

(a) the party which is out-of-the-money will pay to the party which is in-the-money, subject to any other applicable provisions, the Cash Settlement Amount, determined in accordance with the provisions of Article 18 of these 2006 Definitions, on the Mandatory Early Termination Date; and

(b) with effect from the Mandatory Early Termination Date, the Notional Amount in respect of the Swap Transaction will be reduced to zero and (other than the amount, if any, payable pursuant to the provisions of subsection (a) above) neither party will be required to make any further payments in respect of that Swap Transaction.

Section 17.2. Mandatory Early Termination Date. "Mandatory Early Termination Date" means, in respect of a Swap Transaction, the date specified as such in the related Confirmation (or determined pursuant to a method specified for such purpose), subject to adjustment in accordance with the Modified Following Business Day Convention unless otherwise specified in the related Confirmation.

ARTICLE 18

CASH SETTLEMENT

Section 18.1. Cash Settlement.

(a) In respect of each Exercise Date under a Swaption to which Cash Settlement is applicable or is deemed to be applicable, (i) if Buyer is the party which is in-the-money, Seller will pay to Buyer, subject to any other applicable provisions, the Cash Settlement Amount, if any, on the relevant Cash Settlement Payment Date and (ii) if Seller is the party which is in-the-money, no amount will be payable. If the Swaption is deemed to be exercised pursuant to the provisions of Section 13.7 (Automatic Exercise) or Section 13.8 (Fallback Exercise), Seller will pay to Buyer, subject to any other applicable provisions, the Cash Settlement Amount, if any, on the day that is two Business Days after either party notifies the other party, in accordance with the provisions of Section 13.7 (Automatic Exercise) or Section 13.8 (Fallback Exercise), that it believes such exercise has occurred.

(b) In respect of each Exercise Date under a Swap Transaction to which Optional Early Termination and Cash Settlement are applicable, the party which is out-of-the-money will pay to the party which is in-the-money, subject to any other applicable provisions, the Cash Settlement Amount on the relevant Cash Settlement Payment Date.

(c) In respect of the Mandatory Early Termination Date under a Swap Transaction to which Mandatory Early Termination is applicable, the party which is out-of-the-money will pay to the party which is in-the-money, subject to any other applicable provisions, the Cash Settlement Amount on the Mandatory Early Termination Date.

Section 18.2. Certain Definitions Relating to Cash Settlement.

(a) **Cash Settlement Amount.** "Cash Settlement Amount" means, in respect of a Swap Transaction, and in respect of an Exercise Date or Mandatory Early Termination Date, either:

(i) an amount agreed between the parties; or

(ii) if the parties are unable to agree on the Cash Settlement Amount by the Cash Settlement Valuation Time on the Cash Settlement Valuation Date, an amount determined in accordance with the Cash Settlement Method;