



Notice Regarding U.S. Security-Based Swap Rules

Commencing November 1, 2021, new U.S. Securities and Exchange Commission (**SEC**) rules will begin to apply to security-based swap (**SBS**) transactions between you or any counterparties you may represent (each, **Counterparty**) and BNP Paribas (**BNPP**).

As a result, to address these SEC rules, for market participants who have previously participated in the International Swaps and Derivatives Association (**ISDA**) August 2012 Dodd-Frank Protocol, the ISDA 2021 SBS Top-Up Protocol is available to allow the information and terms previously included by the parties for compliance with similar rules of the U.S. Commodity Futures Trading Commission (**CFTC**) to be “topped up” for SEC compliance. For market participants that have not participated in ISDA’s previous Dodd-Frank Protocols or need to enter new information, ISDA’s freestanding ISDA 2021 SBS Protocol can be used.

The following representations, notices, and agreements shall apply to any SBS transactions between a Counterparty and BNPP on or after November 1, 2021, unless and until Counterparty adheres to either (a) the ISDA 2021 SBS Top-Up Protocol, if applicable, or (b) the ISDA 2021 SBS Protocol:

1. Counterparty Representations. The below representations and warranties are consistent with our account records or other information available to us related to you. Unless and until you notify us to the contrary in writing to regreform.eu@uk.bnpparibas.com, by engaging in any SBS transaction with us on or after November 1, 2021 (and subsequently upon the occurrence of any offer to enter into an SBS transaction or other communication to you by personnel of an agent of BNPP located in a U.S. branch or office relating to an SBS or trading strategy involving an SBS (irrespective of whether such communication constitutes a “recommendation” for purposes of applicable SEC rules) (such offer or communication, an **SBS Communication Event**), or event that results in or is deemed to constitute a new SBS transaction (an **SBS Transaction Event**)), you will be deemed to represent and warrant that:
 - a. Eligible Contract Participant Status. Counterparty has total assets exceeding USD 10,000,000 or otherwise qualifies as an “eligible contract participant” as defined in Section 3(a)(65) of the U.S. Securities Exchange Act of 1934 (the **SEA**);
 - b. Special Entity Status. Counterparty is not a Special Entity as such term is defined in Section 15F(h)(2)(C) of the SEA and SEC Rule 15Fh-2(d) thereunder;
 - c. Institutional Counterparty Status. Counterparty or you (as assets under management for the account of others) has total assets of at least USD 50,000,000 or otherwise qualifies as an “institutional counterparty,” as defined by Rule 15Fh-3 under the SEA; and
 - d. Suitability Safe Harbors. Counterparty or any person responsible for evaluating any recommendations concerning SBS or a trading strategy involving SBS and making trading decisions on behalf of Counterparty, as applicable, is exercising independent judgment in evaluating any recommendations concerning SBS or a trading strategy involving SBS that are presented to it.

2. Suitability Disclosure. BNPP hereby discloses to Counterparty (which disclosure is deemed repeated by BNPP as of the occurrence of each SBS Communication Event on or after November 1, 2021) that BNPP is acting in its capacity as a counterparty and is not undertaking to assess the suitability of any SBS or trading strategy involving an SBS for Counterparty.
3. Daily Marks. Rule 15Fh-3 under the SEA requires BNPP to provide a daily mark for each SBS transaction. BNPP will provide you with a daily marks statement commencing November 1, 2021 through the BNPP web-based portal or by email. In addition, by engaging in any SBS transaction on or after November 1, 2021, you will be deemed to acknowledge and agree that:
 - a. With respect to each cleared SBS originally executed between Counterparty and BNPP, Counterparty will obtain any daily marks it wishes to receive for such cleared SBS from the relevant clearing agency through which Counterparty clears such cleared SBS or another third party;
 - b. With respect to each uncleared SBS between Counterparty and BNPP:
 - i. Unless otherwise agreed by the parties, any daily mark will be calculated by BNPP as of the close of business on the prior business day in the locality specified by BNPP in its notice of such daily mark to Counterparty, such locality to be consistently specified with regard to a class or type of SBS;
 - ii. The daily mark may not necessarily be a price at which either Counterparty or BNPP would agree to replace or terminate the SBS;
 - iii. Unless otherwise agreed by the parties, calls for margin may be based on considerations other than the daily mark provided; and
 - iv. The daily mark may not necessarily be the value of the SBS that is marked on BNPP's books.
4. Clearing Rights. BNPP hereby discloses (which disclosure is deemed repeated as of the occurrence of each SBS Transaction Event on or after November 1, 2021):
 - a. With respect to any SBS entered into between Counterparty and BNPP that is subject to the mandatory clearing requirements under Section 3C(a)(1) of the SEA, Counterparty has the sole right to select which of the clearing agencies through which BNPP is authorized or permitted (directly or through a designated clearing member) to clear the SBS shall be used to clear the SBS, if any;
 - b. With respect to any SBS entered into between Counterparty and BNPP that is not subject to the mandatory clearing requirements under Section 3C(a)(1) of the SEA, Counterparty may elect to require clearing of the SBS and has the sole right to select the clearing agencies through which the SBS will be cleared, provided it is a clearing agency at which BNPP is authorized or permitted (directly or through a designated clearing member) to clear the SBS; and

- c. The names of the relevant clearing agencies authorized or permitted to clear the SBS and other related disclosures are available will be made available as agreed upon by BNPP and Counterparty from time to time.
5. Resolution Authority Notice. BNPP hereby notifies you that BNPP is not an Insured Depository Institution,¹ and that BNPP is not a Financial Company.² BNPP has made a determination whether Counterparty is an Insured Depository Institution or a Financial Company based on the other information Counterparty has provided to BNPP as part of its relationship with us. If you wish to provide us with additional information regarding your status as an Insured Depository Institution or Financial Company, please contact regreform.eu@uk.bnpparibas.com. If either Counterparty or BNPP become or cease to be an Insured Depository Institution or a Financial Company, you and we agree to provide notice to each other.

If either Counterparty or BNPP are (i) a Covered Financial Company³ or (ii) an Insured Depository Institution for which the Federal Deposit Insurance Corporation (“FDIC”) has been appointed as receiver (a “covered party”), certain limitations under Title II of the Dodd-Frank Act or the Federal Deposit Insurance Act of 1950 may apply to the rights of the non-covered party to terminate, liquidate, or net any SBS by reason of the appointment of the FDIC as receiver, notwithstanding any agreement between Counterparty and BNPP. In such case, the FDIC may have certain rights to transfer SBS of the covered party under 210(c)(9)(A) of the Dodd-Frank Act, 12 U.S.C. § 5390(c)(9)(A), or 12 U.S.C. § 1821(e)(9)(A).

6. Regulatory Disclosure Consent. Notwithstanding anything to the contrary in any agreement governing SBS or in any nondisclosure, confidentiality or similar agreement between BNPP and the Counterparty, Counterparty is deemed to consent to the disclosure of information about Counterparty or its activities (a) to the extent required by the rules mandating the reporting of SBS and similar information and (b) to the extent required for BNPP to comply with any order, directive or other request or inspection of the SEC, a self-regulatory organization or a security-based swap execution facility regarding BNPP’s books and records.

Counterparty acknowledges that disclosures made may include, without limitation, the disclosure of trade information including Counterparty’s identity (by name, identifier or otherwise) to security-based swap data repositories, security-based swap execution facilities, relevant regulators and any self-regulatory organizations of which a party is a member and that such disclosures could result in certain anonymous SBS transaction and pricing data becoming available to the public. Counterparty further acknowledges that, solely for the purposes of complying with the regulatory reporting obligations discussed above, BNPP may engage the services of affiliates and/or third-party service providers provided that the BNPP shall be responsible for ensuring that any information about Counterparty or its activities that BNPP provides to an affiliate hereunder that is not otherwise available to such affiliate will be used by the affiliate solely to facilitate compliance with the relevant reporting obligations. Counterparty also acknowledges that disclosures made pursuant to this paragraph may be made to recipients in a jurisdiction other

¹ “Insured Depository Institution” means an “insured depository institution,” as defined in 12 U.S.C. § 1813.

² “Financial Company” means a “financial company,” as defined in Section 201(a)(11) of the Dodd-Frank Act, 12 U.S.C. § 5381(a)(11).

³ “Covered Financial Company” means a “covered financial company,” as defined in Section 201(a)(8) of the Dodd-Frank Act, 12 U.S.C. § 5381(a)(8).

than the U.S. and that the level of protection for personal data may differ among jurisdictions. For the avoidance of doubt, 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 deemed to be provided herein shall be a consent by Counterparty for purposes of such law.

7. Additional Disclosures. In connection with any SBS Communication Event or SBS Transaction Event on or after November 1, 2021, certain additional disclosures of material information concerning the SBS will apply. By engaging in any SBS Transaction on or after November 1, 2021, you acknowledge and agree that BNPP may provide those disclosures to Counterparty through the BNPP web-based portal or by email.

If you have any questions about the above or would like additional information on BNPP's security-based swap, please contact your BNPP representative or regreform.eu@uk.bnpparibas.com.