

**MASTER CONFIRMATION AGREEMENT FOR  
NON-DELIVERABLE FORWARD FX TRANSACTIONS**

dated as of \_\_\_\_\_, \_\_\_\_\_ (the “Effective Date”) between

UBS AG (“Party A”) and

[\_\_\_\_\_] [NAME] acting solely as [Investment  
Advisor]/[Asset Manager] for each entity, severally and not jointly (each a “Party B”) as set forth  
in the Schedule to the ISDA Master Agreement referenced in the Addendum hereto, as amended  
from time to time]  
[“Party B”]

The parties wish to facilitate the process of entering into and confirming non-deliverable forward foreign exchange transactions and accordingly agree as follows:

1. **Application:** This Master Confirmation Agreement for Non-Deliverable Forward FX Transactions (“Master Confirmation”) shall apply to each non-deliverable forward foreign exchange transaction (“NDF Transaction”) entered into between Party A and Party B on or after the Effective Date, unless the Addendum or a confirmation of a NDF Transaction specifies that this Master Confirmation does not apply. This Master Confirmation includes the Addendum hereto.

2. **FX Definitions:** The definitions and provisions contained in the 1998 FX and Currency Option Definitions (including Annex A thereto), as published by the International Swaps and Derivatives Association, Inc., EMTA, Inc. (“EMTA”) and the Foreign Exchange Committee, and as modified or amended in the Master Agreement specified in the Addendum hereto (the “1998 Definitions”), are incorporated into this Master Confirmation. Any amendments or successor definitions to the 1998 Definitions are incorporated into this Master Confirmation with respect to each NDF Transaction that has a Trade Date that falls on or after the effective date of such amendments or successor definitions, and are referred to herein (together with the 1998 Definitions) as the FX Definitions. For the avoidance of doubt, if amendments or successor definitions to the 1998 Definitions become effective after the Trade Date of a NDF Transaction, such amendments or successor definitions shall not apply to or amend the terms of such NDF Transaction, unless otherwise agreed by the parties.

3. **Transaction Confirmation:** The parties shall confirm the Economic Terms (as defined in paragraph 5 below) of each NDF Transaction in a Confirmation (each such Confirmation, a “Transaction Confirmation”). Each Transaction Confirmation may be executed and delivered in counterparts (including by facsimile transmission), or may be created by an exchange of telexes, an exchange of electronic messages on an electronic messaging, trading or settlement system (including, without limitation, by means of matching electronic messages sent by each party), or an exchange of e-mails. Each Transaction Confirmation shall be deemed to incorporate and be subject to all of the terms of this Master Confirmation. This Master Confirmation, together with each Transaction Confirmation, constitutes a “Confirmation” as referred to in, and is subject to, the terms and conditions of the Master Agreement.

4. **Relevant EMTA Template:** If, on the Trade Date of a NDF Transaction, template terms for the confirmation of a NDF Transaction in the Currency Pair that is the subject of such NDF Transaction are recommended by EMTA or a recognized successor and have an effective date

that falls on or before such Trade Date ("Relevant EMTA Template"), then all of the terms of such Relevant EMTA Template (published and available at [www.emta.org](http://www.emta.org) or any successor website) shall apply to such NDF Transaction, except to the extent otherwise provided in the Addendum or a Transaction Confirmation. For the avoidance of doubt, if a Relevant EMTA Template becomes effective after the Trade Date of a NDF Transaction, such Relevant EMTA Template shall not apply to or amend the terms of such NDF Transaction, unless otherwise agreed by the parties.

5. **Economic Terms:** Each Transaction Confirmation shall specify the following terms or, alternatively, the terms that the parties agree to specify in their Transaction Confirmation by using the facilities of a particular electronic messaging, trading or settlement system ("Economic Terms"):

Trade Date  
Reference Currency  
Reference Currency Notional Amount  
Notional Amount or Forward Rate  
Reference Currency Buyer  
Reference Currency Seller  
Settlement Currency  
Valuation Date [Specify date only; all other terms in the Relevant EMTA Template apply.]  
Settlement Date [Specify date only; all other terms in the Relevant EMTA Template apply.]  
Settlement

This Master Confirmation shall apply only if the Transaction Confirmation specifies, or the parties otherwise agree in the Transaction Confirmation, that Settlement is Non-Deliverable.

**6. Priority:**

(a) In the event of any inconsistency between the FX Definitions and a Confirmation, the Confirmation shall prevail. In the event of any inconsistency between the provisions of a Transaction Confirmation and the Master Agreement, the Transaction Confirmation shall prevail for the purpose of the relevant NDF Transaction.

(b) In the event of any inconsistency between the Addendum or a Transaction Confirmation and a Relevant EMTA Template, the Addendum or Transaction Confirmation shall prevail, subject to the following. If the parties elect to include in the Addendum terms for a NDF Transaction with a Currency Pair for which a Relevant EMTA Template has not become effective on the effective date of the Addendum, such terms shall govern each NDF Transaction for such Currency Pair with a Trade Date that falls before the effective date of a Relevant EMTA Template for such Currency Pair. If a Relevant EMTA Template has become effective on or before the Trade Date of a NDF Transaction with such Currency Pair, the terms of the Relevant EMTA Template shall supersede the relevant terms in the Addendum, but shall not apply to or amend the terms of any NDF Transaction with a Trade Date that precedes the effective date of the Relevant EMTA Template, unless otherwise agreed by the parties.

(c) If the parties are or become subject to a multilateral form of a master confirmation agreement for NDF Transactions (a "Multilateral Master Confirmation"), by protocol or otherwise, the following rules of priority apply:

(i) If the parties sign onto or become subject to a Multilateral Master Confirmation after the Effective Date, in the event of any inconsistency between this Master Confirmation and such Multilateral Master Confirmation, such Multilateral Master Confirmation shall prevail with respect to NDF Transactions governed by such Multilateral Master Confirmation, unless otherwise agreed by the parties; and

(ii) If the parties have signed onto or are subject to a Multilateral Master Confirmation on or before the Effective Date, in the event of any inconsistency between this Master Confirmation and such Multilateral Master Confirmation, this Master Confirmation shall prevail with respect to the NDF Transactions governed by such Multilateral Master Confirmation, unless otherwise agreed by the parties.

For the avoidance of doubt, if the parties sign onto or become subject to a Multilateral Master Confirmation after the Trade Date of a NDF Transaction, such Multilateral Master Confirmation shall not apply to or amend the terms of such NDF Transaction, unless expressly specified in such Multilateral Master Confirmation or otherwise agreed by the parties.

7. **Quoting Dealing Disclaimer:** The parties acknowledge that one or both parties to a NDF Transaction, acting directly or through a branch or an affiliate, may be requested to provide a quotation or quotations from time to time for the purpose of determining an industry rate for the Currency Pair that is the subject of the NDF Transaction and that such quotation may affect, materially or otherwise, the settlement of the NDF Transaction.

8. **Representations:**

(a) This Master Confirmation is a legal, valid and binding obligation of each party, enforceable against each party in accordance with its terms.

(b) Each party will be deemed to represent to the other party on the date on which it enters into a NDF Transaction that (absent a written agreement between the parties that expressly imposes affirmative obligations to the contrary for that NDF Transaction): (i)(A) it is acting for its own account, and it has made its own independent decisions to enter into that NDF Transaction and as to whether that NDF Transaction is appropriate or proper for it based upon its own judgment and upon advice from such advisors as it has deemed necessary; (B) it is not relying on any communications (written or oral) of the other party as investment advice or as a recommendation to enter into that NDF Transaction, it being understood that information and explanations related to the terms and conditions of a NDF Transaction shall not be considered investment advice or a recommendation to enter into that NDF Transaction; and (C) it has not received from the other party any assurance or guarantee as to the expected results of that NDF Transaction; (ii) it is capable of evaluating and understanding (on its own behalf or through independent professional advice), and understands and accepts, the terms, conditions and risks of that NDF Transaction; and (iii) the other party is not acting as a fiduciary or an advisor for it in respect of that NDF Transaction.

9. **Governing Law/Jurisdiction:** This Master Confirmation shall be governed by the law, and the provisions on submission to jurisdiction, elected in the Master Agreement or, if the parties have not executed a Master Agreement, the Addendum.

UBS AG:

[PARTY B]  
[NAME] as agent for and on  
behalf of each Party B

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

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

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

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

**ADDENDUM TO MASTER CONFIRMATION  
DATED AS OF \_\_\_\_\_  
BETWEEN UBS AG  
AND [PARTY B]**

**Part 1. Master Agreement**

The term “Master Agreement” shall mean (i) if the parties have entered into a Master Agreement in a form published by ISDA, such Master Agreement, including any schedules or annexes constituting a part thereof, or in the event that there is no Master Agreement between the parties then, the parties agree to use best efforts promptly to negotiate, execute and deliver an agreement in the form of the 1992 ISDA Master Agreement (Multicurrency-Cross Border) (the "ISDA Form"), with such modifications as the parties will in good faith agree. Upon execution and delivery by the parties of such an agreement, this Master Confirmation shall supplement, form part of, and be subject to that agreement. All provisions contained in or incorporated by reference in that agreement upon its execution will govern this Master Confirmation except as expressly modified below. Until the parties execute and deliver that agreement, this Master Confirmation, together with all other documents referring to the ISDA Form confirming FX Transactions entered into between us (notwithstanding anything to the contrary in a Confirmation), shall supplement, form a part of, and be subject to, an agreement in the form of the ISDA Form as if an agreement had been executed in such form (but without any Schedule, except for the following elections: (i) New York law as the governing law, (ii) U.S. Dollars as the Termination Currency, (iii) subparagraph (ii) of section 2(c) will not apply, (iv) for purposes of section 6(e), loss and second method shall apply and (v) for purposes of “Withholding Tax imposed on payments to non-US counterparties under the United States Foreign Account Tax Compliance Act”: (a) “Indemnifiable Tax” as defined in Section 14 of the ISDA Form shall not include any U.S. federal withholding tax imposed or collected pursuant to Sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986, as amended (the “Code”), any current or future regulations or official interpretations thereof, any agreement entered into pursuant to Section 1471(b) of the Code, or any fiscal or regulatory legislation, rules or practices adopted pursuant to any intergovernmental agreement entered into in connection with the implementation of such Sections of the Code (a “FATCA Withholding Tax”), (b) for the avoidance of doubt, a FATCA Withholding Tax is a Tax the deduction or withholding of which is required by applicable law for the purposes of Section 2(d) of the ISDA Form, and (c) if the parties each independently decide to adhere to any ISDA Protocol on FATCA Withholding Tax, upon effective adherence by both parties, the provisions of such Protocol shall supersede the foregoing provision) on the Trade Date of the first such Transaction between the parties. In the event of any inconsistency between the provisions of that agreement and this Master Confirmation, this Master Confirmation will prevail for the purpose of this FX Transaction. For the avoidance of doubt, any FX Transaction entered into prior to the execution of the ISDA Form and this Master Confirmation shall be subject to the terms of such ISDA Form and Master Confirmation as though such FX Transaction had been entered into after the parties had executed such ISDA Form and Master Confirmation between them.

**Part 2. Calculation Agent**

The parties agree that the Calculation Agent for each NDF Transaction shall be Party A

**Part 3. Account Details (choose one)**

Account details are as specified in applicable standing settlement instructions.

Account details are as follows:

Party A:

Party B:

#### **Part 4. Contact Information**

Address and other contact details for notices or communications to Party A:

Address and other contact details for notices or communications to Party B:

#### **Part 5. Waiver and Representations**

Notwithstanding anything to the contrary in any Agreement or in any non-disclosure, confidentiality or similar agreement between the parties to such Agreement, Party B hereby consent to the disclosure of information to the extent required by Title VII, Wall Street Transparency and Accountability Act of 2010 of the Dodd Frank Wall Street Reform and Consumer Protection Act, and the applicable law amended thereby and/or the regulations issued pursuant thereto (the "Applicable DF Laws") which mandate reporting of transaction and similar information. Party B acknowledge that disclosures made pursuant to this paragraph may include, without limitation, the disclosure of trade information including a party's identity (by name, identifier or otherwise) to a swap data repository and relevant regulators and that such disclosures could result in certain anonymous Swap transaction and pricing data becoming available to the public. Party B further acknowledge that, for purposes of complying with regulatory reporting obligations, a swap data repository may engage the services of a global trade repository regulated by one or more governmental regulators, provided that such regulated global trade repository is subject to comparable confidentiality provisions as is a swap data repository registered with the Commodity Futures Trading Commission (the "CFTC"). For the avoidance of doubt, to the extent that applicable non-disclosure, confidentiality, bank secrecy or other law imposes non-disclosure requirements on transaction and similar information required to be disclosed pursuant to Applicable DF Laws, but permits a party to waive such requirements by consent, the consent and acknowledgements provided herein shall be a consent by us for purposes of such other applicable law.

Party B represents and warrants that each time it enters into a FX Transaction hereunder it shall be an 'Eligible Contract Participant' as such term is defined in 1(a)(18) of the Commodity Exchange Act as amended from time to time.

#### **Part 6. Other Terms**

##### **(a) Exchange of Transaction Details Confirmation:**

For each Transaction entered into hereunder, Party A shall promptly send to Party B a Transaction Details Confirmation ("TDC" or "confirmation"), via electronic transmission, web-based communication, by-mail or facsimile transmission. Party B agrees to respond to such TDC by close of business the next Business Day, but in no event later than the time frames set forth under Part 6(b), after execution of the Transaction, either confirming agreement thereto or requesting a correction of any error(s) contained therein. Failure by Party B to respond within such period shall not affect the validity or enforceability of such Transaction and shall be deemed to be an affirmation of the terms contained in such TDC, absent manifest error ("Deemed Acceptance"). The parties agree that any such exchange or Deemed Acceptance of electronic transmission, web-based communication, telexes or facsimile transmissions shall constitute a Confirmation of such Transaction for all purposes hereunder.

(b) **Confirmation Time Frames:**

**The parties agree that if (I) either Party A or Party B is subject to CFTC oversight and the Applicable DF Laws, then the provisions of subsection 6(b)(I) shall apply, (II) either Party A or Party B is subject to EMIR Timely Confirmation Rules (as defined in the Annex), then the provisions of subsection 6(b)(II) shall apply, and (III) (A) either Party A or Party B is subject to both CFTC oversight and the Applicable DF laws and EMIR Timely Confirmation Rules, or (B) one party is subject to CFTC oversight and the Applicable DF Laws and the other party is subject to the EMIR Timely Confirmation Rules then the shorter of 6(b)(i) and 6(b)(ii) shall apply:**

(i) If Party B is a Swap Dealer (“SD”) Major Swap Participant (“MSP”) or a Financial Entity, the time frame within which you must respond to a confirmation is:

Day of Execution	Confirmation Deadline
1/1/13-8/31/13	end of 3rd Business Day following the Day of Execution
9/1/13-8/31/14	end of 2nd Business Day following the Day of Execution
9/1/14 and on	end of 1st Business Day following the Day of Execution

If Party B is not a SD, MSP or a Financial Entity, the time frame within which you must respond to a confirmation is:

Day of Execution	Confirmation Deadline
1/1/13-8/31/13	end of 7th Business Day following the Day of Execution
9/1/13-8/31/14	end of 4th Business Day following the Day of Execution
9/1/14 and on	end of 2nd Business Day following the Day of Execution

“Financial Entity” means: an entity that is not an SD or MSP but is one of the following: (1) A commodity pool as defined in the Commodity Exchange Act, as amended from time to time, (2) A private fund as defined in Section 202(a) of the Investment Advisors Act of 1940; (3) An employee benefit plan as defined in paragraphs (3) and (32) of section 3 of the Employee Retirement Income and Security Act of 1974; (4) A person predominantly engaged in activities that are in the business of banking, or in activities that are financial in nature as defined in Section 4(k) of the Bank Holding Company Act of 1956; and (5) A security-based swap dealer or a major security-based swap participant.

“Day of Execution” means: the calendar day of the party to the swap transaction that ends latest, provided that if a swap transaction is (A) entered into after 4:00 pm in the place of a party, or (B) entered into on a day that is not a business day in the place of a party, then such swap transaction shall be deemed to have been entered into by that party on the immediately succeeding business day of that party, and the day of execution shall be determined with reference to such business day;

“Business Day”, for purposes of this Section 6(b), means: any day other than a Saturday, Sunday, or legal holiday.

(ii) The terms of the Annex shall apply.

(c) **NDFs settling in currencies other than USD ("Cross Currency NDFs")**

This Master Confirmation shall apply to a Cross-Currency NDF Transaction, which means a NDF Transaction for which the Transaction Confirmation specifies (i) that Settlement is Non-Deliverable, and (ii) a Settlement Currency that is not the subject of a Relevant EMTA Template on the Trade Date of the Cross-Currency NDF Transaction. In such a case, the Relevant EMTA Template (that is effective on the Trade Date of the NDF Transaction) shall be the confirmation template for the Reference Currency specified in the Transaction Confirmation, and all of the terms of such Relevant EMTA Template shall apply to such NDF Transaction, except as follows: (i) the Settlement Rate Option specified in the Relevant EMTA Template shall be deemed to be the Reference Currency Spot Rate for the Cross-Currency NDF Transaction, and (ii) the Settlement Rate Option for the Cross-Currency NDF Transaction shall mean the Cross-Currency Spot Rate, which shall be determined by reference to the Reference Currency Spot Rate and the Settlement Currency Spot Rate on the Valuation Date. The Transaction Confirmation shall specify the following Economic Terms for a Cross-Currency NDF Transaction, in addition to those listed in paragraph 5 of the Master Confirmation:

Cross-Currency Spot Rate  
Settlement Currency Spot Rate

## ANNEX

### OTC COUNTERPARTY(IES): TIMELY CONFIRMATIONS

The parties seek to enter into the Master Confirmation as they currently enter into OTC derivative contracts with each other. Given their derivatives trading activity, Party A assumes that Party B will already be aware of the new regulatory framework set out in the EU European Market Infrastructure Regulation (“**EMIR**”)<sup>1</sup> and will have made its own independent assessment of its impact on operations and compliance obligations of Party. Below, the parties have set out certain details which will impact their relationship when they trade certain classes of OTC derivative contracts with each other.

#### **Timely Confirmation requirement**

EMIR introduces various requirements designed to address the risks associated with the OTC derivatives markets. One of these requirements is for the timely confirmation of the terms of OTC derivative contracts (the “**EMIR Timely Confirmation Rules**”). This requirement came into effect on 15 March 2013.

This requirement will affect all OTC derivative contracts between Party A and Party B. Consequently, the amendments set out at section 2 below shall, by execution of the Master Confirmation as set out below, be deemed to be incorporated into each trading agreement between Party A and Party B (including, insofar as is relevant and without limitation, any ISDA Master Agreement, *Deutscher Rahmenvertrag*, European Master Agreement, China NAFMII, AFB Master Agreement, Swiss Master Agreement or applicable terms of business), whether dated prior to or subsequent to the Master Confirmation (each, an “**Agreement**”). However, this Annex affects only Relevant Negative Affirmation Transactions (as defined below).

#### **Amendments to Trading Agreement(s)**

##### **General Terms**

If the parties have previously entered into an Agreement dated prior to the date of the Master Confirmation, they hereby agree to amend the Agreement by the terms of this Annex (this “**Amendment**”) as of the date of Party B executing the Master Confirmation (such date, the “**Amendment Date**”). Party A and Party B further agree that the terms of this Amendment shall be deemed to be incorporated into any Agreement dated subsequent to the Amendment Date as of such subsequent date.

The specific modifications that the parties wish to incorporate in the Agreement are set forth herein. The purpose of this Amendment is to amend the Agreement on the terms set forth herein. Any defined terms used herein but not otherwise defined shall bear the meaning ascribed to them in the relevant Agreement.

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<sup>1</sup> Regulation (EU) No 648/2012 of 4 July 2012 on OTC derivatives, central counterparties and trade repositories

Accordingly, in consideration of the mutual agreements contained in this Amendment, the parties agree as follows:

### **Amendment of the Agreement**

The Agreement is amended in accordance with the amendments set forth herein.

### **Representations**

Each party represents to the other party in respect of the Agreement, as amended pursuant to this Amendment, that all representations made by it pursuant to the Agreement are true and accurate as of the Amendment Date.

### **Miscellaneous**

#### **Entire Agreement; Restatement.**

This Amendment constitutes the entire agreement and understanding of the parties with respect to its subject matter and supersedes all oral communication and prior writings (except as otherwise provided herein) with respect thereto.

Except for any amendment to the Agreement made pursuant to this Amendment, (i) all terms and conditions of any Agreement between the parties executed before the Amendment Date will continue in full force and effect in accordance with its provisions on the date of this Amendment, and (ii) all terms and conditions of any Agreement between the parties executed subsequent to the Amendment Date will take their full force and effect in accordance with its provisions as of the date of such execution. References to the Agreement will be to the Agreement, as amended by this Amendment.

#### ***Amendments.***

No amendment, modification or waiver in respect of the matters contemplated by this Amendment will be effective unless signed by both parties to the Agreement.

#### ***Counterparts.***

This Amendment may be executed and delivered in counterparts (including transmission by facsimile, electronic messaging system or e-mail), each of which will be deemed an original.

### **Headings.**

The headings used in this Amendment are for convenience of reference only and are not to affect the construction of or to be taken into consideration in interpreting this Amendment.

### **Amendments**

The following provision is added to the Agreement:

#### **“[x] Timely Confirmation**

An OTC Derivative Contract shall be confirmed as soon as possible following execution of the OTC Derivative Contract and may be executed and delivered in counterparts (including by facsimile transmission) or be created by an exchange of telexes or by an exchange of electronic messages on an electronic messaging system or by any other method intended by the parties to be effective for the purpose of confirming or evidencing such OTC Derivative Contract, which in each case will be sufficient for all purposes to evidence a binding OTC Derivative Contract and, where the Agreement is a master or framework agreement, a binding supplement (howsoever described) to such Agreement.

In respect of each Relevant Negative Affirmation Transaction, if the Documenting Party sends a Confirmation to the Receiving Party by the Confirmation Delivery Deadline and the Receiving Party does not confirm the Confirmation or deliver to the Documenting Party a Not Confirmed Notice by the Timely Confirmation Deadline, the Receiving Party will be deemed to have agreed to the terms of the Confirmation and to have confirmed the Confirmation at the Timely Confirmation Deadline.

#### **[y] Definitions**

For the purposes of clause [x] above:

**"CCP"** means a central clearing house authorised under Article 14 of EMIR or recognised under Article 25 of EMIR.

**"CCP Service"** means, in respect of a CCP, an over-the-counter derivative clearing service offered by such CCP.

**"Cleared"** means, in respect of an OTC Derivative Contract, that such OTC Derivative Contract has been submitted (including where details of such OTC Derivative Contract are submitted) to a CCP for clearing in a relevant CCP Service and that such CCP has become a party to a resulting or corresponding OTC Derivative Contract, as applicable, pursuant to such CCP's Rule Set.

**"Commission"** means the executive body of the European Union which is responsible for proposing legislation, implementing decisions, upholding

the European Union's treaties and the day-to-day running of the European Union.

**"confirm"** means, with respect to a Confirmation provided by the Documenting Party to the Receiving Party, an acknowledgement in writing (whether by execution in counterpart of the Confirmation or otherwise) or electronically from the Receiving Party to the Documenting Party that the terms of such Confirmation reflect the terms of the Relevant Confirmation Transaction and **"confirmed"** will be construed accordingly.

**"Confirmation"** means the documentation of the agreement of the Documenting Party and the Receiving Party to all the terms of an OTC Derivative Contract.

**"Confirmation Delivery Deadline"** means (i) 4pm on the Local Business Day prior to the Timely Confirmation Deadline; or (ii) if the Timely Confirmation Deadline falls after the day that is the second Local Business Day following the Trade Date, 4pm or such later time as notified to the Receiving Party by the Documenting Party from time to time on the second Local Business Day immediately preceding the Timely Confirmation Deadline. Notwithstanding anything to the contrary in the Agreement, for this purpose **"Local Business Day"** means, a day on which commercial banks and foreign exchange markets are generally open to settle payments in the city in which the office through which the Receiving Party is acting for the purposes of the Relevant Confirmation Transaction is located.

**"Documenting Party"** means UBS.

**"EMIR"** means Regulation (EU) No 648/2012 of the European Parliament and of the Council on OTC derivatives, central counterparties and trade repositories dated 4 July 2012.

**"European Union"** means the economic and political union established in 1993 by the Maastricht Treaty, with the aim of achieving closer economic and political union between member states that are primarily located in Europe.

**"FX Forward"** means, in respect of an OTC Derivative Contract, an OTC Derivative Contract under which: (i) the parties agree to exchange two currencies at a specified rate of exchange on a date (agreed at the time of trading) that is later than the settlement date for a spot market transaction, including where the delivery of the currency units will take the form of banknotes denominated in the specified currency; or (ii) a specified rate of exchange and valuation date are agreed at the time of trading and the spot market rate for the exchange of the currencies is ascertained on such valuation date and one party then makes a payment to the other, on the basis of the difference between the two rates.

**"FX Exotic Option"** means, in respect of an OTC Derivative Contract, an OTC contract between a designated buyer and designated seller which gives the buyer the right to receive (and the seller the obligation to pay) an agreed and a fixed amount of currency units if the trading spot is above or below a predefined level at expiration or any time, as specified in such FX Exotic Option.

**"FX Future"** means, in respect of an OTC Derivative Contract, a negotiable contract to make or take delivery of a standardized amount of a specified currency during a specific month, under terms and conditions established by a regulated futures exchange market where trading of such FX Futures takes place.

**"FX Option"** means, in respect of an OTC Derivative Contract, a contract giving the designated buyer the right to buy or sell a specified number of currency units at an agreed price on a specified date or over a specified time period.

**"Not Confirmed Notice"** means, with respect to a Confirmation provided by the Documenting Party, a written notice (which may be an electronic message delivered on an electronic messaging system) from the Receiving Party to the Documenting Party stating that the terms of such Confirmation do not accurately reflect the terms of the OTC Derivative Contract, which terms are inaccurate and what such terms should be, in the opinion of the Receiving Party.

**"OTC Derivative Contract"** shall bear the meaning ascribed to it by EMIR.

**"Receiving Party"** means the party which is not the Documenting Party.

**"Relevant Confirmation Transaction"** means any OTC Derivative Contract which is not Cleared, and which was entered into on or following the Timely Confirmation Start Date.

**"Relevant Negative Affirmation Transaction"** means any of the following Relevant Confirmation Transactions: FX Forwards, FX Futures, FX Options and FX Exotic Options.

**"Rule Set"** means, with respect to a CCP Service, the relevant rules, conditions, procedures, regulations, standard terms, membership agreements, collateral addenda, notices, guidance, policies or other such documents promulgated by the relevant CCP and amended and supplemented from time to time.

**"Timely Confirmation Deadline"** means the earlier of the end of the latest day by which such Relevant Confirmation Transaction must be confirmed (i) in accordance with Article 12 of Chapter VIII of the Commission Delegated Regulation (EU) No 149/2013 published 23 February 2013 in the Official Journal of the European Union; and (ii) in

accordance with the Dodd-Frank Wall Street Reform and Consumer Protection Act signed into law on 21 July 2010.

**"Timely Confirmation Start Date"** means the twentieth day following the day of publication of Article 12 of Chapter VIII of the Commission Delegated Regulation (EU) No 149/2013 published 23 February 2013 in the Official Journal of the European Union.

**"Trade Date"** means the date of execution of the OTC Derivative Contract."

This Annex does not constitute legal advice and the parties should consult their own professional advisers.