"Plain English" Disclosures for New Derivatives Referencing LIBOR and other IBORs[1]

Select the appropriate disclosure below based on (1) whether you are entering a transaction based on LIBOR or a different IBOR (as used herein, in addition to LIBOR, the "IBORs" include* EURIBOR, TIBOR, Euroyen TIBOR, BBSW, HIBOR and CDOR) *and (2) whether you are entering the transaction prior to implementation of new fallbacks in the 2006 ISDA Definitions or after implementation of such fallbacks.

1. For LIBOR Transactions:

a. For Use Prior to Implementation of New Fallbacks in 2006 ISDA Definitions[2]:

It is uncertain whether [USD/GBP/JPY/CHF/EUR][3] LIBOR will continue to be produced and published after the end of 2021. If [USD/GBP/JPY/CHF/EUR][4] LIBOR is discontinued during the term of this financial instrument, the contractual terms would provide a process for determining a fallback but it is unclear and uncertain what rate this instrument would reference as a result of that process. As a result of this lack of clarity and certainty, there is no way to know at this time whether you would be disadvantaged economically. Timing for any discontinuation of LIBOR may vary across different currencies and tenors in which LIBOR is currently produced and such timing may differ from the timing for any discontinuation of other interbank offered rates (IBORs). In addition, the discontinuation of LIBOR may result in a mismatch between the rate referenced in this financial instrument and your other financial instruments, including potentially those that are intended as hedges.

The International Swaps and Derivatives Association, Inc. (ISDA) intends to update its definitions to include fallbacks to certain rates that would take effect and provide certainty if LIBOR or another key IBOR is permanently discontinued. It is expected that [USD/GBP/JPY/CHF/EUR][5] LIBOR will fall back to an adjusted version of [SOFR/SONIA/TONA/SARON/€STR][6]. In order to avoid the lack of clarity regarding the rate that this contract would reference upon the discontinuation of [USD/GBP/JPY/CHF/EUR] [7] LIBOR, you should consider either adhering to the protocol that ISDA will publish to include the new fallbacks in existing derivative contracts such as this contract or bilaterally amending such derivative contracts to include the new fallbacks. Adherence to the ISDA protocol will amend contracts with other adhering parties so that such contracts include the fallbacks but will not result in inclusion of the fallbacks in contracts with counterparties that do not adhere. The ISDA protocol will provide for standard amendments to include the new fallbacks but bilateral amendments could be used to amend contracts with all counterparties that agree to the bilateral amendments on terms that are mutually agreeable to the relevant counterparties.

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[1] As used herein, the IBORs include LIBOR in all five currencies (USD, GBP, JPY, CHF, EUR), EURIBOR, TIBOR, Euroyen TIBOR, BBSW, HIBOR and CDOR.
[2] ISDA expects that amended and restated definitions for LIBOR and the other IBORs covered by this disclosure to take effect sometime in 2020.
[3] *Drafting note:* Select the LIBOR currency for the relevant transaction.
[4] *Drafting note:* Select the LIBOR currency for the relevant transaction.
[5] *Drafting note:* Select the LIBOR currency for the relevant transaction.
[6] *Drafting* note: Select: SOFR if the transaction references USD LIBOR; SONIA if the transaction references GBP LIBOR; TONA if the transaction references JPY LIBOR; SARON if the transaction references CHF LIBOR; €STR if the transaction references EUR LIBOR.
[7] *Drafting note:* Select the LIBOR currency for the relevant transaction.

Even after ISDA implements fallbacks in its definitions, the discontinuation of LIBOR and the application of the fallbacks in ISDA's definitions may result in a mismatch between the rate referenced in this financial instrument and your other financial instruments, including potentially those that are intended as hedges. You should review the terms of this instrument and your other financial instruments to determine if adhering to the protocol published by ISDA or entering into appropriate bilateral amendments will meet your hedging objectives. You should also consider the tax, accounting and regulatory implications of executing and then potentially amending this instrument.

For more information on benchmark reform related to LIBOR and other IBORs, as well as specific information about the relevant rates, see [link to database].

b. For Use After Implementation of New Fallbacks in 2006 ISDA Definitions:

It is uncertain whether [USD/GBP/JPY/CHF/EUR] [8] LIBOR will continue to be produced and published after the end of 2021. If LIBOR is discontinued during the term of this financial instrument, this instrument would reference an adjusted version of [SOFR/SONIA/TONA/SARON/€STR] [9], a rate that is inherently different from LIBOR. As a result, payments would be calculated differently and you may be disadvantaged economically. LIBOR is a forward looking term rate that is meant to represent a bank's cost of funding over various tenors, whereas [SOFR/SONIA/TONA/SARON/€STR][10] is an overnight nearly-risk free rate and the relevant adjustments will not perfectly account for these differences on an ongoing basis. Timing for any discontinuation of LIBOR may vary across different currencies and tenors in which LIBOR is currently produced and such timing may differ from the timing for any discontinuation of other interbank offered rates (IBORs). In addition, the discontinuation of LIBOR may result in a mismatch between the rate referenced in this financial instrument and your other financial instruments, including potentially those that are intended as hedges (even if the hedged instruments contain updated fallback provisions, unless those provisions are based on the fallbacks in the 2006 ISDA Definitions).

For more information on benchmark reform related to LIBOR and other IBORs, as well as information specific about the relevant rates, see [link to database].

2. For Other IBOR Transactions:

a. For Use Prior to Implementation of New Fallbacks in 2006 ISDA Definitions[11]:

While there is not currently an expectation that [EURIBOR/TIBOR/Euroyen TIBOR/BBSW/HIBOR/CDOR][12] will be discontinued, there is no guarantee that it will continue to be produced and published for the entire term of this financial instrument. If [EURIBOR/TIBOR/Euroyen

[8] *Drafting note:* Select the LIBOR currency for the relevant transaction.
[9] *Drafting note:* Select: SOFR if the transaction references USD LIBOR; SONIA if the transaction references GBP LIBOR; TONA if the transaction references JPY LIBOR; SARON if the transaction references CHF LIBOR; €STR if the transaction references EUR LIBOR.
[10] *Drafting note:* Select: SOFR if the transaction references USD LIBOR; SONIA if the transaction references GBP LIBOR; TONA if the transaction references JPY LIBOR; SARON if the transaction references CHF LIBOR; €STR if the transaction references EUR LIBOR.
[11] ISDA expects that amended and restated definitions for LIBOR and the other IBORs covered by this disclosure to take effect sometime in 2020.
[12] *Drafting note*: Select the IBOR for the relevant transaction.

TIBOR/BBSW/HIBOR/CDOR][13] is discontinued during the term of this financial instrument, the contractual terms would provide a process for determining a fallback but it is unclear and uncertain what rate this instrument would reference as a result of that process. As a result of this lack of clarity and certainty, there is no way to know at this time whether you would be disadvantaged economically. Timing for any discontinuation of [EURIBOR/TIBOR/Euroyen TIBOR/BBSW/HIBOR/CDOR][14] may differ from the timing for any discontinuation of other interbank offered rates (IBORs) such as LIBOR. In addition, the discontinuation of [EURIBOR/TIBOR/Euroyen TIBOR/BBSW/HIBOR/CDOR][15] may result in a mismatch between the rate referenced in this financial instrument and your other financial instruments, including potentially those that are intended as hedges.

The International Swaps and Derivatives Association, Inc. (ISDA) intends to update its definitions to include fallbacks to certain rates that would take effect and provide certainty if [EURIBOR/TIBOR/Euroyen TIBOR/BBSW/HIBOR/CDOR][16], LIBOR or another key IBOR is permanently discontinued. It is expected that [EURIBOR/TIBOR/Euroyen TIBOR/BBSW/HIBOR/CDOR][17] will fall back to an adjusted version of [€STR/TONA/AONIA/HONIA/CORRA][18]. In order to avoid the lack of clarity regarding the rate that this contract would reference upon the discontinuation of [EURIBOR/TIBOR/Euroyen TIBOR/BBSW/HIBOR/CDOR][19], you should consider either adhering to the protocol that ISDA will publish to include the new fallbacks in existing derivative contracts such as this contract or bilaterally amending such derivative contracts to include the new fallbacks. Adherence to the ISDA protocol will amend contracts with other adhering parties so that such contracts include the fallbacks but will <u>not</u> result in inclusion of the fallbacks in contracts with counterparties that do not adhere. The ISDA protocol will provide for standard amendments to include the new fallbacks but bilateral amendments could be used to amend contracts with all counterparties that agree to the bilateral amendments on terms that are mutually agreeable to the relevant counterparties.

Even after ISDA implements fallbacks in its definitions, the discontinuation of [EURIBOR/TIBOR/Euroyen TIBOR/BBSW/HIBOR/CDOR][20] and the application of the fallbacks in ISDA's definitions may result in a mismatch between the rate referenced in this financial instrument and your other financial instruments, including potentially those that are intended as hedges. You should review the terms of this instrument and your other financial instruments to determine if adhering to the protocol published by ISDA or entering into appropriate bilateral amendments will meet your hedging objectives. You should also consider the tax, accounting and regulatory implications of executing and then potentially amending this instrument.

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[13] *Drafting note*: Select the IBOR for the relevant transaction.
[14] *Drafting note*: Select the IBOR for the relevant transaction.
[15] *Drafting note*: Select the IBOR for the relevant transaction.
[16] *Drafting note*: Select the IBOR for the relevant transaction.
[17] *Drafting note*: Select the IBOR for the relevant transaction.
[18] *Drafting Note*: Select €STR if the transaction references EURIBOR; TONA if the transaction references TIBOR or Euroyen TIBOR; AONIA if the transaction references BBSW; HONIA if the transaction references HIBOR; CORRA if the transaction references CDOR.
[19] *Drafting note*: Select the IBOR for the relevant transaction.
[20] *Drafting note*: Select the IBOR for the relevant transaction.

For more information on benchmark reform related to [EURIBOR/TIBOR/Euroyen TIBOR/BBSW/HIBOR/CDOR][21], LIBOR and other IBORs, as well as specific information about the relevant rates, see [link to database].

b. For Use After Implementation of New Fallbacks in 2006 ISDA Definitions:

While there is not currently an expectation that [EURIBOR/TIBOR/Euroyen TIBOR/BBSW/HIBOR/CDOR][22] will be discontinued, there is no guarantee that it will continue to be produced and published for the entire term of this financial instrument. If [EURIBOR/TIBOR/Euroyen TIBOR/BBSW/HIBOR/CDOR][23] is discontinued during the term of this financial instrument, this instrument would reference an adjusted version of [€STR/TONA/AONIA/HONIA/CORRA][24], a rate that is inherently different from EURIBOR/TIBOR/Euroyen TIBOR/BBSW/HIBOR/CDOR][25]. As a result, payments would be calculated differently and you may be disadvantaged economically. EURIBOR/TIBOR/Euroyen TIBOR/BBSW/HIBOR/CDOR][26] is a forward looking term rate that is meant to represent a bank's cost of funding over various tenors, whereas [€STR/TONA/AONIA/HONIA/CORRA][27] is an overnight nearly-risk free rate and the relevant adjustments will not perfectly account for these differences on an ongoing basis. Timing for any discontinuation of [EURIBOR/TIBOR/Euroyen TIBOR/BBSW/HIBOR/CDOR] [28] may differ from the timing for any discontinuation of other interbank offered rates (IBORs) such as LIBOR. In addition, the discontinuation of LIBOR may result in a mismatch between the rate referenced in this financial instrument and your other financial instruments, including potentially those that are intended as hedges (even if the hedged instruments contain updated fallback provisions, unless those provisions are based on the fallbacks in the 2006 ISDA Definitions).

For more information on benchmark reform related to EURIBOR/TIBOR/Euroyen TIBOR/BBSW/HIBOR/CDOR][29], LIBOR and other IBORs, as well as specific information about the relevant rates, see [link to database].

[21] *Drafting note*: Select the IBOR for the relevant transaction.
[22] *Drafting note*: Select the IBOR for the relevant transaction.
[23] *Drafting note*: Select the IBOR for the relevant transaction.
[24] *Drafting Note*: Select €STR if the transaction references EURIBOR; TONA if the transaction references TIBOR or Euroyen TIBOR; AONIA if the transaction references BBSW; HONIA if the transaction references HIBOR; CORRA if the transaction references CDOR.
[25] *Drafting note*: Select the IBOR for the relevant transaction.
[26] *Drafting note*: Select the IBOR for the relevant transaction.
[27] *Drafting Note*: Select €STR if the transaction references EURIBOR; TONA if the transaction references TIBOR or Euroyen TIBOR; AONIA if the transaction references BBSW; HONIA if the transaction references HIBOR; CORRA if the transaction references CDOR.
[28] *Drafting note*: Select the IBOR for the relevant transaction.
[29] *Drafting note*: Select the IBOR for the relevant transaction.