

## Relevant provisions of a synthetic CDO

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The definitions and provisions contained in the 2003 ISDA Credit Derivatives as supplemented by the May 2003 Supplement to the 2003 ISDA Credit Derivatives Definitions (together, the "**Credit Derivatives Definitions**") are incorporated into this Confirmation. In the event of any inconsistency between the Credit Derivatives Definitions and this Confirmation, this Confirmation will govern.

This Confirmation relates to a basket of Reference Entities and, accordingly, there may be multiple Cash Settlement Dates and the payment of multiple Payable Cash Settlement Amounts under this Confirmation. However, except to the extent that Section 3.9 of the Credit Derivatives Definitions is expressed to be applicable herein, there may not be more than one Cash Settlement Date with respect to any Reference Entity.

The terms of the Transaction to which this Confirmation relates are as follows:

### 1. General Terms

Trade Date: [ ]

Effective Date: [ ]

Scheduled Termination Date: [ ], subject to adjustment in accordance with the Business Day Convention for the purposes of payment only.

Termination Date: The later of:

(1) the earlier of (i) the Scheduled Termination Date, and (ii) the date the Cumulative Portfolio Settlement Amount equals or exceeds the Upper Band (after payment by the Seller on the relevant Cash Settlement Date of any Payable Cash Settlement Amounts); and

(2) if further Cash Settlement Dates are capable of occurring under this Transaction after the Scheduled Termination Date, the last of such Cash Settlement Dates.

Fixed Rate Payer: [ ] (the "**Buyer**").

Floating Rate Payer: [ ] (the "**Seller**").

Calculation Agent: [ ]

Calculation Agent City: [ ]

Business Day: [ ]

Business Day Convention: Following (which, subject to Sections 1.4 and 1.6 of the Credit Derivatives Definitions, shall apply to any date referred to in this Confirmation that falls on a day that is not a Business Day).

Reference Entity: Each entity specified as such in Annex A.  
 If (i) a Cash Settlement Amount has been determined with respect to a Reference Entity; (ii) a Cash Settlement Date has occurred with respect to a Reference Entity; and (iii) if applicable, any resulting Payable Cash Settlement Amount pursuant to the terms of this Confirmation has been paid by Seller, then subject to the provisions of Section 3.9 (where expressed to be applicable herein), such Reference Entity shall be deemed to be removed from Annex A and no further Credit Events shall be applicable to such Reference Entity.

Reference Entity Notional Amount: For each Reference Entity, at any time, the amount specified as such in relation to such Reference Entity in Annex A.

Reference Obligations: In respect of each Reference Entity, notwithstanding anything to the contrary in the Credit Derivatives Definitions, Reference Obligations shall mean one or more obligations of such Reference Entity which would constitute a "Deliverable Obligation" of such Reference Entity under Section 2.15(a) of the Credit Derivatives Definitions, as selected by the Buyer in its absolute and sole discretion and as notified in writing by the Buyer to the Calculation Agent no later than one Business Day prior to the applicable Valuation Date.

In addition to the foregoing, each Indicative Reference Obligation specified in Annex A in respect of a Reference Entity shall constitute a Deliverable Obligation of such Reference Entity for the purposes of this provision.

Deliverable Obligation Category: Bond or Loan.

Deliverable Obligation (i) In respect of Bonds: [ ]

Characteristics: (ii) In respect of Loans: [ ]

Reference Price: [100]%

2. **Fixed Payments**

Fixed Rate Payer Payment Date(s): (i) [ ] in each year (each a "**Relevant Date**") from and including

[ ] to and including the Relevant Date falling immediately prior to the earlier of (a) the Scheduled Termination Date and (b) the date on which the last Payable Cash Settlement Amount capable of being determined pursuant to this Transaction is determined (such earlier date the "**Final Fixed Payment Date**") and (ii) the earlier of the Scheduled Termination Date and the Final Fixed Payment Date.

Fixed Rate Payer Calculation  
Period:

Means, notwithstanding Section 2.9 of the Credit Derivatives Definitions, each period from and including, one Fixed Rate Payer Payment Date to, but excluding, the next following Fixed Rate Payer Payment Date except that (a) the initial Fixed Rate Payer Calculation Period will commence on and include the Effective Date and (b) the final Fixed Rate Payer Calculation Period will end on, and include the Final Fixed Payment Date.

Fixed Rate Payer Calculation  
Amount:

In respect of the First Fixed Rate Payer Payment Date: [ ] (the "**Initial Fixed Rate Payer Calculation Amount**") and thereafter in respect of each Fixed Rate Payer Calculation Period means the mean average of the amounts determined as follows in respect of each day during such Fixed Rate Payer Calculation Period, the greater of:

- (a) The Initial Fixed Rate Payer Calculation Amount less the aggregate of all Payable Cash Settlement Amounts (if any) determined on or prior to such day; and
- (b) Zero.

Fixed Rate:

[ ]

Fixed Rate Day Count Fraction:

[Actual/360.]

### 3. Floating Payment

Floating Rate Payer Calculation  
Amount:

With respect to a Reference Entity in respect of which an Event Determination Date has occurred, an amount equal to the Reference Entity Notional Amount for such Reference Entity as of the Event Determination Date.

Conditions to Settlement:

[ ]

Credit Events:

The following Credit Events shall apply to each Reference Entity:  
[ ]

**Obligations:**

Obligation Category: Borrowed Money.

Obligation Characteristics: [ ]

#### 4. Settlement Terms

Settlement Method: Cash Settlement.

Terms Relating to Cash Settlement: Notwithstanding anything to the contrary in the Credit Derivatives Definitions, if the Conditions to Settlement have been satisfied with respect to a Reference Entity, the Calculation Agent shall determine the Cash Settlement Amount and the Payable Cash Settlement Amount with respect to that Reference Entity (and any other Relevant Reference Entities in respect of the same Cash Settlement Date) as of the relevant Valuation Date and, if the Payable Cash Settlement Amount is greater than zero, then the Seller shall be obliged to pay to the Buyer the Payable Cash Settlement Amount on the relevant Cash Settlement Date.

Valuation Date: With respect to a Reference Entity and to each type or issue of Reference Obligation in the Reference Obligations Portfolio, Single Valuation Date.

The Valuation Date shall be the first Business Day occurring no less than [ ] days following the Event Determination Date in respect of such Reference Entity.

Valuation Time: [ ] a.m. in the Calculation Agent City.

Dealers: Notwithstanding anything to the contrary in the Credit Derivatives Definitions, "Dealer" shall mean a dealer in obligations of the types or issues of the Reference Obligations with respect to the relevant Reference Entity as selected by the Calculation Agent in its sole and absolute discretion from the following or principal Affiliates of the following who are such dealers: [ ]

Quotation Method: [Bid]

Quotation Amount: With respect to a Reference Entity and any Reference Obligation thereof in the Reference Obligations Portfolio, the amount determined by the Buyer in its sole and absolute discretion.

[Quotations shall Exclude Accrued Interest].

Settlement Currency: [ ]

Cash Settlement Date: [ ] Business Days following calculation of the last Final Price in

respect of the Reference Obligations included in the Reference Obligations Portfolio.

Cash Settlement Amount:

With respect to each Cash Settlement Date and each type or issue of Reference Obligation in the Reference Obligations Portfolio, for each Reference Entity in respect of which such date is the Cash Settlement Date (a "**Relevant Reference Entity**") of the greater of:

- (a) zero; and
- (b) the Quotation Amount, or if not expressed in [ ], its Currency Equivalent, ascribed by the Buyer to such type or issue of Reference Obligation multiplied by a percentage equal to (i) the Reference Price less (ii) the Final Price with respect to such type or issue of Reference Obligation.

The greater of the amounts specified in the preceding clauses (a) and (b) shall be determined with respect to each type or issue of Reference Obligation in the Reference Obligations Portfolio for each Relevant Reference Entity and the Cash Settlement Amount shall be equal to the aggregate of the amounts so determined.

Valuation Method:

With respect to each type or issue of Reference Obligation in the Reference Obligations Portfolio: [Highest].

Section 7.5(c) of the Credit Derivative Definitions shall not apply to this Credit Derivative Transaction.

Reference Obligations Portfolio:

With respect to each relevant Reference Entity, one or more types or issues of Reference Obligations selected by the Buyer in its sole and absolute discretion and notified in writing by the Buyer to the Calculation Agent no later than one Business Day prior to the applicable Valuation Date. If the Reference Obligations Portfolio with respect to a Reference Entity comprises more than one Reference Obligation then the Buyer shall in its sole and absolute discretion apportion to each such Reference Obligation an outstanding principal balance (or the Currency Equivalent thereof), which in aggregate shall not exceed the Floating Rate Payer Calculation Amount for such Reference Entity.

Payable Cash Settlement Amount:

With respect to any Valuation Date:

- (a) in the event that the Cumulative Portfolio Settlement Amount is equal to or less than the Lower Band, the Payable

Cash Settlement Amount shall be zero; or

- (b) in the event that the Cumulative Portfolio Settlement Amount (excluding Cash Settlement Amount(s) calculated on such Valuation Date or, if a Cash Settlement Amount is calculated for more than one Reference Entity on such Valuation Date, the aggregate amount of such Cash Settlement Amounts) equals or exceeds the Lower Band but does not exceed the Upper Band, the Payable Cash Settlement Amount shall be equal to the Cash Settlement Amount (or, if a Cash Settlement Amount was calculated for more than one Reference Entity on the relevant Valuation Date, the aggregate amount of Cash Settlement Amounts) calculated on such Valuation Date in respect of such Reference Entities provided however that if such Cash Settlement Amount (or the aggregate of such Cash Settlement Amounts) causes the Cumulative Portfolio Settlement Amount to exceed the Upper Band, then the Payable Cash Settlement Amount shall be reduced by the amount by which the Cumulative Portfolio Settlement Amount exceeds the Upper Band; or
- (c) in the event that the Cumulative Portfolio Settlement Amount (excluding Cash Settlement Amount(s) calculated on such Valuation Date or, if a Cash Settlement Amount is calculated for more than one Reference Entity on such Valuation Date, the aggregate amount of such Cash Settlement Amounts) is less than the Lower Band but the Cash Settlement Amount (or aggregate thereof) calculated on such Valuation Date causes the Cumulative Portfolio Settlement Amount to exceed the Lower Band, the Payable Cash Settlement Amount shall be equal to the amount by which the Cumulative Portfolio Settlement Amount then exceeds the Lower Band, subject to a maximum of the difference between the Upper Band and the Lower Band; or
- (d) in the event that the Cumulative Portfolio Settlement Amount (excluding Cash Settlement Amount(s) calculated on such Valuation Date or, if a Cash Settlement Amount is calculated

for more than one Reference Entity in respect of such Valuation Date, the aggregate amount of such Cash Settlement Amounts) exceeds the Upper Band, then the Payable Cash Settlement Amount shall be zero.

For the avoidance of doubt, the aggregate of any Payable Cash Settlement Amounts calculated under this Confirmation shall not exceed [ ].

Cumulative Portfolio Settlement Amount means, with respect to any Valuation Date, the sum of all Cash Settlement Amounts calculated with respect to this Transaction with respect to all Valuation Dates occurring from the Effective Date to and including such Valuation Date

Lower Band [ ]

Upper Band [ ]

Termination Currency [ ]

**ANNEX A**

No.	Reference Entity	Region	Reference Entity Notional Amount	Indicative Reference Obligation		
				Maturity	Coupon	ISIN