



LCH LIMITED

PROCEDURES SECTION 2C

SWAPCLEAR CLEARING SERVICE

SCHEDULE 3
RATE CHANGE
ANNEXES

~~RATE CHANGE ANNEXES~~

**SWAPCLEAR SCM SERVICE - ~~RATE~~RATE CHANGE ANNEX – SECURED OVERNIGHT
FINANCING RATE (SOFR)**

1. SCOPE AND INTERPRETATION

- (a) This Annex constitutes a “Rate Change Annex” as defined in and pursuant to the Regulations and supplements and forms part of the Rulebook.
- (b) This Annex relates to the change in the rate from the Fed Funds Rate to the Secured Overnight Financing Rate provided by the Federal Reserve Bank of New York, as administrator (or a successor administrator) (**SOFR**) for the purposes of (i) calculating PAI, (ii) calculating the Price Alignment Amount, and (iii) constituting the relevant underlying benchmark for the instruments used to construct the Clearing House’s zero coupon yield curves under 1.7.2 of Section 2C of the Procedures to calculate the net present value, each in relation to the Impacted SwapClear Contracts.
- (c) The terms of this Annex shall apply to all Impacted SwapClear Contracts (as set-out in the Rate Change Notice relating to SOFR) that are registered with the Clearing House as set out below. For the avoidance of doubt, (i) no other SwapClear Contract shall be subject to, or affected by, the terms of this Annex and each SwapClear Contract shall remain in full force and effect, and (ii) the SwapClear Contract Terms shall not be amended by the terms of this Annex.
- (d) Capitalized terms used but not otherwise defined in this Annex have the meaning given to them in the Regulations. The term "business day" has the meaning given to it in the Regulations.
- (e) The terms of this Annex relating to operational or procedural matters may be supplemented, modified, amended, replaced or withdrawn from time to time by the Clearing House in its sole discretion through a member circular or such other method as the Clearing House shall determine is appropriate.

2. DEFINITIONS

For the purposes of this Annex:

Auction Adjustment per Unit means, in relation to a Maturity Bucket, an amount in USD equal to (i) the aggregate of all Auction Winner Amounts for that Maturity Bucket divided by (ii) the total notional amount of Discounting Risk Swaps in that Maturity Bucket which have been liquidated pursuant to the Cash Settlement Schedule.

Auction Date means, in relation to a Rate Change Notice relating to SOFR, the date specified as such by the Clearing House in such Rate Change Notice, being the date on which the auctions referred to herein and the Cash Settlement Supplement shall be held and certain amounts payable hereunder shall be calculated.

Auction Winner means, in relation to the Net Auction Contract Pair in respect of a Maturity Bucket, each Cash Settlement Participant (as defined in the Cash Settlement Schedule) that has submitted the

CASH SETTLEMENT SCHEDULE 4 — ~~CASH SETTLEMENT SCHEDULE~~

This Cash Settlement Schedule sets forth certain provisions relating to the Discounting Risk Auctions and the Mid-Price Auctions and the cash settlement process in relation to both the SOFR Rate Change Annex for the SCM service and the SOFR Rate Change Annex for the FCM Service and may be supplemented from time to time by one or more Cash Settlement Supplements.

1. AUCTIONED CONTRACTS

The Clearing House shall determine a single Net Auction Contract Pair (as defined below) separately for each Maturity Bucket as follows:

- (a) first, the Clearing House shall determine the portfolio of Discounting Risk Swaps for each Maturity Bucket that would, but for the Cash Only Election Notices, have been registered in each of the Cash Only Client Position Accounts in accordance with the SOFR Rate Change Annex for the SCM service and the SOFR Rate Change Annex for the FCM service; and
- (b) second, the Clearing House shall aggregate and net all of the risks and cash flows for the above Discounting Risk Swaps for each Maturity Bucket to determine a single pair of Discounting Risk Swaps for each Maturity Bucket, and each such pair of Discounting Risk Swaps shall be the **Net Auction Contract Pair** for that Maturity Bucket.

Each Net Auction Contract Pair shall comprise (i) a Discounting Risk Swap pursuant to which, the Clearing House or the SwapClear Clearing Member (**Party X**) will receive Fed Funds and pay to the other party (**Party Y**) fixed amounts, which shall be determined by reference to the fixed rate determined by the Clearing House in accordance with its usual processes, that would be payable on the fixed leg of a SwapClear Contract at the close of business on the Swap Portfolio Calculation Date where the floating rate is the Fed Funds Rate and the maturity date corresponds to the relevant Maturity Bucket and (ii) a Discounting Risk Swap pursuant to which Party X pay SOFR and receive from Party Y a fixed amount, which shall be a fixed rate, determined by subtracting the spread equal to the Mid-Price determined pursuant to this Cash Settlement Schedule from the fixed rate referred to in (a) above, provided that if the process referred to in this Cash Settlement Schedule fails to provide the Mid-Price for the relevant Maturity Bucket, the Clearing House shall determine the spread for that Maturity Bucket using its customary methodology and applying it to observable market data points and applying linear interpolation where the Clearing House considers appropriate.

For the avoidance of doubt, the above determinations are made solely for the purposes of determining the Net Discounting Risk Swaps that shall be subject to the Discounting Risk Auctions and, prior to the registration of the Discounting Risk Swaps resulting from the from the Discounting Risk Auctions, no SwapClear Contracts shall be registered in any SwapClear Clearing Member's accounts.

For these purposes:

Cash Settlement Participants means those SwapClear Clearing Members and FCM Clearing Members (if any) who have notified the Clearing House via the SwapClear Portal by the cut-off time specified by the Clearing House in the Rate Change Notice related to SOFR that they shall participate in the Discounting Risk Auctions and Mid-Price Auctions. For the avoidance of doubt, only one SwapClear Clearing Member per group of affiliated SwapClear Clearing Members shall be entitled to submit pricing and such SwapClear Clearing Member shall be bound by the terms of such pricing and the terms of this Cash Settlement Schedule, the Cash Settlement Supplement and the applicable Rate Change Annex for SOFR.

SCHEDULE 4

SWAPCLEAR SCM SERVICE - RATE CHANGE ANNEX – EURO SHORT TERM RATE (€STR)

1. SCOPE AND INTERPRETATION

- (a) This Annex constitutes a “Rate Change Annex” as defined in the Regulations and supplements and forms part of the Rulebook.
- (b) This Annex relates to the change in the rate from the Euro OverNight Index Average (EONIA) to the Euro Short Term Rate (€STR) for the purposes of (i) calculating PAI, (ii) calculating the Price Alignment Amount, and (iii) constituting the relevant underlying benchmark for the instruments used to construct the Clearing House’s zero coupon yield curves under 1.7.2 of Section 2C of the Procedures to calculate the net present value, each in relation to Impacted SwapClear Contracts.
- (c) The terms of this Annex shall apply to all Impacted SwapClear Contracts of the type set-out in the Rate Change Notice relating to €STR as set out below. For the avoidance of doubt, (i) no other SwapClear Contract shall be subject to, or affected by, the terms of this Annex and each SwapClear Contract shall remain in full force and effect, and (ii) the SwapClear Contract Terms shall not be amended by the terms of this Annex.
- (d) Capitalized terms used but not otherwise defined in this Annex have the meaning given to them in the Regulations. The term "business day" has the meaning given to it in the Regulations.
- (e) The terms of this Annex relating to operational or procedural matters may be supplemented, modified, amended, replaced or withdrawn from time to time by the Clearing House in its sole discretion through a member circular or such other method as the Clearing House shall determine is appropriate.

2. DEFINITIONS

For the purposes of this Annex:

Cash Compensation Amount means, in relation to the Impacted SwapClear Contracts in a Proprietary Account, an Individual Segregated Account, or a "position account" within an Omnibus Segregated Account, the amount determined in accordance with Section 4 below.

Cash Compensation Contract means each contract determined by the Clearing House and registered in the relevant Proprietary Account, Individual Segregated Account or "position account" within an Omnibus Segregated Account pursuant to Section 4 below.

EONIA Discounted Value means, in relation to an Impacted SwapClear Contract, the net present value, as of the end of the "business day" in New York on the €STR Calculation Date, of all future cash flows under that Impacted SwapClear Contract calculated using EONIA as the discounting rate for the purpose of constructing the zero coupon yield curves under 1.7.2 of Section 2C of the Procedures (with the future cash flows calculated in the same manner as for the determination of the €STR Discounted Value). If the net present value represents an asset or positive value for the Clearing House, such EONIA Discounted Value shall be a positive amount and if the net present value represents a liability or negative value for the Clearing House, such EONIA Discounted Value shall be a negative amount.

SCHEDULE 5SWAPCLEAR SCM SERVICE – FLOATING RATE CONVERSION ANNEX –
EURO OVERNIGHT INDEX AVERAGE (EONIA)1. SCOPE AND INTERPRETATION

- (a) This Annex constitutes a “Floating Rate Conversion Annex” as defined in and pursuant to the Regulations and supplements and forms part of the Rulebook.
- (b) The terms of this Annex shall apply to all open SwapClear Contracts that (i) specify an In-Scope Floating Rate Option as the floating rate or use an In-Scope Floating Rate Option to calculate the floating amount thereunder and (ii) are registered with the Clearing House at the end of the “business day” in New York on the Conversion Cut-Off Date (each such SwapClear Contract, an **EONIA Contract**). For the avoidance of doubt, (A) no other SwapClear Contract shall be subject to, or affected by, the terms of this Annex and all SwapClear Contracts shall remain in full force and effect as amended pursuant to the Floating Rate Conversion Annexes, and (B) other than as expressly set out in this Annex, the SwapClear Contract Terms shall not be amended, supplemented or modified by the terms of this Annex.
- (c) Capitalised terms used but not otherwise defined herein have the meaning given to them in the Regulations. The term "business day" has the meaning given to it in the Regulations.
- (d) The terms of this Annex relating to operational or procedural matters may be supplemented, modified, amended, replaced or withdrawn from time to time by the Clearing House in its sole discretion through a member circular or such other method as the Clearing House shall determine is appropriate.

2. DEFINITIONS

For the purposes of this Annex:

Amended EONIA Contract means each EONIA Contract after giving effect to the amendments made pursuant to Section 3 of this Annex.

Cash Compensation Amount means, in relation to the EONIA Contracts in a Proprietary Account, an Individual Segregated Account, or a "position account" within an Omnibus Segregated Account, the amount determined in accordance with Section 5 below.

Cash Compensation Contract means each contract determined by the Clearing House and registered in the relevant Proprietary Account, Individual Segregated Account or "position account" within an Omnibus Segregated Account pursuant to Section 5 below.

Conversion Cut-Off Date means the business day immediately prior to the Conversion Date.

Conversion Date means October 16, 2021, or such other date as may be specified by the Clearing House from time to time through a member circular or such other method as the Clearing House shall determine is appropriate.

EONIA Contract has the meaning given to the term in Section 1(b) hereto.

EONIA Value means, in relation to an EONIA Contract, the net present value, determined by the Clearing House by reference to the Clearing House's zero coupon yield curves as of the time

specified in Section 1.7.2 of these Procedures on the Conversion Date, of all future cash flows under that EONIA Contract on the basis that such EONIA Contract is an Unamended EONIA Contract. If the net present value represents an asset or positive value for the Clearing House, such EONIA Value shall be a positive amount and if the net present value represents a liability or negative value for the Clearing House, such EONIA Value shall be a negative amount.

€STR Value means, in relation to an EONIA Contract, the net present value, determined by the Clearing House by reference to the Clearing House's zero coupon yield curves as of the time specified in Section 1.7.2 of these Procedures on the Conversion Date, of all future cash flows under that EONIA Contract on the basis that such EONIA Contract is an Amended EONIA Contract. If the net present value represents an asset or positive value for the Clearing House, such €STR Value shall be a positive amount and if the net present value represents a liability or negative value for the Clearing House, such €STR Value shall be a negative amount.

EUR-EONIA-OIS-COMPOUND has the meaning given to it in the ISDA 2000 Definitions or ISDA 2006 Definitions (as applicable)

EUR-EONIA-OIS Compound has the meaning given to it in the ISDA 2021 Definitions.

EUR-EuroSTR-COMPOUND has the meaning given to it in the ISDA 2000 Definitions or ISDA 2006 Definitions (as applicable).

EUR-EuroSTR-OIS Compound has the meaning given to it in the ISDA 2021 Definitions.

In-Scope Floating Rate Option means EUR-EONIA-OIS COMPOUND or EUR-EONIA-OIS Compound.

ISDA Definitions means the ISDA 2000 Definitions, the ISDA 2006 Definitions and the ISDA 2021 Definitions, each as published by the International Swaps and Derivatives Association, Inc.

Unamended EONIA Contract means each EONIA Contract prior to giving effect to the amendments made pursuant to Section 3 below.

3. AMENDMENT TO EONIA CONTRACTS

(a) Pursuant to Regulation 60C of the Regulations, with effect from, and including, the Conversion Date, each EONIA Contract shall be amended so that each reference to EONIA shall instead be deemed to be a reference to the Euro Short-Term Rate (€STR) (without any spread) and each reference to an In-Scope Floating Rate Option shall instead be a reference to EUR-EuroSTR-COMPOUND or EUR-EuroSTR-OIS Compound (as applicable), depending on the ISDA Definitions incorporated into the relevant EONIA Contract.

(b) No other term of any EONIA Contract shall be amended under this Annex.

4. OBLIGATIONS TO MAKE CERTAIN CALCULATIONS AND ENTER INTO CERTAIN CONTRACTS

Pursuant to Regulation 60C of the Regulations, this Annex sets out the method for (i) calculating the Cash Compensation Amounts (which are "Conversion Payments" for purposes of Regulation 60C), and (ii) determining the terms of the Cash Compensation Contracts which shall be registered in order to effect the payment of the Cash Compensation Amounts.

5. DETERMINATION OF THE CASH COMPENSATION AMOUNT AND THE CASH COMPENSATION CONTRACTS FOLLOWING THE CHANGE TO €STR

- (a) On the Conversion Date the Clearing House shall calculate:
- (i) the aggregate EONIA Value and the aggregate €STR Value in relation to all EONIA Contracts registered in each Proprietary Account as of the end of the business day in New York on the Conversion Cut-Off Date; and
 - (ii) the aggregate EONIA Value and the aggregate €STR Value in relation to EONIA Contracts registered in each Individual Segregated Account as of the end of the business day in New York on the Conversion Cut-Off Date.
- (b) The Clearing House shall determine a single Cash Compensation Amount separately in respect of all of the EONIA Contracts in each Proprietary Account, each Individual Segregated Account, and each "position account" within each Omnibus Segregated Account as follows. If:
- (i) the aggregate €STR Value in relation to all such EONIA Contracts exceeds the aggregate EONIA Value in relation to all such EONIA Contracts then the Cash Compensation Amount in relation to such EONIA Contracts shall be equal to the absolute value of the excess, and shall be an amount in favor of the SwapClear Clearing Member in relation to such Proprietary Account, Individual Segregated Account, or "position account" within such Omnibus Segregated Account (as applicable); and
 - (ii) the aggregate €STR Value in relation to all such EONIA Contracts is less than the aggregate EONIA Value in relation to all such EONIA Contracts then the Cash Compensation Amount in relation to such EONIA Contracts shall be equal to the absolute value of the excess, and shall be an amount in favor of the Clearing House in relation to such Proprietary Account, Individual Segregated Account, or "position account" within such Omnibus Segregated Account (as applicable).
- (c) The Clearing House shall, pursuant to Regulation 60C, register a separate Cash Compensation Contract in each Proprietary Account, each Individual Segregated Account and each "position account" within an Omnibus Segregated Account in relation to the Cash Compensation Amount (to the extent such amounts are applicable to such account or "position account"). Each SwapClear Clearing Member and the Clearing House (as applicable) irrevocably agrees that it shall be bound to pay the Cash Compensation Amount to the other pursuant to the terms of the related Cash Compensation Contract. Each Cash Compensation Contract shall be registered for the sole purpose of effecting the payment of the Cash Compensation Amount to which it relates. It shall operationally be recorded as having a "Notional Amount" (as defined in the SwapClear Contract Terms) of EUR1, a "Termination Date" (as defined in the SwapClear Contract Terms) falling two business days after the Conversion Cut-Off Date, and an obligation on the Clearing House or the SwapClear Clearing Member (as applicable) to pay to the other on that "Termination Date" an amount equal to the Cash Compensation Amount related to the relevant Proprietary Account, Individual Segregated Account, or "position account" within the relevant Omnibus Segregated Account, in each case as determined pursuant to Section 5(b) above. However, neither the Clearing House nor a SwapClear Clearing Member shall be required to pay any amounts under a Cash Compensation Contract other than the Cash Compensation Amount to which such Cash Compensation Contract relates.

- (d) Each SwapClear Clearing Member agrees to be bound by each Cash Compensation Contract registered pursuant to this Section 5, which shall, when registered, constitute a SwapClear Contract between the Clearing House and the relevant SwapClear Clearing Member that has arisen by reason of the application of the Regulations to the EONIA Contracts.
- (e) Each SwapClear Clearing Member agrees (and in the case of (e)(iv) below, each SwapClear Clearing Member and the Clearing House agrees):
- (i) to use reasonable endeavors to provide each of its SwapClear Clearing Clients with (i) information on the change to the EONIA Contracts pursuant to the terms of Regulation 60C and this Annex, (ii) information on the amounts payable pursuant to the terms of the Cash Compensation Contracts which may be allocated to that SwapClear Clearing Client's Individual Segregated Account, or "position account" within an Omnibus Segregated Account pursuant to the terms of this Annex, and (iii) other information (indicative or otherwise) in relation to each SwapClear Clearing Client's "position account". Such information shall be set out in 'Risk Notices' or other materials from the Clearing House in connection with this Annex (or any applicable Floating Rate Conversion Notice(s)) expressly marked for distribution to SwapClear Clearing Clients;
 - (ii) that it, and each SwapClear Clearing Client, shall be bound by the terms of any Cash Compensation Contracts registered pursuant to this Annex and all payment obligations thereunder (as determined by the Clearing House pursuant to this Annex);
 - (iii) to perform all obligations and exercise all rights under or pursuant to this Annex in accordance with Applicable Law; and
 - (iv) that each Cash Compensation Contract is being registered in the relevant account in connection with the matters specified in this Annex and the obligations thereunder are for the sole purpose of addressing the value impact of the changes to the EONIA Contracts pursuant to this Annex.

6. ELIGIBILITY FROM THE CONVERSION DATE

Notwithstanding anything to the contrary in the Product Specific Contract Terms and Eligibility Criteria Manual, from and including the Conversion Date the Clearing House shall not accept for clearing or registration any SwapClear Transaction that specifies an In-Scope Floating Rate Option.

7. DETERMINATIONS BINDING

Subject to Section 10, all determinations and calculations made by the Clearing House pursuant to this Annex shall be binding and may in no circumstances (other than in the case of manifest error) be called into question by any person.

8. RECORDS

The Clearing House shall update its books and records to reflect the Cash Compensation Contracts and the amounts payable thereunder and the obligation to pay, or the right to receive, any such amounts may be reflected in the books and records of the Clearing House in such manner as the Clearing House determines is necessary to meet its operational requirements.

9. MISCELLANEOUS

- (a) The obligations of the Clearing House to each SwapClear Clearing Member shall be to perform its obligations as principal to such SwapClear Clearing Member in accordance with the Rulebook, but subject to the restrictions on the Clearing House's obligations and liabilities contained in the Rulebook and Section 10.
- (b) The terms of this Annex are without prejudice to the Clearing House's rights under the Regulations and the Procedures to change the terms of any open SwapClear Contract from time to time and such terms shall not be relevant or binding on the Clearing House in respect of any such changes.
- (c) The performance by the Clearing House of its obligations hereunder shall always be subject to the provisions of the Rulebook. The benefit of the performance by the Clearing House of its obligations under this Annex is conferred upon SwapClear Clearing Members only, as principal, and a person who is not a party to the Rulebook has no right under Contracts (Rights of Third Parties) Act 1999 (as amended from time to time) to enforce any term of this Annex.

10. LIMITATION OF LIABILITY

10.1 Without prejudice to the generality of Regulation 52, each SwapClear Clearing Member agrees:

(a) that neither the Clearing House nor any other member of the LCH Group will have any liability whatsoever to any SwapClear Clearing Member or any other person (including, without limitation, any SwapClear Clearing Client) whether in contract, tort (including, without limitation, negligence), trust, as a fiduciary or under any other cause of action, and whether in respect of any damages, loss or gain, cost or expense (whether direct, indirect, general, special, consequential, punitive or otherwise); and

(b) to waive any claim against the Clearing House or any member of the LCH Group arising or that may arise in connection with:

(i) any determination, calculation, notification, registration, publication, exercise of discretion, or decision, taken or not taken by the Clearing House or any other member of the LCH Group in connection with this Annex; or

(ii) the determination or publication of any price, curve, data, quote or other information arising from, or in connection with, this Annex;

except in the case of fraud or wilful misconduct on the part of the Clearing House or any other member of the LCH Group.

10.2 Without prejudice to the generality of Regulation 52 and Section 10.1 above, each SwapClear Clearing Member further agrees:

(a) that neither the Clearing House nor any other member of the LCH Group will have any liability whatsoever to any SwapClear Clearing Member or any other person (including, without limitation, any SwapClear Clearing Client) in tort (including, without limitation, negligence), trust, as a fiduciary or under any other

non-contractual cause of action, or under any implied contractual term, and whether in respect of any damages, loss or gain, cost or expense (whether direct, indirect, general, special, consequential, punitive or otherwise); and

(b) to waive any non-contractual claim or claim under any implied contractual term against the Clearing House or any member of the LCH Group;

arising or that may arise in connection with the Clearing House's performance of its contractual duties or obligations under this Annex, except in the case of fraud or wilful misconduct on the part of the Clearing House or any other member of the LCH Group.

10.3 Each SwapClear Clearing Member agrees that neither the Clearing House nor any other member of the LCH Group (i) owes any duty of care to any person in connection with the performance of the Clearing House's duties or obligations or exercise of its rights under this Annex, save for the express contractual duties set forth in this Annex; (ii) is under any obligation to research, investigate, supplement, or verify the veracity of, any price, data, quote or other information received from a SwapClear Clearing Member in connection with this Annex; (iii) is acting as a fiduciary for, or as an advisor to, any SwapClear Clearing Member or SwapClear Clearing Client in connection with this Annex or any SwapClear Contract registered as a result of the matters specified in this Annex; (iv) shall be under any requirement to consult with, or individually notify (other than as expressly set out in this Annex), a SwapClear Clearing Member or SwapClear Clearing Client in connection with making its determinations, exercising its discretions or performing its duties or obligations or exercising its rights, each under this Annex; or (v) has made any representation, express or implied, in relation to this Annex, and each SwapClear Clearing Member acknowledges that it has not relied on any representations made by the Clearing House or any other member of the LCH Group in relation to this Annex.

10.4 For the avoidance of doubt, notwithstanding anything to the contrary herein, neither the Clearing House nor any other member of the LCH Group shall be liable for any obligations of, or to any person who is not, a SwapClear Clearing Member.

SCHEDULE 6

SWAPCLEAR SCM SERVICE – FLOATING RATE CONVERSION ANNEX – LIBOR

1. SCOPE AND INTERPRETATION

- (a) This Annex constitutes a “Floating Rate Conversion Annex” as defined in and pursuant to the Regulations and supplements and forms part of the Rulebook.
- (b) The terms of this Annex shall apply to all open SwapClear Contracts that (i) specify an In-Scope Floating Rate Option as the floating rate or use an In-Scope Floating Rate Option to calculate the floating amount thereunder and (ii) are registered with the Clearing House as of the end of the “business day” in New York on the Conversion Cut-Off Date (each such SwapClear Contract, a **LIBOR Contract**). For the avoidance of doubt, (A) no other SwapClear Contract shall be subject to, or affected by, the terms of this Annex and all SwapClear Contracts shall remain in full force and effect, and (B) other than as expressly set out in this Annex, the SwapClear Contract Terms shall not be amended, supplemented or modified by the terms of this Annex.
- (c) Capitalised terms used but not otherwise defined herein have the meaning given to them in the Regulations. The term “business day” has the meaning given to it in the Regulations.
- (d) The terms of this Annex relating to operational or procedural matters may be supplemented, modified, amended, replaced or withdrawn from time to time by the Clearing House in its sole discretion through a member circular or such other method as the Clearing House shall determine is appropriate.

2. DEFINITIONS

For the purposes of this Annex:

Affected Forward Rate Agreement means each open Forward Rate Agreement that has a “Reset Date” (as defined in the ISDA Definitions) which (i) in the case of a Forward Rate Agreement for which the floating rate is GBP-LIBOR-BBA or GBP-LIBOR, falls on, or after, the “Index Cessation Effective Date” (as defined in the ISDA Definitions) related to those In-Scope Floating Rate Options, or (ii) in the case of a Forward Rate Agreement for which the floating rate is an In-Scope Floating Rate Option other than GBP-LIBOR-BBA or GBP-LIBOR, falls on or after the Relevant Number of Business Days from the “Index Cessation Effective Date” (as defined in the ISDA Definitions) related to the In-Scope Floating Rate Option referenced in the relevant Forward Rate Agreement.

Amended LIBOR Contract means each LIBOR Contract after giving effect to the amendments made pursuant to Section 3 below and, in respect of the Affected Forward Rate Agreements, the amendments made pursuant to Section 4 below.

Basis Swap Operational Split Date means October 2, 2021, or such other date as may be specified by the Clearing House from time to time through a member circular or such other method as the Clearing House shall determine is appropriate.

Bloomberg Spread means, in relation to an In-Scope Floating Rate Option, the spread relating to that In-Scope Floating Rate Option for a period of the Designated Maturity (as defined in the ISDA Definitions) of that LIBOR Contract provided by Bloomberg Index Services Limited (or a successor provider as approved and/or appointed by ISDA from time to time).

Cash Compensation Amount means, in relation to all LIBOR Contracts that specify an In-Scope Floating Rate Option as the floating rate or use an In-Scope Floating Rate Option to calculate the floating amount thereunder in a Proprietary Account, an Individual Segregated Account, or a "position account" within an Omnibus Segregated Account, the amount determined in accordance with Section 8 below.

Cash Compensation Contract means each contract determined by the Clearing House and registered in the relevant Proprietary Account, Individual Segregated Account or "position account" within an Omnibus Segregated Account pursuant to Section 8 below.

Conversion Cut-Off Date means, with respect to a LIBOR Contract, the business day immediately prior to the Conversion Date applicable to such LIBOR Contract as determined in accordance with the definition of "Conversion Date" below.

Conversion Date means:

- (a) in relation to each LIBOR Contract (including each Affected Forward Rate Agreement) that specifies CHF-LIBOR-BBA, CHF-LIBOR, EUR-LIBOR-BBA, EUR-LIBOR, JPY-LIBOR-BBA or JPY-LIBOR as the floating rate or uses CHF-LIBOR-BBA, CHF-LIBOR, EUR-LIBOR-BBA, EUR-LIBOR, JPY-LIBOR-BBA, or JPY-LIBOR to calculate the floating amount thereunder, December 4, 2021, or such other date as may be specified by the Clearing House from time to time through a member circular or such other method as the Clearing House shall determine is appropriate; and
- (b) in relation to each LIBOR Contract (including each Affected Forward Rate Agreement) that specifies GBP-LIBOR-BBA or GBP-LIBOR as the floating rate or uses GBP-LIBOR-BBA or GBP-LIBOR to calculate the floating amount thereunder, December 18, 2021, or such other date as may be specified by the Clearing House from time to time through a member circular or such other method as the Clearing House shall determine is appropriate.

CHF-SARON-OIS-COMPOUND has the meaning given to it in the ISDA 2006 Definitions.

CHF-SARON-OIS Compound has the meaning given to it in the ISDA 2021 Definitions.

EUR-EuroSTR-COMPOUND has the meaning given to it in the ISDA 2006 Definitions.

EUR-EuroSTR-OIS Compound has the meaning given to it in the ISDA 2021 Definitions.

Fallback RFR Value means, in relation to a LIBOR Contract, the net present value, determined by the Clearing House as of the Conversion Date, of all future cash flows under that LIBOR Contract on the basis that such LIBOR Contract is not amended pursuant to this Annex, provided however that, for purposes of determining the Fallback RFR Value of an Affected Forward Rate Agreement, the provisions of Supplement 70 to the ISDA 2006 Definitions (and the equivalent provisions under the ISDA 2021 Definitions) shall not be taken into account. If the net present value represents an asset or positive value for the Clearing House, such Fallback RFR Value shall be a positive amount and if the net present value represents a liability or negative value for the Clearing House, such Fallback RFR Value shall be a negative amount.

Forward Rate Agreement means each SwapClear Contract that is recorded as a "forward rate transaction" or "forward rate agreement" in the books and records of the Clearing House and references an In-Scope Floating Rate Option.

GBP-SONIA-COMPOUND has the meaning given to it in the ISDA 2006 Definitions.

GBP-SONIA-OIS Compound has the meaning given to it in the ISDA 2021 Definitions.

In-Scope Floating Rate Option means:

- (a) CHF-LIBOR-BBA (as defined in the ISDA 2000 Definitions and the ISDA 2006 Definitions);
- (b) CHF-LIBOR (as defined in the ISDA 2021 Definitions);
- (c) EUR-LIBOR-BBA (as defined in the ISDA 2000 Definitions and the ISDA 2006 Definitions);
- (d) EUR-LIBOR (as defined in the ISDA 2021 Definitions);
- (e) GBP-LIBOR-BBA (as defined in the ISDA 2000 Definitions and the ISDA 2006 Definitions);
- (f) GBP-LIBOR (as defined in the ISDA 2021 Definitions);
- (g) JPY-LIBOR-BBA (as defined in the ISDA 2000 Definitions and the ISDA 2006 Definitions);
and
- (h) JPY-LIBOR (as defined in the ISDA 2021 Definitions).

ISDA Definitions means the ISDA 2000 Definitions, the ISDA 2006 Definitions and the ISDA 2021 Definitions, each as published by the International Swaps and Derivatives Association, Inc. For the avoidance of doubt unless otherwise provided herein, references to the ISDA 2006 Definitions shall mean the ISDA 2006 Definitions including Supplement 70 thereto.

JPY-TONA-OIS-COMPOUND has the meaning given to it in the ISDA 2006 Definitions.

JPY-TONA-OIS Compound has the meaning given to it in the ISDA 2021 Definitions.

LIBOR Basis Swap means each SwapClear Contract that is recorded as a “basis swap” in the books and records of the Clearing House and references an In-Scope Floating Rate Option.

Operational Straddle Period LIBOR Booking means an Operational Outright LIBOR Booking that reflects an In-Scope Floating Rate Option as the floating rate or uses an In-Scope Floating Rate Option to calculate the floating amount and which has a “Reset Date” (as defined in the ISDA Definitions) which:

- (a) in the case of GBP-LIBOR-BBA or GBP-LIBOR, falls on, or prior to, the “Index Cessation Effective Date” (as defined in the ISDA Definitions) in relation to that In-Scope Floating Rate Option and relates to a Period End Date (as defined in the ISDA Definitions) that falls after the Conversion Date in relation to that In-Scope Floating Rate Option; or
- (b) in the case of all other In-Scope Floating Rate Options, falls on, or prior to, the Relevant Number of Business Days from the “Index Cessation Effective Date” (as defined in the ISDA Definitions) in relation to that In-Scope Floating Rate Option and relates to a Period End Date (as defined in the ISDA Definitions) that falls after the Conversion Date in relation to that In-Scope Floating Rate Option.

Relevant Number of Business Days means:

- (a) in relation to CHF-LIBOR-BBA or CHF-LIBOR, two London Banking Days (as defined in the ISDA Definitions);
- (b) in relation to EUR-LIBOR-BBA or EUR-LIBOR, two TARGET Settlement Days (as defined in the ISDA Definitions); and
- (c) in relation to JPY-LIBOR-BBA or JPY-LIBOR, two London Banking Days (as defined in the ISDA Definitions).

RFR Value means, in relation to a LIBOR Contract, the net present value, determined by the Clearing House as of the Conversion Date, of all future cash flows under that LIBOR Contract on the basis that such LIBOR Contract is an Amended LIBOR Contract. If the net present value represents an asset or positive value for the Clearing House, such RFR Value shall be a positive amount and if the net present value represents a liability or negative value for the Clearing House, such RFR Value shall be a negative amount.

Straddle Period LIBOR Contract means a LIBOR Contract that specifies an In-Scope Floating Rate Option as the floating rate or uses an In-Scope Floating Rate Option to calculate the floating amount thereunder and which has a “Reset Date” (as defined in the ISDA Definitions) which:

(i) in the case of GBP-LIBOR-BBA or GBP-LIBOR, falls on, or prior to, the “Index Cessation Effective Date” (as defined in the ISDA Definitions) in relation to that In-Scope Floating Rate Option and relates to a Period End Date (as defined in the ISDA Definitions) that falls after the Conversion Date in relation to that In-Scope Floating Rate Option; or

(ii) in the case of all other In-Scope Floating Rate Options, falls on, or prior to, the Relevant Number of Business Days from the “Index Cessation Effective Date” (as defined in the ISDA Definitions) in relation to that In-Scope Floating Rate Option and relates to a Period End Date (as defined in the ISDA Definitions) that falls after the Conversion Date in relation to that In-Scope Floating Rate Option.

3. AMENDMENTS TO LIBOR CONTRACTS

- (a) Pursuant to Regulation 60C of the Regulations, with effect from, and including, the Conversion Date each LIBOR Contract other than any Affected Forward Rate Agreement shall be amended in accordance with this Section 3.

Floating Rate Option:

- (b) If:
 - (i) the LIBOR Contract references CHF-LIBOR-BBA or CHF-LIBOR (each a **CHF LIBOR Contract**), then, from and including the first Reset Date falling after the Relevant Number of Business Days from the Index Cessation Effective Date in relation to such In-Scope Floating Rate Options, and notwithstanding anything to the contrary in the SwapClear Contract Terms, including for the avoidance of doubt, any fallbacks in the ISDA Definitions in so far as they relate to such In-Scope Floating Rate Options, any references to CHF-LIBOR-BBA or CHF-LIBOR in the SwapClear Contract Terms shall be deemed to be replaced for all purposes with CHE-SARON-OIS-COMPOUND or CHE-SARON-OIS Compound depending on the ISDA Definitions incorporated into the relevant LIBOR Contract;

- (ii) the LIBOR Contract references GBP-LIBOR-BBA or GBP-LIBOR (each a **GBP LIBOR Contract**), then, from and including the first Reset Date falling after the Index Cessation Effective Date in relation to such In-Scope Floating Rate Options, and notwithstanding anything to the contrary in the SwapClear Contract Terms in so far as they relate to such In-Scope Floating Rate Options, including for the avoidance of doubt, any fallbacks in the ISDA Definitions, any references to GBP-LIBOR-BBA or GBP-LIBOR in the SwapClear Contract Terms shall be replaced for all purposes with GBP-SONIA-COMPOUND or GBP-SONIA-OIS Compound depending on the ISDA Definitions incorporated into the relevant LIBOR Contract);
- (iii) the LIBOR Contract references EUR-LIBOR-BBA or EUR-LIBOR (each a **EUR LIBOR Contract**) then, from and including the first Reset Date falling after the Relevant Number of Business Days from the Index Cessation Effective Date in relation to such In-Scope Floating Rate Options, and notwithstanding anything to the contrary in the SwapClear Contract Terms, including for the avoidance of doubt, any fallbacks in the ISDA Definitions in so far as they relate to such In-Scope Floating Rate Options, any references to EUR-LIBOR-BBA or EUR-LIBOR shall be replaced for all purposes with EUR-EuroSTR-COMPOUND or EUR-EuroSTR-OIS Compound depending on the ISDA Definitions incorporated into the relevant LIBOR Contract; and
- (iv) the LIBOR Contract references JPY-LIBOR-BBA or JPY-LIBOR (each a **JPY LIBOR Contract**), then, from and including the first Reset Date falling after the Relevant Number of Business Days from the Index Cessation Effective Date in relation to such In-Scope Floating Rate Options, and notwithstanding anything to the contrary in the SwapClear Contract Terms, including for the avoidance of doubt, any fallbacks in the ISDA Definitions in so far as they relate to such In-Scope Floating Rate Options, any references to JPY-LIBOR-BBA or JPY-LIBOR shall be replaced for all purposes with JPY-TONA-OIS-COMPOUND or JPY-TONA-OIS Compound depending on the ISDA Definitions incorporated into the relevant LIBOR Contract.

Bloomberg Spread:

- (c) From and including the first Reset Date which (i) in the case of GBP-LIBOR-BBA or GBP-LIBOR, falls on, or after, the "Index Cessation Effective Date" (as defined in the ISDA Definitions) related to those In-Scope Floating Rate Options, or (ii) in the case of all other In-Scope Floating Rate Options, falls on or after the Relevant Number of Business Days from the "Index Cessation Effective Date" (as defined in the ISDA Definitions) related to the In-Scope Floating Rate Option referenced in the relevant LIBOR Contract, the "Floating Rate" under each LIBOR Contract that specifies that In-Scope Floating Rate Option as the floating rate or uses that In-Scope Floating Rate Option to calculate the floating amount thereunder will, in addition to any "Spread" (as defined in the ISDA Definitions) already existing under the terms of the LIBOR Contract, include the Bloomberg Spread applicable to that In-Scope Floating Rate Option, *provided however that*, for such purpose the Bloomberg Spread in relation to JPY-LIBOR-BBA or JPY-LIBOR (as applicable) shall be multiplied by 365 divided by 360.

Payment Date Delay:

- (d)
- (i) in respect of any CHF LIBOR Contract and JPY LIBOR Contract, in each case, "Delayed Payment" (as defined in the ISDA Definitions) shall be "Applicable" in

relation to that LIBOR Contract and the number of days specified for such purposes shall be two (2) Zurich Business Days in relation to each CHF LIBOR Contract and two (2) Tokyo Business Days in relation to each JPY LIBOR Contract. The Clearing House and the SwapClear Clearing Members acknowledge and agree that pursuant to the ISDA Definitions such election means that each Payment Date (as defined in the ISDA Definitions) shall fall two (2) Zurich or Tokyo Business Days (as applicable) after the relevant Period End Date or the Termination Date (each as defined in the ISDA Definitions), as applicable;

(ii) in respect of any EUR LIBOR Contract, “Delayed Payment” (as defined in the ISDA Definitions) shall be “Applicable” in relation to that LIBOR Contract and the number of days specified for such purposes shall be one (1) TARGET Settlement Day (as defined in the ISDA Definitions). The Clearing House and the SwapClear Clearing Members acknowledge and agree that pursuant to the ISDA Definitions such election means that each Payment Date (as defined in the ISDA Definitions) shall fall one (1) Business Day after the relevant Period End Date or the Termination Date (each as defined in the ISDA Definitions), as applicable; and

(iii) in respect of any GBP LIBOR Contract, “Delayed Payment” (as defined in the ISDA Definitions) shall be “Not Applicable” in relation to that LIBOR Contract. The Clearing House and the SwapClear Clearing Members acknowledge and agree that pursuant to the ISDA Definitions such election means that each Payment Date (as defined in the ISDA Definitions) shall fall on the relevant Period End Date or the Termination Date (each as defined in the ISDA Definitions), as applicable.

No Observation Period Shift:

(e) For the avoidance of doubt, the Clearing House and the SwapClear Clearing Members acknowledge and agree that as a result of the amendment made in paragraph (b) above, each "Floating Rate" under each LIBOR Contract shall be calculated over the relevant "Calculation Period" without any shift, adjustment or "observation shift" and all of the provisions relating thereto in the ISDA Definitions and the IBOR Fallback Rate Adjustments Rule Book published by Bloomberg Index Services Limited shall not apply to the calculation of the "Floating Rate" under each LIBOR Contract.

Consequential Amendments:

(f) The Clearing House shall make any consequential amendments to the terms of each LIBOR Contract as it deems necessary in connection with, and to give effect to, the amendments in this Section 3.

(g) Unless expressly referenced herein, all other terms of each LIBOR Contract shall remain in full force and effect and shall continue to apply, including, but not limited to, the “Fixed Rate”, “Day Count Fraction” “Business Days” and any “Spread” (each as defined in the ISDA Definitions).

4. AMENDMENTS TO FORWARD RATE AGREEMENTS

(a) Pursuant to Regulation 60C of the Regulations, with effect from, and including, the relevant Conversion Date each Affected Forward Rate Agreement shall be amended so that from, and including, the relevant Conversion Date:

Payment Date:

- (i) the “Payment Date” under such Affected Forward Rate Agreement shall be amended so that the “Payment Date” is the “Termination Date” (each as defined in the ISDA Definitions);

Discounting:

- (ii) “Discounting” (as defined in the ISDA Definitions) shall be “Not Applicable” and the “Discount Rate” (as defined in the ISDA Definitions) shall be deleted in its entirety;

Floating Rate Option:

- (iii) if:

- (A) the Affected Forward Rate Agreement (as amended by (i) and (ii) above) is a CHF LIBOR Contract, then, from and including the first Reset Date falling after the Relevant Number of Business Days from the Index Cessation Effective Date in relation to such In-Scope Floating Rate Options, and notwithstanding anything to the contrary in the SwapClear Contract Terms, including for the avoidance of doubt, any fallbacks in the ISDA Definitions in so far as they relate to such In-Scope Floating Rate Options, any references to CHF-LIBOR-BBA or CHF-LIBOR in the SwapClear Contract Terms shall be deemed to be replaced for all purposes with CHF-SARON-OIS-COMPOUND or CHF-SARON-OIS Compound depending on the ISDA Definitions incorporated into the relevant LIBOR Contract;
- (B) the Affected Forward Rate Agreement (as amended by (i) and (ii) above) is a GBP LIBOR Contract, then, from and including the first Reset Date falling after the Index Cessation Effective Date in relation to such In-Scope Floating Rate Options, and notwithstanding anything to the contrary in the SwapClear Contract Terms in so far as they relate to such In-Scope Floating Rate Options, including for the avoidance of doubt, any fallbacks in the ISDA Definitions, any references to GBP-LIBOR-BBA or GBP-LIBOR in the SwapClear Contract Terms shall be replaced for all purposes with GBP-SONIA-COMPOUND or GBP-SONIA-OIS Compound depending on the ISDA Definitions incorporated into the relevant LIBOR Contract);
- (C) the Affected Forward Rate Agreement (as amended by (i) and (ii) above) is a EUR LIBOR Contract then, from and including the first Reset Date falling after the Relevant Number of Business Days from the Index Cessation Effective Date in relation to such In-Scope Floating Rate Options, and notwithstanding anything to the contrary in the SwapClear Contract Terms, including for the avoidance of doubt, any fallbacks in the ISDA Definitions in so far as they relate to such In-Scope Floating Rate Options, any references to EUR-LIBOR-BBA or EUR-LIBOR shall be replaced for all purposes with EUR-EuroSTR-COMPOUND or EUR-EuroSTR-OIS Compound depending on the ISDA Definitions incorporated into the relevant LIBOR Contract; and
- (D) the Affected Forward Rate Agreement (as amended by (i) and (ii) above) is a JPY LIBOR Contract then, from and including the first Reset Date falling after the Relevant Number of Business Days from the Index Cessation

Effective Date in relation to such In-Scope Floating Rate Options, and notwithstanding anything to the contrary in the SwapClear Contract Terms, including for the avoidance of doubt, any fallbacks in the ISDA Definitions in so far as they relate to such In-Scope Floating Rate Options, any references to JPY-LIBOR-BBA or JPY-LIBOR shall be replaced for all purposes with JPY-TONA-OIS-COMPOUND or JPY-TONA-OIS Compound depending on the ISDA Definitions incorporated into the relevant LIBOR Contract;

Bloomberg Spread:

(iv) from and including the first Reset Date which (i) in the case of GBP-LIBOR-BBA or GBP-LIBOR, falls on, or after, the "Index Cessation Effective Date" (as defined in the ISDA Definitions) related to those In-Scope Floating Rate Options, or (ii) in the case of all other In-Scope Floating Rate Options, falls on or after the Relevant Number of Business Days from the "Index Cessation Effective Date" (as defined in the ISDA Definitions) related to the In-Scope Floating Rate Option referenced in the relevant LIBOR Contract, the "Floating Rate" under each LIBOR Contract that specifies that In-Scope Floating Rate Option as the floating rate or uses that In-Scope Floating Rate Option to calculate the floating amount thereunder will include the Bloomberg Spread applicable to that In-Scope Floating Rate Option, *provided however that*, for such purpose the Bloomberg Spread in relation to JPY-LIBOR-BBA or JPY-LIBOR (as applicable) shall be multiplied by 365 divided by 360;

Payment Date Delay:

(v) in respect of any CHF LIBOR Contract and JPY LIBOR Contract, in each case, "Delayed Payment" (as defined in the ISDA Definitions) shall be "Applicable" in relation to that LIBOR Contract and the number of days specified for such purposes shall be two (2) Business Days. The Clearing House and the SwapClear Clearing Members acknowledge and agree that pursuant to the ISDA Definitions such election means that each Payment Date (as defined in the ISDA Definitions) shall fall two (2) Business Days after the relevant Period End Date or the Termination Date (each as defined in the ISDA Definitions), as applicable;

(vi) in respect of any EUR LIBOR Contract, "Delayed Payment" (as defined in the ISDA Definitions) shall be "Applicable" in relation to that LIBOR Contract and the number of days specified for such purposes shall be one (1) Business Day. The Clearing House and the SwapClear Clearing Members acknowledge and agree that pursuant to the ISDA Definitions such election means that each Payment Date (as defined in the ISDA Definitions) shall fall one (1) Business Day after the relevant Period End Date or the Termination Date (each as defined in the ISDA Definitions), as applicable; and

(vii) in respect of any GBP LIBOR Contract, "Delayed Payment" (as defined in the ISDA Definitions) shall be "Not Applicable" in relation to that LIBOR Contract. The Clearing House and the SwapClear Clearing Members acknowledge and agree that pursuant to the ISDA Definitions such election means that each Payment Date (as defined in the ISDA Definitions) shall fall on the relevant Period End Date or the Termination Date (each as defined in the ISDA Definitions), as applicable.

No Observation Period Shift:

(b) For the avoidance of doubt, the Clearing House and the SwapClear Clearing Members acknowledge and agree that as a result of the amendment made in paragraph (a)(iii) above, each "Floating Rate" under each LIBOR Contract shall be calculated over the relevant "Calculation Period" without any shift, adjustment or "observation shift" and all of the provisions relating thereto in the ISDA Definitions and the IBOR Fallback Rate Adjustments Rule Book published by Bloomberg Index Services Limited shall not apply to the calculation of the "Floating Rate" under each LIBOR Contract.

Consequential Amendments:

(c) The Clearing House shall make any consequential amendments to the terms of each LIBOR Contract as it deems necessary in connection with, and to give effect to, the amendments in this Section 4.

(d) Unless expressly referenced herein, all other terms of each LIBOR Contract shall remain in full force and effect and shall continue to apply, including, but not limited to, the "Fixed Rate", "Day Count Fraction" and "Business Days" (each as defined in the ISDA Definitions).

5. OPERATIONAL BOOKINGS

(a) In order to facilitate and/or reflect the legal amendments made to each SwapClear Contract pursuant to this Annex in the SwapClear service, the Clearing House shall record certain bookings in the SwapClear service (each an **Operational Booking**) in the manner described in this Section 5. Any bookings referred to in this Section 5 are solely to facilitate and/or reflect the legal amendments made to each SwapClear Contract pursuant to this Annex and the Clearing House and each SwapClear Clearing Member agree and acknowledge that they shall not result in the registration of any new SwapClear Contracts and shall have no legal effect and are for operational purposes only.

Basis Swap Operational Splitting

(b) On the Basis Swap Operational Split Date, the Clearing House will terminate each booking in relation to each LIBOR Basis Swap and will record two Operational Bookings in respect of each LIBOR Basis Swap (each an **Operational Outright LIBOR Booking**), which will have terms which are each identical to the LIBOR Basis Swap to which they relate, except that:

(i) the first Operational Outright LIBOR Booking shall have a "Floating Rate" (as defined in the ISDA Definitions) equal to the first "Floating Rate" referenced in that LIBOR Basis Swap, a "Fixed Rate" (as defined in the ISDA Definitions) determined by the Clearing House (the **Split Fixed Rate**), and the "Floating Rate Payer" or "Floating Amount Payer" (as defined in the ISDA Definitions) shall be the same as the "Floating Rate Payer" or "Floating Amount Payer" in relation to the first "Floating Rate" under the corresponding LIBOR Basis Swap; and

(ii) the second Operational Outright LIBOR Booking shall have a "Floating Rate" (as defined in the ISDA Definitions) equal to the second "Floating Rate" referenced in that LIBOR Basis Swap, a "Fixed Rate" (as defined in the ISDA Definitions) equal to the Split Fixed Rate, and the "Floating Rate Payer" or "Floating Amount Payer" (as defined in the ISDA Definitions) shall be the same as the "Floating Rate Payer" or "Floating Amount Payer" in relation to the second "Floating Rate" under the corresponding LIBOR Basis Swap.

- (c) The Clearing House shall determine the Split Fixed Rate in its sole and absolute discretion and shall make any consequential amendments to each Operational Outright LIBOR Booking that it deems necessary in connection with, and to give effect to, the foregoing.
- (d) On the Conversion Date in relation to an In-Scope Floating Rate Option the Clearing House will terminate each Operational Outright LIBOR Booking that has a “Floating Amount” calculated using that In-Scope Floating Rate Option and shall record an Operational Booking in accordance with (e) below.

Main Operational Booking

- (e) On the Conversion Date in relation to an In-Scope Floating Rate Option the Clearing House shall, in relation to each LIBOR Contract and each Operational Outright LIBOR Booking referencing that In-Scope Floating Rate Option, record an Operational Booking (each an **Operational RFR Booking**) that is on the same terms as the LIBOR Contract or Operational Outright LIBOR Booking (as applicable) to which it relates except that, from the “Effective Date” of the Operational RFR Booking (which shall be prior to the Conversion Date) any “Floating Amounts” reflected in the Operational Booking shall be calculated after giving effect to the amendments made pursuant to Section 3 or Section 4 (as applicable) of this Annex.

Operational Overlay Bookings

- (f) In addition to the Operational RFR Bookings referred to in (e) above, in relation to each Straddle Period LIBOR Contract and Operational Straddle Period LIBOR Booking pursuant to which the SwapClear Clearing Member would be entitled to receive a “Floating Amount” calculated using an In-Scope Floating Rate Option under the Straddle Period LIBOR Contract or Operational Straddle Period LIBOR Booking (such amount, the **LIBOR Amount**), on the Conversion Date in relation to the relevant In-Scope Floating Rate Option the Clearing House shall record the following pair of Operational Bookings (each an **Operational Overlay Booking**) in the SwapClear service:
- (i) an Operational Overlay Booking pursuant to which the SwapClear Clearing Member would pay a fixed amount, determined by the Clearing House in its sole and absolute discretion (the **Overlay Fixed Amount**) and receive the LIBOR Amount it would be entitled to receive under the Straddle Period LIBOR Contract or Operational Straddle Period LIBOR Booking if it was not amended pursuant to Section 3 above; and
- (ii) an Operational Overlay Booking pursuant to which the SwapClear Clearing Member would receive the Overlay Fixed Amount and pay a “Floating Amount” equal to the “Floating Amount” it would be entitled to receive under the Operational RFR Booking.
- (g) In addition to the Operational RFR Bookings referred to in (e) above, in relation to each Straddle Period LIBOR Contract and Operational Straddle Period LIBOR Booking pursuant to which the SwapClear Clearing Member is, or would be (as applicable), obliged to pay the LIBOR Amount, on the Conversion Date in relation to the relevant In-Scope Floating Rate Option the Clearing House shall record the following pair of Operational Overlay Bookings in the SwapClear service:
- (i) an Operational Overlay Booking pursuant to which the SwapClear Clearing Member would receive the Overlay Fixed Amount and pay the LIBOR Amount it would be

obliged to pay under the Straddle LIBOR Contract or Operational Straddle Period LIBOR Booking if it was not amended pursuant to Section 3 above; and

(ii) an Operational Overlay Booking pursuant to which the SwapClear Clearing Member would pay the Overlay Fixed Amount and receive a “Floating Amount” equal to the “Floating Amount” it would be obliged to pay under the Operational RFR Booking.

(h) The Operational Overlay Bookings in relation to a Straddle Period LIBOR Contract and Operational Straddle Period LIBOR Booking will terminate as of the time when they are no longer required for the Clearing House’s operational purposes, which is expected to be on the first Period End Date (as defined in the ISDA Definitions) after the Index Cessation Effective Date.

6. SUBSEQUENT ACTIONS WITH RESPECT TO OPERATIONAL BOOKINGS

If the Clearing House receives an instruction from a SwapClear Clearing Member to take a permitted action with respect to some but not all of the rights and obligations under any Amended LIBOR Contract (including, but not limited to, compression) and such rights and obligations have been operationally reflected in one or more of the Operational Bookings booked in accordance with Section 5 and not terminated, then the Clearing House shall deem this to be an instruction to take the following steps contingent on the effectiveness or occurrence of the permitted action:

(i) pursuant to its powers under Regulation 60C, register one or more new SwapClear Contract(s) in the name of that SwapClear Clearing Member with the same terms as such Operational Booking(s); and

(ii) amend the Amended LIBOR Contract to reflect the rights and obligations remaining after giving effect to the instruction referred to above.

7. OBLIGATIONS TO MAKE CERTAIN CALCULATIONS AND ENTER INTO CERTAIN CONTRACTS

Pursuant to Regulation 60C of the Regulations, this Annex sets out the method for (i) calculating the Cash Compensation Amounts (which are “Conversion Payments” for purposes of Regulation 60C), and (ii) determining the terms of the Cash Compensation Contracts which shall be registered in order to effect the payment of the Cash Compensation Amounts.

8. DETERMINATION OF THE CASH COMPENSATION AMOUNT AND THE CASH COMPENSATION CONTRACTS FOLLOWING THE CONVERSION

(a) On the Conversion Date in relation to an In-Scope Floating Rate Option the Clearing House shall calculate the following amounts:

(i) the aggregate Fallback RFR Value and the aggregate RFR Value in relation to all LIBOR Contracts that have a floating rate or floating amount calculated using that In-Scope Floating Rate Option registered in each Proprietary Account as of the end of the business day in New York on the Conversion Cut-Off Date;

(ii) the aggregate Fallback RFR Value and the aggregate RFR Value in relation to all LIBOR Contracts that have a floating rate or floating amount calculated using that In-Scope Floating Rate Option registered in each Individual Segregated Account as of the end of the business day in New York on the Conversion Cut-Off Date; and

- (iii) the aggregate Fallback RFR Value and the aggregate RFR Value in relation to all LIBOR Contracts that have a floating rate or floating amount calculated using that In-Scope Floating Rate Option registered in each "position account" within each Omnibus Segregated Account as of the end of the business day in New York on the Conversion Cut-Off Date.
- (b) The Clearing House shall determine a single Cash Compensation Amount separately in respect of all of the LIBOR Contracts referencing an In-Scope Floating Rate Option in each Proprietary Account, each Individual Segregated Account, and each "position account" within each Omnibus Segregated Account as follows. If:
- (i) the aggregate RFR Value in relation to all such LIBOR Contracts exceeds the aggregate Fallback RFR Value in relation to all such LIBOR Contracts then the Cash Compensation Amount in relation to such LIBOR Contracts shall be equal to the absolute value of the excess, and shall be an amount in favor of the SwapClear Clearing Member in relation to such Proprietary Account, Individual Segregated Account, or "position account" within such Omnibus Segregated Account (as applicable); and
- (ii) the aggregate RFR Value in relation to all such LIBOR Contracts is less than the aggregate Fallback RFR Value in relation to all such LIBOR Contracts then the Cash Compensation Amount in relation to such LIBOR Contracts shall be equal to the absolute value of the excess, and shall be an amount in favor of the Clearing House in relation to such Proprietary Account, Individual Segregated Account, or "position account" within such Omnibus Segregated Account (as applicable).
- (c) The Clearing House shall, pursuant to Regulation 60C, register a separate Cash Compensation Contract in each Proprietary Account, each Individual Segregated Account and each "position account" within an Omnibus Segregated Account in relation to each Cash Compensation Amount (to the extent such amounts are applicable to such account or "position account"). Each SwapClear Clearing Member and the Clearing House (as applicable) irrevocably agrees that it shall be bound to pay each Cash Compensation Amount to the other pursuant to the terms of the related Cash Compensation Contract. Each Cash Compensation Contract shall be registered for the sole purpose of effecting the payment of the Cash Compensation Amount to which it relates. It shall operationally be recorded as having a "Notional Amount" (as defined in the SwapClear Contract Terms) of 1 unit of the relevant currency of the LIBOR Contracts to which it relates, a "Termination Date" (as defined in the SwapClear Contract Terms) falling two "business days" after the Conversion Cut-Off Date, and an obligation on the Clearing House or the SwapClear Clearing Member (as applicable) to pay to the other on that "Termination Date" an amount equal to the Cash Compensation Amount related to the LIBOR Contracts referencing an In-Scope Floating Rate Option in the relevant Proprietary Account, Individual Segregated Account, or "position account" within the relevant Omnibus Segregated Account, in each case as determined pursuant to Section 8(b) above. However, neither the Clearing House nor a SwapClear Clearing Member shall be required to pay any amounts under a Cash Compensation Contract other than the Cash Compensation Amount to which such Cash Compensation Contract relates.
- (d) Each SwapClear Clearing Member agrees to be bound by each Cash Compensation Contract registered pursuant to this Section 8, which shall, when registered, constitute a SwapClear Contract between the Clearing House and the relevant SwapClear Clearing Member that has arisen by reason of the application of the Regulations to the LIBOR Contracts.

(e) Each SwapClear Clearing Member agrees (and in the case of (e)(iv) below, each SwapClear Clearing Member and the Clearing House agrees):

- (i) to use reasonable endeavors to provide each of its SwapClear Clearing Clients with (i) information on the change to the LIBOR Contracts pursuant to the terms of Regulation 60C and this Annex, (ii) information on the amounts payable pursuant to the terms of the Cash Compensation Contracts which may be allocated to that SwapClear Clearing Client's Individual Segregated Account, or "position account" within an Omnibus Segregated Account pursuant to the terms of this Annex, and (iii) other information (indicative or otherwise) in relation to each SwapClear Clearing Client's "position account". Such information shall be set out in 'Risk Notices' or other materials from the Clearing House in connection with this Annex (or any applicable Floating Rate Conversion Notice(s)) expressly marked for distribution to SwapClear Clearing Clients;
- (ii) that it, and each of SwapClear Clearing Client, shall be bound by the terms of any Cash Compensation Contracts registered pursuant to this Annex and all payment obligations thereunder (as determined by the Clearing House pursuant to this Annex);
- (iii) to perform all obligations and exercise all rights under or pursuant to this Annex in accordance with Applicable Law; and
- (iv) that each Cash Compensation Contract is being registered in the relevant account in connection with the matters specified in this Annex and the obligations thereunder are for the sole purpose of addressing the value impact of certain of the changes to the LIBOR Contracts pursuant to this Annex.

9. DETERMINATIONS BINDING

Subject to Section 13, all determinations and calculations made by the Clearing House pursuant to this Annex shall be binding and may in no circumstances (other than in the case of manifest error) be called into question by any person.

10. RECORDS

The Clearing House shall update its books and records to reflect the Cash Compensation Contracts and the amounts payable thereunder and the obligation to pay, or the right to receive, any such amounts may be reflected in the books and records of the Clearing House in such manner as the Clearing House determines is necessary to meet its operational requirements. Where the Clearing House determines appropriate, the Clearing House will update its books and records or governance and booking procedures to provide that all Operational Bookings booked pursuant to this Annex do not affect the rights and obligations of SwapClear Clearing Members regardless of anything to the contrary in any reports issued by the Clearing House.

11. ELIGIBILITY FROM THE CONVERSION DATE

Notwithstanding anything to the contrary in the Product Specific Contract Terms and Eligibility Criteria Manual, from and including the Conversion Date in relation to an In-Scope Floating Rate Option, the Clearing House shall not accept for clearing or registration any SwapClear Transaction that references that In-Scope Floating Rate Option.

12. MISCELLANEOUS

- (a) The obligations of the Clearing House to each SwapClear Clearing Member shall be to perform its obligations as principal to such SwapClear Clearing Member in accordance with the Rulebook, but subject to the restrictions on the Clearing House's obligations and liabilities contained in the Rulebook and Section 13.
- (b) The terms of this Annex are without prejudice to the Clearing House's rights under the Regulations and the Procedures to change the terms of any open SwapClear Contract from time to time and such terms shall not be relevant or binding on the Clearing House in respect of any such changes.
- (c) The performance by the Clearing House of its obligations hereunder shall always be subject to the provisions of the Rulebook. The benefit of the performance by the Clearing House of its obligations under this Annex is conferred upon SwapClear Clearing Members only, as principal, and a person who is not a party to the Rulebook has no right under Contracts (Rights of Third Parties) Act 1999 (as amended from time to time) to enforce any term of this Annex.
- (d) Section 5 is provided for SwapClear Clearing Members operational convenience only and the Clearing House is under no obligation to update this Annex in relation to any changes in its operational or booking processes generally or in relation to the matters specified herein.

13. LIMITATION OF LIABILITY

13.1 Without prejudice to the generality of Regulation 52, each SwapClear Clearing Member agrees:

- (a) that neither the Clearing House nor any other member of the LCH Group will have any liability whatsoever to any SwapClear Clearing Member or any other person (including, without limitation, any SwapClear Clearing Client) whether in contract, tort (including, without limitation, negligence), trust, as a fiduciary or under any other cause of action, and whether in respect of any damages, loss or gain, cost or expense (whether direct, indirect, general, special, consequential, punitive or otherwise); and
- (b) to waive any claim against the Clearing House or any member of the LCH Group; arising or that may arise in connection with:
- (i) any determination, calculation, notification, registration, publication, exercise of discretion, or decision, taken or not taken by the Clearing House or any other member of the LCH Group in connection with this Annex; or
- (ii) the determination or publication of any price, curve, data, quote or other information arising from, or in connection with, this Annex;

except in the case of fraud or wilful misconduct on the part of the Clearing House or any other member of the LCH Group.

13.2 Without prejudice to the generality of Regulation 52 and clause 13.1 above, each SwapClear Clearing Member further agrees:

(a) that neither the Clearing House nor any other member of the LCH Group will have any liability whatsoever to any SwapClear Clearing Member or any other person (including, without limitation, any SwapClear Clearing Client) in tort (including, without limitation, negligence), trust, as a fiduciary or under any other non-contractual cause of action, or under any implied contractual term, and whether in respect of any damages, loss or gain, cost or expense (whether direct, indirect, general, special, consequential, punitive or otherwise); and

(b) to waive any non-contractual claim or claim under any implied contractual term against the Clearing House or any member of the LCH Group;

arising or that may arise in connection with the Clearing House's performance of its contractual duties or obligations under this Annex, except in the case of fraud or wilful misconduct on the part of the Clearing House or any other member of the LCH Group.

13.3 Each SwapClear Clearing Member agrees that neither the Clearing House nor any other member of the LCH Group (i) owes any duty of care to any person in connection with the performance of the Clearing House's duties or obligations or exercise of its rights under this Annex, save for the express contractual duties set forth in this Annex; (ii) is under any obligation to research, investigate, supplement, or verify the veracity of, any price, data, quote or other information received from a SwapClear Clearing Member in connection with this Annex; (iii) is acting as a fiduciary for, or as an advisor to, any SwapClear Clearing Member or SwapClear Clearing Client in connection with this Annex or any SwapClear Contract registered as a result of the matters specified in this Annex; (iv) shall be under any requirement to consult with, or individually notify (other than as expressly set out in this Annex), a SwapClear Clearing Member or SwapClear Clearing Client in connection with making its determinations, exercising its discretions or performing its duties or obligations or exercising its rights, each under this Annex; or (v) has made any representation, express or implied, in relation to this Annex, and each SwapClear Clearing Member acknowledges that it has not relied on any representations made by the Clearing House or any other member of the LCH Group in relation to this Annex.

13.4 For the avoidance of doubt, notwithstanding anything to the contrary herein, neither the Clearing House nor any other member of the LCH Group shall be liable for any obligations of, or to any person who is not, a SwapClear Clearing Member.