

スケジュールに規定された事項とみなされる事項を定める件

2012年9月5日

2012年10月9日改正

2014年2月24日改正

2014年3月31日改正

2015年9月24日改正

株式会社日本証券クリアリング機構

当社は、金利スワップ取引清算業務に関する業務方法書の取扱い第29条第2項第1号の規定に基づき、清算約定に対して適用されるISDA基本契約のスケジュールに規定された事項とみなされる事項を別紙のとおり定める。

以 上

SCHEDULE
to the
2002 Master Agreement

Part 1. Termination Provisions.

- (a) “***Specified Entity***” means in relation to JSCC for the purpose of:—
Section 5(a)(v), not applicable
Section 5(a)(vi), not applicable
Section 5(a)(vii), not applicable
Section 5(b)(v), not applicable
and in relation to the Clearing Participant for the purpose of:—
Section 5(a)(v), not applicable
Section 5(a)(vi), not applicable
Section 5(a)(vii), not applicable
Section 5(b)(v), not applicable
- (b) “***Specified Transaction***” has been deleted from Section 14 of this agreement pursuant to Part 5(t) hereof.
- (c) The “***Cross Default***” provisions of Section 5(a)(vi) will not apply to JSCC and will not apply to the Clearing Participant in accordance with Part 5(j) hereof.
- (d) The “***Credit Event upon Merger***” provisions of Section 5(b)(v) will not apply to JSCC and will not apply to the Clearing Participant in accordance with Part 5(j) hereof.
- (e) The “***Automatic Early Termination***” provision of Section 6(a) will not apply to JSCC and will not apply to the Clearing Participant in accordance with Part 5(j) hereof.
- (f) “***Termination Currency***” means Japanese Yen.
- (g) ***Additional Termination Event*** will not apply.

Part 2. Tax Representations.

- (a) ***Payer Representations.*** For the purpose of Section 3(e) of this Agreement, JSCC makes no representation and the Clearing Participant makes the following representation:

It is not required by any applicable law, as modified by the practice of any relevant governmental revenue authority, of any Relevant Jurisdiction to make any deduction or withholding for or on account of any Tax from any payment (other than interest under Section 9(h) of this Agreement) to be made by it to JSCC under this Agreement. In making this representation, it may rely on (i) the satisfaction of the agreement contained in Section 4(a)(i) or 4(a)(iii) of this Agreement and the accuracy and effectiveness of any document provided by JSCC pursuant to Section 4(a)(i) or 4(a)(iii) of this Agreement and (ii) the satisfaction of the agreement of JSCC contained in Section 4(d) of this Agreement, except that it will not be a breach of this representation where reliance is placed on clause (i) above and JSCC does not deliver a form or document under Section 4(a)(iii) by reason of material prejudice to its legal or commercial position.

- (b) ***Payee Representations.*** For the purpose of Section 3(f) of this Agreement, JSCC makes no representation and the Clearing Participant makes no representation.

Part 3. Agreement to Deliver Documents.

For the purpose of Sections 4(a)(i) and 4(a)(ii) of this Agreement, each party agrees to deliver the following document, as applicable:—

- (a) Tax forms, documents or certificates to be delivered are: -

Party required to deliver document	Form/Document/Certificate	Date by which to be delivered
Each Party	Any form or document required or reasonably requested by the other party to enable such other party to make a payment under this Agreement without any deduction or withholding for or on account of any Tax or to reduce the rate at which any such deduction or withholding is required to be made.	On or as reasonably soon as practicable after the earlier of (i) learning that such form or document is required and (ii) a reasonable request by the other party.

- (b) Other documents to be delivered are: -

Party required to deliver document	Form/Document/Certificate	Date by which to be delivered
Clearing Participant	The notification and the report with supporting documents pursuant to Article 19 and Article 20 of the	As prescribed by the Applicable Rules.

Business Rules and other related provisions of the Applicable Rules.¹

Part 4. Miscellaneous.

(a) ***Addresses for Notices.***

Any notices, reports and other communications shall be made in accordance with the Applicable Rules.

(b) ***Process Agent.*** For the purpose of Section 13(c) of this Agreement:—

JSCC appoints as its Process Agent: not applicable

The Clearing Participant appoints as its Process Agent: not applicable

(c) ***Offices.*** The provisions of Section 10(a) will apply to this Agreement.

(d) ***Multibranch Party.*** For the purpose of Section 10(b) of this Agreement:—

JSCC is not a Multibranch Party.

The Clearing Participant is not a Multibranch Party unless it provides written notification to JSCC of one or more Offices through which it will enter into, or in which it will book, a Transaction.

(e) ***Calculation Agent.*** The Calculation Agent shall be JSCC, except as otherwise provided in the Applicable Rules.

(f) ***Credit Support Document.*** Credit Support Document means in relation to JSCC, none. Credit Support Document means in relation to the Clearing Participant, the Clearing Participant Agreement and the Applicable Rules, to the extent that they contain requirements for the Clearing Participant to deliver and maintain Initial Margin (defined as “*Tousho Shoukokin*” in Article 2 Paragraph 1 (50) of the Business Rules), Variation Margin (defined as “*Hendou Shoukokin*” in Article 2 Paragraph 1 (63) of the Business Rules), IRS Clearing Fund (defined as “*Kinri Swap Seisan Kikin*” in Article 2 Paragraph 1 (11) of the Business Rules), Special Clearing Charge Collateral (defined as “*Tokubetsu Seisanryo Tanpo Kin*” in Article 2 Paragraph 1 (52) of the Business Rules) and Default Contingent Margin (defined as “*Hatanji Shoukokin*” in Article 2 Paragraph 1 (55) of the Business Rules) contributions, and

¹ If the Clearing Participant submits any false notification or report, JSCC may take the measures of instruction for improvement in accordance with Article 28 of the Business Rules.

the Guarantee by Parent Company, etc. (defined as “*Oyagaisha Tou Hoshou*” in Article 2 Paragraph 1 (4) of the Business Rules) for the benefit of JSCC that guarantees, covers or secures the Clearing Participant's obligations under the Applicable Rules.

- (g) ***Credit Support Provider.*** Credit Support Provider means in relation to JSCC, none. Credit Support Provider means in relation to the Clearing Participant, each provider of the Guarantee by Parent Company, etc. for the benefit of JSCC that guarantees, covers or secures the Clearing Participant's obligations.
- (h) ***Governing Law.*** This Agreement is governed by and will be construed in accordance with the laws specified in Article 126 of the Business Rules.
- (i) ***Netting of Payments.*** “Multiple Transaction Payment Netting” will not apply for the purpose of Section 2(c) of this Agreement.
- (j) ***“Affiliate”*** will have the meaning specified in Section 14 of this Agreement, provided that JSCC shall be deemed to have no Affiliates.
- (k) ***Absence of Litigation.*** For the purpose of Section 3(c), “*Specified Entity*” means in relation to JSCC and the Clearing Participant, none.
- (l) ***No Agency.*** The provisions of Section 3(g) apply to this Agreement.
- (m) ***Additional Representation will apply.*** For the purpose of Section 3 of this Agreement, the following will constitute an Additional Representation:

Relationship Between Parties. Each party will be deemed to represent to the other party on the date on which it enters into a Transaction that (absent a written agreement between the parties that expressly imposes affirmative obligations to the contrary for that Transaction):

- (i) ***Non-Reliance.*** It is acting for its own account (or, with respect to the Clearing Participant, its Clearing Customer's account if so specified by the Clearing Participant to JSCC in accordance with the provisions of the Applicable Rules), and it has made its own independent decisions to enter into that Transaction and as to whether that Transaction is appropriate or proper for it based upon its own judgment and upon advice from such advisers as it has deemed necessary. It is not relying on any communication (written or oral) of the other party as investment advice or as a recommendation to enter into that Transaction, it being understood that information and explanations related to the terms and conditions of a Transaction will not be

considered investment advice or a recommendation to enter into that Transaction. No communication (written or oral) received from the other party will be deemed to be an assurance or guarantee as to the expected results of that Transaction.

- (ii) *Assessment and Understanding.* It is capable of assessing the merits of and understanding (on its own behalf or through independent professional advice), and understands and accepts, the terms, conditions and risks of that Transaction. It is also capable of assuming, and assumes, the risks of that Transaction.
 - (iii) *Status of Parties.* The other party is not acting as a fiduciary for or an adviser to it in respect of that Transaction.
- (n) ***Recording of Conversations.*** Each party (i) consents to the recording of telephone conversations between the trading, marketing and other relevant personnel of the parties in connection with this Agreement or any potential Transaction, (ii) agrees to obtain any necessary consent of, and give any necessary notice of such recording to, its relevant personnel and (iii) agrees, to the extent permitted by applicable law, that recordings may be submitted in evidence in any Proceedings.

Part 5. **Other Provisions.**

- (a) ***The Applicable Rules.*** In the event of any inconsistency between the terms of this Agreement and any provision of the Applicable Rules, the Applicable Rules shall govern in accordance with Article 51 Paragraph 4 of the Business Rules.
- (b) ***Limited Scope of Agreement.*** This Agreement shall apply only to Clearing Contracts between the parties and not to any other transactions.
- (c) ***Single Agreement.*** Section 1(c) is hereby deleted in its entirety and replaced with the following:

“Single Agreement. All Transactions are entered into in reliance on the fact that this Master Agreement and all Confirmations (collectively referred to as this “**Agreement**”), together with the Applicable Rules, the Side Letter (if any) and the Clearing Participant Agreement, form a single agreement between the parties and the parties would not otherwise enter into any Transactions.”

- (d) ***General Conditions.*** Section 2(a) of this Agreement shall be amended as follows:
 - (i) Section 2(a)(i) of this Agreement is hereby amended by inserting the phrase “or the

Applicable Rules” after the word “Agreement”.

- (ii) Section 2(a)(ii) of this Agreement is hereby amended by inserting the phrase “or the Applicable Rules” after the word “Agreement” in the second and sixth lines thereof.
- (e) **Condition Precedent.** Section 2(a)(iii) of this Agreement is hereby deleted in its entirety and replaced with the following.

“(iii) Each obligation of each party under Section 2(a)(i) is subject to (1) the condition precedent that no Event of Default or Failure of Settlement (defined as “*Kessai Furikou*” in Article 2 Paragraph 1 (15) of the Business Rules) with respect to the other party has occurred and is continuing, (2) the condition precedent that no Early Termination Date in respect of the relevant Transaction has occurred or been effectively designated and (3) each other condition specified in this Agreement or the Applicable Rules to be a condition precedent for the purpose of this Section 2(a)(iii).”
- (f) **Change of Account.** Section 2(b) of this Agreement is hereby deleted.² Any change to any account for receiving payment or delivery will be made only in compliance with operational procedures set forth in Article 48 of the Handling Procedures of Interest Rate Swap Business Rules.
- (g) **Netting of Payments.** Section 2(c) of this Agreement is hereby deleted. Netting of Payment shall be made with respect to each Clearing Participant in accordance with Article 85 Paragraph 2, Article 85-2 and Article 85-4 of the Business Rules and Article 43 Paragraph 4 and Article 43-2 Paragraph 5 of the Handling Procedures of Interest Rate Swap Business Rules without regard to any Sub-accounts that may be established in respect of any Clearing Participant.
- (h) **Taxes.**
 - (i) Section 2(d) of this Agreement shall be replaced in its entirety by the following provisions:

“(d) **Deduction or Withholding for Tax**

 - (i) **Deduction.** All payments under this Agreement will be made without any deduction or withholding for or on account of any Tax unless such deduction or

² Even if provisions or clauses are deleted, the number of subsequent provisions or clauses will not be brought forward.

withholding is required by any applicable law, as modified by the practice of any relevant governmental revenue authority, then in effect.

(ii) *Gross-Up by the Clearing Participant.* If the Clearing Participant is so required to deduct or withhold, then the Clearing Participant will:-

- (1) promptly notify JSCC of such requirement;
- (2) pay to the relevant authorities the full amount required to be deducted or withheld (including the full amount required to be deducted or withheld from any additional amount paid by the Clearing Participant to JSCC under this Section 2(d)) promptly upon the earlier of determining that such deduction or withholding is required or receiving notice that such amount has been assessed against JSCC;
- (3) promptly forward to JSCC an official receipt (or a certified copy), or other documentation reasonably acceptable to JSCC, evidencing such payment to such authorities; and
- (4) subject to Section 2(d)(iii), pay to JSCC, in addition to the payment to which JSCC is otherwise entitled under this Agreement, such additional amount as is necessary to ensure that the net amount actually received by JSCC (free and clear of any Tax, whether assessed against the Clearing Participant or JSCC) will equal the full amount JSCC would have received had no such deduction or withholding been required.

(iii) *Gross-Up by the Clearing Participant; exception.* A Clearing Participant will not be required to pay any additional amount to JSCC under Section 2(d)(ii):
(A) to the extent that it would not be required to be paid but for any failure by JSCC to provide to the relevant Clearing Participant such forms and documents as are required to be provided under Section 4(a) of this Agreement, provided this Section 2(d)(iii)(A) shall only apply if JSCC has not remedied such failure within 5 General Business Days after such failure, or (B) in respect of any U.S. federal withholding Tax imposed or collected pursuant to FATCA (“**FATCA Withholding Tax**”) . “**FATCA**” means 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.

(iv) *No Gross-Up by JSCC.* If JSCC is so required to deduct or withhold, then JSCC will, in each case to the extent that it is reasonably able to do so:-

- (1) promptly notify the Clearing Participant of such requirement;

- (2) pay to the relevant authorities the full amount required to be deducted or withheld promptly upon the earlier of determining that such deduction or withholding is required or receiving notice that such amount has been assessed against the Clearing Participant; and
- (3) promptly forward to the Clearing Participant an official receipt (or a certified copy) evidencing such payment to such authorities.

In no circumstances shall JSCC be required to pay any amount in addition to the payment to which the Clearing Participant is otherwise entitled under this Agreement in respect of any such deduction or withholding. However, JSCC will, at the Clearing Participant's expense, use reasonable endeavours to cooperate with the Clearing Participant to seek any credit or remission or other relief available with respect to any such Tax so deducted or withheld (so long as such cooperation would not, in JSCC's judgment, materially prejudice the legal or commercial position of JSCC).

(v) *Liability of JSCC.* If:-

- (1) JSCC is required by any applicable law, as modified by the practice of any relevant governmental revenue authority, to make any such deduction or withholding;
 - (2) JSCC does not so deduct or withhold; and
 - (3) a liability resulting from such Tax is assessed directly against JSCC,
- then, except to the extent the Clearing Participant has satisfied or then satisfies the liability resulting from such Tax, the Clearing Participant will promptly pay to JSCC the amount of such liability (including any related liability for interest or penalties).

(vi) *Liability of the Clearing Participant.* If:-

- (1) the Clearing Participant is required by any applicable law, as modified by the practice of any relevant governmental revenue authority, to make any such deduction or withholding in respect of which the Clearing Participant would be required to pay an additional amount under Section 2(d) of this Agreement;
 - (2) the Clearing Participant does not so deduct or withhold; and
 - (3) a liability resulting from such Tax is assessed directly against JSCC,
- then, except to the extent the Clearing Participant has satisfied or then satisfies the liability resulting from such Tax, the Clearing Participant will promptly pay to JSCC the amount of such liability (including any related liability for interest or penalties).

- (vii) "Tax" as used in Part 2(a) of this Schedule (Payer Tax Representation) shall not include any FATCA Withholding Tax. 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 this Agreement.”

- (ii) The first sentence of the first paragraph of Section 3 of this Agreement shall be replaced in its entirety with the following:

“Each party makes the representations contained in Sections 3(a), 3(b), 3(c), 3(d), 3(e) and 3(f) and, if specified in the Schedule as applying, 3(g) to the other party (which representations will be deemed to be repeated by each party on each date on which a Transaction is entered into and, in the case of the representations in Section 3(f), at all times until the termination of this Agreement) except that JSCC shall not be required to make (and shall not make) any representation contained in Section 3(e) or 3(f).”

- (iii) Section 4(a) of this Agreement shall be replaced in its entirety by the following provisions:

“(a) ***Furnish Specified Information.*** It will deliver to the other party or, in certain cases under clause (iii) below, to such government or taxing authority as the other party reasonably directs:-

- (i) any forms, documents or certificates relating to taxation specified in the Schedule or any Confirmation;
- (ii) any other documents specified in the Schedule or any Confirmation; and
- (iii) upon reasonable demand by such other party (or, in the case of the Clearing Participant, upon reasonable request in writing by the Clearing Participant), any form or document that may reasonably be required or reasonably requested in writing (and, in the case of the Clearing Participant, any such form or document must be reasonably requested in writing) in order to allow such other party or its Credit Support Provider to make payment under this Agreement or any applicable Credit Support Document without any deduction or withholding for or on account of any Tax or with such deduction or withholding at a reduced rate (so long as the completion, execution or submission of such form or document would not materially prejudice the legal or commercial position of the party in receipt of such demand or request (or, in the case of JSCC, so long as JSCC reasonably believes that the completion, execution or submission of such form or document would not materially prejudice the legal or commercial position of JSCC)), with any such form or document to be accurate and completed in a manner reasonably satisfactory to such other party and to be executed and to be delivered with any reasonably required certification (or, in the case of any such form or document to be furnished by JSCC, with any such form or document to be as accurate as JSCC is reasonably able to make it and to be executed in a

manner reasonably satisfactory to JSCC and to be delivered with any reasonably required certification which JSCC is reasonably able to deliver),
in each case by the date specified in the Schedule or such Confirmation or, if none is specified or in the case of any form, document or certificate to be furnished by JSCC, as soon as reasonably practicable.”

- (iv) Section 4(e) of this Agreement shall be replaced in its entirety by the following provisions:

“(e) ***Payment of Stamp Tax and other Tax.*** The Clearing Participant will pay any Stamp Tax and any excise, sales, or value added Tax and any other similar Tax levied or imposed upon it or in respect of its execution or performance of this Agreement by any jurisdiction, and will indemnify JSCC against any Stamp Tax and any excise, sales, or value added Tax and any other similar Tax (to the extent, in the case of any value added Tax, that JSCC is not able, in JSCC's opinion (acting reasonably) to reclaim or recover such value added Tax) levied or imposed upon JSCC or in respect of JSCC's execution or performance of this Agreement by any jurisdiction.”

- (i) ***Absence of Certain Events.*** Section 3(b) of this Agreement is hereby amended by deleting the phrase “or Potential Event of Default or, to its knowledge, Termination Event” and adding the words “or Failure of Settlement”.

- (j) ***Early Termination and Settlement of Transactions.*** Section 5 and 6 of this Agreement are hereby deleted.

If an Event of Default with respect to the Clearing Participant has occurred, Early Termination of all Transactions (Clearing Contract) and close-out netting between JSCC and such Clearing Participant shall occur in accordance with Article 91 through Article 101 of the Business Rules and other related provisions of the Applicable Rules. If an Event of Default with respect to JSCC has occurred, Early Termination of all Transactions (Clearing Contract) and close-out netting between JSCC and the Clearing Participant which has executed the Side Letter with JSCC shall occur in accordance with Article 6 of the Side Letter.

- (k) ***Transfer.*** Section 7 of this Agreement is hereby deleted .

Except as otherwise provided in the provisions of the Applicable Rules (including Article 40 of the Business Rules), the Clearing Participant may not assign or agree to assign any claim prescribed in the Applicable Rules or this Agreement without the prior written consent of JSCC in accordance with Article 117 of the Business Rules.

- (l) ***Amendments.*** Section 9(b) of this Agreement is hereby deleted. Any amendments,

modification or changes of the Applicable Rules (including this document) shall be made in accordance with Article 121 of the Business Rules. If any such amendments, modification or changes of the Applicable Rules relate to the matters listed in Article 122 Paragraph 1 of the Business Rules, JSCC shall consult with IRS Management Committee (referred to as “*Kinri Swap Unei Iinkai*” in Article 122 Paragraph 1 of the Business Rules) prior to the determination of such amendments, modification or changes of the Applicable Rules pursuant to Article 122 of the Business Rules and other related provisions of IRS Management Committee Rules (*Kinri Swap Unei Iinkai Ni Kansuru Kisoku*).

- (m) ***Entire Agreement.*** The first sentence of Section 9(a) of the Agreement is hereby deleted and replaced with the following: “This Agreement, together with the Applicable Rules, the Side Letter (if any) and the Clearing Participant Agreement, constitutes the entire agreement and understanding of the parties with respect to its subject matter.”
- (n) ***Confirmations.*** Section 9(e)(ii) of this Agreement is hereby deleted. The provisions of Article 48 and 49 of the Business Rules shall govern the circumstances under which a Clearing Contract comes into existence and the manner in which the terms of that Clearing Contract are confirmed.
- (o) ***Interest and Compensation.*** Section 9(h) of this Agreement shall be amended as follows:
 - (i) Section 9(h)(i)(1) is hereby amended by deleting the phrase “and subject to Section 6(c)” and “(and excluding any period in respect of which interest or compensation in respect of the overdue amount is due pursuant to clause (3)(B) or (C) below)”.
 - (ii) Section 9(h)(i)(2) is hereby amended by deleting the phrase “and subject to Section 6(c)” and “(and excluding any period in respect of which interest or compensation in respect of that amount is due pursuant to clause (4) below)”.
 - (iii) Section 9(h)(i)(3) and (4) are hereby deleted.
 - (iv) Section 9(h)(ii) is hereby replaced with the following:

“(ii) Early Termination. Upon the occurrence or effective designation of an Early Termination Date in respect of a Transaction, any entitlement to interest on the amount of any payment obligations arising in respect of such Early Termination Date will be determined in accordance with the Applicable Rules and the Side Letter (if any).”

- (v) Section 9(h)(iii) is hereby amended by replacing the phrase “this Section 9(h)” with the words “Section 9(h)(i)”.
- (p) **Offices; Multibranch Parties.** Section 10 of this Agreement is hereby amended as follows:
- (i) Section 10(a) is hereby amended by deleting the phrase “, except that a party will not have recourse to the head or home office of the other party in respect of any payment or delivery deferred pursuant to Section 5(d) for so long as the payment or delivery is so deferred”.
 - (ii) Section 10(b) is hereby deleted and replaced with the following:
“(b) If a party is specified as a Multibranch Party in the Schedule, such party may, subject to clause (c) below, enter into a Transaction through, and book a Transaction in, any Office listed in respect of a Sub-Account of that party in the notification submitted in accordance with the provisions of Schedule (but not any other Office unless otherwise agreed by the parties in writing), provided that the party shall make and receive payments and deliveries with respect to the Transaction in accordance with the Applicable Rules.”
 - (iii) Section 10(c) is hereby deleted and replaced with the following:
“(c) The Office through which a party enters into a Transaction will be the Office specified for that party in the notification submitted in accordance with the provisions of the Schedule, and, if an Office for that party is not specified in the notification submitted in accordance with the provisions of the Schedule, its head or home office. The Office through which a party enters into a Transaction will also be the Office in which it books the Transaction. Neither party may change the Office in which it books the Transaction without prior written consent of the other party.”
- (q) **Notices.** Section 12 of this Agreement is hereby deleted and replaced with the following:
- “12. Notices**
- Any notices, reports and other communications in respect of this Agreement shall be made in accordance with Article 46 of the Handling Procedures of Interest Rate Swap Business Rules.”
- (r) **Jurisdiction.** Section 13(b)(i) of this Agreement shall be deleted and replaced with the following:

“(i) submits to the exclusive jurisdiction of the court specified in Article 127 of the Business Rules;”

(s) ***Service of Process.*** Section 13(c) of this Agreement shall be amended by deleting the third sentence thereof.

(t) ***Definitions.*** Section 14 of this Agreement shall be amended as follows:

(i) The following definitions shall be deleted from Section 14 of this Agreement.

- (1) Additional Termination Event
- (2) Affected Party
- (3) Affected Transaction
- (4) Applicable Deferral Rate
- (5) Applicable Close-out Rate
- (6) Automatic Early Termination
- (7) Burdened Party
- (8) Change in Tax Law
- (9) Close-out Amount
- (10) Convention Court
- (11) Credit Event Upon Merger
- (12) Cross Default
- (13) Designated Event
- (14) Determining Party
- (15) Early Termination Amount
- (16) Force Majeure Event
- (17) Illegality
- (18) Indemnifiable Tax
- (19) Local Business Day
- (20) Local Delivery Day
- (21) Merger Without Assumption
- (22) Multiple Transaction Payment Netting
- (23) Non-affected Party
- (24) Non-defaulting Party
- (25) Non-default Rate
- (26) Other Amounts
- (27) Payee
- (28) Payer
- (29) Potential Event of Default

- (30) Scheduled Settlement Date
- (31) Specified Indebtedness
- (32) Specified Transaction
- (33) Stamp Tax Jurisdiction
- (34) Tax Event
- (35) Tax Upon Merger
- (36) Terminated Transaction
- (37) Termination Currency
- (38) Termination Currency Equivalent
- (39) Termination Rate
- (40) Threshold Amount
- (41) Unpaid Amount
- (42) Waiting Period

- (ii) The definition of “Defaulting Party” in Section 14 of this Agreement shall be replaced with the following:

““**Defaulting Party**” means the party with respect to which an Event of Default has occurred.”

- (iii) The definition of “Early Termination Date” in Section 14 of this Agreement shall be replaced with the following:

““**Early Termination Date**” means any of:

- (a) a Default Determination Date (defined as “*Hatan Nintei Bi*” in Article 2 Paragraph 1 (60) of the Business Rules);
- (b) a Close-Out Event Determination Date (defined as “*Kigenmae Shuryou Bi*” in Article 4 Paragraph 2 of the Side Letter);
- (c) such date as is designated by JSCC in connection with the failure of the Clearing Participant to close out all Clearing Contracts to which it is a party within the period prescribed by JSCC under Article 38 of the Business Rules; or
- (d) such date as is designated by JSCC in connection with the occurrence of a Termination Event.”

- (iv) The definition of “Event of Default” in Section 14 of this Agreement shall be replaced with the following:

““**Event of Default**” means:

- (a) with respect to the Clearing Participant:
 - (i) the occurrence of a Default Determination Day (defined as “*Hatan Nintei Bi*” in Article 2 Paragraph 1 (60) of the Business Rules) with respect to the

- Clearing Participant; or
- (ii) the failure of the Clearing Participant to close out all Clearing Contracts to which it is a party within the period prescribed by JSCC under Article 38 of the Business Rules; or
- (b) with respect to JSCC, the occurrence of a Close-out Event (defined as “*Ikkatsu Seisan Jiyu*” in Article 4 Paragraph 1 of the Side Letter.)”
- (v) The definition of "Termination Event" in Section 14 of this Agreement shall be replaced with the following:
“**“Termination Event”** means the failure of JSCC and the Clearing Participant to reach an agreement among JSCC and all Clearing Participants required to participate in the Default Auction in accordance with Article 96 Paragraph 2 of the Business Rules within the period designated by JSCC pursuant to the Applicable Rules.”
- (u) ***Additional Definitions.*** The following definitions shall be added to Section 14 of this Agreement.
- “***Applicable Rules***” has the meaning given to the term “*Hon Gyoumu houhousho Tou*” under Article 2 Paragraph 1 (65) of the Business Rules.
- “***Business Rules***” means the Interest Rate Swap Clearing Business Rules (*Kinri Swap Torihiki Seisan Gyoumu Ni Kansuru Gyoumu Houhousho*) established by JSCC dated October 9, 2012, as amended.
- “***Clearing Contract***” has the meaning given to the term “*Seisan Yakujo*” under Article 2 Paragraph 1 (34) of the Business Rules.
- “***Clearing Contract (Customer Account)***” has the meaning given to the term “*Seisan Yakujo (Itakubun)*” under Article 2 Paragraph 1 (35) of the Business Rules.
- “***Clearing Brokerage Agreement***” has the meaning given to the term “*Seisan Jutaku Keiyaku*” under Article 2 Paragraph 1 (31) of the Business Rules.
- “***Clearing Customer***” has the meaning given to the term “*Seisan Itakusha*” under Article 2 Paragraph 1 (27) of the Business Rules.
- “***Clearing Participant***” means a “*Seisan Sankasha*” defined under Article 2 Paragraph 1 (29)

of the Business Rules who is a party to the relevant Clearing Contract to which “ISDA *Kihon Keiyaku*” defined under Article 2 Paragraph 1 (71) of the Business Rules applies.

“**Clearing Participant Agreement**” has the meaning given to the term “*Seisan Sankasha Keiyaku*” under Article 2 Paragraph 1 (30) of the Business Rules.

“**Early Termination**” has the meaning given to the term “*Kigenmae Shuryou*” under Article 2 Paragraph 1 (6) of the Business Rules.

“**Handling Procedures of Interest Rate Swap Business Rules**” means the Handling Procedures of Interest Rate Swap Business Rules (*Kinri Swap Torihiki Seisan Gyoumu Ni Kansuru Gyoumu Houhousho No Toriatsukai*) established by JSCC dated October 9, 2012, as amended.

“**JSCC**” means Japan Securities Clearing Corporation.

“**Sub-Account**” has the meaning given to the term “*Kubun Kouza*” under Article 59 Paragraph 5 of the Business Rules.

“**Side Letter**” means the Side Letter Agreement (*Kinri Swap Torihiki Ni Kakaru Seisanyakujyo Tou No Ikkatsuseisan Ni Kansuru Gouisho*) executed by and between JSCC and the Clearing Participant.

“**Transaction**” means each Clearing Contract between JSCC and the Clearing Participant.

- (v) **Characterization Notice.** If the Clearing Participant treats or will treat any Clearing contract, for tax, financial accounting or regulatory purposes, as a guarantee or insurance contract, or as any other type of instrument, contract, or transaction other than a derivative financial instrument, it shall use reasonable best efforts to promptly notify JSCC in writing of such treatment.