

Summary of margin impact of the amendments to certain cash and securities borrowing and lending arrangements

| Ultimate securities borrow / lend agreement counterparty | Principal Agreement directly with ultimate counterparty | Principal Agreement where “Acceptable Institution” custodian is acting as a principal counterparty on behalf of ultimate counterparty | Agency Agreement (qualifying as equivalent to principal) | | | |
|----------------------------------------------------------|---------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------|
| | | | “Acceptable Institution” custodian is acting as an agent counterparty on behalf of ultimate counterparty | “Acceptable Counterparty” custodian is acting as an agent counterparty on behalf of ultimate counterparty | “Regulated Entity” custodian is acting as an agent counterparty on behalf of ultimate counterparty | “Other” counterparty custodian is acting as an agent counterparty on behalf of ultimate counterparty |
| Acceptable Institution | No margin is required where agreement is confirmed | No margin is required where agreement is confirmed | <u>No margin is required where agreement is confirmed</u> <i>[same as principal agreement with Acceptable Institution custodian]</i> | <u>Margin required is excess overcollateralization amount</u> <i>[same as principal agreement with Acceptable Counterparty custodian]</i> | <u>Margin required is excess overcollateralization amount</u> <i>[same as principal agreement with Regulated Entity custodian]</i> | <u>Margin required is loan value deficiency amount</u> <i>[same as principal agreement with Other counterparty custodian]</i> |
| Acceptable Counterparty | Margin required is excess overcollateralization amount | No margin is required where agreement is confirmed | <u>No margin is required where agreement is confirmed</u> <i>[same as principal agreement with Acceptable Institution custodian]</i> | <u>Margin required is excess overcollateralization amount</u> <i>[same as principal agreement with Acceptable Counterparty custodian]</i> | <u>Margin required is excess overcollateralization amount</u> <i>[same as principal agreement with Regulated Entity custodian]</i> | <u>Margin required is loan value deficiency amount</u> <i>[same as principal agreement with Other counterparty custodian]</i> |
| Regulated Entity | Margin required is excess overcollateralization amount | No margin is required where agreement is confirmed | <u>No margin is required where agreement is confirmed</u> <i>[same as principal agreement with Acceptable Institution custodian]</i> | <u>Margin required is excess overcollateralization amount</u> <i>[same as principal agreement with Acceptable Counterparty custodian]</i> | <u>Margin required is excess overcollateralization amount</u> <i>[same as principal agreement with Regulated Entity custodian]</i> | <u>Margin required is loan value deficiency amount</u> <i>[same as principal agreement with Other counterparty custodian]</i> |
| Other Counterparty | Margin required is loan value deficiency amount | No margin is required where agreement is confirmed | <u>No margin is required where agreement is confirmed</u> <i>[same as principal agreement with Acceptable Institution custodian]</i> | <u>Margin required is excess overcollateralization amount</u> <i>[same as principal agreement with Acceptable Counterparty custodian]</i> | <u>Margin required is excess overcollateralization amount</u> <i>[same as principal agreement with Regulated Entity custodian]</i> | <u>Margin required is loan value deficiency amount</u> <i>[same as principal agreement with Other counterparty custodian]</i> |
| Legend for colours used in the diagram above | | Amendments’ margin result for broadened scope (to address typical situations where custodian agent is an Acceptable Institution) | | Amendments’ margin result for broadened scope (to proactively address non-typical situations where custodian agent could be one of the other counterparty types) | | |