

Transaction or Swap Transaction exceeding the Maximum Notional Amount being deemed to remain unexercised), (ii) less than the Minimum Notional Amount will be ineffective and (iii) a Notional Amount not equal to or an integral multiple of the Integral Multiple will be deemed to be an exercise of a Notional Amount equal to the next lower integral multiple of the Integral Multiple (the Notional Amount of the Underlying Swap Transaction or Swap Transaction exceeding that amount being deemed to remain unexercised). Notwithstanding the foregoing, on any day in the Exercise Period other than the Expiration Date Buyer may exercise any Notional Amount of the Underlying Swap Transaction or Swap Transaction that does not exceed the Maximum Notional Amount if it exercises all the Notional Amount of the Underlying Swap Transaction or Swap Transaction remaining unexercised. On the Expiration Date, Buyer may exercise the entire Notional Amount of the Underlying Swap Transaction or Swap Transaction remaining unexercised.

Section 13.5. Minimum Notional Amount. “Minimum Notional Amount” means, in respect of an Option Transaction to which Multiple Exercise or Partial Exercise is applicable, the amount, if any, specified as such in the related Confirmation.

Section 13.6. Maximum Notional Amount. “Maximum Notional Amount” means, in respect of an Option Transaction to which Multiple Exercise is applicable, the amount, if any, specified as such in the related Confirmation.

Section 13.7. Automatic Exercise. If “Automatic Exercise” is specified to be applicable to a Swaption, then the Notional Amount of the Underlying Swap Transaction not previously exercised under that Swaption will be deemed to be exercised at the Expiration Time on the Expiration Date if at such time Buyer is in-the-money, unless:

(a) at such time the difference between the Settlement Rate and the Fixed Rate under the Relevant Swap Transaction is less than any applicable Threshold; or

(b) prior to such time Buyer notifies Seller or, if applicable, Seller’s Agent (orally, including by telephone, or in writing) that it does not wish Automatic Exercise to apply.

If either party believes that exercise pursuant to the provisions of this Section 13.7 has occurred, it will immediately notify the other party. Failure to provide that notification will not affect the validity of such exercise.

Section 13.8. Fallback Exercise. If “Automatic Exercise” is not specified to be applicable, “Fallback Exercise” will be deemed to apply to any Swaption in respect of which the Underlying Swap Transaction is an Interest Rate Swap. If Fallback Exercise is applicable to a Swaption, then the Notional Amount of the Underlying Swap Transaction not previously exercised under that Swaption will be deemed to be exercised at the Expiration Time on the Expiration Date if at such time Buyer is in-the-money, unless:

(a) at such time the difference between the Settlement Rate and the Fixed Rate under the Relevant Swap Transaction is less than one tenth of a percentage point (0.10% or .001); or

(b) prior to such time Buyer notifies Seller or, if applicable, Seller’s Agent (orally, including by telephone, or in writing) that it does not wish Fallback Exercise to apply.

If either party believes that exercise pursuant to the provisions of this Section 13.8 has occurred, it will immediately notify the other party. Failure to provide that notification will not affect the validity of such exercise.