CZECH BANKING ASSOCIATION

On the basis of standard documentation published by the European Banking Federation

MASTER AGREEMENT FOR FINANCIAL TRANSACTIONS

PRODUCT ANNEX

FOR DERIVATIVES TRANSACTIONS

Edition 2009

This Annex, together with any Supplement thereto, supplements the General Provisions which form part of any Master Agreement for Financial Transactions based on the form published by the CBA.

1. Purpose, Applicability

(1) *Purpose.* The purpose of this Annex ("Derivatives Annex") is to govern Transactions ("Derivative Transactions") which are

(a) over-the- counter market transactions, including, but not limited to, forward, swap, option, cap, floor, and collar transactions, any combination of these and any other similar transactions, the object of which is

(i) the exchange of amounts of money denominated in different currencies,

(ii) the delivery or transfer of currencies, securities, financial instruments, commodities, precious metals, energy (including but not limited to gas and electricity) or any other assets,

(iii) the payment of money, if either the obligation to make such payment, or the amount thereof, is contingent upon market-related, credit-related or other events or circumstances, (including, but not limited to, the level of interest or exchange rates, credit spreads, prices, market or economic indices, statistics, weather conditions, economic conditions or any other measurement),

(iv) any combination of the foregoing; or

(b) any transaction referred to in Section l(2)(a) of this Annex.

(2) *Applicability.* If this Annex forms part of a Master Agreement between any two parties, such Master Agreement (including this Annex) shall apply to any Derivative Transaction between such parties which is to be conducted by each party through a Booking Office specified in such Master Agreement in respect of Derivative Transactions and which either

(a) has been entered into subject to the terms of such Master Agreement (whether or not the transaction is of a type referred to in Section l(l)(a) of this Annex), or

(b) is a Foreign Exchange Transaction if the parties have specified in Section 2 of the Special Provisions that the Foreign Exchange Supplement shall be incorporated into this Annex, or

(c) is of a type specified in the Special Provisions as being a type to which this Annex shall apply.

2. Other Market Standard Documentation

If the parties have, in the Special Provisions, a Confirmation or otherwise, incorporated into the terms of a Transaction any Market Standard Documentation, in whole or in part, such documentation (or parts thereof) so incorporated shall apply to such Transaction. For the avoidance of doubt, the terms of such Market Standard Documentation shall, unless the parties have agreed otherwise, be construed in accordance with the law agreed by the parties in Section 4 of the Special Provisions to govern the Master Agreement.

"Market Standard Documentation" means a documentation (including, but not limited to, any documentation published by a member association of the CBA or by an industry association) which sets out for different types of Transactions the terms and technical characteristics relating to such Transactions and which may include one or more definitions, lists of definitions, addenda (including, but not limited to, samples of Confirmation) or provisions for use in connection with other market standard master agreements.

3. Margin Provisions

Any obligations of the parties to transfer cash or Securities as Margin under certain circumstances shall be performed in accordance with the provisions of the applicable Margin Maintenance Annex or with any other rules to be separately agreed.

4. Definitions common to Supplements to this Annex

"Calculation Agent" means the party or any other third person specified as such in respect of the relevant Transaction; the Calculation Agent shall make all calculations, adjustments, determinations, estimates,

anticipations or selections in good faith and in a reasonable manner;

"Cash Settlement Currency" means the Czech crown, unless otherwise agreed;

"Effective Date" means the date agreed as such between the parties in respect of the relevant Transaction or, failing such agreement, the Trade Date; the Effective Date is the first day of the term of the Transaction and shall not be subject to adjustments in accordance with Section 3(6) of the General Provisions, unless otherwise specified by the parties;

"Exchange" means the regulated or organised exchange(s) or the quotation system(s) for any underlying asset or any underlying measurement of a Transaction, agreed as such between the parties. This definition shall be subject to any modification which may be agreed in any Confirmation or agreed between the parties in a separate document (including any applicable Supplement) or otherwise;

"Exchange Business Day" means a day on which the Exchange(s) is/are open for trading. If any payment or delivery date, any determination or valuation date, any commencement or termination date or any exercise date agreed between the parties which is deemed to be an Exchange Business Day is not an Exchange Business Day, the provisions of Section 3(6) of the General Provisions shall be applicable provided that for purposes of application of those provisions, references to a "Business Day" shall be deemed to be references to an "Exchange Business Day";

"Market Disruption Convention" means any provisions incorporated in any Confirmation or agreed between the parties in a separate document (including any applicable Supplement) or otherwise, providing for the consequences of a Market Disruption Event occurring and continuing at the Valuation Time on any Valuation Date;

"Market Disruption Event" means in respect of any underlying asset or measurement of a Transaction and to the extent such underlying asset or measurement is subject to quotations, the situation where the Calculation Agent ascertains during the one-half hour period that ends at the relevant Valuation Time any suspension of quotations or any material limitation of trading (in particular by reason of movements in prices exceeding the limits allowed by any relevant exchange(s), or any relevant central bank or any market undertaking or otherwise) on the relevant exchange(s), of the underlying asset or measurement or, as the case may be, of any future or option contract relating to the underlying asset or measurement. This definition shall be subject to any modification which may be agreed in any Confirmation or agreed between the parties in a separate document (including any applicable Supplement) or otherwise;

"Settlement Date" means, subject to any modifications made in an applicable Supplement and to adjustments in accordance with Section 3(6) of the General Provisions, each date agreed between the parties upon which payments, deliveries or transfers shall be made in respect of the relevant Transaction;

a payment shall be **"simultaneous"** if it occurs as part of a delivery-versus-payment system or, should such system not exist or the use of such system in the given circumstances not be customary, if it occurs on the same day as the delivery or transfer of currencies, securities, financial instruments, commodities, precious metals, energy or any other assets;

"Termination Date" means the date agreed as such between the parties in respect of the relevant Transaction or, failing such agreement, the last Settlement Date of the Transaction; the Termination Date is the last day of the term of the Transaction and shall not be subject to adjustments in accordance with Section 3(6) of the General Provisions, unless otherwise specified by the parties;

"Trade Date" means the date on which the parties enter into the relevant Transaction;

"Valuation Date" means, subject to adjustments in accordance with the applicable Market Disruption Convention or Section 3(6) of the General Provisions, (i) the date agreed as such between the parties on which the relevant prices, interest rates, exchange rates, credit spreads, market or economic indices, statistics, weather conditions, economic conditions or any other measurement are to be determined in respect of the relevant Transaction or, failing such agreement, (ii) the date so specified in the applicable Supplement;

"Valuation Time" means the time agreed as such between the parties in respect of the relevant Transaction or, failing such agreement, the close of business on the Valuation Date.