



International Swaps and Derivatives Association, Inc.

ISDA 2016 VARIATION MARGIN PROTOCOL

published on August 16, 2016,
by the International Swaps and Derivatives Association, Inc.

The International Swaps and Derivatives Association, Inc. (“**ISDA**”) has published this ISDA 2016 Variation Margin Protocol (this “**Protocol**”) to enable parties to amend Protocol Covered Agreements and/or create new documents in order to address certain regulatory margin requirements under various legal regimes, as provided further below.

1. Use of Protocol

- (a) A person who adheres to this Protocol (an “**Adhering Party**”) in the manner set forth in paragraph 2 may use the terms of this Protocol to (i) amend Protocol Covered Agreements, (ii) create and/or amend certain credit support annexes in respect of Protocol Covered Agreements and/or (iii) create 2002 ISDA Master Agreements with the Schedule specified in paragraph 6 (each an “**ISDA 2016 Variation Margin Protocol Master Agreement**” or “**Protocol Master Agreement**”) and New CSAs in respect of those Protocol Master Agreements, in each case by exchanging questionnaires substantially in the form of Exhibit B to this Protocol or in the form provided on ISDA Amend (in either form, a “**Questionnaire**”) in the manner set forth in paragraph 3 and satisfying the additional conditions specified herein. If ISDA publishes Supplemental Protocol Exhibits (as defined below), an Adhering Party will also be able to use this Protocol to amend Protocol Covered Agreements and Protocol Master Agreements and/or create new agreements by exchanging Supplemental Questionnaires (as defined below) in the manner set forth in paragraph 3 and satisfying any additional conditions specified in the relevant Supplemental Protocol Exhibit(s). As described below, an Adhering Party may be either a principal or an agent in respect of a Protocol Covered Agreement, a Replica CSA (as defined below), a New CSA or a Protocol Master Agreement and may act under this Protocol on behalf of itself and PCA Principals represented by such Adhering Party, if any (and need not identify each PCA Principal in its Adherence Letter).
- (b) A Protocol Covered Agreement may have been executed directly by a PCA Principal or a PCA Agent. In the case of a Protocol Covered Agreement executed by a PCA Principal, only such PCA Principal may amend such Protocol Covered Agreement or create a Replica CSA or New CSA in respect of such Protocol Covered Agreement pursuant to this Protocol. In the case of a Protocol Covered Agreement executed by a PCA Agent, only such PCA Agent may amend such Protocol Covered Agreement or create a Replica CSA or New CSA in respect of such Protocol Covered Agreement on behalf of a PCA Principal pursuant to this Protocol (even if such PCA Principal is also an Adhering Party in respect of one or more other Protocol Covered Agreements).
- (c) A Protocol Master Agreement and related New CSA, or Supplemental Protocol Exhibits in respect thereof, may be entered into pursuant to this Protocol by a PCA Principal or a PCA Agent. The capacity in which an Adhering Party enters into a Protocol Master Agreement and related New CSA pursuant to this Protocol is the same as the capacity in which it completes its Matched Questionnaire (as defined below).
- (d) In the event that ISDA publishes Supplemental Protocol Exhibits, an Adhering Party that enters into a Replica CSA or a New CSA (including as part of a Protocol Master Agreement) through this Protocol as either PCA Principal or PCA Agent may amend such Replica CSA or New CSA in the same capacity.

2. Adherence to and Effectiveness of the Protocol

- (a) Adherence to this Protocol will be evidenced by the execution and online delivery, in accordance with this paragraph 2, by an Adhering Party to ISDA, as agent, of a letter substantially in the form of Exhibit A (an “**Adherence Letter**”). A person wishing to participate in this Protocol, whether as PCA Principal or PCA Agent, or both, shall submit, using an online form, a single Adherence Letter to ISDA pursuant to this paragraph 2. ISDA will have the right, in its sole and absolute discretion, upon 30 calendar days’ notice on the “ISDA 2016 Variation Margin Protocol” section of its website at www.isda.org (or by other suitable means) to designate a closing date of the adherence period for this Protocol (such closing date, the “**Adherence Cut-off Date**”). After the Adherence Cut-off Date, ISDA will not accept any further Adherence Letters with respect to this Protocol.
 - (i) Each Adhering Party executing an Adherence Letter will access the “Protocol Management” section of the ISDA website at www.isda.org to enter information that is required to generate its form of Adherence Letter. Either by directly downloading the populated Adherence Letter from the Protocol Management system or upon receipt via e-mail of the populated Adherence Letter, each Adhering Party will print, sign and upload the signed Adherence Letter as a PDF (portable document format) attachment into the Protocol Management system. Once the signed Adherence Letter has been approved and accepted by ISDA, the Adhering Party will receive an e-mail confirmation of the Adhering Party’s adherence to this Protocol.
 - (ii) A conformed copy of each Adherence Letter containing, in place of each signature, the printed or typewritten name of each signatory will be published by ISDA so that all Adhering Parties may view it. Each Adhering Party agrees that, for evidentiary purposes, a conformed copy of an Adherence Letter certified by the General Counsel (or other appropriate officer) of ISDA will be deemed to be an original.
 - (iii) Each Adhering Party agrees that the date and time of acceptance of any Adherence Letter will be determined by ISDA in its absolute discretion.
- (b) This Protocol is intended for use without negotiation, but without prejudice to any amendment, modification or waiver in respect of a Protocol Covered Agreement or Protocol Master Agreement that the parties may otherwise effect in accordance with the terms of that agreement or as otherwise provided by applicable law.
 - (i) In adhering to this Protocol, a party may not specify additional provisions, conditions or limitations in its Adherence Letter.
 - (ii) Any purported adherence that ISDA, as agent, determines in good faith is not in compliance with this Protocol will be void and ISDA will inform the relevant party of such fact as soon as reasonably possible after making such determination and will remove the party’s Adherence Letter from the ISDA website.

3. Delivery and Receipt of Questionnaires

- (a) An Adhering Party may extend an offer to (i) amend Protocol Covered Agreements, (ii) enter into Replica CSAs (as defined below) and amend those Replica CSAs (iii) enter into New CSAs and/or (iv) enter into a Protocol Master Agreement and a related New CSA by executing a Questionnaire and delivering such Questionnaire to another Adhering Party in a manner set forth in this paragraph 3. If and when an Adhering Party receiving an executed Questionnaire in such a manner also delivers an executed Questionnaire to the offering Adhering Party in a manner set forth in this paragraph 3, for purposes of this Protocol the respective parties will be deemed “**Exchanging Parties**” and the respective Questionnaires will be deemed “**Exchanged Questionnaires.**”
- (b) An Adhering Party who wishes to exchange Questionnaires with multiple other Adhering Parties may (but is not required to) execute multiple Questionnaires in order to deliver different Questionnaires to different counterparties pursuant to this paragraph 3. An Adhering Party that is a PCA Agent may also

execute multiple Questionnaires in order to deliver different Questionnaires on behalf of different PCA Principals to the same counterparty pursuant to this paragraph 3.

- (c) Delivery of a Questionnaire must be made in the manner described in this paragraph 3 not later than the 30th calendar day following the Adherence Cut-off Date (the “**Questionnaire Cut-off Date**”). Delivery of a Questionnaire to an Adhering Party shall be effective if delivered in a manner specified by such Adhering Party in its Adherence Letter. In addition, without regard to the election that an Adhering Party has made in its Adherence Letter, if such Adhering Party has taken all steps necessary to establish the ability to receive a Questionnaire via ISDA Amend, delivery of a Questionnaire to such Adhering Party via ISDA Amend shall be effective.
- (d) For purposes of this Protocol, when an Adhering Party delivers a Questionnaire to another Adhering Party (the “**Receiving Party**”), the PCA Principal on whose behalf such Questionnaire is delivered or deemed delivered is referred to as the “**Delivering PCA Principal**” and each PCA Principal to whom such Questionnaire is delivered or deemed delivered hereunder is referred to as a “**Receiving PCA Principal**.”
 - (i) For administrative convenience, an Adhering Party may use a single form of the Questionnaire to execute and deliver Questionnaires on behalf of multiple PCA Principals. Where multiple Delivering PCA Principals are identified in a Questionnaire, the Questionnaire shall be deemed to be a separate Questionnaire for each Delivering PCA Principal.
 - (ii) Delivery of a Questionnaire by an Adhering Party in the manner set forth in this paragraph 3 will be deemed to be delivery by the Delivering PCA Principal identified in such Questionnaire.
 - (iii) In the case where there is an existing Protocol Covered Agreement, delivery of a Questionnaire to an Adhering Party in the manner set forth in this paragraph 3 will be deemed to be delivery by the Delivering PCA Principal to all PCA Principals on whose behalf the receiving Adhering Party has entered into such existing Protocol Covered Agreement with such Delivering PCA Principal or, if so specified in the delivered Questionnaire, to only certain of such PCA Principals.
 - (iv) In the case where there is not an existing Protocol Covered Agreement, delivery of a Questionnaire to an Adhering Party in the manner set forth in this paragraph 3 will be deemed to be delivery by the Delivering PCA Principal to each PCA Principal specified in the delivered Questionnaire or if none is specified, to the Receiving Party as the Receiving PCA Principal.
- (e) In using this Protocol to amend Protocol Covered Agreements and/or create and/or amend Replica CSAs, New CSAs, Protocol Master Agreements or other documents, an Adhering Party may not specify additional provisions, conditions or limitations in its Questionnaire, except as expressly provided therein.

4. Matching and Effectiveness of Questionnaires

- (a) As between any two Exchanging Parties and their respective Delivering PCA Principals, the “**Exchanged Method**” in respect of their Exchanged Questionnaires shall be determined as follows:
 - (i) If both Exchanging Parties have selected one (but not more than one) identical Method in their Exchanged Questionnaires, such Method shall be the Exchanged Method.
 - (ii) If the Exchanging Parties have selected more than one identical Method in their Exchanged Questionnaires, then:
 - (1) if both Exchanging Parties have selected “Amend Method” in their respective Questionnaires, such Method shall be the Exchanged Method, and
 - (2) if paragraph 4(a)(ii)(1) does not apply and both Exchanging Parties have selected “Replicate-and-Amend Method,” “Replicate-and-Amend Method” shall be the Exchanged Method.

- (iii) Notwithstanding Paragraph (a)(i) or (ii), if neither Exchanging Party has specified “Yes” under “Work with Existing Protocol Covered Agreement(s)?” and both Exchanging Parties have elected to enter into a Protocol Master Agreement in their Exchanged Questionnaires, the Exchanged Method will be New CSA Method.
- (b) As between two Exchanging Parties and their respective Delivering PCA Principals, such parties will be deemed “**Matched Parties**” and their respective Exchanged Questionnaires will be deemed “**Matched Questionnaires**” provided each of the following conditions is met, to the extent applicable:
 - (i) the Delivering PCA Principal identified in each Exchanged Questionnaire must be a Receiving PCA Principal with respect to the other Exchanged Questionnaire;
 - (ii) either (1) each Exchanging Party must have specified “Yes” in its Exchanged Questionnaire under “Work with Existing Protocol Covered Agreement(s)?” or (2) neither Exchanging Party must have done so;
 - (iii) an Exchanged Method must apply to the Exchanged Questionnaires in accordance with Paragraph 4(a);
 - (iv) if the Exchanged Method for their Exchanged Questionnaires is Amend Method or Replicate-and-Amend Method, at least one Exchanging Party must have selected at least one Covered Margin Regime in its Exchanged Questionnaire;
 - (v) if neither Exchanging Party has specified “Yes” under “Work with Existing Protocol Covered Agreement(s)?” in its Exchanged Questionnaire, each Exchanging Party must have elected to enter into a Protocol Master Agreement in its Exchanged Questionnaire by selecting one (but not more than one) Applicable Governing Law for such Protocol Master Agreement and the other Exchanging Party must have elected to enter into a Protocol Master Agreement in its Exchanged Questionnaire by selecting the identical Applicable Governing Law;
 - (vi) if (1) the Exchanged Method for two Exchanging Parties and their respective Delivering PCA Principals is New CSA Method and (2) one Exchanging Party has selected “Negative Interest” under “Negative Interest Election?” in its Exchanged Questionnaire, the other Exchanging Party must also have selected “Negative Interest” under “Negative Interest Election?” in its Exchanged Questionnaire;
 - (vii) if (1) the Exchanged Method for two Exchanging Parties and their respective Delivering PCA Principals is New CSA Method and (2) neither Exchanging Party has selected a Covered Margin Regime in its Exchanged Questionnaire, each Exchanging Party must have selected “Yes” under “Regime Agnostic CSA?” in its Exchanged Questionnaire;
 - (viii) if (1) the Exchanged Method for two Exchanging Parties and their respective Delivering PCA Principals is New CSA Method and (2) one Exchanging Party has selected an Alternative MTA (as defined in the Questionnaire) in its Exchanged Questionnaire, the other Exchanging Party must have selected the same Alternative MTA in its Exchanged Questionnaire and the two Exchanging Parties must not have mutually selected more than one Alternative MTA in their Exchanged Questionnaires; and
 - (ix) if (1) the Exchanged Method for two Exchanging Parties and their respective Delivering PCA Principals is New CSA Method and (2) one of the Exchanging Parties has selected “1:00 p.m., London Time” under “Alternative English Law CSA Notification Time?” in its Exchanged Questionnaire, the other Exchanging Party must have also selected “1:00 p.m., London Time” under “Alternative English Law CSA Notification Time?” in its Exchanged Questionnaire.
- (c) When Exchanging Parties and their respective Delivering PCA Principals have delivered Exchanged Questionnaires which are not deemed Matched Questionnaires hereunder, either Exchanging Party may amend and redeliver its Questionnaire (or both Exchanging Parties may amend and redeliver their

respective Exchanged Questionnaires) until such time as the Exchanged Questionnaires are Matched Questionnaires (and such amended Questionnaires shall supersede and replace prior Questionnaires). Each exchange of Questionnaires may produce a different Exchanged Method until the Exchanged Questionnaires are Matched Questionnaires. For the avoidance of doubt, if both Exchanging Parties select Covered Margin Regimes, such selections do not need to be identical in order for their Exchanged Questionnaires to be Matched Questionnaires.

- (d) Except as otherwise provided in paragraph 7, an exchange of Questionnaires under this Protocol that satisfies the conditions hereunder to be Matched Questionnaires is the exclusive means of offering and accepting to amend Protocol Covered Agreements, create Protocol Master Agreements, create and amend Replica CSAs and/or create New CSAs according to the terms of this Protocol. Upon executing and exchanging Questionnaires hereunder and satisfying the terms for such Exchanged Questionnaires to be Matched Questionnaires, the Exchanged Method resulting from those Questionnaires will be the “**Agreed Method**” for the Matched Parties and their respective Delivering PCA Principals, and the Matched Parties will be deemed to have offered and accepted to amend Protocol Covered Agreements, create and amend Replica CSAs in respect of Protocol Covered Agreements, create New CSAs in respect of Protocol Covered Agreements, and/or create Protocol Master Agreements and related New CSAs in respect of the relevant Delivering PCA Principals, as applicable, on the terms and conditions of this Protocol and such Matched Questionnaires. For purposes of this Protocol, each such Protocol Covered Agreement is referred to as a “**Matched PCA**.”
- (e) The agreement to amend a Protocol Covered Agreement, create and amend a Replica CSA, create a New CSA and/or create a Protocol Master Agreement and related New CSA through Matched Questionnaires on the terms and conditions set forth in this Protocol will, as between any Matched Parties and their respective Delivering PCA Principals, be effective as of the date on which the later of the two Matched Parties delivered its executed Matched Questionnaire in accordance with paragraph 3 (such date, the “**Implementation Date**”).

5. **Applicable Amendments, Replica CSAs and New CSAs**

- (a) Amend Method. As between two Matched Parties and their respective Delivering PCA Principals for whom “Amend Method” is the Agreed Method, each Covered CSA that is, or is part of, a Matched PCA shall be amended as follows:
 - (i) if the CSA Type for the Covered CSA is NY CSA, such Covered CSA shall be amended by the terms of Exhibit NY-AMEND;
 - (ii) if the CSA Type for the Covered CSA is English CSA, such Covered CSA shall be amended by the terms of Exhibit En-AMEND; and
 - (iii) if the CSA Type for the Covered CSA is Japanese CSA, such Covered CSA shall be amended by the terms of Exhibit J-AMEND.
- (b) Replicate-and-Amend Method. As between two Matched Parties and their respective Delivering PCA Principals for whom “Replicate-and-Amend Method” is the Agreed Method:
 - (i) each Covered CSA that is, or is part of, a Matched PCA shall be replicated to produce a separate CSA with the same terms as such Covered CSA (such replica, a “**Replica CSA**”), which shall be deemed entered into by the Matched Parties;
 - (ii) each Replica CSA shall be amended as follows:
 - (1) if the CSA Type for the Replica CSA is NY CSA, such Replica CSA shall be amended by the terms of Exhibit NY-AMEND;
 - (2) if the CSA Type for the Replica CSA is English CSA, such Replica CSA shall be amended by the terms of Exhibit En-AMEND;

- (3) if the CSA Type for the Replica CSA is Japanese CSA, such Replica CSA shall be amended by the terms of Exhibit J-AMEND; and
 - (iii) each Replica CSA in respect of a Covered CSA shall form part of, or be a Credit Support Document in relation to, the related Covered Master Agreement on the same terms as the corresponding Covered CSA that was replicated.
- (c) New CSA Method. As between two Matched Parties and their respective Delivering PCA Principals for whom “New CSA Method” is the Agreed Method, unless such Matched Parties are deemed to have entered into a 2002 ISDA Master Agreement under paragraph 6, with respect to each Matched PCA that is a Covered Master Agreement:
- (i) if either (i) a Covered CSA is part of, or a Credit Support Document in relation to, the Matched PCA and the CSA Type for that Covered CSA is NY CSA, or (ii) no Covered CSA is part of, or a Credit Support Document in relation to, the Matched PCA and the Applicable Governing Law for the Matched PCA is New York Law, the law of any other state, possession or territory of the United States or the law of any Province of Canada, such Matched PCA shall be amended and supplemented by adding a New CSA in the form of Exhibit NY-NEW;
 - (ii) if either (i) a Covered CSA is part of, or a Credit Support Document in relation to, the Matched PCA and the CSA Type for that Covered CSA is English CSA, or (ii) no Covered CSA is part of, or a Credit Support Document in relation to, the Matched PCA and the Applicable Governing Law for the Matched PCA is English Law, such Matched PCA shall be amended and supplemented by adding a New CSA in the form of Exhibit En-NEW; and
 - (iii) if either (i) a Covered CSA is part of, or a Credit Support Document in relation to, the Matched PCA and the CSA Type for that Covered CSA is Japanese CSA, or (ii) no Covered CSA is part of, or a Credit Support Document in relation to, the Matched PCA and the Applicable Governing Law for the Matched PCA is Japanese Law, the parties will be deemed to have entered into a New CSA in the form of Exhibit J-NEW, which shall be a Credit Support Document with respect to both parties in relation to the Matched PCA.

6. Protocol Master Agreements and New CSAs

If two Matched Parties have elected in their Matched Questionnaires to enter into a Protocol Master Agreement and the Matched Parties have not each specified “Yes” under “Work with Existing Protocol Covered Agreement(s)?” in their Matched Questionnaires:

- (i) the Matched Parties will be deemed to have entered into a 2002 ISDA Master Agreement in respect of their respective PCA Principals as of the Implementation Date and will be deemed to have agreed that the following constitutes the Schedule (as such term is used in the 2002 ISDA Master Agreement) to such agreement.
 - (1) **Governing Law.** This Master Agreement will be governed by and construed in accordance with the laws specified below, unless otherwise agreed to by the parties:
 - (a) if each of the parties has specified “NY Law” in its Matched Questionnaire under “Enter into a Protocol Master Agreement governed by:”, the law of the State of New York, without reference to choice of law doctrine or rules (other than Section 9-1401 of the New York General Obligations Law);
 - (b) if each of the parties has specified “English Law” in its Matched Questionnaire under “Enter into a Protocol Master Agreement governed by:”, English law; or
 - (c) if each of the parties has specified “Japanese Law” in its Matched Questionnaire under “Enter into a Protocol Master Agreement governed by:”, Japanese law.

- (2) **Termination Currency.** If this Agreement (i) is expressed to be governed by NY Law, then “Termination Currency” means U.S. Dollars, (ii) is expressed to be governed by English Law, then “Termination Currency” means Euro, (iii) is expressed to be governed by Japanese law, then “Termination Currency” means Japanese Yen.
 - (3) **Netting of Payments.** Except as otherwise agreed to by the parties in writing, “Multiple Transaction Payment Netting” (1) will apply with respect to each Transaction that is an “FX Transaction” or “Currency Option Transaction” as defined in the ISDA 1998 FX and Currency Option Definitions (the “**FX Definitions**”) (as published by ISDA, the Emerging Markets Traders Association and the Foreign Exchange Committee), as supplemented from time to time, and (2) will not apply with respect to other Transactions, in each case for the purposes of Section 2(c) of this Master Agreement.
 - (4) **FX Definitions.** The definitions and provisions contained in the FX Definitions are incorporated into this Master Agreement. In the event of any inconsistency between the provisions of any Confirmation and this Master Agreement or the FX Definitions, such Confirmation will prevail for the purposes of the relevant Transaction.
 - (5) **ISDA August 2012 DF Protocol.** If both parties hereto have adhered to the ISDA August 2012 DF Protocol Agreement as published on August 13, 2012 by ISDA (the “**August Protocol Agreement**”) and have delivered “Matched Questionnaires” (as defined in the August Protocol Agreement), then this Master Agreement shall be supplemented to the same extent as if it were a “Matched PCA” under the August Protocol Agreement.
 - (6) **ISDA March 2013 DF Protocol.** If both parties hereto have adhered to the ISDA March 2013 DF Protocol Agreement as published on March 22, 2013 by ISDA (the “**March Protocol Agreement**”) and have delivered “Matched Questionnaires” (as defined in the March Protocol Agreement), then this Master Agreement shall be supplemented to the same extent as if it were a “Matched PCA” under the March Protocol Agreement, provided that Sections 2.6, 2.7 and 2.8 of the ISDA March 2013 DF Supplement shall not be included.
 - (7) **ISDA 2013 EMIR Port Rec, Dispute Res and Disclosure Protocol.** If both parties hereto have adhered to the ISDA 2013 EMIR Portfolio Reconciliation, Dispute Resolution and Disclosure Protocol, as published on July 19, 2013 (the “**2013 EMIR Port Rec Protocol**”) prior to the “Annual Revocation Date” designated in a “Revocation Notice” (as each such term is defined in the 2013 EMIR Port Rec Protocol) delivered by either party to ISDA in accordance with the terms of the 2013 EMIR Port Rec Protocol, then this Master Agreement shall be amended to the same extent as if it were a “Protocol Covered Agreement” under the 2013 EMIR Port Rec Protocol.
 - (8) **Matched Questionnaires.** With respect to each party, such party’s “**Matched Questionnaire**” is the “Matched Questionnaire” of such party with respect to the other party for purposes of the ISDA 2016 Variation Margin Protocol as published by International Swaps and Derivatives Association, Inc. on August 16, 2016.
- (ii) If the Applicable Governing Law for the Protocol Master Agreement is (i) New York Law, the Protocol Master Agreement shall be amended and supplemented by adding a New CSA in the form of Exhibit NY-NEW, (ii) English Law, the Protocol Master Agreement shall be amended and supplemented by adding a New CSA in the form of Exhibit En-NEW, and (iii) Japanese Law, the parties will be deemed to have entered into a New CSA in the form of Exhibit J-NEW.

7. Publication and Use of Supplemental Protocol Exhibits

- (a) ISDA may, in its sole and absolute discretion, supplement this Protocol by (i) producing one or more supplemental questionnaires (each, a “**Supplemental Questionnaire**”), one or more sets of supplemental terms and agreements that Adhering Parties may enter into through the exchange of Supplemental

Questionnaires in accordance with the terms of this Protocol (each, a “**Supplemental Terms Exhibit**”) and one or more sets of supplemental terms and conditions for the matching and effectiveness of an exchange of Supplemental Questionnaires to enter into one or more Supplemental Terms Exhibits (each, a “**Supplemental Rules Exhibit**,” and together with all Supplemental Questionnaires and Supplemental Terms Exhibits, the “**Supplemental Protocol Exhibits**”) and (ii) publishing such Supplemental Protocol Exhibits on the “ISDA 2016 Variation Margin Protocol” section of its website at www.isda.org (or by other suitable means). ISDA may, in its sole and absolute discretion, designate margin rules as Covered Margin Regimes for purposes of this Protocol in any Supplemental Protocol Exhibit.

- (b) Upon the production and publication of a set of Supplemental Protocol Exhibits in accordance with paragraph 7(a), the following shall apply:
- (i) An Adhering Party may extend an offer to enter into one or more Supplemental Terms Exhibits by executing and delivering a Supplemental Questionnaire in a manner set forth in paragraph 3(c) as if such Supplemental Questionnaire were a Questionnaire. If and when an Adhering Party receiving an executed Supplemental Questionnaire in such a manner also delivers an executed Supplemental Questionnaire to the offering Adhering Party in a manner set forth in paragraph 3(c), for purposes of this Protocol the respective parties will be deemed “**Exchanging Parties**” with respect to the Supplemental Questionnaires and their respective Supplemental Questionnaires will be deemed “**Exchanged Supplemental Questionnaires**.”
 - (ii) Paragraphs 3(b) through (e) and paragraph 4(c) shall apply to the use and exchange of Supplemental Questionnaires as if they were Questionnaires.
 - (iii) In the case of an existing Protocol Master Agreement, delivery of a Supplemental Questionnaire to an Adhering Party in a manner set forth in paragraph 3 will be deemed to be delivery by each Delivering PCA Principal to all PCA Principals on whose behalf the receiving Adhering Party has entered into such existing Protocol Master Agreement with such Delivering PCA Principal, or if so specified in the delivered Supplemental Questionnaire, to only certain of such PCA Principals.
 - (iv) For purposes of paragraphs 4(b)(iv) and (vii), if two Exchanging Parties with respect to Exchanged Questionnaires are also Exchanging Parties with respect to Supplemental Questionnaires, an Exchanging Party will be deemed to have selected a Covered Margin Regime in its Exchanged Questionnaire if it has selected such Covered Margin Regime in its Exchanged Supplemental Questionnaire.
- (c) Exchanging Parties with respect to Supplemental Questionnaires will be deemed “**Additionally Matched Parties**” with respect to such Supplemental Questionnaires and their respective Supplemental Questionnaires will be “**Matched Supplemental Questionnaires**” if any relevant conditions specified in a Supplemental Rules Exhibit have been satisfied.
- (d) An exchange of Supplemental Questionnaires may be used by Matched Parties who have previously exchanged Matched Questionnaires to offer and accept to amend Protocol Covered Agreements, Replica CSAs New CSAs and/or Protocol Master Agreements and/or to create new agreements on the terms set forth in this Protocol and the relevant Supplemental Terms Exhibits. The agreement to amend Protocol Master Agreements, Protocol Covered Agreements, Replica CSAs and/or New CSAs and/or to create new agreements as provided in a Supplemental Rules Exhibit will be effective as of the date on which the later of the two Additionally Matched Parties delivered its executed Supplemental Questionnaire in accordance with paragraph 3 (such date, the “**Supplemental Implementation Date**”).

8. Representations and Agreements

- (a) Representations by a PCA Principal. In the case of an Adhering Party who is a PCA Principal in respect of a Matched PCA, such PCA Principal represents to the PCA Principal that is the counterparty on such Matched PCA that, as of the Implementation Date (with respect to each Matched Questionnaire) and as of each Supplemental Implementation Date (with respect to each Matched Supplemental Questionnaire), if any:

- (i) **Status.** It is, if relevant, duly organized and validly existing under the laws of the jurisdiction of its organization or incorporation and, if relevant under such laws, in good standing or, if it otherwise represents its status in or pursuant to a Matched PCA, has such status;
 - (ii) **Powers.** It has the power to execute and deliver the Adherence Letter, the Matched Questionnaire and each Matched Supplemental Questionnaire, if any, and to perform its obligations under the Adherence Letter, this Protocol, the Matched Questionnaire, each Matched Supplemental Questionnaire, if any, and each Matched PCA (as amended by this Protocol) and each related Replica CSA or New CSA, if any, and has taken all necessary action to authorize such execution, delivery and performance;
 - (iii) **No Violation or Conflict.** Such execution, delivery and performance do not violate or conflict with any law applicable to it, any provision of its constitutional documents, any order or judgment of any court or other agency of government applicable to it or any of its assets or any contractual restriction binding on or affecting it or any of its assets;
 - (iv) **Credit Support.** Such execution, delivery and performance will not, in and of itself, adversely affect the enforceability, effectiveness or validity of any obligations owed, whether by it or by any third party, under any existing Credit Support Document in respect of its obligations relating to any Matched PCA;
 - (v) **Consents.** All governmental and other consents that are required to have been obtained by it with respect to the Adherence Letter, this Protocol, the Matched Questionnaire, each Matched Supplemental Questionnaire, if any, each Matched PCA (as amended by this Protocol) and each related Replica CSA or New CSA, if any, have been obtained and are in full force and effect and all conditions of any such consents have been complied with; and
 - (vi) **Obligations Binding.** Its obligations under the Adherence Letter, this Protocol, the Matched Questionnaire, each Matched Supplemental Questionnaire, if any, each Matched PCA (as amended by this Protocol) and each related Replica CSA or New CSA, if any, constitute its legal, valid and binding obligations, enforceable in accordance with their respective terms (subject to applicable bankruptcy, reorganization, insolvency, moratorium or similar laws affecting creditors' rights generally and subject, as to enforceability, to equitable principles of general application (regardless of whether enforcement is sought in a proceeding in equity or at law)).
- (b) **Representations by a PCA Agent.** In the case of an Adhering Party who is a PCA Agent acting on behalf of a Delivering PCA Principal in respect of a Matched Questionnaire and Matched PCA, the PCA Agent represents to the PCA Principal that is the counterparty on such Matched PCA that, as of the Implementation Date (with respect to each Matched Questionnaire) and as of each Supplemental Implementation Date (with respect to each Matched Supplemental Questionnaire), if any:
- (i) **Status.** Each of the Delivering PCA Principal and the PCA Agent is, if relevant, duly organized and validly existing under the laws of the jurisdiction of its organization or incorporation and, if relevant under such laws, in good standing or, if it otherwise represents its status in or pursuant to a Matched PCA, has such status;
 - (ii) **Powers.** The PCA Agent has the power to execute and deliver the Adherence Letter, the Matched Questionnaire and each Matched Supplemental Questionnaire, if any. Each of the PCA Agent and the Delivering PCA Principal has the power to perform its respective obligations, if any, under the Adherence Letter, this Protocol, the Matched Questionnaire, each Matched Supplemental Questionnaire, if any, each Matched PCA (as amended by this Protocol) and each related Replica CSA or New CSA, if any, and has taken all necessary action to authorize such execution, delivery and performance. The PCA Agent has all necessary authority to enter into the Adherence Letter, this Protocol, the Matched Questionnaire, each Matched Supplemental Questionnaire, if any, and each related Replica CSA or New CSA, if any, on behalf of the Delivering PCA Principal and has in its files a written agreement or power of attorney authorizing it to act on the Delivering PCA Principal's behalf in respect thereof;

- (iii) ***No Violation or Conflict.*** Such execution, delivery and performance by the Delivering PCA Principal and/or the PCA Agent, as applicable, do not violate or conflict with any law applicable to it, any provision of its constitutional documents, any order or judgment of any court or other agency of government applicable to it or any of its assets or any contractual restriction binding on or affecting it or any of its assets;
- (iv) ***Credit Support.*** Such execution, delivery and performance will not, in and of itself, adversely affect the enforceability, effectiveness or validity of any obligations owed, whether by the Delivering PCA Principal or by any third party, under any Credit Support Document in respect of its obligations relating to any Matched PCA;
- (v) ***Consents.*** All governmental and other consents that are required to have been obtained by the Delivering PCA Principal and/or the PCA Agent with respect to the Adherence Letter, this Protocol, the Matched Questionnaire, each Matched Supplemental Questionnaire, if any, each Matched PCA (as amended by this Protocol) and each related Replica CSA or New CSA, if any, have been obtained and are in full force and effect and all conditions of any such consents have been complied with; and
- (vi) ***Obligations Binding.*** The respective obligations of the Delivering PCA Principal and the PCA Agent under the Adherence Letter, this Protocol, the Matched Questionnaire, each Matched Supplemental Questionnaire, if any, each Matched PCA (as amended by this Protocol) and each related Replica CSA or New CSA, if any, constitute its legal, valid and binding obligations, enforceable in accordance with their respective terms (subject to applicable bankruptcy, reorganization, insolvency, moratorium or similar laws affecting creditors' rights generally and subject, as to enforceability, to equitable principles of general application (regardless of whether enforcement is sought in a proceeding in equity or at law)).

9. Miscellaneous

- (a) Entire Agreement; Survival.
 - (i) This Protocol constitutes the entire agreement and understanding of the Adhering Parties with respect to its subject matter and supersedes all oral communication and prior writings (except as otherwise provided herein) with respect thereto. Each Adhering Party acknowledges that, in adhering to this Protocol, it has not relied on any oral or written representation, warranty or other assurance (except as provided for or referred to elsewhere in this Protocol, an Adherence Letter, or in a Questionnaire or Supplemental Questionnaire) and waives all rights and remedies which might otherwise be available to it in respect thereof, except that nothing in this Protocol will limit or exclude any liability of an Adhering Party for fraud.
 - (ii) Except for any amendment or supplement deemed to be made pursuant to this Protocol in respect of any Protocol Covered Agreement, all terms and conditions of each Protocol Covered Agreement will continue in full force and effect in accordance with its provisions as in effect immediately prior to the Implementation Date. Except as explicitly stated in this Protocol, nothing herein will constitute a waiver or release of any rights of any party under any Protocol Covered Agreement.
- (b) Amendments. An amendment, modification or waiver in respect of the matters contemplated by this Protocol will only be effective in respect of a Protocol Covered Agreement, Protocol Master Agreement, Replica CSA or New CSA if made in accordance with the terms of such Protocol Covered Agreement, Protocol Master Agreement, Replica CSA or New CSA.
- (c) Headings and Footnotes. The headings and footnotes used in this Protocol, any Questionnaire or Supplemental Questionnaire, and any Adherence Letter are for informational purposes and convenience of reference only, and are not to affect the construction of or to be taken into consideration in interpreting this Protocol, any Questionnaire or Supplemental Questionnaire, or any Adherence Letter.

- (d) Governing Law. This Protocol and each Adherence Letter will, as between Adhering Parties, be governed by and construed in accordance with the laws of the State of New York, without reference to choice-of-law doctrine, *provided* that amendments to each Covered CSA, Replica CSA, and New CSA effected by this Protocol shall be governed by and construed in accordance with the law governing such Covered CSA, Replica CSA, and New CSA, and other amendments to each Protocol Covered Agreement and Protocol Master Agreement effected by this Protocol shall be governed by and construed in accordance with the law governing such Protocol Covered Agreement and Protocol Master Agreement.

10. Definitions

Each capitalized term used in this Protocol but not defined herein has the meaning given to such term in the related Protocol Covered Agreement or Protocol Master Agreement, as applicable. As used in this Protocol, the following terms will have the following meanings:

“**Applicable Governing Law**” means, as to any Matched Parties and a Matched PCA or Protocol Master Agreement, the governing law (*i.e.*, the law governing the interpretation) of such Matched PCA or Protocol Master Agreement.

“**CEA**” means the U.S. Commodity Exchange Act, as amended.

“**Covered CSA**” means a CSA entered into between two Adhering Parties, on behalf of their respective PCA Principals, prior to the Implementation Date applicable to such Adhering Parties and their respective PCA Principals as Matched Parties that forms part of, or is a Credit Support Document in relation to, a Covered Master Agreement, including all amendments thereto.

“**Covered Margin Regime(s)**” means any one or more of the following: (i) the margin rules adopted by prudential regulators pursuant to § 4s(e)(2)(A) of the CEA and § 15F(e) of the U.S. Securities Exchange Act of 1934, as amended (“**PR Rules**”), (ii) the margin rules adopted by the CFTC pursuant to § 4s(e)(2)(B) of the CEA (“**CFTC Rules**”), (iii) the margin rules adopted by the Financial Services Agency of Japan pursuant to Article 40, Item 2 of the Financial Instruments and Exchange Act (*kin'yuu shouhin torihiki hou*) (Act No. 25 of 1948, as amended) and its subordinated regulations (“**Japan Rules**”), (iv) Guideline E-22, Margin Requirements for Non-Centrally Cleared Derivatives issued by the Canadian Office of the Superintendent of Financial Institutions (“**OSFI**”) in February 2016 (“**OSFI Rules**”), (v) to the extent applicable, margin rules designated as a Covered Margin Regime by ISDA pursuant to paragraph 7, including without limitation, rules adopted under EMIR if so designated (“**EMIR Rules**”) and rules adopted under Swiss law if so designated (“**FMIA Rules**”).

“**Covered Master Agreement**” means a written agreement entered into between two Adhering Parties, on behalf of their respective PCA Principals, prior to the Implementation Date applicable to such Adhering Parties and their respective PCA Principals as Matched Parties, including a written agreement that is created through operation of an ISDA protocol or that is signed as an umbrella agreement by an Adhering Party that is a PCA Agent, that is (i) an ISDA Master Agreement or (ii) another form of master agreement of which a CSA forms a part, or in relation to which a CSA is a “credit support document” (as defined therein); provided that such agreement is not limited by its terms to governing a single transaction between the parties.

“**CSA**” means (i) a 1994 ISDA Credit Support Annex (Security Interest – New York Law) (“**NY CSA**”), (ii) a 1995 ISDA Credit Support Annex (Transfer – English Law) (“**English CSA**”), (iii) a 1995 ISDA Credit Support Annex (Security Interest – Japanese Law) or a 2008 ISDA Credit Support Annex (Loan / Japanese Pledge) (each, a “**Japanese CSA**”).

“**CSA Type**” means NY CSA, English CSA or Japanese CSA.

“**Designated Regime Combination**” means, with respect to a pair of Matched Parties and their respective Delivering PCA Principals, the Covered Margin Regime(s) (if any) selected in the Matched Questionnaire of one Matched Party combined with the Covered Margin Regime(s) (if any) selected in the Matched Questionnaire of the other Matched Party, provided that if the Matched Parties are also Additionally Matched Parties with respect to Supplemental Questionnaires, any Covered Margin Regime selected by either party in a Matched Supplemental Questionnaire shall also be part of the Designated Regime Combination. If neither Matched Party selects a Covered Margin Regime in

its Matched Questionnaire and each Matched Party has selected “Regime Agnostic CSA” in its Matched Questionnaire, the Designated Regime Combination is “Other.”

“**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.

“**ISDA Amend**” means the web-based platform that has been developed by ISDA and Markit Group Limited and is available at <http://www.markit.com/Product/ISDA-Amend> or such other web address specified by ISDA and Markit Group Limited.

“**ISDA Master Agreement**” means a 2002 ISDA Master Agreement, 1992 ISDA Master Agreement (Multicurrency – Cross Border) or a 1992 ISDA Master Agreement (Local Currency – Single Jurisdiction), in each case as published by ISDA.

“**Method**” means any of the following, as selected in an Adhering Party’s Questionnaire: (i) “Amend Method,” (ii) “Replicate-and-Amend Method” or (iii) “New CSA Method,” each as further described in Paragraph 5 of this Protocol.

“**New CSA**” means a credit support document in the form of Exhibit NY-NEW, En-NEW, or J-NEW that may be incorporated into a Protocol Covered Agreement or Protocol Master Agreement or designated as a Credit Support Document in relation to a Protocol Covered Agreement or Protocol Master Agreement through operation of this Protocol.

“**PCA Principal**” means a party that is or may become a principal to transactions under a Protocol Covered Agreement or under a Protocol Master Agreement, in accordance with the terms of such agreement.

“**PCA Agent**” means a party that has executed a Protocol Covered Agreement on behalf of a PCA Principal or who uses this Protocol to enter into a Protocol Master Agreement in respect of a PCA Principal.

“**Protocol Covered Agreement**” means:

- (i) a Covered Master Agreement (including Covered CSAs, other amendments and supplements thereto, and all outstanding transactions thereunder), *provided* that such Covered Master Agreement does not have two or more Covered CSAs that form part of, or that are Credit Support Documents in relation to, such agreement that each provide for margining of “Exposure” or marks-to-market with respect to transactions thereunder, and *provided further* that as between any two Matched Parties and their respective Delivering PCA Principals for whom “Amend Method” or “Replicate-and-Amend Method” is the Agreed Method, any such Covered Master Agreement that does not have a Covered CSA that forms part of, or is a Credit Support Document in relation to, such Covered Master Agreement, is not a Protocol Covered Agreement, and
- (ii) a Covered CSA that does not form part of a Covered Master Agreement that is a Protocol Covered Agreement but that is a Credit Support Document in relation to such a Covered Master Agreement.

EXHIBIT A
to ISDA 2016 Variation Margin Protocol

Form of Adherence Letter

[Letterhead of Adhering Party]

[Date]

Dear Sirs:

Re: ISDA 2016 Variation Margin Protocol – Adherence

The purpose of this letter is to confirm our adherence as an “**Adhering Party**” to the ISDA 2016 Variation Margin Protocol as published by the International Swaps and Derivatives Association, Inc. (“**ISDA**”) on August 16, 2016 (the “**Protocol**”). This letter constitutes an Adherence Letter as referred to in the Protocol. The definitions and provisions contained in the Protocol are incorporated into this Adherence Letter.

We agree to pay a one-time fee of \$1,000 to ISDA at or before the submission of this Adherence Letter.

1. Specific Terms

We hereby represent that this is the only Adherence Letter submitted by us to ISDA in respect of the Protocol.

2. Appointment as Agent and Release

We hereby appoint ISDA as our agent for the limited purposes of the Protocol and accordingly we waive, and hereby release ISDA from, any rights, claims, actions or causes of action whatsoever (whether in contract, tort or otherwise) arising out of or in any way relating to this Adherence Letter or our adherence to the Protocol or any actions contemplated as being required by ISDA.

3. Contact Details

Our contact information, solely for purposes of this Adherence Letter (and unrelated to the Questionnaire delivery options in the subsequent section) is:

Name:

Address:

Telephone:

Fax:

E-mail:

4. Delivery of Questionnaire or Supplemental Questionnaire

Delivery of a Questionnaire or Supplemental Questionnaire (if any) by another Adhering Party may be made to us pursuant to paragraph 3 of the Protocol as follows, where the relevant box has been checked:

- if submitted via ISDA Amend, in accordance with the terms thereof.
- if in writing and delivered in person or by courier, or by certified or registered mail (airmail, if overseas) or the equivalent (return receipt requested), to:

[Address]

[Address]

[Address]
[Attention]

if sent by facsimile transmission, to:

[Fax Number]
[Attention]

if sent by e-mail or other electronic messaging system, to:

[Address]

We consent to the publication of a conformed copy of this letter by ISDA and to the disclosure by ISDA of the contents of this letter.

Yours faithfully,

[ADHERING PARTY]

[LEGAL ENTITY IDENTIFIER]

Signature: _____

Name: _____

Title: _____

EXHIBIT B
to ISDA 2016 Variation Margin Protocol
Form of Questionnaire (non-ISDA Amend)