

TBMA/ISMA GLOBAL MASTER REPURCHASE AGREEMENT (2000 VERSION)

Japanese Securities Annex

Supplemental terms and conditions for Transactions in Japanese Securities

This Annex constitutes an Annex to the TBMA/ISMA Global Master Repurchase Agreement dated _____ between and (the "Agreement").

1. Scope

Paragraphs 2 and 3 of this Annex apply to all Transactions involving Securities issued in Japan ("*Japanese Securities*"), but not to other Transactions in other Securities. Paragraphs 2 and 4 of this Annex apply where (a) one of the parties is, and the other party is not, resident in Japan for tax purposes and (b) where the parties have agreed that the Purchased Securities for Transactions will comprise or include Exempt Securities. For the purposes of this Annex "*Exempt Securities*" means Securities which are specified in the Tax Special Measurement Law (sozei tokubetsu sochi hou) and the Cabinet Order of the Tax Special Measurement Law for the purpose of the exemption from the withholding of the interests received from certain Japanese financial institutions as specified in the Tax Special Measurement Law, with respect to the transactions of sale and repurchase of, or those of the sale and purchase with buy/sell back conditions of, the certain securities; provided that such transactions meet the requirements as provided in the relevant laws and regulations.

2. Interpretation

(a) Paragraph references are to paragraphs in the Agreement unless otherwise set out herein.

(b) In the event of any conflict between the terms and conditions of this Annex and any other term of the Agreement or any Annex to the Agreement, the terms in this Annex shall prevail.

3. Amendments to Agreement

(a) In respect of Japanese Securities, paragraph 2(t) is amended by deleting the word "and" after the phrase "(ii) part of the same issue;" in line 2 and inserting the following phrase immediately after the word "amount" in line 3:

"; and (iv) of the same treatment relating to the withholding or deduction of taxes or duties"

(b) In respect of Japanese Securities, the following phrase is inserted at the end of paragraph 2(aa) after "such Margin Transfer" in line 2:

"but excluding Net Paying Securities issued in Japan".

(c) For the avoidance of doubt, "Net Paying Securities" defined in paragraph 2(ff) includes Japanese Securities in respect of which a transferee would, on the Income Payment Date following a transfer to it, be subject to a withholding on account of income tax on all or part of the Income that has accrued during the calculation period ending on that Income Payment

Date due to any facts or circumstances existing prior to the transfer to the transferee.,

(d) Paragraph 6(a) is amended as follows:

Unless otherwise agreed, all money paid hereunder (i) shall be settled through the Bank of Japan Financial Network System ("BOJ Net"), or (ii) shall be in immediately available, freely convertible funds of the relevant currency. All securities to be transferred hereunder (i) shall be transferred through the BOJ Net, or (ii) shall be in suitable form for transfer and shall be accompanied by duly executed instruments of transfer or assignment in blank (where required for transfer) and such other documentation as the transferee may reasonably request, or (iii) shall be transferred through the book entry system of Euroclear or Clearstream, or (iv) shall be transferred through any other agreed securities clearance system, or (v) shall be transferred by any other method mutually acceptable to Seller and Buyer.

(e) Paragraph 6(h) shall not apply with respect to payments in connection with the transfer of Japanese Securities.

(f) Paragraph 6(i) shall not apply with respect to the transfer of Japanese Securities.
4. Act of Insolvency

(a) Notwithstanding paragraph 2(a)(iv), an "Act of Insolvency" shall occur with respect to any party hereto immediately upon the filing of a petition in respect of it (including by the counterparty to the Agreement in respect of any obligation under the Agreement) with any court in Japan for the bankruptcy (*hasan*), corporate reorganisation (*kaisha kosei*) or civil rehabilitation (*minji saisei*) of such party, regardless of the "not having been stayed or dismissed within 30 days of its filing" provision.

(b) Notwithstanding paragraph 10(a)(vi), the occurrence with respect to Seller or Buyer of an Act of Insolvency identified in the preceding paragraph 4(a) of this Annex shall constitute an Event of Default without the service of a Default Notice on the Defaulting Party; provided, however, that any party hereto who has become aware of such an Act of Insolvency shall immediately notify the other party of such occurrence.

Except as amended herein, the Agreement shall continue to have full force and effect in all respects.