

General Counterparty Trading Account Terms and Conditions (Part H)

PART H. GENERAL COUNTERPARTY TRADING ACCOUNT TERMS AND CONDITIONS

All General Trading Accounts opened and/or maintained with the Bank shall be governed by the terms and conditions set out in this Part H PROVIDED ALWAYS that any obligations owed by the Bank pursuant to the provisions of this Part H (and the General Conditions) are conditional upon your acceptance and acknowledgement of the Risk Disclosure Statement(s) set out in Appendix 1 hereto and such other relevant risk disclosure statements as may be specified by the Bank:

H1. General

H1.1 The provisions of this Part H supplement and are additional to the General Conditions. The provisions of this Part H shall be read together with the General Conditions and shall be considered an integral part of the General Conditions.

H1.2 Unless the context otherwise requires or this Part H expressly provides otherwise, all words and expressions as defined in the General Conditions shall have the same meanings when used or referred to in this Part H and expressions shall have the meanings ascribed to them respectively when used in this Part H and in the General Conditions. In the event of any conflict or inconsistency between any of this Part H with any of the General Conditions as supplemented by this Part H, this Part H shall prevail and the General Conditions as supplemented by this Part H shall be deemed to have been amended to the extent necessary to give effect to this Part H.

H2. Definitions

H2.1 In this Part H, the following words and expressions shall have the meanings set out hereunder unless the context otherwise requires:

- (a) "Accredited Investor" has the meaning set out in the Securities and Futures Act (Chapter 289 of Singapore).
- (b) "Applicable Laws" means all relevant or applicable statutes, laws, rules, regulations, notice, directives, circulars, guidelines, practice notes and interpretations (and any and all forms, letters, undertakings, agreements, deeds, contracts and all other documentation prescribed thereunder) (whether of governmental body, regulatory or other authority, market, exchange, clearing house or self-regulatory organisation), whether or not having legal and binding effect, in Singapore or outside Singapore as may be applicable.
- (c) "Agreed Process" means any process agreed between the Bank and you in respect of a Dispute other than the Dispute Resolution Procedure in each case as may be amended between them, if applicable. Where the parties have agreed to an ISDA Master Agreement or other ISDA documentation, this includes, without limitation, the process in (a) Section 13 of any ISDA Master Agreement, (b) Paragraph 4 of an ISDA Credit Support Annex (Bilateral Form – Transfer), or (c) Paragraph 5 of each of the ISDA Credit Support Deed (Bilateral Form – Security Interest) and the ISDA Credit Support Annex (Bilateral Form).
- (d) "Business Day" means any day on which the Bank is open for business in Singapore.
- (e) "Confirmation" is the written notice (including facsimile or other electronic means from which it is possible to produce a hard copy), which contains the specific terms of a Transaction entered into between the parties. Ancillary agreements referred to in the Confirmation are part of such Confirmation.
- (f) "Currency" means money denominated in the lawful currency of any jurisdiction.
- (g) "Default" means any of the events of default described in Clause H8.
- (h) "Dispute" means any dispute between the Bank or you (a) which, in the sole opinion of the party delivering the relevant Dispute Notice, is required to be subject to the Dispute Resolution Procedure (or other Agreed Process) pursuant to the Dispute Resolution Risk Mitigation Requirements; and (b) in respect of which a Dispute Notice has been effectively delivered.
- (i) "Dispute Date" means, with respect to a Dispute, the date on which a Dispute Notice is effectively delivered by the Bank or you to the other party. If, with respect to a Dispute, both parties deliver a Dispute Notice, the date on which the first in time of such notices is effectively delivered will be the Dispute Date. Each Dispute Notice will be effectively delivered if delivered in the manner agreed between the parties for the giving of notices in respect of the Consolidated Terms or in any other manner as agreed upon by the parties.
- (j) "Dispute Notice" means a notice in writing (whether via email, facsimile transmission, post or other written form of communication) which sets out in reasonable detail the issue in dispute (including, without limitation, the Relevant Transaction(s) to which the issue relates).
- (k) "Dispute Resolution Procedure" means the identification and resolution procedure set out in clause H6C.
- (l) "Dispute Resolution Risk Mitigation Requirements" means the dispute resolution risk mitigation requirements set out in regulation 54B of the Regulations and paragraphs 8 and 5.4(c) of the MAS Risk Mitigation Guidelines.
- (m) The "Equivalent Value" or "Equivalent Amount" of any thing shall be its value as determined in good faith by the Bank in its sole and absolute discretion in such Currency as the Bank deems fit.
- (n) "Financial Counterparty" means "financial counterparty" as defined under paragraph 2.2 of the MAS Risk Mitigation Guidelines.
- (o) "GCT Account" means the account on which you effect Transactions or for which you provide security or Margin pursuant to these GCT Terms.

- (p) “GCT Terms” means the provisions of this Part H, any additional terms and conditions and/or separate addendum as the Bank may from time to time prescribe or stipulate to be applicable to the GCT Account, any Order, Transaction or Service and the General Conditions.
- (q) “Loss” means any and all loss, damage, costs, charges, and/or expenses of whatsoever nature and howsoever arising including legal fees on a full indemnity basis, cost of funding and loss or cost incurred as a result of the terminating, liquidating or re-establishing of any hedge or related trading position.
- (r) “MAS” means the Monetary Authority of Singapore.
- (s) “MAS Risk Mitigation Guidelines” means the Guidelines on Risk Mitigation Requirements for Non-Centrally Cleared Over-the-Counter Derivatives Contracts dated 17th January 2019 issued by the MAS (as may be amended from time to time).
- (t) “Margin” means any Currencies, cash, and at the Bank’s sole and absolute discretion, securities or other properties (including without limitation funds, bonds, notes and other financial instruments or other of your interests) deposited with or held by the Bank or its nominees as security or credit support for any Transaction or your obligations herein. “Available Margin” means such portion of the Margin which the Bank deems available for use as security or credit support for Transactions or any of them.
- (u) “Officer” means any officer or employee of the Bank.
- (v) “Order” means any offer or instruction from you to enter into a Transaction, or any request, application or order in whatever form and howsoever sent, given or transmitted to the Bank by you or which the Bank or an Officer believes to be a request, application or order from you and includes any request, application or order to revoke, ignore, vary or cancel any previous request, application or order.
- (w) “on a margin basis” means, in relation to a Transaction, that such Transaction is secured wholly or partially by Margin.
- (x) “OTCD Intermediaries” has the meaning given to it in paragraph 1.1 of the MAS Risk Mitigation Guidelines, and “OTCD Intermediary” shall be construed accordingly.
- (y) “party” means either the Bank or you and “parties” means both the Bank and you.
- (z) “person” includes any government, statutory body, business, firm, partnership, corporation or unincorporated body.
- (aa) “Portfolio Reconciliation Requirements” means the requirements the Bank and/or you are subject to in accordance with the Portfolio Reconciliation Risk Mitigation Requirements.
- (bb) “Portfolio Reconciliation Risk Mitigation Requirements” means the portfolio reconciliation risk mitigation requirements set out in regulation 54B of the Regulations and paragraph 6 of the MAS Risk Mitigation Guidelines.
- (cc) “PR Requirement Start Date” means the first calendar day on which the Portfolio Reconciliation Requirements apply to one or both of the Bank and/or you.
- (dd) “Regulations” means the Securities and Futures (Licensing and Conduct of Business) Regulations.
- (ee) “Relevant Transaction” means any Transaction which is subject to the Portfolio Reconciliation Risk Mitigation Requirements and/or the Dispute Resolution Risk Mitigation Requirements.
- (ff) “Transaction” includes any transaction in any Currency, commodity, product, financial instrument, security, index, interest rate, or thing, on whatsoever basis, including spot, forward, option, cap, collar, floor, spread, hybrid, and/or such other transactions or derivatives thereof whether physically settled, cash settled or otherwise, whether on a margin or leveraged basis or otherwise.

H3. Transactions on GCT Account

- H3.1 All Transactions on the GCT Account are entered into in reliance on the fact that these GCT Terms and all outstanding Transactions (and to the extent recorded in a Confirmation, each such Confirmation) shall form a single agreement between the Bank and you and the Bank would not otherwise enter into any such Transactions. However, a Transaction which has been duly settled or liquidated in accordance with its terms will not form part of such single agreement.
- H3.2 Unless the Bank otherwise agrees with you, each obligation of the Bank to make any payment to you is subject to the condition precedent that there is no Default subsisting.
- H3.3 The Bank may engage or appoint any person (who is not an Officer or related to the Bank) to carry out any Order or to exercise any authority granted by you to the Bank (whether under these GCT Terms or otherwise) and, provided the Bank has engaged or appointed such person in good faith, the Bank shall not be liable to you for any and all loss, damage or liability suffered or incurred by you as a result of any act or omission of such person or entity.
- H3.4 You shall not without the prior written consent of the Bank assign, charge or encumber any GCT Account or your rights, title, interest or any other entitlement therein, or create or permit to create, in favour of any person (other than the Bank) any right, title, interest or other entitlement in, or any encumbrance over, any GCT Account (by way of trust or otherwise). The Bank shall not be required to recognise any person other than you as having any right, title, interest or other entitlement in any GCT Account.
- H3.5 The Bank shall be entitled (but not obliged) to record (by any means) any communications (through any medium) between the Bank and you or any servant or agent of yours using any recording apparatus, without prior warning or

notice to you. Any such recording may be used in evidence against you. The Bank need not retain any such recording for any period of time except as may be required by Applicable Laws.

H3.6 Unless you are otherwise notified by the Bank, the Bank shall assume the role of the counter-party to any Transaction which the Bank has been instructed to effect and the Bank shall be absolutely entitled to all gains, profits and benefits derived from any such Transaction between you and the Bank.

H3.7 If on any date amounts would otherwise be payable:

(a) in the same Currency; and

(b) in respect of the same Transaction on the GCT Account,

by each of you and the Bank to the other party, then, on such date, each of you and the Bank'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 amount would have been payable to pay to the other party the excess of the larger amount over the smaller aggregate amount.

H3.8 Both you and the Bank may elect in respect of two or more Transactions on the GCT Account 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 on the GCT Account, regardless of whether such amounts are payable in respect of the same Transaction. The election may be made in any Confirmation by specifying that "multiple transaction payment netting" applies to the Transactions identified as being subject to the election (in which case, Clause H3.7(b) 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 such Confirmation, or, if a starting date is not specified in such Confirmation, the starting date otherwise agreed by you and the Bank in writing. This election may be made separately for separate groups of Transactions and will apply separately to each pairing of offices through which you and the Bank make and receive payments or deliveries.

H4. Transactions Limits and Restrictions

H4.1 You shall not exceed any position or Transaction limits, or trading or Transaction restrictions imposed by the Bank from time to time. Such limits may include minimum sizes for Transactions, specified times or procedures for communicating Orders or Instructions to the Bank or otherwise.

H4.2 The Bank may, by notice orally or in writing to you, vary any position or Transaction limits, trading or Transaction restrictions or trading procedures at any time at its sole and absolute discretion. You acknowledge that such notice may, in certain circumstances, effect an immediate change in limits or levels, which period may, in certain circumstances, be less than 24 hours, and you hereby waive any right to object on the grounds that such notice is or was unreasonable. No previous limit, restriction or procedure shall set a precedent or bind the Bank.

H5. Margin

H5.1 You shall deposit and/or maintain in the GCT Account or otherwise as the Bank directs Margin in compliance with all margin levels imposed by the Bank from time to time, whether or not such requirement of the Bank is identical to or reflects or is greater than any applicable Margin requirements of any governmental or self-regulatory organisation in any jurisdiction which is required to be maintained by the Bank and/or you. The Bank will act in a commercially reasonable manner and good faith, and will consider the Relevant Transaction's mark-to-market value, where available.

H5.2 The value of any Margin shall be as determined by the Bank from time to time in its sole and absolute discretion and acting in a commercially and reasonable manner.

H5.3 You hereby acknowledge and agree that separate Margin shall be provided by you in respect of each GCT Account as the Bank may require, and that the Margin in respect of each GCT Account shall be treated as separate for the purposes of this Part H. Upon specific instructions provided by you, the Bank may (but is not obliged to) transfer all or part of the Margin held by the Bank for you in respect of any GCT Account to any other Accounts or to utilise such Margin for any purpose as required by you.

H5.4 The Bank may with or without notice to you, vary the Margin requirements for any GCT Account at any time and by any level, and may also stipulate that such Margin requirements shall apply to existing positions as well as new positions in the Transaction affected by such variation. You acknowledge that the Bank may, in certain market conditions, effect an immediate variation in Margin limits or levels and/or require additional Margin to be deposited immediately (including without limitation by way of a Margin call) or within a specified period of time which may be less than 24 hours, without giving any statement or document supporting, justifying or explaining its basis or calculations for any of the foregoing, and waive any right to object on the grounds that such requirement is unreasonable. No previous Margin requirements shall set a precedent or bind the Bank.

H5.5 If the Bank determines that additional Margin is required, you shall deposit with the Bank such additional Margin immediately upon demand, provided that, notwithstanding any such demand for additional Margin, the Bank may at any time exercise its rights set out in Clause H8. In making such determination in respect of the Margin provided for any GCT Account, the Bank shall not be required to take into consideration Margin held by the Bank for you in respect of any other GCT Account or such other account which you hold with the Bank.

- H5.6 You acknowledge that the Margin may be held and used to secure the performance of your obligations as well as for such other purposes as the Applicable Laws may permit or stipulate for the Transactions entered into.
- H5.7 All Margin shall be held by the Bank, notwithstanding any provisions or Instructions to the contrary, as continuing security and shall be subject to the Bank's Master Security Document (Deposits, Securities and Gold) and a general lien and right of set-off in favour of the Bank for any and all of your liabilities to the Bank (whether contingent or actual, present or future, solely or jointly or as principal or surety) under these GCT Terms or otherwise, and the Bank may realise any of the Margin as provided for in these GCT Terms and/or the Bank's Master Security Document (Deposits, Securities and Gold).
- H5.8 The Bank shall be entitled to deposit, pledge, repledge, hypothecate, rehypothecate, invest or loan any Margin in whatever form provided to the Bank or otherwise, and shall not be under any obligation to account to you for any interest, income or benefit that may be derived therefrom. No interest shall be paid on any type of Margin deposited by you with the Bank and you acknowledge and consent that interest earned on the Margin deposited under these GCT Terms may be retained by the Bank for its own account and benefit. The Bank shall at no time be required to deliver to you the identical property delivered to or purchased by the Bank as Margin for any GCT Account(s) but only property of substantially the same kind and amount, subject to adjustments for quantity and quality variations at the market price prevailing at the time of such delivery.
- H5.9 You shall at your own cost and at the Bank's request, execute and do all such deeds, acts and things (including the performance of such further acts or the execution and delivery of any additional instruments or documents) as the Bank may require for the purposes of these GCT Terms, including perfecting the Bank's rights to the Margin provided by you.
- H5.10 Subject to Applicable Laws, the Bank may deposit any Margin with any third party and may co-mingle such Margin with the cash and properties of the Bank or of such other person(s) as may be determined by the Bank.
- H5.11 Without prejudice to the generality of the foregoing, all Margin shall additionally be subject to the Bank's general rights in respect of your moneys and property under Clauses A21 and H12.

H6. Applicable Laws

- H6.1 Your relationship with the Bank, the opening, maintaining and operation of all Accounts, the provision of all Services and facilities and the implementation and/or execution of all Orders and the entry into and settlement of all Transactions, shall be subject at all times to the Applicable Laws. Notwithstanding anything herein to the contrary, the Bank may take or refrain from taking any action whatsoever, and you shall do all things required by the Bank (including giving your full cooperation with any market, exchange or clearing house), in order for the Bank to secure, procure or ensure compliance with Applicable Laws and the Bank shall have no liability whatsoever to you.

H6A. Portfolio Reconciliation

- H6A.1 You represent and warrant that you are not a Financial Counterparty. You agree that any reconciliation of Relevant Transactions as required by the Portfolio Reconciliation Risk Mitigation Requirements shall be by way of the Bank sending periodic statements reflecting the valuations and the material terms (if any) of the Relevant Transactions. You agree to review and examine the statements sent to you and ensure that the contents therein are accurately recorded.
- H6A.2 The Bank and you acknowledge that the Portfolio Reconciliation Risk Mitigation Requirements and the Dispute Resolution Risk Mitigation Requirements will only take effect from the PR Requirement Start Date and the obligations under clause H6A relating thereto shall only be complied with effect from such date.

H6B. Customer's Change in Status

- H6B.1 You, being a non-Financial Counterparty, shall inform the Bank in writing as soon as practicable of your becoming a Financial Counterparty. On the Bank's request, you shall also provide evidence regarding such change.
- H6B.2 Following effective delivery of the written notice referred to in clause H6B.1, the performance of any portfolio reconciliation notified by the Bank to you as a result of such change in status (if any) shall take effect on a date notified by the Bank to you.

H6C. Dispute Identification and Resolution Procedure

- H6C.1 The Bank and you agree that they will use the following procedure to identify and resolve Disputes between them:
- (a) either party may identify a dispute which is required to be subject to the Dispute Resolution Procedure pursuant to the Dispute Resolution Risk Mitigation Requirements by sending a Dispute Notice to the other party; and
 - (b) on or following the Dispute Date, the parties will consult in good faith in an attempt to resolve the Dispute in a timely manner, including, without limitation, by exchanging any relevant information and by identifying and using any Agreed Process which can be applied to the subject of the Dispute or, where no such Agreed Process exists or the parties agree that such Agreed Process would be unsuitable, determining and applying a resolution method for the Dispute.

H6D. One-Way Confirmation

H6D.1 The Bank and you agree that the parties shall use one-way confirmation (negative affirmation) to confirm transactions under this Part H, provided that such confirmation (i) is not prohibited under applicable laws and regulations and (ii) would be legally binding on the parties.

H6E Relationship to other portfolio reconciliation and dispute resolution processes

Clauses H6A to H6D and any action or inaction of either party in respect of it are without prejudice to any rights or obligations the parties may possess in respect of each other under any Agreed Process or other contractual agreement, by operation of law or otherwise. Action or inaction by a party in respect of these clauses will not be presumed to operate as an exercise or waiver, in whole or part, of any right, power or privilege such party may have in respect of each other under any Agreed Process, the Consolidated Terms or other contractual agreement, by operation of law or otherwise. In particular, but without limitation:

- (a) any valuation in respect of one or more Relevant Transactions for the purposes of clauses H6A to H6D will be without prejudice to any other valuation with respect to such Relevant Transaction(s) made for collateral, close out, dispute or other purpose;
- (b) the parties may seek to identify and resolve issues and discrepancies between themselves before either party delivers a Dispute Notice; and
- (c) nothing in clauses H6A to H6D obliges a party to deliver a Dispute Notice following the identification of any such issue or discrepancy (notwithstanding that such issue or discrepancy may remain unresolved) or limits the rights of the parties to serve a Dispute Notice, to commence or continue an Agreed Process (whether or not any action under clause H6C has occurred) or otherwise to pursue any dispute resolution process in respect of any such issue or discrepancy (whether or not any action under clause H6C has occurred).

H7. Joint Accounts

H7.1 Without prejudice to the Bank's rights pursuant to Clause A10, if a GCT Account is opened or maintained in the name of more than one person or a partnership, the Bank shall be entitled to debit that GCT Account at any time in respect of any sum howsoever due or owed to the Bank by any of the persons in whose name the GCT Account is opened or maintained or constituting the partnership.

H8. Default

H8.1 A "Default" shall be deemed to occur if: -

- (a) you have failed to comply with any of your obligations hereunder or under any GCT Account or Transaction (including any failure by you to make when due, any payment or delivery required to be made by you under this Part H or the General Conditions or in respect of any GCT Account or Transaction);
- (b) any representation, warranty, agreement or undertaking made by you to the Bank (whether under or in relation to this Agreement or otherwise) or any other material statement made by you in or in relation to the same being untrue, inaccurate, incomplete or misleading in any respect at the time when made by you or thereafter at any time becomes untrue, inaccurate, incomplete or misleading in any respect and you fail to promptly inform the Bank of the true position;
- (c) you fail to promptly provide the Bank with verification of your identity or status or the identity or status of any person empowered by you to act on your behalf or information and/or documents in relation to credit checks and assessments conducted by the Bank;
- (d) (in the event you are an individual) you shall die, become bankrupt or insane, commit an act of bankruptcy, or have action to place you in bankruptcy commenced against you;
- (e) (in the event you are a partnership) any of your partners thereof shall die, become bankrupt or insane, commit an act of bankruptcy, or have action to place him/her in bankruptcy commenced, or if action is commenced to dissolve and/or alter the partners or your constitution;
- (f) (in the event you are a corporation) you shall be unable to pay your debts as and when they are due, or action is commenced to place you in insolvency, judicial management, receivership, administrative management, or any similar or other proceedings;
- (g) if any indebtedness (including any obligation (whether present or future, actual or contingent, as principal or surety or otherwise) for the payment or repayment of any money) of yours is not paid on the due date or becomes capable at any time of being declared due and payable under agreements and instruments evidencing such indebtedness before it would otherwise have been due and payable;
- (h) any claim, action or proceeding of any nature is commenced or levied against you (whether for any injunction, writ of seizure and sale, execution, attachment or garnishment, or any distress against or by an encumbrance taking possession of the whole or any part of your funds, property, undertaking or assets (tangible or intangible) or otherwise), or steps are taken by any person to enforce any security against you;

- (i) you convene a meeting of your creditors or propose or make any compromise or arrangement with or assignment for the benefit of your creditors;
- (j) the Bank has concerns in relation to your creditworthiness, financial status or verification of your identity;
- (k) the Bank determines in its sole and absolute discretion that you have acted in an abusive manner to any representative of the Bank;
- (l) if you have, or the Bank suspects that you may have, committed or been convicted of any crime;
- (m) unless alternative arrangements have been made between the Bank and you with reference to a specific absence by you, at any time the Bank is not able to contact you within 24 hours using reasonable means and contact points known to the Bank;
- (n) the Bank forms the view, in good faith, that it should take action in order to protect or preserve its rights or interests under any GCT Account or under its relationship with you or to prevent a violation of any Applicable Laws or good standards of market practice;
- (o) any action is taken or event occurs which the Bank considers might have a material adverse effect upon your ability to perform any of your obligations under this Part H, the General Conditions or any Transaction;
- (p) there occurs or exists (i) an event described in Clause H8.1(a) to (o) above under one or more agreements or instruments entered into by you with any party (including the Bank) ("Other Agreement") or (ii) an event which constitutes a default or event or default (howsoever defined or described) under any Other Agreement; or the Bank believes that any of the circumstances set out under Clause H8.1(a) to (l) above are likely to happen and the Bank also believes that any action described in Clause H8.2 below is necessary, desirable or expedient to protect its interests or the interests of the Bank's other clients,

PROVIDED in the event of a Default under Clause H8.1(d),(e) or (f), all outstanding Transactions (including any Transaction which has not been performed and in respect of which the value date as determined by the Bank is on or precedes the date on which the Bank terminates such Transaction) entered between you and the Bank shall be deemed immediately liquidated at prevailing prices and the amounts resulting converted into Singapore dollars or such other Currency as the Bank may from time to time use as the principal Currency of its business (together with all Margin duly converted into Singapore dollars or such other Currency as the Bank may from time to time use as the principal Currency of its business) at the Bank's prevailing rates and set-off against each other and the Margin prior to the Bank resorting to its rights under Clause H8.2(a) to (c), and/or payment or repayment to you (if applicable).

H8.2

Without prejudice to any other right of the Bank hereunder or otherwise at law, in the event of Default, the Bank may (but is not obliged to) immediately or at any time thereafter, do any one or more of the following: -

- (a) freeze, suspend (indefinitely or otherwise) or terminate any GCT Account, or the Bank's relationship with you and accelerate any and all liabilities of yours to the Bank so that they shall become immediately due and payable;
- (b) close-out any outstanding Transaction (including any Transaction which has yet to be settled on the date on which the Bank terminates such Transaction) by determining its Equivalent Value in good faith as of the date of the close-out as soon as practicable after the close-out and determine any Loss suffered by the Bank as a result thereof;
- (c) liquidate the whole or part of the Margin or any other property for the time being held by the Bank for your account in connection with your GCT Account or your Transactions under your GCT Account at a price which the Bank deems appropriate in the circumstances;
- (d) call upon any security or exercise any of its rights under the Bank's Master Security Document (Deposits, Securities and Gold), these GCT Terms or otherwise;
- (e) apply any amounts of whatsoever nature standing to your credit against any Loss and/or amounts which you owe to the Bank (of whatsoever nature and howsoever arising, including any contingent amounts), or generally to exercise the Bank's right of set-off against you under this Part H, the General Conditions, Applicable Laws or otherwise;
- (f) demand any shortfall after sub-Clause (e) above from you, hold any excess pending full settlement of any of your other obligations, or pay any excess to you by way of cheque to your last known address;
- (g) do or omit to do anything which the Bank believes to be necessary, desirable or expedient to protect the Bank or its other clients; and/or
- (h) exercise such other authority and powers that may have been conferred upon the Bank by this Part H, the General Conditions or otherwise by you.

H8.3

If there occurs in relation to any Transaction or otherwise in relation to a GCT Account or GCT Accounts an Extraordinary Event (as defined below), the Bank shall have the sole discretion to determine any adjustments or action necessary in relation to such Transaction or any or all Transactions or otherwise to a GCT Account or GCT Accounts in view of the Extraordinary Event. Such adjustments or actions may include altering or varying the quantities of Currencies, securities, commodities, instruments or other underlyings or the exchange rates or specifications of Currencies, securities, commodities, instruments or other underlyings bought or sold in respect of such Transaction or some or all Transactions, or terminating the Transaction in question or some or all Transactions, or a GCT Account or GCT Accounts or otherwise. Provided the Bank undertakes such action in good faith, any such adjustment or action shall be binding on you who shall be liable for any additional loss, damages, costs, charges and/or expenses incurred by the Bank on your account or which you are consequently liable for as a result of such adjustment or action.

An “Extraordinary Event” shall mean any event or series of events which the Bank in good faith believes to have a material adverse effect on any Transaction or otherwise in relation to a GCT Account and shall include without limitation the imposition of governmental regulation, foreign exchange restriction or any form of exchange control restriction or requirement or similar sovereign act of whatsoever nature and in any jurisdiction, whether de facto or de jure that would affect, impair or delay the availability, convertibility, credit, transfers or repatriation of Currencies, commodities, securities, financial instruments, funds or other underlyings, any form of debt or other moratorium on jurisdictions, individuals or entities, any devaluation, redenomination or demonetisation of the underlying Currencies, commodities, securities, instruments or other underlyings of any Transaction and/or any form of restriction or requirement which in the Bank’s good faith opinion adversely alters or changes the rights or obligations which the Bank in good faith undertook upon the establishment of such Transaction or otherwise when opening or maintaining a GCT Account

H8.4 Either party may terminate any GCT Account by giving at least 5 Business Days’ notice in writing to the other party. In the event of such termination, the Bank may exercise its rights under Clause H8.2, including (but not limited to) close-out any or all outstanding Transactions in accordance with Clause H8.2 above. Prior to the date of the termination of any GCT Account, you shall instruct the Bank as to the proper disposal or transfer of your money and other property. If you fail to do so, the Bank may exercise or further exercise any of its rights under Clause H8.2 above as if Default had occurred, and any payment obligation the Bank may owe to you thereafter may be discharged by the Bank in accordance with the General Conditions and this Part H (including but not limited to Clause A7).

H9. General Exclusion

H9.1 In addition and without prejudice to any other right or remedy which the Bank may have (at law or otherwise) so long as the Bank acts in good faith, it shall not be liable to you in any respect for any Loss suffered by you. The Bank shall only be liable to you if the Bank has been fraudulent or in wilful default and only to the extent that such Loss (or part thereof) is directly caused by such fraud or wilful default of the Bank.

H9.2 Without prejudice to the generality of the foregoing, the Bank shall not in any event be liable to you for any indirect or consequential Loss, or for punitive damages.

H10. Relationship between you and the Bank

H10.1 Unless otherwise agreed by the Bank in writing:

- (a) you agree that you are acting for your own account, and you have made your own independent decisions to enter into each Transaction on the GCT Account and as to whether that Transaction is appropriate or proper for you based on your own judgment and upon advice from advisers as you have deemed necessary. The Bank further assumes, and relies on the assumption, that you have taken independent legal, tax, financial and other advice in relation to any GCT Account or Transaction between the Bank and you. You are not relying on any communication (written or oral) of the Bank as investment advice or as a recommendation to enter into that Transaction, it being understood that information and explanations related to the terms and conditions of a Transaction will not be considered investment advice or a recommendation to enter into that Transaction. No communication (written or oral) received from the Bank will be deemed to be an assurance or guarantee as to the expected results of that Transaction;
- (b) you are capable or assessing the merits of and understanding (on your own behalf or through independent professional advice), and understand and accept the terms, conditions and risks of that Transaction. You are also capable of assuming and assume, the risks of that Transaction; and
- (c) the Bank does not and is not willing to assume any advisory, fiduciary or similar or other duties to you.

H11. Force Majeure

H11.1 All obligations of the Bank and the performance thereof by the Bank shall be excused by and the Bank shall not be responsible or liable to you or any other person for any Loss, failure or delay caused by events beyond the Bank’s control, such as fire, earthquake, tsunami, flood, lightning, riots, strikes, lockouts, government action, change of law, acts of terrorism, war, telecommunications disruption, computer failure, acts of God, natural disaster or failure or similar or other events or events commonly known as “force majeure”.

H12. Withholding and Set-Off

H12.1 For so long as you owe moneys or obligations (of whatsoever nature and howsoever arising) to the Bank, you may only withdraw Margin or credit balances from the Bank with the Bank’s consent. The Bank may at any time withhold any Margin or credit balances of yours pending full settlement of any or all moneys or obligations due to the Bank.

H12.2 In addition and without prejudice to any right which the Bank may have under law or otherwise, the Bank may at its sole and absolute discretion at any time and from time to time without notice to you apply and/or set-off any Margin or credit balances standing to your credit against all monies or other liabilities of yours whether actual or contingent, joint or several, now or at any time hereafter due, owing or incurred by you to the Bank on any GCT Account or otherwise in any manner whatsoever.

H13. Updating of Particulars

H13.1 You shall keep the Bank updated as to any change in your particulars, or any information relating to any GCT Account or to these GCT Terms supplied to the Bank. If you fail to do so, the Bank will not be responsible for any resulting Loss to you.

H14. Unclaimed Monies and Property

H14.1 If there are any funds or other property standing to the credit of any GCT Account or held by the Bank for your account and the Bank determines in good faith that it is unable to contact you after a period of 6 years from the date of the last communication from you to the Bank, you shall be deemed to have irrevocably and permanently waived all rights, claims, title, interest, and benefit in and to all your monies and property with the Bank, and you further irrevocably agree that any and all funds and other property standing to the credit of the GCT Account or held by the Bank for your account including any accretions and accruals thereon (and in the case of monies shall include all interests earned thereon and all investments and their respective accretions and accruals which may have been made with such monies) shall be deemed to have been abandoned by you in favour of the Bank and may be appropriated by the Bank to and for itself and you shall no longer be entitled to claim or sue the Bank for the return of such monies or other property and their accretions and accruals.

H15. Introductions/Sharing of Fees, Commissions and/or Other Charges

H15.1 You may have been introduced to the Bank by a third party. The Bank has and will accept no responsibility for any conduct, action, representation or statement of such third party.

H15.2 The Bank may share its fees, commissions and/or other charges with such third party or any other third party.

H16. Certificates Issued by Officers

H16.1 Except in the event of fraud or manifest error, a certificate issued by an officer of the Bank as to:

- (a) the substance or content of any oral or telephone or other communications between you and the Bank; or
- (b) any monies owing from you to the Bank or from the Bank to you, or any monies or properties in any GCT Account,

shall be conclusive and binding on you who shall not be entitled to dispute the same. The records of the Bank shall be prima facie evidence against you.

H17. Reports, Summaries, Analysis by the Bank

H17.1 Other than reports or statements of fact, any report, summary or analysis by the Bank of whatsoever nature (and whether oral, published as research or otherwise) supplied to you by or on behalf of the Bank are merely expressions of the Bank's views or opinions.

H17.2 Although the Bank will take reasonable care to ensure that no such report, summary or analysis is untrue or misleading at the time of production thereof: -

- (a) no guarantee is given by the Bank as to its accuracy or completeness;
- (b) as such reports, summaries or analysis are not prepared with individual customers or class of customers in mind, they are to be treated as general views and opinions only and are not suitable for use by individual customers or class of customers without independent verification; and
- (c) the views and opinions are subject to change without notice.

H18. Assignability

H18.1 These GCT Terms and the General Conditions shall be binding on the Bank and you and their respective permitted successors in title and assigns. These GCT Terms and the General Conditions shall also continue to be binding on you notwithstanding any change in the name or constitution of the Bank or you, or the consolidation or amalgamation of the Bank or you into or with any other entity in which case the GCT Terms and the General Conditions shall be binding on the successor entity.

H18.2 You may not assign your rights hereunder or under any GCT Account without the express written consent of the Bank.

H18.3 The Bank may assign any or all of its rights hereunder or under any GCT Account to any person the Bank deems fit, or change the office through which any Transaction is booked, or through which it makes or receives payments or deliveries for the purpose of any Transaction.

H19. Remedies for Breach

H19.1 Without prejudice to the rights, powers, remedies and privileges provided by law, failure by a party to take any actions required by or to otherwise comply with Clauses H6A to H6D or any inaccuracy of the representation and warranty in Clause H20 below, in either case, will not constitute an event of default in respect of such party or any other event which permits either party to terminate any Relevant Transaction or other transaction under this Part H.

H20. Confidentiality Waiver

H20.1 Notwithstanding anything to the contrary in this Part H or the Consolidated Terms or in any non-disclosure, confidentiality or other agreement between you and the Bank, each party hereby consents to the disclosure of information to the MAS as required under the Dispute Resolution Risk Mitigation Requirements.

H20.2 The consenting party represents and warrants that any third party to whom it owes a duty of confidence in respect of the information disclosed has consented to the disclosure of that information.

SPECIFIC TERMS AND CONDITIONS GOVERNING BOND OPTION TRANSACTIONS

The definitions, terms and conditions set out in these Specific Terms and Conditions Governing Bond Option Transactions (the “Bond Option Terms”) are intended for use in Confirmations of individual transactions governed by the GCT Terms (as defined under Part H). The Bond Option Terms shall form a part of and are deemed incorporated into the GCT Terms.

The purpose of these Bond Option Terms is to provide the basic framework for the documentation of bilaterally negotiated bond option transactions to be entered into between the Bank and you from time to time. Any of the foregoing definitions, terms and conditions may be incorporated into a document by wording in the document indicating that, or the extent to which, the document is subject to these Bond Option Terms. All definitions, terms and conditions so incorporated in a document will be applicable to that document unless otherwise provided in that document, and all terms defined in these Bond Option Terms and used in any definition, term or condition that is incorporated by reference in a document will have the respective meanings ascribed to them in these Bond Option Terms unless otherwise provided in that document.

All capitalised terms not defined herein shall have the same meaning as defined in the GCT Terms. In the event of any conflict or inconsistency between the GCT Terms and these Bond Option Terms, these Bond Option Terms shall prevail, but only to the extent of such conflict or inconsistency. In the event of any conflict or inconsistency between these Bond Option Terms and the definitions, terms and conditions set out in any Confirmation, such Confirmation shall prevail for the purposes of the relevant Transaction, but only to the extent of such conflict or inconsistency.

1. General Terms and Provisions

1.1. The following definitions shall have the meanings set out hereunder unless the context otherwise requires:

- 1.1.1. “American” means a style of Bond Option Transaction pursuant to which the right or rights granted are exercisable during an Exercise Period that consists of more than one day;
- 1.1.2. “Bond” means any obligation for the payment or repayment of borrowed money that is in the form of, or represented by, a bond, note or debt security, for which purpose if a coupon or price, maturity and issuer are specified in the related Confirmation, the bond, note or debt security issued by that issuer with that coupon or price and that maturity;
- 1.1.3. “Bond Option Transaction” means any transaction that is an over-the-counter option relating to Bonds;
- 1.1.4. “Business Centre” means the financial centres in which commercial banks and foreign exchange markets settle payments in a given currency;
- 1.1.5. “Business Day” means, in respect of any date that is specified in these Bond Option Terms or in a Confirmation to be subject to adjustment in accordance with any applicable Business Day Convention, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealings in foreign exchange and foreign currency deposits) in the Business Centre(s) and on the days specified for that purpose in a related Confirmation;
- 1.1.6. “Business Day Convention” means the convention for adjusting any relevant date if it would otherwise fall on a day that is not a Business Day. The following terms, when used in conjunction with the term “Business Day Convention” and a date, shall mean that an adjustment will be made if that date would otherwise fall on a day that is not a Business Day so that:
 - 1.1.6.1. if “Following” is specified, that date will be the first following day that is a Business Day;
 - 1.1.6.2. if “Modified Following” or “Modified” is specified, that date will be the first following day that is a Business Day unless that date falls in the next calendar month, in which case that date will be the first preceding day that is a Business Day;
 - 1.1.6.3. if “Nearest” is specified, that date will be the first preceding day that is a Business Day, if the relevant date otherwise falls on a day other than a Sunday or a Monday, and will be the first following day that is a Business Day, if the relevant date otherwise falls on a Sunday or a Monday; and
 - 1.1.6.4. if “Preceding” is specified, that date will be the first preceding day that is a Business Day.The Business Day Convention applicable to a date that is specified in a Confirmation to be subject to adjustment in accordance with an applicable Business Day Convention shall be the Business Day Convention specified for that date in that Confirmation;
- 1.1.7. “Buyer” means, in respect of a Bond Option Transaction, the party specified as such in the related Confirmation, which party shall, on each Premium Payment Date, pay to Seller the Premium in respect of that Premium Payment Date;
- 1.1.8. “Calculation Agent” means the party to a Bond Option Transaction (or a third party) designated as such for the Bond Option Transaction and responsible for:
 - 1.1.8.1. calculating the Bonds to be Delivered and the Bond Payment for any Settlement Date, if Physical Settlement is applicable to the Bond Option Transaction;
 - 1.1.8.2. calculating the Spot Price in respect of and any Cash Settlement Amount payable on any Settlement Date, if Cash Settlement is applicable to the Bond Option Transaction;
 - 1.1.8.3. determining any adjustments following any conversion of the Bonds or for interest following corrections to published prices; and

- 1.1.8.4. giving notice to the parties to the Bond Option Transaction on the Calculation Date for any Settlement Date, specifying:
- (A) the Settlement Date;
 - (B) the party or parties required to make each payment or delivery then due;
 - (C) the amount or quantity of each payment or delivery then due; and
 - (D) reasonable details as to how each amount or quantity was determined.

Whenever a Calculation Agent is required to act or to exercise its judgment in any way, it shall act in good faith and in a commercially reasonable manner and its determinations and calculations will be binding in the absence of manifest error. Furthermore, each party agrees that the Calculation Agent is not acting as a fiduciary for or as an advisor to such party in respect of its duties as Calculation Agent in connection with any Transaction;

- 1.1.9. “Calculation Date” means, in respect of any Settlement Date, the earliest day on which it is practicable to provide the notice that the Calculation Agent is required to give for that Settlement Date, and in no event later than the close of business on the Business Day next preceding that Settlement Date;
- 1.1.10. “Call” means a type of Bond Option Transaction specified as such in the related Confirmation entitling, subject to any applicable condition precedent, Buyer upon exercise:
- 1.1.10.1. if Cash Settlement is applicable, to receive from Seller on the relevant Settlement Date the Cash Settlement Amount if the Spot Price exceeds the Strike Price when computed in accordance with Clause 5; and
 - 1.1.10.2. if Physical Settlement is applicable, to purchase the Bonds from Seller at the Strike Price in accordance with Clause 4, in each case as more particularly provided in or pursuant to that Confirmation;
- 1.1.11. “European” means a style of Bond Option Transaction pursuant to which the right or rights granted are exercisable only on the Expiration Date;
- 1.1.12. “Number of Options” means the number specified as such in the related Confirmation, being the number of Options comprised in the relevant Bond Option Transaction;
- 1.1.13. “Option” means each unit into which the Bond Option Transaction is divided for purposes of exercise, valuation or settlement;
- 1.1.14. “Option Entitlement” means the nominal amount, stated as an amount in the relevant currency, specified as such in the related Confirmation, which is the nominal amount of the relevant Bonds to which one Option relates;
- 1.1.15. “Option Style” means the style of Bond Option Transaction specified to be applicable in the related Confirmation;
- 1.1.16. “Option Type” means the type of Bond Option Transaction specified to be applicable in the related Confirmation;
- 1.1.17. “party” means either the Bank or you and “parties” means both of the Bank and you;
- 1.1.18. “Premium” means, in respect of a Bond Option Transaction and in respect of a Premium Payment Date, the amount, if any, that is specified or otherwise determined as provided in the related Confirmation and, subject to any applicable condition precedent, is payable by Buyer to Seller on the Premium Payment Date or on each Premium Payment Date if more than one is specified;
- 1.1.19. “Premium Payment Date” means, in respect of a Bond Option Transaction, one or more dates specified or otherwise determined as provided in the related Confirmation, subject to adjustment in accordance with the Following Business Day Convention or, if another Business Day Convention is specified to be applicable to a Premium Payment Date, that Business Day Convention;
- 1.1.20. “Premium per Option” means, in respect of a Bond Option Transaction, the amount specified or otherwise determined as provided in the related Confirmation, which, when multiplied by the relevant Number of Options, will be equal to the Premium;
- 1.1.21. “Put” means a type of Bond Option Transaction specified as such in the related Confirmation entitling, subject to any applicable condition precedent, Buyer upon exercise:
- 1.1.21.1. if Cash Settlement is applicable, to receive from Seller on the relevant Settlement Date the Cash Settlement Amount if the Strike Price exceeds the Spot Price when computed in accordance with Clause 5; and
 - 1.1.21.2. if Physical Settlement is applicable, to sell the Bonds to Seller at the Strike Price in accordance with Clause 4,
- in each case as more particularly provided in or pursuant to that Confirmation;
- 1.1.22. “Seller” means, in respect of a Bond Option Transaction, the party specified as such or as writer in the related Confirmation, which party grants to Buyer, upon the exercise of an Option pursuant to Clause 2:
- 1.1.22.1. if Cash Settlement is applicable, the right, but not the obligation, to cause Seller to pay to Buyer the Cash Settlement Amount, if any, on the relevant Settlement Date; and

- 1.1.22.2. if Physical Settlement is applicable, the Physical Settlement Entitlement;
- 1.1.23. “Strike Price” means either an amount expressed in the relevant currency or a percentage specified or otherwise determined as provided in the related Confirmation; and
- 1.1.24. “Trade Date” means the date on which the parties enter into the Bond Option Transaction as specified in the related Confirmation.

2. General Definitions Relating to Exercise of Bond Option Transactions

- 2.1. The following definitions shall have the meanings set out hereunder unless the context otherwise requires:
 - 2.1.1. “Commencement Date” means, in respect of an American style Bond Option Transaction, the date specified as such in the related Confirmation or, if such a date is not specified, the Trade Date;
 - 2.1.2. “Exercise Date” means, in respect of each Option exercised under a Bond Option Transaction, the day during the Exercise Period on which that Option is exercised;
 - 2.1.3. “Exercise Period” means, unless otherwise specified in the related Confirmation:
 - 2.1.3.1. in respect of a European style Bond Option Transaction, the Expiration Date from, and including, 9:00 a.m. (local time in the specified location of Seller, or where an agent is designated by Seller for the purpose of receiving notice of exercise (“Seller’s Agent”), local time in the specified location of Seller’s Agent) to, and including, the Expiration Time; and
 - 2.1.3.2. in respect of an American style Bond Option Transaction, all Business Days from, and including, 9:00 a.m. (local time in the specified location of the Seller or, if designated, the Seller’s Agent) on the Commencement Date to, and including, the Latest Exercise Time on the Expiration Date;
 - 2.1.4. “Expiration Date” means, in respect of a Bond Option Transaction, the date specified as such in the related Confirmation, subject to adjustment in accordance with a Business Day Convention as specified to be applicable to that Expiration Date;
 - 2.1.5. “Expiration Time” means, in respect of a Bond Option Transaction, the time specified as such in the related Confirmation; and
 - 2.1.6. “Latest Exercise Time” means, in respect of a Bond Option Transaction:
 - 2.1.6.1. on any day in the Exercise Period other than the Expiration Date, the time specified as such in the related Confirmation; and
 - 2.1.6.2. if such a time is not specified and, in any event, on the Expiration Date, the Expiration Time.
- 2.2. To exercise an Option, and unless the parties specify otherwise in the related Confirmation, the Buyer must give irrevocable notice (which may be delivered by the Bank to you in accordance with Clause A23 and from you to the Bank by post, facsimile, electronic mail or other electronic transmission or hand-delivery, unless otherwise agreed by the parties) during the Exercise Period to Seller, or if designated, the Seller’s Agent of its exercise of an Option. If the notice of exercise is given after the Latest Exercise Time on any day in the Exercise Period, then that notice will be deemed given on the next following day, if any, in the Exercise Period.

3. General Terms and Provisions Relating to Settlement

- 3.1. The following definitions shall have the meanings set out hereunder unless the context otherwise requires:
 - 3.1.1. if “Cash” or “Cash Settlement” is specified, it means that “Cash Settlement” is applicable to the Bond Option Transaction and that Seller grants to Buyer pursuant to the Bond Option Transaction the right to cause Seller to pay Buyer the Cash Settlement Amount, if any, on the Settlement Date in accordance with Clause 5.2;
 - 3.1.2. if “Physical” or “Physical Settlement” is specified, it means that “Physical Settlement” is applicable to the Bond Option Transaction and that Seller grants to Buyer the right to the Physical Settlement Entitlement;
 - 3.1.3. “Physical Settlement Entitlement” means:
 - 3.1.3.1. in the case of a Call, the right (but not the obligation) to purchase from Seller the Bonds at the Strike Price; and
 - 3.1.3.2. in the case of a Put, the right (but not the obligation) to sell to Seller the Bonds at the Strike Price, in each case pursuant to Clause 4.2;
 - 3.1.4. “Settlement Method” in respect of a Bond Option Transaction means either:
 - 3.1.4.1. Cash or Cash Settlement; or
 - 3.1.4.2. Physical or Physical Settlement, as may be specified in the related Confirmation; and
 - 3.1.5. “Settlement Date” means, in respect of an Exercise Date, the date specified as such or otherwise determined as provided in the related Confirmation, subject to adjustment:
 - 3.1.5.1. in accordance with the Following Business Day Convention unless another Business Day Convention is specified to be applicable to the Settlement Date or Settlement Dates in respect of that Bond Option Transaction; and

3.1.5.2. if Physical Settlement applies, for a Settlement Disruption Event.

3.2. If the issuer of the Bonds irreversibly converts those Bonds into other securities, a Bond Option Transaction will, unless otherwise specified in the related Confirmation, continue as set forth in the related Confirmation except that:

- 3.2.1. the “Bonds” will mean such other securities; and
- 3.2.2. the Calculation Agent will adjust the Strike Price, the Number of Options and/or the Option Entitlement as the Calculation Agent determines appropriate to preserve the theoretical value of that Bond Option Transaction to the parties immediately prior to such conversion.

4. Terms Relating to Physical Settlement

4.1. The following definitions shall have the meanings set out hereunder unless the context otherwise requires:

- 4.1.1. “Bond Payment” means, in respect of a Bond Option Transaction:
 - 4.1.1.1. if the Strike Price is stated as an amount in the relevant currency, an amount equal to the product of:
 - (A) the sum of the Strike Price plus accrued interest, if any, on the Option Entitlement computed in accordance with customary trade practices employed with respect to the Bonds; and
 - (B) the number of Options exercised on the relevant Exercise Date;
 - 4.1.1.2. if the Strike Price is stated as a percentage of the nominal value of the Bonds (e.g. 103 percent of par), an amount equal to the product of:
 - (A) the sum of:
 - (1) the Strike Price multiplied by the Option Entitlement; plus
 - (2) accrued interest, if any, on the Option Entitlement computed in accordance with customary trade practices employed with respect to the Bonds; and
 - (B) the number of Options exercised on the relevant Exercise Date; and
 - 4.1.1.3. if the Strike Price is stated as a yield, an amount determined by a method specified in or pursuant to the related Confirmation.
- 4.1.2. “Bonds to be Delivered” means, in respect of an Exercise Date under a Bond Option Transaction, the Bonds in a nominal amount equal to the number of Options exercised on that Exercise Date multiplied by the Option Entitlement;
- 4.1.3. “Clearance System” means, in respect of a Bond Option Transaction, the system specified as such in the related Confirmation (including any successor to that system);
- 4.1.4. “Settlement Disruption Event” in relation to a Bond means an event beyond the control of the parties as a result of which the Clearance System cannot clear the transfer of such Bond. If, in respect of any Bond Option Transaction to which Physical Settlement is applicable, there is a Settlement Disruption Event that prevents delivery of the Bonds on a day that but for the occurrence of that Settlement Disruption Event would have been the Settlement Date, then the Settlement Date will be the first succeeding day on which delivery of the Bonds can take place through the relevant Clearance System, unless a Settlement Disruption Event prevents settlement on each day that the Clearance System is (or, but for the Settlement Disruption Event, would have been) open for business during the period ending 30 calendar days after the original date that, but for the Settlement Disruption Event, would have been the Settlement Date. If the Settlement Date does not occur during such 30 calendar day period, the party required under that Bond Option Transaction to deliver the Bonds will use best efforts to deliver the Bonds to be Delivered promptly thereafter in a commercially reasonable manner outside the Clearance System on a delivery versus payment basis; and
- 4.1.5. “Split Ticket Delivery”, if specified or deemed to be applicable to a Bond Option Transaction, means that the party required to deliver the Bonds may, after notice of its intentions to the other party, divide the Bonds to be Delivered into such number of lots of such size as the notifying party desires to facilitate its delivery obligations. Unless the parties specify otherwise, Split Ticket Delivery will be deemed to apply to any Bond Option Transaction to which Physical Settlement is applicable.

4.2. In respect of each Exercise Date under a Bond Option Transaction to which Physical Settlement is applicable, subject to any applicable condition precedent:

- 4.2.1. in the case of a Call, Buyer will pay to Seller the Bond Payment and Seller will deliver to Buyer the Bonds to be Delivered; and
- 4.2.2. in the case of a Put, Buyer will deliver to Seller the Bonds to be Delivered and Seller will pay to Buyer the Bond Payment.

Such payment and such delivery will be made on the relevant Settlement Date through the relevant Clearance System at the accounts specified in the related Confirmation on a delivery versus payment basis (unless the parties specify otherwise).

- 4.3. Failure to deliver and buy-in procedures:
- 4.3.1. failure by a party to deliver, when due, the Bonds to be Delivered under a Bond Option Transaction will constitute a Default only if on or before the third Business Day after notice of the failure is given to the party it does not:
- 4.3.1.1. remedy such failure; or
- 4.3.1.2. provide such security or such other assurances to the other party as that other party, acting in good faith but in its sole discretion, deems adequate.
- If Split Ticket Delivery is applicable to a Bond Option Transaction, the failure to deliver will only occur in respect and to the extent of those lots of Bonds to be Delivered which remain undelivered;
- 4.3.2. in addition to any requirement that a party provide security or assurances as a result of its failure to deliver the Bonds to be Delivered under a Bond Option Transaction, the other party may at any time, and not later than 45 calendar days after such failure (absent a Default) will endeavour to, exercise a right to close out the Bond Option Transaction by the purchase of such Bonds (a “buy-in”). The party exercising the buy-in will give two Business Days’ written notice of its intention to buy-in. On the day of the buy-in, the party exercising the buy-in will send written notice of the quantity of the Bonds purchased and the price contracted. The buy-in settlement will be settled without any delay and, in any event, not later than five Business Days following the date of the buy-in; and
- 4.3.3. in the event that a party’s failure to deliver is due to the non-existence of the Bonds to be Delivered or the other party is unable to exercise a buy-in, the Bond Option Transaction will be terminated in accordance with any applicable provisions set forth in the GCT Terms or the relevant Confirmation.
- 4.4. In respect of an exercise of an Option under a Bond Option Transaction to which Physical Settlement is applicable and pursuant to which a party is required to deliver the Bonds, that party agrees that it will convey, and, on the date that it delivers such Bonds, represents that it has conveyed, good title to the Bonds to be Delivered, free and clear of any lien, charge, claim or other encumbrance (other than a lien routinely imposed on all securities in the relevant Clearance System).

5. Terms Relating to Cash Settlement

- 5.1. The following definitions shall have the meanings set out hereunder unless the context otherwise requires:
- 5.1.1. “Cash Settlement Amount” means, in respect of a Bond Option Transaction, an amount, as calculated by the Calculation Agent, equal to the number of Options exercised on the relevant Exercise Date multiplied by the Strike Price Differential;
- 5.1.2. “Spot Offered Rate” means the rate determined in accordance with Clause 5.3;
- 5.1.3. “Spot Price” means, in respect of a Bond Option Transaction:
- 5.1.3.1. if the Strike Price is stated as an amount in the relevant currency, the price for the Bonds equal in amount to the Option Entitlement stated as an amount in the relevant currency; and
- 5.1.3.2. if the Strike Price is stated as a percentage of the nominal value of the Bonds (e.g. 102 percent), the price of the Bonds stated as a percentage of their nominal value,
- in each case, as of the Valuation Time on the relevant Exercise Date (or, if that date is not a Business Day, the next following Business Day) as determined by the Calculation Agent;
- 5.1.4. “Strike Price Differential” means, in respect of an Option:
- 5.1.4.1. if the Strike Price is stated as an amount in the relevant currency, an amount equal to:
- (A) if the Bond Option Transaction is a Put, the greater of the excess of the Strike Price over the Spot Price and zero; and
- (B) if the Bond Option Transaction is a Call, the greater of the excess of the Spot Price over the Strike Price and zero;
- 5.1.4.2. if the Strike Price is stated as a percentage of the nominal value of the Bonds (e.g. 103 percent of par), an amount equal to:
- (A) if the Bond Option Transaction is a Put, the greater of the excess of the Strike Price multiplied by the Option Entitlement over the Spot Price multiplied by the Option Entitlement and zero; and
- (B) if the Bond Option Transaction is a Call, the greater of the excess of the Spot Price multiplied by the Option Entitlement over the Strike Price multiplied by the Option Entitlement and zero; and
- 5.1.4.3. if the Strike Price is stated as a yield, an amount determined by a method specified in or pursuant to the related Confirmation; and
- 5.1.5. “Valuation Time” means, in respect of a Bond Option Transaction, the time specified as such in the related Confirmation.

- 5.2. In respect of each Exercise Date under a Bond Option Transaction to which Cash Settlement is applicable or is deemed to be applicable, Seller shall pay to Buyer, subject to any applicable condition precedent, the Cash Settlement Amount, if any, on the relevant Settlement Date for all Options exercised on that Exercise Date.
- 5.3. For purposes of determining the Spot Price for any day, if the price published or announced on a given day and used or to be used by the Calculation Agent or Seller to determine a Spot Price is subsequently corrected and the correction is published or announced by the person responsible for that publication or announcement within 30 calendar days of the original publication or announcement, either party may notify the other party of that correction and the amount (if any) that is payable as a result of that correction. If, not later than 30 calendar days after publication or announcement of that correction, a party gives notice that an amount is so payable, the party that originally either received or retained such amount will, not later than three Business Days after the effectiveness of that notice, pay, subject to any applicable conditions precedent, to the other party that amount, together with interest on that amount (at a rate per annum that the Calculation Agent determines to be the Spot Offered Rate in accordance with the manner provided for in the related Confirmation, or if the manner provided for in the related Confirmation is not applicable, at a rate per annum that the Calculation Agent determines to be the Spot Offered Rate for deposits in the payment currency in the interbank market for such payment currency as at approximately the time the Spot Offered Rate is fixed for such payment currency, on the relevant Settlement Date) for the period from and including the day on which a payment originally was (or was not) made to but excluding the day of payment of the refund or payment resulting from that correction.
- 6. Terms Relating to Rounding**
- 6.1. For the purposes of any calculations referred to in these Definitions (unless otherwise specified) only the Cash Settlement Amount and the Bond Payment will be rounded, so that amounts will be rounded to the nearest cent (with one half cent being rounded up).

SPECIFIC TERMS AND CONDITIONS GOVERNING EQUITY OPTION TRANSACTIONS

The definitions, terms and conditions set out in these Specific Terms and Conditions Governing Equity Option Transactions (the “Equity Option Terms”) are intended for use in Confirmations of individual transactions governed by the GCT Terms (as defined under Part H). The Equity Option Terms shall form a part of and are deemed incorporated into the GCT Terms.

The purpose of these Equity Option Terms is to provide the basic framework for the documentation of bilaterally negotiated equity option transactions to be entered into between the Bank and you from time to time. Any of the foregoing definitions, terms and conditions may be incorporated into a document by wording in the document indicating that, or the extent to which, the document is subject to these Equity Option Terms. All definitions, terms and conditions so incorporated in a document will be applicable to that document unless otherwise provided in that document, and all terms defined in these Equity Option Terms and used in any definition, term or condition that is incorporated by reference in a document will have the respective meanings ascribed to them in these Equity Option Terms unless otherwise provided in that document.

All capitalised terms not defined herein shall have the same meaning as defined in the GCT Terms. In the event of any conflict or inconsistency between the GCT Terms and these Equity Option Terms, these Equity Option Terms shall prevail, but only to the extent of such conflict or inconsistency. In the event of any conflict or inconsistency between these Equity Option Terms and the definitions, terms and conditions set out in any Confirmation, such Confirmation shall prevail for the purposes of the relevant Transaction, but only to the extent of such conflict or inconsistency.

1. General Terms and Provisions

1.1. The following definitions shall have the meanings set out hereunder unless the context otherwise requires:

- 1.1.1. “American” means a style of Equity Option Transaction, other than a Bermuda, pursuant to which the right or rights granted are exercisable on any Scheduled Trading Day during an Exercise Period that consists of more than one Scheduled Trading Day;
- 1.1.2. “Bermuda” means a style of Equity Option Transaction pursuant to which the right or rights granted are exercisable only on the Potential Exercise Dates during the Exercise Period and on the Expiration Date;
- 1.1.3. “Buyer” means the party specified as such in the related Confirmation, which party shall, in respect of an Equity Option Transaction, pay Seller the Premium on the Premium Payment Date;
- 1.1.4. “Calculation Agent” means the person or entity specified as such for the Equity Option Transaction. Whenever a Calculation Agent is required to act or to exercise its judgment in any way, it shall do so in good faith and in a commercially reasonable manner, and its determinations and calculations will be binding in the absence of manifest error. Furthermore, each party agrees that the Calculation Agent is not acting as a fiduciary for or as an advisor to such party in respect of its duties as Calculation Agent in connection with any Transaction;
- 1.1.5. “Call” means an Equity Option Transaction entitling Buyer upon exercise:
 - 1.1.5.1. where “Cash Settlement” is applicable, to receive from Seller an Option Cash Settlement Amount if the Settlement Price exceeds the Strike Price; and
 - 1.1.5.2. where “Physical Settlement” is applicable, to purchase Shares from Seller at the Settlement Price per Share,in each case as more particularly provided in or pursuant to these Equity Option Terms and the related Confirmation;
- 1.1.6. “Cash-settled” means, in respect of a Transaction, that Cash Settlement is applicable to that Transaction;
- 1.1.7. “Clearance System” means, in respect of a Share relating to a Physically-settled Transaction, the clearance system specified as such for such Share in the related Confirmation or any successor to such clearance system as determined by the Calculation Agent. If the related Confirmation does not specify a Clearance System, the Clearance System will be the principal domestic clearance system customarily used for settling trades in the relevant Share on the Settlement Date. If the Clearance System ceases to settle trades in such Share, the parties will negotiate in good faith to agree on another manner of delivery;
- 1.1.8. “Clearance System Business Day” means, in relation to a Clearance System, a day on which such Clearance System is (or, but for the occurrence of a Settlement Disruption Event, would have been) open for the acceptance and execution of settlement instructions;
- 1.1.9. “Commencement Date” means, in respect of an American style Equity Option Transaction, the date specified as such in the related Confirmation or, if such date is not a Scheduled Trading Day, the next following Scheduled Trading Day. If no such date is specified, the Commencement Date shall be the Trade Date;
- 1.1.10. “Currency Business Day” means any day on which commercial banks are open for business (including dealings in foreign exchange and foreign currency deposits) in the principal financial center for the relevant currency;
- 1.1.11. “European” means a style of Equity Option Transaction pursuant to which the right or rights granted are exercisable only on the Expiration Date;
- 1.1.12. “Equity Option Transaction” means any transaction that is an over-the-counter option relating to Shares;

- 1.1.13. “Exchange” means, in respect of a Share relating to an Equity Option Transaction, each exchange or quotation system specified as such for such Share in the related Confirmation, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the Share has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to such Share on such temporary substitute exchange or quotation system as on the original Exchange);
- 1.1.14. “Exchange Business Day” means any Scheduled Trading Day on which each Exchange and each Related Exchange are open for trading during their respective regular trading sessions, notwithstanding any such Exchange or Related Exchange closing prior to its Scheduled Closing Time;
- 1.1.15. “Issuer” means, in respect of Shares, the issuer of the relevant Shares;
- 1.1.16. “Number of Options” means the number specified as such in the related Confirmation, being the number of Options comprised in the relevant Equity Option Transaction;
- 1.1.17. “Number of Shares” means the number of Shares obtained by multiplying the Number of Options by the Option Entitlement;
- 1.1.18. “Option” means each unit into which the Equity Option Transaction is divided for purposes of exercise, valuation or settlement;
- 1.1.19. “Option Entitlement” means, in respect of an Equity Option Transaction, the number of Shares per Option specified as such in the related Confirmation. In the event that no Option Entitlement is specified in the related Confirmation, the Option Entitlement in respect of any Equity Option Transaction shall be one Share per Option;
- 1.1.20. “Option Style” means the style of Equity Option Transaction specified to be applicable in the related Confirmation;
- 1.1.21. “Option Type” means the type of Equity Option Transaction specified to be applicable in the related Confirmation;
- 1.1.22. “party” means either the Bank or you and “parties” means both of the Bank and you;
- 1.1.23. “Physically-settled” means, in respect of a Transaction, that Physical Settlement is applicable to that Transaction;
- 1.1.24. “Premium” means, in respect of an Equity Option Transaction, the amount specified or otherwise determined as provided in the related Confirmation. If a Premium per Option is specified in the related Confirmation, the Premium shall be the product of the Premium per Option and the Number of Options;
- 1.1.25. “Premium Payment Date” means, in respect of an Equity Option Transaction, the date specified or otherwise determined as provided in the related Confirmation or, if such date is not a Currency Business Day for the currency in which the Premium is payable, the next following Currency Business Day. If the Premium Payment Date is not specified in the related Confirmation, the Premium Payment Date will fall on the date that is one Settlement Cycle following the Trade Date, or if such date is not a Currency Business Day, the next following Currency Business Day;
- 1.1.26. “Put” means an Equity Option Transaction entitling Buyer upon exercise:
- 1.1.26.1. where “Cash Settlement” is applicable, to receive from Seller an Option Cash Settlement Amount if the Strike Price exceeds the Settlement Price; and
- 1.1.26.2. where “Physical Settlement” is applicable, to sell Shares to Seller at the Settlement Price per Share,
- in each case as more particularly provided in or pursuant to these Equity Option Terms and the related Confirmation;
- 1.1.27. “Related Exchange” means, subject to the proviso below, in respect of a Share relating to an Equity Option Transaction, each exchange or quotation system specified as such for such Share in the related Confirmation, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in futures or options contracts relating to such Share has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to the futures or options contracts relating to such Share on such temporary substitute exchange or quotation system as on the original Related Exchange), provided, however, that where “All Exchanges” is specified as the Related Exchange in the related Confirmation, “Related Exchange” shall mean each exchange or quotation system where trading has a material effect (as determined by the Calculation Agent) on the overall market for futures or options contracts relating to such Share;
- 1.1.28. “Relevant Price” on any day means in respect of a Share, the price per Share determined by the Calculation Agent as provided in the related Confirmation as of the Valuation Time on the Valuation Date or Averaging Date, as the case may be, or, if no means for determining the Relevant Price are so provided:
- 1.1.28.1. in respect of any Share for which the Exchange is an auction or “open outcry” exchange that has a price as of the Valuation Time at which any trade can be submitted for execution, the Relevant Price shall be the price per Share as of the Valuation Time on the Valuation Date or Averaging Date, as the case may be, as reported in the official real-time price dissemination mechanism for such Exchange; and

- 1.1.28.2. in respect of any Share for which the Exchange is a dealer exchange or dealer quotation system, the Relevant Price shall be the mid-point of the highest bid and lowest ask prices quoted as of the Valuation Time on the Valuation Date or Averaging Date, as the case may be, (or the last such prices quoted immediately before the Valuation Time) without regard to quotations that “lock” or “cross” the dealer exchange or dealer quotation system;
- 1.1.29. “Scheduled Closing Time” means, in respect of an Exchange or Related Exchange and a Scheduled Trading Day, the scheduled weekday closing time of such Exchange or Related Exchange on such Scheduled Trading Day, without regard to after hours or any other trading outside of the regular trading session hours;
- 1.1.30. “Scheduled Trading Day” means any day on which each Exchange and each Related Exchange are scheduled to be open for trading for their respective regular trading sessions;
- 1.1.31. “Seller” means the party specified as such in the related Confirmation;
- 1.1.32. “Settlement Currency” means, in respect of a Transaction, the currency specified as such in the related Confirmation;
- 1.1.33. “Settlement Cycle” means, in respect of a Share, the period of Clearance System Business Days following a trade in such Shares, on the Exchange in which settlement will customarily occur according to the rules of such Exchange;
- 1.1.34. “Share” means a financial instrument issued by a company that is in legal form a share, a stock or a unit in the equity capital of that company;
- 1.1.35. “Strike Price” means, in respect of an Equity Option Transaction, the price per Share specified or otherwise determined as provided in the related Confirmation; and
- 1.1.36. “Trade Date” means the date on which the parties enter into the Equity Option Transaction as specified in the related Confirmation.

2. General Terms Relating to Exercise of Equity Option Transactions

2.1. The following definitions shall have the meanings set out hereunder unless the context otherwise requires:

- 2.1.1. “Exercise Date” means, in respect of an Equity Option Transaction, the Scheduled Trading Day during the Exercise Period on which such Option is exercised;
- 2.1.2. “Exercise Period” means, unless otherwise specified in the related Confirmation:
 - 2.1.2.1. in respect of an American Equity Option Transaction, all Scheduled Trading Days from, and including, the Commencement Date to, and including, the Expiration Date between 9:00 a.m. and the Latest Exercise Time;
 - 2.1.2.2. in respect of a Bermuda Equity Option Transaction, each Potential Exercise Date between 9:00 a.m. and the Latest Exercise Time and the Expiration Date between 9:00 a.m. and the Latest Exercise Time; and
 - 2.1.2.3. in respect of a European Equity Option Transaction, the Expiration Date between 9:00 a.m. and the Expiration Time.

All times specified in this paragraph shall be, unless otherwise specified in the related Confirmation, local time in the location specified in the related Confirmation for receipt by Seller of notices relating to the Transaction or, where an agent is designated by Seller for the purpose of receiving notice of exercise (“Seller’s Agent”), local time in the specified location of Seller’s Agent or, where no such location is specified in the related Confirmation, local time in the jurisdiction of the Exchange;
- 2.1.3. “Expiration Date” means, in respect of an Equity Option Transaction, the date specified as such in the related Confirmation (or, if such date is not a Scheduled Trading Day, the next following Scheduled Trading Day), unless such date is a Disrupted Day due to the occurrence of an event giving rise to a Disrupted Day prior to the Latest Exercise Time on such date. If such date is a Disrupted Day due to the occurrence of such an event, then the Expiration Date shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day, unless each of the eight Scheduled Trading Days immediately following the original date that, but for the occurrence of a Disrupted Day, would have been the Expiration Date is a Disrupted Day. In that case, that eighth Scheduled Trading Day shall be deemed to be the Expiration Date, notwithstanding the fact that such day is a Disrupted Day. Notwithstanding the foregoing, if an Equity Option Transaction is exercised on a Scheduled Trading Day that would have been an Expiration Date but for the occurrence of an event giving rise to a Disrupted Day, such Scheduled Trading Day shall be deemed to be the Expiration Date for the purpose of determining whether an Exercise Date has occurred during the Exercise Period;
- 2.1.4. “Expiration Time” means, in respect of an Equity Option Transaction, the time specified as such in the related Confirmation. If no such time is specified, the Expiration Time shall be the Valuation Time;
- 2.1.5. “Latest Exercise Time” means, in respect of an Equity Option Transaction, the time specified as such in the related Confirmation, provided that on the Expiration Date the Latest Exercise Time shall be the Expiration Time. If no such time is specified, the Latest Exercise Time shall be the Expiration Time; and

- 2.1.6. “Potential Exercise Date” means, in respect of a Bermuda Equity Option Transaction, each date specified as such in the related Confirmation (or, if such date is not a Scheduled Trading Day, the next following Scheduled Trading Day), unless such date is a Disrupted Day due to the occurrence of an event giving rise to a Disrupted Day prior to the Latest Exercise Time on such date. If such date is a Disrupted Day due to the occurrence of such an event, then the Potential Exercise Date shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day, unless each of the eight Scheduled Trading Days immediately following the original date that, but for the occurrence of a Disrupted Day, would have been the Potential Exercise Date is a Disrupted Day. In that case, that eighth Scheduled Trading Day shall be deemed to be the Potential Exercise Date, notwithstanding the fact that such day is a Disrupted Day. Notwithstanding the foregoing, if an Equity Option Transaction is exercised on a Scheduled Trading Day that would have been a Potential Exercise Date prior to the occurrence of an event giving rise to a Disrupted Day, such Scheduled Trading Day shall be deemed to be the Potential Exercise Date for the purpose of determining whether an Exercise Date has occurred during the Exercise Period.
- 2.2. To exercise an Option, and unless the parties specify otherwise in the related Confirmation, the Buyer must give irrevocable notice (which may be delivered by the Bank to you in accordance with Clause A23 or from you to the Bank by post, facsimile, electronic mail or other electronic transmission or hand-delivery, unless otherwise agreed by the parties) during the Exercise Period to Seller, or if designated, the Seller’s Agent of its exercise of an Option. In the case of an American Equity Option Transaction, if the notice of exercise is given after the Latest Exercise Time on a Scheduled Trading Day, then that notice will be deemed given on the next following Scheduled Trading Day, if any, in the Exercise Period.

3. General Terms Relating to Valuation and Market Disruption Events

- 3.1. The following definitions shall have the meanings set out hereunder unless the context otherwise requires:
- 3.1.1. “Disrupted Day” means any Scheduled Trading Day on which a relevant Exchange or any Related Exchange fails to open for trading during its regular trading session or on which a Market Disruption Event has occurred. The Calculation Agent shall as soon as reasonably practicable under the circumstances notify the parties or other party, as the case may be, of the occurrence of a Disrupted Day on any day that, but for the occurrence of a Disrupted Day, would have been an Averaging Date, a Valuation Date, a Potential Exercise Date or an Expiration Date. Without limiting the obligation of the Calculation Agent to notify the parties as set forth in the preceding sentence, failure by the Calculation Agent to notify the parties of the occurrence of a Disrupted Day shall not affect the validity of the occurrence and effect of such Disrupted Day on any Transaction;
- 3.1.2. “Early Closure” means the closure on any Exchange Business Day of the relevant Exchange or any Related Exchange(s) prior to its Scheduled Closing Time unless such earlier closing time is announced by such Exchange(s) or Related Exchange(s) at least one hour prior to the earlier of:
- 3.1.2.1. the actual closing time for the regular trading session on such Exchange(s) or Related Exchange(s) on such Exchange Business Day; and
- 3.1.2.2. the submission deadline for orders to be entered into the Exchange or Related Exchange system for execution at the Valuation Time on such Exchange Business Day;
- 3.1.3. “Exchange Disruption” means any event (other than an Early Closure) that disrupts or impairs (as determined by the Calculation Agent) the ability of market participants in general:
- 3.1.3.1. to effect transactions in, or obtain market values for, the Shares on the Exchange; or
- 3.1.3.2. to effect transactions in, or obtain market values for, futures or options contracts relating to the Share on any relevant Related Exchange;
- 3.1.4. “Market Disruption Event” means, in respect of a Share, the occurrence or existence of:
- 3.1.4.1. a Trading Disruption;
- 3.1.4.2. an Exchange Disruption, which in either case the Calculation Agent determines is material, at any time during the one hour period that ends at the relevant Valuation Time or Latest Exercise Time, as the case may be; or
- 3.1.4.3. an Early Closure;
- 3.1.5. “Scheduled Valuation Date” means any original date that, but for the occurrence of an event causing a Disrupted Day, would have been a Valuation Date (ignoring for the purposes of this Clause 3.1.5 any postponement of the Potential Exercise Date or Expiration Date as a result of the occurrence of a Disrupted Day and assuming that the original Potential Exercise Date or original Expiration Date, as the case may be, would have been a Valuation Date);
- 3.1.6. “Trading Disruption” means any suspension of or limitation imposed on trading by the relevant Exchange or Related Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the relevant Exchange or Related Exchange or otherwise:
- 3.1.6.1. relating to the Share on the Exchange; or

- 3.1.6.2. in futures or options contracts relating to the Share on any relevant Related Exchange;
 - 3.1.7. “Valuation Date” means, in respect of an Equity Option Transaction, each Exercise Date, subject to the provisions of Clause 3.2; and
 - 3.1.8. “Valuation Time” means the time on the relevant Valuation Date or Averaging Date, as the case may be, specified as such in the related Confirmation or, if no such time is specified, the Scheduled Closing Time on the relevant Exchange on the relevant Valuation Date or Averaging Date, as the case may be, in relation to each Share to be valued. If the relevant Exchange closes prior to its Scheduled Closing Time and the specified Valuation Time is after the actual closing time for its regular trading session, then the Valuation Time shall be such actual closing time.
- 3.2. If any Valuation Date is a Disrupted Day, then in the case of an Equity Option Transaction, the Valuation Date shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day, unless each of the eight Scheduled Trading Days immediately following the Scheduled Valuation Date is a Disrupted Day. In that case:
- 3.2.1. that eighth Scheduled Trading Day shall be deemed to be the Valuation Date, notwithstanding the fact that such day is a Disrupted Day; and
 - 3.2.2. the Calculation Agent shall determine its good faith estimate of the value for the Share as of the Valuation Time on that eighth Scheduled Trading Day.

4. General Terms and Provisions Relating to Averaging

- 4.1. If Averaging Dates are specified in the related Confirmation, then notwithstanding any other provisions of these Equity Option Terms, the following provisions will apply to the valuation of the relevant Share in respect of a Valuation Date:
- 4.1.1. “Averaging Date” means, in respect of each Valuation Date, each date specified or otherwise determined as provided in the related Confirmation (or, if such date is not a Scheduled Trading Day, the next following Scheduled Trading Day);
 - 4.1.2. for the purposes of determining the Settlement Price in respect of a Valuation Date, the Settlement Price in respect of a Cash-settled Equity Option Transaction will be the arithmetic mean of the Relevant Prices of the Shares on each Averaging Date;
 - 4.1.3. if any Averaging Date is a Disrupted Day, then, if under “Averaging Date Disruption” the consequence specified in the related Confirmation is:
 - 4.1.3.1. “Modified Postponement”, then the Averaging Date shall be the first succeeding Valid Date. If the first succeeding Valid Date has not occurred as of the Valuation Time on the eighth Scheduled Trading Day immediately following the original date that, but for the occurrence of another Averaging Date or Disrupted Day, would have been the final Averaging Date in respect of the relevant Scheduled Valuation Date, then:
 - (A) that eighth Scheduled Trading Day shall be deemed the Averaging Date (irrespective of whether that eighth Scheduled Trading Day is already an Averaging Date); and
 - (B) the Calculation Agent shall determine the relevant level or price for that Averaging Date in accordance with Clause 3.2.

“Valid Date” shall mean a Scheduled Trading Day that is not a Disrupted Day and on which another Averaging Date in respect of the relevant Valuation Date does not or is not deemed to occur;
 - 4.1.3.2. “Omission”, then such Averaging Date will be deemed not to be a relevant Averaging Date for purposes of determining the relevant Settlement Price. If through the operation of this provision no Averaging Date would occur with respect to the relevant Valuation Date, then Clause 3.2 will apply for purposes of determining the relevant level, price or amount on the final Averaging Date in respect of that Valuation Date as if such final Averaging Date were a Valuation Date that was a Disrupted Day; or
 - 4.1.3.3. “Postponement”, then Clause 3.2 will apply for purposes of determining the relevant level, price or amount on that Averaging Date as if such Averaging Date were a Valuation Date that was a Disrupted Day irrespective of whether, pursuant to such determination, that deferred Averaging Date would fall on a date that already is or is deemed to be an Averaging Date for the Transaction.
 - 4.1.4. If any Averaging Dates in relation to a Valuation Date occur after that Valuation Date as a result of the occurrence of a Disrupted Day, then:
 - 4.1.4.1. the relevant Cash Settlement Payment Date or Settlement Date, as the case may be; or
 - 4.1.4.2. the occurrence of an Extraordinary Event or a Potential Adjustment Event shall be determined by reference to the last such Averaging Date as though it were that Valuation Date.

5. General Terms and Provisions Relating to Settlement

5.1. The following definitions shall have the meanings set out hereunder unless the context otherwise requires:

- 5.1.1. if “Settlement Method Election” is specified in the related Confirmation to be applicable to a Transaction, then the party specified as entitled to make the election (or, if no party is so specified, Buyer) (the “Electing Party”) must give irrevocable notice (which may be delivered by the Bank to you in accordance with Clause A23 or from you to the Bank by post, facsimile, electronic mail or other electronic transmission or hand-delivery, unless otherwise agreed by the parties) to the other party, or, if applicable, to the other party’s agent designated for the purpose of receiving such notice, of its election to have Cash Settlement or Physical Settlement apply to such Transaction. Such notice will be given on or prior to the relevant Settlement Method Election Date. In the event that the Electing Party does not deliver any notice to the other party of the settlement method it has elected with respect to such Transaction, the settlement method shall be the default settlement method (the “Default Settlement Method”) specified in the related Confirmation;
- 5.1.2. “Settlement Method Election Date” means the date specified as such in the related Confirmation, or, if such date is not a Scheduled Trading Day, the next following Scheduled Trading Day; and
- 5.1.3. “Settlement Price” means, in relation to a Valuation Date:
- 5.1.3.1. in respect of a Cash-settled Equity Option Transaction, the price per Share determined by the Calculation Agent as provided in the related Confirmation as of the Valuation Time on the Valuation Date or, if no means for determining the Settlement Price are so provided:
- (A) in respect of any Share for which the Exchange is an auction or “open outcry” exchange that has a price as of the Valuation Time at which any trade can be submitted for execution, the Settlement Price shall be the price per Share as of the Valuation Time on the Valuation Date as reported in the official real-time price dissemination mechanism for such Exchange; and
- (B) in respect of any Share for which the Exchange is a dealer exchange or dealer quotation system, the Settlement Price shall be the mid-point of the highest bid and lowest ask prices quoted as of the Valuation Time on the Valuation Date (or the last such prices quoted immediately before the Valuation Time) without regard to quotations that “lock” or “cross” the dealer exchange or dealer quotation system; and
- 5.1.3.2. in respect of a Physically-settled Equity Option Transaction, the Strike Price.

6. Terms Relating to Cash Settlement

6.1. The following definitions shall have the meanings set out hereunder unless the context otherwise requires:

- 6.1.1. “Cash Settlement Payment Date” means any date specified or otherwise determined as provided in the related Confirmation or, if any such date is not a Currency Business Day, the next following Currency Business Day. If no such date is specified in the related Confirmation, the Cash Settlement Payment Date will fall on the date that is one Settlement Cycle following the Valuation Date, or if such date is not a Currency Business Day, the next following Currency Business Day;
- 6.1.2. “Option Cash Settlement Amount” means, unless otherwise provided in the related Confirmation, in respect of each Valuation Date under an Equity Option Transaction, an amount equal to the number of Options exercised on the relevant Exercise Date multiplied by the Option Entitlement multiplied by the Strike Price Differential; and
- 6.1.3. “Strike Price Differential” means, unless otherwise provided in the related Confirmation, in respect of each Valuation Date, an amount equal to the greater of:
- 6.1.3.1. the excess of:
- (A) in the case of a Call, the relevant Settlement Price over the Strike Price; or
- (B) in the case of a Put, the Strike Price over the relevant Settlement Price; and
- 6.1.3.2. zero.

6.2. In respect of each Exercise Date under an Equity Option Transaction for which “Cash Settlement” is applicable, Seller shall pay to Buyer the Option Cash Settlement Amount, if any, on the relevant Cash Settlement Payment Date for all Options exercised on that Exercise Date.

7. Terms Relating to Physical Settlement

7.1. The following definitions shall have the meanings set out hereunder unless the context otherwise requires:

- 7.1.1. “Fractional Share Amount” means an amount in the Settlement Currency representing the fractional Share resulting from the calculation of the Number of Shares to be Delivered in respect of a Transaction as determined by the Calculation Agent multiplied by the Settlement Price attributable to the relevant Share on the Exercise Date (determined assuming Cash Settlement were applicable and the Exercise Date were the Valuation Date);

7.1.2. “Number of Shares to be Delivered” means in respect of an Exercise Date under an Equity Option Transaction, a number of Shares equal to the number of Options exercised on that Exercise Date multiplied by the Option Entitlement.

In the event that the number of Shares calculated as set out above comprises any fractional Share, the Number of Shares to be Delivered will include only whole Shares and a Fractional Share Amount will be payable by the relevant party in lieu of such fractional Share;

7.1.3. “Settlement Date” means, in respect of Shares to be delivered in respect of an Exercise Date under an Equity Option Transaction, the date that falls one Settlement Cycle following that Exercise Date (or, if such date is not a Clearance System Business Day, the next following Clearance System Business Day), unless a Settlement Disruption Event prevents delivery of such Shares on that date. If a Settlement Disruption Event does prevent delivery on that date, then the Settlement Date will be the first succeeding date on which delivery of the Shares can take place through the relevant Clearance System unless a Settlement Disruption Event prevents settlement on each of the eight relevant Clearance System Business Days immediately following the original date that, but for the Settlement Disruption Event, would have been the Settlement Date. In that case:

7.1.3.1. if such Shares can be delivered in any other commercially reasonable manner, then the Settlement Date will be the first date on which settlement of a sale of Shares executed on that eighth relevant Clearance System Business Day customarily would take place using such other commercially reasonable manner of delivery (which other manner of delivery will be deemed the relevant Clearance System for the purposes of delivery of the relevant Shares); and

7.1.3.2. if such Shares cannot be delivered in any other commercially reasonable manner, then the Settlement Date will be postponed until delivery can be effected through the relevant Clearance System or in any other commercially reasonable manner; and

7.1.4. “Settlement Disruption Event,” means, in respect of a Share, an event beyond the control of the parties as a result of which the relevant Clearance System cannot clear the transfer of such Share.

7.2. In respect of each Exercise Date under an Equity Option Transaction for which “Physical Settlement” is applicable, on the relevant Settlement Date:

7.2.1. in the case of a Call, Buyer will pay to Seller the Settlement Price multiplied by the Number of Shares to be Delivered (determined without regard to rounding) and Seller will deliver to Buyer the Number of Shares to be Delivered and will pay to Buyer the Fractional Share Amount, if any;

7.2.2. in the case of a Put, Buyer will deliver to Seller the Number of Shares to be Delivered and will pay to Seller the Fractional Share Amount, if any, and Seller will pay to Buyer the Settlement Price multiplied by the Number of Shares to be Delivered (determined without regard to rounding); and

7.2.3. such payment and such delivery will be made on the relevant Settlement Date through the relevant Clearance System(s) at the accounts specified in the related Confirmation.

7.3. All expenses relating to the transfer of Shares to be delivered under a Transaction (such as any stamp duty, stock exchange tax or local tax) will be payable by the party that would pay such expenses according to market practice for a sale of such Shares under such Transaction to be settled through the relevant Clearance System in one Settlement Cycle.

7.4. In respect of any Settlement Date on which there is a corresponding payment obligation, if the relevant Clearance System permits settlement to occur on a delivery versus payment basis, then settlement shall occur on such basis.

7.5. A party required to deliver Shares under a Transaction agrees that it will convey, and, on any date that it delivers such Shares, represents that it has conveyed, good title to the Shares it is required to deliver, free from:

7.5.1. any lien, charge, claim or other encumbrance (other than a lien routinely imposed on all securities by the relevant Clearance System) and any other restrictions whatsoever, including any restrictions under applicable securities laws, without any obligation on the part of the receiver of such Shares in connection with that party’s subsequent sale of such Shares to deliver an offering document, or comply with any volume or manner of sale restrictions;

7.5.2. any and all restrictions that any sale, assignment or other transfer of such Shares be consented to or approved by any person or entity, including without limitation, the Issuer or any other obligor thereon;

7.5.3. any limitations on the type or status, financial or otherwise, of any purchaser, pledgee, assignee or transferee of such Shares;

7.5.4. any requirement of the delivery of any certificate, approval, consent, agreement, opinion of counsel, notice or any other document of any person or entity to the Issuer of, any other obligor on or any registrar or transfer agent for, such Shares, prior to the sale, pledge, assignment or other transfer of such Shares; and

7.5.5. any registration or qualification requirement or prospectus delivery requirement for such Shares pursuant to applicable securities laws.

A party required to deliver Shares under a Transaction also represents that to the extent appropriate for the relevant Clearance System, the Shares are properly in book-entry form.

7.6. If, in respect of any obligation to deliver Shares under an outstanding Transaction (including any Transaction which has yet to be settled on the date on which the Bank terminates such Transaction), prior to the early termination

or close-out of that Transaction, a party fails to perform any obligation required to be settled by delivery, it will indemnify the other party on demand for any costs, losses or expenses (including the costs of borrowing the relevant Shares, if applicable) resulting from such failure. A certificate signed by the deliverer setting out such costs, losses or expenses in reasonable detail will be conclusive evidence that they have been incurred. Notwithstanding the foregoing, unless the parties otherwise agree to the contrary expressly and in writing in the related Confirmation, a party shall not be responsible for any special, indirect or consequential damages, even if informed of the possibility thereof.

8. General Terms and Provisions Relating to Dividends

8.1. The following definitions shall have the meanings set out hereunder unless the context otherwise requires:

- 8.1.1. “Dividend Amount” means, in respect of the relevant Share, the related Dividend Period and the related Dividend Payment Date, the Record Amount, the Ex Amount or the Paid Amount, as specified in the related Confirmation, or any other amount determined as provided in the related Confirmation or included as part of an adjustment pursuant to Clause 9;
- 8.1.2. “Dividend Payment Date” means, in respect of a Dividend Period, each date specified or otherwise determined as provided in the related Confirmation or, if such date is not a Currency Business Day, the next following Currency Business Day. If no such date is specified in the related Confirmation, the Dividend Payment Date shall be the Cash Settlement Payment Date or Settlement Date, as the case may be, relating to the end of the relevant Dividend Period;
- 8.1.3. “Dividend Period” means the First Period or the Second Period, as specified in the related Confirmation, or such other period determined as provided in the related Confirmation. If no Dividend Period is specified in the related Confirmation, the Dividend Period will be the Second Period;
- 8.1.4. “Ex Amount” means:
- 8.1.4.1. in relation to a Dividend Amount, 100% of the gross cash dividend per Share declared by the Issuer to holders of record of a Share where the date that the Shares have commenced trading ex-dividend on the Exchange occurs during the relevant Dividend Period; and
- 8.1.4.2. in relation to an Excess Dividend Amount, 100% of the Extraordinary Dividend per Share declared by the Issuer to holders of record of a Share where the date that the Shares have commenced trading ex-dividend on the Exchange occurs during the relevant Dividend Period;
- 8.1.5. “Excess Dividend Amount” means, in respect of a Dividend Period, the Record Amount, the Ex Amount or the Paid Amount, as specified in the related Confirmation, or any other amount determined as provided in the related Confirmation;
- 8.1.6. “Extraordinary Dividend” means an amount per Share specified or otherwise determined as provided in the related Confirmation. If no Extraordinary Dividend is specified in or otherwise determined as provided in the related Confirmation, the characterisation of a dividend or portion thereof as an Extraordinary Dividend shall be determined by the Calculation Agent;
- 8.1.7. “First Period” means each period from, and including, one Cash Settlement Payment Date or Settlement Date, as the case may be, to, but excluding, the next following Cash Settlement Payment Date or Settlement Date, as the case may be, except that:
- 8.1.7.1. the initial Dividend Period will commence on, and include, the Clearance System Business Day that is one Settlement Cycle following the Trade Date; and
- 8.1.7.2. the final Dividend Period will end on, but exclude, the final Cash Settlement Payment Date or Settlement Date, as the case may be;
- 8.1.8. “Paid Amount” means:
- 8.1.8.1. in relation to a Dividend Amount, 100% of the gross cash dividend per Share paid by the Issuer during the relevant Dividend Period to holders of record of a Share. Any “gross cash dividend” shall represent a sum before the withholding or deduction of taxes at the source by or on behalf of any applicable authority having power to tax in respect of such a dividend, and shall exclude any imputation or other credits, refunds or deductions granted by any applicable authority having power to tax in respect of such dividend and any taxes, credits, refunds or benefits imposed, withheld, assessed or levied thereon. In addition, “gross cash dividends” shall exclude Extraordinary Dividends and Excess Dividend Amounts, if any, unless otherwise provided in the related Confirmation; and
- 8.1.8.2. in relation to an Excess Dividend Amount, 100% of the Extraordinary Dividend per Share paid by the Issuer during the relevant Dividend Period to holders of record of a Share;
- 8.1.9. “Record Amount” means:
- 8.1.9.1. in relation to a Dividend Amount, 100% of the gross cash dividend per Share declared by the Issuer to holders of record of a Share on any record date occurring during the relevant Dividend Period; and

- 8.1.9.2. in relation to an Excess Dividend Amount, 100% of the Extraordinary Dividend per Share declared by the Issuer to holders of record of a Share on any record date occurring during the relevant Dividend Period; and
- 8.1.10. “Second Period” means each period from, but excluding, one Valuation Date to, and including, the next Valuation Date, except that:
 - 8.1.10.1. the initial Dividend Period will commence on, but exclude, the Trade Date; and
 - 8.1.10.2. the final Dividend Period will end on, and include, the final Valuation Date.
- 8.2. All dividends on Shares to be delivered under a Physically-settled Equity Option Transaction will be payable to the party that would receive such dividends according to market practice for a sale of such Shares to be settled through the relevant Clearance System on the relevant Exercise Date.

9. Terms and Provisions Relating to Adjustments and Modifications

- 9.1. The following definitions shall have the meanings set out hereunder unless the context otherwise requires:
 - 9.1.1. “Method of Adjustment” means a method for determining the appropriate adjustment to make to the terms of an Equity Option Transaction upon the occurrence of an event having, in the determination of the Calculation Agent, a diluting or concentrative effect on the theoretical value of the relevant Shares;
 - 9.1.2. “Options Exchange” means the exchange or quotation system specified as such in the related Confirmation, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in options contracts relating to the relevant Share has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to such options contracts on such temporary substitute exchange or quotation system as on the original Options Exchange) or, if no such exchange or quotation system is specified in the related Confirmation, the Related Exchange (if such Related Exchange trades options contracts relating to the relevant Share) or, if more than one such Related Exchange is specified in the related Confirmation, the Related Exchange selected by the Calculation Agent as the primary market for listed options contracts relating to the relevant Share; and
 - 9.1.3. “Potential Adjustment Event” means any of the following:
 - 9.1.3.1. a subdivision, consolidation or reclassification of relevant Shares (unless resulting in a Merger Event), or a free distribution or dividend of any such Shares to existing holders by way of bonus, capitalization or similar issue;
 - 9.1.3.2. a distribution, issue or dividend to existing holders of the relevant Shares of:
 - (A) such Shares;
 - (B) other share capital or securities granting the right to payment of dividends and/or the proceeds of liquidation of the Issuer equally or proportionately with such payments to holders of such Shares;
 - (C) share capital or other securities of another issuer acquired or owned (directly or indirectly) by the Issuer as a result of a spin-off or other similar transaction; or
 - (D) any other type of securities, rights or warrants or other assets, in any case for payment (cash or other consideration) at less than the prevailing market price as determined by the Calculation Agent;
 - 9.1.3.3. an Extraordinary Dividend;
 - 9.1.3.4. a call by the Issuer in respect of relevant Shares that are not fully paid;
 - 9.1.3.5. a repurchase by the Issuer or any of its subsidiaries of relevant Shares whether out of profits or capital and whether the consideration for such repurchase is cash, securities or otherwise;
 - 9.1.3.6. in respect of the Issuer, an event that results in any shareholder rights being distributed or becoming separated from shares of common stock or other shares of the capital stock of the Issuer pursuant to a shareholder rights plan or arrangement directed against hostile takeovers that provides upon the occurrence of certain events for a distribution of preferred stock, warrants, debt instruments or stock rights at a price below their market value, as determined by the Calculation Agent, provided that any adjustment effected as a result of such an event shall be readjusted upon any redemption of such rights; or
 - 9.1.3.7. any other event that may have a diluting or concentrative effect on the theoretical value of the relevant Shares.
- 9.2. If “Options Exchange Adjustment” is specified as the Method of Adjustment in the related Confirmation of an Equity Option Transaction, then following each adjustment to the exercise, settlement, payment or other terms of options on any relevant Shares traded on any Options Exchange, the Calculation Agent will make the corresponding adjustments, if any, to any one or more of the Strike Price, the Number of Options, the Option Entitlement and the relevant Number of Shares and, in any case, any other variable relevant to the exercise, settlement, payment or other terms of that Transaction, as determined by the Calculation Agent, which adjustment will be effective as of the date determined by the Calculation Agent to be the effective date of the corresponding adjustment made by the

Options Exchange. If options on the relevant Shares are not traded on the Options Exchange, the Calculation Agent will make such adjustment, if any, to any one or more of the relevant variables referred to above or any other variable relevant to the exercise, settlement, payment or other terms of the Transaction as the Calculation Agent determines appropriate, with reference to the rules of and precedents (if any) set by the Options Exchange, to account for the diluting or concentrative effect of any event that, in the determination of the Calculation Agent, would have given rise to an adjustment by the Options Exchange if such options were so traded.

9.3. If “Calculation Agent Adjustment” is specified as the Method of Adjustment in the related Confirmation of an Equity Option Transaction (or if no Method of Adjustment is specified in the related Confirmation for such Transaction), then following the declaration by the Issuer of the terms of any Potential Adjustment Event, the Calculation Agent will determine whether such Potential Adjustment Event has a diluting or concentrative effect on the theoretical value of the relevant Shares and, if so, will:

9.3.1. make the corresponding adjustment(s), if any, to any one or more of Strike Price, the Number of Options, the Option Entitlement and the relevant Number of Shares and, in any case, any other variable relevant to the exercise, settlement, payment or other terms of that Transaction as the Calculation Agent determines appropriate to account for that diluting or concentrative effect (provided that no adjustments will be made to account solely for changes in volatility, expected dividends, stock loan rate or liquidity relative to the relevant Share); and

9.3.2. determine the effective date(s) of the adjustment(s).

The Calculation Agent may (but need not) determine the appropriate adjustment(s) by reference to the adjustment(s) in respect of such Potential Adjustment Event made by an options exchange to options on the relevant Shares traded on such options exchange.

9.4. In the event that any price or level published on the Exchange and which is utilized for any calculation or determination made under a Transaction is subsequently corrected and the correction is published by the Exchange within one Settlement Cycle after the original publication, either party may notify the other party of that correction and the Calculation Agent will determine the amount that is payable or deliverable as a result of that correction, and, to the extent necessary, will adjust the terms of such Transaction to account for such correction.

10. General Terms and Provisions Relating to Extraordinary Events

10.1. The following definitions shall have the meanings set out hereunder unless the context otherwise requires:

10.1.1. “Additional Disruption Event” means any of Change in Law, Failure to Deliver, Insolvency Filing, Hedging Disruption, Increased Cost of Hedging, Loss of Stock Borrow or Increased Cost of Stock Borrow;

10.1.2. “Adjustment Value” means the difference between the amounts determined pursuant to Clauses 10.1.2.1 and 10.1.2.2 below;

10.1.2.1. a value of the Option Transaction (or portion thereof) determined by the Calculation Agent based on:

- (A) a volatility equal to the average of the Implied Volatilities of the relevant Shares on each of the 15 Exchange Business Days ending on but excluding the Announcement Date;
- (B) expected dividends for the time period from the Announcement Date until the Expiration Date based on, and payable on the same dates as:
 - (1) amounts to have been paid in respect of gross ordinary cash dividends on the relevant Shares in the one-year period ending on the Announcement Date; or
 - (2) in the event of an Issuer published change to dividend policies on the relevant Shares (as determined by the Calculation Agent) prior to the Announcement Date, the expected dividends determined in accordance with such published change,

in each case excluding Extraordinary Dividends;

- (C) a value ascribed to the relevant Shares equal to the Settlement Price (assuming Cash Settlement were applicable) of the relevant Shares as of the Valuation Time (for which purpose the Valuation Date will be the Announcement Date);
- (D) a combined interest rate and stock loan rate as specified in the related Confirmation for the period from, and including, the Announcement Date to, but excluding, the Expiration Date; and
- (E) a term of the Equity Option Transaction from the Announcement Date to the Expiration Date;

10.1.2.2. a value for the Equity Option Transaction (or portion thereof) based on the factors listed in Clauses 10.1.2.1(A) to 10.1.2.1(E) above, except with a volatility equal to the average of the Implied Volatilities of the relevant Shares on each of the 15 Exchange Business Days commencing on and including the Announcement Date;

10.1.3. “Affected Shares” means Shares affected by a Merger Event or a Tender Offer, as the case maybe;

- 10.1.4. “Announcement Date” means, in respect of an Extraordinary Event:
- 10.1.4.1. in the case of a Merger Event, the date of the first public announcement of a firm intention to engage in a transaction (whether or not subsequently amended) that leads to the Merger Event;
 - 10.1.4.2. in the case of a Tender Offer, the date of the first public announcement of a firm intention to purchase or otherwise obtain the requisite number of voting shares (whether or not subsequently amended) that leads to the Tender Offer;
 - 10.1.4.3. in the case of a Nationalization, the date of the first public announcement to nationalize (whether or not subsequently amended) that leads to the Nationalization;
 - 10.1.4.4. in the case of an Insolvency, the date of the first public announcement of the institution of a proceeding or presentation of a petition or passing of a resolution (or other analogous procedure in any jurisdiction) that leads to the Insolvency; and
 - 10.1.4.5. in the case of a Delisting, the date of the first public announcement by the Exchange that the Shares will cease to be listed, traded or publicly quoted in the manner described in Clause 10.1.8.
- In respect of any Extraordinary Event, if the announcement of such Extraordinary Event is made after the actual closing time for the regular trading session on the relevant Exchange, without regard to any after hours or any other trading outside of such regular trading session hours, the Announcement Date shall be deemed to be the next following Scheduled Trading Day;
- 10.1.5. “Cancellation Amount” means, with respect to 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 realized under then prevailing circumstances (expressed as a negative number) in replacing, or in providing for the Determining Party the economic equivalent of:
- 10.1.5.1. the material terms of the relevant Transaction, including the payments and deliveries by the parties under the GCT Terms in respect of the relevant Transaction that would, but for the occurrence of the Extraordinary Event, have been required on or after the date that the Transaction is, or is deemed to have been, terminated or cancelled (assuming satisfaction of any applicable conditions precedent in the GCT Terms); and
 - 10.1.5.2. the option rights of the parties in respect of the relevant Transaction;
- 10.1.6. “Change in Law” means that, on or after the Trade Date of any Transaction:
- 10.1.6.1. due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law); or
 - 10.1.6.2. 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 or regulation (including any action taken by a taxing authority),
- a party to such Transaction determines in good faith that it has become illegal to hold, acquire or dispose of Shares relating to such Transaction, or it will incur a materially increased cost in performing its obligations under such Transaction (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position);
- 10.1.7. “Combined Consideration” means New Shares in combination with Other Consideration;
- 10.1.8. “Delisting” means that the Exchange announces that pursuant to the rules of such Exchange, the Shares cease (or will cease) to be listed, traded or publicly quoted on the Exchange for any reason (other than a Merger Event or Tender Offer) and are not immediately re-listed, re-traded or re-quoted on an exchange or quotation system located in the same country as the Exchange;
- 10.1.9. “Determining Party” means the party or parties specified as such in the related Confirmation;
- 10.1.10. “Extraordinary Event” means a Merger Event, Tender Offer, Nationalization, Insolvency, Delisting or any applicable Additional Disruption Event, as the case may be;
- 10.1.11. “Failure to Deliver” means the failure of a party to deliver, when due, the relevant Shares under that Transaction, where such failure to deliver is due to illiquidity in the market for such Shares;
- 10.1.12. “Hedging Disruption” means that the Hedging Party is unable, after using commercially reasonable efforts, to:
- 10.1.12.1. acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the equity price risk of entering into and performing its obligations with respect to the relevant Transaction; or
 - 10.1.12.2. realize, recover or remit the proceeds of any such transaction(s) or asset(s);
- 10.1.13. “Hedging Party” means the party specified in the related Confirmation as the Hedging Party or, if no Hedging Party is specified, either party to the Transaction;
- 10.1.14. “Hedging Shares” means the number of Shares that the Hedging Party deems necessary to hedge the equity price risk of entering into and performing its obligations with respect to a Transaction to which “Loss of Stock Borrow” or “Increased Cost of Stock Borrow” is applicable;

- 10.1.15. “Implied Volatility” means for any Exchange Business Day, the mid-market implied volatility of the relevant Shares, as determined by the Calculation Agent by interpolating or extrapolating from the most comparable listed put or call option (which shall be of the same Option Type as the Equity Option Transaction being cancelled) on the relevant Shares as determined by the Calculation Agent taking into account the nearest strike price, maturity and “in-the-money” or “out-of-the-money” amount, as the case may be, and such other factors that the Calculation Agent deems appropriate. To the extent that such a listed option does not exist or the Calculation Agent determines that the market for such listed option is not sufficiently liquid for the purpose of the relevant calculation, the Implied Volatility will be determined by the Calculation Agent by whatsoever means it deems appropriate;
- 10.1.16. “Increased Cost of Hedging” means that the Hedging Party would incur a materially increased (as compared with circumstances existing on the Trade Date) amount of tax, duty, expense or fee (other than brokerage commissions) to:
- 10.1.16.1. acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the equity price risk of entering into and performing its obligations with respect to the relevant Transaction; or
- 10.1.16.2. realize, recover or remit the proceeds of any such transaction(s) or asset(s), provided that any such materially increased amount that is incurred solely due to the deterioration of the creditworthiness of the Hedging Party shall not be deemed an Increased Cost of Hedging;
- 10.1.17. “Increased Cost of Stock Borrow” means that the Hedging Party would incur a rate to borrow Shares in respect of such Transaction that is greater than the Initial Stock Loan Rate;
- 10.1.18. “Initial Stock Loan Rate” means, in respect of a Transaction to which “Increased Cost of Stock Borrow” is applicable, the stock loan rate specified as such in the related Confirmation;
- 10.1.19. “Insolvency” means that by reason of the voluntary or involuntary liquidation, bankruptcy, insolvency, dissolution or winding-up of or any analogous proceeding affecting an Issuer:
- 10.1.19.1. all the Shares of that Issuer are required to be transferred to a trustee, liquidator or other similar official; or
- 10.1.19.2. holders of the Shares of that Issuer become legally prohibited from transferring them;
- 10.1.20. “Insolvency Filing” means that the Issuer 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 organization or the jurisdiction of its head or home office, or it consents to 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 it consents to such a petition, provided that proceedings instituted or petitions presented by creditors and not consented to by the Issuer shall not be deemed an Insolvency Filing;
- 10.1.21. “Lending Party” means a third party that the Hedging Party considers to be a satisfactory counterparty (acting in good faith and in a commercially reasonable manner in light of other transactions that the Hedging Party may have entered into with such party);
- 10.1.22. “Loss of Stock Borrow” means that the Hedging Party is unable, after using commercially reasonable efforts, to borrow (or maintain a borrowing of) Shares with respect to such Transaction in an amount equal to the Hedging Shares (not to exceed the number of Shares underlying the Transaction) at a rate equal to or less than the Maximum Stock Loan Rate;
- 10.1.23. “Maximum Stock Loan Rate” means, in respect of a Transaction to which “Loss of Stock Borrow” is applicable, the stock loan rate specified as such in the related Confirmation;
- 10.1.24. “Merger Date” means the closing date of a Merger Event or, where a closing date cannot be determined under the local law applicable to such Merger Event, such other date as determined by the Calculation Agent;
- 10.1.25. “Merger Event” means, in respect of any relevant Shares, any:
- 10.1.25.1. reclassification or change of such Shares that results in a transfer of or an irrevocable commitment to transfer all of such Shares outstanding to another entity or person;
- 10.1.25.2. consolidation, amalgamation, merger or binding share exchange of the Issuer with or into another entity or person (other than a consolidation, amalgamation, merger or binding share exchange in which such Issuer is the continuing entity and which does not result in a reclassification or change of all of such Shares outstanding);
- 10.1.25.3. takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person to purchase or otherwise obtain 100% of the outstanding Shares of the Issuer that results in a transfer of or an irrevocable commitment to transfer all such Shares (other than such Shares owned or controlled by such other entity or person); or
- 10.1.25.4. consolidation, amalgamation, merger or binding share exchange of the Issuer or its subsidiaries with or into another entity in which the Issuer is the continuing entity and which does not result in a reclassification or change of all such Shares outstanding but results in the outstanding Shares

(other than Shares owned or controlled by such other entity) immediately prior to such event collectively representing less than 50% of the outstanding Shares immediately following such event (a “Reverse Merger”), in each case if the Merger Date is on or before the later to occur of the Expiration Date or the final Settlement Date;

- 10.1.26. “Nationalization” means that all the Shares or all or substantially all the assets of an Issuer are nationalized, expropriated or are otherwise required to be transferred to any governmental agency, authority, entity or instrumentality thereof;
 - 10.1.27. “New Shares” means ordinary or common shares, whether of the entity or person (other than the Issuer) involved in the Merger Event or the making of the Tender Offer or a third party, that are, or that as of the Merger Date or Tender Offer Date are promptly scheduled to be:
 - 10.1.27.1. publicly quoted, traded or listed on an exchange or quotation system located in the same country as the Exchange; and
 - 10.1.27.2. not subject to any currency exchange controls, trading restrictions or other trading limitations;
 - 10.1.28. “Non-Hedging Party” means the party that is not the Hedging Party;
 - 10.1.29. “Other Consideration” means cash and/or any securities (other than New Shares) or assets (whether of the entity or person (other than the Issuer) involved in the Merger Event or the making of the Tender Offer or a third party);
 - 10.1.30. “Price Adjustment” means an adjustment to the Strike Price, spread or other variable with respect to the relevant Transaction;
 - 10.1.31. “Share-for-Combined” means, in respect of a Merger Event or Tender Offer, that the consideration for the relevant Shares consists of Combined Consideration;
 - 10.1.32. “Share-for-Other” means, in respect of a Merger Event or Tender Offer, that the consideration for the relevant Shares consists solely of Other Consideration;
 - 10.1.33. “Share-for-Share” means:
 - 10.1.33.1. in respect of a Merger Event or Tender Offer, that the consideration for the relevant Shares consists (or, at the option of the holder of such Shares, will consist) solely of New Shares; and
 - 10.1.33.2. a Reverse Merger;
 - 10.1.34. “Tender Offer” means a takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person that results in such entity or person purchasing, or otherwise obtaining or having the right to obtain, by conversion or other means, greater than 10% and less than 100% of the outstanding voting shares of the Issuer, as determined by the Calculation Agent, based upon the making of filings with governmental or self- regulatory agencies or such other information as the Calculation Agent deems relevant;
 - 10.1.35. “Tender Offer Date” means, in respect of a Tender Offer, the date on which voting shares in the amount of the applicable percentage threshold are actually purchased or otherwise obtained (as determined by the Calculation Agent); and
 - 10.1.36. “Unadjusted Value” means an amount determined by the Calculation Agent as the value of the Equity Option Transaction (or portion thereof) on the Closing Date based on:
 - 10.1.36.1. a volatility equal to the average of the Implied Volatilities of the relevant Shares on each of the 15 Exchange Business Days ending on and including the Closing Date;
 - 10.1.36.2. expected dividends for the time period from the Closing Date until the Expiration Date based on, and payable on the same dates as:
 - (A) amounts to have been paid in respect of gross ordinary cash dividends on the relevant Shares in the one-year period ending on the Closing Date; or
 - (B) in the event of an Issuer published change to dividend policies on the relevant Shares (as determined by the Calculation Agent) prior to the Closing Date, the expected dividends determined in accordance with such published change,in each case excluding Extraordinary Dividends;
 - 10.1.36.3. a value ascribed to the relevant Shares as determined by the Calculation Agent and, if applicable, equal to the value of the consideration, if any, paid or delivered in respect of such Shares to holders of such Shares at the time of the Extraordinary Event;
 - 10.1.36.4. a combined interest rate and stock loan rate as specified in the related Confirmation for the period from, and including, the Closing Date to, but excluding, the Expiration Date; and
 - 10.1.36.5. a term of the Equity Option Transaction from the Closing Date to the Expiration Date.
- 10.2. In respect of any Merger Event if, under “Consequences of Merger Events” in relation to “Share-for-Share”, “Share-for-Other” or “Share-for-Combined”, the consequence specified in the related Confirmation is:
- 10.2.1. “Alternative Obligation”, then except in respect of a Reverse Merger, on or after the relevant Merger Date, the New Shares and/or the amount of Other Consideration, if applicable (as subsequently modified in

accordance with any relevant terms and including the proceeds of any redemption, if applicable), and their issuer (if any) will be deemed the “Shares” and the “Issuer”, respectively, the number of New Shares and/or the amount of Other Consideration, if applicable, (as subsequently modified in accordance with any relevant terms and including the proceeds of any redemption, if applicable) to which a holder of the relevant Number of Shares immediately prior to the occurrence of the Merger Event would be entitled upon consummation of the Merger Event will be deemed the relevant “Number of Shares” and, if necessary, the Calculation Agent will adjust any relevant terms, provided, however, that no adjustments will be made to account solely for changes in volatility, expected dividends, stock loan rate or liquidity relevant to the Shares or the Transaction;

10.2.2. “Calculation Agent Adjustment”, then, on or after the relevant Merger Date, the Calculation Agent shall either:

10.2.2.1. make such adjustment to the exercise, settlement, payment or any other terms of the Transaction as the Calculation Agent determines appropriate to account for the economic effect on the Transaction of such Merger Event (provided that no adjustments will be made to account solely for changes in volatility, expected dividends, stock loan rate or liquidity relevant to the Shares or to the Transaction), which may, but need not, be determined by reference to the adjustment(s) made in respect of such Merger Event by an options exchange to options on the relevant Shares traded on such options exchange, and determine the effective date of that adjustment; or

10.2.2.2. if the Calculation Agent determines that no adjustment that it could make under Clause 10.2.2.1 will produce a commercially reasonable result, notify the parties that the relevant consequence shall be the termination of the Transaction, in which case “Cancellation and Payment” will be deemed to apply and any payment to be made by one party to the other shall be determined by the Calculation Agent in accordance with Clause 10.7 as if “Calculation Agent Determination” applied to the Equity Option Transaction;

10.2.3. “Cancellation and Payment”, then the Equity Option Transaction will be cancelled as of the Merger Date and Seller will pay to Buyer the amount calculated in accordance with Clause 10.7;

10.2.4. “Component Adjustment”, then, in respect of a Share-for-Combined Merger Event, the consequence specified opposite “Share-for-Share” shall apply to that portion of the consideration that consists of New Shares (as determined by the Calculation Agent) and the consequence specified opposite “Share-for-Other” shall apply to that portion of the consideration that consists of Other Consideration (as determined by the Calculation Agent);

10.2.5. “Modified Calculation Agent Adjustment”, then, on or after the relevant Merger Date, the Calculation Agent shall either:

10.2.5.1. make such adjustment to the exercise, settlement, payment or any other terms of the Transaction (including, without limitation, the spread) as the Calculation Agent determines appropriate to account for the economic effect on the Transaction of such Merger Event (including adjustments to account for changes in volatility, expected dividends, stock loan rate or liquidity relevant to the Shares or to the Transaction), which may, but need not, be determined by reference to the adjustments(s) made in respect of such Merger Event by an options exchange to options on the relevant Shares traded on such options exchange and determine the effective date of that adjustment; or

10.2.5.2. if the Calculation Agent determines that no adjustment that it could make under Clause 10.2.5.1 will produce a commercially reasonable result, notify the parties that the relevant consequence shall be the termination of the Transaction, in which case “Cancellation and Payment” will be deemed to apply and any payment to be made by one party to the other shall be determined by the Calculation Agent in accordance with Clause 10.7 as if “Calculation Agent Determination” applied to the Equity Option Transaction; and

10.2.6. “Options Exchange Adjustment”, then following each adjustment to the settlement terms of options on any relevant Shares traded on any Options Exchange, the Calculation Agent will make one or more adjustments as provided in Clause 9.2 (without regard to the words “diluting or concentrative” in the second sentence).

10.3. If “Tender Offer” is specified in the related Confirmation to be applicable to a Transaction, then if, under “Consequences of Tender Offers” in relation to “Share-for-Share”, “Share-for-Other” or “Share-for-Combined”, the consequence specified in the related Confirmation is:

10.3.1. “Calculation Agent Adjustment”, then, on or after the relevant Tender Offer Date the Issuer and the Shares will not change, but the Calculation Agent shall either:

10.3.1.1. make such adjustment to the exercise, settlement, payment or any other terms of the Transaction as the Calculation Agent determines appropriate to account for the economic effect on the Transaction of such Tender Offer (provided that no adjustments will be made to account solely for changes in volatility, expected dividends, stock loan rate or liquidity relevant to the Shares or to the Transaction), which may, but need not, be determined by reference to the adjustment(s) made in respect of such Tender Offer by an options exchange to options on the relevant Shares traded on such options exchange and determine the effective date of that adjustment; or

- 10.3.1.2. if the Calculation Agent determines that no adjustment that it could make under Clause 10.3.1.1 will produce a commercially reasonable result, notify the parties that the relevant consequence shall be the termination of the Transaction, in which case “Cancellation and Payment” will be deemed to apply and any payment to be made by one party to the other shall be determined by the Calculation Agent in accordance with Clause 10.7 as if “Calculation Agent Determination” applied to the Equity Option Transaction;
- 10.3.2. “Cancellation and Payment”, then the Equity Option Transaction will be cancelled as of the Tender Offer Date and Seller will pay to Buyer the amount calculated in accordance with Clause 10.7;
- 10.3.3. “Component Adjustment”, then, in respect of a Share-for-Combined Tender Offer, the consequence specified opposite “Share-for-Share” shall apply to that portion of the consideration that consists of New Shares (as determined by the Calculation Agent) and the consequence specified opposite “Share-for-Other” shall apply to that portion of the consideration that consists of Other Consideration (as determined by the Calculation Agent);
- 10.3.4. “Modified Calculation Agent Adjustment” then, on or after the relevant Tender Offer Date, the Issuer and the Shares will not change, but the Calculation Agent shall either:
 - 10.3.4.1. make such adjustment to the exercise, settlement, payment or any other terms of the Transaction (including, without limitation, the spread) as the Calculation Agent determines appropriate to account for the economic effect on the Transaction of such Tender Offer (including adjustments to account for changes in volatility, expected dividends, stock loan rate or liquidity relevant to the Shares or to the Transaction), which may, but need not, be determined by reference to the adjustment(s) made in respect of such Tender Offer by an options exchange to options on the relevant Shares traded on such options exchange and determine the effective date of that adjustment; or
 - 10.3.4.2. if the Calculation Agent determines that no adjustment that it could make under Clause 10.3.4.1 will produce a commercially reasonable result, notify the parties that the relevant consequence shall be the termination of the Transaction, in which case “Cancellation and Payment” will be deemed to apply and any payment to be made by one party to the other shall be determined by the Calculation Agent in accordance with Clause 10.7 as if “Calculation Agent Determination” applied to the Equity Option Transaction; and
- 10.3.5. “Options Exchange Adjustment”, then following each adjustment to the settlement terms of options on any relevant Shares traded on any Options Exchange, the Calculation Agent will make one or more adjustments as provided in Clause 9.2 (without regard to the words “diluting or concentrative” in the second sentence).
- 10.4. The following terms relating to settlement shall apply following a Merger Event or Tender Offer:
 - 10.4.1. if Other Consideration is required to be valued in relation to a Cash-settled Equity Option Transaction that has been adjusted following a Merger Event or Tender Offer, the Other Consideration will be valued by the Calculation Agent on each Valuation Date or Averaging Date, as the case may be. For the avoidance of doubt, the provisions of these Equity Option Terms relating to Market Disruption Events will not apply to Other Consideration;
 - 10.4.2. if New Shares are required to be delivered in relation to a Physically-settled Equity Transaction that has been adjusted following a Merger Event or Tender Offer, then the deliveror will deliver the relevant New Shares in accordance with the terms of settlement set out in the related Confirmation, provided that if on the relevant Settlement Date a holder of the Shares would not yet have received the New Shares to which it is entitled, the Settlement Date with respect to such New Shares will be postponed to the first Clearance System Business Day falling on or after the first day on which a holder of the relevant Shares, having received the New Shares, would be able to deliver such New Shares to the other party; and
 - 10.4.3. if Other Consideration is required to be delivered in relation to a Physically-settled Transaction that has been adjusted following a Merger Event or Tender Offer, then the deliveror will deliver the relevant Other Consideration to the other party in a commercially reasonable manner in accordance with the reasonable directions of the other party as soon as reasonably practicable after the later of:
 - 10.4.3.1. the relevant Settlement Date; and
 - 10.4.3.2. the first day on which a holder of the relevant Shares, having received the Other Consideration, would be able to deliver such Other Consideration to the other party.
- 10.5. In respect of any Share-for-Combined Merger Event or Tender Offer:
 - 10.5.1. if “Composition of Combined Consideration” is specified as applicable in the related Confirmation, then:
 - 10.5.1.1. to the extent that the composition of the Combined Consideration could be determined by a holder of Shares equal to the relevant Option Entitlement or Number of Shares, and a holder could receive New Shares as part of the Combined Consideration, the Combined Consideration shall be deemed to be New Shares to the maximum value permitted; and
 - 10.5.1.2. if a holder could make any other election with respect to the composition of Combined Consideration other than New Shares, the composition of the Combined Consideration shall be determined as follows:

- (A) the deliverer or payee may determine the composition if notice is given to the deliveror or payor at least two Scheduled Trading Days before the last time when an election of the Combined Consideration by such holder could be timely made; and
 - (B) otherwise the deliveror or payor will, in its sole discretion, determine the composition; and
- 10.5.2. if “Composition of Combined Consideration” is not specified as applicable in the related Confirmation, then:
 - 10.5.2.1. to the extent that the composition of the Combined Consideration could be determined by a holder of Shares equal to the relevant Option Entitlement or Number of Shares and a holder of Shares could receive New Shares as part of the Combined Consideration, the Combined Consideration shall be deemed to be New Shares to the maximum value permitted; and
 - 10.5.2.2. if a holder could make any other election with respect to the composition of Combined Consideration other than New Shares, the Calculation Agent will, in its sole discretion, determine the composition.
- 10.6. Either party will, upon becoming aware of the occurrence of a Nationalization, Insolvency or Delisting, promptly notify the other party of such event. For the purpose of determining the consequence of any Nationalization, Insolvency or Delisting:
 - 10.6.1. “Cancellation and Payment” means that the Transaction will be cancelled as of the Announcement Date and Seller will pay to Buyer the amount calculated in accordance with Clause 10.7; and
 - 10.6.2. “Negotiated Close-out” means that the parties may, but are not obliged to, terminate the Transaction on mutually acceptable terms and if the parties do not agree to terminate the Transaction, then it continues on the terms and subject to the conditions then in effect, provided, that any Physically-settled Equity Option Transaction will, at the election of either party, become a Transaction to which Cash Settlement is applicable, except that if a Scheduled Valuation Date is a Disrupted Day, the Calculation Agent will ignore the provisions of Clause 3.2 relating to Disrupted Days and will instead determine its good faith estimate of the Settlement Price as of the Valuation Time on that Valuation Date.
- 10.7. If, in respect of an Extraordinary Event, “Cancellation and Payment” applies or is deemed to apply to the relevant Transaction (or a portion thereof), then an amount will be paid by one party to the other determined as provided in this Clause 10.7, such payment to be made not later than three Currency Business Days following the date that notice of the determination by the Calculation Agent or the Determining Party, as the case may be, of such amount (denominated in the currency for settlement of the Transaction as determined by the Calculation Agent or the Determining Party, as the case may be) and which party shall pay such amount is effective, which notice shall be provided promptly following such determination.

The amount to be paid by Seller to Buyer will be as agreed promptly (and in any event within five Exchange Business Days) by the parties after the Merger Date, the Tender Offer Date or the date of occurrence of a Nationalization, Insolvency or Delisting, as the case may be (each such date, the “Closing Date”). If the parties are unable to agree on the amount, then:

 - 10.7.1. if “Agreed Model” is specified in the related Confirmation to be applicable to such Transaction, then the amount will be determined by the Calculation Agent as the sum of the Unadjusted Value and the Adjustment Value. For the avoidance of doubt, the Buyer shall not be required to pay any amount to the Seller as a result of the cancellation of the Equity Option Transaction other than any unpaid Premium which Buyer will be obliged to pay to Seller as of the date that the amount determined in this Clause 10.7.1 is paid; and
 - 10.7.2. if “Calculation Agent Determination” is specified in the related Confirmation to be applicable to such Transaction, then the amount will be determined by the Calculation Agent, which determination may, but need not, be based on the factors and adjustments set forth in Clause 10.7.1 above.
- 10.8. The following terms shall apply to Cancellation Amounts:
 - 10.8.1. any Cancellation 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. Each Cancellation Amount will be determined as of the date that the Transaction terminated or cancelled or, if that would not be commercially reasonable, as of the date or dates following the date that the Transaction terminated or cancelled as would be commercially reasonable;
 - 10.8.2. in determining a Cancellation Amount, the Determining Party may consider any relevant information, including, without limitation, one or more of the following types of information:
 - 10.8.2.1. quotations (either firm or indicative) for replacement transactions supplied by one or more third parties that may take into account the current 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;
 - 10.8.2.2. 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

- 10.8.2.3. information of the types described in Clauses 10.8.2.1 and 10.8.2.2 above from internal sources (including any Affiliates of the Determining Party) 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;
- 10.8.3. the Determining Party will consider, taking into account the standards and procedures described in this Clause 10.8, quotations pursuant to Clause 10.8.2.1 or relevant market data pursuant to Clause 10.8.2.2 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 10.8.2.1, 10.8.2.2 or 10.8.2.3, 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 utilized. Third parties supplying quotations pursuant to Clause 10.8.2.1 or market data pursuant to Clause 10.8.2.2 may include, without limitation, dealers in the relevant markets, end-users of the relevant product, information vendors, brokers and other sources of market information;
- 10.8.4. without duplication of amounts calculated based on information described in Clause 10.8.2.1, 10.8.2.2 or 10.8.2.3, or other relevant information, and when it is commercially reasonable to do so, the Determining Party may in addition consider in calculating a Cancellation Amount any loss or cost incurred in connection with its terminating, liquidating or re-establishing any hedge related to such Transaction (or any gain resulting from any of them); and
- 10.8.5. commercially reasonable procedures used in determining a Cancellation Amount may include the following:
- 10.8.5.1. application to relevant market data from third parties pursuant to Clause 10.8.2.2 or information from internal sources pursuant to Clause 10.8.2.3 of pricing or other valuation models that are, at the time of the determination of the Cancellation 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 relevant Transaction; and
- 10.8.5.2. application of different valuation methods to the relevant Transaction depending on the type, complexity or size of the relevant Transaction.
- 10.9. For the purpose of determining the consequence of an Additional Disruption Event:
- 10.9.1. if “Change in Law” or “Insolvency Filing” is specified in the related Confirmation to be applicable to a Transaction, then upon the occurrence of such an event either party may elect to terminate the Transaction upon at least two Scheduled Trading Days’ notice to the other party specifying the date of such termination (or such lesser notice as may be required to comply with the Change in Law), in which event the Transaction will terminate and the Determining Party will determine the Cancellation Amount payable by one party to the other;
- 10.9.2. if “Failure to Deliver” is specified in the related Confirmation to be applicable to a Transaction, then such event shall not constitute a Default, but upon the occurrence of such an event, the party required to deliver the relevant Shares (the “Delivering Party”) shall:
- 10.9.2.1. give the other party (the “Receiving Party”) notice that a Failure to Deliver has occurred within one Clearance System Business Day of the relevant Exercise Date in the case of an Equity Option Transaction; and
- 10.9.2.2. deliver on the Settlement Date to the Receiving Party such number of Shares that it can deliver on such date.
- The Receiving Party’s obligation to make any corresponding payment or delivery to the Delivering Party shall be reduced in proportion to the number of Shares it receives from the Delivering Party.
- In respect of a European style Equity Option Transaction, the Receiving Party may then elect to terminate the Transaction by giving notice to the Delivering Party and the Transaction will terminate on the date that such notice is effective. The Receiving Party (who shall be the Determining Party) shall determine the Cancellation Amount payable in relation to such terminated Transaction (after consideration of any partial delivery).
- In respect of an American style Equity Option Transaction or a Bermuda style Equity Option Transaction, the Receiving Party may then elect to terminate that part of the Transaction consisting of the exercised Options by giving notice to the Delivering Party. On the date that such notice is effective, a Transaction consisting of the exercised Options only shall be terminated and the Receiving Party (who shall be the Determining Party) shall determine the Cancellation Amount payable in relation to such terminated Transaction (after consideration of any partial delivery). On the date that such notice is effective, a Transaction consisting of the Number of Shares to be Delivered on that Settlement Date only shall be deemed to have been terminated on such Settlement Date and the Receiving Party (who shall be the Determining Party) shall determine the Cancellation Amount payable in relation to such terminated Transaction (after consideration of any partial delivery);
- 10.9.3. if “Hedging Disruption” is specified in the related Confirmation to be applicable to a Transaction, then upon the occurrence of such an event the Hedging Party may elect, while the Hedging Disruption is continuing, to terminate the Transaction, upon at least two Scheduled Trading Days’ notice to the Non-Hedging Party specifying the date of such termination, in which event the Determining Party will determine the Cancellation Amount payable by one party to the other;

- 10.9.4. if “Loss of Stock Borrow” is specified in the related Confirmation to be applicable to a Transaction, then upon the occurrence of such an event the Hedging Party may give notice that a Loss of Stock Borrow has occurred to the Non-Hedging Party, who may:
- 10.9.4.1. lend the Hedging Party, subject to the conditions below, Shares in an amount equal to the Hedging Shares at a rate equal to or less than the Maximum Stock Loan Rate; or
 - 10.9.4.2. refer the Hedging Party to a Lending Party that will lend the Hedging Party Shares in an amount equal to the Hedging Shares at a rate equal to or less than the Maximum Stock Loan Rate,
- in each case within two Scheduled Trading Days of receipt of the notice of Loss of Stock Borrow.
- If neither the Non-Hedging Party nor the Lending Party lends Shares in the amount of the Hedging Shares or a satisfactory Lending Party is not identified within this period, the Hedging Party may give notice that it elects to terminate the Transaction, specifying the date of such termination, which may be the same day that the notice of termination is effective. The Determining Party will then determine the Cancellation Amount payable by one party to the other;
- 10.9.5. if “Increased Cost of Stock Borrow” is specified in the related Confirmation to be applicable to a Transaction, then upon the occurrence of such an event the Hedging Party will give prompt notice to the Non-Hedging Party that an Increased Cost of Stock Borrow has occurred and that a Price Adjustment will be made to the Transaction. The Non-Hedging Party shall, within two Scheduled Trading Days of receipt of the notice of Increased Cost of Stock Borrow and corresponding Price Adjustment, notify the Hedging Party that it elects to:
- 10.9.5.1. agree to amend the relevant Transaction to take into account the Price Adjustment;
 - 10.9.5.2. pay the Hedging Party an amount determined by the Calculation Agent that corresponds to the Price Adjustment; or
 - 10.9.5.3. terminate the Transaction as of that second Scheduled Trading Day.
- If such notice is not given by the end of that second Scheduled Trading Day, then the Hedging Party may give notice that it elects to terminate the Transaction, specifying the date of such termination, which may be the same day that the notice of termination is effective. If either party elects to terminate the Transaction, the Determining Party will determine the Cancellation Amount payable by one party to the other. Within this period, the Non-Hedging Party may, in order to avoid a Price Adjustment or termination with respect to the Transaction, either lend the Hedging Party, subject to the conditions below, Shares in an amount equal to the Hedging Shares at a rate equal to or less than the Initial Stock Loan Rate or refer the Hedging Party to a Lending Party that lends the Hedging Party Shares in an amount equal to the Hedging Shares at a rate equal to or less than the Initial Stock Loan Rate;
- 10.9.6. if “Increased Cost of Hedging” is specified in the related Confirmation to be applicable to a Transaction, then upon the occurrence of such an event the Hedging Party will give prompt notice to the Non-Hedging Party that such increased costs have been incurred and that a Price Adjustment will be made to the Transaction. The Non-Hedging Party shall, within two Scheduled Trading Days of receipt of the notice of Increased Cost of Hedging and corresponding Price Adjustment, notify the Hedging Party that it elects to:
- 10.9.6.1. agree to amend the relevant Transaction to take into account the Price Adjustment;
 - 10.9.6.2. pay the Hedging Party an amount determined by the Calculation Agent that corresponds to the Price Adjustment; or
 - 10.9.6.3. terminate the Transaction as of that second Scheduled Trading Day.
- If such notice is not given by the end of that second Scheduled Trading Day, then the Hedging Party may give notice that it elects to terminate the Transaction, specifying the date of such termination, which may be the same day that the notice of termination is effective. If either party elects to terminate the Transaction, the Determining Party will determine the Cancellation Amount payable by one party to the other;
- 10.9.7. if both “Hedging Disruption” and “Loss of Stock Borrow” are specified to be applicable to a Transaction and an event or circumstance that would otherwise constitute or give rise to a Hedging Disruption also constitutes a Loss of Stock Borrow, it will be treated as a Loss of Stock Borrow and will not constitute a Hedging Disruption;
- 10.9.8. any Shares provided by the Non-Hedging Party or the Lending Party, as the case may be, in respect of a Loss of Stock Borrow or Increased Cost of Stock Borrow shall be in book-entry form and freely tradable without any restrictions under relevant law and the lending of such Shares shall be documented under documentation acceptable to the Hedging Party; and
- 10.9.9. any Cancellation Amount payable by one party to the other shall be paid by the party to pay such amount not later than three Currency Business Days following the date that notice of the determination by the Determining Party of such amount (denominated in the currency for settlement of the Transaction as determined by the Determining Party) and the party to pay such amount is effective, which notice shall be provided promptly following such determination.

11. Miscellaneous Terms and Provisions

- 11.1. The following definitions shall have the meanings set out hereunder unless the context otherwise requires:
- 11.1.1. “Hedging Activities” means any activities or transactions undertaken in connection with the establishment, maintenance, adjustment or termination of Hedge Positions; and
- 11.1.2. “Hedge Positions” means any purchase, sale, entry into or maintenance of one or more:
- 11.1.2.1. positions or contracts in securities, options, futures, derivatives or foreign exchange;
- 11.1.2.2. stock loan transactions; or
- 11.1.2.3. other instruments or arrangements (howsoever described) by a party in order to hedge, individually or on a portfolio basis, a Transaction.
- 11.2. If “Non-Reliance” is specified as applicable in the related Confirmation, then notwithstanding any communication that the Bank and/or its affiliates or agents may have had with you, you represent to the Bank that:
- 11.2.1. you are entering into such Transaction as principal (and not as agent or in any other capacity);
- 11.2.2. neither the Bank nor any of its affiliates or agents are acting as a fiduciary or an advisor for you;
- 11.2.3. you are not relying upon any representations except those expressly set forth herein or in the GCT Terms (including the related Confirmations between you and the Bank);
- 11.2.4. you have consulted your own legal, regulatory, tax, business, investments, financial and accounting advisors to the extent that you have deemed necessary, and you have made your own investments, hedging, and trading decisions based upon your own judgment and upon any advice from those advisors as you have deemed necessary and not upon any view expressed by the Bank or any of its affiliates or agents; and
- 11.2.5. you entering into such Transaction with a full understanding of the terms, conditions and risks thereof and you are capable of and willing to assume those risks.
- 11.3. If “Agreements and Acknowledgments Regarding Hedging Activities” is specified as applicable in the related Confirmation, then notwithstanding any communication that the Bank and/or its affiliates or agents may have had with you, you agree and acknowledge that:
- 11.3.1. when entering into, or continuing to maintain, such Transaction, you are not relying on:
- 11.3.1.1. the manner or method in which the Bank or any of its affiliates may establish, maintain, adjust or unwind its Hedge Positions;
- 11.3.1.2. any communication, whether written or oral, between you and the Bank or any of its affiliates or agents in relation to any Hedging Activities of the Bank or any of its affiliates or agents; or
- 11.3.1.3. any representation, warranty or statement being made by the Bank or any of its affiliates or agents as to whether, when, how or in what manner or method the Bank or any of its affiliates or agents may engage in any Hedging Activities;
- 11.3.2. the Bank and its affiliates or agents may, but are not obliged to, hedge any Transaction on a dynamic, static or portfolio basis, by holding a corresponding position in the securities referenced by or underlying such Transaction or in any other securities or derivatives contracts or by entering into any Hedge Position;
- 11.3.3. any Hedge Position established by the Bank or any of its affiliates or agents is a trading position and activity of the Bank or its affiliates or agents;
- 11.3.4. the Bank or its affiliates or agents is not holding the Hedge Positions or engaging in the Hedging Activities, if any, on your behalf or for your account or as your agent or fiduciary, and you will not have any direct economic or other interest in, or beneficial ownership of, the Hedge Positions or Hedging Activities; and
- 11.3.5. the decision to engage in Hedging Activities is in your sole discretion, and the Bank and its affiliates or agents may commence or, once commenced, suspend or cease the Hedging Activities at any time as the Bank or such affiliate may solely determine.
- 11.4. If “Additional Acknowledgments” is specified as applicable in the related Confirmation, then notwithstanding any communication that the Bank and/or its affiliates or agents may have had with you, you acknowledge that:
- 11.4.1. neither the Bank nor its affiliates or agents provides investment, tax, accounting, legal or other advice in respect of such Transaction;
- 11.4.2. you have been given the opportunity to obtain information from the Bank concerning the terms and conditions of such Transaction necessary in order for you to evaluate the merits and risks of the Transaction. Notwithstanding the previous sentence, you are not relying on any communication (written or oral and including, without limitation, opinions of third party advisors) of the Bank or its affiliates or agents as:
- 11.4.2.1. legal, regulatory, tax, business, investments, financial, accounting or other advice;
- 11.4.2.2. a recommendation to enter into such Transaction; or
- 11.4.2.3. an assurance or guarantee as to the expected results of such Transaction.
- Any such communication should not be the basis on which you have entered into such Transaction, and should be independently confirmed by you prior to entering into the Transaction; and

- 11.4.3. the Bank and/or its affiliates or agents may have banking or other commercial relationships with the Issuer of the Shares underlying such Transaction and may engage in trading activities in the Shares or options, futures, derivatives or other instruments relating to the Shares (including such trading as the Bank and/or its affiliates or agents deem appropriate in their sole discretion to hedge their market risk on such Transaction and other transactions relating to the Shares between the Bank and/or its affiliates or agents and you or with third parties), and that such trading may affect the price of the Shares and consequently the amounts payable or deliverable under such Transaction. Such trading may be effected at any time, including on or near the Valuation Date(s).

SPECIFIC TERMS AND CONDITIONS GOVERNING FOREIGN EXCHANGE TRANSACTIONS

The definitions, terms and conditions set out in these Specific Terms and Conditions Governing Foreign Exchange Transactions (the “FX Terms”) are intended for use in Confirmations of individual transactions governed by the GCT Terms (as defined under Part H). The FX Terms shall form a part of and are deemed incorporated into the GCT Terms.

The purpose of these FX Terms is to provide the basic framework for the documentation of bilaterally negotiated foreign exchange and currency option transactions to be entered into between the Bank and you from time to time. Any of the foregoing definitions, terms and conditions may be incorporated into a document by wording in the document indicating that, or the extent to which, the document is subject to these FX Terms. All definitions, terms and conditions so incorporated in a document will be applicable to that document unless otherwise provided in that document, and all terms defined in these FX Terms and used in any definition, term or condition that is incorporated by reference in a document will have the respective meanings ascribed to them in these FX Terms unless otherwise provided in that document.

All capitalised terms not defined herein shall have the same meaning as defined in the GCT Terms. In the event of any conflict or inconsistency between the GCT Terms and these FX Terms, these FX Terms shall prevail, but only to the extent of such conflict or inconsistency. In the event of any conflict or inconsistency between these FX Terms and the definitions, terms and conditions set out in any Confirmation, such Confirmation shall prevail for the purposes of the relevant Transaction, but only to the extent of such conflict or inconsistency.

1. General Definitions

1.1. The following definitions shall have the meanings set out hereunder unless the context otherwise requires:

1.1.1. “Business Day” means, in respect of any date that is specified in these FX Terms or in a Confirmation to be subject to adjustment in accordance with any applicable Business Day Convention, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealings in foreign exchange and foreign currency deposits) in the place(s) and on the days specified for that purpose in a related Confirmation;

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

1.1.2.1. if “Following” is specified, that date will be the first following day that is a Business Day;

1.1.2.2. if “Modified Following” or “Modified” is specified, that date will be the first following day that is a Business Day unless that date falls in the next calendar month, in which case that date will be the first preceding day that is a Business Day;

1.1.2.3. for the purposes of FX Transactions, if “Nearest” is specified, that date will be the first preceding day that is a Business Day, if the relevant date otherwise falls on a day other than a Sunday or a Monday, and will be the first following day that is a Business Day, if the relevant date otherwise falls on a Sunday or a Monday; and

1.1.2.4. if “Preceding” is specified, that date will be the first preceding day that is a Business Day.

The Business Day Convention applicable to a date that is specified in a Confirmation to be subject to adjustment in accordance with an applicable Business Day Convention shall be the Business Day Convention specified for that date in that Confirmation;

1.1.3. “Calculation Agent” means the party to the Transaction (or a third party) designated as such for the Transaction. Whenever a Calculation Agent is required to act or to exercise its judgment in any way, it shall act in good faith and in a commercially reasonable manner, and its determinations and calculations will be binding in the absence of manifest error. Furthermore, each party agrees that the Calculation Agent is not acting as a fiduciary for or as an advisor to such party in respect of its duties as Calculation Agent in connection with any Transaction;

1.1.4. “Currency Option Transaction” means a Transaction entitling Buyer, upon exercise, to purchase from Seller at the Strike Price, a specified quantity of Call Currency and to sell to Seller at the Strike Price a specified quantity of Put Currency;

1.1.5. “Disruption Event” means an event as set out in Clause 5.1 that would give rise to an alternative basis for valuing or settling a Transaction;

1.1.6. “Disruption Fallback” means a source or method including, but not limited to, those set out in Clause 5.2 that gives rise to an alternative basis for valuing or settling a Transaction when a Disruption Event has occurred and is continuing;

1.1.7. “FX Transaction” means a Transaction providing for the purchase of an agreed amount in one Currency by one party to such Transaction in exchange for the sale by it of an agreed amount in another Currency to the other party to such Transaction;

1.1.8. “party” means either the Bank or you and “parties” means both of the Bank and you; and

1.1.9. “Trade Date” means, in respect of a Transaction, the date on which the parties enter into the Transaction as specified in the related Confirmation.

2. Definitions Relating to FX Transactions and Currency Option Transactions

2.1. The following definitions, in respect of an FX Transaction or Currency Option Transaction, as the case may be, shall have the meanings set out hereunder unless the context otherwise requires:

- 2.1.1. “Currency Option Style” means the style of Currency Option Transaction specified to be applicable in the related Confirmation;
- 2.1.2. “Currency Option Type” means the type of Currency Option Transaction specified to be applicable in the related Confirmation;
- 2.1.3. “Currency Pair” means:
 - 2.1.3.1. in respect of a Deliverable FX Transaction, the currencies specified as being deliverable for a Transaction in the related Confirmation;
 - 2.1.3.2. in respect of a Non-Deliverable FX Transaction, the Reference Currency and Settlement Currency; and
 - 2.1.3.3. in respect of a Currency Option Transaction, the Call Currency and the Put Currency;
- 2.1.4. where “Deliverable” is specified in a Confirmation or is deemed specified, it means that “Deliverable” is applicable to a FX Transaction or Currency Option Transaction, where such:
 - 2.1.4.1. FX Transaction will be settled in accordance with Clause 3.2.1; and
 - 2.1.4.2. Currency Option Transaction will be settled in accordance with Clause 4.6.1.Unless the parties otherwise specify, Deliverable will be deemed to apply to an FX Transaction or Currency Option Transaction;
- 2.1.5. “Deliverable Currency Option Transaction” means a Currency Option Transaction to which Deliverable applies;
- 2.1.6. “Deliverable FX Transaction” means an FX Transaction to which Deliverable applies;
- 2.1.7. where “Non-Deliverable” is specified in a Confirmation, it means that “Non-Deliverable” is applicable to an FX Transaction or Currency Option Transaction, where such:
 - 2.1.7.1. FX Transaction will be settled in accordance with Clause 3.2.2; and
 - 2.1.7.2. Currency Option Transaction will be settled in accordance with Clause 4.6.2;
- 2.1.8. “Non-Deliverable Currency Option Transaction” means a Currency Option Transaction to which Non-Deliverable applies;
- 2.1.9. “Non-Deliverable FX Transaction” means an FX Transaction to which Non-Deliverable applies;
- 2.1.10. “Notional Amount” means:
 - 2.1.10.1. in respect of a Deliverable FX Transaction or a Deliverable Currency Option Transaction, the quantity of Currency specified as such in the related Confirmation; and
 - 2.1.10.2. in respect of a Non-Deliverable FX Transaction or a Non-Deliverable Currency Option Transaction, the quantity of Settlement Currency specified as such in the related Confirmation or, if such an amount is not specified:
 - (A) in the case of a Non-Deliverable FX Transaction, the quantity of the Settlement Currency equal to the Reference Currency Notional Amount divided by the Forward Rate or equal to the Reference Currency Notional Amount multiplied by the Forward Rate, where the Forward Rate is expressed as an amount of Settlement Currency per one unit of Reference Currency; or
 - (B) in the case of a Non-Deliverable Currency Option Transaction, whichever of the Call Currency Amount or the Put Currency Amount that is denominated in Settlement Currency;
- 2.1.11. “Reference Currency” means, in respect of a Transaction, the Currency specified as the Reference Currency or the local Currency, as the case may be, in the related Confirmation;
- 2.1.12. “Reference Currency Buyer” means, in respect of a Transaction, the party specified as such in the related Confirmation or, if such a party is not specified, the party to which the Reference Currency is owed (or would have been owed if the Transaction were a Deliverable Transaction) on the Settlement Date;
- 2.1.13. “Reference Currency Notional Amount” means:
 - 2.1.13.1. in respect of a Deliverable FX Transaction or a Deliverable Currency Option Transaction, the quantity of Reference Currency specified as such in the related Confirmation; and
 - 2.1.13.2. in respect of a Non-Deliverable FX Transaction or a Non-Deliverable Currency Option Transaction, the quantity of Reference Currency specified as such in the related Confirmation, or if such an amount is not specified:
 - (A) in the case of a Non-Deliverable FX Transaction, the quantity of Reference Currency equal to the Notional Amount multiplied by the Forward Rate; or
 - (B) in the case of a Non-Deliverable Currency Option Transaction, whichever of the Call Currency Amount or the Put Currency Amount that is denominated in the Reference Currency;

- 2.1.14. “Reference Currency Seller” means, in respect of a Transaction, the party specified as such in the related Confirmation or, if such a party is not specified, the party which owes (or would have owed if the Transaction were a Deliverable Transaction) the Reference Currency on the Settlement Date;
- 2.1.15. “Settlement Currency” means, in respect of a Non-Deliverable FX Transaction or Non-Deliverable Option Transaction, the Currency specified as such in the related Confirmation;
- 2.1.16. “Settlement Currency Amount” means, in respect of a Non-Deliverable FX Transaction, an amount expressed in the Settlement Currency calculated on a formula basis as follows:
Settlement Currency Amount = [Notional Amount x (1 – Forward Rate/Settlement Rate)]
where both the Forward Rate and the Settlement Rate are quoted in terms of the amount of Reference Currency per one unit of Settlement Currency; provided however, that if the Forward Rate and the Settlement Rate are quoted in terms of the amount of Settlement Currency per one unit of Reference Currency, then “Settlement Currency Amount” means an amount expressed in the Settlement Currency calculated on a formula basis as follows:
Settlement Currency Amount = [Notional Amount x (1 – (Settlement Rate/Forward Rate))];
- 2.1.17. “Settlement Date” means, in respect of a Transaction, the date specified as the Settlement Date as provided in the related Confirmation;
- 2.1.18. “Settlement Rate” means, in respect of a Non-Deliverable FX Transaction or Non-Deliverable Currency Option Transaction, for any Valuation Date in respect of a Settlement Date, the Currency exchange rate equal to:
- 2.1.18.1. the Settlement Rate specified or otherwise determined as provided in the related Confirmation;
or
- 2.1.18.2. if a Settlement Rate or a means of determining a Settlement Rate is not so specified, the Spot Rate for that Valuation Date;
- 2.1.19. “Settlement Rate Option” means, in respect of a Non-Deliverable FX Transaction or Non-Deliverable Currency Option Transaction, in respect of the calculation of a Settlement Currency Amount or an In-the-Money Amount, the Settlement Rate Option specified as such in the related Confirmation;
- 2.1.20. “Spot Rate” means the Currency exchange rate determined in accordance with the specified (or deemed specified) Settlement Rate Option, or if a Settlement Rate Option is not specified (or deemed specified), the Currency exchange rate at the time at which such rate is to be determined for Transactions in the relevant Currency Pair for value on the Settlement Date, as determined in good faith and in a commercially reasonable manner by the Calculation Agent; and
- 2.1.21. “Valuation Date” means, in respect of a Non-Deliverable FX Transaction or Non-Deliverable Currency Option Transaction, each date specified as the Valuation Date in the related Confirmation, which is a day in respect of which a Spot Rate is to be determined for purposes of determining the Settlement Rate, subject to adjustment in accordance with the applicable Business Day Convention. Unless otherwise specified in the related Confirmation, the Valuation Date will be:
- 2.1.21.1. in respect of an FX Transaction, two Business Days prior to the Settlement Date; and
- 2.1.21.2. in respect of a Currency Option Transaction, the Exercise Date.

3. General Terms Relating to FX Transactions

- 3.1. When used in relation to an FX Transaction, the following definitions shall have the meanings set out hereunder unless the context otherwise requires:
- 3.1.1. “Forward Rate” means the Currency exchange rate, expressed as the amount of Reference Currency per one unit of Settlement Currency, specified as such in the related Confirmation or, if such rate is not specified, the Currency exchange rate obtained by dividing the Reference Currency Notional Amount by the Notional Amount.
- 3.2. FX Transactions shall be settled according to the following terms:
- 3.2.1. on the Settlement Date in respect of a Deliverable FX Transaction, each party will pay the amount specified as payable by it in the related Confirmation, subject to any applicable condition precedent and any applicable provision of Clause 5; and
- 3.2.2. on the Settlement Date in respect of a Non-Deliverable FX Transaction:
- 3.2.2.1. if the Settlement Currency Amount is a positive number, the Reference Currency Buyer will pay that amount in the Settlement Currency to the Reference Currency Seller; or
- 3.2.2.2. if the Settlement Currency Amount is a negative number, the Reference Currency Seller will pay the absolute value of that amount in the Settlement Currency to the Reference Currency Buyer, in each case subject to any applicable condition precedent and any applicable provision of Clause 5.

4. General Terms Relating to Currency Option Transactions

4.1. When used in relation to a Currency Option Transaction, the following definitions shall have the meanings set out hereunder unless the context otherwise requires:

- 4.1.1. “American” means a style of Currency Option Transaction pursuant to which the right or rights granted are exercisable during an Exercise Period that consists of more than one day;
- 4.1.2. “Bermuda” means a style of Currency Option Transaction pursuant to which the right or rights granted are exercisable only on the Specified Exercise Date(s);
- 4.1.3. “Buyer” means the party specified as such in the related Confirmation, which party shall, on the Premium Payment Date, pay to Seller the Premium;
- 4.1.4. “Call” means a type of Currency Option Transaction entitling, subject to any applicable condition precedent and any applicable provision of Clause 5, Buyer upon exercise:
- 4.1.4.1. in the case of a Deliverable Currency Option Transaction, to purchase from Seller the Call Currency Amount at the Strike Price; and
- 4.1.4.2. in the case of a Non-Deliverable Currency Option Transaction, to receive from Seller the In-the- Money Amount, if positive, calculated in accordance with Clause 4.1.13,
- in each case, as more particularly provided in or pursuant to the related Confirmation;
- 4.1.5. “Call Currency” means the Currency specified as such in the related Confirmation or, if such Currency is not specified, the Currency that is to be purchased by Buyer;
- 4.1.6. “Call Currency Amount” means the aggregate amount of Call Currency to be purchased upon the exercise (or deemed exercise) of the Currency Option Transaction as specified in the related Confirmation or, if such an amount is not specified, the Put Currency Amount multiplied by the Strike Price (where the Strike Price is expressed as the amount of Call Currency to be paid per one unit of Put Currency);
- 4.1.7. “Commencement Date” means the date specified as such in the related Confirmation or, if such date is not specified, the Trade Date;
- 4.1.8. “European” means a style of Currency Option Transaction pursuant to which the right or rights granted are exercisable only on the Expiration Date;
- 4.1.9. “Exercise Date” means the day during the Exercise Period on which the rights granted pursuant to a Currency Option Transaction are exercised or deemed to be exercised;
- 4.1.10. “Exercise Period” means, unless otherwise specified in the related Confirmation:
- 4.1.10.1. in respect of an American style Currency Option Transaction, all Business Days in the period from, and including, the Commencement Date to, and including, the Expiration Date between 9:00 a.m. (local time in the place where the office through which Seller is transacting is located, as specified in the related Confirmation) and the Latest Exercise Time;
- 4.1.10.2. in respect of a European style Currency Option Transaction, the Expiration Date between 9:00 a.m. (local time in the place where the office through which Seller is transacting is located, as specified in the related Confirmation) and the Expiration Time; and
- 4.1.10.3. in respect of a Bermuda style Currency Option Transaction, each Specified Exercise Date in the period from, and including, the Commencement Date to, and including, the Expiration Date between 9:00 a.m. (local time in the place where the office through which Seller is transacting is located, as specified in the related Confirmation) and the Latest Exercise Time;
- 4.1.11. “Expiration Date” means the date specified as such in the related Confirmation, subject to adjustment in accordance with a Business Day Convention as specified to be applicable to that Expiration Date;
- 4.1.12. “Expiration Time” means the time specified as such in the related Confirmation;
- 4.1.13. “In-the-Money Amount” means, in respect of a Valuation Date, if the parties have specified a Settlement Currency, the amount, if positive, expressed in the Settlement Currency and calculated on a formula basis as follows:
- 4.1.13.1. in the case of a Currency Option Transaction where the Reference Currency is the Put Currency and the Settlement Currency is the Call Currency:
- $$\text{In-the-Money Amount} = \text{Call Currency Amount} \times [(\text{Settlement Rate} - \text{Strike Price}) / \text{Settlement Rate}]$$
- where both the Strike Price and the Settlement Rate are quoted in terms of the amount of Reference Currency per one unit of Settlement Currency;
- 4.1.13.2. in the case of a Currency Option Transaction where the Reference Currency is the Call Currency and the Settlement Currency is the Put Currency:
- $$\text{In-the-Money Amount} = \text{Put Currency Amount} \times [(\text{Strike Price} - \text{Settlement Rate}) / \text{Settlement Rate}]$$
- where both the Strike Price and the Settlement Rate are quoted in terms of the amount of Reference Currency per one unit of Settlement Currency; and

- 4.1.13.3. in the case of a Currency Option Transaction where the Reference Currency is the Put Currency and the Settlement Currency is the Call Currency:

$$\text{In-the-Money Amount} = \text{Call Currency Amount} \times \left[\left(\frac{1}{\text{Settlement Rate}} - \frac{1}{\text{Strike Price}} \right) \div \left(\frac{1}{\text{Settlement Rate}} \right) \right]$$
where both the Strike Price and the Settlement Rate are quoted in terms of the amount of Settlement Currency per one unit of Reference Currency; and
- 4.1.13.4. in the case of a Currency Option Transaction where the Reference Currency is the Call Currency and the Settlement Currency is the Put Currency:

$$\text{In-the-Money Amount} = \text{Put Currency Amount} \times \left[\left(\frac{1}{\text{Strike Price}} - \frac{1}{\text{Settlement Rate}} \right) \div \left(\frac{1}{\text{Settlement Rate}} \right) \right]$$
where both the Strike Price and the Settlement Rate are quoted in terms of the amount of Settlement Currency per one unit of Reference Currency; or
if a Settlement Currency is not specified, the amount, if positive, calculated on a formula basis as follows:
- 4.1.13.5. in the case of a Call, the excess of the Settlement Rate over the Strike Price, multiplied by the Call Currency Amount, where both the Strike Price and the Settlement Rate are quoted in terms of the amount of Put Currency to be paid per one unit of Call Currency; and
- 4.1.13.6. in the case of a Put, the excess of the Strike Price over the Settlement Rate, multiplied by the Put Currency Amount, where both the Strike Price and the Settlement Rate are quoted in terms of the amount of Call Currency to be paid per one unit of Put Currency;
- 4.1.14. “Latest Exercise Time” means:
- 4.1.14.1. on any day other than the Expiration Date, the time specified as such in the related Confirmation or, if such time is not specified, the Expiration Time; and
- 4.1.14.2. on the Expiration Date, the Expiration Time;
- 4.1.15. “Notice of Exercise” means irrevocable notice delivered by Buyer to Seller prior to or at the Expiration Time on the Expiration Date (which may be delivered by the Bank to you in accordance with Clause A23 and from you to the Bank by post, facsimile, electronic mail or other electronic transmission or hand-delivery, unless otherwise agreed by the parties) of Buyer’s exercise of the right or rights granted pursuant to a Currency Option Transaction;
- 4.1.16. “Premium” means, in respect of a Premium Payment Date, the amount, if any, that is specified or otherwise determined as provided in the related Confirmation and, subject to any applicable condition precedent, is payable by Buyer to Seller on a Premium Payment Date or on each Premium Payment Date if more than one is specified, for value on such date. Instead of specifying the Premium as an amount, the Premium may be specified by the parties as a “Price”, which will be stated as a percentage of the Call Currency Amount or Put Currency Amount, as appropriate;
- 4.1.17. “Premium Payment Date” means one or more dates specified as such or otherwise determined as provided in the related Confirmation, subject to adjustment in accordance with a Business Day Convention as specified to be applicable to that Premium Payment Date;
- 4.1.18. “Put” means a type of Currency Option Transaction entitling, subject to any applicable condition precedent and any applicable provision of Clause 5, Buyer upon exercise:
- 4.1.18.1. in the case of a Deliverable Currency Option Transaction, to sell to Seller the Put Currency Amount at the Strike Price; and
- 4.1.18.2. in the case of a Non-Deliverable Currency Option Transaction, to receive from Seller the In-the-Money Amount, if positive, calculated in accordance with Clause 4.1.13, in each case, as more particularly provided in or pursuant to the related Confirmation;
- 4.1.19. “Put Currency” means the Currency specified as such in the related Confirmation or, if such a currency is not specified, the Currency that is to be sold by Buyer;
- 4.1.20. “Put Currency Amount” means the aggregate amount of Put Currency to be sold upon the exercise (or deemed exercise) of the Currency Option Transaction as specified in the related Confirmation or, if such amount is not specified, the Call Currency Amount divided by the Strike Price (where Strike Price is expressed as the amount of Call Currency to be paid per one unit of Put Currency);
- 4.1.21. “Seller” means the party specified as such in the related Confirmation, which party grants to Buyer, upon the exercise (or deemed exercise) of a Currency Option Transaction:
- 4.1.21.1. if Deliverable is applicable, the right, but not the obligation, to cause Seller to pay to Buyer the Call Currency Amount on the Settlement Date; or
- 4.1.21.2. if Non-Deliverable is applicable, the right, but not the obligation, to cause Seller to pay to Buyer the In-the-Money Amount, if any, on the Settlement Date;

- 4.1.22. “Specified Exercise Date” means, in respect of a Bermuda style Currency Option Transaction, each date specified as such or otherwise determined as provided in the related Confirmation, subject to adjustment in accordance with a Business Day Convention as specified to be applicable to that Specified Exercise Date; and
- 4.1.23. “Strike Price” means the Currency exchange rate specified as such in the related Confirmation, which is the Currency exchange rate at which the Currency Pair will be exchanged upon the exercise (or deemed exercise) of the right or rights granted pursuant to a Currency Option Transaction.
- 4.2. Buyer may exercise the right or rights granted pursuant to a Currency Option Transaction only by giving a Notice of Exercise during the Exercise Period.
- 4.3. If a Notice of Exercise has not been received by Seller prior to or at the Expiration Time on the Expiration Date, the right or rights granted pursuant to the Currency Option Transaction will expire and become void and of no effect.
- 4.4. Unless otherwise specified in a Confirmation, a Currency Option Transaction may be exercised only in whole.
- 4.5. A Notice of Exercise shall be effective according to the following terms:
 - 4.5.1. in the case of an American style Currency Option Transaction:
 - 4.5.1.1. if received at or prior to the Latest Exercise Time, upon receipt thereof by Seller; or
 - 4.5.1.2. if received after the Latest Exercise Time, as of 9:00 a.m. (local time in the place where the office through which Seller is transacting is located, as specified in the related Confirmation) on the next following Business Day, if any, in the Exercise Period;
 - 4.5.2. in the case of a Bermuda style Currency Option Transaction, if received at or prior to the Latest Exercise Time on a Specified Exercise Date, upon receipt thereof by Seller; and
 - 4.5.3. in the case of a European style Currency Option Transaction, if received at or prior to the Expiration Time on the Expiration Date, upon receipt thereof by Seller.
- 4.6. Currency Option Transactions shall be settled according to the following terms:
 - 4.6.1. in respect of an Exercise Date under a Deliverable Currency Option Transaction, on the Settlement Date Buyer will pay to Seller the Put Currency Amount and Seller will pay to Buyer the Call Currency Amount, subject to any applicable condition precedent and any applicable provision of Clause 5; and
 - 4.6.2. in respect of an Exercise Date under a Non-Deliverable Currency Option Transaction, Seller will pay to Buyer the In-the-Money Amount, if positive, on the Settlement Date, subject to any applicable condition precedent and any applicable provision of Clause 5.

5. Disruption Events

- 5.1. A Disruption Event occurs if (as determined by the Bank in its sole and absolute discretion):
 - 5.1.1. it becomes impossible, impracticable or illegal for the Bank to effect, or if an event otherwise hinders, limits or restricts the Bank from effecting, a conversion of a relevant Currency through customary legal channels;
 - 5.1.2. any event occurs which makes it impossible, impracticable or illegal for the Bank to deliver, or otherwise hinders, limits or restricts the Bank from delivering, a relevant Currency from accounts in a particular jurisdiction to accounts in another jurisdiction, or to deliver a relevant Currency between accounts in a particular jurisdiction or to a party that is a non-resident of a particular jurisdiction;
 - 5.1.3. it is, or becomes, impossible, impracticable or illegal for the Bank to determine, or an event otherwise hinders, limits or restricts the Bank from determining, an exchange rate for a relevant Currency or to obtain a firm quote for such exchange rate or the exchange rate between relevant Currencies has split into dual or multiple exchange rates;
 - 5.1.4. any event that makes it impossible, impracticable or illegal for the Bank to determine, or otherwise hinders, limits or restricts the Bank from determining, the relevant Currency exchange rate by reference to the relevant price or rate source as contemplated under a Transaction;
 - 5.1.5. the relevant Currency exchange rate is not announced or published by the relevant price or rate source as contemplated under a Transaction;
 - 5.1.6. it has become impossible, impractical or illegal for the Bank to fulfil, or an event otherwise hinders, limits or restricts the Bank from fulfilling, its obligations under any Transaction;
 - 5.1.7. the Bank will (in its sole and absolute discretion) incur a materially increased cost in performing its obligations under any Transaction (including, but not limited to, any adverse effect on the Bank’s tax position);
 - 5.1.8. there is a default or similar event with respect to any security issued or guaranteed by a governmental authority or any indebtedness for borrowed money which a governmental authority incurs or guarantees;
 - 5.1.9. any expropriation, confiscation, requisition, nationalisation or other action by a governmental authority deprives the Bank (or any of its affiliates) of all or substantially all of its assets; or
 - 5.1.10. any other event as may be determined by the Bank in good faith.

- 5.2. Without prejudice to any other right of the Bank under the GCT Terms or otherwise at law, upon the occurrence of a Disruption Event, the Bank may immediately or at any time, utilise a Disruption Fallback, which may include, but not be limited to, any one or more of the following:
- 5.2.1. determining any applicable Currency exchange rates affected by a Disruption Event in a manner and at such time which the Bank deems fit, including, but not limited to, taking into account unpublished or unannounced sources and other information the Bank deems relevant, deferring the determination of the applicable Currency exchange rates affected by a Disruption Event and/or employing its own calculations and estimations;
 - 5.2.2. settling any Non-Deliverable Transaction as if it were a Deliverable Transaction;
 - 5.2.3. requiring any amounts payable under a Transaction to be made into escrow;
 - 5.2.4. postponing settlement of a Transaction until a Disruption Event is no longer outstanding, as determined by the Bank;
 - 5.2.5. settling a Transaction by payment of an equivalent amount in any Currency or by delivery of an asset denominated in any Currency; and/or
 - 5.2.6. effecting any other measures as the Bank may, in good faith, deems necessary, desirable or expedient in its sole and absolute discretion.



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