (i) above, any default by the Borrower in the due performance or observance of any covenant or agreement contained herein and the continuance of such default for a period of three days after written notice thereof has been given to the Borrower by the Trustee; or

(iii) Any representation or warranty made by the Borrower herein or in connection herewith or with any borrowing hereunder shall be breached or prove to have been untrue when made; or

(iv) A violation by the Borrower, in connection with any Loaned Securities or the holding or disposition

thereof by the Borrower, of any applicable law, regulation or rule of the United States, any state or any instrumentality of either thereof, the NYSE or any other national securities exchange to the requirements of which the Borrower may be subject, or the Board of Governors of the Federal Reserve System or the National Association of Securities Dealers, Inc.; or

(v) A violation by the Borrower of any rule limiting its aggregate indebtedness or requiring a minimum net capital imposed under the Securities Exchange Act of 1934, as amended, or the rules and regulations thereunder or imposed by any stock exchange, or the imposition, under any such rule, of a prohibition against expansion, or a requirement of any reduction, of the business of the Borrower; or

(vi) The occurrence of any event of which the Borrower is required to notify the Trustee pursuant to clause (ii) or (iii) of subparagraph 8(b) hereof; or

(vii) The Borrower shall (1) apply for or consent to the appointment of or the taking of possession by a trustee, receiver, custodian, liquidator, conservator or the like of itself or of all or any substantial part of its property, (2) admit in writing its inability, or be generally unable, to pay its debts as such debts become due or voluntarily suspend payment of its obligations, (3) make a general assignment for the benefit of its creditors, (4) commence a voluntary case under the Federal Bankruptcy Code (as now or hereafter in effect) or under any other analogous law pertaining to it, (5) file a petition seeking to take advantage of any other law relating to bankruptcy, insolvency, reorganization, winding-up, or composition or adjustment of debts, (6) fail to controvert in a timely or appropriate manner, or acquiesce in writing to, any petition filed against it in an involuntary case under such Bankruptcy Code or analogous law, or (7) take any corporate action for the purpose of effecting any of the foregoing; or

(viii) A proceeding or case shall be commenced, without the application or consent of the Borrower before any court, agency or supervisory authority having jurisdiction in the premises, seeking (1) the liquidation, reorganization, dissolution, winding-up,

marshalling of assets or composition or adjustment of debts of the Borrower, (2) the appointment of a trustee, receiver, custodian, liquidator, conservator or the like of the Borrower or of all or any substantial part of its assets or (3) similar relief in respect of the Borrower under any law relating to bankruptcy, insolvency, reorganization, winding-up or composition and adjustment of debts, and such proceeding or case shall continue undismissed, or an order, judgment or decree approving or ordering any of the foregoing shall be entered and continue unstayed and in effect, for a period of 30 days; or any action shall be taken by any agency or supervisory authority having jurisdiction which results in the occurrence of any of the events specified in clauses (1) through (3) above; or any order for relief against the Borrower shall be entered in an involuntary proceeding or case under such Bankruptcy Code or any analogous law pertaining to it; or

(ix) The SEC shall revoke or suspend the registration of the Borrower as a broker-dealer; or

(x) Any national securities exchange or national securities association shall revoke or suspend the membership of the Borrower.

(b) Automatic Termination. Upon the occurrence of any Event of Default all outstanding Loans shall terminate and become immediately due, without any notice or other action on the part of the Trustee, and the Borrower shall immediately deliver all Loaned Securities to the Trustee.

(c) Trustee's Remedies. If an Event of Default shall have occurred and be continuing the Trustee may take whatever action at law or in equity may appear necessary or desirable to collect any and all amounts due and thereafter to become due hereunder and to enforce the performance or observance by the Borrower of any and all obligations, covenants and agreements of the Borrower under or in connection with this Agreement. Without in any way limiting the foregoing, if the Borrower shall fail to immediately deliver any Loaned Securities to the Trustee in accordance with subparagraph 10(b) hereof, the Trustee may in its sole discretion either (i) purchase securities equivalent to the Loaned Securities which have not been delivered, or any part

thereof, in any principal market for such securities and apply such purchased securities towards the Borrower's obligation to deliver such Loaned Securities, or (ii) by oral notice to the Borrower (confirmed in writing), and without purchasing equivalent securities, hold the Borrower liable for an amount equal to the Market Value (in all cases including for this purpose accrued interest to the date of such oral notice) of the Loaned Securities which have not been delivered, or any part thereof as specified in such notice, determined as of the date of such oral notice, whereupon the Borrower's obligation to deliver such Loaned Securities to the Trustee hereunder (to the extent equivalent securities have been purchased or the Trustee has given an oral notice with respect thereto pursuant to clause (ii) above) shall terminate for all purposes and the Borrower shall thereafter be obligated to the Trustee hereunder for, and hereby agrees to pay to the Trustee, the full amount of the purchase price of such securities or the Market Value (in all cases including accrued interest as provided above) thereof, as the case may be.

(d) Application of Collateral. The Trustee shall have all of the rights, powers and remedies with respect to the Collateral of a secured party, or, in the case of Letters of Credit, a beneficiary, under the New York State Uniform Commercial Code as in effect from time to time. Without in any way limiting the foregoing, upon the occurrence of any Event of Default the Trustee may draw upon any Letters of Credit then held as Collateral and liquidate any or all other Collateral then held by it. The proceeds of the foregoing, together with any Pledged Cash then held, may be applied by the Trustee to the payment of any and all amounts due and to become due to it hereunder, including without limitation amounts due to the Trustee in accordance with subparagraph 10(c) hereof. In addition to and without limiting the foregoing, the Trustee may sell or cause to be sold all or any of the Collateral in the primary market for such Collateral or in any other commercially reasonable manner, including, where appropriate, by selling or causing to be sold any or all of the Collateral in the Borough of Manhattan, New York City, or elsewhere, in one or more sales, at such price as the Trustee may deem best, and for cash or on credit or for future delivery, without assumption of any credit risk, at public or private sale, without demand of performance or notice of intention to sell or of time or place of sale (except such notice as is required by

applicable statute and cannot be waived), and the Trustee or anyone else may be the purchaser of any or all of the Collateral so sold and thereafter hold the same absolutely, free from any claim or right of whatsoever kind, including any equity of redemption, of the Borrower, any such demand, notice or right and equity being hereby expressly waived and released. It is expressly understood and agreed by the parties hereto that any allocation of Collateral to any Loan or liabilities due to any Account pursuant to the terms hereof shall in no way affect the ability of the Trustee to apply such Collateral to the satisfaction of any obligation of the Borrower hereunder upon any default hereunder, regardless of the Loan or Account to which such obligation relates, and that all Collateral at any time given hereunder shall constitute collateral security for all of the Borrower's obligations to the Trustee hereunder without distinction of any kind and upon any default hereunder may be applied to any such obligation or obligations as the Trustee in its sole discretion may elect.

(e) Borrower's Remedies. If at any time any Lender Default (as such term is hereinafter defined) shall occur with respect to any Account, all outstanding Loans made by such Account (the "Defaulted Loans") shall terminate and become immediately due, without any notice or other action on the part of the Borrower, and the Trustee shall immediately deliver all Collateral for such Defaulted Loans to the Borrower in accordance with subparagraph 9(c) hereof against receipt of the Loaned Securities which are the subject of such Defaulted Loans. If the Trustee shall fail to deliver any such Collateral to the Borrower in accordance with this subparagraph 10(e) after tender to the Trustee of the Loaned Securities which are the subject of the Loan secured by such Collateral, the Borrower shall have the right, in addition to any other remedies which may be available at law or in equity, after notice to the Trustee, to sell, in a commercially reasonable manner, the Loaned Securities then held by it which are the subject of the Loan secured by such Collateral, for the account of the Account which made such Loan, and apply the proceeds of such sale in accordance with this subparagraph 10(e). Upon receipt by the Trustee of any such notice, the Trustee's obligation to return any Pledged Cash or Approved Securities allocated to the Loan with respect to which such notice was given which have not theretofore been returned to the Borrower shall terminate for all purposes and the Trustee shall thereafter

be obligated to the Borrower hereunder, with respect to such Loan, for, and hereby agrees to pay to the Borrower, an amount equal to such Pledged Cash and the Market Value (in all cases including for this purpose accrued interest to the date of the relevant Lender Default) of such Approved Securities, determined as of the date of the relevant Lender Default. The proceeds of any sale of Loaned Securities under this subparagraph 10(e) shall be automatically applied to the payment of any and all amounts due to the Borrower hereunder from the Account which loaned such Loaned Securities to the Borrower, including without limitation amounts due to the Borrower in accordance with this subparagraph 10(e). Except as otherwise provided in this subparagraph 10(e), if a Lender Default has occurred and is continuing with respect to any Account, the Borrower shall not be obligated to (i) return any Loaned Securities which are the subject of any Defaulted Loan made by such Account, or the proceeds of any sale thereof, or (ii) pay or deliver to the Trustee pursuant to subparagraph 5(b) hereof any interest, dividends or other distributions with respect to the Loaned Securities which are the subject of any Defaulted Loan made by such Account until all of the obligations hereunder of such Account have been satisfied; provided, however, that upon satisfaction of all obligations of such Account hereunder any and all such Loaned Securities, proceeds, interest, dividends and other distributions which have not been applied to the satisfaction of such obligations shall be returned to the Trustee for the account of such Account. As used herein, the term "Lender Default" shall mean, with respect to any Account, any one or more of the following events: (i) a failure by such Account to deliver any Pledged Cash or Approved Securities to the Borrower in accordance with subparagraph 9(c) hereof; (ii) a failure by such Account to deliver any Collateral to the Borrower in accordance with subparagraph 6(b) hereof and the continuance of such default for a period of one business day after written notice thereof has been given to the Trustee by the Borrower; (iii) a failure by such Account to pay or deliver to the Borrower any interest payment or other distribution on any Approved Securities held as Collateral in accordance with subparagraph 4(c) hereof and the continuance of such default for a period of one business day after written notice thereof has been given to the Trustee by the Borrower; or (iv) such Account, if such Account is not an employee benefit plan subject to ERISA, shall make a general assignment for the benefit of its creditors, or

shall admit in writing its inability to pay its debts as they become due, or shall file a petition in bankruptcy or a petition seeking reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any present or future bankruptcy, insolvency or similar statute, law or regulation, or shall seek the appointment of any receiver or liquidator (or similar official) of itself or of any material part of its properties, or, if such Account is an employee benefit plan subject to ERISA, the Pension Benefit Guaranty Corporation, or any successor thereof, shall institute proceedings to terminate such plan under Section 4042 of ERISA.

(f) Payment of Expenses. If any Event of Default shall occur the Borrower shall pay to the Trustee, on demand, all reasonable out-of-pocket expenses, including reasonable attorneys' fees, paid or incurred by the Trustee in realizing upon any Collateral or enforcing any covenants or obligations hereunder and all fees, commissions, taxes and other reasonable out-of-pocket expenses, including reasonable attorneys' fees, paid or incurred in connection with the purchase of any equivalent securities in accordance with subparagraph 10(c) hereof. If any Lender Default shall occur with respect to any Account, such Account shall, to the extent it is legally permitted to do so under ERISA or any other applicable law, pay to the Borrower, on demand, all reasonable out-of-pocket expenses, including reasonable attorneys' fees, paid or incurred by the Borrower in selling any Loaned Securities for the account of such Account in accordance with subparagraph 10(e) hereof or enforcing any covenants or obligations of such Account hereunder. Amounts payable under this subparagraph 10(f) and subparagraphs 10(c) and 10(e) hereof shall be paid to the party entitled thereto by the other on demand, together with, to the extent legally permissible under ERISA or any other applicable law, interest thereon from the date such amounts were paid out by the party entitled thereto or otherwise became payable to such party to the date of the payment hereunder of such amounts to the party entitled thereto, whether out of the proceeds of Collateral or otherwise, at a rate per annum equal to the broker's loan rate of The Chase Manhattan Bank (National Association) as in effect from time to time during such period, but in no event at a rate in excess of the highest rate permissible under any applicable usury law.

(g) Remedies Cumulative. No remedy herein conferred upon the Trustee or the Borrower shall be exclusive of any other remedy but each and every such remedy shall be cumulative and shall be in addition to every remedy given to such party under this Agreement or now or hereafter existing at law or in equity or by statute.

(h) Return of Collateral After a Default. If the Loans hereunder have been terminated pursuant to subparagraph 10(b) hereof, the Trustee shall not be obligated to return any Collateral to the Borrower until (i) all Loaned Securities have been returned to the Trustee or securities equivalent to such Loaned Securities have been acquired by the Trustee, (ii) all amounts due and to become due hereunder have been paid to the Trustee in full, and (iii) the Borrower has delivered to the Trustee any and all property of any kind which it is then or may thereafter be required to deliver to the Trustee hereunder. If each of the conditions in the preceding sentence is satisfied the Trustee shall deliver all Collateral then held by it which has not been applied to the satisfaction of the Borrower's obligations hereunder to the Borrower.

11. Transfer Taxes, Necessary Costs and Compensation. The Borrower shall pay all transfer taxes and necessary costs with respect to the transfer of Loaned Securities by the Trustee to the Borrower and from the Borrower to the Trustee upon the termination of each Loan. In addition, the Borrower shall reimburse the Trustee for any loss, including interest and/or penalties, incurred by the Trustee by reason of the Borrower's failure to pay all such taxes and costs. Except as otherwise expressly provided in paragraph 10 hereof, the Borrower shall pay the Trustee interest on any and all amounts not paid when due hereunder from the date due until paid at the current daily average offered rate for federal funds.

12. Addition and Removal of Accounts. The Account which makes any particular Loan shall be determined in the sole discretion of the Trustee at the time such Loan is made and recorded in the Trustee's books (which shall be conclusive). The Borrower agrees to accept any loan of securities requested by it from any Account or Accounts listed in Appendix A hereto. The Trustee shall record with respect to each Loan the identity of the lending Account and shall inform the Borrower thereof in accordance with



subparagraph 2(a) hereof upon the Borrower's oral request for such information. The Trustee may, with the prior written consent of the Borrower, at any time amend Appendix A hereto to add further trusts and accounts to the list of Accounts set forth therein and to remove Accounts from such list.

13. Indemnification. The Borrower agrees to indemnify and hold harmless the Trustee from any and all damages, losses, liabilities, costs and expenses (including reasonable attorneys' fees) which the Trustee may incur or suffer arising in any way out of the use by the Borrower of Loaned Securities, except those caused by the gross negligence or willful misconduct of the Trustee.

14. Notices, Deliveries, etc. All oral notices specified herein shall be given in person or by telephone, if to the Trustee, to Mr. J. Robert Striano at the address for the Trustee specified below or at telephone no. (212) 552-5126 and, if to the Borrower, to (a) in the case of any notice with respect to a Loan of United States government obligations, Mr. Jacob Z. Schuster at his address specified below or at telephone no. (212) 902-8118 and (b) in all other cases, Mr. James H. Hansen at his address specified below or at telephone no. (212) 676-8067, or to such other person and at such other address or telephone number as either party may designate by written notice to the other hereunder. All other notices and communications hereunder shall be in writing and all such other notices and communications and all deliveries and payments hereunder shall be delivered by hand or mailed by certified or registered mail, if to the Trustee, to The Chase Manhattan Bank (National Association), One Chase Manhattan Plaza, Floor 4B, New York, New York 10081, Attention: Securities Lending Division, Mr. J. Robert Striano, and, if to the Borrower to (a) in the case of any matter with respect to a Loan of United States government obligations, Goldman, Sachs & Co., 85 Broad Street, New York, New York, Attention: Mr. Jacob Z. Schuster, Vice President, Funding Manager, Repurchase Finance and (b) in all other cases, Goldman, Sachs & Co., 55 Water Street, 27th Floor, New York, New York 10041, Attention: Mr. James H. Hansen, Manager, Securities Cashiering, or at such other address as either party may designate by written notice to the other hereunder. Such other notices and communications hereunder may also be given by telegram confirmed by certified or registered mail.

15. Miscellaneous. Neither this Agreement, any obligation to return a security borrowed hereunder or any other obligation of the Borrower hereunder shall be assignable by either party without the prior written consent of the other party. Subject to the foregoing, this Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns. This Agreement shall be governed by and construed in accordance with the law of the State of New York, except to the extent such law is pre-empted by ERISA or other applicable Federal law. This Agreement shall not be modified or amended except by an instrument in writing signed by each of the parties hereto.

16. Fees. The compensation of the Trustee (and the payment of rebates to the Borrower in the case of Loans collateralized by Pledged Cash) and the manner of payment thereof shall be as agreed upon from time to time by the parties hereto. Each agreement by the parties hereto with respect to the foregoing matters shall be evidenced by a written confirmation from the Trustee to the Borrower and shall be deemed to be, and shall be, a part of this Agreement for all purposes hereof as fully as if such agreement were set forth herein in full, and each and every amount due under any such agreement shall be deemed to constitute, and shall constitute, an amount due under this Agreement for all purposes hereof.

17. SIPC Act. THE TRUSTEE ACKNOWLEDGES THAT THE PROVISIONS OF THE SECURITIES INVESTORS PROTECTION ACT OF 1970 MAY NOT PROTECT THE TRUSTEE OR THE ACCOUNTS WITH RESPECT TO THE SECURITIES LOAN TRANSACTIONS HEREUNDER BETWEEN THE TRUSTEE AND THE BORROWER AND THAT, THEREFORE, THE COLLATERAL DELIVERED BY THE BORROWER TO THE TRUSTEE MAY IN EFFECT CONSTITUTE THE ONLY SOURCE OF SATISFACTION OF THE BORROWER'S OBLIGATIONS IN THE EVENT THE BORROWER FAILS TO RETURN THE SECURITIES. The Trustee agrees to notify the Accounts of this provision. This provision does not constitute a limitation on any obligations of the Borrower hereunder or a waiver by the Trustee of any of its rights hereunder.

18. Effective Date. This Agreement shall be and become effective as of the date first above written.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed and delivered by their respective duly authorized officers as of the date first above written.

THE CHASE MANHATTAN BANK  
(NATIONAL ASSOCIATION),  
as trustee and managing  
agent

By *[Signature]*  
Title: Vice President

GOLDMAN, SACHS & CO.

By *[Signature]*  
Title: *Partner*

ESLA 039-428172 039-428214  
039-428180 039-428230  
039-428198

**EXCLUSIVE SECURITIES LENDING AGREEMENT**

**EXCLUSIVE SECURITIES LENDING AGREEMENT** dated as of March 29, 2006 ("**Agreement**") between Goldman, Sachs & Co. ("**Principal Borrower**") and Old Mutual (US) Trust Company ("**Lending Agent**"), as agent for SEI Institutional International Trust ("**Lender**").

Whereas:

1. Lender and Lending Agent are parties to a Securities Lending Agency Agreement dated as of March 10, 2004, (such agreement, as amended and supplemented from time to time, the "**Agency Agreement**"), whereby Lending Agent shall act as lending agent for Lender in connection with Loans of Lender's Loanable Securities to Principal Borrower; and
2. Principal Borrower and Lending Agent, as agent for Lender, have agreed that Lender's Loanable Securities will be made available on an exclusive basis for lending to Principal Borrower pursuant to (i) the Borrower Participant Agreement dated as of July 26, 2002 an agreement substantially in the form of the Master Securities Loan Agreement as promulgated by The Bond Market Association 2000 version (the "**MSLA**"), between Lending Agent, as lending agent for Lender, and Principal Borrower (such agreement as amended and supplemented from time to time, the "**Borrower Participant Agreement**" or "**BPA**"), and (ii) as further supplemented and/or modified pursuant to this Agreement (as thus further supplemented, the "**Master Agreement**").

NOW, THEREFORE, for value received and in order to induce the parties to enter into the arrangement contemplated hereby, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties mutually agree as follows:

1. **Definitions.**

In this Agreement:

Any capitalized terms not defined herein shall have the meaning assigned to such terms in the Borrower Participant Agreement.

"Auction Date"	means Wednesday, March 1, 2006.
"Collateral"	means US Dollar cash.
"Custodian"	means Brown Brothers Harriman & Co. and any successor thereto or any other entity identified by Lending Agent or Lender to Principal Borrower in writing.
"Cutoff Time"	means a time on a Business Day by which a transfer of Securities or Collateral must be made by Principal Borrower or Lender to the other. For purposes of this Agreement, the Cutoff Time shall be as designated in the Operational Procedures.
"Fed Funds Open"	means the Garban Fed Funds Open rate that is published on Bloomberg's FEDSOPEN INDEX HP screen.

<b>"Guaranteed Average Weekly Outstanding Collateral Balance"</b>	means, with respect to each Lot, the guaranteed average weekly Collateral balance specified as such in Schedule 1.
<b>"Loan"</b>	means a loan of Loanable Securities to Principal Borrower.
<b>"Loanable Security"</b>	means each American Depository Receipt and Global Depository Receipt, from time to time comprising part of a Lot; provided, however, that such security is not the subject of an outstanding loan under a securities loan agreement other than the Master Agreement.
<b>"Lot"</b>	means all or a portion of a Portfolio as awarded and designated in Schedule 1.
<b>"Margin"</b>	means, with respect to any Loan as of any date, the percentage as designated for each form of acceptable Collateral as set forth in the Specific Auction Rules.
<b>"Market Value"</b>	means, with respect to any Loaned Securities or Collateral at any time, the market value thereof at such time as determined in accordance with the Master Agreement.
<b>"Material Change"</b>	<p>means, as of any date of determination</p> <p>(a) with respect to any Lot, a fundamental change in the composition, asset allocation, or investment strategy of Lender (as in effect on the date of this Agreement) with respect to the Portfolio containing such Lot,</p> <p>(b) the Loanable Securities do not remain available for the term of this Agreement for reasons other than (i) due to sells of Loanable Securities or (ii) due to periodic restrictions placed on Loanable Securities, as specified in the SEI Funds Global Equity Auction Information website as of the Auction Date,</p> <p>(c) Brown Brothers Harriman &amp; Co. no longer serves as Custodian,</p> <p>(d) with respect to any Lot, there has been a substantial change in the value of such Lot due to (i) recalls by Lender for purposes other than due to delivery obligations on sold Loanable Securities or (ii) recalls for purposes, if any, specified in the SEI Funds Global Equity Auction Information website as of the Auction Date,</p> <p>(e) a change in the taxation of Lender with respect to securities loans from that in effect on the date of this Agreement,</p>

(f) with respect to any Lot, there has been a substantial change in the composition of the Lot which results in a 20% decrease or increase in the market value of the Lot (as of the date of this Agreement) during the term of this Agreement, or

(g) the SEC Limit (as defined in paragraph 2(a)) is at risk of being out of compliance as a result of increases in the market value of any one or more Lots versus the Portfolio and total outstanding Loan values, and therefore, the Utilization Limit (as defined in paragraph 2(a)) of one or more Lots needs to be decreased.

"Operational Procedures"	means the day-to-day operating procedures to be followed by Principal Borrower and Lending Agent as posted in the SEI Funds Global Equity Auction Information website as of the Auction Date.
"Portfolio"	means each of the Lender's portfolios, identified by name and Lot number, as listed on Schedule 1.
"Specific Auction Rules"	means the auction rules, terms and conditions as posted in the SEI Funds Global Equity Auction Information website as of the Auction Date.
"Term Start Date"	means Thursday, March 30, 2006.
"Term End Date"	means Thursday, March 29, 2007.
"Total Asset Value"	means the value of all assets held by the Portfolio, including cash and cash equivalents, which includes the Market Value of Collateral received, as determined by Lending Agent or Lender.
"US Government Securities"	means securities which are United States government securities, as defined in Section 3(a)(42)(A)-(C) of the United States Securities Exchange Act of 1934, as amended.

## 2. Exclusive Arrangement.

- (a) Principal Borrower shall be allowed to borrow up to US \$2 billion; provided that, the aggregate market value of all outstanding loans, across all borrowers, for each Portfolio, at any time outstanding, shall not exceed 33-1/3% of the Total Asset Value of such Portfolio (the "SEC Limit"). Utilization of each Lot will be limited to the percentage of the Lot as set out in Schedule 2 attached hereto (the "Utilization Limit"). Lending Agent shall monitor compliance with the SEC Limit and the Utilization Limit and shall promptly notify Principal Borrower if the SEC Limit or the Utilization Limit is at risk of being out of compliance. In the event the SEC Limit is at risk of being out of compliance, the Utilization Limit of certain Lots may be decreased. Lending Agent will notify Principal Borrower of any required changes in the Utilization Limit.

- (b) For this Agreement, the only acceptable form of Collateral is US Dollar cash.
- (c) For this Agreement, Lender will pay Principal Borrower a rate of Fed Funds Open on cash Collateral.
- (d) All Loaned Securities must be returned by Term End Date. Lending Agent will use its best efforts to notify Principal Borrower at least 30 days prior to the Term End Date if Principal Borrower will not retain the right to borrow some or all of the Lots. In the event Principal Borrower retains the right to borrow some or all of the Lots for a second consecutive term (in which case a new Exclusive Securities Lending Agreement will be entered into between the parties), Principal Borrower shall not be required to return Loaned Securities within the retained Lots over the Term End Date, unless recalled by Lender.
- (e) Principal Borrower shall comply with the Operational Procedures and Specific Auction Rules.
- (f) Principal Borrower is responsible for paying securities lending related custody and transaction charges as set out in the Specific Auction Rules. On a monthly basis, Custodian will send Lending Agent an invoice for securities lending related custody and transaction charges for each Portfolio accrued during the preceding month. Lending Agent will forward the appropriate charges to Principal Borrower. Principal Borrower shall make payment to the Custodian as directed by Lending Agent within ten (10) Business Days of receipt of such notification from Lending Agent.
- (g) In the event a cash Distribution (as defined in the Master Agreement) is made on or in respect of a Loaned Security as set forth in Section 8.2 of the Master Agreement, and there is a retroactive change in the law which is verifiable by reference to any public statute, regulation, or other public announcement on the part of any relevant governmental or fiscal agency or body and which affects the amount of the Distribution as made, Lending Agent and Principal Borrower agree that the amount of the Distribution will be adjusted, as applicable, to reflect the amount of Distribution after giving effect to such retroactive change. The difference between (1) the amount of the Distribution as made and (2) the amount of the Distribution which, after giving effect to such retroactive change, should have been made, will be paid to Lender or Principal Borrower, as applicable, as soon as reasonably feasible after written notice of such difference has been provided by one party to the other party.
- (h) Notwithstanding any information or agreement to the contrary, regardless of the source, in all circumstances, Lender shall be entitled to receive all Distributions, as defined in the Master Agreement, made on or in respect of Loaned Securities which are not otherwise received by Lender, to the full extent Lender would be so entitled if the Loaned Security had not been lent to Principal Borrower; provided, however, that Lender shall not require more than 100% cash-in-lieu of dividend payments for any U.S. security borrowed over the dividend record date. Principal Borrower specifically represents that it has not relied on Lender or Lending Agent for any legal, tax, or other professional advice relating to this Agreement or the transaction contemplated

by this Agreement.

- (i) In the absence of a generally recognized source for prices or bid or offer quotations for any Loaned Security, as provided under Annex II to the Master Securities Loan Agreement, Exhibit A of the Borrower Participant Agreement, the parties may establish the Market Value using a commercially reasonable method, which method, unless otherwise agreed, shall be to consult three (3) market making broker-dealer firms in that Loaned Security (or firms performing a similar function in the relevant marketplace) and obtain a price quotation (or, if less than three such firms exist in the relevant marketplace, all such firms). The parties shall determine such Loaned Security's Market Value as the price that is the average of the midpoint of the bid/ask spread of the price quotations received.
- (j) **Buffer Policy:** A minimum of 1% of Lender's holdings in each security, equity and fixed income, must remain under custody with the Custodian.

### 3. Fees.

In consideration of the exclusive availability of the Loanable Securities, Principal Borrower shall pay to Lender an availability fee (the "Exclusive Fee") with respect to each Lot based on the monthly average market value, as provided by the Custodian and set forth in the third to last sentence of this paragraph, of the Loanable Securities in such Lot, with respect to the relevant Applicable Period (as defined in the following sentence). The "Applicable Period" shall mean each calendar month (or part thereof) from the Term Start Date through Term End Date, inclusive of both such dates. The Exclusive Fee for a Lot for each Applicable Period shall be in an amount equal to the product of (i) the monthly average market value, as provided by the Custodian and set forth in the third to last sentence of this paragraph, of the Loanable Securities in the Lot for such Applicable Period, (ii) the basis points applicable for such Lot as set forth on Schedule 1, and (iii) the fraction in which the numerator is the actual number of days elapsed in the applicable calendar month and the denominator is 360. The Custodian shall provide Lending Agent with trade date accounting positions in electronic format on a daily basis. For Exclusive Fee purposes only, unless otherwise mutually agreed by Lending Agent and Principal Borrower, the Custodian's trade date accounting valuation shall be the sole method for determining the daily market values of the securities used to calculate the monthly average market value of the Loanable Securities for the Applicable Period. Lending Agent shall provide Principal Borrower with a billing statement detailing Custodian's daily market values of the Lot and the Exclusive Fee calculation, which billing statement shall be reconciled daily between Lending Agent and Principal Borrower with any billing adjustments with respect to any discrepancies to be agreed between Lending Agent and Principal Borrower. The Exclusive Fee shall be paid in arrears in United States dollars on or before the 15<sup>th</sup> calendar day of each following month.

Additionally, for each calendar week Principal Borrower fails to maintain the Guaranteed Average Weekly Outstanding Collateral Balance (a "Deficit") as set forth on Schedule 1 for each Lot, Lender shall be entitled to, and Principal Borrower shall pay, a substitute reinvestment fee on the Deficit calculated as (i) the difference between the Guaranteed Average Weekly Outstanding Collateral Balance for each Lot and the average weekly Market Value of the Collateral for such Lot, (ii) multiplied by ten basis points (.001), and (iii) divided by 52 (the "Substitute Reinvestment Fee"). Notwithstanding the foregoing, the Guaranteed



Average Weekly Outstanding Collateral Balance requirement will not be enforced (i) for a period of fifteen (15) Business Days from and including the Term Start Date; (ii) for a period of fifteen (15) Business Days prior to and including the Term End Date; (iii) on or after receipt of notice from Lender or Lending Agent pursuant to a termination event as described in section 7 hereof; or (iv) if the Substitute Reinvestment Fee due under this provision is less than USD 1000.00 for the month being billed for. This Substitute Reinvestment Fee shall be calculated weekly in arrears by Lending Agent and paid by Principal Borrower monthly in arrears in United States dollars on or before the 15<sup>th</sup> calendar day of each following month.

**4. Term; Effect of Termination.**

The term of this Agreement will be the period of time from the Term Start Date to the Term End Date, inclusive of both such dates; provided, however, that this Agreement may be terminated, with respect to any or all Lots, as a result of a termination event described in Section 7 hereof.

Upon termination of this Agreement as it relates to all Lots, outstanding Loans shall be terminated as provided in the Master Agreement and all Loaned Securities shall be returned by Term End Date, and Principal Borrower's right to borrow the Loanable Securities pursuant to this Agreement shall terminate. In the event all Loaned Securities are not returned by Term End Date, Principal Borrower shall pay a Post-Term End Date Fee on each outstanding Loaned Security as set out below from the Term End Date until each such Loaned Security is returned and this Agreement shall terminate on the day after the day all Loaned Securities are returned, provided, however, no new Loans shall be allowed after the Term End Date.

In the event of termination of this Agreement as it relates to fewer than all Lots, the outstanding Loans in each terminated Lot shall be terminated as provided in the Master Agreement and Principal Borrower's right to borrow the Loanable Securities within the terminated Lot shall terminate. In the event of such termination, Principal Borrower shall pay a Post-Term End Date Fee with respect to each outstanding Loaned Security within the terminated Lot as set forth below from the Term End Date until each such Loaned Security is returned.

In event of a termination event described in Section 7 hereof, the early termination date for purposes of calculating the Post-Term End Date Fee below shall be defined as the later of (i) the date set forth in any notification of termination by one party to the other or (ii) upon a recall by Lender, the day after the expiration of the standard settlement time for redelivery of such Securities on the exchange or in the clearing organisation through which the Securities were originally delivered (the "Early Termination Date").

In the event Principal Borrower fails to return all Loaned Securities as of Term End Date or as of an Early Termination Date, Principal Borrower shall pay a fee for each outstanding Loaned Security. Lending Agent and Principal Borrower will negotiate and agree on each Business Day a basis point fee for each Loaned Security (the "Post-Term End Date Fee"), such agreement shall not be unreasonably withheld by Lending Agent. In the event Lending Agent and Principal Borrower do not agree on a Post-Term End Date Fee for any outstanding Loaned Security by 4:00 pm (EST) on each Business Day after the Term End Date or Early Termination Date, then the Post-Term End Date Fee shall be equal to one and one-half (1.5) times the then highest market rate determined by Lending Agent by obtaining not less than two (2) price quotes from borrowers of such Loaned Securities. In the event, there are less than two, or no, price quotes available from borrowers, Lending Agent, in its sole discretion, shall establish a price.

Lending Agent shall calculate the total Post-Term End Date Fee payable by the Principal Borrower to Lender daily in an amount equal to the product of (i) the daily Market Value (as determined by Lending Agent in accordance with the daily mark-to-market procedures) of each outstanding Loaned Security, times (ii) the Post-Term End Date Fee divided by (iii) 360.

The Post-Term End Date Fee shall be calculated daily for each outstanding Loaned Security after Term End Date or Early Termination Date and paid in United States dollars on or before the 15<sup>th</sup> calendar day of each following month. Lending Agent, on behalf of the Lender, and Principal Borrower agree that Lender shall pay the rebate fee, if any, to Principal Borrower only after Lender's receipt of the Post Term End Date Fee for such month.

**5. Notices.**

All notices shall be given to the party entitled to receive such notices at the addresses, telephone numbers and facsimile numbers set forth in Section 14 hereto (or, with respect to any party, such other address set forth in a notice given to the other parties in conformity with this Section 5) and shall be effective only when received.

**6. Representation and Warranties.**

Principal Borrower and Lending Agent each represents and warrants that

- (a) it has the power to execute and deliver this Agreement, to enter into the transactions contemplated hereby, and to perform its obligations hereunder,
- (b) it has taken all necessary action to authorize such execution, delivery, and performance,
- (c) this Agreement constitutes its legal, valid, and binding obligation enforceable against it in accordance with its terms (subject to applicable bankruptcy and insolvency laws and equitable principles of general application) and
- (d) the person executing this Agreement on its behalf has been duly and properly authorised to do so.

**7. Suspension of Securities Lending or Occurrence of a Material Change.**

If by reason of a regulatory, legal, political or any other similar event, Lender suspends all securities lending, and/or the securities lending business is terminated or materially restricted,

Lending Agent may recall all outstanding Loaned Securities, no new Loans will be allowed, and this Agreement shall terminate on the day after the day on which all Loaned Securities are returned. In the event of such termination, Principal Borrower shall pay a Post-Term End Date Fee with respect to each outstanding Loaned Security as set forth in the Post-Term End Date Fee calculation in Section 4 above from the Early Termination Date until each such Loaned Security of such terminated Lot is returned.

If a Material Change occurs, the parties (following delivery of notice as set forth in the next sentence) will enter into negotiations for a period of not more than thirty (30) days for a new arrangement (or longer upon mutual agreement of the parties). Upon the occurrence of a Material Change, Lending Agent or Principal Borrower, as applicable, shall promptly give notice to the other party. If the parties fail to reach an agreement following such negotiations, either party may give written notice of their intent to terminate this Agreement and, subject to Lender's right to terminate any Loan as set forth in Paragraph 6.1 of the Master Agreement and to terminate the loan of any Voting List Security (as defined in the Master Agreement), no new Loans will be allowed and Principal Borrower shall have up to thirty (30) days after such notification of termination has been given by either party during which to return all Loaned Securities. This Agreement shall terminate on the day after the day on which all Loaned Securities are returned; provided, however, that if the event giving rise to the parties' negotiations is a Material Change with respect to less than all Lots, any such termination of this Agreement shall relate only to the affected Lots, and this Agreement shall remain in effect with respect to any other Lots. In the event of such termination, Principal Borrower shall pay a Post-Term End Date Fee with respect to each outstanding Loaned Security as set forth in the Post-Term End Date Fee calculation in Section 4 above from the Early Termination Date until such outstanding Loaned Securities of each such terminated Lot are returned.

**8. Certain Loan and Agreement Termination**

In the event that (i) Principal Borrower terminates this Agreement during the term of this Agreement as a result of a material breach of the Agreement by the Lending Agent or Lender, or (ii) Lending Agent, on behalf of Lender, terminates this Agreement during the term of this Agreement for any reason other than a material breach of the Agreement by Principal Borrower then, upon such termination, Principal Borrower shall pay Lender any unpaid Exclusive Fee prorated through the date of termination. In the event that (iii) Lending Agent, on behalf of Lender, terminates this Agreement during the term of this Agreement as a result of a material breach of the Agreement by Principal Borrower, or (iv) Principal Borrower terminates this Agreement other than as a result of a material breach of this Agreement by Lending Agent or Lender then, upon such termination, Principal Borrower shall pay Lender the remaining portion of the unpaid Exclusive Fee for the full term of the Agreement. This Agreement shall terminate on the date after the day on which all Loaned Securities are returned.

**9. Disclosure.**

Except with the prior written consent of the other party, neither Lender, Lending Agent, nor Principal Borrower shall disclose any of the terms of this Agreement, provided that each party may make such disclosure as may be required under applicable federal and/or state law or regulation or as requested by an authorized regulatory agency or such party's independent attorneys or auditors. Notwithstanding the foregoing, Lender shall have the right to identify Principal Borrower as, and to disclose that Principal Borrower is, the winning bidder with

respect to the Lot(s).

**10. Entire Agreement; Modification or Amendment.**

This Agreement, together with the Borrower Participant Agreement and any other agreement referenced herein, constitutes the entire agreement of the parties with respect to its subject matter and supersedes all prior oral or written agreements in regard thereto. The terms of this Agreement are intended to further supplement and modify the BPA, in the event of any conflict between the terms of this Agreement and the BPA, the terms of this Agreement shall take precedence over the BPA. No amendment to or modification or waiver of this Agreement or any provision hereof shall be valid unless made in writing and signed by each party.

**11. Governing Law.**

This Agreement shall be governed by and construed in accordance with the laws of the State of New York, without reference to its conflict of laws principles. Each party hereby irrevocably and unconditionally (i) submits to the non-exclusive jurisdiction of any United States federal court sitting in New York, and any appellate court having jurisdiction over appeals from any such court, solely for the purpose of any suit, action or proceeding brought to enforce its obligations hereunder or relating in any way to enforce its obligations hereunder or related in any way to this Agreement or any loan hereunder, and (ii) waives, to the fullest extent it may effectively do so, any defense or objection to maintenance of such action or proceeding in such court, based on forum non conveniens or similar doctrines, and any right to a different forum or jurisdiction based on such party's place of resident or domicile.

**12. Counterparts; Exchange of Facsimile.**

This Agreement may be executed in any number of counterparts, and by the parties on separate counterparts, but shall not be effective until each party has executed at least one counterpart. This Agreement may be delivered by the exchange of facsimile copies of executed counterparts with the same effect as if the parties had exchanged executed original counterparts.

Each counterpart shall constitute an original of this Agreement, but all the counterparts shall together constitute but one and the same instrument.

**13. Approved Countries for Lending.**

Notwithstanding anything in the Master Agreement to the contrary, the following list of approved markets for equity lending may be amended from time to time by Lender at Lender's sole and absolute discretion.

Euroclear, including GDRs	United States, including ADRs
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**14. Addresses for Notices.**

Principal Borrower:  Goldman, Sachs & Co. Attn: Leslie S. Nelson	
---------------------------------------------------------------------------	--

One New York Plaza New York, NY 10004  Telephone: 212-902-2121 Facsimile: 212-493-0298	
Lending Agent: Old Mutual (US) Trust Company 175 Federal Street, 11 <sup>th</sup> Floor Boston, MA 02110  Attn: Operations Tele: 617 204 4528 Fax: 617 204 4596	

IN WITNESS WHEREOF, each of the parties has caused this Agreement to be executed in its name and behalf by its duly authorised representative as of March 29, 2006.

For and on behalf of Old Mutual (US) Trust Company, as agent on behalf of  
SEI Institutional International Trust

By: Kathy M. Cavaco

Name: KATHY M. CAVACO  
TREASURER  
Title: OLD MUTUAL (US) TRUST COMPANY

For and on behalf of Goldman, Sachs & Co.

By: Mitchell Lieberman

Name: MITCHELL LIEBERMAN  
Title: MANAGING DIRECTOR

## Schedule 1

Lot	Portfolio	Description	Annual Basis Points for fee calculation	Guaranteed US\$ Average Weekly Outstanding Collateral Balance
(1)	SIT Emerging Markets Equity Fund	Custom ADR/GDR Lot	21.50	10,000,000

Schedule 2  
UTILIZATION LIMITS

<b>Portfolio</b>	<b>Utilization*</b>
<b>SIT Emerging Markets Equity:</b>	
Custom ADR/GDR Lot	50%

\* Based on the market value of each Lot as posted to the auction web site. The Utilization Limit for any Lot may be decreased based on total outstanding Loan values of the Portfolio in order to maintain compliance with the SEC Limit.

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~~1-1-1990~~

~~N. 21/32~~

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037-00040-3

036-07343-8  
037-04343-7

~~036~~

036-07331-3  
037-07331-2

SECURITIES LOAN AGREEMENT  
(United States Government Securities)

Between

GOLDMAN, SACHS & CO.

And

STATE STREET BANK AND TRUST AND COMPANY

GOLDGOV.DOC  
01/90

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SECURITIES LOAN AGREEMENT  
(United States Government Securities)

Agreement dated the 14th day of March, 1990 between GOLDMAN, SACHS & CO. of New York, New York, a registered broker-dealer, registered government securities dealer, or a bank ("Borrower") and STATE STREET BANK AND TRUST COMPANY, a Massachusetts trust company ("Lender"), acting in its capacity as trustee, custodian, or agent for various employee benefit plans, endowment funds, custodial accounts, and other clients (the "Clients") a current listing of whom is attached as Schedule A, setting forth the terms and conditions under which Lender, from time to time and on behalf of the Clients, may lend to Borrower, against the receipt of collateral, certain securities issued or guaranteed by the United States government or its agencies.

Borrower and Lender as the parties hereto agree as follows:

1. Loan of Securities.

1.1 Upon request of Borrower, Lender may, from time to time, in its discretion and on behalf of the Clients, lend securities to Borrower against the receipt of collateral delivered by Borrower. The parties shall agree on the terms of each Loan, including the identity and amount of the securities to be lent, the basis of compensation, and the type and amount of Collateral to be delivered by Borrower (subject to the terms and conditions of this Agreement), which terms may be amended during the period of the Loan only by mutual agreement of the parties hereto.

1.2 Loans, all applicable terms and conditions thereof, and amendments and activity, if any, with respect thereto, shall be evidenced by Lender's records pertaining to such Loans maintained by Lender in the regular course of its business and such records shall represent conclusive evidence thereof except for manifest error or willful misconduct. Lender will send Borrower monthly statements of outstanding Loans showing Loan activity which Borrower agrees to examine promptly and to advise Lender of any error or exceptions. Borrower's failure to so advise Lender within twenty (20) days after delivery of any such statement shall be deemed to be Borrower's admission of the accuracy and correctness of the contents thereof and Borrower shall be fully bound thereby.

1.3 Notwithstanding any other provisions in this Agreement with respect to when a Loan occurs, a Loan hereunder shall not occur until the Borrowed Securities and the Collateral therefor are delivered. If, on any Business Day, Borrower delivers Collateral, as provided in Section 3.1 hereunder, and Lender does not deliver the Borrowed Securities, Borrower shall have the absolute right to the prompt return of the Collateral; and if, on any Business Day, Lender delivers Borrowed Securities and Borrower does not deliver Collateral as provided in Section 3.1 hereunder, Lender shall have the absolute right to the prompt return of the Borrowed Securities.

2. Deliveries and Treatment of Borrowed Securities.

2.1 Lender shall deliver the Borrowed Securities to Borrower by causing the Borrowed Securities to be credited to Borrower's account and debited from Lender's account within the Federal Reserve book-entry system, and such crediting and debiting shall result in receipt by Borrower and Lender of a notice of such crediting and debiting, which notice shall constitute a schedule of the Borrowed Securities.

2.2 Except as provided in Section 2.3, Borrower shall exercise all of the incidents of ownership with respect to the Borrowed Securities, including the right to transfer the Borrowed Securities to others, until the Borrowed Securities are returned to Lender in accordance herewith.

2.3 Lender shall be entitled to receive all distributions (including payments upon maturity and other redemption) made on or in respect of the Borrowed Securities, the payable dates for which are during the term of the Loan and which are not otherwise received by Lender, to the full extent it would be so entitled if the Borrowed Securities had not been lent to Borrower, including, without limitation, interest payments, and any other distributions or other income. Payment of each such distribution shall be made by delivery of federal funds to the Lender's account at the Federal Reserve Bank of Boston on payable, maturity, or redemption date of such distribution, so long as Lender is not in Default at the time of such distributions.

3. Deliveries and Treatment of Collateral.

3.1 Concurrently with the receipt of the Borrowed Securities, Borrower shall deliver to Lender Collateral in an amount not less than the Margin Percentage of the current Market Value of the Borrowed Securities. The Collateral shall be delivered by one or both of the following methods, as agreed to by the parties pursuant to Section 1.1: (a) Borrower delivering U.S. Securities through the Federal Reserve book-entry system to the account of Lender at the Federal Reserve Bank of Boston, and/or (b) Borrower delivering federal funds to the Lender's account at the Federal Reserve Bank of Boston.

3.2 The Collateral delivered by Borrower to Lender, as adjusted pursuant to Section 4 below, shall be security for the due and punctual performance by Borrower of any and all of its obligations to the Lender hereunder now or hereafter arising, and Borrower hereby pledges with, assigns to, and grants Lender a continuing first security interest in, and a lien upon, the Collateral. Such first security interest shall attach upon the delivery of the Collateral to Lender, shall survive the termination of this Agreement, and shall cease only upon the redelivery of the Collateral to Borrower subsequent to the return of the Borrowed Securities to the Lender. In addition to the rights and remedies given to Lender hereunder, Lender shall have all the rights and remedies of a secured party under the Uniform Commercial Code of Massachusetts.

3.3 It is understood that Lender may use or invest the Collateral, to the extent that such Collateral consists of cash. Such use or investment shall be at Lender's risk and, subject to the payment of an agreed rebate fee pursuant to Section 5.2, Lender shall be entitled to retain all income and profits therefrom and shall bear all losses therefrom. Except as provided in Section 10, Lender may not pledge, repledge, hypothecate, rehypothecate, lend, or relend the Collateral, to the extent such Collateral consists of other than cash. However, the Lender may commingle and hold non-cash Collateral in bulk.

3.4 With the approval of Lender, Borrower may at any time substitute for any securities held by Lender as Collateral for the Borrowed Securities other Collateral with respect to the Borrowed Securities of equal current Market Value to the Securities for which it is to be substituted. Prior to the maturity of any U.S. Security that is delivered to the Lender as Collateral, the Borrower shall replace such U.S. Security with other Collateral acceptable to the Lender and of equal current Market Value to the U.S. Security for which it is to be substituted. Substituted collateral shall be considered Collateral for all purposes hereof.

3.5 Borrower shall be entitled to receive all distributions made on or in respect of non-cash Collateral the payable dates for which are during the term of the Loan and which are not otherwise received by Borrower, to the full extent it would be so entitled if the Collateral had not been delivered to Lender. Any distributions made on or in respect of such

Collateral which Borrower is entitled to receive under this section shall be paid by Lender to Borrower forthwith upon the payable date of such distributions, so long as Borrower is not in Default at the time of such receipt.

3.6 Except as provided in Sections 10 and 11 hereunder, Lender shall be obligated to return the Collateral to Borrower upon the return to Lender of the Borrowed Securities.

4. Marks to Market; Maintenance of Collateral.

4.1 Borrower shall daily mark to market any Loans hereunder and in the event that at the close of trading on any day the value of all the Collateral delivered by Borrower to Lender with respect to any Loan hereunder shall be less than one hundred percent (100%) of the Market Value of all Borrowed Securities outstanding with respect to such Loan, Borrower shall deliver to Lender additional Collateral by the close of the next Business Day so that the Market Value of additional Collateral when added to Market Value of the Collateral with respect to such Loan shall equal at least the Margin Percentage of the Market Value of the Borrowed Securities outstanding with respect to such Loan. Such additional Collateral shall be delivered as provided in Section 3.1 above.

4.2 In the event that at the close of trading on any day the Market Value of all the Collateral delivered by Borrower to Lender with respect to any Loan hereunder shall be less than the Margin Percentage of the Market Value of all the Borrowed Securities outstanding with respect to such Loan, Lender may, by notice to Borrower, demand that Borrower deliver to Lender

additional Collateral so that the Market Value of such additional Collateral when added to the Market Value of the Collateral with respect to such Loan shall equal at least the Margin Percentage of the Market Value of the Borrowed Securities outstanding with respect to such Loan. Such delivery is to be made by the close of business of the day of Lender's notice to Borrower if such notice is given before 11:30 a.m. on a Business Day. If Lender's notice is given after 11:30 a.m. on a Business Day or is given on a day other than a Business Day, such delivery is to be made by the close of business of the next Business Day, unless (a) such notice has been superseded by a proper demand made pursuant to this Section 4.2 or Section 4.3 given before 11:30 a.m. of that next Business Day or (b) a greater amount of additional Collateral is required to be delivered on that next Business Day pursuant to Section 4.1. Such additional Collateral shall be delivered as provided in Section 3.1 above.

4.3 In the event that at the close of trading on any day the Market Value of all the Collateral delivered by Borrower to Lender with respect to any Loan hereunder shall be greater than the Margin Percentage of the Market Value of all the Borrowed Securities outstanding with respect to such Loan, Borrower may, by notice to Lender, demand that Lender redeliver to Borrower such amount of Collateral as may be selected by Borrower, so long as the Market Value of the remaining Collateral equals at least the Margin Percentage of the Market Value of the Borrowed Securities outstanding with respect to such Loan. Such redelivery is to be made by the close of business of the day of



Borrower's notice to Lender if such notice is given before 11:30 a.m. on a Business Day. If Borrower's notice is given after 11:30 a.m. on a Business Day or is given on a day other than a Business Day, such redelivery is to be made by the close of business of the next Business Day, unless (a) such notice has been superseded by a proper demand made pursuant to Section 4.2 or this Section 4.3 given before 11:30 a.m. of that next Business Day, or (b) additional Collateral is required to be delivered on that next Business Day pursuant to Section 4.1. Such Collateral shall be delivered as provided in Section 3.1 above.

5. Fees.

5.1 When the agreement to lend securities is made, the parties shall agree on the basis of compensation to be paid in respect of the Loan.

5.2 To the extent that a Loan of Borrowed Securities is collateralized by cash, the parties may agree that Lender's compensation shall consist of the right to use and invest such cash Collateral, and that, in consideration for such right to use and invest cash Collateral, Lender will pay Borrower a loan rebate fee computed daily for each such Loan and based on the amount of cash Collateral delivered with respect to such Loan. The amount of such loan rebate fee shall be computed daily from the first Business Day that cash Collateral is delivered to Lender, through and including the earliest of: (a) the date next preceding the date that such cash Collateral is returned to Borrower; (b) the date of a Default by Borrower; and (c) the date Lender gives notice of termination pursuant to Section 8.2,

provided that the parties may mutually agree that a loan rebate fee will be paid for all or an agreed upon number of days after such notice is given (but in no event for a period beyond the earlier of the dates described in clauses (a) and (b) of this sentence). Provided the Borrower is not in Default, such loan rebate fee shall be payable upon the earliest of: (a) immediately, in the event of a Default hereunder by Lender; or (b) the date the Borrowed Securities are returned to the Lender upon termination of the Loan.

5.3 To the extent that a Loan of Borrowed Securities is collateralized by other than cash, the parties may agree that Borrower shall pay to Lender a loan premium based on the par value of the borrowed securities. The amount of such loan premium shall be computed from the first Business Day that the Borrowed Securities are delivered to Borrower, through and including the date next preceding the date that securities identical to the Borrowed Securities are returned to Lender pursuant to Section 8 or the date that Lender makes a purchase of securities or an election to treat the Borrowed Securities as sold pursuant to Section 10.1 Any fee payable by Borrower hereunder shall be payable upon the earliest of the following: (a) the seventh Business Day of the month following the month in which the fee was incurred; or (b) immediately, in the event of a Default hereunder by Borrower; or (c) the date this Agreement is terminated.

5.4 All transfer taxes and transfer fees with respect to any transfers hereunder of Borrowed Securities shall be paid by Borrower.

6. Representations of the Parties.

The parties hereby make the following representations and warranties, which shall continue during the term of any Loan hereunder;

6.1 Each party hereto represents and warrants that (a) it has the power to execute and deliver this Agreement, to enter into the Loans contemplated hereby, and to perform its obligations hereunder; (b) it has taken all necessary action to authorize such execution, delivery, and performance; and (c) this Agreement constitutes a legal, valid, and binding obligation enforceable against it (in the case of Lender, in its capacity as trustee, custodian or agent of the Clients).

6.2 Each party hereto represents and warrants that the execution, delivery and performance by it of this Agreement and each Loan hereunder will at all times comply with all applicable laws and regulations, including those of applicable securities regulatory and self-regulatory organizations.

6.3 Each party hereto represents and warrants that it has made its own determination as to the tax treatment of any dividends, remuneration, or other funds received hereunder.

6.4 Borrower represents and warrants that (a) it is a corporation, partnership, or other entity duly organized and validly existing under federal law or the laws of the state of its organization, (b) it is a broker-dealer registered under the

Securities Exchange Act of 1934 (the "Exchange Act"), a bank within the meaning of Section 3(a)(6)(A)-(C) of the Exchange Act or a government securities dealer or a government securities broker as defined in Section 400.3 of the regulations promulgated by the Department of the Treasury under Section 15C of the Exchange Act and registered or exempt from registration pursuant to said Act, (c) it has, or will have at the time of delivery of any Collateral, the right to grant a first security interest therein subject to the terms and conditions hereof, and (d) it (or the party to whom it relends the Borrowed Securities) is borrowing or will borrow the Borrowed Securities) (except for Borrowed Securities that qualify as "exempted securities" under Regulation T of the Board of Governors of the Federal Reserve System) for the purpose of making delivery of such securities in the case of short sales, failure to receive securities required to be delivered, or as otherwise permitted pursuant to Regulation T.

6.5 Borrower represents that the statements provided to Lender pursuant to Section 7.1 fairly represent its financial condition and, if the Borrower is a broker or a government securities dealer or government securities broker, its net capital ratio as of the date of such statements, and that there has been no material adverse change in its financial condition or net capital ratio since that date that has not been disclosed in writing to Lender. Each request by Borrower for a Loan shall constitute a present representation: (a) that there has been no material adverse change in Borrower's financial condition that

has not been disclosed in writing to Lender, since the date of the most recent statement furnished to Lender pursuant to Section 7.1; and (b) that, as of the date of such request for a Loan, if the Borrower is a broker or a government securities dealer or government securities broker, it is in compliance with Rule 15c3-1 of the Securities and Exchange Commission ("SEC") under the Exchange Act as modified, in the case of a Borrower which is a government securities broker or government securities dealer, by the regulations promulgated by the Department of the Treasury under Section 15C of said Act.

6.6 To the extent that Lender has provided Borrower with written statements identifying any of its Clients as employee benefit plans subject to title I of the Employees Retirement Income Security Act of 1974 ("ERISA"), each request by Borrower for a Loan shall constitute a present representation that, except as disclosed in writing by Borrower to Lender, neither Borrower nor any Affiliate of Borrower is a "fiduciary" (within the meaning of Section 3(21) of ERISA) with respect to the assets of the Clients so identified that may be Borrowed Securities hereunder.

6.7 Lender represents and warrants (a) that it is a trust company duly organized and validly existing under the laws of the Commonwealth of Massachusetts and (b) that it has, or will have at the time of delivery of any Borrowed Securities, the authority to deliver, on behalf of its Client(s), the Borrowed Securities subject to the terms and conditions hereof.

7. Covenants.

7.1 If Borrower is a broker or a government securities dealer or government securities broker, it makes the covenants set forth in this Section 7.1. Upon execution of this Agreement, Borrower shall deliver to the Lender its most recent statements required to be furnished to Borrower's customers by Rule 17a-5(c) and (d) of the SEC under the Exchange Act as modified, in the case of a Borrower which is a government securities broker or government securities dealer, by the regulations promulgated by the Department of the Treasury under Section 15C of said Act. As long as any Loan is outstanding under this Agreement, Borrower shall promptly deliver to Lender all such statements subsequently required to be furnished to Borrower's customers by such Rule.

7.2 If Borrower is a Bank, Borrower makes the covenants set forth in this Section 7.2. Upon execution of this Agreement, Borrower shall furnish to Lender (i) the most recent available audited statement of Borrower's financial condition, and (ii) the most recent available unaudited statement of Borrower's financial condition. As long as any Loan is outstanding under this Agreement, Borrower will promptly deliver to Lender all such financial information that is subsequently available, and any other financial information or statements that Lender may reasonably request.

8. Termination of Loan without Default.

8.1 Borrower may cause the termination of a Loan at any time by returning the Borrowed Securities to Lender.

8.2 Lender may cause the termination of a Loan by giving notice of termination of such Loan to Borrower, prior to the close of business on any Business Day. Upon such notice, Borrower shall deliver Borrowed Securities to Lender no later than the close of business on the next Business Day.

8.3 If a Loan shall not have been sooner terminated by Lender or Borrower, it shall be terminated automatically on the first anniversary of the Loan. In such event, Borrower shall deliver the Borrowed Securities to Lender no later than such first anniversary date.

8.4 Borrower's delivery of the Borrowed Securities to Lender pursuant to Section 8.1, 8.2, or 8.3 shall be made by causing the account of the Lender at the Federal Reserve Bank of Boston to be credited with securities identical to the Borrowed Securities. Upon such delivery by or on behalf of Borrower, Lender shall concurrently therewith deliver the Collateral (as adjusted pursuant to Section 4) to Borrower; provided, however, that if upon the return of the Borrowed Securities there is not sufficient time for Lender to effect a return of the Collateral to Borrower through the Federal Reserve Bank of Boston on that same day, Lender may return such Collateral on the next day such return can be so effected.

9. Events of Default.

All loans between Borrower and Lender may (at the option of the non-defaulting party, exercised by notice to the defaulting party) be terminated immediately upon the occurrence of any one or more of the following events (individually, a "Default"):

(a) if either party fails to return Borrowed Securities or Collateral as required by Section 8 hereof;

(b) if either party fails to deliver or return Collateral, as required by Section 4 hereof;

(c) if either party fails to make the payment of distributions as required by Section 2.3 and 3.5 hereof and such default is not cured within one Business Day of notice of such failure to Borrower or Lender, as the case may be;

(d) if either party makes a general assignment for the benefit of creditors, or admits in writing its inability to pay its debts as they become due, or files or becomes subject to a petition in bankruptcy or is adjudicated as bankrupt or insolvent, or files or becomes subject to a petition seeking reorganization, liquidation, dissolution, or similar relief under any present or future law or regulation, or seeks, consents to or acquiesces in the appointment of any trustee, receiver, or liquidator of it or any material part of its properties;

(e) if Borrower (if it is a broker or a government securities dealer or government securities broker) is suspended or expelled from membership or participation in the New York Stock Exchange, the American Stock Exchange, the National Association of Securities Dealers, or any other securities exchange or securities association, or if it is suspended from dealing in securities by the SEC or the Department of the Treasury, or if its authority to deal in securities is suspended or revoked under any state securities law or regulation;

(f) if Borrower (if it is a Bank) or Lender has its license, charter, or other authorization necessary to conduct a material portion of its business withdrawn, suspended or revoked by any applicable federal or state government of agency thereof;

(g) if it is found that the Borrower has made a material misrepresentation of its financial condition;

(h) if Borrower (if it is a broker or government securities dealer or government securities broker) becomes subject to Rule 17a-11 of the SEC under the Exchange Act as modified, in the case of a Borrower which is a government securities broker or government securities dealer, by regulations promulgated by the Department of the Treasury under Section 15C of said Act;

(i) if Borrower breaches any covenants, representations, or agreements herein;



(j) if a final judgment for the payment of money shall be rendered by a court of competent jurisdiction against either party in an amount of not less than \$10,000,000 and such judgment shall not have been discharged or its execution stayed pending appeal within sixty (60) days of entry or such judgment shall not have been discharged within sixty (60) days of expiration of any such stay.

10. Lender's Remedies on Borrower's Default.

10.1 In the event of any Default by Borrower under Section 9 hereof, Lender shall have the right, in addition to any other remedies provided herein or under applicable law (without further notice to Borrower), at its option either (a) to purchase a like amount of the Borrowed Securities in any market for such securities or (b) to elect to treat the Borrowed Securities as having been purchased by Borrower at a purchase price equal to the Replacement Value. Lender shall act in a timely manner in purchasing such Securities or in electing to treat the Borrowed Securities as purchased, consistent with standards of commercial reasonableness and fair dealing and with the fulfillment of its fiduciary obligations to its Clients. Lender may apply the Collateral to the payment of such purchase, after deducting therefrom all amounts, if any, due Lender under this Agreement, including (without limitation) Sections 2 and 5 hereof. In such event, Borrower's obligation to return the Borrowed Securities shall terminate. Borrower shall be liable to Lender for the cost of Funds which Lender must advance to purchase such securities during any stay on the application of the Collateral (whether such stay is automatic or imposed by a court or any other governmental agency).

In the event such purchase price or Replacement Value exceeds the amount of the Collateral, Borrower shall be liable to Lender for the amount of such excess (plus all amounts, if any, due to Lender hereunder) together with interest on all such amounts at the Prime Rate, as it fluctuates from day to day, on demand from the date of such purchase or election until the date of payment of such excess. Lender shall have, as security for Borrower's obligation to pay such excess, a first security interest in or right of setoff against any property of Borrower then held by Lender (in any capacity) and any other amount payable by Lender (in any capacity) to Borrower. The purchase price of securities purchased under this Section 10 shall include broker's fees and commissions and all other reasonable costs, fees, and expenses related to such purchase. Upon the satisfaction of all of Borrower's obligations hereunder, any remaining Collateral shall be returned to Borrower.

10.2 This section applies if Borrower is a broker. Without waiving any rights given to the Lender hereunder, it is understood that the provisions of the Securities Investor Protection Act of 1970 may not protect the Lender with respect to Borrowed Securities hereunder and that, therefore, the Collateral delivered to the Lender may constitute the only source of satisfaction of Borrower's obligations in the event Borrower fails to return the Borrowed Securities.

11. Borrower's Remedies on Lender's Default.

11.1 In the event of any Default by Lender under Section 9 hereof, Borrower shall have the right to purchase the Borrowed Securities at a purchase price equal to the Market Value thereof at the close of business on the day preceding the date of the Default and to apply the related Collateral to the payment of such purchase price, any such Collateral being valued for purposes of such payment at the Market Value thereof at the close of business on the day preceding the date of such Default. Lender shall be liable to Borrower for an amount equal to the excess of the Market Value of the Collateral over the Market Value of the Borrowed Securities as determined under the preceding sentence (plus all amounts, if any, due to Borrower hereunder), together with interest on all such amounts at the Prime Rate, as it fluctuates from day to day, from the date of such purchase until the date of payment of such excess.

12. Definitions.

For the purposes hereof:

12.1 "Affiliate" means (i) any person directly or indirectly, through one or more intermediaries, controlling, controlled by, or under common control with another person; (ii) any officer, director, or partner, employee or relative (as defined in Section 3(15) of ERISA) of such other person; and (iii) any corporation or partnership of which such other person is an officer, director or partner. For purposes of this definition the term "control" means the power to exercise a

controlling influence over the management or policies of a person other than an individual.

12.2 "Borrowed Security" shall mean any "security" (as defined in the Exchange Act) which is a U.S. Security, and is delivered as a Loan hereunder, until such security is credited through the Federal Reserve book-entry system, to the Lender's account at the Federal Reserve Bank of Boston or until the security is replaced by purchase. For purposes of the return of Borrowed Securities by Borrower pursuant to Section 8 or the purchase of securities pursuant to Section 10, such term shall include securities of the same issuer, class, and quantity as the Borrowed Securities.

12.3 "Business Day" shall mean any day recognized as a settlement day by the New York Stock Exchange, Inc. and on which Lender is open for business to the public.

12.4 "Collateral" shall mean, whether now owned or hereafter acquired, (a) that collateral permitted by Rule 15c3-3(b) of the SEC under the Exchange Act and delivered to Lender pursuant to Section 3 or 4, and (b) all accounts in which such collateral is deposited and all securities and the like in which all cash collateral is invested or reinvested.

12.5 "Loan" shall mean a loan of securities hereunder.

12.6 "Margin Percentage" shall mean one hundred and two percent (102%) or such greater percentage as is agreed to by the parties pursuant to Section 1.1.

12.7 "Market Value" of a security means the fair market value of such security (including, in the case of any Borrowed Security that is a debt security, the accrued interest on such security) as determined by the independent pricing service designated by Lender, or by such other independent sources as may be selected on a reasonable basis by Lender.

12.8 "Prime Rate" shall mean the prime rate as quoted in the Wall Street Journal, New York Edition, for the business day preceding the date on which such determination is made. If more than one rate is so quoted, the Prime Rate shall be the average of the rates so quoted.

12.9 "Replacement Value" shall mean the price, including any brokerage or other expenses and accrued interest, at which a like amount of securities identical to the Borrowed Securities could be purchased in the principal market for such securities at the time of the Lender's election under Section 10.1 hereof.

12.10 "U.S. Security" means a security issued or guaranteed by the United States government or any of its agencies.

13. INDEMNIFICATION.

The Borrower hereby agrees to indemnify and hold the Lender and each Client harmless from and against all direct reasonable and foreseeable costs, damages, losses, claims and expenses (including attorneys' fees) that the Lender or such Client suffers as a result of any breach of this Agreement by the Borrower, provided that the Borrower shall not be required to indemnify the

Lender or such Client against any costs, damages, losses, claims or expenses that arise out of the Lender's or such Client's negligence or wilful misconduct in breach of this Agreement. This right to indemnification shall survive the termination of this Agreement.

14. Waiver.

The failure of either party to insist upon strict adherence to any term of this Agreement on any occasion shall not be considered a waiver or deprive that party of the right thereafter to insist upon strict adherence to that term of any other term of this Agreement. All waivers in respect of a Default must be in writing.

15. Continuing Agreement; Termination; Remedies.

It is the intention of the parties hereto that, subject to the termination provisions set forth herein, this Agreement shall constitute a continuing agreement in every respect and shall apply to each and every Loan, whether now existing or hereafter made by Lender to Borrower. Borrower and Lender may each at any time terminate this Agreement upon five (5) days' written notice to the other to that effect. The sole effect of any such termination of this Agreement will be that, following such termination, no further Loans by Lender shall be made or considered made hereunder, but the provisions hereof shall continue in full force and effect in all other respects until all Loans have been terminated and all obligations satisfied as herein provided.

16. Notices.

Except as otherwise specifically provided herein, notices under this Agreement may be made orally, in writing, or by any other means mutually acceptable to the parties. If in writing, a notice shall be sufficient if delivered to the party entitled to receive such notices at the following addresses:

If to Borrower: Goldman, Sachs & Co.  
85 BROAD ST.  
New York, N.Y. 10004  
Attn: Kevin Baltazar

If to Lender: State Street Bank and Trust Company  
Master Trust Services Division  
P.O. Box 1992  
Boston, Massachusetts 02105-1992  
Attn: U.S. Government Securities  
Lending Department

or to such other addresses as either party may furnish the other party by written notice under this section.

Telephone and facsimile notices shall be sufficient if communicated to the party entitled to receive such notice at the following numbers:

If to Borrower:

Telephone 212-902-8241 Facsimile 212-902-4451

If to Lender:

Telephone (617) 786-5446 Facsimile (617) 847-2317

17. Time.

All times specified herein shall be based on New York City time.

18. Securities Contracts.

Each party hereto agrees that this Agreement and the Loans made hereunder shall be "securities contracts" for purposes of the Bankruptcy Code and any bankruptcy proceeding thereunder.

19. Miscellaneous.

This Agreement supersedes any other agreement between the parties concerning loans of U.S. securities between the parties hereto. This Agreement shall not be assigned by either party without the prior written consent of the other party. Subject to the foregoing, this Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs, representatives, successors and assigns. This Agreement shall be governed and construed in accordance with the laws of the Commonwealth of Massachusetts.



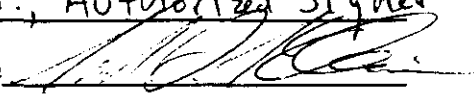
20. Modification.

This Agreement shall not be modified, except by an instrument in writing signed by the party against whom enforcement is sought.

BORROWER: Firm GOLDMAN, SACHS & CO.

Officer MARK KLEINMAN

Title V.P., Authorized Signer

Signature 

LENDER: STATE STREET BANK AND TRUST COMPANY,  
in its capacity as trustee, custodian,  
or agent of the Clients.

By 

Its 

GOLDGOV.DOC  
DR4

Goldman, Sachs & Co. | 85 Broad Street | New York, New York 10004  
Tel: 212-902-1746

Alexander S. Ehrlich  
Vice President  
Global Stock Loan

MAR 9 1990

Goldman  
Sachs

March 5, 1990

Mr. Theodore A. Miller, Jr.  
State Street Bank & Trust Company  
Legal Division, SW2C  
One Monarch Drive  
North Quincy, MA 02178

Dear Mr. Miller,

Enclosed are two copies of the U.S. Government Securities Loan Agreement which have been executed by our authorized representative. After the agreements have been countersigned, please arrange for one copy to be returned to my attention at the above address.

As this agreement does not address the issue of monitoring exposure limits for your customers, we ask that you confirm our understanding as follows:

We understand that under this agreement you act as agent for certain of your customers when lending securities to Goldman Sachs. In connection with those transactions, we have reviewed one or more lists of customers you have submitted to us. We have informed you of the customers with which we will deal, and the total amount of exposure we have established for each such customer.

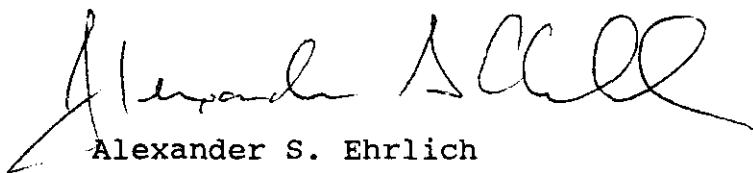
We are asking you to confirm our understanding that you are responsible for monitoring the accounts from which you lend securities to us to ensure that securities are lent to us only out of the accounts of those customers that have been approved by us. In addition, you are responsible for ensuring that the exposure limits/credit limits we have set are monitored and not exceeded. We also wish to confirm our understanding that if, at any time, either of those limitations are not observed with respect to any securities lending transaction, you will be liable to us as principal to the extent such limits are ignored or exceeded.

Please confirm our understanding of our arrangement as set forth in this letter by having an authorized signatory sign the

March 5, 1990  
Page 2

enclosed copy of this letter and returning it to us along with  
the fully executed agreement.

Very truly yours,

  
Alexander S. Ehrlich

ACCEPTED AND AGREED:

State Street Bank & Trust Company

By:  \_\_\_\_\_

Title: Vice President \_\_\_\_\_

Date: 3/13/90 \_\_\_\_\_



**State Street Bank and Trust Company**  
Post Office Box 1992  
Boston, Massachusetts 02105-1992

Ralph F. Vitale  
Vice President  
Master Trust Services  
(617) 847-7567

October 23, 1990

Carol Wilson  
Goldman, Sachs & Co.  
53 State Street, 13th Floor  
Boston, MA 02109

RE: U.S Government Securities Lending  
Term Loans

Dear Carol:

Thank you for your interest in entering into "term loans" of U.S. Government securities through the securities lending program sponsored by State Street on behalf of its clients. As you are aware many of the participants in State Street's securities lending program are subject to the requirements of the Employee Retirement Income Security Act of 1974 ("ERISA"). Under ERISA any loan of securities must be subject to termination and recall within the lesser of five business days or the settlement period for the securities in question.

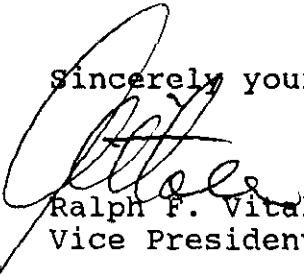
In addition to ERISA clients, State Street also has many program participants which are tax-exempt. All tax-exempt clients, including ERISA clients, are affected by Section 512 of the Internal Revenue Code of 1986, which provides for an exemption from the imposition of unrelated business income tax on the income generated from securities loans. Section 512 tracks the ERISA requirement for termination and recall of securities loans.

Accordingly State Street is willing to enter in "term loans" of U.S. Government securities with the understanding that any such loans remain subject to the terms and conditions of the U.S. Government Securities Lending Agreement between us, including, without limitation, the right to terminate any loan and your obligation to return the loaned securities to State Street within the lesser of five business days or the usual settlement period for the securities in question.

In consideration of your agreement to the terms of this letter, State Street agrees to use reasonable efforts either (i) to switch a term loan among participants or (ii) to provide substitute securities acceptable to both of us in exchange for the original loaned securities; in either case so as to reduce to the extent reasonably possible, in the exercise of its judgment as a fiduciary, the necessity to exercise its the right of termination and trigger your obligation to return the loaned securities.

If the terms of this letter are acceptable to you, please indicate your agreement and acceptance of them by executing and dating the original copy of this letter where indicated below and returning it to me. This letter will serve as an amendment to our U.S. Government Securities Lending Agreement effective from the date so indicated below.

Sincerely yours,



Ralph F. Vitale  
Vice President

Accepted and Agreed to:

GOLDMAN, SACHS & CO

BY: 

TITLE: \_\_\_\_\_

DATE: \_\_\_\_\_

31 11/03 -  
- 11/03/93

AMENDMENT TO THE SECURITIES LOAN AGREEMENT  
(United States Government Securities)  
Between

GOLDMAN, SACHS & CO.  
AND  
STATE STREET BANK AND TRUST COMPANY

This Amendment dated the 8<sup>th</sup> day of January 1993 between GOLDMAN, SACHS & CO. a registered broker-dealer ("Borrower") and STATE STREET BANK AND TRUST COMPANY of Boston, Massachusetts, a Massachusetts trust company ("Lender") acting in its capacity as trustee, custodian, or agent for various employee benefit plans, endowment funds, custodial accounts, and other clients ("Clients").

Borrower and Lender hereby agree to the following amendments to the Securities Loan Agreement (United States Government Securities) dated March 14, 1990:

1. Section 3.1 is hereby replaced with the following:

" 3.1 Concurrently with the receipt of the Borrowed Securities, Borrower shall deliver to Lender Collateral in an amount not less than the Margin Percentage of the current Market Value of the Borrowed Securities. The Collateral shall be delivered by one or both of the following methods, as agreed to by the parties pursuant to Section 1.1: (a) Borrower delivering U.S. Securities through the Federal Reserve book-entry system to the account of Lender at the Federal Reserve Bank of Boston, (b) Borrower delivering federal funds to the Lender's account at the Federal Reserve Bank of Boston, or (c) Borrower delivering a Letter of Credit to Lender by a means reasonably acceptable to Lender in its sole discretion."

2. Section 3.6 shall be amended by adding the following new sentence after the first sentence:

"In the event that the Collateral is a Letter of Credit as described in 3.1(c), such return of Collateral by Lender shall be made by the appropriate reduction of the amount available to be drawn at such time by Lender as beneficiary under the Letter of Credit."

3. Section 7.3 is hereby added to Section 7:

"Borrower agrees to cause every Letter of Credit delivered by it and constituting Collateral hereunder to be renewed or replaced by Collateral (including, without limitation, a renewal or replacement Letter of Credit) reasonably satisfactory to Lender at least five Business Days prior to the scheduled expiration date of such Letter of Credit. Notwithstanding the previous sentence, in the event that Lender determines that such Letter of Credit shall no longer constitute acceptable Collateral, then Borrower shall replace such Letter of Credit with other Collateral reasonably acceptable to Lender by the close of business on the day Borrower receives notice of such determination from Lender, provided that such notice is received by Borrower prior to 10:00 am on such Business Day. If such notice to the Borrower is received after 10:00 am on such Business Day, Borrower shall replace such Letter of Credit with acceptable Collateral by the close of the next Business Day. Lender shall, after receiving such other Collateral, execute such documents as Borrower may require to terminate the Letter of Credit."

4. Section 9 (b) is hereby amended by inserting the following new phrase after "hereof".

", or if Borrower shall fail to comply with the terms of Section 7.3 or 3.4 hereof"

5. Section 12.6 is hereby added after Section 12.5 and the remaining paragraphs of that section are renumbered accordingly:

"12.6 "Letter of Credit" means an irrevocable letter of credit in form and substance reasonably acceptable to Lender in its sole discretion issued by a bank (that is not Borrower or an Affiliate of Borrower and that is reasonably acceptable to Lender in its sole discretion)."

6. Definitions Section 12.7 "Market Value" is hereby amended by adding the following:

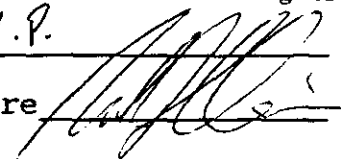
"Market Value" of Collateral means: (a) with respect to Collateral that is Cash, the amount thereof; (b) with respect to Collateral consisting of securities, the fair market value of such securities (including, in the case of any Collateral that is a debt security, the accrued interest on such security) as determined by the independent pricing service designated by Lender, or by such other independent

sources as may be selected on a reasonable basis by Lender; and (c) with respect to Collateral consisting of Letters of Credit, the amount available to be drawn at such time by Lender as beneficiary under such Letter of Credit."

BORROWER: GOLDMAN, SACHS & CO.

Officer Mark I. Kleinman  
~~Authorized Signer~~

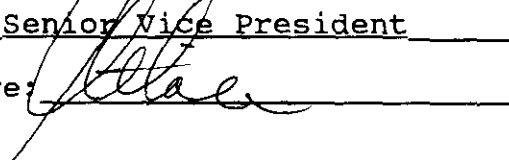
Title V.P.

Signature 

LENDER: STATE STREET BANK AND TRUST COMPANY, in its capacity as trustee, custodian, or agent of the Clients

By: Ralph F. Vitale

Title: Senior Vice President

Signature: 

w:borrower\goldam.doc





## **Annexure C – Relevant Agreements**

### **Part B**



International Swap Dealers Association, Inc.

# MASTER AGREEMENT

dated as of .....

..... and .....

have entered and/or anticipate entering into one or more transactions (each a “Transaction”) that are or will be governed by this Master Agreement, which includes the schedule (the “Schedule”), and the documents and other confirming evidence (each a “Confirmation”) exchanged between the parties confirming those Transactions.

Accordingly, the parties agree as follows: —

## 1. Interpretation

- (a) **Definitions.** The terms defined in Section 14 and in the Schedule will have the meanings therein specified for the purpose of this Master Agreement.
- (b) **Inconsistency.** In the event of any inconsistency between the provisions of the Schedule and the other provisions of this Master Agreement, the Schedule will prevail. In the event of any inconsistency between the provisions of any Confirmation and this Master Agreement (including the Schedule), such Confirmation will prevail for the purpose of the relevant Transaction.
- (c) **Single Agreement.** All Transactions are entered into in reliance on the fact that this Master Agreement and all Confirmations form a single agreement between the parties (collectively referred to as this “Agreement”), and the parties would not otherwise enter into any Transactions.

## 2. Obligations

- (a) **General Conditions.**
  - (i) Each party will make each payment or delivery specified in each Confirmation to be made by it, subject to the other provisions of this Agreement.
  - (ii) Payments under this Agreement will be made on the due date for value on that date in the place of the account specified in the relevant Confirmation or otherwise pursuant to this Agreement, in freely transferable funds and in the manner customary for payments in the required currency. Where settlement is by delivery (that is, other than by payment), such delivery will be made for receipt on the due date in the manner customary for the relevant obligation unless otherwise specified in the relevant Confirmation or elsewhere in this Agreement.
  - (iii) Each obligation of each party under Section 2(a)(i) is subject to (1) the condition precedent that no Event of Default or Potential Event of Default with respect to the other party has occurred and is continuing, (2) the condition precedent that no Early Termination Date in respect of the relevant Transaction has occurred or been effectively designated and (3) each other applicable condition precedent specified in this Agreement.

(b) **Change of Account.** Either party may change its account for receiving a payment or delivery by giving notice to the other party at least five Local Business Days prior to the scheduled date for the payment or delivery to which such change applies unless such other party gives timely notice of a reasonable objection to such change.

(c) **Netting.** If on any date amounts would otherwise be payable:—

- (i) in the same currency; and
- (ii) in respect of the same Transaction,

by each party to the other, then, on such date, each party's obligation to make payment of any such amount will be automatically satisfied and discharged and, if the aggregate amount that would otherwise have been payable by one party exceeds the aggregate amount that would otherwise have been payable by the other party, replaced by an obligation upon the party by whom the larger aggregate amount would have been payable to pay to the other party the excess of the larger aggregate amount over the smaller aggregate amount.

The parties may elect in respect of two or more Transactions that a net amount will be determined in respect of all amounts payable on the same date in the same currency in respect of such Transactions, regardless of whether such amounts are payable in respect of the same Transaction. The election may be made in the Schedule or a Confirmation by specifying that subparagraph (ii) above will not apply to the Transactions identified as being subject to the election, together with the starting date (in which case subparagraph (ii) above will not, or will cease to, apply to such Transactions from such date). This election may be made separately for different groups of Transactions and will apply separately to each pairing of Offices through which the parties make and receive payments or deliveries.

(d) **Deduction or Withholding for Tax.**

(i) **Gross-Up.** All payments under this Agreement will be made without any deduction or withholding for or on account of any Tax unless such deduction or withholding is required by any applicable law, as modified by the practice of any relevant governmental revenue authority, then in effect. If a party is so required to deduct or withhold, then that party ("X") will:—

- (1) promptly notify the other party ("Y") of such requirement;
- (2) pay to the relevant authorities the full amount required to be deducted or withheld (including the full amount required to be deducted or withheld from any additional amount paid by X to Y under this Section 2(d)) promptly upon the earlier of determining that such deduction or withholding is required or receiving notice that such amount has been assessed against Y;
- (3) promptly forward to Y an official receipt (or a certified copy), or other documentation reasonably acceptable to Y, evidencing such payment to such authorities; and
- (4) if such Tax is an Indemnifiable Tax, pay to Y, in addition to the payment to which Y is otherwise entitled under this Agreement, such additional amount as is necessary to ensure that the net amount actually received by Y (free and clear of Indemnifiable Taxes, whether assessed against X or Y) will equal the full amount Y would have received had no such deduction or withholding been required. However, X will not be required to pay any additional amount to Y to the extent that it would not be required to be paid but for:—

(A) the failure by Y to comply with or perform any agreement contained in Section 4(a)(i), 4(a)(iii) or 4(d); or

(B) the failure of a representation made by Y pursuant to Section 3(f) to be accurate and true unless such failure would not have occurred but for (I) any action taken by a taxing authority, or brought in a court of competent jurisdiction, on or after the date on which a Transaction is entered into (regardless of whether such action is taken or brought with respect to a party to this Agreement) or (II) a Change in Tax Law.

(ii) **Liability.** If: —

- (1) X is required by any applicable law, as modified by the practice of any relevant governmental revenue authority, to make any deduction or withholding in respect of which X would not be required to pay an additional amount to Y under Section 2(d)(i)(4);
- (2) X does not so deduct or withhold; and
- (3) a liability resulting from such Tax is assessed directly against X,

then, except to the extent Y has satisfied or then satisfies the liability resulting from such Tax, Y will promptly pay to X the amount of such liability (including any related liability for interest, but including any related liability for penalties only if Y has failed to comply with or perform any agreement contained in Section 4(a)(i), 4(a)(iii) or 4(d)).

(e) **Default Interest; Other Amounts.** Prior to the occurrence or effective designation of an Early Termination Date in respect of the relevant Transaction, a party that defaults in the performance of any payment obligation will, to the extent permitted by law and subject to Section 6(c), be required to pay interest (before as well as after judgment) on the overdue amount to the other party on demand in the same currency as such overdue amount, for the period from (and including) the original due date for payment to (but excluding) the date of actual payment, at the Default Rate. Such interest will be calculated on the basis of daily compounding and the actual number of days elapsed. If, prior to the occurrence or effective designation of an Early Termination Date in respect of the relevant Transaction, a party defaults in the performance of any obligation required to be settled by delivery, it will compensate the other party on demand if and to the extent provided for in the relevant Confirmation or elsewhere in this Agreement.

### 3. Representations

Each party represents to the other party (which representations will be deemed to be repeated by each party on each date on which a Transaction is entered into and, in the case of the representations in Section 3(f), at all times until the termination of this Agreement) that:—

(a) **Basic Representations.**

- (i) **Status.** It is duly organised and validly existing under the laws of the jurisdiction of its organisation or incorporation and, if relevant under such laws, in good standing;
- (ii) **Powers.** It has the power to execute this Agreement and any other documentation relating to this Agreement to which it is a party, to deliver this Agreement and any other documentation relating to this Agreement that it is required by this Agreement to deliver and to perform its obligations under this Agreement and any obligations it has under any Credit Support Document to which it is a party and has taken all necessary action to authorise 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 this Agreement or any Credit Support Document to which it is a party have been obtained and are in full force and effect and all conditions of any such consents have been complied with; and
- (v) **Obligations Binding.** Its obligations under this Agreement and any Credit Support Document to which it is a party constitute its legal, valid and binding obligations, enforceable in accordance with their respective terms (subject to applicable bankruptcy, reorganisation, insolvency, moratorium or similar laws affecting creditors' rights generally and subject, as to enforceability, to equitable principles of general application (regardless of whether enforcement is sought in a proceeding in equity or at law)).

(b) **Absence of Certain Events.** No Event of Default or Potential Event of Default or, to its knowledge, Termination Event with respect to it has occurred and is continuing and no such event or circumstance would occur as a result of its entering into or performing its obligations under this Agreement or any Credit Support Document to which it is a party.

(c) **Absence of Litigation.** There is not pending or, to its knowledge, threatened against it or any of its Affiliates any action, suit or proceeding at law or in equity or before any court, tribunal, governmental body, agency or official or any arbitrator that is likely to affect the legality, validity or enforceability against it of this Agreement or any Credit Support Document to which it is a party or its ability to perform its obligations under this Agreement or such Credit Support Document.

(d) **Accuracy of Specified Information.** All applicable information that is furnished in writing by or on behalf of it to the other party and is identified for the purpose of this Section 3(d) in the Schedule is, as of the date of the information, true, accurate and complete in every material respect.

(e) **Payer Tax Representation.** Each representation specified in the Schedule as being made by it for the purpose of this Section 3(e) is accurate and true.

(f) **Payee Tax Representations.** Each representation specified in the Schedule as being made by it for the purpose of this Section 3(f) is accurate and true.

#### 4. Agreements

Each party agrees with the other that, so long as either party has or may have any obligation under this Agreement or under any Credit Support Document to which it is a party:—

(a) **Furnish Specified Information.** It will deliver to the other party or, in certain cases under subparagraph (iii) below, to such government or taxing authority as the other party reasonably directs:—

(i) any forms, documents or certificates relating to taxation specified in the Schedule or any Confirmation;

(ii) any other documents specified in the Schedule or any Confirmation; and

(iii) upon reasonable demand by such other party, any form or document that may be required or reasonably requested in writing in order to allow such other party or its Credit Support Provider to make a payment under this Agreement or any applicable Credit Support Document without any deduction or withholding for or on account of any Tax or with such deduction or withholding at a reduced rate (so long as the completion, execution or submission of such form or document would not materially prejudice the legal or commercial position of the party in receipt of such demand), with any such form or document to be accurate and completed in a manner reasonably satisfactory to such other party and to be executed and to be delivered with any reasonably required certification,

in each case by the date specified in the Schedule or such Confirmation or, if none is specified, as soon as reasonably practicable.

(b) **Maintain Authorisations.** It will use all reasonable efforts to maintain in full force and effect all consents of any governmental or other authority that are required to be obtained by it with respect to this Agreement or any Credit Support Document to which it is a party and will use all reasonable efforts to obtain any that may become necessary in the future.

(c) **Comply with Laws.** It will comply in all material respects with all applicable laws and orders to which it may be subject if failure so to comply would materially impair its ability to perform its obligations under this Agreement or any Credit Support Document to which it is a party.

(d) **Tax Agreement.** It will give notice of any failure of a representation made by it under Section 3(f) to be accurate and true promptly upon learning of such failure.

(e) **Payment of Stamp Tax.** Subject to Section 11, it will pay any Stamp Tax levied or imposed upon it or in respect of its execution or performance of this Agreement by a jurisdiction in which it is incorporated,

organised, managed and controlled, or considered to have its seat, or in which a branch or office through which it is acting for the purpose of this Agreement is located (“Stamp Tax Jurisdiction”) and will indemnify the other party against any Stamp Tax levied or imposed upon the other party or in respect of the other party’s execution or performance of this Agreement by any such Stamp Tax Jurisdiction which is not also a Stamp Tax Jurisdiction with respect to the other party.

## 5. Events of Default and Termination Events

(a) **Events of Default.** The occurrence at any time with respect to a party or, if applicable, any Credit Support Provider of such party or any Specified Entity of such party of any of the following events constitutes an event of default (an “Event of Default”) with respect to such party:—

(i) **Failure to Pay or Deliver.** Failure by the party to make, when due, any payment under this Agreement or delivery under Section 2(a)(i) or 2(e) required to be made by it if such failure is not remedied on or before the third Local Business Day after notice of such failure is given to the party;

(ii) **Breach of Agreement.** Failure by the party to comply with or perform any agreement or obligation (other than an obligation to make any payment under this Agreement or delivery under Section 2(a)(i) or 2(e) or to give notice of a Termination Event or any agreement or obligation under Section 4(a)(i), 4(a)(iii) or 4(d)) to be complied with or performed by the party in accordance with this Agreement if such failure is not remedied on or before the thirtieth day after notice of such failure is given to the party;

(iii) **Credit Support Default.**

(1) Failure by the party or any Credit Support Provider of such party to comply with or perform any agreement or obligation to be complied with or performed by it in accordance with any Credit Support Document if such failure is continuing after any applicable grace period has elapsed;

(2) the expiration or termination of such Credit Support Document or the failing or ceasing of such Credit Support Document to be in full force and effect for the purpose of this Agreement (in either case other than in accordance with its terms) prior to the satisfaction of all obligations of such party under each Transaction to which such Credit Support Document relates without the written consent of the other party; or

(3) the party or such Credit Support Provider disaffirms, disclaims, repudiates or rejects, in whole or in part, or challenges the validity of, such Credit Support Document;

(iv) **Misrepresentation.** A representation (other than a representation under Section 3(e) or (f)) made or repeated or deemed to have been made or repeated by the party or any Credit Support Provider of such party in this Agreement or any Credit Support Document proves to have been incorrect or misleading in any material respect when made or repeated or deemed to have been made or repeated;

(v) **Default under Specified Transaction.** The party, any Credit Support Provider of such party or any applicable Specified Entity of such party (1) defaults under a Specified Transaction and, after giving effect to any applicable notice requirement or grace period, there occurs a liquidation of, an acceleration of obligations under, or an early termination of, that Specified Transaction, (2) defaults, after giving effect to any applicable notice requirement or grace period, in making any payment or delivery due on the last payment, delivery or exchange date of, or any payment on early termination of, a Specified Transaction (or such default continues for at least three Local Business Days if there is no applicable notice requirement or grace period) or (3) disaffirms, disclaims, repudiates or rejects, in whole or in part, a Specified Transaction (or such action is taken by any person or entity appointed or empowered to operate it or act on its behalf);

(vi) **Cross Default.** If “Cross Default” is specified in the Schedule as applying to the party, the occurrence or existence of (1) a default, event of default or other similar condition or event (however

described) in respect of such party, any Credit Support Provider of such party or any applicable Specified Entity of such party under one or more agreements or instruments relating to Specified Indebtedness of any of them (individually or collectively) in an aggregate amount of not less than the applicable Threshold Amount (as specified in the Schedule) which has resulted in such Specified Indebtedness becoming, or becoming capable at such time of being declared, due and payable under such agreements or instruments, before it would otherwise have been due and payable or (2) a default by such party, such Credit Support Provider or such Specified Entity (individually or collectively) in making one or more payments on the due date thereof in an aggregate amount of not less than the applicable Threshold Amount under such agreements or instruments (after giving effect to any applicable notice requirement or grace period);

(vii) **Bankruptcy**. The party, any Credit Support Provider of such party or any applicable Specified Entity of such party: —

(1) is dissolved (other than pursuant to a consolidation, amalgamation or merger); (2) becomes insolvent or is unable to pay its debts or fails or admits in writing its inability generally to pay its debts as they become due; (3) makes a general assignment, arrangement or composition with or for the benefit of its creditors; (4) institutes or has instituted against it a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding-up or liquidation, and, in the case of any such proceeding or petition instituted or presented against it, such proceeding or petition (A) results in a judgment of insolvency or bankruptcy or the entry of an order for relief or the making of an order for its winding-up or liquidation or (B) is not dismissed, discharged, stayed or restrained in each case within 30 days of the institution or presentation thereof; (5) has a resolution passed for its winding-up, official management or liquidation (other than pursuant to a consolidation, amalgamation or merger); (6) seeks or becomes subject to the appointment of an administrator, provisional liquidator, conservator, receiver, trustee, custodian or other similar official for it or for all or substantially all its assets; (7) has a secured party take possession of all or substantially all its assets or has a distress, execution, attachment, sequestration or other legal process levied, enforced or sued on or against all or substantially all its assets and such secured party maintains possession, or any such process is not dismissed, discharged, stayed or restrained, in each case within 30 days thereafter; (8) causes or is subject to any event with respect to it which, under the applicable laws of any jurisdiction, has an analogous effect to any of the events specified in clauses (1) to (7) (inclusive); or (9) takes any action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any of the foregoing acts; or

(viii) **Merger Without Assumption**. The party or any Credit Support Provider of such party consolidates or amalgamates with, or merges with or into, or transfers all or substantially all its assets to, another entity and, at the time of such consolidation, amalgamation, merger or transfer: —

(1) the resulting, surviving or transferee entity fails to assume all the obligations of such party or such Credit Support Provider under this Agreement or any Credit Support Document to which it or its predecessor was a party by operation of law or pursuant to an agreement reasonably satisfactory to the other party to this Agreement; or

(2) the benefits of any Credit Support Document fail to extend (without the consent of the other party) to the performance by such resulting, surviving or transferee entity of its obligations under this Agreement.

(b) **Termination Events**. The occurrence at any time with respect to a party or, if applicable, any Credit Support Provider of such party or any Specified Entity of such party of any event specified below constitutes an Illegality if the event is specified in (i) below, a Tax Event if the event is specified in (ii) below or a Tax Event Upon Merger if the event is specified in (iii) below, and, if specified to be applicable, a Credit Event

Upon Merger if the event is specified pursuant to (iv) below or an Additional Termination Event if the event is specified pursuant to (v) below:—

- (i) **Illegality.** Due to the adoption of, or any change in, any applicable law after the date on which a Transaction is entered into, or due to the promulgation of, or any change in, the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law after such date, it becomes unlawful (other than as a result of a breach by the party of Section 4(b)) for such party (which will be the Affected Party): —
- (1) to perform any absolute or contingent obligation to make a payment or delivery or to receive a payment or delivery in respect of such Transaction or to comply with any other material provision of this Agreement relating to such Transaction; or
  - (2) to perform, or for any Credit Support Provider of such party to perform, any contingent or other obligation which the party (or such Credit Support Provider) has under any Credit Support Document relating to such Transaction;
- (ii) **Tax Event.** Due to (x) any action taken by a taxing authority, or brought in a court of competent jurisdiction, on or after the date on which a Transaction is entered into (regardless of whether such action is taken or brought with respect to a party to this Agreement) or (y) a Change in Tax Law, the party (which will be the Affected Party) will, or there is a substantial likelihood that it will, on the next succeeding Scheduled Payment Date (1) be required to pay to the other party an additional amount in respect of an Indemnifiable Tax under Section 2(d)(i)(4) (except in respect of interest under Section 2(e), 6(d)(ii) or 6(e)) or (2) receive a payment from which an amount is required to be deducted or withheld for or on account of a Tax (except in respect of interest under Section 2(e), 6(d)(ii) or 6(e)) and no additional amount is required to be paid in respect of such Tax under Section 2(d)(i)(4) (other than by reason of Section 2(d)(i)(4)(A) or (B));
- (iii) **Tax Event Upon Merger.** The party (the “Burdened Party”) on the next succeeding Scheduled Payment Date will either (1) be required to pay an additional amount in respect of an Indemnifiable Tax under Section 2(d)(i)(4) (except in respect of interest under Section 2(e), 6(d)(ii) or 6(e)) or (2) receive a payment from which an amount has been deducted or withheld for or on account of any Indemnifiable Tax in respect of which the other party is not required to pay an additional amount (other than by reason of Section 2(d)(i)(4)(A) or (B)), in either case as a result of a party consolidating or amalgamating with, or merging with or into, or transferring all or substantially all its assets to, another entity (which will be the Affected Party) where such action does not constitute an event described in Section 5(a)(viii);
- (iv) **Credit Event Upon Merger.** If “Credit Event Upon Merger” is specified in the Schedule as applying to the party, such party (“X”), any Credit Support Provider of X or any applicable Specified Entity of X consolidates or amalgamates with, or merges with or into, or transfers all or substantially all its assets to, another entity and such action does not constitute an event described in Section 5(a)(viii) but the creditworthiness of the resulting, surviving or transferee entity is materially weaker than that of X, such Credit Support Provider or such Specified Entity, as the case may be, immediately prior to such action (and, in such event, X or its successor or transferee, as appropriate, will be the Affected Party); or
- (v) **Additional Termination Event.** If any “Additional Termination Event” is specified in the Schedule or any Confirmation as applying, the occurrence of such event (and, in such event, the Affected Party or Affected Parties shall be as specified for such Additional Termination Event in the Schedule or such Confirmation).
- (c) **Event of Default and Illegality.** If an event or circumstance which would otherwise constitute or give rise to an Event of Default also constitutes an Illegality, it will be treated as an Illegality and will not constitute an Event of Default.



## 6. Early Termination

(a) **Right to Terminate Following Event of Default.** If at any time an Event of Default with respect to a party (the “Defaulting Party”) has occurred and is then continuing, the other party (the “Non-defaulting Party”) may, by not more than 20 days notice to the Defaulting Party specifying the relevant Event of Default, designate a day not earlier than the day such notice is effective as an Early Termination Date in respect of all outstanding Transactions. If, however, “Automatic Early Termination” is specified in the Schedule as applying to a party, then an Early Termination Date in respect of all outstanding Transactions will occur immediately upon the occurrence with respect to such party of an Event of Default specified in Section 5(a)(vii)(1), (3), (5), (6) or, to the extent analogous thereto, (8), and as of the time immediately preceding the institution of the relevant proceeding or the presentation of the relevant petition upon the occurrence with respect to such party of an Event of Default specified in Section 5(a)(vii)(4) or, to the extent analogous thereto, (8).

(b) **Right to Terminate Following Termination Event.**

(i) **Notice.** If a Termination Event occurs, an Affected Party will, promptly upon becoming aware of it, notify the other party, specifying the nature of that Termination Event and each Affected Transaction and will also give such other information about that Termination Event as the other party may reasonably require.

(ii) **Transfer to Avoid Termination Event.** If either an Illegality under Section 5(b)(i)(1) or a Tax Event occurs and there is only one Affected Party, or if a Tax Event Upon Merger occurs and the Burdened Party is the Affected Party, the Affected Party will, as a condition to its right to designate an Early Termination Date under Section 6(b)(iv), use all reasonable efforts (which will not require such party to incur a loss, excluding immaterial, incidental expenses) to transfer within 20 days after it gives notice under Section 6(b)(i) all its rights and obligations under this Agreement in respect of the Affected Transactions to another of its Offices or Affiliates so that such Termination Event ceases to exist.

If the Affected Party is not able to make such a transfer it will give notice to the other party to that effect within such 20 day period, whereupon the other party may effect such a transfer within 30 days after the notice is given under Section 6(b)(i).

Any such transfer by a party under this Section 6(b)(ii) will be subject to and conditional upon the prior written consent of the other party, which consent will not be withheld if such other party’s policies in effect at such time would permit it to enter into transactions with the transferee on the terms proposed.

(iii) **Two Affected Parties.** If an Illegality under Section 5(b)(i)(1) or a Tax Event occurs and there are two Affected Parties, each party will use all reasonable efforts to reach agreement within 30 days after notice thereof is given under Section 6(b)(i) on action to avoid that Termination Event.

(iv) **Right to Terminate.** If: —

(1) a transfer under Section 6(b)(ii) or an agreement under Section 6(b)(iii), as the case may be, has not been effected with respect to all Affected Transactions within 30 days after an Affected Party gives notice under Section 6(b)(i); or

(2) an Illegality under Section 5(b)(i)(2), a Credit Event Upon Merger or an Additional Termination Event occurs, or a Tax Event Upon Merger occurs and the Burdened Party is not the Affected Party,

either party in the case of an Illegality, the Burdened Party in the case of a Tax Event Upon Merger, any Affected Party in the case of a Tax Event or an Additional Termination Event if there is more than one Affected Party, or the party which is not the Affected Party in the case of a Credit Event Upon Merger or an Additional Termination Event if there is only one Affected Party may, by not more than 20 days notice to the other party and provided that the relevant Termination Event is then

continuing, designate a day not earlier than the day such notice is effective as an Early Termination Date in respect of all Affected Transactions.

(c) ***Effect of Designation.***

(i) If notice designating an Early Termination Date is given under Section 6(a) or (b), the Early Termination Date will occur on the date so designated, whether or not the relevant Event of Default or Termination Event is then continuing.

(ii) Upon the occurrence or effective designation of an Early Termination Date, no further payments or deliveries under Section 2(a)(i) or 2(e) in respect of the Terminated Transactions will be required to be made, but without prejudice to the other provisions of this Agreement. The amount, if any, payable in respect of an Early Termination Date shall be determined pursuant to Section 6(e).

(d) ***Calculations.***

(i) ***Statement.*** On or as soon as reasonably practicable following the occurrence of an Early Termination Date, each party will make the calculations on its part, if any, contemplated by Section 6(e) and will provide to the other party a statement (1) showing, in reasonable detail, such calculations (including all relevant quotations and specifying any amount payable under Section 6(e)) and (2) giving details of the relevant account to which any amount payable to it is to be paid. In the absence of written confirmation from the source of a quotation obtained in determining a Market Quotation, the records of the party obtaining such quotation will be conclusive evidence of the existence and accuracy of such quotation.

(ii) ***Payment Date.*** An amount calculated as being due in respect of any Early Termination Date under Section 6(e) will be payable on the day that notice of the amount payable is effective (in the case of an Early Termination Date which is designated or occurs as a result of an Event of Default) and on the day which is two Local Business Days after the day on which notice of the amount payable is effective (in the case of an Early Termination Date which is designated as a result of a Termination Event). Such amount will be paid together with (to the extent permitted under applicable law) interest thereon (before as well as after judgment) in the Termination Currency, from (and including) the relevant Early Termination Date to (but excluding) the date such amount is paid, at the Applicable Rate. Such interest will be calculated on the basis of daily compounding and the actual number of days elapsed.

(e) ***Payments on Early Termination.*** If an Early Termination Date occurs, the following provisions shall apply based on the parties' election in the Schedule of a payment measure, either "Market Quotation" or "Loss", and a payment method, either the "First Method" or the "Second Method". If the parties fail to designate a payment measure or payment method in the Schedule, it will be deemed that "Market Quotation" or the "Second Method", as the case may be, shall apply. The amount, if any, payable in respect of an Early Termination Date and determined pursuant to this Section will be subject to any Set-off.

(i) ***Events of Default.*** If the Early Termination Date results from an Event of Default: —

(1) ***First Method and Market Quotation.*** If the First Method and Market Quotation apply, the Defaulting Party will pay to the Non-defaulting Party the excess, if a positive number, of (A) the sum of the Settlement Amount (determined by the Non-defaulting Party) in respect of the Terminated Transactions and the Termination Currency Equivalent of the Unpaid Amounts owing to the Non-defaulting Party over (B) the Termination Currency Equivalent of the Unpaid Amounts owing to the Defaulting Party.

(2) ***First Method and Loss.*** If the First Method and Loss apply, the Defaulting Party will pay to the Non-defaulting Party, if a positive number, the Non-defaulting Party's Loss in respect of this Agreement.

(3) ***Second Method and Market Quotation.*** If the Second Method and Market Quotation apply, an amount will be payable equal to (A) the sum of the Settlement Amount (determined by the

Non-defaulting Party) in respect of the Terminated Transactions and the Termination Currency Equivalent of the Unpaid Amounts owing to the Non-defaulting Party less (B) the Termination Currency Equivalent of the Unpaid Amounts owing to the Defaulting Party. If that amount is a positive number, the Defaulting Party will pay it to the Non-defaulting Party; if it is a negative number, the Non-defaulting Party will pay the absolute value of that amount to the Defaulting Party.

(4) *Second Method and Loss*. If the Second Method and Loss apply, an amount will be payable equal to the Non-defaulting Party's Loss in respect of this Agreement. If that amount is a positive number, the Defaulting Party will pay it to the Non-defaulting Party; if it is a negative number, the Non-defaulting Party will pay the absolute value of that amount to the Defaulting Party.

(ii) **Termination Events**. If the Early Termination Date results from a Termination Event: —

(1) *One Affected Party*. If there is one Affected Party, the amount payable will be determined in accordance with Section 6(e)(i)(3), if Market Quotation applies, or Section 6(e)(i)(4), if Loss applies, except that, in either case, references to the Defaulting Party and to the Non-defaulting Party will be deemed to be references to the Affected Party and the party which is not the Affected Party, respectively, and, if Loss applies and fewer than all the Transactions are being terminated, Loss shall be calculated in respect of all Terminated Transactions.

(2) *Two Affected Parties*. If there are two Affected Parties: —

(A) if Market Quotation applies, each party will determine a Settlement Amount in respect of the Terminated Transactions, and an amount will be payable equal to (I) the sum of (a) one-half of the difference between the Settlement Amount of the party with the higher Settlement Amount ("X") and the Settlement Amount of the party with the lower Settlement Amount ("Y") and (b) the Termination Currency Equivalent of the Unpaid Amounts owing to X less (II) the Termination Currency Equivalent of the Unpaid Amounts owing to Y; and

(B) if Loss applies, each party will determine its Loss in respect of this Agreement (or, if fewer than all the Transactions are being terminated, in respect of all Terminated Transactions) and an amount will be payable equal to one-half of the difference between the Loss of the party with the higher Loss ("X") and the Loss of the party with the lower Loss ("Y").

If the amount payable is a positive number, Y will pay it to X; if it is a negative number, X will pay the absolute value of that amount to Y.

(iii) **Adjustment for Bankruptcy**. In circumstances where an Early Termination Date occurs because "Automatic Early Termination" applies in respect of a party, the amount determined under this Section 6(e) will be subject to such adjustments as are appropriate and permitted by law to reflect any payments or deliveries made by one party to the other under this Agreement (and retained by such other party) during the period from the relevant Early Termination Date to the date for payment determined under Section 6(d)(ii).

(iv) **Pre-Estimate**. The parties agree that if Market Quotation applies an amount recoverable under this Section 6(e) is a reasonable pre-estimate of loss and not a penalty. Such amount is payable for the loss of bargain and the loss of protection against future risks and except as otherwise provided in this Agreement neither party will be entitled to recover any additional damages as a consequence of such losses.

## 7. Transfer

Subject to Section 6(b)(ii), neither this Agreement nor any interest or obligation in or under this Agreement may be transferred (whether by way of security or otherwise) by either party without the prior written consent of the other party, except that: —

- (a) a party may make such a transfer of this Agreement pursuant to a consolidation or amalgamation with, or merger with or into, or transfer of all or substantially all its assets to, another entity (but without prejudice to any other right or remedy under this Agreement); and
- (b) a party may make such a transfer of all or any part of its interest in any amount payable to it from a Defaulting Party under Section 6(e).

Any purported transfer that is not in compliance with this Section will be void.

## 8. Contractual Currency

(a) **Payment in the Contractual Currency.** Each payment under this Agreement will be made in the relevant currency specified in this Agreement for that payment (the “Contractual Currency”). To the extent permitted by applicable law, any obligation to make payments under this Agreement in the Contractual Currency will not be discharged or satisfied by any tender in any currency other than the Contractual Currency, except to the extent such tender results in the actual receipt by the party to which payment is owed, acting in a reasonable manner and in good faith in converting the currency so tendered into the Contractual Currency, of the full amount in the Contractual Currency of all amounts payable in respect of this Agreement. If for any reason the amount in the Contractual Currency so received falls short of the amount in the Contractual Currency payable in respect of this Agreement, the party required to make the payment will, to the extent permitted by applicable law, immediately pay such additional amount in the Contractual Currency as may be necessary to compensate for the shortfall. If for any reason the amount in the Contractual Currency so received exceeds the amount in the Contractual Currency payable in respect of this Agreement, the party receiving the payment will refund promptly the amount of such excess.

(b) **Judgments.** To the extent permitted by applicable law, if any judgment or order expressed in a currency other than the Contractual Currency is rendered (i) for the payment of any amount owing in respect of this Agreement, (ii) for the payment of any amount relating to any early termination in respect of this Agreement or (iii) in respect of a judgment or order of another court for the payment of any amount described in (i) or (ii) above, the party seeking recovery, after recovery in full of the aggregate amount to which such party is entitled pursuant to the judgment or order, will be entitled to receive immediately from the other party the amount of any shortfall of the Contractual Currency received by such party as a consequence of sums paid in such other currency and will refund promptly to the other party any excess of the Contractual Currency received by such party as a consequence of sums paid in such other currency if such shortfall or such excess arises or results from any variation between the rate of exchange at which the Contractual Currency is converted into the currency of the judgment or order for the purposes of such judgment or order and the rate of exchange at which such party is able, acting in a reasonable manner and in good faith in converting the currency received into the Contractual Currency, to purchase the Contractual Currency with the amount of the currency of the judgment or order actually received by such party. The term “rate of exchange” includes, without limitation, any premiums and costs of exchange payable in connection with the purchase of or conversion into the Contractual Currency.

(c) **Separate Indemnities.** To the extent permitted by applicable law, these indemnities constitute separate and independent obligations from the other obligations in this Agreement, will be enforceable as separate and independent causes of action, will apply notwithstanding any indulgence granted by the party to which any payment is owed and will not be affected by judgment being obtained or claim or proof being made for any other sums payable in respect of this Agreement.

(d) **Evidence of Loss.** For the purpose of this Section 8, it will be sufficient for a party to demonstrate that it would have suffered a loss had an actual exchange or purchase been made.

## 9. Miscellaneous

- (a) **Entire Agreement.** This Agreement constitutes the entire agreement and understanding of the parties with respect to its subject matter and supersedes all oral communication and prior writings with respect thereto.
- (b) **Amendments.** No amendment, modification or waiver in respect of this Agreement will be effective unless in writing (including a writing evidenced by a facsimile transmission) and executed by each of the parties or confirmed by an exchange of telexes or electronic messages on an electronic messaging system.
- (c) **Survival of Obligations.** Without prejudice to Sections 2(a)(iii) and 6(c)(ii), the obligations of the parties under this Agreement will survive the termination of any Transaction.
- (d) **Remedies Cumulative.** Except as provided in this Agreement, the rights, powers, remedies and privileges provided in this Agreement are cumulative and not exclusive of any rights, powers, remedies and privileges provided by law.
- (e) **Counterparts and Confirmations.**
- (i) This Agreement (and each amendment, modification and waiver in respect of it) may be executed and delivered in counterparts (including by facsimile transmission), each of which will be deemed an original.
- (ii) The parties intend that they are legally bound by the terms of each Transaction from the moment they agree to those terms (whether orally or otherwise). A Confirmation shall be entered into as soon as practicable and may be executed and delivered in counterparts (including by facsimile transmission) or be created by an exchange of telexes or by an exchange of electronic messages on an electronic messaging system, which in each case will be sufficient for all purposes to evidence a binding supplement to this Agreement. The parties will specify therein or through another effective means that any such counterpart, telex or electronic message constitutes a Confirmation.
- (f) **No Waiver of Rights.** A failure or delay in exercising any right, power or privilege in respect of this Agreement will not be presumed to operate as a waiver, and a single or partial exercise of any right, power or privilege will not be presumed to preclude any subsequent or further exercise, of that right, power or privilege or the exercise of any other right, power or privilege.
- (g) **Headings.** The headings used in this Agreement are for convenience of reference only and are not to affect the construction of or to be taken into consideration in interpreting this Agreement.

## 10. Offices; Multibranch Parties

- (a) If Section 10(a) is specified in the Schedule as applying, each party that enters into a Transaction through an Office other than its head or home office represents to the other party that, notwithstanding the place of booking office or jurisdiction of incorporation or organisation of such party, the obligations of such party are the same as if it had entered into the Transaction through its head or home office. This representation will be deemed to be repeated by such party on each date on which a Transaction is entered into.
- (b) Neither party may change the Office through which it makes and receives payments or deliveries for the purpose of a Transaction without the prior written consent of the other party.
- (c) If a party is specified as a Multibranch Party in the Schedule, such Multibranch Party may make and receive payments or deliveries under any Transaction through any Office listed in the Schedule, and the Office through which it makes and receives payments or deliveries with respect to a Transaction will be specified in the relevant Confirmation.

## 11. Expenses

A Defaulting Party will, on demand, indemnify and hold harmless the other party for and against all reasonable out-of-pocket expenses, including legal fees and Stamp Tax, incurred by such other party by reason of the enforcement and protection of its rights under this Agreement or any Credit Support Document

to which the Defaulting Party is a party or by reason of the early termination of any Transaction, including, but not limited to, costs of collection.

## 12. Notices

(a) **Effectiveness.** Any notice or other communication in respect of this Agreement may be given in any manner set forth below (except that a notice or other communication under Section 5 or 6 may not be given by facsimile transmission or electronic messaging system) to the address or number or in accordance with the electronic messaging system details provided (see the Schedule) and will be deemed effective as indicated:—

- (i) if in writing and delivered in person or by courier, on the date it is delivered;
- (ii) if sent by telex, on the date the recipient's answerback is received;
- (iii) if sent by facsimile transmission, on the date that transmission is received by a responsible employee of the recipient in legible form (it being agreed that the burden of proving receipt will be on the sender and will not be met by a transmission report generated by the sender's facsimile machine);
- (iv) if sent by certified or registered mail (airmail, if overseas) or the equivalent (return receipt requested), on the date that mail is delivered or its delivery is attempted; or
- (v) if sent by electronic messaging system, on the date that electronic message is received,

unless the date of that delivery (or attempted delivery) or that receipt, as applicable, is not a Local Business Day or that communication is delivered (or attempted) or received, as applicable, after the close of business on a Local Business Day, in which case that communication shall be deemed given and effective on the first following day that is a Local Business Day.

(b) **Change of Addresses.** Either party may by notice to the other change the address, telex or facsimile number or electronic messaging system details at which notices or other communications are to be given to it.

## 13. Governing Law and Jurisdiction

(a) **Governing Law.** This Agreement will be governed by and construed in accordance with the law specified in the Schedule.

(b) **Jurisdiction.** With respect to any suit, action or proceedings relating to this Agreement ("Proceedings"), each party irrevocably:—

- (i) submits to the jurisdiction of the English courts, if this Agreement is expressed to be governed by English law, or to the non-exclusive jurisdiction of the courts of the State of New York and the United States District Court located in the Borough of Manhattan in New York City, if this Agreement is expressed to be governed by the laws of the State of New York; and
- (ii) waives any objection which it may have at any time to the laying of venue of any Proceedings brought in any such court, waives any claim that such Proceedings have been brought in an inconvenient forum and further waives the right to object, with respect to such Proceedings, that such court does not have any jurisdiction over such party.

Nothing in this Agreement precludes either party from bringing Proceedings in any other jurisdiction (outside, if this Agreement is expressed to be governed by English law, the Contracting States, as defined in Section 1(3) of the Civil Jurisdiction and Judgments Act 1982 or any modification, extension or re-enactment thereof for the time being in force) nor will the bringing of Proceedings in any one or more jurisdictions preclude the bringing of Proceedings in any other jurisdiction.

(c) **Service of Process.** Each party irrevocably appoints the Process Agent (if any) specified opposite its name in the Schedule to receive, for it and on its behalf, service of process in any Proceedings. If for any

reason any party's Process Agent is unable to act as such, such party will promptly notify the other party and within 30 days appoint a substitute process agent acceptable to the other party. The parties irrevocably consent to service of process given in the manner provided for notices in Section 12. Nothing in this Agreement will affect the right of either party to serve process in any other manner permitted by law.

(d) **Waiver of Immunities.** Each party irrevocably waives, to the fullest extent permitted by applicable law, with respect to itself and its revenues and assets (irrespective of their use or intended use), all immunity on the grounds of sovereignty or other similar grounds from (i) suit, (ii) jurisdiction of any court, (iii) relief by way of injunction, order for specific performance or for recovery of property, (iv) attachment of its assets (whether before or after judgment) and (v) execution or enforcement of any judgment to which it or its revenues or assets might otherwise be entitled in any Proceedings in the courts of any jurisdiction and irrevocably agrees, to the extent permitted by applicable law, that it will not claim any such immunity in any Proceedings.

#### 14. Definitions

As used in this Agreement:—

**“Additional Termination Event”** has the meaning specified in Section 5(b).

**“Affected Party”** has the meaning specified in Section 5(b).

**“Affected Transactions”** means (a) with respect to any Termination Event consisting of an Illegality, Tax Event or Tax Event Upon Merger, all Transactions affected by the occurrence of such Termination Event and (b) with respect to any other Termination Event, all Transactions.

**“Affiliate”** means, subject to the Schedule, in relation to any person, any entity controlled, directly or indirectly, by the person, any entity that controls, directly or indirectly, the person or any entity directly or indirectly under common control with the person. For this purpose, “control” of any entity or person means ownership of a majority of the voting power of the entity or person.

**“Applicable Rate”** means:—

- (a) in respect of obligations payable or deliverable (or which would have been but for Section 2(a)(iii)) by a Defaulting Party, the Default Rate;
- (b) in respect of an obligation to pay an amount under Section 6(e) of either party from and after the date (determined in accordance with Section 6(d)(ii)) on which that amount is payable, the Default Rate;
- (c) in respect of all other obligations payable or deliverable (or which would have been but for Section 2(a)(iii)) by a Non-defaulting Party, the Non-default Rate; and
- (d) in all other cases, the Termination Rate.

**“Burdened Party”** has the meaning specified in Section 5(b).

**“Change in Tax Law”** means the enactment, promulgation, execution or ratification of, or any change in or amendment to, any law (or in the application or official interpretation of any law) that occurs on or after the date on which the relevant Transaction is entered into.

**“consent”** includes a consent, approval, action, authorisation, exemption, notice, filing, registration or exchange control consent.

**“Credit Event Upon Merger”** has the meaning specified in Section 5(b).

**“Credit Support Document”** means any agreement or instrument that is specified as such in this Agreement.

**“Credit Support Provider”** has the meaning specified in the Schedule.

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

**“Defaulting Party”** has the meaning specified in Section 6(a).

**“Early Termination Date”** means the date determined in accordance with Section 6(a) or 6(b)(iv).

**“Event of Default”** has the meaning specified in Section 5(a) and, if applicable, in the Schedule.

**“Illegality”** has the meaning specified in Section 5(b).

**“Indemnifiable Tax”** means any Tax other than a Tax that would not be imposed in respect of a payment under this Agreement but for a present or former connection between the jurisdiction of the government or taxation authority imposing such Tax and the recipient of such payment or a person related to such recipient (including, without limitation, a connection arising from such recipient or related person being or having been a citizen or resident of such jurisdiction, or being or having been organised, present or engaged in a trade or business in such jurisdiction, or having or having had a permanent establishment or fixed place of business in such jurisdiction, but excluding a connection arising solely from such recipient or related person having executed, delivered, performed its obligations or received a payment under, or enforced, this Agreement or a Credit Support Document).

**“law”** includes any treaty, law, rule or regulation (as modified, in the case of tax matters, by the practice of any relevant governmental revenue authority) and **“lawful”** and **“unlawful”** will be construed accordingly.

**“Local Business Day”** means, subject to the Schedule, a day on which commercial banks are open for business (including dealings in foreign exchange and foreign currency deposits) (a) in relation to any obligation under Section 2(a)(i), in the place(s) specified in the relevant Confirmation or, if not so specified, as otherwise agreed by the parties in writing or determined pursuant to provisions contained, or incorporated by reference, in this Agreement, (b) in relation to any other payment, in the place where the relevant account is located and, if different, in the principal financial centre, if any, of the currency of such payment, (c) in relation to any notice or other communication, including notice contemplated under Section 5(a)(i), in the city specified in the address for notice provided by the recipient and, in the case of a notice contemplated by Section 2(b), in the place where the relevant new account is to be located and (d) in relation to Section 5(a)(v)(2), in the relevant locations for performance with respect to such Specified Transaction.

**“Loss”** means, with respect to this Agreement or one or more Terminated Transactions, as the case may be, and a party, the Termination Currency Equivalent of an amount that party reasonably determines in good faith to be its total losses and costs (or gain, in which case expressed as a negative number) in connection with this Agreement or that Terminated Transaction or group of Terminated Transactions, as the case may be, including any loss of bargain, cost of funding or, at the election of such party but without duplication, loss or cost incurred as a result of its terminating, liquidating, obtaining or reestablishing any hedge or related trading position (or any gain resulting from any of them). Loss includes losses and costs (or gains) in respect of any payment or delivery required to have been made (assuming satisfaction of each applicable condition precedent) on or before the relevant Early Termination Date and not made, except, so as to avoid duplication, if Section 6(e)(i)(1) or (3) or 6(e)(ii)(2)(A) applies. Loss does not include a party’s legal fees and out-of-pocket expenses referred to under Section 11. A party will determine its Loss as of the relevant Early Termination Date, or, if that is not reasonably practicable, as of the earliest date thereafter as is reasonably practicable. A party may (but need not) determine its Loss by reference to quotations of relevant rates or prices from one or more leading dealers in the relevant markets.

**“Market Quotation”** means, with respect to one or more Terminated Transactions and a party making the determination, an amount determined on the basis of quotations from Reference Market-makers. Each quotation will be for an amount, if any, that would be paid to such party (expressed as a negative number) or by such party (expressed as a positive number) in consideration of an agreement between such party (taking into account any existing Credit Support Document with respect to the obligations of such party) and the quoting Reference Market-maker to enter into a transaction (the “Replacement Transaction”) that would have the effect of preserving for such party the economic equivalent of any payment or delivery (whether the underlying obligation was absolute or contingent and assuming the satisfaction of each applicable condition precedent) by the parties under Section 2(a)(i) in respect of such Terminated Transaction or group of Terminated Transactions that would, but for the occurrence of the relevant Early Termination Date, have



been required after that date. For this purpose, Unpaid Amounts in respect of the Terminated Transaction or group of Terminated Transactions are to be excluded but, without limitation, any payment or delivery that would, but for the relevant Early Termination Date, have been required (assuming satisfaction of each applicable condition precedent) after that Early Termination Date is to be included. The Replacement Transaction would be subject to such documentation as such party and the Reference Market-maker may, in good faith, agree. The party making the determination (or its agent) will request each Reference Market-maker to provide its quotation to the extent reasonably practicable as of the same day and time (without regard to different time zones) on or as soon as reasonably practicable after the relevant Early Termination Date. The day and time as of which those quotations are to be obtained will be selected in good faith by the party obliged to make a determination under Section 6(e), and, if each party is so obliged, after consultation with the other. If more than three quotations are provided, the Market Quotation will be the arithmetic mean of the quotations, without regard to the quotations having the highest and lowest values. If exactly three such quotations are provided, the Market Quotation will be the quotation remaining after disregarding the highest and lowest quotations. For this purpose, if more than one quotation has the same highest value or lowest value, then one of such quotations shall be disregarded. If fewer than three quotations are provided, it will be deemed that the Market Quotation in respect of such Terminated Transaction or group of Terminated Transactions cannot be determined.

**“Non-default Rate”** means a rate per annum equal to the cost (without proof or evidence of any actual cost) to the Non-defaulting Party (as certified by it) if it were to fund the relevant amount.

**“Non-defaulting Party”** has the meaning specified in Section 6(a).

**“Office”** means a branch or office of a party, which may be such party’s head or home office.

**“Potential Event of Default”** means any event which, with the giving of notice or the lapse of time or both, would constitute an Event of Default.

**“Reference Market-makers”** means four leading dealers in the relevant market selected by the party determining a Market Quotation in good faith (a) from among dealers of the highest credit standing which satisfy all the criteria that such party applies generally at the time in deciding whether to offer or to make an extension of credit and (b) to the extent practicable, from among such dealers having an office in the same city.

**“Relevant Jurisdiction”** means, with respect to a party, the jurisdictions (a) in which the party is incorporated, organised, managed and controlled or considered to have its seat, (b) where an Office through which the party is acting for purposes of this Agreement is located, (c) in which the party executes this Agreement and (d) in relation to any payment, from or through which such payment is made.

**“Scheduled Payment Date”** means a date on which a payment or delivery is to be made under Section 2(a)(i) with respect to a Transaction.

**“Set-off”** means set-off, offset, combination of accounts, right of retention or withholding or similar right or requirement to which the payer of an amount under Section 6 is entitled or subject (whether arising under this Agreement, another contract, applicable law or otherwise) that is exercised by, or imposed on, such payer.

**“Settlement Amount”** means, with respect to a party and any Early Termination Date, the sum of: —

(a) the Termination Currency Equivalent of the Market Quotations (whether positive or negative) for each Terminated Transaction or group of Terminated Transactions for which a Market Quotation is determined; and

(b) such party’s Loss (whether positive or negative and without reference to any Unpaid Amounts) for each Terminated Transaction or group of Terminated Transactions for which a Market Quotation cannot be determined or would not (in the reasonable belief of the party making the determination) produce a commercially reasonable result.

**“Specified Entity”** has the meanings specified in the Schedule.

**“Specified Indebtedness”** means, subject to the Schedule, any obligation (whether present or future, contingent or otherwise, as principal or surety or otherwise) in respect of borrowed money.

**“Specified Transaction”** means, subject to the Schedule, (a) any transaction (including an agreement with respect thereto) now existing or hereafter entered into between one party to this Agreement (or any Credit Support Provider of such party or any applicable Specified Entity of such party) and the other party to this Agreement (or any Credit Support Provider of such other party or any applicable Specified Entity of such other party) which is a rate swap transaction, basis swap, forward rate transaction, commodity swap, commodity option, equity or equity index swap, equity or equity index option, bond option, interest rate option, foreign exchange transaction, cap transaction, floor transaction, collar transaction, currency swap transaction, cross-currency rate swap transaction, currency option or any other similar transaction (including any option with respect to any of these transactions), (b) any combination of these transactions and (c) any other transaction identified as a Specified Transaction in this Agreement or the relevant confirmation.

**“Stamp Tax”** means any stamp, registration, documentation or similar tax.

**“Tax”** means any present or future tax, levy, impost, duty, charge, assessment or fee of any nature (including interest, penalties and additions thereto) that is imposed by any government or other taxing authority in respect of any payment under this Agreement other than a stamp, registration, documentation or similar tax.

**“Tax Event”** has the meaning specified in Section 5(b).

**“Tax Event Upon Merger”** has the meaning specified in Section 5(b).

**“Terminated Transactions”** means with respect to any Early Termination Date (a) if resulting from a Termination Event, all Affected Transactions and (b) if resulting from an Event of Default, all Transactions (in either case) in effect immediately before the effectiveness of the notice designating that Early Termination Date (or, if “Automatic Early Termination” applies, immediately before that Early Termination Date).

**“Termination Currency”** has the meaning specified in the Schedule.

**“Termination Currency Equivalent”** means, in respect of any amount denominated in the Termination Currency, such Termination Currency amount and, in respect of any amount denominated in a currency other than the Termination Currency (the “Other Currency”), the amount in the Termination Currency determined by the party making the relevant determination as being required to purchase such amount of such Other Currency as at the relevant Early Termination Date, or, if the relevant Market Quotation or Loss (as the case may be), is determined as of a later date, that later date, with the Termination Currency at the rate equal to the spot exchange rate of the foreign exchange agent (selected as provided below) for the purchase of such Other Currency with the Termination Currency at or about 11:00 a.m. (in the city in which such foreign exchange agent is located) on such date as would be customary for the determination of such a rate for the purchase of such Other Currency for value on the relevant Early Termination Date or that later date. The foreign exchange agent will, if only one party is obliged to make a determination under Section 6(e), be selected in good faith by that party and otherwise will be agreed by the parties.

**“Termination Event”** means an Illegality, a Tax Event or a Tax Event Upon Merger or, if specified to be applicable, a Credit Event Upon Merger or an Additional Termination Event.

**“Termination Rate”** means a rate per annum equal to the arithmetic mean of the cost (without proof or evidence of any actual cost) to each party (as certified by such party) if it were to fund or of funding such amounts.

**“Unpaid Amounts”** owing to any party means, with respect to an Early Termination Date, the aggregate of (a) in respect of all Terminated Transactions, the amounts that became payable (or that would have become payable but for Section 2(a)(iii)) to such party under Section 2(a)(i) on or prior to such Early Termination Date and which remain unpaid as at such Early Termination Date and (b) in respect of each Terminated Transaction, for each obligation under Section 2(a)(i) which was (or would have been but for Section 2(a)(iii)) required to be settled by delivery to such party on or prior to such Early Termination Date and which has not been so settled as at such Early Termination Date, an amount equal to the fair market

value of that which was (or would have been) required to be delivered as of the originally scheduled date for delivery, in each case together with (to the extent permitted under applicable law) interest, in the currency of such amounts, from (and including) the date such amounts or obligations were or would have been required to have been paid or performed to (but excluding) such Early Termination Date, at the Applicable Rate. Such amounts of interest will be calculated on the basis of daily compounding and the actual number of days elapsed. The fair market value of any obligation referred to in clause (b) above shall be reasonably determined by the party obliged to make the determination under Section 6(e) or, if each party is so obliged, it shall be the average of the Termination Currency Equivalents of the fair market values reasonably determined by both parties.

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

.....  
(Name of Party)

.....  
(Name of Party)

By: .....  
Name:  
Title:  
Date:

By: .....  
Name:  
Title:  
Date:

# ISDA<sup>®</sup>

International Swaps and Derivatives Association, Inc.

## 2002 MASTER AGREEMENT

dated as of.....

..... and .....

have entered and/or anticipate entering into one or more transactions (each a “Transaction”) that are or will be governed by this 2002 Master Agreement, which includes the schedule (the “Schedule”), and the documents and other confirming evidence (each a “Confirmation”) exchanged between the parties or otherwise effective for the purpose of confirming or evidencing those Transactions. This 2002 Master Agreement and the Schedule are together referred to as this “Master Agreement”.

Accordingly, the parties agree as follows:—

### 1. Interpretation

- (a) **Definitions.** The terms defined in Section 14 and elsewhere in this Master Agreement will have the meanings therein specified for the purpose of this Master Agreement.
- (b) **Inconsistency.** In the event of any inconsistency between the provisions of the Schedule and the other provisions of this Master Agreement, the Schedule will prevail. In the event of any inconsistency between the provisions of any Confirmation and this Master Agreement, such Confirmation will prevail for the purpose of the relevant Transaction.
- (c) **Single Agreement.** All Transactions are entered into in reliance on the fact that this Master Agreement and all Confirmations form a single agreement between the parties (collectively referred to as this “Agreement”), and the parties would not otherwise enter into any Transactions.

### 2. Obligations

- (a) **General Conditions.**
  - (i) Each party will make each payment or delivery specified in each Confirmation to be made by it, subject to the other provisions of this Agreement.
  - (ii) Payments under this Agreement will be made on the due date for value on that date in the place of the account specified in the relevant Confirmation or otherwise pursuant to this Agreement, in freely transferable funds and in the manner customary for payments in the required currency. Where settlement is by delivery (that is, other than by payment), such delivery will be made for receipt on the due date in the manner customary for the relevant obligation unless otherwise specified in the relevant Confirmation or elsewhere in this Agreement.

(iii) Each obligation of each party under Section 2(a)(i) is subject to (1) the condition precedent that no Event of Default or Potential Event of Default with respect to the other party has occurred and is continuing, (2) the condition precedent that no Early Termination Date in respect of the relevant Transaction has occurred or been effectively designated and (3) each other condition specified in this Agreement to be a condition precedent for the purpose of this Section 2(a)(iii).

(b) **Change of Account.** Either party may change its account for receiving a payment or delivery by giving notice to the other party at least five Local Business Days prior to the Scheduled Settlement Date for the payment or delivery to which such change applies unless such other party gives timely notice of a reasonable objection to such change.

(c) **Netting of Payments.** If on any date amounts would otherwise be payable:—

- (i) in the same currency; and
- (ii) in respect of the same Transaction,

by each party to the other, then, on such date, each party's obligation to make payment of any such amount will be automatically satisfied and discharged and, if the aggregate amount that would otherwise have been payable by one party exceeds the aggregate amount that would otherwise have been payable by the other party, replaced by an obligation upon the party by which the larger aggregate amount would have been payable to pay to the other party the excess of the larger aggregate amount over the smaller aggregate amount.

The parties may elect in respect of two or more Transactions that a net amount and payment obligation will be determined in respect of all amounts payable on the same date in the same currency in respect of those Transactions, regardless of whether such amounts are payable in respect of the same Transaction. The election may be made in the Schedule or any Confirmation by specifying that "Multiple Transaction Payment Netting" applies to the Transactions identified as being subject to the election (in which case clause (ii) above will not apply to such Transactions). If Multiple Transaction Payment Netting is applicable to Transactions, it will apply to those Transactions with effect from the starting date specified in the Schedule or such Confirmation, or, if a starting date is not specified in the Schedule or such Confirmation, the starting date otherwise agreed by the parties in writing. This election may be made separately for different groups of Transactions and will apply separately to each pairing of Offices through which the parties make and receive payments or deliveries.

(d) **Deduction or Withholding for Tax.**

(i) **Gross-Up.** All payments under this Agreement will be made without any deduction or withholding for or on account of any Tax unless such deduction or withholding is required by any applicable law, as modified by the practice of any relevant governmental revenue authority, then in effect. If a party is so required to deduct or withhold, then that party ("X") will:—

- (1) promptly notify the other party ("Y") of such requirement;
- (2) pay to the relevant authorities the full amount required to be deducted or withheld (including the full amount required to be deducted or withheld from any additional amount paid by X to Y under this Section 2(d)) promptly upon the earlier of determining that such deduction or withholding is required or receiving notice that such amount has been assessed against Y;
- (3) promptly forward to Y an official receipt (or a certified copy), or other documentation reasonably acceptable to Y, evidencing such payment to such authorities; and

(4) if such Tax is an Indemnifiable Tax, pay to Y, in addition to the payment to which Y is otherwise entitled under this Agreement, such additional amount as is necessary to ensure that the net amount actually received by Y (free and clear of Indemnifiable Taxes, whether assessed against X or Y) will equal the full amount Y would have received had no such deduction or withholding been required. However, X will not be required to pay any additional amount to Y to the extent that it would not be required to be paid but for:—

(A) the failure by Y to comply with or perform any agreement contained in Section 4(a)(i), 4(a)(iii) or 4(d); or

(B) the failure of a representation made by Y pursuant to Section 3(f) to be accurate and true unless such failure would not have occurred but for (I) any action taken by a taxing authority, or brought in a court of competent jurisdiction, after a Transaction is entered into (regardless of whether such action is taken or brought with respect to a party to this Agreement) or (II) a Change in Tax Law.

(ii) **Liability.** If:—

(1) X is required by any applicable law, as modified by the practice of any relevant governmental revenue authority, to make any deduction or withholding in respect of which X would not be required to pay an additional amount to Y under Section 2(d)(i)(4);

(2) X does not so deduct or withhold; and

(3) a liability resulting from such Tax is assessed directly against X,

then, except to the extent Y has satisfied or then satisfies the liability resulting from such Tax, Y will promptly pay to X the amount of such liability (including any related liability for interest, but including any related liability for penalties only if Y has failed to comply with or perform any agreement contained in Section 4(a)(i), 4(a)(iii) or 4(d)).

### 3. Representations

Each party makes the representations contained in Sections 3(a), 3(b), 3(c), 3(d), 3(e) and 3(f) and, if specified in the Schedule as applying, 3(g) to the other party (which representations will be deemed to be repeated by each party on each date on which a Transaction is entered into and, in the case of the representations in Section 3(f), at all times until the termination of this Agreement). If any “Additional Representation” is specified in the Schedule or any Confirmation as applying, the party or parties specified for such Additional Representation will make and, if applicable, be deemed to repeat such Additional Representation at the time or times specified for such Additional Representation.

(a) **Basic Representations.**

(i) **Status.** It is duly organised and validly existing under the laws of the jurisdiction of its organisation or incorporation and, if relevant under such laws, in good standing;

(ii) **Powers.** It has the power to execute this Agreement and any other documentation relating to this Agreement to which it is a party, to deliver this Agreement and any other documentation relating to this Agreement that it is required by this Agreement to deliver and to perform its obligations under this Agreement and any obligations it has under any Credit Support Document to which it is a party and has taken all necessary action to authorise 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 this Agreement or any Credit Support Document to which it is a party have been obtained and are in full force and effect and all conditions of any such consents have been complied with; and
  - (v) **Obligations Binding.** Its obligations under this Agreement and any Credit Support Document to which it is a party constitute its legal, valid and binding obligations, enforceable in accordance with their respective terms (subject to applicable bankruptcy, reorganisation, insolvency, moratorium or similar laws affecting creditors' rights generally and subject, as to enforceability, to equitable principles of general application (regardless of whether enforcement is sought in a proceeding in equity or at law)).
- (b) **Absence of Certain Events.** No Event of Default or Potential Event of Default or, to its knowledge, Termination Event with respect to it has occurred and is continuing and no such event or circumstance would occur as a result of its entering into or performing its obligations under this Agreement or any Credit Support Document to which it is a party.
- (c) **Absence of Litigation.** There is not pending or, to its knowledge, threatened against it, any of its Credit Support Providers or any of its applicable Specified Entities any action, suit or proceeding at law or in equity or before any court, tribunal, governmental body, agency or official or any arbitrator that is likely to affect the legality, validity or enforceability against it of this Agreement or any Credit Support Document to which it is a party or its ability to perform its obligations under this Agreement or such Credit Support Document.
- (d) **Accuracy of Specified Information.** All applicable information that is furnished in writing by or on behalf of it to the other party and is identified for the purpose of this Section 3(d) in the Schedule is, as of the date of the information, true, accurate and complete in every material respect.
- (e) **Payer Tax Representation.** Each representation specified in the Schedule as being made by it for the purpose of this Section 3(e) is accurate and true.
- (f) **Payee Tax Representations.** Each representation specified in the Schedule as being made by it for the purpose of this Section 3(f) is accurate and true.
- (g) **No Agency.** It is entering into this Agreement, including each Transaction, as principal and not as agent of any person or entity.

#### 4. Agreements

Each party agrees with the other that, so long as either party has or may have any obligation under this Agreement or under any Credit Support Document to which it is a party:—

- (a) **Furnish Specified Information.** It will deliver to the other party or, in certain cases under clause (iii) below, to such government or taxing authority as the other party reasonably directs:—
  - (i) any forms, documents or certificates relating to taxation specified in the Schedule or any Confirmation;
  - (ii) any other documents specified in the Schedule or any Confirmation; and

(iii) upon reasonable demand by such other party, any form or document that may be required or reasonably requested in writing in order to allow such other party or its Credit Support Provider to make a payment under this Agreement or any applicable Credit Support Document without any deduction or withholding for or on account of any Tax or with such deduction or withholding at a reduced rate (so long as the completion, execution or submission of such form or document would not materially prejudice the legal or commercial position of the party in receipt of such demand), with any such form or document to be accurate and completed in a manner reasonably satisfactory to such other party and to be executed and to be delivered with any reasonably required certification,

in each case by the date specified in the Schedule or such Confirmation or, if none is specified, as soon as reasonably practicable.

(b) **Maintain Authorisations.** It will use all reasonable efforts to maintain in full force and effect all consents of any governmental or other authority that are required to be obtained by it with respect to this Agreement or any Credit Support Document to which it is a party and will use all reasonable efforts to obtain any that may become necessary in the future.

(c) **Comply With Laws.** It will comply in all material respects with all applicable laws and orders to which it may be subject if failure so to comply would materially impair its ability to perform its obligations under this Agreement or any Credit Support Document to which it is a party.

(d) **Tax Agreement.** It will give notice of any failure of a representation made by it under Section 3(f) to be accurate and true promptly upon learning of such failure.

(e) **Payment of Stamp Tax.** Subject to Section 11, it will pay any Stamp Tax levied or imposed upon it or in respect of its execution or performance of this Agreement by a jurisdiction in which it is incorporated, organised, managed and controlled or considered to have its seat, or where an Office through which it is acting for the purpose of this Agreement is located (“Stamp Tax Jurisdiction”), and will indemnify the other party against any Stamp Tax levied or imposed upon the other party or in respect of the other party’s execution or performance of this Agreement by any such Stamp Tax Jurisdiction which is not also a Stamp Tax Jurisdiction with respect to the other party.

## 5. Events of Default and Termination Events

(a) **Events of Default.** The occurrence at any time with respect to a party or, if applicable, any Credit Support Provider of such party or any Specified Entity of such party of any of the following events constitutes (subject to Sections 5(c) and 6(e)(iv)) an event of default (an “Event of Default”) with respect to such party:—

(i) **Failure to Pay or Deliver.** Failure by the party to make, when due, any payment under this Agreement or delivery under Section 2(a)(i) or 9(h)(i)(2) or (4) required to be made by it if such failure is not remedied on or before the first Local Business Day in the case of any such payment or the first Local Delivery Day in the case of any such delivery after, in each case, notice of such failure is given to the party;

(ii) **Breach of Agreement; Repudiation of Agreement.**

(1) Failure by the party to comply with or perform any agreement or obligation (other than an obligation to make any payment under this Agreement or delivery under Section 2(a)(i) or 9(h)(i)(2) or (4) or to give notice of a Termination Event or any agreement or obligation under Section 4(a)(i), 4(a)(iii) or 4(d)) to be complied with or performed by the party in accordance with this Agreement if such failure is not remedied within 30 days after notice of such failure is given to the party; or

(2) the party disaffirms, disclaims, repudiates or rejects, in whole or in part, or challenges the validity of, this Master Agreement, any Confirmation executed and delivered by that party or any



Transaction evidenced by such a Confirmation (or such action is taken by any person or entity appointed or empowered to operate it or act on its behalf);

(iii) ***Credit Support Default.***

(1) Failure by the party or any Credit Support Provider of such party to comply with or perform any agreement or obligation to be complied with or performed by it in accordance with any Credit Support Document if such failure is continuing after any applicable grace period has elapsed;

(2) the expiration or termination of such Credit Support Document or the failing or ceasing of such Credit Support Document, or any security interest granted by such party or such Credit Support Provider to the other party pursuant to any such Credit Support Document, to be in full force and effect for the purpose of this Agreement (in each case other than in accordance with its terms) prior to the satisfaction of all obligations of such party under each Transaction to which such Credit Support Document relates without the written consent of the other party; or

(3) the party or such Credit Support Provider disaffirms, disclaims, repudiates or rejects, in whole or in part, or challenges the validity of, such Credit Support Document (or such action is taken by any person or entity appointed or empowered to operate it or act on its behalf);

(iv) ***Misrepresentation.*** A representation (other than a representation under Section 3(e) or 3(f)) made or repeated or deemed to have been made or repeated by the party or any Credit Support Provider of such party in this Agreement or any Credit Support Document proves to have been incorrect or misleading in any material respect when made or repeated or deemed to have been made or repeated;

(v) ***Default Under Specified Transaction.*** The party, any Credit Support Provider of such party or any applicable Specified Entity of such party:—

(1) defaults (other than by failing to make a delivery) under a Specified Transaction or any credit support arrangement relating to a Specified Transaction and, after giving effect to any applicable notice requirement or grace period, such default results in a liquidation of, an acceleration of obligations under, or an early termination of, that Specified Transaction;

(2) defaults, after giving effect to any applicable notice requirement or grace period, in making any payment due on the last payment or exchange date of, or any payment on early termination of, a Specified Transaction (or, if there is no applicable notice requirement or grace period, such default continues for at least one Local Business Day);

(3) defaults in making any delivery due under (including any delivery due on the last delivery or exchange date of) a Specified Transaction or any credit support arrangement relating to a Specified Transaction and, after giving effect to any applicable notice requirement or grace period, such default results in a liquidation of, an acceleration of obligations under, or an early termination of, all transactions outstanding under the documentation applicable to that Specified Transaction; or

(4) disaffirms, disclaims, repudiates or rejects, in whole or in part, or challenges the validity of, a Specified Transaction or any credit support arrangement relating to a Specified Transaction that is, in either case, confirmed or evidenced by a document or other confirming evidence executed and delivered by that party, Credit Support Provider or Specified Entity (or such action is taken by any person or entity appointed or empowered to operate it or act on its behalf);

(vi) **Cross-Default.** If “Cross-Default” is specified in the Schedule as applying to the party, the occurrence or existence of:—

(1) a default, event of default or other similar condition or event (however described) in respect of such party, any Credit Support Provider of such party or any applicable Specified Entity of such party under one or more agreements or instruments relating to Specified Indebtedness of any of them (individually or collectively) where the aggregate principal amount of such agreements or instruments, either alone or together with the amount, if any, referred to in clause (2) below, is not less than the applicable Threshold Amount (as specified in the Schedule) which has resulted in such Specified Indebtedness becoming, or becoming capable at such time of being declared, due and payable under such agreements or instruments before it would otherwise have been due and payable; or

(2) a default by such party, such Credit Support Provider or such Specified Entity (individually or collectively) in making one or more payments under such agreements or instruments on the due date for payment (after giving effect to any applicable notice requirement or grace period) in an aggregate amount, either alone or together with the amount, if any, referred to in clause (1) above, of not less than the applicable Threshold Amount;

(vii) **Bankruptcy.** The party, any Credit Support Provider of such party or any applicable Specified Entity of such party:—

(1) is dissolved (other than pursuant to a consolidation, amalgamation or merger); (2) becomes insolvent or is unable to pay its debts or fails or admits in writing its inability generally to pay its debts as they become due; (3) makes a general assignment, arrangement or composition with or for the benefit of its creditors; (4)(A) institutes or has instituted against it, by a regulator, supervisor or any similar official with primary insolvency, rehabilitative or regulatory jurisdiction over it in the jurisdiction of its incorporation or organisation or the jurisdiction of its head or home office, a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors’ rights, or a petition is presented for its winding-up or liquidation by it or such regulator, supervisor or similar official, or (B) has instituted against it a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors’ rights, or a petition is presented for its winding-up or liquidation, and such proceeding or petition is instituted or presented by a person or entity not described in clause (A) above and either (I) results in a judgment of insolvency or bankruptcy or the entry of an order for relief or the making of an order for its winding-up or liquidation or (II) is not dismissed, discharged, stayed or restrained in each case within 15 days of the institution or presentation thereof; (5) has a resolution passed for its winding-up, official management or liquidation (other than pursuant to a consolidation, amalgamation or merger); (6) seeks or becomes subject to the appointment of an administrator, provisional liquidator, conservator, receiver, trustee, custodian or other similar official for it or for all or substantially all its assets; (7) has a secured party take possession of all or substantially all its assets or has a distress, execution, attachment, sequestration or other legal process levied, enforced or sued on or against all or substantially all its assets and such secured party maintains possession, or any such process is not dismissed, discharged, stayed or restrained, in each case within 15 days thereafter; (8) causes or is subject to any event with respect to it which, under the applicable laws of any jurisdiction, has an analogous effect to any of the events specified in clauses (1) to (7) above (inclusive); or (9) takes any action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any of the foregoing acts; or

(viii) **Merger Without Assumption.** The party or any Credit Support Provider of such party consolidates or amalgamates with, or merges with or into, or transfers all or substantially all its assets to, or reorganises, reincorporates or reconstitutes into or as, another entity and, at the time of such consolidation, amalgamation, merger, transfer, reorganisation, reincorporation or reconstitution:—

(1) the resulting, surviving or transferee entity fails to assume all the obligations of such party or such Credit Support Provider under this Agreement or any Credit Support Document to which it or its predecessor was a party; or

(2) the benefits of any Credit Support Document fail to extend (without the consent of the other party) to the performance by such resulting, surviving or transferee entity of its obligations under this Agreement.

(b) **Termination Events.** The occurrence at any time with respect to a party or, if applicable, any Credit Support Provider of such party or any Specified Entity of such party of any event specified below constitutes (subject to Section 5(c)) an Illegality if the event is specified in clause (i) below, a Force Majeure Event if the event is specified in clause (ii) below, a Tax Event if the event is specified in clause (iii) below, a Tax Event Upon Merger if the event is specified in clause (iv) below, and, if specified to be applicable, a Credit Event Upon Merger if the event is specified pursuant to clause (v) below or an Additional Termination Event if the event is specified pursuant to clause (vi) below:—

(i) **Illegality.** After giving effect to any applicable provision, disruption fallback or remedy specified in, or pursuant to, the relevant Confirmation or elsewhere in this Agreement, due to an event or circumstance (other than any action taken by a party or, if applicable, any Credit Support Provider of such party) occurring after a Transaction is entered into, it becomes unlawful under any applicable law (including without limitation the laws of any country in which payment, delivery or compliance is required by either party or any Credit Support Provider, as the case may be), on any day, or it would be unlawful if the relevant payment, delivery or compliance were required on that day (in each case, other than as a result of a breach by the party of Section 4(b)):—

(1) for the Office through which such party (which will be the Affected Party) makes and receives payments or deliveries with respect to such Transaction to perform any absolute or contingent obligation to make a payment or delivery in respect of such Transaction, to receive a payment or delivery in respect of such Transaction or to comply with any other material provision of this Agreement relating to such Transaction; or

(2) for such party or any Credit Support Provider of such party (which will be the Affected Party) to perform any absolute or contingent obligation to make a payment or delivery which such party or Credit Support Provider has under any Credit Support Document relating to such Transaction, to receive a payment or delivery under such Credit Support Document or to comply with any other material provision of such Credit Support Document;

(ii) **Force Majeure Event.** After giving effect to any applicable provision, disruption fallback or remedy specified in, or pursuant to, the relevant Confirmation or elsewhere in this Agreement, by reason of force majeure or act of state occurring after a Transaction is entered into, on any day:—

(1) the Office through which such party (which will be the Affected Party) makes and receives payments or deliveries with respect to such Transaction is prevented from performing any absolute or contingent obligation to make a payment or delivery in respect of such Transaction, from receiving a payment or delivery in respect of such Transaction or from complying with any other material provision of this Agreement relating to such Transaction (or would be so prevented if such payment, delivery or compliance were required on that day), or it becomes impossible or

impracticable for such Office so to perform, receive or comply (or it would be impossible or impracticable for such Office so to perform, receive or comply if such payment, delivery or compliance were required on that day); or

(2) such party or any Credit Support Provider of such party (which will be the Affected Party) is prevented from performing any absolute or contingent obligation to make a payment or delivery which such party or Credit Support Provider has under any Credit Support Document relating to such Transaction, from receiving a payment or delivery under such Credit Support Document or from complying with any other material provision of such Credit Support Document (or would be so prevented if such payment, delivery or compliance were required on that day), or it becomes impossible or impracticable for such party or Credit Support Provider so to perform, receive or comply (or it would be impossible or impracticable for such party or Credit Support Provider so to perform, receive or comply if such payment, delivery or compliance were required on that day),

so long as the force majeure or act of state is beyond the control of such Office, such party or such Credit Support Provider, as appropriate, and such Office, party or Credit Support Provider could not, after using all reasonable efforts (which will not require such party or Credit Support Provider to incur a loss, other than immaterial, incidental expenses), overcome such prevention, impossibility or impracticability;

(iii) **Tax Event.** Due to (1) any action taken by a taxing authority, or brought in a court of competent jurisdiction, after a Transaction is entered into (regardless of whether such action is taken or brought with respect to a party to this Agreement) or (2) a Change in Tax Law, the party (which will be the Affected Party) will, or there is a substantial likelihood that it will, on the next succeeding Scheduled Settlement Date (A) be required to pay to the other party an additional amount in respect of an Indemnifiable Tax under Section 2(d)(i)(4) (except in respect of interest under Section 9(h)) or (B) receive a payment from which an amount is required to be deducted or withheld for or on account of a Tax (except in respect of interest under Section 9(h)) and no additional amount is required to be paid in respect of such Tax under Section 2(d)(i)(4) (other than by reason of Section 2(d)(i)(4)(A) or (B));

(iv) **Tax Event Upon Merger.** The party (the “Burdened Party”) on the next succeeding Scheduled Settlement Date will either (1) be required to pay an additional amount in respect of an Indemnifiable Tax under Section 2(d)(i)(4) (except in respect of interest under Section 9(h)) or (2) receive a payment from which an amount has been deducted or withheld for or on account of any Tax in respect of which the other party is not required to pay an additional amount (other than by reason of Section 2(d)(i)(4)(A) or (B)), in either case as a result of a party consolidating or amalgamating with, or merging with or into, or transferring all or substantially all its assets (or any substantial part of the assets comprising the business conducted by it as of the date of this Master Agreement) to, or reorganising, reincorporating or reconstituting into or as, another entity (which will be the Affected Party) where such action does not constitute a Merger Without Assumption;

(v) **Credit Event Upon Merger.** If “Credit Event Upon Merger” is specified in the Schedule as applying to the party, a Designated Event (as defined below) occurs with respect to such party, any Credit Support Provider of such party or any applicable Specified Entity of such party (in each case, “X”) and such Designated Event does not constitute a Merger Without Assumption, and the creditworthiness of X or, if applicable, the successor, surviving or transferee entity of X, after taking into account any applicable Credit Support Document, is materially weaker immediately after the occurrence of such Designated Event than that of X immediately prior to the occurrence of such Designated Event (and, in any such event, such party or its successor, surviving or transferee entity, as appropriate, will be the Affected Party). A “Designated Event” with respect to X means that:—

(1) X consolidates or amalgamates with, or merges with or into, or transfers all or substantially all its assets (or any substantial part of the assets comprising the business conducted by X as of the

date of this Master Agreement) to, or reorganises, reincorporates or reconstitutes into or as, another entity;

(2) any person, related group of persons or entity acquires directly or indirectly the beneficial ownership of (A) equity securities having the power to elect a majority of the board of directors (or its equivalent) of X or (B) any other ownership interest enabling it to exercise control of X; or

(3) X effects any substantial change in its capital structure by means of the issuance, incurrence or guarantee of debt or the issuance of (A) preferred stock or other securities convertible into or exchangeable for debt or preferred stock or (B) in the case of entities other than corporations, any other form of ownership interest; or

(vi) **Additional Termination Event.** If any “Additional Termination Event” is specified in the Schedule or any Confirmation as applying, the occurrence of such event (and, in such event, the Affected Party or Affected Parties will be as specified for such Additional Termination Event in the Schedule or such Confirmation).

(c) **Hierarchy of Events.**

(i) An event or circumstance that constitutes or gives rise to an Illegality or a Force Majeure Event will not, for so long as that is the case, also constitute or give rise to an Event of Default under Section 5(a)(i), 5(a)(ii)(1) or 5(a)(iii)(1) insofar as such event or circumstance relates to the failure to make any payment or delivery or a failure to comply with any other material provision of this Agreement or a Credit Support Document, as the case may be.

(ii) Except in circumstances contemplated by clause (i) above, if an event or circumstance which would otherwise constitute or give rise to an Illegality or a Force Majeure Event also constitutes an Event of Default or any other Termination Event, it will be treated as an Event of Default or such other Termination Event, as the case may be, and will not constitute or give rise to an Illegality or a Force Majeure Event.

(iii) If an event or circumstance which would otherwise constitute or give rise to a Force Majeure Event also constitutes an Illegality, it will be treated as an Illegality, except as described in clause (ii) above, and not a Force Majeure Event.

(d) **Deferral of Payments and Deliveries During Waiting Period.** If an Illegality or a Force Majeure Event has occurred and is continuing with respect to a Transaction, each payment or delivery which would otherwise be required to be made under that Transaction will be deferred to, and will not be due until:—

(i) the first Local Business Day or, in the case of a delivery, the first Local Delivery Day (or the first day that would have been a Local Business Day or Local Delivery Day, as appropriate, but for the occurrence of the event or circumstance constituting or giving rise to that Illegality or Force Majeure Event) following the end of any applicable Waiting Period in respect of that Illegality or Force Majeure Event, as the case may be; or

(ii) if earlier, the date on which the event or circumstance constituting or giving rise to that Illegality or Force Majeure Event ceases to exist or, if such date is not a Local Business Day or, in the case of a delivery, a Local Delivery Day, the first following day that is a Local Business Day or Local Delivery Day, as appropriate.

(e) **Inability of Head or Home Office to Perform Obligations of Branch.** If (i) an Illegality or a Force Majeure Event occurs under Section 5(b)(i)(1) or 5(b)(ii)(1) and the relevant Office is not the Affected Party’s head or home office, (ii) Section 10(a) applies, (iii) the other party seeks performance of the relevant obligation or

compliance with the relevant provision by the Affected Party's head or home office and (iv) the Affected Party's head or home office fails so to perform or comply due to the occurrence of an event or circumstance which would, if that head or home office were the Office through which the Affected Party makes and receives payments and deliveries with respect to the relevant Transaction, constitute or give rise to an Illegality or a Force Majeure Event, and such failure would otherwise constitute an Event of Default under Section 5(a)(i) or 5(a)(iii)(1) with respect to such party, then, for so long as the relevant event or circumstance continues to exist with respect to both the Office referred to in Section 5(b)(i)(1) or 5(b)(ii)(1), as the case may be, and the Affected Party's head or home office, such failure will not constitute an Event of Default under Section 5(a)(i) or 5(a)(iii)(1).

## **6. Early Termination; Close-Out Netting**

(a) ***Right to Terminate Following Event of Default.*** If at any time an Event of Default with respect to a party (the "Defaulting Party") has occurred and is then continuing, the other party (the "Non-defaulting Party") may, by not more than 20 days notice to the Defaulting Party specifying the relevant Event of Default, designate a day not earlier than the day such notice is effective as an Early Termination Date in respect of all outstanding Transactions. If, however, "Automatic Early Termination" is specified in the Schedule as applying to a party, then an Early Termination Date in respect of all outstanding Transactions will occur immediately upon the occurrence with respect to such party of an Event of Default specified in Section 5(a)(vii)(1), (3), (5), (6) or, to the extent analogous thereto, (8), and as of the time immediately preceding the institution of the relevant proceeding or the presentation of the relevant petition upon the occurrence with respect to such party of an Event of Default specified in Section 5(a)(vii)(4) or, to the extent analogous thereto, (8).

(b) ***Right to Terminate Following Termination Event.***

(i) ***Notice.*** If a Termination Event other than a Force Majeure Event occurs, an Affected Party will, promptly upon becoming aware of it, notify the other party, specifying the nature of that Termination Event and each Affected Transaction, and will also give the other party such other information about that Termination Event as the other party may reasonably require. If a Force Majeure Event occurs, each party will, promptly upon becoming aware of it, use all reasonable efforts to notify the other party, specifying the nature of that Force Majeure Event, and will also give the other party such other information about that Force Majeure Event as the other party may reasonably require.

(ii) ***Transfer to Avoid Termination Event.*** If a Tax Event occurs and there is only one Affected Party, or if a Tax Event Upon Merger occurs and the Burdened Party is the Affected Party, the Affected Party will, as a condition to its right to designate an Early Termination Date under Section 6(b)(iv), use all reasonable efforts (which will not require such party to incur a loss, other than immaterial, incidental expenses) to transfer within 20 days after it gives notice under Section 6(b)(i) all its rights and obligations under this Agreement in respect of the Affected Transactions to another of its Offices or Affiliates so that such Termination Event ceases to exist.

If the Affected Party is not able to make such a transfer it will give notice to the other party to that effect within such 20 day period, whereupon the other party may effect such a transfer within 30 days after the notice is given under Section 6(b)(i).

Any such transfer by a party under this Section 6(b)(ii) will be subject to and conditional upon the prior written consent of the other party, which consent will not be withheld if such other party's policies in effect at such time would permit it to enter into transactions with the transferee on the terms proposed.

(iii) ***Two Affected Parties.*** If a Tax Event occurs and there are two Affected Parties, each party will use all reasonable efforts to reach agreement within 30 days after notice of such occurrence is given under Section 6(b)(i) to avoid that Termination Event.

(iv) ***Right to Terminate.***

(1) If:—

(A) a transfer under Section 6(b)(ii) or an agreement under Section 6(b)(iii), as the case may be, has not been effected with respect to all Affected Transactions within 30 days after an Affected Party gives notice under Section 6(b)(i); or

(B) a Credit Event Upon Merger or an Additional Termination Event occurs, or a Tax Event Upon Merger occurs and the Burdened Party is not the Affected Party,

the Burdened Party in the case of a Tax Event Upon Merger, any Affected Party in the case of a Tax Event or an Additional Termination Event if there are two Affected Parties, or the Non-affected Party in the case of a Credit Event Upon Merger or an Additional Termination Event if there is only one Affected Party may, if the relevant Termination Event is then continuing, by not more than 20 days notice to the other party, designate a day not earlier than the day such notice is effective as an Early Termination Date in respect of all Affected Transactions.

(2) If at any time an Illegality or a Force Majeure Event has occurred and is then continuing and any applicable Waiting Period has expired:—

(A) Subject to clause (B) below, either party may, by not more than 20 days notice to the other party, designate (I) a day not earlier than the day on which such notice becomes effective as an Early Termination Date in respect of all Affected Transactions or (II) by specifying in that notice the Affected Transactions in respect of which it is designating the relevant day as an Early Termination Date, a day not earlier than two Local Business Days following the day on which such notice becomes effective as an Early Termination Date in respect of less than all Affected Transactions. Upon receipt of a notice designating an Early Termination Date in respect of less than all Affected Transactions, the other party may, by notice to the designating party, if such notice is effective on or before the day so designated, designate that same day as an Early Termination Date in respect of any or all other Affected Transactions.

(B) An Affected Party (if the Illegality or Force Majeure Event relates to performance by such party or any Credit Support Provider of such party of an obligation to make any payment or delivery under, or to compliance with any other material provision of, the relevant Credit Support Document) will only have the right to designate an Early Termination Date under Section 6(b)(iv)(2)(A) as a result of an Illegality under Section 5(b)(i)(2) or a Force Majeure Event under Section 5(b)(ii)(2) following the prior designation by the other party of an Early Termination Date, pursuant to Section 6(b)(iv)(2)(A), in respect of less than all Affected Transactions.

(c) ***Effect of Designation.***

(i) If notice designating an Early Termination Date is given under Section 6(a) or 6(b), the Early Termination Date will occur on the date so designated, whether or not the relevant Event of Default or Termination Event is then continuing.

(ii) Upon the occurrence or effective designation of an Early Termination Date, no further payments or deliveries under Section 2(a)(i) or 9(h)(i) in respect of the Terminated Transactions will be required to be made, but without prejudice to the other provisions of this Agreement. The amount, if any, payable in respect of an Early Termination Date will be determined pursuant to Sections 6(e) and 9(h)(ii).

(d) **Calculations; Payment Date.**

(i) **Statement.** On or as soon as reasonably practicable following the occurrence of an Early Termination Date, each party will make the calculations on its part, if any, contemplated by Section 6(e) and will provide to the other party a statement (I) showing, in reasonable detail, such calculations (including any quotations, market data or information from internal sources used in making such calculations), (2) specifying (except where there are two Affected Parties) any Early Termination Amount payable and (3) giving details of the relevant account to which any amount payable to it is to be paid. In the absence of written confirmation from the source of a quotation or market data obtained in determining a Close-out Amount, the records of the party obtaining such quotation or market data will be conclusive evidence of the existence and accuracy of such quotation or market data.

(ii) **Payment Date.** An Early Termination Amount due in respect of any Early Termination Date will, together with any amount of interest payable pursuant to Section 9(h)(ii)(2), be payable (1) on the day on which notice of the amount payable is effective in the case of an Early Termination Date which is designated or occurs as a result of an Event of Default and (2) on the day which is two Local Business Days after the day on which notice of the amount payable is effective (or, if there are two Affected Parties, after the day on which the statement provided pursuant to clause (i) above by the second party to provide such a statement is effective) in the case of an Early Termination Date which is designated as a result of a Termination Event.

(e) **Payments on Early Termination.** If an Early Termination Date occurs, the amount, if any, payable in respect of that Early Termination Date (the “Early Termination Amount”) will be determined pursuant to this Section 6(e) and will be subject to Section 6(f).

(i) **Events of Default.** If the Early Termination Date results from an Event of Default, the Early Termination Amount will be an amount equal to (1) the sum of (A) the Termination Currency Equivalent of the Close-out Amount or Close-out Amounts (whether positive or negative) determined by the Non-defaulting Party for each Terminated Transaction or group of Terminated Transactions, as the case may be, and (B) the Termination Currency Equivalent of the Unpaid Amounts owing to the Non-defaulting Party less (2) the Termination Currency Equivalent of the Unpaid Amounts owing to the Defaulting Party. If the Early Termination Amount is a positive number, the Defaulting Party will pay it to the Non-defaulting Party; if it is a negative number, the Non-defaulting Party will pay the absolute value of the Early Termination Amount to the Defaulting Party.

(ii) **Termination Events.** If the Early Termination Date results from a Termination Event:—

(1) **One Affected Party.** Subject to clause (3) below, if there is one Affected Party, the Early Termination Amount will be determined in accordance with Section 6(e)(i), except that references to the Defaulting Party and to the Non-defaulting Party will be deemed to be references to the Affected Party and to the Non-affected Party, respectively.

(2) **Two Affected Parties.** Subject to clause (3) below, if there are two Affected Parties, each party will determine an amount equal to the Termination Currency Equivalent of the sum of the Close-out Amount or Close-out Amounts (whether positive or negative) for each Terminated Transaction or group of Terminated Transactions, as the case may be, and the Early Termination Amount will be an amount equal to (A) the sum of (I) one-half of the difference between the higher amount so determined (by party “X”) and the lower amount so determined (by party “Y”) and (II) the Termination Currency Equivalent of the Unpaid Amounts owing to X less (B) the Termination Currency Equivalent of the Unpaid Amounts owing to Y. If the Early Termination Amount is a positive number, Y will pay it to X; if it is a negative number, X will pay the absolute value of the Early Termination Amount to Y.



(3) *Mid-Market Events.* If that Termination Event is an Illegality or a Force Majeure Event, then the Early Termination Amount will be determined in accordance with clause (1) or (2) above, as appropriate, except that, for the purpose of determining a Close-out Amount or Close-out Amounts, the Determining Party will:—

(A) if obtaining quotations from one or more third parties (or from any of the Determining Party's Affiliates), ask each third party or Affiliate (I) not to take account of the current creditworthiness of the Determining Party or any existing Credit Support Document and (II) to provide mid-market quotations; and

(B) in any other case, use mid-market values without regard to the creditworthiness of the Determining Party.

(iii) *Adjustment for Bankruptcy.* In circumstances where an Early Termination Date occurs because Automatic Early Termination applies in respect of a party, the Early Termination Amount will be subject to such adjustments as are appropriate and permitted by applicable law to reflect any payments or deliveries made by one party to the other under this Agreement (and retained by such other party) during the period from the relevant Early Termination Date to the date for payment determined under Section 6(d)(ii).

(iv) *Adjustment for Illegality or Force Majeure Event.* The failure by a party or any Credit Support Provider of such party to pay, when due, any Early Termination Amount will not constitute an Event of Default under Section 5(a)(i) or 5(a)(iii)(1) if such failure is due to the occurrence of an event or circumstance which would, if it occurred with respect to payment, delivery or compliance related to a Transaction, constitute or give rise to an Illegality or a Force Majeure Event. Such amount will (1) accrue interest and otherwise be treated as an Unpaid Amount owing to the other party if subsequently an Early Termination Date results from an Event of Default, a Credit Event Upon Merger or an Additional Termination Event in respect of which all outstanding Transactions are Affected Transactions and (2) otherwise accrue interest in accordance with Section 9(h)(ii)(2).

(v) *Pre-Estimate.* The parties agree that an amount recoverable under this Section 6(e) is a reasonable pre-estimate of loss and not a penalty. Such amount is payable for the loss of bargain and the loss of protection against future risks, and, except as otherwise provided in this Agreement, neither party will be entitled to recover any additional damages as a consequence of the termination of the Terminated Transactions.

(f) *Set-Off.* Any Early Termination Amount payable to one party (the "Payee") by the other party (the "Payer"), in circumstances where there is a Defaulting Party or where there is one Affected Party in the case where either a Credit Event Upon Merger has occurred or any other Termination Event in respect of which all outstanding Transactions are Affected Transactions has occurred, will, at the option of the Non-defaulting Party or the Non-affected Party, as the case may be ("X") (and without prior notice to the Defaulting Party or the Affected Party, as the case may be), be reduced by its set-off against any other amounts ("Other Amounts") payable by the Payee to the Payer (whether or not arising under this Agreement, matured or contingent and irrespective of the currency, place of payment or place of booking of the obligation). To the extent that any Other Amounts are so set off, those Other Amounts will be discharged promptly and in all respects. X will give notice to the other party of any set-off effected under this Section 6(f).

For this purpose, either the Early Termination Amount or the Other Amounts (or the relevant portion of such amounts) may be converted by X into the currency in which the other is denominated at the rate of exchange at which such party would be able, in good faith and using commercially reasonable procedures, to purchase the relevant amount of such currency.

If an obligation is unascertained, X may in good faith estimate that obligation and set off in respect of the estimate, subject to the relevant party accounting to the other when the obligation is ascertained.

Nothing in this Section 6(f) will be effective to create a charge or other security interest. This Section 6(f) will be without prejudice and in addition to any right of set-off, offset, combination of accounts, lien, right of retention or withholding or similar right or requirement to which any party is at any time otherwise entitled or subject (whether by operation of law, contract or otherwise).

## **7. Transfer**

Subject to Section 6(b)(ii) and to the extent permitted by applicable law, neither this Agreement nor any interest or obligation in or under this Agreement may be transferred (whether by way of security or otherwise) by either party without the prior written consent of the other party, except that:—

- (a) a party may make such a transfer of this Agreement pursuant to a consolidation or amalgamation with, or merger with or into, or transfer of all or substantially all its assets to, another entity (but without prejudice to any other right or remedy under this Agreement); and
- (b) a party may make such a transfer of all or any part of its interest in any Early Termination Amount payable to it by a Defaulting Party, together with any amounts payable on or with respect to that interest and any other rights associated with that interest pursuant to Sections 8, 9(h) and 11.

Any purported transfer that is not in compliance with this Section 7 will be void.

## **8. Contractual Currency**

(a) ***Payment in the Contractual Currency.*** Each payment under this Agreement will be made in the relevant currency specified in this Agreement for that payment (the “Contractual Currency”). To the extent permitted by applicable law, any obligation to make payments under this Agreement in the Contractual Currency will not be discharged or satisfied by any tender in any currency other than the Contractual Currency, except to the extent such tender results in the actual receipt by the party to which payment is owed, acting in good faith and using commercially reasonable procedures in converting the currency so tendered into the Contractual Currency, of the full amount in the Contractual Currency of all amounts payable in respect of this Agreement. If for any reason the amount in the Contractual Currency so received falls short of the amount in the Contractual Currency payable in respect of this Agreement, the party required to make the payment will, to the extent permitted by applicable law, immediately pay such additional amount in the Contractual Currency as may be necessary to compensate for the shortfall. If for any reason the amount in the Contractual Currency so received exceeds the amount in the Contractual Currency payable in respect of this Agreement, the party receiving the payment will refund promptly the amount of such excess.

(b) ***Judgments.*** To the extent permitted by applicable law, if any judgment or order expressed in a currency other than the Contractual Currency is rendered (i) for the payment of any amount owing in respect of this Agreement, (ii) for the payment of any amount relating to any early termination in respect of this Agreement or (iii) in respect of a judgment or order of another court for the payment of any amount described in clause (i) or (ii) above, the party seeking recovery, after recovery in full of the aggregate amount to which such party is entitled pursuant to the judgment or order, will be entitled to receive immediately from the other party the amount of any shortfall of the Contractual Currency received by such party as a consequence of sums paid in such other currency and will refund promptly to the other party any excess of the Contractual Currency received by such party as a consequence of sums paid in such other currency if such shortfall or such excess arises or results from any variation between the rate of exchange at which the Contractual Currency is converted into the currency of the judgment or order for the purpose of such judgment or order and the rate of exchange at which such party is able, acting in good faith and using

commercially reasonable procedures in converting the currency received into the Contractual Currency, to purchase the Contractual Currency with the amount of the currency of the judgment or order actually received by such party.

(c) **Separate Indemnities.** To the extent permitted by applicable law, the indemnities in this Section 8 constitute separate and independent obligations from the other obligations in this Agreement, will be enforceable as separate and independent causes of action, will apply notwithstanding any indulgence granted by the party to which any payment is owed and will not be affected by judgment being obtained or claim or proof being made for any other sums payable in respect of this Agreement.

(d) **Evidence of Loss.** For the purpose of this Section 8, it will be sufficient for a party to demonstrate that it would have suffered a loss had an actual exchange or purchase been made.

## 9. Miscellaneous

(a) **Entire Agreement.** This Agreement constitutes the entire agreement and understanding of the parties with respect to its subject matter. Each of the parties acknowledges that in entering into this Agreement it has not relied on any oral or written representation, warranty or other assurance (except as provided for or referred to in this Agreement) and waives all rights and remedies which might otherwise be available to it in respect thereof, except that nothing in this Agreement will limit or exclude any liability of a party for fraud.

(b) **Amendments.** An amendment, modification or waiver in respect of this Agreement will only be effective if in writing (including a writing evidenced by a facsimile transmission) and executed by each of the parties or confirmed by an exchange of telexes or by an exchange of electronic messages on an electronic messaging system.

(c) **Survival of Obligations.** Without prejudice to Sections 2(a)(iii) and 6(c)(ii), the obligations of the parties under this Agreement will survive the termination of any Transaction.

(d) **Remedies Cumulative.** Except as provided in this Agreement, the rights, powers, remedies and privileges provided in this Agreement are cumulative and not exclusive of any rights, powers, remedies and privileges provided by law.

### (e) **Counterparts and Confirmations.**

(i) This Agreement (and each amendment, modification and waiver in respect of it) may be executed and delivered in counterparts (including by facsimile transmission and by electronic messaging system), each of which will be deemed an original.

(ii) The parties intend that they are legally bound by the terms of each Transaction from the moment they agree to those terms (whether orally or otherwise). A Confirmation will be entered into as soon as practicable and may be executed and delivered in counterparts (including by facsimile transmission) or be created by an exchange of telexes, by an exchange of electronic messages on an electronic messaging system or by an exchange of e-mails, which in each case will be sufficient for all purposes to evidence a binding supplement to this Agreement. The parties will specify therein or through another effective means that any such counterpart, telex, electronic message or e-mail constitutes a Confirmation.

(f) **No Waiver of Rights.** A failure or delay in exercising any right, power or privilege in respect of this Agreement will not be presumed to operate as a waiver, and a single or partial exercise of any right, power or privilege will not be presumed to preclude any subsequent or further exercise, of that right, power or privilege or the exercise of any other right, power or privilege.

(g) **Headings.** The headings used in this Agreement are for convenience of reference only and are not to affect the construction of or to be taken into consideration in interpreting this Agreement.

(h) ***Interest and Compensation.***

(i) ***Prior to Early Termination.*** Prior to the occurrence or effective designation of an Early Termination Date in respect of the relevant Transaction:—

(1) ***Interest on Defaulted Payments.*** If a party defaults in the performance of any payment obligation, it will, to the extent permitted by applicable law and subject to Section 6(c), pay interest (before as well as after judgment) on the overdue amount to the other party on demand in the same currency as the overdue amount, for the period from (and including) the original due date for payment to (but excluding) the date of actual payment (and excluding any period in respect of which interest or compensation in respect of the overdue amount is due pursuant to clause (3)(B) or (A) below), at the Default Rate.

(2) ***Compensation for Defaulted Deliveries.*** If a party defaults in the performance of any obligation required to be settled by delivery, it will on demand (A) compensate the other party to the extent provided for in the relevant Confirmation or elsewhere in this Agreement and (B) unless otherwise provided in the relevant Confirmation or elsewhere in this Agreement, to the extent permitted by applicable law and subject to Section 6(c), pay to the other party interest (before as well as after judgment) on an amount equal to the fair market value of that which was required to be delivered in the same currency as that amount, for the period from (and including) the originally scheduled date for delivery to (but excluding) the date of actual delivery (and excluding any period in respect of which interest or compensation in respect of that amount is due pursuant to clause (4) below), at the Default Rate. The fair market value of any obligation referred to above will be determined as of the originally scheduled date for delivery, in good faith and using commercially reasonable procedures, by the party that was entitled to take delivery.

(3) ***Interest on Deferred Payments.*** If:—

(A) a party does not pay any amount that, but for Section 2(a)(iii), would have been payable, it will, to the extent permitted by applicable law and subject to Section 6(c) and clauses (B) and (C) below, pay interest (before as well as after judgment) on that amount to the other party on demand (after such amount becomes payable) in the same currency as that amount, for the period from (and including) the date the amount would, but for Section 2(a)(iii), have been payable to (but excluding) the date the amount actually becomes payable, at the Applicable Deferral Rate;

(B) a payment is deferred pursuant to Section 5(d), the party which would otherwise have been required to make that payment will, to the extent permitted by applicable law, subject to Section 6(c) and for so long as no Event of Default or Potential Event of Default with respect to that party has occurred and is continuing, pay interest (before as well as after judgment) on the amount of the deferred payment to the other party on demand (after such amount becomes payable) in the same currency as the deferred payment, for the period from (and including) the date the amount would, but for Section 5(d), have been payable to (but excluding) the earlier of the date the payment is no longer deferred pursuant to Section 5(d) and the date during the deferral period upon which an Event of Default or Potential Event of Default with respect to that party occurs, at the Applicable Deferral Rate; or

(C) a party fails to make any payment due to the occurrence of an Illegality or a Force Majeure Event (after giving effect to any deferral period contemplated by clause (B) above), it will, to the extent permitted by applicable law, subject to Section 6(c) and for so long as the event or circumstance giving rise to that Illegality or Force Majeure Event

continues and no Event of Default or Potential Event of Default with respect to that party has occurred and is continuing, pay interest (before as well as after judgment) on the overdue amount to the other party on demand in the same currency as the overdue amount, for the period from (and including) the date the party fails to make the payment due to the occurrence of the relevant Illegality or Force Majeure Event (or, if later, the date the payment is no longer deferred pursuant to Section 5(d)) to (but excluding) the earlier of the date the event or circumstance giving rise to that Illegality or Force Majeure Event ceases to exist and the date during the period upon which an Event of Default or Potential Event of Default with respect to that party occurs (and excluding any period in respect of which interest or compensation in respect of the overdue amount is due pursuant to clause (B) above), at the Applicable Deferral Rate.

(4) *Compensation for Deferred Deliveries.* If:—

(A) a party does not perform any obligation that, but for Section 2(a)(iii), would have been required to be settled by delivery;

(B) a delivery is deferred pursuant to Section 5(d); or

(C) a party fails to make a delivery due to the occurrence of an Illegality or a Force Majeure Event at a time when any applicable Waiting Period has expired,

the party required (or that would otherwise have been required) to make the delivery will, to the extent permitted by applicable law and subject to Section 6(c), compensate and pay interest to the other party on demand (after, in the case of clauses (A) and (B) above, such delivery is required) if and to the extent provided for in the relevant Confirmation or elsewhere in this Agreement.

(ii) *Early Termination.* Upon the occurrence or effective designation of an Early Termination Date in respect of a Transaction:—

(1) *Unpaid Amounts.* For the purpose of determining an Unpaid Amount in respect of the relevant Transaction, and to the extent permitted by applicable law, interest will accrue on the amount of any payment obligation or the amount equal to the fair market value of any obligation required to be settled by delivery included in such determination in the same currency as that amount, for the period from (and including) the date the relevant obligation was (or would have been but for Section 2(a)(iii) or 5(d)) required to have been performed to (but excluding) the relevant Early Termination Date, at the Applicable Close-out Rate.

(2) *Interest on Early Termination Amounts.* If an Early Termination Amount is due in respect of such Early Termination Date, that amount will, to the extent permitted by applicable law, be paid together with interest (before as well as after judgment) on that amount in the Termination Currency, for the period from (and including) such Early Termination Date to (but excluding) the date the amount is paid, at the Applicable Close-out Rate.

(iii) *Interest Calculation.* Any interest pursuant to this Section 9(h) will be calculated on the basis of daily compounding and the actual number of days elapsed.

## 10. Offices; Multibranch Parties

(a) If Section 10(a) is specified in the Schedule as applying, each party that enters into a Transaction through an Office other than its head or home office represents to and agrees with the other party that, notwithstanding the place of booking or its jurisdiction of incorporation or organisation, its obligations are the same in terms of recourse against it as if it had entered into the Transaction through its head or home office, except that a party will not have recourse to the head or home office of the other party in respect of any payment or delivery deferred pursuant to Section 5(d) for so long as the payment or delivery is so deferred. This representation and agreement will be deemed to be repeated by each party on each date on which the parties enter into a Transaction.

(b) If a party is specified as a Multibranch Party in the Schedule, such party may, subject to clause (c) below, enter into a Transaction through, book a Transaction in and make and receive payments and deliveries with respect to a Transaction through any Office listed in respect of that party in the Schedule (but not any other Office unless otherwise agreed by the parties in writing).

(c) The Office through which a party enters into a Transaction will be the Office specified for that party in the relevant Confirmation or as otherwise agreed by the parties in writing, and, if an Office for that party is not specified in the Confirmation or otherwise agreed by the parties in writing, its head or home office. Unless the parties otherwise agree in writing, the Office through which a party enters into a Transaction will also be the Office in which it books the Transaction and the Office through which it makes and receives payments and deliveries with respect to the Transaction. Subject to Section 6(b)(ii), neither party may change the Office in which it books the Transaction or the Office through which it makes and receives payments or deliveries with respect to a Transaction without the prior written consent of the other party.

## 11. Expenses

A Defaulting Party will on demand indemnify and hold harmless the other party for and against all reasonable out-of-pocket expenses, including legal fees, execution fees and Stamp Tax, incurred by such other party by reason of the enforcement and protection of its rights under this Agreement or any Credit Support Document to which the Defaulting Party is a party or by reason of the early termination of any Transaction, including, but not limited to, costs of collection.

## 12. Notices

(a) **Effectiveness.** Any notice or other communication in respect of this Agreement may be given in any manner described below (except that a notice or other communication under Section 5 or 6 may not be given by electronic messaging system or e-mail) to the address or number or in accordance with the electronic messaging system or e-mail details provided (see the Schedule) and will be deemed effective as indicated:—

- (i) if in writing and delivered in person or by courier, on the date it is delivered;
- (ii) if sent by telex, on the date the recipient's answerback is received;
- (iii) if sent by facsimile transmission, on the date it is received by a responsible employee of the recipient in legible form (it being agreed that the burden of proving receipt will be on the sender and will not be met by a transmission report generated by the sender's facsimile machine);
- (iv) if sent by certified or registered mail (airmail, if overseas) or the equivalent (return receipt requested), on the date it is delivered or its delivery is attempted;
- (v) if sent by electronic messaging system, on the date it is received; or

- (vi) if sent by e-mail, on the date it is delivered,

unless the date of that delivery (or attempted delivery) or that receipt, as applicable, is not a Local Business Day or that communication is delivered (or attempted) or received, as applicable, after the close of business on a Local Business Day, in which case that communication will be deemed given and effective on the first following day that is a Local Business Day.

- (b) **Change of Details.** Either party may by notice to the other change the address, telex or facsimile number or electronic messaging system or e-mail details at which notices or other communications are to be given to it.

### 13. Governing Law and Jurisdiction

- (a) **Governing Law.** This Agreement will be governed by and construed in accordance with the law specified in the Schedule.

- (b) **Jurisdiction.** With respect to any suit, action or proceedings relating to any dispute arising out of or in connection with this Agreement (“Proceedings”), each party irrevocably:—

- (i) submits:—

- (1) if this Agreement is expressed to be governed by English law, to (A) the non-exclusive jurisdiction of the English courts if the Proceedings do not involve a Convention Court and (B) the exclusive jurisdiction of the English courts if the Proceedings do involve a Convention Court; or

- (2) if this Agreement is expressed to be governed by the laws of the State of New York, to the non-exclusive jurisdiction of the courts of the State of New York and the United States District Court located in the Borough of Manhattan in New York City;

- (ii) waives any objection which it may have at any time to the laying of venue of any Proceedings brought in any such court, waives any claim that such Proceedings have been brought in an inconvenient forum and further waives the right to object, with respect to such Proceedings, that such court does not have any jurisdiction over such party; and

- (iii) agrees, to the extent permitted by applicable law, that the bringing of Proceedings in any one or more jurisdictions will not preclude the bringing of Proceedings in any other jurisdiction.

- (c) **Service of Process.** Each party irrevocably appoints the Process Agent, if any, specified opposite its name in the Schedule to receive, for it and on its behalf, service of process in any Proceedings. If for any reason any party’s Process Agent is unable to act as such, such party will promptly notify the other party and within 30 days appoint a substitute process agent acceptable to the other party. The parties irrevocably consent to service of process given in the manner provided for notices in Section 12(a)(i), 12(a)(iii) or 12(a)(iv). Nothing in this Agreement will affect the right of either party to serve process in any other manner permitted by applicable law.

- (d) **Waiver of Immunities.** Each party irrevocably waives, to the extent permitted by applicable law, with respect to itself and its revenues and assets (irrespective of their use or intended use), all immunity on the grounds of sovereignty or other similar grounds from (i) suit, (ii) jurisdiction of any court, (iii) relief by way of injunction or order for specific performance or recovery of property, (iv) attachment of its assets (whether before or after judgment) and (v) execution or enforcement of any judgment to which it or its revenues or assets might otherwise be entitled in any Proceedings in the courts of any jurisdiction and irrevocably agrees, to the extent permitted by applicable law, that it will not claim any such immunity in any Proceedings.

## 14. Definitions

As used in this Agreement:—

**“Additional Representation”** has the meaning specified in Section 3.

**“Additional Termination Event”** has the meaning specified in Section 5(b).

**“Affected Party”** has the meaning specified in Section 5(b).

**“Affected Transactions”** means (a) with respect to any Termination Event consisting of an Illegality, Force Majeure Event, Tax Event or Tax Event Upon Merger, all Transactions affected by the occurrence of such Termination Event (which, in the case of an Illegality under Section 5(b)(i)(2) or a Force Majeure Event under Section 5(b)(ii)(2), means all Transactions unless the relevant Credit Support Document references only certain Transactions, in which case those Transactions and, if the relevant Credit Support Document constitutes a Confirmation for a Transaction, that Transaction) and (b) with respect to any other Termination Event, all Transactions.

**“Affiliate”** means, subject to the Schedule, in relation to any person, any entity controlled, directly or indirectly, by the person, any entity that controls, directly or indirectly, the person or any entity directly or indirectly under common control with the person. For this purpose, “control” of any entity or person means ownership of a majority of the voting power of the entity or person.

**“Agreement”** has the meaning specified in Section 1(c).

**“Applicable Close-out Rate”** means:—

(a) in respect of the determination of an Unpaid Amount:—

(i) in respect of obligations payable or deliverable (or which would have been but for Section 2(a)(iii)) by a Defaulting Party, the Default Rate;

(ii) in respect of obligations payable or deliverable (or which would have been but for Section 2(a)(iii)) by a Non-defaulting Party, the Non-default Rate;

(iii) in respect of obligations deferred pursuant to Section 5(d), if there is no Defaulting Party and for so long as the deferral period continues, the Applicable Deferral Rate; and

(iv) in all other cases following the occurrence of a Termination Event (except where interest accrues pursuant to clause (iii) above), the Applicable Deferral Rate; and

(b) in respect of an Early Termination Amount:—

(i) for the period from (and including) the relevant Early Termination Date to (but excluding) the date (determined in accordance with Section 6(d)(ii)) on which that amount is payable:—

(1) if the Early Termination Amount is payable by a Defaulting Party, the Default Rate;

(2) if the Early Termination Amount is payable by a Non-defaulting Party, the Non-default Rate; and

(3) in all other cases, the Applicable Deferral Rate; and



(ii) for the period from (and including) the date (determined in accordance with Section 6(d)(ii)) on which that amount is payable to (but excluding) the date of actual payment:—

(1) if a party fails to pay the Early Termination Amount due to the occurrence of an event or circumstance which would, if it occurred with respect to a payment or delivery under a Transaction, constitute or give rise to an Illegality or a Force Majeure Event, and for so long as the Early Termination Amount remains unpaid due to the continuing existence of such event or circumstance, the Applicable Deferral Rate;

(2) if the Early Termination Amount is payable by a Defaulting Party (but excluding any period in respect of which clause (1) above applies), the Default Rate;

(3) if the Early Termination Amount is payable by a Non-defaulting Party (but excluding any period in respect of which clause (1) above applies), the Non-default Rate; and

(4) in all other cases, the Termination Rate.

**“Applicable Deferral Rate”** means:—

(a) for the purpose of Section 9(h)(i)(3)(A), the rate certified by the relevant payer to be a rate offered to the payer by a major bank in a relevant interbank market for overnight deposits in the applicable currency, such bank to be selected in good faith by the payer for the purpose of obtaining a representative rate that will reasonably reflect conditions prevailing at the time in that relevant market;

(b) for purposes of Section 9(h)(i)(3)(B) and clause (a)(iii) of the definition of Applicable Close-out Rate, the rate certified by the relevant payer to be a rate offered to prime banks by a major bank in a relevant interbank market for overnight deposits in the applicable currency, such bank to be selected in good faith by the payer after consultation with the other party, if practicable, for the purpose of obtaining a representative rate that will reasonably reflect conditions prevailing at the time in that relevant market; and

(c) for purposes of Section 9(h)(i)(3)(C) and clauses (a)(iv), (b)(i)(3) and (b)(ii)(1) of the definition of Applicable Close-out Rate, a rate equal to the arithmetic mean of the rate determined pursuant to clause (a) above and a rate per annum equal to the cost (without proof or evidence of any actual cost) to the relevant payee (as certified by it) if it were to fund or of funding the relevant amount.

**“Automatic Early Termination”** has the meaning specified in Section 6(a).

**“Burdened Party”** has the meaning specified in Section 5(b)(iv).

**“Change in Tax Law”** means the enactment, promulgation, execution or ratification of, or any change in or amendment to, any law (or in the application or official interpretation of any law) that occurs after the parties enter into the relevant Transaction.

**“Close-out Amount”** means, with respect to each Terminated Transaction or each group of Terminated Transactions and a Determining Party, the amount of the losses or costs of the Determining Party that are or would be incurred under then prevailing circumstances (expressed as a positive number) or gains of the Determining Party that are or would be realised under then prevailing circumstances (expressed as a negative number) in replacing, or in providing for the Determining Party the economic equivalent of, (a) the material terms of that Terminated Transaction or group of Terminated Transactions, including the payments and deliveries by the parties under Section 2(a)(i) in respect of that Terminated Transaction or group of Terminated Transactions that would, but for the occurrence of the relevant Early Termination Date, have been required after that date (assuming satisfaction of the conditions precedent in

Section 2(a)(iii)) and (b) the option rights of the parties in respect of that Terminated Transaction or group of Terminated Transactions.

Any Close-out Amount will be determined by the Determining Party (or its agent), which will act in good faith and use commercially reasonable procedures in order to produce a commercially reasonable result. The Determining Party may determine a Close-out Amount for any group of Terminated Transactions or any individual Terminated Transaction but, in the aggregate, for not less than all Terminated Transactions. Each Close-out Amount will be determined as of the Early Termination Date or, if that would not be commercially reasonable, as of the date or dates following the Early Termination Date as would be commercially reasonable.

Unpaid Amounts in respect of a Terminated Transaction or group of Terminated Transactions and legal fees and out-of-pocket expenses referred to in Section 11 are to be excluded in all determinations of Close-out Amounts.

In determining a Close-out Amount, the Determining Party may consider any relevant information, including, without limitation, one or more of the following types of information:—

- (i) quotations (either firm or indicative) for replacement transactions supplied by one or more third parties that may take into account the creditworthiness of the Determining Party at the time the quotation is provided and the terms of any relevant documentation, including credit support documentation, between the Determining Party and the third party providing the quotation;
- (ii) information consisting of relevant market data in the relevant market supplied by one or more third parties including, without limitation, relevant rates, prices, yields, yield curves, volatilities, spreads, correlations or other relevant market data in the relevant market; or
- (iii) information of the types described in clause (i) or (ii) above from internal sources (including any of the Determining Party's Affiliates) if that information is of the same type used by the Determining Party in the regular course of its business for the valuation of similar transactions.

The Determining Party will consider, taking into account the standards and procedures described in this definition, quotations pursuant to clause (i) above or relevant market data pursuant to clause (ii) above unless the Determining Party reasonably believes in good faith that such quotations or relevant market data are not readily available or would produce a result that would not satisfy those standards. When considering information described in clause (i), (ii) or (iii) above, the Determining Party may include costs of funding, to the extent costs of funding are not and would not be a component of the other information being utilised. Third parties supplying quotations pursuant to clause (i) above or market data pursuant to clause (ii) above may include, without limitation, dealers in the relevant markets, end-users of the relevant product, information vendors, brokers and other sources of market information.

Without duplication of amounts calculated based on information described in clause (i), (ii) or (iii) above, or other relevant information, and when it is commercially reasonable to do so, the Determining Party may in addition consider in calculating a Close-out Amount any loss or cost incurred in connection with its terminating, liquidating or re-establishing any hedge related to a Terminated Transaction or group of Terminated Transactions (or any gain resulting from any of them).

Commercially reasonable procedures used in determining a Close-out Amount may include the following:—

- (1) application to relevant market data from third parties pursuant to clause (ii) above or information from internal sources pursuant to clause (iii) above of pricing or other valuation models that are, at the time of the determination of the Close-out Amount, used by the Determining Party in the regular course of its business in pricing or valuing transactions between the Determining Party and unrelated third parties that are similar to the Terminated Transaction or group of Terminated Transactions; and

(2) application of different valuation methods to Terminated Transactions or groups of Terminated Transactions depending on the type, complexity, size or number of the Terminated Transactions or group of Terminated Transactions.

**“Confirmation”** has the meaning specified in the preamble.

**“consent”** includes a consent, approval, action, authorisation, exemption, notice, filing, registration or exchange control consent.

**“Contractual Currency”** has the meaning specified in Section 8(a).

**“Convention Court”** means any court which is bound to apply to the Proceedings either Article 17 of the 1968 Brussels Convention on Jurisdiction and the Enforcement of Judgments in Civil and Commercial Matters or Article 17 of the 1988 Lugano Convention on Jurisdiction and the Enforcement of Judgments in Civil and Commercial Matters.

**“Credit Event Upon Merger”** has the meaning specified in Section 5(b).

**“Credit Support Document”** means any agreement or instrument that is specified as such in this Agreement.

**“Credit Support Provider”** has the meaning specified in the Schedule.

**“Cross-Default”** means the event specified in Section 5(a)(vi).

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

**“Defaulting Party”** has the meaning specified in Section 6(a).

**“Designated Event”** has the meaning specified in Section 5(b)(v).

**“Determining Party”** means the party determining a Close-out Amount.

**“Early Termination Amount”** has the meaning specified in Section 6(e).

**“Early Termination Date”** means the date determined in accordance with Section 6(a) or 6(b)(iv).

**“electronic messages”** does not include e-mails but does include documents expressed in markup languages, and **“electronic messaging system”** will be construed accordingly.

**“English law”** means the law of England and Wales, and **“English”** will be construed accordingly.

**“Event of Default”** has the meaning specified in Section 5(a) and, if applicable, in the Schedule.

**“Force Majeure Event”** has the meaning specified in Section 5(b).

**“General Business Day”** means a day on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits).

**“Illegality”** has the meaning specified in Section 5(b).

**“Indemnifiable Tax”** means any Tax other than a Tax that would not be imposed in respect of a payment under this Agreement but for a present or former connection between the jurisdiction of the government or taxation authority imposing such Tax and the recipient of such payment or a person related to such recipient (including, without limitation, a connection arising from such recipient or related person being or having been a citizen or resident of such jurisdiction, or being or having been organised, present or engaged in a trade or business in such jurisdiction, or having or having had a permanent establishment or fixed place of business in such jurisdiction, but excluding a connection arising solely from such recipient or related person having executed, delivered, performed its obligations or received a payment under, or enforced, this Agreement or a Credit Support Document).

**“law”** includes any treaty, law, rule or regulation (as modified, in the case of tax matters, by the practice of any relevant governmental revenue authority), and **“unlawful”** will be construed accordingly.

**“Local Business Day”** means (a) in relation to any obligation under Section 2(a)(i), a General Business Day in the place or places specified in the relevant Confirmation and a day on which a relevant settlement system is open or operating as specified in the relevant Confirmation or, if a place or a settlement system is not so specified, as otherwise agreed by the parties in writing or determined pursuant to provisions contained, or incorporated by reference, in this Agreement, (b) for the purpose of determining when a Waiting Period expires, a General Business Day in the place where the event or circumstance that constitutes or gives rise to the Illegality or Force Majeure Event, as the case may be, occurs, (c) in relation to any other payment, a General Business Day in the place where the relevant account is located and, if different, in the principal financial centre, if any, of the currency of such payment and, if that currency does not have a single recognised principal financial centre, a day on which the settlement system necessary to accomplish such payment is open, (d) in relation to any notice or other communication, including notice contemplated under Section 5(a)(i), a General Business Day (or a day that would have been a General Business Day but for the occurrence of an event or circumstance which would, if it occurred with respect to payment, delivery or compliance related to a Transaction, constitute or give rise to an Illegality or a Force Majeure Event) in the place specified in the address for notice provided by the recipient and, in the case of a notice contemplated by Section 2(b), in the place where the relevant new account is to be located and (e) in relation to Section 5(a)(v)(2), a General Business Day in the relevant locations for performance with respect to such Specified Transaction.

**“Local Delivery Day”** means, for purposes of Sections 5(a)(i) and 5(d), a day on which settlement systems necessary to accomplish the relevant delivery are generally open for business so that the delivery is capable of being accomplished in accordance with customary market practice, in the place specified in the relevant Confirmation or, if not so specified, in a location as determined in accordance with customary market practice for the relevant delivery.

**“Master Agreement”** has the meaning specified in the preamble.

**“Merger Without Assumption”** means the event specified in Section 5(a)(viii).

**“Multiple Transaction Payment Netting”** has the meaning specified in Section 2(c).

**“Non-affected Party”** means, so long as there is only one Affected Party, the other party.

**“Non-default Rate”** means the rate certified by the Non-defaulting Party to be a rate offered to the Non-defaulting Party by a major bank in a relevant interbank market for overnight deposits in the applicable currency, such bank to be selected in good faith by the Non-defaulting Party for the purpose of obtaining a representative rate that will reasonably reflect conditions prevailing at the time in that relevant market.

**“Non-defaulting Party”** has the meaning specified in Section 6(a).

**“Office”** means a branch or office of a party, which may be such party’s head or home office.

**“Other Amounts”** has the meaning specified in Section 6(f).

**“Payee”** has the meaning specified in Section 6(f).

**“Payer”** has the meaning specified in Section 6(f).

**“Potential Event of Default”** means any event which, with the giving of notice or the lapse of time or both, would constitute an Event of Default.

**“Proceedings”** has the meaning specified in Section 13(b).

**“Process Agent”** has the meaning specified in the Schedule.

**“rate of exchange”** includes, without limitation, any premiums and costs of exchange payable in connection with the purchase of or conversion into the Contractual Currency.

**“Relevant Jurisdiction”** means, with respect to a party, the jurisdictions (a) in which the party is incorporated, organised, managed and controlled or considered to have its seat, (b) where an Office through which the party is acting for purposes of this Agreement is located, (c) in which the party executes this Agreement and (d) in relation to any payment, from or through which such payment is made.

**“Schedule”** has the meaning specified in the preamble.

**“Scheduled Settlement Date”** means a date on which a payment or delivery is to be made under Section 2(a)(i) with respect to a Transaction.

**“Specified Entity”** has the meaning specified in the Schedule.

**“Specified Indebtedness”** means, subject to the Schedule, any obligation (whether present or future, contingent or otherwise, as principal or surety or otherwise) in respect of borrowed money.

**“Specified Transaction”** means, subject to the Schedule, (a) any transaction (including an agreement with respect to any such transaction) now existing or hereafter entered into between one party to this Agreement (or any Credit Support Provider of such party or any applicable Specified Entity of such party) and the other party to this Agreement (or any Credit Support Provider of such other party or any applicable Specified Entity of such other party) which is not a Transaction under this Agreement but (i) which is a rate swap transaction, swap option, basis swap, forward rate transaction, commodity swap, commodity option, equity or equity index swap, equity or equity index option, bond option, interest rate option, foreign exchange transaction, cap transaction, floor transaction, collar transaction, currency swap transaction, cross-currency rate swap transaction, currency option, credit protection transaction, credit swap, credit default swap, credit default option, total return swap, credit spread transaction, repurchase transaction, reverse repurchase transaction, buy/sell-back transaction, securities lending transaction, weather index transaction or forward purchase or sale of a security, commodity or other financial instrument or interest (including any option with respect to any of these transactions) or (ii) which is a type of transaction that is similar to any transaction referred to in clause (i) above that is currently, or in the future becomes, recurrently entered into in the financial markets (including terms and conditions incorporated by reference in such agreement) and which is a forward, swap, future, option or other derivative on one or more rates, currencies, commodities, equity securities or other equity instruments, debt securities or other debt instruments, economic indices or measures of economic risk or value, or other benchmarks against which payments or deliveries are to be made, (b) any combination of these transactions and (c) any other transaction identified as a Specified Transaction in this Agreement or the relevant confirmation.

**“Stamp Tax”** means any stamp, registration, documentation or similar tax.

**“Stamp Tax Jurisdiction”** has the meaning specified in Section 4(e).

**“Tax”** means any present or future tax, levy, impost, duty, charge, assessment or fee of any nature (including interest, penalties and additions thereto) that is imposed by any government or other taxing authority in respect of any payment under this Agreement other than a stamp, registration, documentation or similar tax.

**“Tax Event”** has the meaning specified in Section 5(b).

**“Tax Event Upon Merger”** has the meaning specified in Section 5(b).

**“Terminated Transactions”** means, with respect to any Early Termination Date, (a) if resulting from an Illegality or a Force Majeure Event, all Affected Transactions specified in the notice given pursuant to Section 6(b)(iv), (b) if resulting from any other Termination Event, all Affected Transactions and (c) if resulting from an Event of Default, all Transactions in effect either immediately before the effectiveness of the notice designating that Early Termination Date or, if Automatic Early Termination applies, immediately before that Early Termination Date.

**“Termination Currency”** means (a) if a Termination Currency is specified in the Schedule and that currency is freely available, that currency, and (b) otherwise, euro if this Agreement is expressed to be governed by English law or United States Dollars if this Agreement is expressed to be governed by the laws of the State of New York.

**“Termination Currency Equivalent”** means, in respect of any amount denominated in the Termination Currency, such Termination Currency amount and, in respect of any amount denominated in a currency other than the Termination Currency (the “Other Currency”), the amount in the Termination Currency determined by the party making the relevant determination as being required to purchase such amount of such Other Currency as at the relevant Early Termination Date, or, if the relevant Close-out Amount is determined as of a later date, that later date, with the Termination Currency at the rate equal to the spot exchange rate of the foreign exchange agent (selected as provided below) for the purchase of such Other Currency with the Termination Currency at or about 11:00 a.m. (in the city in which such foreign exchange agent is located) on such date as would be customary for the determination of such a rate for the purchase of such Other Currency for value on the relevant Early Termination Date or that later date. The foreign exchange agent will, if only one party is obliged to make a determination under Section 6(e), be selected in good faith by that party and otherwise will be agreed by the parties.

**“Termination Event”** means an Illegality, a Force Majeure Event, a Tax Event, a Tax Event Upon Merger or, if specified to be applicable, a Credit Event Upon Merger or an Additional Termination Event.

**“Termination Rate”** means a rate per annum equal to the arithmetic mean of the cost (without proof or evidence of any actual cost) to each party (as certified by such party) if it were to fund or of funding such amounts.

**“Threshold Amount”** means the amount, if any, specified as such in the Schedule.

**“Transaction”** has the meaning specified in the preamble.

**“Unpaid Amounts”** owing to any party means, with respect to an Early Termination Date, the aggregate of (a) in respect of all Terminated Transactions, the amounts that became payable (or that would have become payable but for Section 2(a)(iii) or due but for Section 5(d)) to such party under Section 2(a)(i) or 2(d)(i)(4) on or prior to such Early Termination Date and which remain unpaid as at such Early Termination Date, (b) in respect of each Terminated Transaction, for each obligation under Section 2(a)(i) which was (or would have been but for Section 2(a)(iii) or 5(d)) required to be settled by delivery to such party on or prior to such Early Termination Date and which has not been so settled as at such Early Termination Date, an amount equal to the fair market value of that which was (or would have been) required to be delivered and (c) if the Early Termination Date results from an Event of Default, a Credit Event Upon Merger or an Additional Termination Event in respect of which all outstanding Transactions are Affected Transactions, any Early Termination Amount due prior to such Early Termination Date and which remains unpaid as of such Early Termination Date, in each case together with any amount of interest accrued or other

compensation in respect of that obligation or deferred obligation, as the case may be, pursuant to Section 9(h)(ii)(1) or (2), as appropriate. The fair market value of any obligation referred to in clause (b) above will be determined as of the originally scheduled date for delivery, in good faith and using commercially reasonable procedures, by the party obliged to make the determination under Section 6(e) or, if each party is so obliged, it will be the average of the Termination Currency Equivalents of the fair market values so determined by both parties.

**“Waiting Period”** means:—

(a) in respect of an event or circumstance under Section 5(b)(i), other than in the case of Section 5(b)(i)(2) where the relevant payment, delivery or compliance is actually required on the relevant day (in which case no Waiting Period will apply), a period of three Local Business Days (or days that would have been Local Business Days but for the occurrence of that event or circumstance) following the occurrence of that event or circumstance; and

(b) in respect of an event or circumstance under Section 5(b)(ii), other than in the case of Section 5(b)(ii)(2) where the relevant payment, delivery or compliance is actually required on the relevant day (in which case no Waiting Period will apply), a period of eight Local Business Days (or days that would have been Local Business Days but for the occurrence of that event or circumstance) following the occurrence of that event or circumstance.

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

.....  
(Name of Party)

.....  
(Name of Party)

By: .....

By: .....

Name:

Name:

Title:

Title:

Date:

Date: