

## Paragraph 11 Elections and Variables

(a) **Base Currency and Eligible Currency.**

- (i) "**Base Currency**" means US Dollars (USD).
- (ii) "**Eligible Currency**" means the Base Currency, Euro and Sterling.

(b) **Credit Support Obligations.**

(i) ***Delivery Amount and Return Amount.***

- (A) "**Delivery Amount**" has the meaning specified in Paragraph 2(a), as amended (I) by deleting the words "upon a demand made by the Transferee on or promptly following a Valuation Date" and inserting in lieu thereof the words "not later than the close of business on each Valuation Date", (II) by replacing the word "that" on the second line of Paragraph 2(a) with the word "a" and (III) by deleting in its entirety the sentence beginning "Unless otherwise specified in Paragraph 11(b)" and inserting in lieu thereof the following:

"The "Delivery Amount" applicable to the Transferor for any Valuation Date will equal the greater of:

- (1) the amount by which (a) the Fitch Credit Support Amount exceeds (b) the Value (determined using the Fitch Valuation Percentages in Appendix A) of the Transferor's Credit Support Balance (adjusted to include any prior Delivery Amount and to exclude any prior Return Amount, the transfer of which, in each case, has not yet been completed and for which the relevant Settlement Day falls on or after such Valuation Date); and
- (2) the amount by which (a) the Moody's Credit Support Amount exceeds (b) the Value (determined using the applicable Moody's Valuation Percentages in Appendix A) of the Transferor's Credit Support Balance (adjusted to include any prior Delivery Amount and to exclude any prior Return Amount, the transfer of which, in each case, has not yet been completed and for which the relevant Settlement Day falls on or after such Valuation Date)."

Provided that if, in respect of any Valuation Date, the Delivery Amount is greater than zero, the Transferor will transfer to the Transferee sufficient Eligible Credit Support to ensure that, immediately following such transfer, none of the amounts calculated under (1) and (2) of this Paragraph 11(b)(i)(A) shall be greater than zero.

- (B) "**Return Amount**" has the meaning specified in Paragraph 2(b) as amended by deleting in its entirety the sentence beginning "Unless

otherwise specified in Paragraph 11(b)" and inserting in lieu thereof the following:

"The "Return Amount" applicable to the Transferee for any Valuation Date will equal the lesser of:

- (1) the amount by which (a) the Value (determined using the Fitch Valuation Percentages in Appendix A) of the Transferor's Credit Support Balance (adjusted to include any prior Delivery Amount and to exclude any prior Return Amount, the transfer of which, in each case, has not yet been completed and for which the relevant Settlement Day falls on or after such Valuation Date) exceeds (b) the Fitch Credit Support Amount; and
- (2) the amount by which (a) the Value (determined using the Moody's Valuation Percentages in Appendix A) of the Transferor's Credit Support Balance (adjusted to include any prior Delivery Amount and to exclude any prior Return Amount, the transfer of which, in each case, has not yet been completed and for which the relevant Settlement Day falls on or after such Valuation Date) exceeds (b) the Moody's Credit Support Amount."

Provided that in no event shall the Transferee be required to transfer any Equivalent Credit Support under Paragraph 2(b) if, immediately following such transfer, any of the amounts calculated under (1) and (2) of Paragraph 11(b)(i)(A) (Delivery Amount) would be greater than zero.

- (ii) ***Eligible Credit Support.*** The items specified in Appendix A Part 1 attached hereto (provided that it is an "Eligible Currency") will qualify as "Eligible Credit Support" with respect to Moody's and the items specified in Appendix A Part 2 will qualify as "Eligible Credit Support" with respect to Fitch, each with the applicable specified Valuation Percentages provided, in each case, where such Eligible Credit Support is in the form of Securities it is, in addition:
  - (A) a Negotiable Debt Obligation issued by the Government of the United States of America, the United Kingdom, or any member state of the European Union other than Portugal, Italy, Ireland, Greece or Spain or issued by any agency of the Government of the United States of America and guaranteed by the Government of the United States of America; and
  - (B) rated no lower than AA- by Fitch or Aa3 by Moody's.

Notwithstanding the foregoing, the aggregate amount of the Credit Support Balance consisting of Cash shall not exceed GBP 10,000,000 (where Cash is in a currency other than GBP, determined after conversion into GBP by the Valuation Agent at the spot rate of exchange).

**"Valuation Percentage"** means Moody's Valuation Percentage or Fitch Valuation Percentage, as applicable.

Notwithstanding anything herein to the contrary, the Valuation Percentage with respect to all Eligible Credit Support shall be deemed to be 100% with respect to a Valuation Date which is an Early Termination Date.

For purposes of the foregoing:

- (a) **"Moody's"** means Moody's Investors Service, Inc., or any successor thereto.
  - (b) **"Fitch"** means Fitch, Inc., Fitch Ratings, Ltd. and their subsidiaries and any successor or successors thereto.
- (iii) **Thresholds.**
- (A) **"Independent Amount"** means, with respect to Party A: zero.  
**"Independent Amount"** means, with respect to Party B: zero.
  - (B) **"Threshold"** means with respect to:
    - (1) Party A, zero.
    - (2) Party B, infinity.
  - (C) **"Minimum Transfer Amount"** with respect to a party on any Valuation Date, means USD 100,000, or, on any Valuation Date on which the only Transaction under the Agreement is the Transaction constituted under this Annex, zero. If Party A's Credit Support Amount is zero, the Minimum Transfer Amount with respect to Party B shall be zero and Rounding shall not apply.
  - (D) **"Rounding"** The Delivery Amount will be rounded up and the Return Amount will be rounded down to the nearest integer multiple of USD 1,000.
- (c) **Valuation and Timing.**
- (i) **"Valuation Agent"** means Party A acting in a commercially reasonable manner and in good faith.
  - (ii) **"Valuation Date"** means each Local Business Day.
  - (iii) **"Valuation Time"** means the close of business on the Local Business Day immediately preceding the Valuation Date or date of calculation, as applicable; provided that the calculations of Value and Exposure will, as far as practicable, be made as of approximately the same time on the same date.
  - (iv) **"Notification Time"** means 2:00 p.m., London time, on a Local Business Day.

- (v) **Calculations.** Paragraph 3(b) shall be amended by inserting the words ", Moody's Credit Support Amount, Fitch Credit Support Amount" after the word "Value".
- (vi) **Value.** Paragraph (i)(B) of the definition of "Value" specified in Paragraph 10 shall be deleted in its entirety and replaced with the following: "(i)(B) a security, the Base Currency Equivalent of the bid price obtained by the Valuation Agent (or, if the Valuation Agent is a Defaulting Party and the Transferee has, by way of written notice to the Valuation Agent, nominated another entity to calculate the Value of securities, such entity) multiplied by the applicable Valuation Percentage, if any; and".
- (d) **"Exchange Date"** has the meaning specified in Paragraph 3(c)(ii).
- (e) **Dispute Resolution.**
  - (i) **"Resolution Time"** means 1:00 p.m., London time, on the Local Business Day following the date on which the notice is given that gives rise to a dispute under Paragraph 4.
  - (ii) **Value.** For the purpose of Paragraphs 4(a)(4)(i)(C) and 4(a)(4)(ii), the Value of the outstanding Credit Support Balance or any transfer of Eligible Credit Support or Equivalent Credit Support, as the case may be, will be calculated as follows:
    - (A) with respect to any Eligible Credit Support or Equivalent Credit Support comprising securities ("**Securities**"), the Base Currency Equivalent of the sum of (I) (x) the last bid price quoted on such date by the principal national securities exchange on which such Securities are listed, multiplied by the applicable Valuation Percentage; or (y) where any Securities are not listed on a national securities exchange, the bid price for such Securities quoted as at the close of business on such date by any principal market maker (which shall not be and shall be independent from the Valuation Agent) for such Securities chosen by the Valuation Agent, multiplied by the applicable Valuation Percentage or (z) if no such bid price is listed or quoted for such date, the last bid price listed or quoted (as the case may be), as of the day next preceding such date on which such prices were available, multiplied by the applicable Valuation Percentage; plus (II) the accrued interest where applicable on such Securities (except to the extent that such interest shall have been paid to the Transferor pursuant to Paragraph 5(c)(ii) or included in the applicable price referred to in subparagraph (a) above) as of such date, multiplied by the Valuation Percentage with respect to such Securities; and
    - (B) with respect to any cash, the Base Currency Equivalent of the amount thereof, multiplied by the applicable Valuation Percentage.
  - (iii) **Alternative.** The provisions of Paragraph 4 will apply.

(f) **Distributions and Interest Amount.**

- (i) **"Interest Rate"** will be, for the relevant determination date, the effective federal funds rate in U.S. Dollars published on Reuters Screen FEDFUNDS1 Page in respect of that day.
- (ii) **Transfer of Interest Amount.** The transfer of the Interest Amount will be made monthly on the first Valuation Date of each calendar month; provided that Party B shall not be obliged to so transfer any Interest Amount unless and until it has earned and received such interest.
- (iii) **Alternative to Interest Amount.** The provisions of Paragraph 5(c)(ii) will apply.
- (iv) **Definitions.**

- (A) The definitions of "Interest Amount", "Distributions" and "Distributions Date" in Paragraph 10 are hereby deleted and replaced with the following:

**"Interest Amount"** means, with respect to an Interest Period, any amount of interest received (net of any deduction or withholding for or on account of any tax) by the Transferee during such Interest Period on the principal amount of the portion of the Credit Support Balance comprised of cash.

**"Distributions"** means, with respect to any Eligible Credit Support comprised in the Credit Support Balance consisting of securities, all principal, interest and other payments and distributions of cash or other property received (net of any deduction or withholding for or on account of any tax) by the Transferee from time to time.

**"Distributions Date"** means, with respect to any Eligible Credit Support comprised in the Credit Support Balance other than cash, each date on which the Transferee receives Distributions or, if that date is not a Valuation Date, the next following Valuation Date.

- (B) The definition of "Credit Support Balance" in Paragraph 10 is hereby amended by deleting the last sentence thereof and replacing it with the following: "Any Equivalent Distributions or Interest Amount (or portion of either) not transferred pursuant to Paragraph 5(c)(i) or 5(c)(ii) will not form part of the Credit Support Balance for the purposes of calculating any Delivery Amount or Return Amount."

If Party B receives any Distribution and Party B obtains a tax refund or credit in connection with any withholding or deduction on account of tax made in respect to such Distribution, then Party B shall promptly pay to Party A such amount, up to the amount of such tax credit or refund, as will leave it in no better and no worse after-tax position than if it had not become entitled to receive such Distribution.

- (g) **Demands and Notices.** Any communication by a party ("X") to the other party ("Y") requesting the transfer of Eligible Credit Support or Equivalent Credit Support

pursuant to Paragraph 3 of this Annex must be given orally (including telephonically to the telephone number of Y set forth below, or any other telephone number Y may notify X of in writing) and followed by written confirmation thereafter during normal business hours in the city in which Y is located on any Local Business Day to:

- (a) in the case of Party A: Lloyds Bank plc  
Faryners House,  
25 Monument Street,  
London EC3R 8BQ
- Tel: 0207 158 6531  
Facsimile: 0207 158 3298/9  
E-mail: [CollateralOps@Lloydsbanking.com](mailto:CollateralOps@Lloydsbanking.com)  
Attention: Collateral Management  
Department
- (b) in the case of Party B: Virgin Money plc  
Jubilee House  
Gosforth  
Newcastle upon Tyne  
NE3 4PL
- Attention: Tony Laggan/Angela Buck  
Fax No.: +44 (0)191 279 4942  
Tel: +44 (0)191 279 6212  
Email: [collateral@virginmoney.com](mailto:collateral@virginmoney.com)  
[corpservices@lawdeb.com](mailto:corpservices@lawdeb.com)

Any such communication will be deemed received and effective when Y receives such written confirmation of any such oral communication.

Notwithstanding the forgoing, all requests for the transfer of Eligible Credit Support by Party A to Party B shall be deemed to have been issued automatically on the Valuation Date by the Valuation Agent.

(h) **Other Provisions.**

(i) **Definitions.**

"**Exposure**" has the meaning specified in Paragraph 10, except that (i) after the word 'Agreement' the wording "(assuming, for this purpose only, that Part 6 (c) (Termination Amounts) of the Schedule is deleted, and that on each Valuation Date for this purpose the Effective Date of the Transactions shall be deemed to have occurred)"; and (ii) at the end of the definition of "Exposure", the words "without assuming that the terms of such Replacement Transactions are materially less beneficial for the Transferee than the terms of this Agreement" shall be added. For so long as (X) the Moody's Threshold is infinity; and (Y) the Fitch Threshold is infinity; and (Z) no Pass-Through Trigger Event has occurred, for the purposes of calculating the amount payable pursuant to Section 6(e)(ii)(1), in respect of the Transaction, the Party A Interim Exchange Amount and the Party B Interim Exchange Amount shall be assumed to be as set out in Appendix 1 (*Class A1a Target Amortisation Amount*) of the

Confirmation between Party A and Party B dated on or about the date of this Annex and any Party A Floating Amount or Party B Floating Amount shall be determined by reference to such Appendix 1 (in the case of the Party B Floating Amount converted into GBP at the Initial Exchange Rate).

"**Notional Amount**" means the notional amount set forth in the relevant confirmation.

"**Settlement Day**" has the meaning specified in Paragraph 10, except that the words following (ii) shall be replaced with the following words: "ii) with respect to a transfer of securities, the second Local Business Day after such date on which settlement of a trade in the relevant securities, if effected on such date, would have been settled in accordance with customary practice when settling through the clearance system agreed between the parties for delivery of such securities or, otherwise, on the market in which such securities are principally traded (or, in either case, if there is no such customary practice, on the second Local Business Day after such date on which it is reasonably practicable to deliver such securities."

- (ii) **Transfer Timing.** The following words shall be inserted at the end of the final paragraph of Paragraph 3(a).

"Provided that any transfer of Eligible Credit Support by the Transferor pursuant to Paragraph 2(a) shall be made in accordance with sub-paragraph (i), (ii) or (iii) (as applicable) of this Paragraph 3(a) not later than the close of business on the Settlement Day relating to the relevant Valuation Date, regardless of whether any demand for transfer is received."

- (iii) **Expenses.** Notwithstanding Paragraph 8, the Transferor shall be responsible for, and shall reimburse and pay all reasonable transfer and other taxes and other costs involved in the transfer of Eligible Credit Support and/or Equivalent Credit Support (including but not limited to any costs, fees and expenses associated with any account into which such Eligible Credit Support is transferred by the Transferor) either from the Transferor to the Transferee or from the Transferee to the Transferor pursuant to this Annex.

- (iv) **Early Termination.** The heading for Paragraph 6 shall be deleted and replaced with "Early Termination" and the following shall be added after the word "Default" in the first line of Paragraph 6, "or a Termination Event in relation to all (but not less than all) Transactions" and by adding the words "or an Affected Party, as relevant" after the words "Defaulting Party" in the bracketed text in the fourth line of Paragraph 6.

- (v) **Single Transferor and Single Transferee.** Party A shall always be the Transferor and Party B shall always be the Transferee.

- (vi) **Exchange.** Paragraph 3(c)(ii) will be deleted and replaced with the following: "(ii) Pursuant to the notice in Paragraph 3(c)(i) above (the "Transferor New Credit Support Notice"), (A) the Transferor will be obliged to transfer the New Credit Support to the Transferee on the first Settlement Day following the date of the Transferor New Credit Support Notice and (B) the Transferee will be

obliged to transfer to the Transferor Equivalent Credit Support in respect of the Original Credit Support not later than the Settlement Day following the date on which the Transferee receives the New Credit Support, unless otherwise specified in Paragraph 11(d) (the "Exchange Date"); provided that the Transferee will only be obliged to transfer Equivalent Credit Support with a Value as of the date of transfer as close as practicable to, but in any event not more than, the Value of the New Credit Support as of that date. The Transferee shall not be obliged to transfer Equivalent Credit Support under Paragraph 3(c)(ii) if, immediately following such transfer, the Delivery Amount would be greater than zero."

(vii) The following additional definitions shall be added to Paragraph 10:

**Moody's:**

**"Moody's Credit Support Amount"** means, for any Valuation Date:

- (A) where the Moody's Threshold with respect to Party A is infinity, zero; and
- (B) where the Moody's Threshold with respect to Party A is zero, the greater of:
  - (1) zero; and
  - (2) the sum of (x) the Transferee's Exposure and (y) the aggregate of the Moody's Additional Amounts in respect of such Valuation Date for all Transactions (other than the Transaction constituted by this Annex).

**"Moody's Additional Amount"** means, for any Valuation Date, the lesser of (x) the sum of (1) the product of Transaction Notional Amount for such Transaction for the Calculation Period which includes such Valuation Date and the Moody's Cross Currency Notional Amount Lower Multiplier and (2) the product of the Moody's Cross Currency DV01 Multiplier and the Transaction Cross Currency DV01 for such Transaction and (y) the product of the Moody's Cross Currency Notional Amount Higher Multiplier and the Transaction Notional Amount for such Transaction for the Calculation Period which includes such Valuation Date.

**"Moody's Cross Currency DV01 Multiplier"** means 15.

**"Moody's Cross Currency Notional Amount Higher Multiplier"** means 0.09.

**"Moody's Cross Currency Notional Amount Lower Multiplier"** means 0.06.

**"Moody's Threshold"** means, (A) so long as the Collateral Trigger Requirements apply and either (i) the Collateral Trigger Requirements have applied continuously since this Annex was executed or (ii) at least 30 Local



Business Days have elapsed since the last time the Collateral Trigger Requirements did not apply, zero and (B) at any other time, infinity; and

**"Transaction Cross Currency DV01"** means, with respect to a Transaction and any date of determination, the greater of (i) the estimated absolute change in the Base Currency Equivalent of the mid-market value with respect to such Transaction that would result from a one basis point change in the relevant swap curve (denominated in the currency of Party A's payment obligations under such Transaction) on such date and (ii) the estimated absolute change in the Base Currency Equivalent of the mid-market value with respect to such Transaction that would result from a one basis point change in the relevant swap curve (denominated in the currency of Party B's payment obligations under such Transaction) on such date, in each case as determined by the Valuation Agent in good faith and in a commercially reasonable manner in accordance with the relevant methodology customarily used by the Valuation Agent.

**"Transaction Notional Amount"** means, in respect of a Valuation Date, the Base Currency Equivalent of the Currency Amount applicable to Party A's payment obligations for the Calculation Period which includes such Valuation Date.

***Fitch:***

**"Additional Fitch Amount"** means for each Valuation Date, the sum of the amounts calculated with respect to each Transaction on such Valuation Date in accordance with:

- (A) Formula 1, where Party A has at least the long-term or the short-term ratings specified in column 2 of the Additional Fitch Amount Matrix in respect of the current ratings of the Class A1a Notes specified in column 1 of the Additional Fitch Amount Matrix; and
- (B) Formula 2, where (x) Party A has at least the long-term or the short-term ratings specified in column 3 of the Additional Fitch Amount Matrix in respect of the current rating of the Notes specified in column 1 of the Additional Fitch Amount Matrix; and (y) Party A does not have at least the long-term or the short-term ratings specified in column 2 of the Additional Fitch Amount Matrix in respect of the current ratings of the Class A1a Notes specified in column 1 of the Additional Fitch Amount Matrix.

**"Additional Fitch Amount Matrix"** means the following table:

<b>column 1</b>	<b>column 2</b>	<b>column 3</b>
<b><i>Rating category of highest rated note</i></b>	<b><i>Formula 1</i></b>	<b><i>Formula 2</i></b>
AAAsf	A- or F2	BBB- or F3
AAsf	BBB+ or F2	BBB- or F3
Asf	BBB- or F3	BB+
BBBsf	Not applicable	BB-
BBsf	Not applicable	B+

Bsf	Not applicable	B-
For the purposes of this table, if the most senior class of Notes is downgraded by Fitch as a result of Party A's failure to perform any obligation under this Agreement, then, for the purposes of column 1 above, the then current rating of the most senior class of Notes will be deemed to be the rating the most senior class of Notes would have had but for such failure.		

"**BLA**" means 25%.

"**Fitch Credit Support Amount**" means:

- (A) for any Valuation Date on which the Fitch Threshold is infinity, zero;
- (B) for any Valuation Date on which the Fitch Threshold is zero, an amount equal to the greater of (x) the MTM plus the Additional Fitch Amount; and (y) zero.

"**Fitch Threshold**" means:

- (A) where:
  - (1) an Initial Fitch Rating Event has commenced and is continuing and Party A has not implemented at least one of the remedies described in Part 6(a)(1)(ii)(A)(2), as of the last day of the Initial Fitch Remedy Period, zero; or
  - (2) a Subsequent Fitch Rating Event has commenced and is continuing and Party A has not implemented at least one of the remedies described in Part 6(a)(1)(ii)(B)(2), as of the last day of the Subsequent Fitch Collateral Remedy Period, zero; or
- (B) at any other time, infinity.

"**Formula 1**" means  $LA \times VC \times 60\% \times \text{Notional}$ .

"**Formula 2**" means  $LA \times VC \times \text{Notional}$ .

"**LA**" means, with respect to each Transaction:

$$(1 + \text{BLA}) \times (1 + \text{Max}(0\%; 5\% \times (\text{WAL} - 20) )).$$

"**MTM**" means the Transferee's Exposure.

"**Notional**" means, in respect of a Valuation Date, the higher of: (i) the Base Currency Equivalent of the Currency Amount applicable to Party A's payment obligations; (ii) the Base Currency Equivalent of the Currency Amount applicable to Party B's payment obligations, in each case for the Calculation Period which includes such Valuation Date.

"**VC**" means the applicable volatility cushion as determined by the Valuation Agent by reference to tables below:

VCs for Cross-Currency Swaps							
Fixed-floating, fixed-fixed or floating-floating FX swaps at weighted average life (years) (%)							
Note Rating category	<1	1-3	3-5	5-7	7-10	10-20	20-50
<b>AAsf or higher</b>							
- Floating/floating	11.75	11.75	11.75	11.75	11.75	11.75	11.75
- Fixed/floating	11.75	12.5	13.0	13.5	14.0	15.0	16.0
- Fixed/fixed	12.0	13.5	14.75	15.75	16.75	18.75	20.75
<b>Asf or below</b>							
- Floating/floating	7.75	7.75	7.75	7.75	7.75	7.75	7.75
- Fixed/floating	7.75	8.25	8.75	9.00	9.25	9.75	10.25
- Fixed/fixed	8.00	9.00	10.00	10.50	11.00	12.00	13.00
Note: The VCs for FX options are reduced by 30%, e.g. for an FX option with a WAL of up to one year the rate would be 11.75% * 70% = 8.2%							
Source: Fitch							

"WAL" means the weighted average life of the Transaction (in years, rounded upwards to the next integer) as determined by the Valuation Agent based on a prepayment assumption capped at the lowest of: (i) 5% a year, (ii) the portfolio-specific prepayment rate reported over the previous 6 months, and (iii) the counterparty's internal prepayment rate assumption. Alternatively, a zero prepayment assumption may be applied.

- (viii) **ISDA 2014 Collateral Agreement Negative Interest Protocol.** Notwithstanding that the Parties may not have adhered to the ISDA 2014 Collateral Agreement Negative Interest Protocol published by the International Swaps and Derivatives Association, Inc. on 12 May 2014 (the "**Negative Interest Protocol**"), the Parties agree that this Annex shall be deemed to be a Protocol Covered Collateral Agreement; and the provisions of the Negative Interest Protocol shall apply to this Annex as if both Parties were Adhering Parties to the Negative Interest Protocol with the Implementation Date Deemed to be the date of this Credit Support Annex. Capitalised terms used in this paragraph but not defined shall have the same meaning as set out in the Negative Interest Protocol.

**IN WITNESS WHEREOF**, the parties have executed and delivered this document as of the date specified on the first page of this document.

**LLOYDS BANK PLC**

**GOSFORTH FUNDING 2017-1 PLC**

**By:** \_\_\_\_\_  
**Name:**  
**Title:**

**By:** \_\_\_\_\_  
**Name:**  
**Title:**

## Appendix A

### Part 1

#### Valuation Percentages for Eligible Credit Support with respect to Moody's

"Moody's Valuation Percentage" means, in respect of each instrument in the table below, the corresponding percentage in the column headed "Valuation Percentage".

<b>INSTRUMENT</b>	<b>VALUATION PERCENTAGE</b>
US Dollar Cash	100%
EURO Cash	94%
Sterling Cash	95%
Yen Cash	95%
US Dollar Denominated Fixed Rate Negotiable Debt issued by the US Treasury with Remaining Maturity	
≤1 year	100%
>1 and ≤2	99%
>2 and ≤3	98%
>3 and ≤5	97%
>5 and ≤7	96%
>7 and ≤10	94%
>10 and ≤20	90%
>20	88%
US Dollar Denominated Floating Rate Negotiable Debt issued by the US Treasury	
All Maturities	99%
US Dollar Fixed Rate US Agency Debentures with Remaining Maturity	
≤1 year	99%
>1 and ≤2	99%
>2 and ≤3	98%
>3 and ≤5	96%
>5 and ≤7	93%
>7 and ≤10	93%
>10 and ≤20	89%
>20	87%
US Dollar Denominated Floating Rate US Agency Debentures	
All Maturities	98%
EURO Denominated Fixed Rate Eurozone Government Bonds Rated Aa3 or Above by Moody's with Remaining Maturity	
≤1 year	94%
>1 and ≤2	93%
>2 and ≤3	92%
>3 and ≤5	90%
>5 and ≤7	89%
>7 and ≤10	88%
>10 and ≤20	84%
>20	82%
EURO Denominated Floating Rate Eurozone Government Bonds Rated Aa3 or Above by Moody's	
All Maturities	93%

INSTRUMENT	VALUATION PERCENTAGE
<b>Sterling Denominated Fixed Rate United Kingdom Gilts with Remaining Maturity</b>	
≤1 year	94%
>1 and ≤2	93%
>2 and ≤3	92%
>3 and ≤5	91%
>5 and ≤7	90%
>7 and ≤10	89%
>10 and ≤20	86%
>20	84%
<b>Sterling Denominated Floating Rated United Kingdom Gilts</b>	
All Maturities	94%
<b>Yen Denominated Fixed Rate Japanese Government Bonds with Remaining Maturity</b>	
≤1 year	96%
>1 and ≤2	95%
>2 and ≤3	94%
>3 and ≤5	93%
>5 and ≤7	92%
>7 and ≤10	91%
>10 and ≤20	87%
>20	86%
<b>Yen Denominated Floating Rate Japanese Government Bonds</b>	
All Maturities	95%

**Part 2**  
**Valuation Percentages for Eligible Credit Support with respect to Fitch**

"Fitch Valuation Percentage" means, with respect to a Valuation Date (i) in respect of cash in an Eligible Currency 100%, and (ii) in respect of each instrument in the following tables the corresponding percentage in the column reflecting the then current rating of the relevant Notes, in each case, if the Eligible Credit Support is not denominated in the Base Currency, multiplied by the relevant advance rate as set out below in respect of FX risk.

**Advance Rates for Sovereign Bonds rated at least AA- and F1+**

column 1		column 2	column 3
Sovereign Bond Issuer	Sovereign Bond Maturity	Highest note rated 'AA-sf' or higher	Highest note rated 'A+sf' or below
Australia and New Zealand	<1 year	98.5%	99.0%
Australia and New Zealand	1-3 years	97.0%	98.0%
Australia and New Zealand	3-5 years	94.5%	96.0%
Australia and New Zealand	5-7 years	92.0%	94.5%
Australia and New Zealand	7-10 years	89.0%	93.0%
Denmark and Sweden	<1 year	98.5%	99.0%
Denmark and Sweden	1-3 years	96.5%	97.5%
Denmark and Sweden	3-5 years	93.5%	95.5%
Denmark and Sweden	5-7 years	91.5%	94.5%
Denmark and Sweden	7-10 years	88.5%	92.5%
Eurozone	<1 year	98.5%	99.0%
Eurozone	1-3 years	96.5%	97.5%
Eurozone	3-5 years	93.5%	96.0%
Eurozone	5-7 years	91.5%	94.5%
Eurozone	7-10 years	89.5%	93.0%
Eurozone	10-30 years	75.0%	82.5%
Singapore	<1 year	97.5%	98.0%
Singapore	1-3 years	94.5%	95.5%
Singapore	3-5 years	91.5%	93.0%
Singapore	5-7 years	87.0%	89.0%
Singapore	7-10 years	81.5%	84.5%
Switzerland	<1 year	98.5%	99.0%
Switzerland	1-3 years	97.5%	98.0%
Switzerland	3-5 years	95.5%	97.0%
Switzerland	5-7 years	94.5%	96.0%
Switzerland	7-10 years	93.5%	95.5%
UK	<1 year	98.5%	99.0%
UK	1-3 years	96.5%	97.5%
UK	3-5 years	92.0%	94.5%
UK	5-7 years	91.0%	94.0%
UK	7-10 years	89.5%	93.0%
UK	10-30 years	80.0%	87.0%
US and Canada	<1 year	97.5%	98.0%

column 1		column 2	column 3
Sovereign Bond Issuer	Sovereign Bond Maturity	Highest note rated 'AA-sf' or higher	Highest note rated 'A+sf' or below
US and Canada	1-3 years	96.0%	97.0%
US and Canada	3-5 years	93.5%	94.5%
US and Canada	5-7 years	93.0%	94.0%
US and Canada	7-10 years	91.0%	92.5%
US and Canada	10-30 years	80.0%	87.0%

#### Advance Rates for Sovereign Bonds rated at least A and F1

column 1		column 2	column 3
Sovereign Bond Issuer	Sovereign Bond Maturity	Highest note rated 'AA-sf' or higher	Highest note rated 'A+sf' or below
Eurozone	<1 year	95.0%	96.5%
Eurozone	1-3 years	88.0%	92.0%
Eurozone	3-5 years	83.0%	88.5%
Eurozone	5-7 years	78.0%	85.5%
Eurozone	7-10 years	78.0%	85.5%
Eurozone	10-30 years	77.5%	85.0%
Japan	<1 year	99.0%	99.0%
Japan	1-3 years	97.0%	98.0%
Japan	3-5 years	94.5%	96.5%
Japan	5-7 years	92.0%	94.5%
Japan	7-10 years	87.5%	92.0%
Japan	10-30 years	71.0%	81.0%

FX Risk advance rate		
	Highest note rated 'AA-' or higher	Highest note rated 'A+' or below
FX risk for currency pairs involving USD, GBP, EUR, CHF, JPY, AUD, CAD, DKK, NOK, SEK, CZK, NZD, KRW and SGD **	86.0%	90.5%

\*\* The FX Risk advance rate will apply whenever a currency mismatch is present between the currency of the collateral and the obligations of the counterparty. In case foreign currency government bonds are provided, both the AR for FX risk and the security AR will be multiplied. The FX ARs for currency pairs other than USD, GBP, EUR, CHF, JPY, AUD, CAD, DKK, NOK, SEK, CZK, NZD, KRW and SGD are not provided, but Fitch may publish these in the future.



