

--

Annex dated
Clearing Framework Agreement dated

The accompanying English translation is provided for your convenience only. In the event of any divergence between the English and German texts, constructions, meanings or interpretations, those of the German original shall govern exclusively.

Annex for the Clearing of Credit Default Swaps via LCH.SA to the Clearing Framework Agreement 2019 (“Framework Agreement”)

The following is agreed:
between

Name and address of the Counterparty
(hereinafter referred to as “Counterparty”)

and

Name and address of the Bank
(hereinafter referred to as “Bank”)

(Bank and Counterparty jointly hereinafter referred to as “Parties”)

1. Purpose and Scope of this Annex

In addition to the provisions of the Framework Agreement, the following provisions shall apply to LCH.SA-Transactions:

2. Definitions

The definitions of the Framework Agreement and the following additional definitions shall apply within the meaning of this Annex:

- “CDS Clearing Rule Book” means the document issued by LCH.SA and entitled “CDS Clearing Rule Book”, as published on its website and amended by LCH.SA from time to time. The CDS Clearing Rule Book is governed by French law;
- “CDS Clearing Supplement” means the document issued by LCH.SA and entitled “CDS Clearing Supplement”, as published on its website and amended by LCH.SA from time to time;
- “LCH.SA” means, including any of its successors in right, LCH.SA, the commercial name of „Banque Centrale de Compensation”, a clearing house as defined by Article 440-1 of the French Monetary and Financial Code (Code monétaire et financier) complying with Title IV of Book V of the general regulations of the Autorité des Marchés Financiers and any successor organisation;
- “LCH.SA-Transaction” means each Transaction within the meaning of Section 1 paragraph (1) sub-paragraph (b) or (c) of the Framework Agreement to be cleared via LCH.SA;
- “LCH.SA-Contract” means an OTC-contract within the meaning of Section 1 paragraph (3) of the Framework Agreement concluded between the Bank and LCH.SA; and
- “LCH.SA-CDS-Rules and Regulations” (rules and regulations of LCH.SA within the meaning of Section 1 paragraph (4) of the Framework Agreement) means the following documents: (i) CDS Clearing Rule Book, including the Mandatory Client Clearing Provisions, and (ii) CDS Clearing Supplement, including the Mandatory Provisions, all as published on LCH.SA’s website and amended by LCH.SA from time to time.

3. Amendment or Termination of Transactions

- (1) The parties shall exercise any discretion afforded to them in relation to LCH.SA-Transactions, in particular concerning the calculations and the election of a particular currency or type of settlement, in accordance with the CDS Clearing Rule Book and in accordance with any discretion exercised by LCH.SA in relation to LCH.SA-Contracts.
- (2) Where the transfer of LCH.SA-Contracts from another clearing member to the Bank or from the Bank to another clearing member also includes claims for the retransfer of collateral, the provisions under Section 4 paragraphs (1) and (2) of this Annex concerning the posting of collateral and under Section 4 paragraph (3) of this Annex concerning the release of collateral shall apply mutatis mutandis.

- (3) If it is impossible or impracticable for the Bank to maintain the LCH.SA-Transaction following its adjustment pursuant to Section 1 paragraph (10) of the Framework Agreement, the Bank may – notwithstanding Section 4 paragraph (1) sentence 4 of the Framework Agreement – terminate the LCH.SA-Transaction by notifying the Counterparty, such termination taking effect on the date specified in the notification. Section 1 paragraph (8) sentence 2 of the Framework Agreement shall apply mutatis mutandis.

4. Initial Margin and Variation Margin

- (1) The amount of collateral to be posted for LCH.SA-Transactions shall – as a minimum – correspond to the margining requirements applicable between the Bank and LCH.SA for LCH.SA-Contracts. Any distributions resulting from assets posted as collateral for LCH.SA-Transactions shall be added to the total amount of collateral posted for LCH.SA-Transactions where the CDS Clearing Rule Book provides for such addition in relation to LCH.SA-Contracts.
- (2) Collateral for LCH.SA-Transactions shall be posted exclusively by way of full title transfer and free of any rights and claims of the transferring party or third parties, and has at all times to conform to assets accepted as collateral by LCH.SA. The Bank shall be entitled to fully or partially exclude certain assets which are accepted as collateral by LCH.SA from being eligible as collateral for LCH.SA-Transactions.
- (3) Any release of collateral shall be effected by way of full title transfer of assets which are equivalent to the assets originally posted as collateral. Assets are to be considered to be “equivalent”, where these correspond in type, currency, description, nominal value and amount to the assets posted as collateral – in the case of debt securities, including the total amount of all cash amounts and other assets. Paragraph (1) applies mutatis mutandis to the amount and point in time of the retransfer of collateral.

5. Cooperation Obligation

Section 7 paragraph (3) of the Framework Agreement shall apply with the proviso that the obligation to cooperate set out therein applies to all measures required for the clearing of LCH.SA-Contracts, including where these are governed by French or English law.

6. Right of the Bank to amend the Contractual Relationship or Transactions

- (1) Where, as consequence of circumstances for which the Bank bears no responsibility for and notwithstanding Section 1 paragraph (10) of the Framework Agreement, the details of an LCH.SA-Transaction differ from the corresponding LCH.SA-Contract, the Bank shall – applying due discretion and to the extent this is reasonable – be entitled to make amendments to the relevant LCH.SA-Transactions in order to adjust the LCH.SA-Transaction to match

the LCH.SA-Contract. The prior consent of the Counterparty is not required where such amendments – taking into account the interests of the Bank – are reasonable for the Counterparty, and in particular do not materially and adversely affect the legal and financial position of the Counterparty.

(2) Section 3 paragraph (3) of this Annex applies mutatis mutandis if it is impossible or impracticable for the Bank to make adjustments to the LCH.SA-Transaction or to maintain the LCH.SA-Transaction following its adjustment pursuant to paragraph (1).

7. Special agreements

Muster

Signature(s) on behalf of the Bank	
--	--

Signature(s) on behalf of the Counterparty	
--	--