

CZECH BANKING ASSOCIATION

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

MASTER AGREEMENT FOR FINANCIAL TRANSACTIONS

dated as of _____

between

_____ and _____

("Party A")

("Party B")

SPECIAL PROVISIONS

Edition 6/2015

1. Introduction

An inseparable part of this contractual arrangement (the "Special Provisions") are the general provisions of the Master Agreement for Financial Transactions, Edition 6/2015, published by the Czech Banking Association (the "CBA") based on master documentation published by the European Banking Federation (the "General Provisions") and all annexes (each an "Annex" and collectively "Annexes") or Supplements (each a "Supplement" and collectively "Supplements") referred to below in Section 2 that were also published by the CBA.

The parties are aware that these Special Provisions together with the General Provisions [and all the [Annexes] and [Supplements] referred to below in Section 2] constitute a Master Agreement for Financial Transactions (the "Master Agreement") under which the parties may enter into financial transactions or which the parties may incorporate in the terms of certain or all financial transactions entered into between them and thus make the financial transactions subject to the Master Agreement. These Special Provisions amend and supplement the General Provisions that are part of the Master Agreement.

The parties are therefore aware that the Transactions they have or will enter into between them and that are or will be subject to the Master Agreement, as well as all rights and duties under the Agreement and relations created under or in connection with the Master Agreement that are not governed by the terms agreed for a particular Transaction in relation to such particular Transaction and are not governed by these Special Provisions shall be governed by the General Provisions [and all the [Annexes] and [Supplements] referred to below in Section 2][, including, among others, the Margin Maintenance Annex, Edition 6/2015], unless otherwise agreed. The parties confirm that they are familiar with the General Provisions [and all the [Annexes] and [Supplements] referred to below in Section 2][, including, among others, the Margin Maintenance Annex, Edition 6/2015], that they agree with them, undertake to comply with them and ensure that they are complied with by persons authorised by them.

Unless expressly defined in these Special Provisions, capitalised terms have the same meaning as in the General Provisions [and the respective [Annexe(s)] and [Supplement(s)]].

2. Incorporation of Documents

The following documents, all in the [Czech / English] language, published by the CBA are hereby incorporated into and shall accordingly form part of the Master Agreement:

- (a) the General Provisions, Edition 6/2015
(b) the following Annex[es]¹

Product Annex[es] for :							
Repurchase Transactions, Edition 6/2015							
Securities Simple Loans, Edition 6/2015							
Derivative			Transactions,		Edition		6/2015
Supplement	for	Foreign	Exchange	Transactions,	Edition		6/2015
Supplement	for	Interest	Rate	Transactions,	Edition		6/2015
Supplement for Option Transactions, Edition 6/2015							
Supplement for Commodity Transactions, Edition 6/2015							
Supplement for EU Emissions Allowance Transaction, Edition 6/2015							
Margin Maintenance Annex, Edition 6/2015							
Other Supplements (give details)							

3. Addresses for notices (Section 8(1) of the General Provisions)

The addresses for notices and other communications between the parties are: ...

4. Governing law, Settlement of Disputes, Jurisdiction, Arbitration (Section 11(1) and (2) of the General Provisions)

The law governing the Agreement is law.

Settlement of Disputes:

Jurisdiction²: The court(s) referred to in Section 11(2) is/are [Municipal Court in Prague].

Arbitration³: The rules of arbitration referred to in Section 11(2) are the Rules of Arbitration of⁴ [The arbitration court attached to the Economic Chamber of the Czech Republic and Agricultural Chamber of the Czech Republic] [Euro Arbitration – European Center for Financial Dispute Resolution] [the International Chamber of Commerce] §§ [other] §§ [with which each party agrees to comply].

The parties agree to submit those disputes to [a single] [three] arbitrator[s].

Such arbitration shall take place in [Prague].

The language[s] in which arbitration shall be conducted [is] [are] [Czech / English].

5. Other provisions

⁵

6. Provisions agreed for the purposes of EMIR

This Section 6 of the Special Provisions sets out certain possibilities of election and amendments to the General Provisions which the parties may, but do not have to, exercise upon their discretion in negotiating the Special Provisions.

(i) **Reporting Roles (Section 2(3) of the General Provisions)** Party A and/or Party B, as the case may be, will be required to report information in respect of Relevant Transactions pursuant to the Reporting Obligation and in accordance with Section 2(3) of the General Provisions and this Part 6(i). In respect of each Relevant Transaction, Party A and Party B agree that,

[Party A and Party B will each report the Counterparty Data in relation to it and each report the Common Data, in each case by the [end of the working day following the conclusion, modification or termination of the Relevant Transaction] OR [deadline for reporting the Relevant Transaction as specified in [Article 9 of] EMIR] ("Reporting Deadline") and to the

¹ Delete and/or complete the references in this paragraph (b) as appropriate.

² Delete if not applicable.

³ Delete if not applicable.

⁴ If arbitration is selected, specify which rules apply.

⁵ Insert amendments (e.g. in the form of the provisions from the attached Appendix) or insert „None“

Relevant Trade Repository [and for this purpose Party [A]/[B] [and Party B] [has/have] appointed a third party ("Reporting Delegate") to comply with such obligation].⁶

OR

[Party A and Party B will each report the Counterparty Data in relation to it [and for this purpose Party [A]/[B] [and Party B] [has/have] appointed a third party ("Reporting Delegate") to comply with such obligation,] and only Party [A]/[B] will report the Common Data, in each case by the [end of the working day following the conclusion, modification or termination of the Relevant Transaction] OR [deadline for reporting the Relevant Transaction as specified in [Article 9 of] EMIR] ("Reporting Deadline") and to the Relevant Trade Repository. Party [B]/[A] hereby authorises Party [A]/[B] to report the Common Data to the Relevant Trade Repository on behalf of Party [B]/[A].]⁷

OR

[Party [A]/[B] will report (a) the Counterparty Data in relation to Party A and Party B and (b) the Common Data, in each case by the [end of the working day following the conclusion, modification or termination of the Relevant Transaction] OR [deadline for reporting the Relevant Transaction as specified in [Article 9 of] EMIR] ("Reporting Deadline") and to the Relevant Trade Repository [and for this purpose Party [A]/[B] [and Party B] [has/have] appointed a third party ("Reporting Delegate") to comply with such obligation]. Party [B]/[A] hereby authorises Party [A]/[B] to report (a) the Counterparty Data in relation to Party [B]/[A] and (b) the Common Data to the Relevant Trade Repository on behalf of Party [B]/[A].]⁸

OR

[Party [A]/[B] will report (a) the Common Data [on behalf of Party [B]/[A]] [determined in good faith by Party [A]/[B] in accordance with the Reporting Annexes and it shall be deemed that the Common Data determined in this way are the Common Data agreed in the sense of Section 2(3)(a) of the General Provisions]⁹ and (b) the Counterparty Data in relation to itself, in each case by the [end of the working day following the conclusion, modification or termination of the Relevant Transaction] OR [deadline for reporting the Relevant Transaction as specified in [Article 9 of] EMIR] ("Reporting Deadline") and to the Relevant Trade Repository [and for this purpose Party [A]/[B] has appointed a third party ("Reporting Delegate") to comply with such obligation]. [Clauses 2(3)(b) and (c) of the General Provisions shall not apply.]^{10,11}

For the purposes of Section 2(3) of the General Provisions, this Part 6(i) and Part 6(ii) below, the "Relevant Trade Repository" in respect of a Relevant Transaction will be the Trade Repository [selected by [the Reporting Party]/[the Non-Reporting Party] [or, if applicable, a Reporting Delegate]]/[agreed between Party A and Party B] from time to time for such [type or class of] [Relevant Transaction] [or, where no Trade Repository is available to record the details of such Relevant Transaction, ESMA].

[[The Reporting Party]/[The Non-Reporting Party] will notify the other party of each Relevant Trade Repository which it selects for the purposes of Section 2(3) of the General Provisions and this Part 6(i). Such notification shall be effective [on receipt].]¹²

[If a Reporting Delegate selects a Relevant Trade Repository (including, in the case of a central clearing house authorised under Article 14 of EMIR or recognised under Article 25 of EMIR ("CCP"), pursuant to its relevant rules, conditions, procedures, regulations, standard terms, membership agreements, collateral addenda, notices, guidance, policies or other such documents promulgated by the relevant CCP and amended and supplemented from time to time ("Rule Set")), the party which appointed such Reporting Delegate will notify the other party of such selection. Such notification shall be effective [on receipt].]¹³

(ii) Remedies for Breach of Reporting Obligations (Section 2(3) of the General Provisions)

[(x) Without prejudice to the rights, powers, remedies and privileges provided by law, failure by a party to take any action required by Section 2(3) of the General Provisions and/or Part 6(i) above will not constitute [an Event of Default] [or] [a Change of Circumstances] under the Agreement.]

⁶ This drafting provides that each party will report its own Counterparty Data and the Common Data. The language also allows for a Reporting Delegate to be appointed by one or both parties to carry out the reporting obligations.

⁷ This drafting provides that each party will report its own Counterparty Data. The language also allows for a Reporting Delegate to be appointed by one or both parties to carry out the reporting obligations in respect of such Counterparty Data. The language provides for the Common Data to be reported by one party only.

⁸ This drafting provides that one party will report both their own and their counterparty's Counterparty Data and the Common Data. The language also allows for a Reporting Delegate to be appointed by one or both parties to carry out the reporting obligations.

⁹ It will be suitable to use this drafting when one of the parties is an entity to which EMIR does not apply (i.e. e.g. the Czech National Bank).

¹⁰ It will be suitable to use this drafting when one of the parties is an entity to which EMIR does not apply (i.e. e.g. the Czech National Bank).

¹¹ This drafting provides that a party will report its Counterparty Data and the Common Data. The language also allows for a Reporting Delegate to be appointed by the party to carry out the reporting obligations. It will be suitable to use this drafting also when one of the parties is an entity to which EMIR does not apply (i.e. e.g. the Czech National Bank) and in such case the Reporting Party will always be the party different from the entity to which EMIR does not apply. In such case the part of this provision dealing with the appointment of a Reporting Delegate, who will perform the reporting obligation, does not apply.

¹² Parties may wish to include this wording where one party selects the Relevant Trade Repository in accordance with the definition of that term.

¹³ Parties may wish to include this wording where the definition of Relevant Trade Repository contemplates that it might be selected by a Reporting Delegate.

[(x) [Without prejudice to Section 2(3)(c) of the General Provisions, if the parties fail to agree the Common Data in accordance with Section 2(3)(a) of the General Provisions then each party is entitled to report the relevant Common Data to [a Trade Repository] OR [the Relevant Trade Repository] or to appoint a Reporting Delegate to make such report on its behalf.]]¹⁴

[(x) If the Reporting Party fails to report the Common Data and/or the Counterparty Data by the Reporting Deadline in accordance with Part 6(i) above and the Non-Reporting Party is subject to the Reporting Obligation then, without prejudice to Section 2(3)(c) of the General Provisions, the Non-Reporting Party is nonetheless entitled to report the relevant Common Data and/or the Counterparty Data in relation to it to [a Trade Repository] OR [the Relevant Trade Repository] or to appoint a Reporting Delegate to make such report on its behalf.

[Without prejudice to the rights, powers, remedies and privileges provided by law, failure by a party to take any action required by Section 2(3) of the General Provisions and/or Part 6(i) will not constitute an [Event of Default] [or a Change of Circumstances] under the Agreement if it is caused by an error or omission of an administrative or operational nature which is outside of the Reporting Party's control.]]^{15 16}

(iii) Confidentiality Waiver (Section 10 of the General Provisions)

[(x) Section 10 of the General Provisions is amended by inserting after Section 10(13) a new Section 10(14), which provides as follows:

„(14) Confidentiality Waiver. Notwithstanding anything to the contrary in this Agreement or in any non-disclosure, confidentiality or other agreement between the parties, each party hereby consents to the disclosure of information:

(a) to the extent required or permitted under, or made in accordance with, the provisions of EMIR and any applicable supporting law, rule or regulation ("EMIR and Supporting Regulation") which mandate reporting and/or retention of transaction and similar information or to the extent required or permitted under, or made in accordance with, any order or directive in relation to (and including) EMIR and Supporting Regulation regarding reporting and/or retention of transaction and similar information issued by any authority or body or agency in accordance with which the other party is required or accustomed to act ("Reporting Requirements"); or

(b) to and between the other party's head office, branches or Affiliates, or any persons or entities who provide services to such other party or its head office, branches or Affiliates, in each case, in connection with such Reporting Requirements.

Each party acknowledges that pursuant to EMIR and Supporting Regulation, regulators require reporting of trade data to increase market transparency and enable regulators to monitor systemic risk to ensure safeguards are implemented globally.

Each party further acknowledges that disclosures made pursuant hereto may include, without limitation, the disclosure of trade information including a party's identity (by name, address, corporate affiliation, identifier or otherwise) to any Trade Repository or one or more systems or services operated by any such Trade Repository ("TR") and any relevant regulators (including without limitation, the ESMA and national regulators in the European Union) under EMIR and Supporting Regulation and that such disclosures could result in certain anonymous transaction and pricing data becoming available to the public. Each party further acknowledges that, for purposes of complying with regulatory reporting obligations, a party may use a third party service provider to transfer trade information into a TR and that a TR may engage the services of a global trade repository regulated by one or more governmental regulators. Each party also acknowledges that disclosures made pursuant hereto may be made to recipients in a jurisdiction other than that of the disclosing party or a jurisdiction that may not necessarily provide an equivalent or adequate level of protection for personal data as the counterparty's home jurisdiction. For the avoidance of doubt, (i) to the extent that applicable non-disclosure, confidentiality, bank secrecy, data privacy or other law imposes non-disclosure requirements on transaction and similar information required or permitted to be disclosed as contemplated herein but permits a party to waive such requirements by consent, the consent and acknowledgements provided herein shall be a consent by each party for purposes of such law; (ii) any agreement

¹⁴ Recital 2 to the Reporting RTS provides that counterparties should ensure that the Common Data reported is agreed between both parties to the trade. This drafting allows for parties to report their own data or appoint a Reporting Delegate where such agreement is not reached. When one of the parties is an entity to which EMIR does not apply (i.e. e.g. the Czech National Bank), it is deemed that the Common Data determined in good faith by a party different from the entity to which EMIR does not apply are the Common Data approved in the sense of Section 2(3)(a) of the General Provisions. Therefore, in such an event this provision shall not apply.

¹⁵ Parties may wish to include a carve-out from a breach in a situation where either a failure to provide the information to the Reporting Party or the Reporting Delegate or the Reporting Party's failure to report is for reasons beyond such party's control. If included, this sub-paragraph should be conformed to the rest of the provision and the Agreement as a whole, particularly with respect to the inclusion of and/or elections made in respect of the first optional paragraph mentioned in this Part 6(ii).

¹⁶ When one of the parties is an entity to which EMIR does not apply (i.e. e.g. the Czech National Bank), it is deemed that the Common Data determined in good faith by a party different from the entity to which EMIR does not apply are the Common Data approved in the sense of Section 2(3)(a) of the General Provisions. Therefore, in such an event this provision shall not apply.

between the parties to maintain confidentiality of information contained in this agreement or in any non-disclosure, confidentiality or other agreement shall continue to apply to the extent that such agreement is not inconsistent with the disclosure of information in connection with the Reporting Requirements as set out herein; and (iii) nothing herein is intended to limit the scope of any other consent to disclosure separately given by each party to the other party.]¹⁷

The consenting party represents and warrants that any third party to whom it owes a duty of confidence in respect of the information disclosed has consented to the disclosure of that information.

[(x) Section 10(13(a) of the General Provisions is amended by inserting "or any inaccuracy of the representation and warranty in Section 10(14)" immediately after the words "to otherwise comply with Section 10(12)".]¹⁸

(Name of Party A)

(Name of Party B)

By:

By:

Name(s):
Title(s):

Name(s):
Title(s):

¹⁷ The Parties should use this drafting if one of the parties is a third country entity.
¹⁸ The Parties should use this drafting if one of the parties is a third country entity.

Appendix (Checklist) Elections and Amendments¹⁹

This Appendix (Checklist) sets out certain possibilities of election and amendments to the General Provisions and Annexes or Supplements which the parties may, but do not have to, exercise upon their discretion in negotiating the Special Provisions.

I. General Provisions

(1) Section 1(4) (Single Agreement)

The provisions of Section 1(4)(iii) shall not apply between the parties.

(2) Section 2(1) (Form)

[The party recording the provision of financial collateral in its electronic system evidencing the provision of financial collateral and enabling reproduction in unchanged form is Party [A]/[B]]/[The parties do not record the provision of financial collateral in an electronic system.]

(3) Section 2(2)(b) (Timely Confirmation) and Section 2(2)(c) (Definitions)

[The Documenting Party is Party [A]/[B]]

OR

[Section 2(2)(b) of the General Provisions shall not apply and shall be replaced by the inclusion of the following text:

In respect of each Relevant Confirmation Transaction, Party A and Party B will [use all reasonable efforts acting in good faith and a commercially reasonable manner to] ensure each Relevant Confirmation Transaction is confirmed by the Timely Confirmation Deadline.]²⁰

OR

[Section 2(2)(b) and (c) of the General Provisions shall not apply and, in respect of the delivery, confirmation or form of Confirmations, neither Party A nor Party B agree any other rights or duties in addition to the General Provisions.]²¹

(4) Section 2(2)(c) (Definitions)

[The definition of the “Confirmation Delivery Deadline” in Section 2(2)(c) of the General Provisions is replaced by the following text:

“Confirmation Delivery Deadline” means:

(i) the Business Day immediately prior to the Timely Confirmation Deadline; or

(ii) if the Timely Confirmation Deadline falls on the day that is the first Business Day immediately following the Trade Date, the Timely Confirmation Deadline by 2pm, unless otherwise agreed by the parties.

In nonstandard Transactions, Party [A]/[B] may deliver the Confirmation also after these deadlines, provided it sends it as soon as possible after the closing or agreement on the amendment to the terms of the Transaction or after the Early Termination Date.]

(5) Section 3(4) (Payment Netting)

The principle set forth in Section 3(4), first sentence, of the General Provisions is hereby extended so as to apply also to:

¹⁹ These provisions refer to clauses of the Master Agreement contemplating possible choices or modifications to be made in the Special Provisions. When any such provision is not inserted, the relevant fall back provision specified in the Master Agreement will apply. Parties may insert these provisions (or any other clause amending the terms of the Master Agreement) in paragraph no 5 (Other provisions) of the Special Provisions.

²⁰ Note that a failure to carry out this duty would (following the giving of notice by the non-defaulting party and the expiry of the 30 day grace period) result in an Event of Default under Section 6(1)(a)(iii) of the General Provisions (Other Breach of Agreement). It is always open to the parties to negotiate a different position for failure to carry out this duty if they wish to do so. For example, parties may wish to make the consequence of a failure to carry out this duty a Change of Circumstances rather than an Event of Default. Note that a Change of Circumstances is not the only other alternative consequence to an Event of Default and there are other consequences that may be negotiated.

²¹ It will be suitable to use this drafting when one of the parties is an entity to which EMIR does not apply (i.e. e.g. the Czech National Bank) or when EMIR, according to its Article 1(5), applies to it only partially in the extent of the reporting obligation under its Article 9.

- mutual payments in the same currency in respect of [the following types of Transactions: ...][all types of Transactions] and
- mutual deliveries of assets that are fungible with each other and are due in respect of [the same Transaction] [the following types of Transactions: ...] [all types of Transactions].

(6) Section 3(5) (Late Payment)

The interest surcharge referred to in Section 3(5) shall be ... % per annum.

(7) Section 3(8) (Market Value)

The price source for determining the Market Value of Securities shall be...

(8) Section 5(2) (Applicability to Guarantor)

Guarantor means

- in relation to Party A: ... (whose jurisdiction of organisation/incorporation is ...)
- in relation to Party B: ... (whose jurisdiction of organisation/incorporation is ...).

Guarantee means

- in relation to Party A: ...
- in relation to Party B: ...

(9) Section 5(3) (NFC Representation)

Party A [makes the NFC Representation / is a NFC+ Party making the NFC Representation / does not make the NFC Representation].

Party B [makes the NFC Representation / is a NFC+ Party making the NFC Representation / does not make the NFC Representation].

[For the purposes of Section 5(3)(b), the address to which a Representing Party or a Non-representing Party should deliver any Clearing Status Notice, Non-Clearing Status Notice, NFC+ Representation Notice, NFC Representation Notice or Non-representation Notice is as follows:

- in relation to Party A: ...
- in relation to Party B: ...]

[For purposes of electronic matching and counterparty recognition, the parties' DTCC Account Numbers are as follows:

- in relation to Party A: ...
- in relation to Party B: ...]

[For purposes of electronic matching and counterparty recognition, the parties' code(s) are as follows:

- in relation to Party A:
LEI (Legal Entity Identifier): []
CICI: []
[Other: []
- in relation to Party B:
LEI (Legal Entity Identifier): []
CICI: []

[Other: []]

[Section 5(3) (NFC Representation) shall not apply.]²²

(10) Section 6(1)(a)(v) (Default under Specified Transactions)

Section 6(1)(a)(v) will apply to [Party A][Party B][both parties] and "Specified Transactions" are all Specified Transactions, as Specified Transaction is defined in Section 6(v) of the General Provisions, with the following amendments (for example they may, but do not have to, include derivative and other financial transactions (to be specified) entered into with the other party and/or with any third party).

(11) Section 6(1)(a)(vi) (Cross Default)

Section 6(1)(a)(vi) shall

Section 6(1)(a)(vi) shall not apply/apply only to Party [A] [B] and not to the other party/apply with the following modifications:

The Default Threshold is:

- in relation to Party A: ...
- in relation to Party B: ...

(12) Section 6(1)(a)(viii) (Insolvency Events)

The following shall, in addition to each party's country of organisation, incorporation, principal office or residence, be a Specified Jurisdiction:

- in relation to Party A: ...
- in relation to Party B: ...

Sub-paragraph (viii) (5) (B) shall not apply/shall apply with a period of ... days instead of thirty days/shall apply only to Party [A] [B].

Section 6(1)(a)(viii) (Insolvency Events) is amended by inclusion after paragraph (9) of the following new paragraph (10):

“(10) If an Event of Default set out in paragraphs (1) – (9) of Section 6(1)(a)(viii) occurs in relation to _____ identification number _____, with its registered office at _____, it shall have consequences set out in Section 6 as if the respective Event of Default occurred in relation to Party [A] [B]”.

(13) Section 6(1)(b) (Automatic Termination)

Section 6(1)(b), second sentence, shall not apply/shall apply only in relation to Party [A][B].

(14) Section 6(2)(a) (Change of Circumstances)

Section 6(2)(a)(ii) shall extend to an Impossibility Event.

Section 6(2)(a)(iii) shall [not] apply in relation to Party [A] [B].

Section 6(2)(a)(iii) is replaced by the following text:

“(iii) Credit Event Upon Transformation and Change of Ownership.

- (1) Party [A] [B] is subject to Transformation and the creditworthiness of the Successor Company is substantially lower than the creditworthiness of this party immediately before the Transformation; or
- (2) the direct or indirect participation of _____, with its registered office ____ (“Controlling Person”) in the fully repaid registered capital of Party [A] [B] is decreased under ____ %; or the Controlling Person is unable to directly or indirectly exercise voting rights (under regular terms) on a general meeting or a similar meeting of the members of Party [A] [B], or is otherwise unable to directly or indirectly exercise its voting rights as the

²² It will be suitable to use this drafting when one of the parties is an entity to which EMIR does not apply (i.e. e.g. the Czech National Bank) or when EMIR, according to its Article 1(5), applies to it only partially in the extent of the reporting obligation under its Article 9. In such an event there will not be applied any elections included in this item (9) above, except for the respective party identifiers.

rights of a member of [A] [B], of at least ____ %, and Party [B] [A] determines this decrease of the participation in the registered capital or voting rights to be a fact that may affect the due discharge of the duties of Party [A] [B] under this Agreement.

For the purposes of this provision, the creditworthiness of the Successor Company shall be considered substantially lower if the rating of Party [A] [B] was lowered to BBB or lower (according to Standard & Poor's or Fitch) or to Baa2 or lower (according to Moody's) and, within two months after delivery of the other party's request to enter into the Margin Maintenance Annex to the party whose rating was lowered, the Margin Maintenance Annex is not entered into by the parties."

(15) Section (7) (Final Settlement Amount)

This agreement shall be the agreement on the final settlement (close-out netting) under the special legal regulation on the capital market (under the terms of Section 193 of Act No. 256/2004 Coll. on Capital Market, as amended, or under another provision that supersedes this provision at any time in the future).

(16) Section 7(1)(b) (Conversion)

"Base Currency" means...

(17) Section 8(1) (Manner of Giving Notices)

The electronic messaging system(s) for purposes of Section 8(1) is/are: ...

(18) Section 9(1) (Booking Offices)

Booking Offices may be

- in relation to Party A:
 - for Repurchase Transactions: ...
 - for Securities Simple Loans: ...
 - for Derivative Transactions.....
- in relation to Party B:
 - for Repurchase Transactions: ...
 - for Securities Simple Loans: ...
 - for Derivative Transactions.....

(19) Section 10(4) (Documents)

The following documents shall be delivered by Party A and Party B, respectively, by the dates specified below:

Type of document	To be delivered by (date)
Party A: List, identification and telephone contact of persons entitled to enter into individual Transactions	
Identification of persons entitled to execute Confirmations	
Identification of persons entitled to confirm the Confirmations	
Party B: List, identification and telephone contact of persons entitled to enter into individual Transactions	
Identification of persons entitled to execute Confirmations	
Identification of persons entitled to confirm the Confirmations	

(20) Section 10(9) (Previous Transactions and Scope of Agreement)

[Specify relevant transactions (if any) and further details (e.g. effect/cessation of effect of contractual terms governing previous transactions).]

OR

[Fully subject to this Master Agreement [as of its day of effect] are all [transaction(s) that would otherwise be Specified Transactions] that were entered into by the parties and that were not settled by the day of effect of this Master Agreement or that will be entered into by the parties at any time in the future, unless provided otherwise by the confirmation confirming their terms. Each such confirmation shall be a Confirmation in the sense of this Agreement and each such transaction shall be deemed a Transaction in the sense of this Agreement.] [If, in connection with these transactions, between the parties or only to one party there was provided any collateral, credit support or security that remained valid and effective as of the day of effect of this Master Agreement, such security shall continue to exist and, therefore, shall continue to secure the respective claims of the parties from such transactions, the Agreement or the respective claims of the parties created under or in connection with the Master Agreement.] [This Master Agreement is entered into provided that all [transaction(s) that would otherwise be Specified Transactions] that were entered into by the parties and that [will be / are] fully subject to the Master Agreement and any Transactions entered into in the future constitute a single agreement between the parties from the date of effect of this Master Agreement.]

OR

[[As of its day of effect,] this Master Agreement fully replaces the [Master Agreement] entered into by the parties on [●] (the “Replaced Agreement”), provided that subject to this Master Agreement are all [transactions] that were entered into by the parties under the Replaced Agreement and that were not settled by the day of effect of this Master Agreement or that will be entered into by the parties at any time in the future, unless provided otherwise by the confirmation confirming their terms. Each such confirmation shall be a Confirmation in the sense of this Agreement and each such transaction shall be deemed a Transaction in the sense of this Agreement.] [If, in connection with these transactions that were entered into by the parties under the Replaced Agreement, between the parties or only to one party there was provided any collateral, credit support or security that remained valid and effective as of the day of effect of this Master Agreement, such security shall continue to exist and, therefore, shall continue to secure the respective claims of the parties from such transactions, the Agreement or the respective claims of the parties created under or in connection with the Master Agreement.] [This Master Agreement is entered into provided that all [transaction(s) that would otherwise be Specified Transactions] that were entered into by the parties under the Replaced Agreement and that [will be / are] fully subject to the Master Agreement and any Transactions entered into in the future constitute a single agreement between the parties from the date of effect of this Master Agreement.]

OR

[With effect [as of its date], this Master Agreement shall replace all existing agreements between the parties relating to any Specified Transaction (as it is defined below) entered into through any Booking Office of the parties in the sense of Section 9(3) of the General Provisions or agreed in Part 5 of these Special Provisions[, except for agreements relating solely to a Transaction or Transactions specifically and individually determined in such agreement by reference to the terms of the Transaction or Transactions]. All the confirmations and all the acknowledgements relating to such Specified Transactions are Confirmations under this Master Agreement and such Specified Transactions are Transactions under this Master Agreement. If, after the date of this Master Agreement, any amount under such replaced agreement remains outstanding as a result of any Transaction, such amount shall be subject to this Master Agreement with the necessary related modifications.]

[Only for the purposes of this provision, the definition of Specified Transaction shall read as follows: “Specified Transaction” means (a) any transaction (including an agreement with respect to any such transaction) now existing or hereafter entered into between one party to this Agreement and the other party to this Agreement which is not a Transaction under this Agreement but (i) which is a rate swap transaction, swap option, basis swap, forward rate transaction, commodity swap, commodity option, equity or equity index swap, equity or equity index option, bond option, interest rate option, foreign exchange transaction, currency swap transaction, cross-currency rate swap transaction, currency option, credit protection transaction, credit swap, credit default swap, credit default option, total return swap, credit spread transaction, repurchase transaction, reverse repurchase transaction, buy/sell-back transaction, securities lending transaction, weather index transaction or forward purchase or sale of a security, commodity or other financial instrument or interest (including any option with respect to any of these transactions) or (ii) which is a type of transaction that is similar to any transaction referred to in clause (i) above that is currently, or in the future becomes, recurrently entered into in the financial markets (including terms and conditions incorporated by reference in such agreement) and which is a forward, swap, future, option or other derivative on one or more rates, currencies, commodities, investment securities or other investment instruments, (b) any combination or modification of these transactions and (c) any other transaction identified as a Specified Transaction in this Agreement or the relevant Confirmation.]²³

(21) Section 10(10) (Agency Transactions)

Section 10(10) shall not apply / shall apply only to Party [A] [B].

(22) Section 10(12) (Portfolio Reconciliation and Dispute Resolution)

²³ This definition applies also for the other alternatives set out in this provision above.

- Party A is [Portfolio Data Sending Entity/Portfolio Data Receiving Entity] and the Portfolio Data shall be sent [insert form], unless a different manner is agreed by the parties.
- Party B is [Portfolio Data Sending Entity/Portfolio Data Receiving Entity] and the Portfolio Data shall be sent [insert form], unless a different manner is agreed by the parties.

[With respect to Section 10(12)(c), Party [A][B] appoints the following Affiliate as its agent: []]²⁴

[For the purposes of Section 10(12)(c), [Party A] [and] [Party B] may use a third party service provider.]²⁵

[Sections 10(12) (Portfolio Reconciliation and Dispute Resolution) and 10(13) (Common Provisions) shall not apply.]²⁶

(23) Section 11(3) (Service of Process)

The Process Agent (Section 11(3)) is

- in relation to Party A: ...
- in relation to Party B: ...

II. **Margin Maintenance Annex**

(1) Transactions and groups of Transactions covered

Net Exposure shall be calculated, and Margin transferred, in respect of the following Booking Offices and types of Transactions:

(i) [all Booking Offices in the aggregate]

[each Booking Office of Party A/B]²⁷

[each pair of Booking Offices of Party A and Party B]²⁸

[other arrangement]

(ii) [the aggregate of all Repurchase Transactions, Securities Simple Loans and Derivative Transactions],

[the aggregate of all Repurchase Transactions, of all Securities Simple Loans and of all Derivative Transactions in each case separately],

[the aggregate of all Transactions relating to fixed income Securities, of all Transactions relating to equity Securities and of Derivative Transactions, in each case separately],

[each Transaction separately],

[other arrangement].

(2) Eligible Margin

Cash Margin: eligible currencies (other than the Base Currency):

Currency	Valuation Percentage	Transferring party	
		[Party A]	[Party B]
[]	[]%		

Interest payable on Cash Margin:

Margin Securities:

²⁴ Optional. If you wish to name an Affiliate as agent, please insert the full legal name here. You may, if you wish, also add contact details for the Affiliate.

²⁵ Optional. If you wish to identify that you might, with the agreement of your counterparty, use a third party service provider, please retain this sentence in full.

²⁶ It will be suitable to use this drafting when one of the parties is an entity to which EMIR does not apply (i.e. e.g. the Czech National Bank) or when EMIR, according to its Article 1(5), applies to it only partially in the extent of the reporting obligation under its Article 9. In such an event there will not be applied any elections included in this item (20) above.

²⁷ If one Party acts through more than one office.

²⁸ If both parties act through more than one office.

	Eligible Securities	Valuation Percentage	Transferring party	
(i)	Negotiable debt obligations issued by the Government of [] having an original maturity at issuance of not more than [one year]	[] %	[Party A]	[Party B]
(ii)	Negotiable debt obligations issued by the Government of [] having an original maturity at issuance of more than [one year] but not more than 10 years	[] %	[Party A]	[Party B]
(iii)	Other:		[Party A]	[Party B]

(3) "Valuation Agent" means: ...

(4) Valuation Procedure

(a) "Valuation Date" means each [Business Day/Monday...]

(b) "Independent Amount" means

(i) an additional amount in favour of Party B (*Independent Amount* provided to Party B): ...

(ii) an additional amount in favour of Party A (*Independent Amount* provided to Party A): ...

(c) "Exposure Threshold" means:

(i) in relation to the Net Exposure of Party A to Party B (Party B is the Margin Recipient): ...

(i) in relation to the Net Exposure of Party B to Party A (Party A is the Margin Recipient): ...

(d) "Minimum Transfer Amount" means: ...

(e) Rounding

"The amount of Monetary Margin that is required by any party (for delivery or return) shall be rounded to the closest integral multiple of and transferred in the amount after rounding; if any such required amount of Monetary Margin is precisely a half of the respective integral multiple, the required amount of Monetary Margin shall be rounded up."

[(f) Repurchase transactions

(i) In entering into a Repurchase Transaction, the parties may agree also the following values (unless agreed otherwise by the parties in entering into the Repurchase Transaction):

"Haircut" (also "Initial Haircut") expressed as a percentage, which shall be calculated as follows:

$$IH = (THN / KC - 1)$$

where:

- IH is the Initial Haircut;
- THN is the Market Value of the Purchased Securities at the moment of entering into the Transaction (Repurchase Transaction);
- KC is the Purchase Price.

For the purposes of calculation of the Net Exposure, the Haircut shall be expressed solely as follows:

$$H = THN / KC$$

where:

- THN is the Market Value of the Purchased Securities at the moment of entering into the Transaction (Repurchase Transaction);
- KC is the Purchase Price.

"Trigger Haircut" expressed as a fraction agreed for the purposes of determination of the Exposure Threshold, provided the Exposure Threshold shall be calculated as follows:

$$PA = THNO * \left[\left(\frac{IH+1}{TH+1} \right) - 1 \right]$$

where:

- PA is the Exposure Threshold;
- THNO is the aggregate of the Market Values of any Securities transferred to the Buyer in a Repurchase Transaction or under the Margin Maintenance Annex and the Market Values of any Monetary Margin transferred to the Buyer that have not been returned to the Seller, determined as at the Valuation Date;
- IH is the Initial Haircut;
- TH is the Trigger Haircut.

(ii) Section 2(6) (Margin Thresholds) in relation to Repurchase Transactions reads as follows:

“Margin Thresholds. Except in the case of a return of Margin pursuant to subsection 7, a transfer of Margin will take place only if:

- (a) The Adjusted Net Exposure of the Margin Provider exceeds the threshold agreed in the way stipulated in these Special Provisions (the “Exposure Threshold”) and, at the same time,
- (b) if the Market Value of the transferred Margin exceeds the minimum amount, if any, agreed for such transfer (the “Minimum Transfer Amount”).

If the parties fail to agree on the Exposure Threshold (i.e. the parties fail to agree on the Trigger Haircut), it shall equal zero.

The Margin Provider must transfer to the Margin Recipient the Margin with the total Market Value of at least the Adjusted Net Exposure.

If the Margin is to be transferred by the Buyer, the Buyer will transfer to the Seller the Margin only to the extent to which the Adjusted Net Exposure is composed of the Margin transferred to the Buyer by the Valuation Date.”.]

(5) One-way Margin Maintenance Annex

The parties have agreed that in relation to Derivative Transactions, in all cases governed by the Margin Maintenance Annex, the Margin Provider shall mean only Party B and the Margin Recipient shall mean only Party A. For the avoidance of doubt, the parties declare that this Margin Maintenance Annex enables only one-way transfer of Margin from Party B to Party A, and in this way shall be interpreted also the other terms used in the Agreement.

(6) Margin Transfer Deadline

The date by which transfers of Margin have to be effected pursuant to Section 2(2) of the Margin Maintenance Annex shall be...

III. Other Annexes

Repurchase Annex

(1) Section 2(7)(v) shall apply.

(2) The Annex for Repurchase Transactions shall be supplemented by the following new Section 7:

“(7) The Seller shall, without undue delay, compensate the Buyer for all costs actually incurred to the Buyer in connection with the keeping of Securities on the Buyer’s asset account and that were transferred to the Buyer by the Seller as Purchased Securities or Margin if:

- (a) such asset account of the Buyer is not kept with the following authorised custodians: Clearstream, Euroclear, Czech National Bank or Centrální depozitář cenných papírů, a.s.; or
- (b) the Buyer’s asset account is kept with some of the authorised custodians stipulated in item (a) of this Clause and the costs are incurred in connection with the keeping of other Securities than bonds.”

Securities Simple Lending Annex

Section 2(6)(v) shall apply.

Derivatives Annex

Section 1(2)(b)

The provisions of Section 1(2)(b) of the Derivatives Annex shall not apply to foreign exchange transactions settling within two Business Days following the date/one Business Day following the date/on the same Business Day²⁹ on which the transaction is concluded.

Section 1(2)(c)

The provisions of Section 1(2)(c) of the Derivatives Annex shall apply to the following types of Derivative Transactions:

types of Derivative Transactions

[].

Section 2

The Market Standard Documentation(s) set out below shall be incorporated into the terms of the following types of Derivative Transactions:

Market Standard Documentation(s)

types of Derivative Transactions

[]

[].

The terms in the Market Standard Documentation(s) which have been incorporated into the terms of a Derivative Transaction shall be construed in accordance with the following law(s) as set out below:

Market Standard Documentation(s)

law

[]

[].

Supplement – Interest Rate Transactions

Section 13

"Zero Interest Rate Method" will [not] apply³⁰.

Supplement for EU Emissions Allowance Transactions

Section 3, Definition "VAT Jurisdiction"

VAT Jurisdiction in relation to Party A: []

VAT Jurisdiction in relation to Party B: []

Section 3, Definition "Delivering Party's Delivery Business Day Location"

Delivery Business Day Location for Delivering Party: []

Section 3, Definition "Receiving Party's Delivery Business Day Location"

Delivery Business Day Location for Receiving Party: []

Section 3, Definition "Specified Holding Account"

²⁹ Delete where not applicable

³⁰ If you wish to exclude the application of negative interest rates in relation to Interest Rate Transactions, choose the application of the "Zero Interest Rate Method". Otherwise the "Negative Interest Rate Method" will apply.

Specified Holding Account of Party A: []

Specified Holding Account of Party B: []

Section 6 (3), "Further consequences of a Settlement Disruption Event"

The parties have agreed on the clause "Payment on Termination for Settlement Disruption".

IV. Effectiveness of the Master Agreement

This Master Agreement becomes valid and effective on the date of its execution, unless otherwise provided above in these Special Provisions.

This Master Agreement may also be entered into by one party delivering its signed proposal of the Master Agreement to the other party which signs the proposal and informs the proposing party about its acceptance of the proposal of the Master Agreement by entering into a transaction with the proposing party.

(name of Party A)

(name of Party B)

Signature:

Signature:

Name:
Position:

Name:
Position: