



International Swaps and Derivatives Association, Inc.

**ISDA 2016 BAIL-IN ARTICLE 55 BRRD PROTOCOL  
(Dutch/French/German/Irish/Italian/Luxembourg/Spanish/UK entity-in-resolution  
version)**

published on 14 July, 2016  
by the International Swaps and Derivatives Association, Inc.

The International Swaps and Derivatives Association, Inc. (**ISDA**) has published this ISDA 2016 Bail-in Article 55 BRRD Protocol (Dutch/French/German/Irish/Italian/Luxembourg/Spanish/UK entity-in-resolution version) (this **Protocol**) to enable parties to Protocol Covered Agreements (as defined in paragraph 4 below) to amend the terms of each such Protocol Covered Agreement to reflect the requirements of Article 55 of the EU Bank Recovery and Resolution Directive (**BRRD**).

Accordingly, a party that has entered into a Protocol Covered Agreement may adhere to this Protocol and be bound by its terms by completing and delivering a letter substantially in the form of Exhibit 1 to this Protocol (an **Adherence Letter**) to ISDA, as agent, as described below.

**1. Adherence to and Effectiveness of the Protocol**

- (a) By adhering to this Protocol in the manner set forth in this paragraph 1, a party (an **Adhering Party**) that wishes to amend the terms of a Protocol Covered Agreement, in each case on the terms and subject to the conditions set forth in this Protocol and the relevant Adherence Letter, agrees that the terms of each Protocol Covered Agreement, if any, between it and each other Adhering Party will be amended with effect from the Implementation Date (as defined in paragraph 1(c) below) in accordance with the terms of the Attachment hereto.
- (b) Adherence to this Protocol will be evidenced by the execution and online delivery, in accordance with this paragraph, to ISDA, as agent, of an Adherence Letter (in accordance with subparagraphs 1(b)(i) through 1(b)(iii) below). ISDA shall have the right, in its sole and absolute discretion, upon thirty calendar days' notice on the "ISDA 2016 Bail-in Article 55 BRRD Protocol (Dutch/French/German/Irish/Italian/Luxembourg/Spanish/UK entity-in-resolution version)" section of its website at [www.isda.org](http://www.isda.org) (or by other suitable means) to designate a closing date of this Protocol (such closing date, the **Cut-off Date**). After the Cut-off Date, ISDA will not accept any further Adherence Letters to this Protocol.
  - (i) Each Adhering Party will access the Protocol Management section of the ISDA website at [www.isda.org](http://www.isda.org) to enter information online that is required to generate its form of Adherence Letter. Either by directly downloading the populated Adherence Letter from the Protocol Management system or upon receipt via e-mail of the populated Adherence Letter, each Adhering Party will print, sign and upload the signed Adherence Letter as a PDF (portable document format) attachment into the Protocol Management system. Once the signed Adherence Letter has been approved and accepted by ISDA, the Adhering Party will receive an e-mail confirmation of the Adhering Party's adherence to the Protocol.

- (ii) A conformed copy of each Adherence Letter containing, in place of each signature, the printed or typewritten name of each signatory will be published by ISDA so that it may be viewed by all Adhering Parties. Each Adhering Party agrees that, for evidentiary purposes, a conformed copy of an Adherence Letter certified by the General Counsel (or other appropriate officer) of ISDA will be deemed to be an original.
  - (iii) Each Adhering Party agrees that the determination of the date and time of acceptance of any Adherence Letter will be determined by ISDA in its absolute discretion.
- (c) As between any two Adhering Parties, the agreement to make the amendments contemplated by this Protocol, on the terms and conditions set forth in this Protocol, will be effective on the date of online delivery to ISDA, as agent, of an Adherence Letter (in accordance with paragraph 1(b) above) from the later of such two Adhering Parties to adhere (such date with respect to such Adhering Parties, the **Implementation Date**). Acceptance by ISDA of a subsequent or revised Adherence Letter from either such Adhering Party will not have the effect of changing such Implementation Date.
- (d) This Protocol is intended for use without negotiation, but without prejudice to any amendment, modification or waiver in respect of a Protocol Covered Agreement that the parties may otherwise effect in accordance with the terms of that Protocol Covered Agreement.
- (i) In adhering to this Protocol, an Adhering Party may not specify additional provisions, conditions or limitations in its Adherence Letter.
  - (ii) Any purported adherence that ISDA, as agent, determines in good faith is not in compliance with this Protocol will be void and ISDA will inform the relevant party of such fact as soon as reasonably possible after making such determination.
- (e) Each Adhering Party acknowledges and agrees that adherence to this Protocol is irrevocable, except that an Adhering Party may deliver to ISDA, as agent, a notice substantially in the form of Exhibit 2 to this Protocol that is effective (determined pursuant to paragraph 3(e) below) on any Business Day during the Annual Revocation Period (a **Revocation Notice**) to designate the next Annual Revocation Date as the last date on which any counterparty may adhere to this Protocol in respect of any ISDA Master Agreement or Other Agreement between the counterparty and such Adhering Party.
- (i) Upon the effective designation of the next Annual Revocation Date by an Adhering Party, this Protocol will not amend any ISDA Master Agreement or Other Agreement between that Adhering Party and a party which adheres to this Protocol after that Annual Revocation Date occurs and such ISDA Master Agreement or Other Agreement will not be a Protocol Covered Agreement. The foregoing is without prejudice to any amendment effected pursuant to this Protocol to any Protocol Covered Agreement between two Adhering Parties that each adhered to this Protocol on or before the day on which that Annual Revocation Date occurs or is deemed to occur, regardless of the date on which such Protocol Covered Agreement is entered into, and any such amendment shall be effective notwithstanding the occurrence or deemed occurrence of such Annual Revocation Date.
  - (ii) Each Revocation Notice must be delivered by the means specified in paragraph 3(e) of this Protocol below.

- (iii) Each Adhering Party agrees that, for evidentiary purposes, a conformed copy of a Revocation Notice certified by the General Counsel or an appropriate officer of ISDA will be deemed to be an original.
- (iv) Any purported revocation that ISDA, as agent, determines in good faith is not in compliance with this paragraph 1(e) will be void.

## 2. Representations

As of the date on which an Adhering Party adheres to this Protocol in accordance with paragraph 1 above, such Adhering Party represents to each other Adhering Party with which it has entered into a Protocol Covered Agreement each of the following matters:

- (a) **Status.** It is, if relevant, duly organized and validly existing under the laws of the jurisdiction of its organization or incorporation and, if relevant under such laws, in good standing or, if it otherwise represents its status in or pursuant to the Protocol Covered Agreement, has such status.
- (b) **Powers.** It has the power to execute and deliver the Adherence Letter and to perform its obligations under the Adherence Letter and the Protocol Covered Agreement as amended by the Adherence Letter and this Protocol (including the Attachment hereto), and has taken all necessary action to authorize such execution, delivery and performance.
- (c) **No Violation or Conflict.** Such execution, delivery and performance do not violate or conflict with any law applicable to it, any provision of its constitutional documents, any order or judgment of any court or other agency of government applicable to it or any of its assets or any contractual restriction binding on or affecting it or any of its assets.
- (d) **Consents.** All governmental and other consents that are required to have been obtained by it with respect to the Adherence Letter and the Protocol Covered Agreement, as amended by the Adherence Letter and this Protocol (including the Attachment hereto), have been obtained and are in full force and effect and all conditions of any such consents have been complied with.
- (e) **Obligations Binding.** Its obligations under the Adherence Letter and the Protocol Covered Agreement, as amended by the Adherence Letter and this Protocol (including the Attachment hereto), constitute its legal, valid and binding obligations, enforceable in accordance with their respective terms (subject to applicable bankruptcy, reorganization, insolvency, moratorium or similar laws affecting creditors' rights generally and subject, as to enforceability, to equitable principles of general application (regardless of whether enforcement is sought in a proceeding in equity or at law)).
- (f) **Credit Support.** Its adherence to this Protocol and any amendment contemplated by this Protocol will not, in and of itself, adversely affect the enforceability, effectiveness or validity of any obligations owed, whether by it or by any third party, under any Credit Support Document or Third Party Credit Support Document in respect of its obligations relating to the Protocol Covered Agreement as amended by the Adherence Letter and this Protocol (including the Attachment Letter hereto).

Each Adhering Party agrees with each other Adhering Party with which it has entered into a Protocol Covered Agreement that is a Covered ISDA Master Agreement that each of the foregoing representations will be deemed to be a representation for purposes of Section 5(a)(iv) of each such Covered ISDA Master Agreement that is made by each Adhering Party as of the later of (A) the date on which such Adhering

Party adheres to this Protocol in accordance with paragraph 1 above and (B) the date of such Covered ISDA Master Agreement.

### 3. Miscellaneous

(a) ***Entire Agreement; Restatement; Survival.***

(i) This Protocol constitutes the entire agreement and understanding of the Adhering Parties with respect to its subject matter and supersedes all oral communication and prior writings (except as otherwise provided herein) with respect thereto. Each Adhering Party acknowledges that in adhering to this Protocol it has not relied on any oral or written representation, warranty or other assurance (except as provided for or referred to elsewhere in this Protocol or in the Attachment) and waives all rights and remedies which might otherwise be available to it in respect thereof, except that nothing in this Protocol will limit or exclude any liability of an Adhering Party for fraud.

(ii) Except for any amendment deemed to be made pursuant to this Protocol in respect of any Protocol Covered Agreement, all terms and conditions of each Protocol Covered Agreement will continue in full force and effect in accordance with its provisions as in effect immediately prior to the Implementation Date. Except as explicitly stated in this Protocol, nothing herein shall constitute a waiver or release of any rights of any Adhering Party under any Protocol Covered Agreement to which such Adhering Party is a party. This Protocol will, with respect to its subject matter, survive, and any amendments deemed to be made pursuant to this Protocol will form a part of each Protocol Covered Agreement that is a Covered ISDA Master Agreement between the Adhering Parties, notwithstanding Section 9(a) of the Covered ISDA Master Agreement (or in the case of a Covered ISDA Master Agreement that is a 1992 ISDA Master Agreement (Local Currency – Single Jurisdiction), Section 8(a) of the Covered ISDA Master Agreement).

(b) ***Amendments.*** An amendment, modification or waiver in respect of the matters contemplated by this Protocol will only be effective in respect of a Protocol Covered Agreement if made in accordance with the terms of the Protocol Covered Agreement and then only with effect between the parties to that Protocol Covered Agreement (and will only be effective to amend or override the provisions set forth in this Protocol and the Attachment to this Protocol if it expressly refers in writing to this paragraph 3(b) of this Protocol and, in the case of each Protocol Covered Agreement that is a Covered ISDA Master Agreement, would otherwise be effective in accordance with Section 9(b) (or in the case of an ISDA Master Agreement that is a 1992 ISDA Master Agreement (Local Currency – Single Jurisdiction), Section 8(b)) of the Covered ISDA Master Agreement in effect between the parties).

(c) ***Headings.*** The headings used in this Protocol and any Adherence Letter are for convenience of reference only and are not to affect the construction of or to be taken into consideration in interpreting this Protocol or any Adherence Letter.

(d) ***Governing Law.*** This Protocol and each Adherence Letter will, as between two Adhering Parties and in respect of each Protocol Covered Agreement between them, be governed by and construed in accordance with the governing law of England and Wales, without reference to choice of law doctrine, provided that the amendments to each Protocol Covered Agreement shall be governed by and construed in accordance with the law specified to govern that Protocol Covered Agreement and otherwise in accordance with the applicable choice of law doctrine.

- (e) **Notices.** Any Revocation Notice must be in writing and delivered as a locked PDF (portable document format) attachment to an email to ISDA at isda@isda.org and will be deemed effectively delivered on the date it is delivered unless on the date of that delivery ISDA's London office is closed or that communication is delivered after 5:00 p.m., London time, in which case that communication will be deemed effectively delivered on the next day ISDA's London office is open.
- (f) **Ability of an Agent to Adhere to the Protocol on Behalf of a Client.**
- (i) An Agent may adhere to this Protocol:
- (A) on behalf of all Clients represented by such Agent (in which case such Agent need not identify each Client in its Adherence Letter or otherwise);
- (B) on behalf of Clients represented by such Agent that are specifically named or identified in the Adherence Letter or otherwise; or
- (C) on behalf of all Clients represented by such Agent, except any Client that the Agent and an Adhering Party that has entered into a Protocol Covered Agreement with such Client agree will not be covered by this Protocol;
- provided, in each case, that such adherence shall only be effective with respect to Protocol Covered Agreements entered into by such Agent on behalf of such Clients.
- (ii) Where an Agent adheres to this Protocol on behalf of a Client by executing and delivering an Adherence Letter on behalf of such Client in accordance with paragraph 1 and this paragraph 3(f), references to the Adhering Party for purposes of this Protocol (including the Attachment hereto) and the Adherence Letter shall be interpreted to refer to such Client.
- (g) **Clients added to an Agent Protocol Covered Agreement after the Implementation Date.** In respect of any Client added to an Agent Protocol Covered Agreement between an Agent and an Adhering Party after the Implementation Date (a "New Client"), the Agent and such Adhering Party agree that the terms of such Agent Protocol Covered Agreement as between such Adhering Party and any New Client will be subject to the amendments effected by this Protocol, unless otherwise agreed between such Agent and such Adhering Party.

#### 4. Definitions

As used in this Protocol, **Transaction** has the meaning given to such term in the related Covered ISDA Master Agreement.

References in this Protocol and the Attachment to the following terms shall have the following meanings:

**Adhering Party** has the meaning specified in paragraph 1(a) of this Protocol.

**Agent** means an entity that enters into a Protocol Covered Agreement and executes and delivers an Adherence Letter with respect to this Protocol on behalf of, and as agent for, one or more clients, investors, funds, accounts and/or other principals.

**Agent Covered ISDA Master Agreement** means any umbrella ISDA Master Agreement (i) that is executed directly, or (ii) arises by execution of a confirmation pursuant to which an ISDA Master Agreement is deemed to have arisen until such time as an ISDA Master Agreement is actually signed, in each case by an Agent and an Adhering Party (where (i) in respect of an Agent, the relevant Client on whose behalf the Agent acts is a Relevant BRRD Party, and/or (ii) the other Adhering Party is a Relevant BRRD Party); for the purposes of this Protocol, only ISDA Master Agreements deemed to arise under an umbrella arrangement between principals at least one of which is a Relevant BRRD Party shall constitute an Agent Covered ISDA Master Agreement and the remaining provisions of this Protocol (including, without limitation, paragraph 3(g) above (*Clients added to an Agent Protocol Covered Agreement after the Implementation Date*)) shall be construed accordingly. Where an ISDA Master Agreement is signed by two Agents (either directly or by virtue of a confirmation pursuant to which an ISDA Master Agreement is deemed to have arisen until such time as an ISDA Master Agreement is actually signed) the above provision and any other relevant section of this Protocol shall be construed accordingly.

**Agent Covered Other Agreement** means any Other Agreement (i) that is executed directly, or (ii) arises by execution of a confirmation pursuant to which an Other Agreement is deemed to have arisen until such time as an Other Agreement is actually signed, in each case by an Agent and an Adhering Party (where (i) in respect of an Agent, the relevant Client on whose behalf the Agent acts is a Relevant BRRD Party, and/or (ii) the other Adhering Party is a Relevant BRRD Party); for the purposes of this Protocol, only Other Agreements deemed to arise under an umbrella arrangement between principals at least one of which is a Relevant BRRD Party shall constitute an Agent Covered Other Agreement and the remaining provisions of this Protocol (including, without limitation, paragraph 3(g) above (*Clients added to an Agent Protocol Covered Agreement after the Implementation Date*)) shall be construed accordingly. Where an Other Agreement is signed by two Agents (either directly or by virtue of a confirmation pursuant to which an Other Agreement is deemed to have arisen until such time as an Other Agreement is actually signed) the above provision and any other relevant section of this Protocol shall be construed accordingly.

**Agent Protocol Covered Agreement** means an Agent Covered ISDA Master Agreement or an Agent Covered Other Agreement.

**Annual Revocation Date** means, with respect to each calendar year, December 31 of such calendar year. If December 31 in any calendar year is not a day on which the ISDA's New York office is open, the Annual Revocation Date with respect to such calendar year will be deemed to occur on the next day that the ISDA's New York office is open.

**Annual Revocation Period** means the period between October 1 and October 31 of any calendar year.

**Business Day** means a day on which commercial banks and foreign exchange markets are generally open to settle payments in both London and New York.

**Client** means a client, investor, fund, account and/or other principal on whose behalf an Agent acts.

**Covered ISDA Master Agreement** means, subject to an Adhering Party's right to deliver a Revocation Notice pursuant to paragraph 1(e) above, any of the following agreements:

- (i) an ISDA Master Agreement entered into by the execution by Adhering Parties (other than a Client, and provided that one or both such parties is a Relevant BRRD Party) of a confirmation pursuant to which an Adhering Party is deemed to have entered into an ISDA Master Agreement with another Adhering Party until such time as an ISDA Master

Agreement has been executed by such Adhering Parties and that is still outstanding as of the Implementation Date,

- (ii) an ISDA Master Agreement executed by two Adhering Parties (other than a Client) where one or both such parties are Relevant BRRD Parties, and
- (iii) an Agent Covered ISDA Master Agreement (which, in the case of a deemed ISDA Master Agreement arising pursuant to the execution of a confirmation, is still outstanding as at the Implementation Date),

in each case, entered into by such Adhering Parties on or prior to the Implementation Date or, in the case of an Agent Covered ISDA Master Agreement, signed by the Agent and the counterparty prior to adherence by both the counterparty and the Agent, on behalf of the relevant Client (and including all outstanding Transactions thereunder and outstanding Credit Support Documents entered into by such Adhering Parties in connection therewith),

provided that if:

- (a)
  - (1) any consent, approval, agreement, authorization or other action of any Third Party is expressly required, under the terms of such Third Party Credit Support Document or such ISDA Master Agreement, to amend or otherwise modify such ISDA Master Agreement,
  - (2) such Third Party Credit Support Document or such ISDA Master Agreement includes express terms to the effect that any amendment or modification of such ISDA Master Agreement without the consent, approval, agreement, authorization or other action of any such Third Party would void, impair or otherwise adversely affect existing or future obligations owed under such Third Party Credit Support Document, or
  - (3) such ISDA Master Agreement, if amended or modified in accordance with this Protocol without the consent, approval, agreement, authorization or other action of any such Third Party would void, impair or otherwise adversely affect existing or future obligations owed under such Third Party Credit Support Document,

then such ISDA Master Agreement shall not be a Covered ISDA Master Agreement unless such consent, approval, agreement, authorization or other action has been obtained; and

(b) the parties to an ISDA Master Agreement have:

- (i) entered into alternative written arrangements that document the substance of the issues covered in the Attachment (including the case where an ISDA Master Agreement already includes a provision documenting the substance of the issues covered in the Attachment); or
- (ii) expressly stated in such ISDA Master Agreement or otherwise agreed in writing that this Protocol shall not apply,

then, in either case, such ISDA Master Agreement shall not be a Covered ISDA Master Agreement.

**Covered Other Agreement** means, subject to an Adhering Party's right to deliver a Revocation Notice pursuant to paragraph 1(e) above, any of the following agreements:

- (i) an Other Agreement entered into by the execution by Adhering Parties (other than a Client, and provided that one or both such parties is a Relevant BRRD Party) of a confirmation pursuant to which an Adhering Party is deemed to have entered into an Other Agreement with another Adhering Party until such time as an Other Agreement has been executed by such Adhering Parties and that is still outstanding as of the Implementation Date,
- (ii) any Other Agreement executed by two Adhering Parties (other than a Client) where one or both such parties are Relevant BRRD Parties, and
- (iii) any Agent Covered Other Agreement, (which, in the case of a deemed Other Agreement arising pursuant to the execution of a confirmation, is still outstanding as at the Implementation Date),

in each case, entered into by the Adhering Parties on or prior to the Implementation Date or, in the case of an Agent Covered Other Agreement, executed by the Agent and the counterparty prior to adherence by both the counterparty and the Agent on behalf of the relevant Client (and including all outstanding transactions thereunder and outstanding Credit Support Documents, if any and if applicable, entered into by such Adhering Parties in connection therewith),

provided that if:

- (a)
  - (i) any consent, approval, agreement, authorization or other action of any Third Party is expressly required, under the terms of a Third Party Credit Support Document or such Other Agreement, to amend or otherwise modify such Other Agreement;
  - (ii) a Third Party Credit Support Document or such Other Agreement includes express terms to the effect that any amendment or modification of such Other Agreement without the consent, approval, agreement, authorization or other action of any Third Party would void, impair or otherwise adversely affect existing or future obligations owed under such Third Party Credit Support Document; or
  - (iii) such Other Agreement, if amended or modified in accordance with this protocol without the consent, approval, agreement, authorization or other action of any Third Party would void, impair or otherwise adversely affect existing or future obligations owed under such Third Party Credit Support Document,

then such Other Agreement shall not be a Covered Other Agreement unless such consent, approval, agreement, authorization or other action has been obtained; and

(b) the parties to an Other Agreement have:

- (i) entered into alternative written arrangements that document the substance of the issues covered in the Attachment (including the case where an Other Agreement already includes a provision documenting the substance of the issues covered in the Attachment); or



- (ii) expressly stated in such Other Agreement or otherwise agreed in writing that this Protocol shall not apply,

then, in either case, such Other Agreement shall not be a Covered Other Agreement.

**Credit Support Document** means, in respect of an Adhering Party and a Protocol Covered Agreement, any document in effect on the Implementation Date which by its terms secures, guarantees or otherwise supports such Adhering Party's obligations under such Protocol Covered Agreement from time to time, whether or not such document is specified as such therein or in the Protocol Covered Agreement.

**Implementation Date** means, subject to an Adhering Party's right to delivery a Revocation Notice pursuant to paragraph 1(e) above, with respect to any two Adhering Parties, the date determined pursuant to paragraph 1(c) of this Protocol.

**ISDA Master Agreement** means a 2002 ISDA Master Agreement, 1992 ISDA Master Agreement (Multicurrency – Cross Border), 1992 ISDA Master Agreement (Local Currency – Single Jurisdiction), or 1987 ISDA Interest Rate and Currency Exchange Agreement, in each case, (i) as published by ISDA, (ii) governed by the law of a non-EU member state (or, if the implementation of Article 55 of the BRRD in the jurisdiction of the Relevant BRRD Party extends to liabilities governed by non-EEA law, governed by non-EEA law), and (iii) including, without limitation, where such agreement has been amended (whether by addendum or otherwise) to provide for client clearing.

**Other Agreement** means, in relation to one or more transactions, any master agreement, framework agreement or master netting or set-off agreement, or any agreement that incorporates master trading terms by reference where such terms may cause all transactions relating to one or more netting sets, as applicable, to terminate (in each case, other than an ISDA Master Agreement), that sets out and/or governs (or has one or more underlying agreements which set out and/or govern) the terms and conditions of such transaction(s), including, without limitation, where such agreement has been amended (whether by addendum or otherwise) or is designed to provide for client clearing (and which includes, for the avoidance of doubt, any compensation agreement or execution agreement relating to give-up arrangements or the trading of cleared derivatives), in each case, (i) governed by the law of a non-EU member state (or, if the implementation of Article 55 of the BRRD in the jurisdiction of the Relevant BRRD Party extends to liabilities governed by non-EEA law, governed by non-EEA law), and (ii) which may be in writing, in electronic format or in any other agreed official record.

**Protocol Covered Agreement** means a Covered ISDA Master Agreement or a Covered Other Agreement.

**Relevant BRRD Party** means an entity that could become subject to a Bail-in Action (as defined in the Attachment).

**Third Party** means in relation to an agreement supported by a Third Party Credit Support Document, any party to such Third Party Credit Support Document other than either of the Adhering Parties which are parties to the agreement.

**Third Party Credit Support Document** means, with respect to an Adhering Party to a Protocol Covered Agreement, any document in effect on the Implementation Date and executed by one or more Third Parties (whether or not an Adhering Party is a party thereto), which by its terms secures, guarantees or otherwise supports such Adhering Party's obligations under such Protocol Covered Agreement from time to time, whether or not such document is specified as such, or as a Credit Support Document, therein or in the Protocol Covered Agreement.

**EXHIBIT 1**

**to ISDA 2016 BAIL-IN ARTICLE 55 BRRD PROTOCOL  
(DUTCH/FRENCH/GERMAN/IRISH/ITALIAN/LUXEMBOURG/SPANISH/UK ENTITY-IN-  
RESOLUTION VERSION)**

**Form of Adherence Letter**

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[Letterhead of Adhering Party]

[Date]

**International Swaps and Derivatives Association, Inc.**

Dear Sirs,

**ISDA 2016 BAIL-IN ARTICLE 55 BRRD PROTOCOL  
(DUTCH/FRENCH/GERMAN/IRISH/ITALIAN/LUXEMBOURG/SPANISH/UK ENTITY-IN-  
RESOLUTION VERSION) - Adherence**

The purpose of this letter is to confirm our adherence to the ISDA 2016 Bail-in Article 55 BRRD Protocol (Dutch/French/German/Irish/Italian/Luxembourg/Spanish/UK entity-in-resolution version) as published by the International Swaps and Derivatives Association, Inc. on 14 July 2016 (the **Protocol**). This letter constitutes, as between each other Adhering Party and us, an Adherence Letter as referred to in the Protocol. The definitions and provisions contained in the Protocol are incorporated into this Adherence Letter, which will supplement and form part of each Protocol Covered Agreement between us and each other Adhering Party.

**1. Specified Terms**

As between each other Adhering Party and us, the amendments in the Attachment to the Protocol shall apply to each Protocol Covered Agreement to which we are a party in accordance with the terms of the Protocol and this Adherence Letter.

**2. Appointment as Agent and Release**

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

**3. Payment**

Each Adhering Party must submit a one-time fee of U.S. \$500 to ISDA at or before the submission of this Adherence Letter.

#### 4. Contact Details

Our contact details for purposes of this Adherence Letter are:

Name:  
Address:  
Telephone:  
Fax:  
E-mail:

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

Yours faithfully,

[ADHERING PARTY]<sup>1</sup>

By:

Name:
Title:
Signature:

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<sup>1</sup> Specify legal name of Adhering Party.

If you are an Agent and act on behalf of multiple Clients, you may sign the Adherence Letter using one of options below. Please note that, if you would like to adhere on behalf of yourself, as principal, and also on behalf of your Clients, as Agent, you must submit one adherence letter for yourself, as principal, and a second adherence letter on behalf of your Clients, as Agent, in the latter case, in accordance with the options set out below.

First, if you have the authority to adhere to this Protocol as **Agent on behalf of all Clients**, you may indicate the following in the signature block: “[Investment/Asset Manager], acting on behalf of each fund, account and/or other principal listed in each Protocol Covered Agreement (or other agreement which deems a Protocol Covered Agreement to have been created) entered into between it (as Agent) and another Adhering Party or provided by or received by it (as Agent) from or to another Adhering Party” or such other language that indicates the Clients to which this letter is applicable. If such a signature block is used, a separate Adherence Letter for each Client does *not* need to be submitted to ISDA and no specific names of Clients need to be publicly disclosed on the ISDA website in connection with this Protocol.

Second, if you have the authority to adhere to this Protocol as **Agent on behalf of certain Clients only (or do have authority from all your clients and wish to identify them)**, you may indicate the following in the signature block: “[Investment/Asset Manager], acting on behalf of each fund, account and/or other principal (a) identified to each relevant Adhering Party, or (b) listed in the appendix to this Adherence Letter in relation to each Protocol Covered Agreement (or other agreement which deems a Protocol Covered Agreement to have been created) entered into between it (as Agent) on behalf of such fund, account and/or other principal to or from another Adhering Party” and include with the Adherence Letter an appendix/attachment that names each Client. You will be responsible for identifying the relevant Clients on whose behalf you are adhering. If you cannot or do not wish to name such Clients, then provided that you can identify the adhering Clients by way of specific identifiers which will be known and recognized by all other Adhering Parties with, to and from which the relevant Clients have entered into, provided and received Protocol Covered Agreements, you may identify such Clients using specific identifiers and without including any names. In such case, the specific identifiers will be listed on the ISDA website with the Adherence Letter. If you are able to do so, you may, if you wish, identify Clients by using both names and specific identifiers but this is optional and, provided you supply, at least, either names or specific identifiers, choosing not to provide both does not affect the legal validity and binding nature of this Protocol.

**EXHIBIT 2**

**to ISDA 2016 BAIL-IN ARTICLE 55 BRRD PROTOCOL  
(DUTCH/FRENCH/GERMAN/IRISH/ITALIAN/LUXEMBOURG/SPANISH/UK ENTITY-IN-  
RESOLUTION VERSION)**

**Form of Revocation Notice**

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**[Letterhead of Adhering Party]**

**[Date]**

**International Swaps and Derivatives Association, Inc.**

**Send to: isda@isda.org**

Dear Sirs,

**ISDA 2016 BAIL-IN ARTICLE 55 BRRD PROTOCOL  
(DUTCH/FRENCH/GERMAN/IRISH/ITALIAN/LUXEMBOURG/SPANISH/UK ENTITY-IN-  
RESOLUTION VERSION) - Designation of Annual Revocation Date**

The purpose of this letter is to notify you that we wish to designate this year's Annual Revocation Date as the last date on which any counterparty may adhere to the ISDA 2016 Bail-in Article 55 BRRD Protocol (Dutch/French/German/Irish/Italian/Luxembourg/Spanish/UK entity-in-resolution version) as published by the International Swaps and Derivatives Association, Inc. on 14 July, 2016 (the **Protocol**) in respect of any Protocol Covered Agreement between us.

This letter constitutes a Revocation Notice as referred to in the Protocol.

We consent to the publication of the conformed copy of this notice by ISDA on and after the Annual Revocation Date and to the disclosure by ISDA of the contents of this letter.

Yours faithfully,

**[ADHERING PARTY]<sup>2</sup>**

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<sup>2</sup> Specify legal name of Adhering Party.

If you are an Agent and act on behalf of multiple Clients, you may sign a Revocation Notice using one of the options below. Alternatively, you may submit one Revocation Notice per Client. Please note that, if you have adhered on behalf of yourself, as principal, and also on behalf of your Clients, as Agent, you must submit one Revocation Notice for yourself, as principal, and a second Revocation Notice on behalf of your Clients or each relevant Client, as applicable, in the latter case, in accordance with the options set out below.

First, if you have the authority to deliver a Revocation Notice for this Protocol as **Agent on behalf of all Clients**, you may indicate the following in the signature block: "*[Investment/Asset Manager], acting on behalf of each fund, account and/or other principal listed in each Protocol Covered Agreement (or other agreement which deems a Protocol Covered Agreement to have been created) entered into between it (as Agent) and another Adhering Party or provided by or received by it (as*

By:

Name:
Title:
Signature:

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*Agent) from or to another Adhering Party” or such other language that indicates the Clients to which this letter is applicable. If such a signature block is used, a separate Revocation Notice for each Client does *not* need to be submitted to ISDA and no specific names of Clients need to be publicly disclosed on the ISDA website in connection with this Protocol.*

Second, if you have the authority to deliver a Revocation Notice for this Protocol as **Agent on behalf of certain Clients only (or do have authority from all your clients and wish to identify them)**, you may indicate the following in the signature block: “[*Investment/Asset Manager*], acting on behalf of each fund, account and/or other principal (a) identified to each relevant Adhering Party, or (b) listed in the appendix to this Revocation Notice in relation to each Protocol Covered Agreement (or other agreement which deems a Protocol Covered Agreement to have been created) entered into between it (as Agent) on behalf of such fund, account or other principal and another Adhering Party or provided by or received by it (as Agent) on behalf of such fund, account or other principal to or from another Adhering Party” and include with the Revocation Notice an appendix/attachment that names each Client. You will be responsible for identifying the relevant Clients on whose behalf you are adhering. If you cannot or do not wish to name such Clients, then provided that you can identify the revoking Clients by way of specific identifiers which will be known and recognized by all other Adhering Parties with, to and from which the relevant Clients have entered into, provided and received Protocol Covered Agreements, you may identify such Clients using specific identifiers and without including any names. In such case, the specific identifiers will be listed on the ISDA website with the Revocation Notice.

## ATTACHMENT

With effect from the Implementation Date, each Protocol Covered Agreement will be modified as follows.

### Part I. Contractual Recognition of Bail-in

(1) Each party acknowledges and accepts that liabilities arising under this agreement (other than Excluded Liabilities) may be subject to the exercise of the Relevant Bail-in Power by the relevant resolution authority and acknowledges and accepts to be bound by any Bail-in Action and the effects thereof (including any variation, modification and/or amendment to the terms of this agreement as may be necessary to give effect to any such Bail-in Action), which if the Bail-in Termination Amount is payable by the BRRD Party to the Creditor Counterparty may include, without limitation:

(i) a reduction, in full or in part, of the Bail-in Termination Amount; and/or

(ii) a conversion of all, or a portion of, the Bail-in Termination Amount into shares or other instruments of ownership, in which case the Creditor Counterparty acknowledges and accepts that any such shares or other instruments of ownership may be issued to or conferred upon it as a result of the Bail-in Action.

(2) Each party acknowledges and accepts that this provision is exhaustive on the matters described herein to the exclusion of any other agreements, arrangements or understanding between the parties relating to the subject matter of this agreement and that no further notice shall be required between the parties pursuant to the agreement in order to give effect to the matters described herein.

(3) The acknowledgements and acceptances contained in paragraphs (1) and (2) above will not apply if:

(i) the relevant resolution authority determines that the liabilities arising under this agreement may be subject to the exercise of the Relevant Bail-in Power pursuant to the law of the third country governing such liabilities or a binding agreement concluded with such third country and in either case the Dutch Regulations, the French Regulations, the German Regulations, the Irish Regulations, the Italian Regulations, the Luxembourg Regulations, the Spanish Regulations or the UK Regulations, as applicable, have been amended to reflect such determination; and/or

(ii) the Dutch Regulations, the French Regulations, the German Regulations, the Irish Regulations, the Italian Regulations, the Luxembourg Regulations, the Spanish Regulations or the UK Regulations, as applicable, have been repealed or amended in such a way as to remove the requirement for the acknowledgements and acceptances contained in paragraphs (1) and (2).

### Part II. Definitions

**“Bail-in Action”** means the exercise of any Relevant Bail-in Power by the relevant resolution authority in respect of all transactions (or all transactions relating to one or more netting sets, as applicable) under this agreement.

**“Bail-in Termination Amount”** means the early termination amount or early termination amounts (howsoever described), together with any accrued but unpaid interest thereon, in respect of all transactions (or all transactions relating to one or more netting sets, as applicable) under this agreement

(before, for the avoidance of doubt, any such amount is written down or converted by the relevant resolution authority).

“**BRRD**” means Directive 2014/59/EU establishing a framework for the recovery and resolution of credit institutions and investment firms.

“**BRRD Party**” means the party in respect of which the Relevant Bail-in Power has been exercised by the relevant resolution authority.

“**Creditor Counterparty**” means the party which is not the BRRD Party.

“**Dutch Bail-in Power**” means any write-down or conversion power existing from time to time (including, without limitation, any power to amend or alter the maturity of eligible liabilities of an institution under resolution or amend the amount of interest payable under such eligible liabilities or the date on which interest becomes payable, including by suspending payment for a temporary period) under, and exercised in compliance with any laws, regulations, rules or requirements (together, the “**Dutch Regulations**”) in effect in the Netherlands:

(a) relating to the transposition of the BRRD as amended from time to time, including but not limited to, the relevant provisions of the Act implementing the European framework for the recovery and resolution of banks and investment firms (*Implementatiewet Europees kader voor herstel en afwikkeling van banken en beleggingsondernemingen*) as such act has been incorporated in amongst others the Netherlands Financial Supervision Act (*Wet op het financieel toezicht*, “**NFSA**”), both as amended from time to time, and the instruments, rules, standards, regulations and decrees created under the BRRD and the aforementioned acts, and

(b) constituting or relating to the SRM Regulation as amended from time to time,

in each case, pursuant to which the liabilities of a regulated entity (or affiliate of such regulated entity, or other entity to which such liabilities have been transferred pursuant to a resolution measure) can be reduced (including to zero), cancelled, terminated, amended or converted into common equity tier 1 instruments (such as ordinary shares) or other instruments of ownership of such regulated entity or other person.

A reference to a “**regulated entity**” is to any entity referred to in Section 3A:2 of the Netherlands Financial Supervision Act or in Article 2 of the SRM Regulation, both as amended from time to time, which includes, without limitation, certain credit institutions, certain investment firms and certain of their parent or holding companies.

“**Excluded Liabilities**” means liabilities excluded from the scope of the contractual recognition of bail-in requirement pursuant to the Dutch Regulations, the French Regulations, the German Regulations, the Irish Regulations, the Italian Regulations, the Luxembourg Regulations, the Spanish Regulations or the UK Regulations, as applicable.

“**French Bail-in Power**” means any write-down or conversion power existing from time to time (including, without limitation, any power to amend or alter the maturity of eligible liabilities of an institution under resolution or amend the amount of interest payable under such eligible liabilities or the date on which interest becomes payable, including by suspending payment for a temporary period) under, and exercised in compliance with, any laws, regulations, rules or requirements (together, the “**French Regulations**”) in effect in France:

(a) relating to the transposition of the BRRD as amended from time to time, including but not limited to, the relevant provisions of the Ordinance (*Ordonnance*) N° 2015-1024 of 20 August 2015, as amended from time to time, and the instruments, rules, decrees (*décrets*), orders (*arrêtés*) and standards created thereunder, and

(b) constituting or relating to the SRM Regulation as amended from time to time,

in each case, pursuant to which the obligations of a regulated entity (or other affiliate of a regulated entity) can be reduced (including to zero), cancelled or converted into shares, other securities, or other obligations of such regulated entity or any other person.

A reference to a “**regulated entity**” is to any entity referred to in Article L.613-34 of the French Monetary and Financial Code or in Article 2 of the SRM Regulation, as amended from time to time, which includes certain credit institutions, investment firms, and certain of their parent or holding companies.

“**German Bail-in Power**” means any write-down or conversion power existing from time to time (including, without limitation, any power to amend or alter the maturity of eligible liabilities of an institution under resolution or amend the amount of interest payable under such eligible liabilities or the date on which interest becomes payable, including by suspending payment for a temporary period) under, and exercised in compliance with any laws, regulations, rules or requirements (together, the “**German Regulations**”) in effect in Germany:

(a) relating to the transposition of the BRRD as amended from time to time, including but not limited to, the Act on Recovery and Resolution of Institutions and Financial Groups (Recovery and Resolution Act) (*Gesetz zur Sanierung und Abwicklung von Instituten und Finanzgruppen (Sanierungs- und Abwicklungsgesetz)* - **SAG**), as amended from time to time, and the instruments, rules and standards created thereunder, and

(b) constituting or relating to the SRM Regulation as amended from time to time,

in each case, pursuant to which the obligations of a regulated entity (or other affiliate of a regulated entity) can be reduced (including to zero), cancelled or converted into shares, other securities, or other obligations of such regulated entity or any other person.

A reference to a “**regulated entity**” is, with respect to the SAG, to any German CRR credit institution, CRR investment firm (as such terms are defined in § 1 SAG) and related group companies and, with respect to the SRM Regulation, to any entity referred to in Article 2 of the SRM Regulation.

“**Irish Bail-in Power**” means any write-down or conversion power existing from time to time (including, without limitation, any power to amend or alter the maturity of eligible liabilities of an institution under resolution or amend the amount of interest payable under such eligible liabilities or the date on which interest becomes payable, including by suspending payment for a temporary period) under, and exercised in compliance with, any laws, regulations, rules or requirements (together, the “**Irish Regulations**”) in effect in Ireland:

(a) relating to the transposition of the BRRD as amended or replaced from time to time, including but not limited to, the European Union (Bank Recovery and Resolution) Regulations 2015 as amended or replaced from time to time (**BRRD Irish Regulations**), and the instruments, rules and standards created thereunder, and



(b) constituting or relating to the SRM Regulation as amended from time to time,

in each case, pursuant to which the obligations of a regulated entity (or other affiliate of such regulated entity) can be reduced (including to zero), cancelled, modified or converted into shares, other securities, or other obligations of such regulated entity or any other person.

A reference to a “**regulated entity**” is to any entity to which, for the purposes of (a) above, the BRRD Irish Regulations apply and, for the purposes of (b) above, the SRM Regulation applies, which in each case includes certain credit institutions, investment firms, and certain of their parent or holding companies.

“**Italian Bail-in Power**” means any write-down or conversion power existing from time to time (including, without limitation, any power to amend or alter the maturity of eligible liabilities of an institution under resolution or amend the amount of interest payable under such eligible liabilities or the date on which interest becomes payable, including by suspending payment for a temporary period) under, and exercised in compliance with any laws, regulations, rules or requirements (together, the “**Italian Regulations**”) in effect in Italy:

(a) relating to the transposition of the BRRD as amended from time to time, including but not limited to, the Legislative Decree no. 180 of 16 November 2015 (the **Italian BRRD Decree**) and/or Legislative Decree no. 385 of 1 September 1993 (the **Italian Banking Law**), both as amended from time to time, and the instruments, rules, and standards created thereunder, and

(b) constituting or relating to the SRM Regulation as amended from time to time,

in each case, pursuant to which the obligations of a regulated entity (or other affiliate of a regulated entity) can be reduced (including to zero), cancelled or converted into shares, other securities, or other obligations of such regulated entity or any other person.

A reference to a “**regulated entity**” is to any entity to which, for the purposes of (a) above, the Italian BRRD Decree applies and, for the purposes of (b) above, the SRM Regulation applies, which in each case includes certain credit institutions, investment firms, and certain of their parent or holding companies.

“**Luxembourg Bail-in Power**” means any write-down or conversion power existing from time to time (including, without limitation, any power to amend or alter the maturity of eligible liabilities of an institution under resolution or amend the amount of interest payable under such eligible liabilities or the date on which interest becomes payable, including by suspending payment for a temporary period under, and exercised in compliance with any laws, regulations, rules or requirements (together, the “**Luxembourg Regulations**”) in effect in Luxembourg:

(a) relating to the transposition of the BRRD as amended from time to time, including but not limited to, the Luxembourg act dated 18 December 2015 on resolution, recovery and liquidation measures of credit institutions and certain investment firms, as amended from time to time (the “**BRR Act 2015**”), and any other laws, grand ducal regulation, or regulation or circular issued by the Luxembourg competent authority in relation thereto, and

(b) constituting or relating to the SRM Regulation as amended from time to time,

in each case, pursuant to which the obligations of a regulated entity (or other affiliate of a regulated entity) can be reduced (including to zero), cancelled or converted into shares, other securities, or other obligations of such regulated entity or any other person.

A reference to a “**regulated entity**” is to any entity to which, for the purposes of (a) above, the BRR Act 2015 applies and, for the purposes of (b) above, the SRM Regulation applies, which in each case includes certain credit institutions, investment firms, other professionals in the financial sector which are managing funds for third parties, financial holding companies and certain of their parent or holding companies, as well as branches in Luxembourg of institutions established in a third country.

“**Relevant Bail-in Power**” means the Dutch Bail-in Power, the French Bail-in Power, the German Bail-in Power, the Irish Bail-in Power, the Italian Bail-in Power, the Luxembourg Bail-in Power, the Spanish Bail-in Power or the UK Bail-in Power, as applicable.

“**Spanish Bail-in Power**” means any write-down or conversion power existing from time to time (including for this purpose, without limitation, any power to amend or alter the maturity of eligible liabilities of an institution under resolution or amend the amount of interest payable under such eligible liabilities or the date on which interest becomes payable, including by suspending payment for a temporary period) under, and exercised in compliance with, any laws, regulations, rules or requirements (together, the “**Spanish Regulations**”) in effect in Spain:

(a) relating to the transposition of the BRRD as amended from time to time, including but not limited to, Law 11/2015 of 18 June as amended from time to time, and the instruments, rules and standards created thereunder, and

(b) constituting or relating to the SRM Regulation as amended from time to time,

in each case, pursuant to which the obligations of a regulated entity (or other affiliate of a regulated entity) can be reduced (including to zero), cancelled or converted into shares, other securities, or other obligations of such regulated entity or any other person.

A reference to a “**regulated entity**” is to an entity subject to the scope of application of Law 11/2015 which includes certain credit institutions, investment firms, and certain of their parent or holding companies and, with respect to the SRM Regulation, to any entity referred to in Article 2 of the SRM Regulation.

“**SRM Regulation**” means Regulation (EU) No 806/2014 of the European Parliament and of the Council of 15 July 2014 establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of a Single Resolution Mechanism and a Single Resolution Fund and amending Regulation (EU) No 1093/2010.

“**UK Bail-in Power**” means any write-down or conversion power existing from time to time (including, without limitation, any power to amend or alter the maturity of eligible liabilities of an institution under resolution or amend the amount of interest payable under such eligible liabilities or the date on which interest becomes payable, including by suspending payment for a temporary period) under, and exercised in compliance with, any laws, regulations, rules or requirements (together, the “**UK Regulations**”) in effect in the United Kingdom relating to the transposition of the BRRD as amended from time to time, including but not limited to, the Banking Act 2009 as amended from time to time, and the instruments, rules and standards created thereunder, pursuant to which the obligations of a regulated entity (or other

affiliate of a regulated entity) can be reduced (including to zero), cancelled or converted into shares, other securities, or other obligations of such regulated entity or any other person.

A reference to a “**regulated entity**” is to any BRRD Undertaking as such term is defined under the PRA Rulebook promulgated by the United Kingdom Prudential Regulation Authority or to any person falling within IFPRU 11.6, of the FCA Handbook promulgated by the United Kingdom Financial Conduct Authority, both as amended from time to time, which includes, certain credit institutions, investment firms, and certain of their parent or holding companies.