

(Multicurrency — Cross Border)



International Swap Dealers Association, Inc.

# MASTER AGREEMENT

dated as of December 19, 2014

**THE BROOKLYN UNION GAS COMPANY**  
d/b/a NATIONAL GRID NY  
("Party A")

and

**CARGILL, INCORPORATED**  
("Party B")

have entered and/or anticipate entering into one or more transactions (each a "Transaction") that are or will be governed by this Master Agreement, which includes the schedule (the "Schedule"), and the documents and other confirming evidence (each a "Confirmation") exchanged between the parties confirming those Transactions.

Accordingly, the parties agree as follows: ---

## 1. Interpretation

(a) **Definitions.** The terms defined in Section 14 and in the Schedule will have the meanings therein specified for the purpose of this Master Agreement.

(b) **Inconsistency.** In the event of any inconsistency between the provisions of the Schedule and the other provisions of this Master Agreement, the Schedule will prevail. In the event of any inconsistency between the provisions of any Confirmation and this Master Agreement (including the Schedule), such Confirmation will prevail for the purpose of the relevant Transaction.

(c) **Single Agreement.** All Transactions are entered into in reliance on the fact that this Master Agreement and all Confirmations form a single agreement between the parties (collectively referred to as this "Agreement"), and the parties would not otherwise enter into any Transactions.

## 2. Obligations

### (a) General Conditions.

(i) Each party will make each payment or delivery specified in each Confirmation to be made by it, subject to the other provisions of this Agreement.

(ii) Payments under this Agreement will be made on the due date for value on that date in the place of the account specified in the relevant Confirmation or otherwise pursuant to this Agreement, in freely transferable funds and in the manner customary for payments in the required currency. Where settlement is by delivery (that is, other than by payment), such delivery will be made for receipt on the due date in the manner customary for the relevant obligation unless otherwise specified in the relevant Confirmation or elsewhere in this Agreement.

(iii) Each obligation of each party under Section 2(a)(i) is subject to (1) the condition precedent that no Event of Default or Potential Event of Default with respect to the other party has occurred and is continuing, (2) the condition precedent that no Early Termination Date in respect of the relevant Transaction has occurred or been effectively designated and (3) each other applicable condition precedent specified in this Agreement.

(b) *Change of Account.* Either party may change its account for receiving a payment or delivery by giving notice to the other party at least five Local Business Days prior to the scheduled date for the payment or delivery to which such change applies unless such other party gives timely notice of a reasonable objection to such change.

(c) *Netting.* If on any date amounts would otherwise be payable:—

- (i) in the same currency; and
- (ii) in respect of the same Transaction,

by each party to the other, then, on such date, each party's obligation to make payment of any such amount will be automatically satisfied and discharged and, if the aggregate amount that would otherwise have been payable by one party exceeds the aggregate amount that would otherwise have been payable by the other party, replaced by an obligation upon the party by whom the larger aggregate amount would have been payable to pay to the other party the excess of the larger aggregate amount over the smaller aggregate amount.

The parties may elect in respect of two or more Transactions that a net amount will be determined in respect of all amounts payable on the same date in the same currency in respect of such Transactions, regardless of whether such amounts are payable in respect of the same Transaction. The election may be made in the Schedule or a Confirmation by specifying that subparagraph (ii) above will not apply to the Transactions identified as being subject to the election, together with the starting date (in which case subparagraph (ii) above will not, or will cease to, apply to such Transactions from such date). This election may be made separately for different groups of Transactions and will apply separately to each pairing of Offices through which the parties make and receive payments or deliveries.

(d) *Deduction or Withholding for Tax.*

(i) *Gross-Up.* All payments under this Agreement will be made without any deduction or withholding for or on account of any Tax unless such deduction or withholding is required by any applicable law, as modified by the practice of any relevant governmental revenue authority, then in effect. If a party is so required to deduct or withhold, then that party ("X") will:—

- (1) promptly notify the other party ("Y") of such requirement;
- (2) pay to the relevant authorities the full amount required to be deducted or withheld (including the full amount required to be deducted or withheld from any additional amount paid by X to Y under this Section 2(d)) promptly upon the earlier of determining that such deduction or withholding is required or receiving notice that such amount has been assessed against Y;
- (3) promptly forward to Y an official receipt (or a certified copy), or other documentation reasonably acceptable to Y, evidencing such payment to such authorities; and
- (4) if such Tax is an Indemnifiable Tax, pay to Y, in addition to the payment to which Y is otherwise entitled under this Agreement, such additional amount as is necessary to ensure that the net amount actually received by Y (free and clear of Indemnifiable Taxes, whether assessed against X or Y) will equal the full amount Y would have received had no such deduction or withholding been required. However, X will not be required to pay any additional amount to Y to the extent that it would not be required to be paid but for:—

(A) the failure by Y to comply with or perform any agreement contained in Section 4(a)(i), 4(a)(iii) or 4(d); or

(B) the failure of a representation made by Y pursuant to Section 3(f) to be accurate and true unless such failure would not have occurred but for (I) any action taken by a taxing authority, or brought in a court of competent jurisdiction, on or after the date on which a Transaction is entered into (regardless of whether such action is taken or brought with respect to a party to this Agreement) or (II) a Change in Tax Law.

(ii) *Liability*. If: —

(1) X is required by any applicable law, as modified by the practice of any relevant governmental revenue authority, to make any deduction or withholding in respect of which X would not be required to pay an additional amount to Y under Section 2(d)(i)(4);

(2) X does not so deduct or withhold; and

(3) a liability resulting from such Tax is assessed directly against X,

then, except to the extent Y has satisfied or then satisfies the liability resulting from such Tax, Y will promptly pay to X the amount of such liability (including any related liability for interest, but including any related liability for penalties only if Y has failed to comply with or perform any agreement contained in Section 4(a)(i), 4(a)(iii) or 4(d)).

(e) *Default Interest; Other Amounts*. Prior to the occurrence or effective designation of an Early Termination Date in respect of the relevant Transaction, a party that defaults in the performance of an payment obligation will, to the extent permitted by law and subject to Section 6(c), be required to pay interest (before as well as after judgment) on the overdue amount to the other party on demand in the same currency as such overdue amount, for the period from (and including) the original due date for payment to (but excluding) the date of actual payment, at the Default Rate. Such interest will be calculated on the basis of daily compounding and the actual number of days elapsed. If, prior to the occurrence or effective designation of an Early Termination Date in respect of the relevant Transaction, a party defaults in the performance of any obligation required to be settled by delivery, it will compensate the other party on demand if and to the extent provided for in the relevant Confirmation or elsewhere in this Agreement.

### 3. Representations

Each party represents to the other party (which representations will be deemed to be repeated by each party on each date on which a Transaction is entered into and, in the case of the representations in Section 3(f), at all times until the termination of this Agreement) that:—

(a) *Basic Representations*.

(i) *Status*. It is duly organised and validly existing under the laws of the jurisdiction of its organisation or incorporation and, if relevant under such laws, in good standing;

(ii) *Powers*. It has the power to execute this Agreement and any other documentation relating to this Agreement to which it is a party, to deliver this Agreement and any other documentation relating to this Agreement that it is required by this Agreement to deliver and to perform its obligations under this Agreement and any obligations it has under any Credit Support Document to which it is a party and has taken all necessary action to authorise such execution, delivery and performance;

(iii) *No Violation or Conflict*. Such execution, delivery and performance do not violate or conflict with any law applicable to it, any provision of its constitutional documents, any order or judgment of any court or other agency of government applicable to it or any of its assets or any contractual restriction binding on or affecting it or any of its assets;

(iv) *Consents*. All governmental and other consents that are required to have been obtained by it with respect to this Agreement or any Credit Support Document to which it is a party have been obtained and are in full force and effect and all conditions of any such consents have been complied with; and

(v) *Obligations Binding*. Its obligations under this Agreement and any Credit Support Document to which it is a party constitute its legal, valid and binding obligations, enforceable in accordance with their respective terms (subject to applicable bankruptcy, reorganisation, insolvency, moratorium or similar laws affecting creditors' rights generally and subject, as to enforceability, to equitable principles of general application (regardless of whether enforcement is sought in a proceeding in equity or at law)).

(b) **Absence of Certain Events.** No Event of Default or Potential Event of Default or, to its knowledge, Termination Event with respect to it has occurred and is continuing and no such event or circumstance would occur as a result of its entering into or performing its obligations under this Agreement or any Credit Support Document to which it is a party.

(c) **Absence of Litigation.** There is not pending or, to its knowledge, threatened against it or any of its Affiliates any action, suit or proceeding at law or in equity or before any court, tribunal, governmental body, agency or official or any arbitrator that is likely to affect the legality, validity or enforceability against it of this Agreement or any Credit Support Document to which it is a party or its ability to perform its obligations under this Agreement or such Credit Support Document.

(d) **Accuracy of Specified Information.** All applicable information that is furnished in writing by or on behalf of it to the other party and is identified for the purpose of this Section 3(d) in the Schedule is, as of the date of the information, true, accurate and complete in every material respect.

(e) **Payer Tax Representation.** Each representation specified in the Schedule as being made by it for the purpose of this Section 3(e) is accurate and true.

(f) **Payee Tax Representations.** Each representation specified in the Schedule as being made by it for the purpose of this Section 3(f) is accurate and true.

#### 4. Agreements

Each party agrees with the other that, so long as either party has or may have any obligation under this Agreement or under any Credit Support Document to which it is a party:—

(a) **Furnish Specified Information.** It will deliver to the other party or, in certain cases under subparagraph (iii) below, to such government or taxing authority as the other party reasonably directs:—

(i) any forms, documents or certificates relating to taxation specified in the Schedule or any Confirmation;

(ii) any other documents specified in the Schedule or any Confirmation; and

(iii) upon reasonable demand by such other party, any form or document that may be required or reasonably requested in writing in order to allow such other party or its Credit Support Provider to make a payment under this Agreement or any applicable Credit Support Document without any deduction or withholding for or on account of any Tax or with such deduction or withholding at a reduced rate (so long as the completion, execution or submission of such form or document would not materially prejudice the legal or commercial position of the party in receipt of such demand), with any such form or document to be accurate and completed in a manner reasonably satisfactory to such other party and to be executed and to be delivered with any reasonably required certification,

in each case by the date specified in the Schedule or such Confirmation or, if none is specified, as soon as reasonably practicable.

(b) **Maintain Authorisations.** It will use all reasonable efforts to maintain in full force and effect all consents of any governmental or other authority that are required to be obtained by it with respect to this Agreement or any Credit Support Document to which it is a party and will use all reasonable efforts to obtain any that may become necessary in the future.

(c) **Comply with Laws.** It will comply in all material respects with all applicable laws and orders to which it may be subject if failure so to comply would materially impair its ability to perform its obligations under this Agreement or any Credit Support Document to which it is a party.

(d) **Tax Agreement.** It will give notice of any failure of a representation made by it under Section 3(f) to be accurate and true promptly upon learning of such failure.

(e) **Payment of Stamp Tax.** Subject to Section 11, it will pay any Stamp Tax levied or imposed upon it or in respect of its execution or performance of this Agreement by a jurisdiction in which it is incorporated,

organised, managed and controlled, or considered to have its seat, or in which a branch or office through which it is acting for the purpose of this Agreement is located ("Stamp Tax Jurisdiction") and will indemnify the other party against any Stamp Tax levied or imposed upon the other party or in respect of the other party's execution or performance of this Agreement by any such Stamp Tax Jurisdiction which is not also a Stamp Tax Jurisdiction with respect to the other party.

## 5. Events of Default and Termination Events

(a) **Events of Default.** The occurrence at any time with respect to a party or, if applicable, any Credit Support Provider of such party or any Specified Entity of such party of any of the following events constitutes an event of default (an "Event of Default") with respect to such party:—

(i) **Failure to Pay or Deliver.** Failure by the party to make, when due, any payment under this Agreement or delivery under Section 2(a)(i) or 2(e) required to be made by it if such failure is not remedied on or before the third Local Business Day after notice of such failure is given to the party;

(ii) **Breach of Agreement.** Failure by the party to comply with or perform any agreement or obligation (other than an obligation to make any payment under this Agreement or delivery under Section 2(a)(i) or 2(e) or to give notice of a Termination Event or any agreement or obligation under Section 4(a)(i), 4(a)(iii) or 4(d)) to be complied with or performed by the party in accordance with this Agreement if such failure is not remedied on or before the thirtieth day after notice of such failure is given to the party;

(iii) **Credit Support Default.**

(1) Failure by the party or any Credit Support Provider of such party to comply with or perform any agreement or obligation to be complied with or performed by it in accordance with any Credit Support Document if such failure is continuing after any applicable grace period has elapsed;

(2) the expiration or termination of such Credit Support Document or the failing or ceasing of such Credit Support Document to be in full force and effect for the purpose of this Agreement (in either case other than in accordance with its terms) prior to the satisfaction of all obligations of such party under each Transaction to which such Credit Support Document relates without the written consent of the other party; or

(3) the party or such Credit Support Provider disaffirms, disclaims, repudiates or rejects, in whole or in part, or challenges the validity of, such Credit Support Document;

(iv) **Misrepresentation.** A representation (other than a representation under Section 3(e) or (f)) made or repeated or deemed to have been made or repeated by the party or any Credit Support Provider of such party in this Agreement or any Credit Support Document proves to have been incorrect or misleading in any material respect when made or repeated or deemed to have been made or repeated;

(v) **Default under Specified Transaction.** The party, any Credit Support Provider of such party or any applicable Specified Entity of such party (1) defaults under a Specified Transaction and, after giving effect to any applicable notice requirement or grace period, there occurs a liquidation of, an acceleration of obligations under, or an early termination of, that Specified Transaction, (2) defaults, after giving effect to any applicable notice requirement or grace period, in making any payment or delivery due on the last payment, delivery or exchange date of, or any payment on early termination of, a Specified Transaction (or such default continues for at least three Local Business Days if there is no applicable notice requirement or grace period) or (3) disaffirms, disclaims, repudiates or rejects, in whole or in part, a Specified Transaction (or such action is taken by any person or entity appointed or empowered to operate it or act on its behalf);

(vi) **Cross Default.** If "Cross Default" is specified in the Schedule as applying to the party, the occurrence or existence of (1) a default, event of default or other similar condition or event (however

described) in respect of such party, any Credit Support Provider of such party or any applicable Specified Entity of such party under one or more agreements or instruments relating to Specified Indebtedness of any of them (individually or collectively) in an aggregate amount of not less than the applicable Threshold Amount (as specified in the Schedule) which has resulted in such Specified Indebtedness becoming, or becoming capable at such time of being declared, due and payable under such agreements or instruments, before it would otherwise have been due and payable or (2) a default by such party, such Credit Support Provider or such Specified Entity (individually or collectively) in making one or more payments on the due date thereof in an aggregate amount of not less than the applicable Threshold Amount under such agreements or instruments (after giving effect to any applicable notice requirement or grace period);

(vii) **Bankruptcy.** The party, any Credit Support Provider of such party or any applicable Specified Entity of such party: —

(1) is dissolved (other than pursuant to a consolidation, amalgamation or merger); (2) becomes insolvent or is unable to pay its debts or fails or admits in writing its inability generally to pay its debts as they become due; (3) makes a general assignment, arrangement or composition with or for the benefit of its creditors; (4) institutes or has instituted against it a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding-up or liquidation, and, in the case of any such proceeding or petition instituted or presented against it, such proceeding or petition (A) results in a judgment of insolvency or bankruptcy or the entry of an order for relief or the making of an order for its winding-up or liquidation or (B) is not dismissed, discharged, stayed or restrained in each case within 30 days of the institution or presentation thereof; (5) has a resolution passed for its winding-up, official management or liquidation (other than pursuant to a consolidation, amalgamation or merger); (6) seeks or becomes subject to the appointment of an administrator, provisional liquidator, conservator, receiver, trustee, custodian or other similar official for it or for all or substantially all its assets; (7) has a secured party take possession of all or substantially all its assets or has a distress, execution, attachment, sequestration or other legal process levied, enforced or sued on or against all or substantially all its assets and such secured party maintains possession, or any such process is not dismissed, discharged, stayed or restrained, in each case within 30 days thereafter; (8) causes or is subject to any event with respect to it which, under the applicable laws of any jurisdiction, has an analogous effect to any of the events specified in clauses (1) to (7) (inclusive); or (9) takes any action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any of the foregoing acts; or

(viii) **Merger Without Assumption.** The party or any Credit Support Provider of such party consolidates or amalgamates with, or merges with or into, or transfers all or substantially all its assets to, another entity and, at the time of such consolidation, amalgamation, merger or transfer: —

(1) the resulting, surviving or transferee entity fails to assume all the obligations of such party or such Credit Support Provider under this Agreement or any Credit Support Document to which it or its predecessor was a party by operation of law or pursuant to an agreement reasonably satisfactory to the other party to this Agreement; or (2) the benefits of any Credit Support Document fail to extend (without the consent of the other party) to the performance by such resulting, surviving or transferee entity of its obligations under this Agreement.

(b) **Termination Events.** The occurrence at any time with respect to a party or, if applicable, any Credit Support Provider of such party or any Specified Entity of such party of any event specified below constitutes an Illegality if the event is specified in (i) below, a Tax Event if the event is specified in (ii) below or a Tax Event Upon Merger if the event is specified in (iii) below, and, if specified to be applicable, a Credit Event

Upon Merger if the event is specified pursuant to (iv) below or an Additional Termination Event if the event is specified pursuant to (v) below:-

(i) **Illegality.** Due to the adoption of, or any change in, any applicable law after the date on which a Transaction is entered into, or due to the promulgation of, or any change in, the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law after such date, it becomes unlawful (other than as a result of a breach by the party of Section 4(b)) for such party (which will be the Affected Party): —

(1) to perform any absolute or contingent obligation to make a payment or delivery or to receive a payment or delivery in respect of such Transaction or to comply with any other material provision of this Agreement relating to such Transaction; or

(2) to perform, or for any Credit Support Provider of such party to perform, any contingent or other obligation which the party (or such Credit Support Provider) has under any Credit Support Document relating to such Transaction;

(ii) **Tax Event.** Due to (x) any action taken by a taxing authority, or brought in a court of competent jurisdiction, on or after the date on which a Transaction is entered into (regardless of whether such action is taken or brought with respect to a party to this Agreement) or (y) a Change in Tax Law, the party (which will be the Affected Party) will, or there is a substantial likelihood that it will, on the next succeeding Scheduled Payment Date (1) be required to pay to the other party an additional amount in respect of an Indemnifiable Tax under Section 2(d)(i)(4) (except in respect of interest under Section 2(e), 6(d)(ii) or 6(e)) or (2) receive a payment from which an amount is required to be deducted or withheld for or on account of a Tax (except in respect of interest under Section 2(e), 6(d)(ii) or 6(e)) and no additional amount is required to be paid in respect of such Tax under Section 2(d)(i)(4) (other than by reason of Section 2(d)(i)(4)(A) or (B));

(iii) **Tax Event Upon Merger.** The party (the “Burdened Party”) on the next succeeding Scheduled Payment Date will either (1) be required to pay an additional amount in respect of an Indemnifiable Tax under Section 2(d)(i)(4) (except in respect of interest under Section 2(e), 6(d)(ii) or 6(e)) or (2) receive a payment from which an amount has been deducted or withheld for or on account of any Indemnifiable Tax in respect of which the other party is not required to pay an additional amount (other than by reason of Section 2(d)(i)(4)(A) or (B)), in either case as a result of a party consolidating or amalgamating with, or merging with or into, or transferring all or substantially all its assets to, another entity (which will be the Affected Party) where such action does not constitute an event described in Section 5(a)(viii);

(iv) **Credit Event Upon Merger.** If “Credit Event Upon Merger” is specified in the Schedule as applying to the party, such party (“X”), any Credit Support Provider of X or any applicable Specified Entity of X consolidates or amalgamates with, or merges with or into, or transfers all or substantially all its assets to, another entity and such action does not constitute an event described in Section 5(a)(viii) but the creditworthiness of the resulting, surviving or transferee entity is materially weaker than that of X, such Credit Support Provider or such Specified Entity, as the case may be, immediately prior to such action (and, in such event, X or its successor or transferee, as appropriate, will be the Affected Party); or

(v) **Additional Termination Event.** If any “Additional Termination Event” is specified in the Schedule or any Confirmation as applying, the occurrence of such event (and, in such event, the Affected Party or Affected Parties shall be as specified for such Additional Termination Event in the Schedule or such Confirmation).

(c) **Event of Default and Illegality.** If an event or circumstance which would otherwise constitute or give rise to an Event of Default also constitutes an Illegality, it will be treated as an Illegality and will not constitute an Event of Default.

## 6. Early Termination

(a) **Right to Terminate Following Event of Default.** If at any time an Event of Default with respect to a party (the "Defaulting Party") has occurred and is then continuing, the other party (the "Non-defaulting Party") may, by not more than 20 days notice to the Defaulting Party specifying the relevant Event of Default, designate a day not earlier than the day such notice is effective as an Early Termination Date in respect of all outstanding Transactions. If, however, "Automatic Early Termination" is specified in the Schedule as applying to a party, then an Early Termination Date in respect of all outstanding Transactions will occur immediately upon the occurrence with respect to such party of an Event of Default specified in Section 5(a)(vii)(1), (3), (5), (6) or, to the extent analogous thereto, (8), and as of the time immediately preceding the institution of the relevant proceeding or the presentation of the relevant petition upon the occurrence with respect to such party of an Event of Default specified in Section 5(a)(vii)(4) or, to the extent analogous thereto, (8).

### (b) **Right to Terminate Following Termination Event.**

(i) **Notice.** If a Termination Event occurs, an Affected Party will, promptly upon becoming aware of it, notify the other party, specifying the nature of that Termination Event and each Affected Transaction and will also give such other information about that Termination Event as the other party may reasonably require.

(ii) **Transfer to Avoid Termination Event.** If either an Illegality under Section 5(b)(i)(1) or a Tax Event occurs and there is only one Affected Party, or if a Tax Event Upon Merger occurs and the Burdened Party is the Affected Party, the Affected Party will, as a condition to its right to designate an Early Termination Date under Section 6(b)(iv), use all reasonable efforts (which will not require such party to incur a loss, excluding immaterial, incidental expenses) to transfer within 20 days after it gives notice under Section 6(b)(i) all its rights and obligations under this Agreement in respect of the Affected Transactions to another of its Offices or Affiliates so that such Termination Event ceases to exist.

If the Affected Party is not able to make such a transfer it will give notice to the other party to that effect within such 20 day period, whereupon the other party may effect such a transfer within 30 days after the notice is given under Section 6(b)(i).

Any such transfer by a party under this Section 6(b)(ii) will be subject to and conditional upon the prior written consent of the other party, which consent will not be withheld if such other party's policies in effect at such time would permit it to enter into transactions with the transferee on the terms proposed.

(iii) **Two Affected Parties.** If an Illegality under Section 5(b)(i)(1) or a Tax Event occurs and there are two Affected Parties, each party will use all reasonable efforts to reach agreement within 30 days after notice thereof is given under Section 6(b)(i) on action to avoid that Termination Event.

### (iv) **Right to Terminate.** If: —

(1) a transfer under Section 6(b)(ii) or an agreement under Section 6(b)(iii), as the case may be, has not been effected with respect to all Affected Transactions within 30 days after an Affected Party gives notice under Section 6(b)(i); or

(2) an Illegality under Section 5(b)(i)(2), a Credit Event Upon Merger or an Additional Termination Event occurs, or a Tax Event Upon Merger occurs and the Burdened Party is not the Affected Party,

either party in the case of an Illegality, the Burdened Party in the case of a Tax Event Upon Merger, any Affected Party in the case of a Tax Event or an Additional Termination Event if there is more than one Affected Party, or the party which is not the Affected Party in the case of a Credit Event Upon Merger or an Additional Termination Event if there is only one Affected Party may, by not more than 20 days notice to the other party and provided that the relevant Termination Event is then



continuing, designate a day not earlier than the day such notice is effective as an Early Termination Date in respect of all Affected Transactions.

(c) ***Effect of Designation.***

(i) If notice designating an Early Termination Date is given under Section 6(a) or (b), the Early Termination Date will occur on the date so designated, whether or not the relevant Event of Default or Termination Event is then continuing.

(ii) Upon the occurrence or effective designation of an Early Termination Date, no further payments or deliveries under Section 2(a)(i) or 2(e) in respect of the Terminated Transactions will be required to be made, but without prejudice to the other provisions of this Agreement. The amount, if any, payable in respect of an Early Termination Date shall be determined pursuant to Section 6(e).

(d) ***Calculations.***

(i) ***Statement.*** On or as soon as reasonably practicable following the occurrence of an Early Termination Date, each party will make the calculations on its part, if any, contemplated by Section 6(e) and will provide to the other party a statement (1) showing, in reasonable detail, such calculations (including all relevant quotations and specifying any amount payable under Section 6(e)) and (2) giving details of the relevant account to which any amount payable to it is to be paid. In the absence of written confirmation from the source of a quotation obtained in determining a Market Quotation, the records of the party obtaining such quotation will be conclusive evidence of the existence and accuracy of such quotation.

(ii) ***Payment Date.*** An amount calculated as being due in respect of any Early Termination Date under Section 6(e) will be payable on the day that notice of the amount payable is effective (in the case of an Early Termination Date which is designated or occurs as a result of an Event of Default) and on the day which is two Local Business Days after the day on which notice of the amount payable is effective (in the case of an Early Termination Date which is designated as a result of a Termination Event). Such amount will be paid together with (to the extent permitted under applicable law) interest thereon (before as well as after judgment) in the Termination Currency, from (and including) the relevant Early Termination Date to (but excluding) the date such amount is paid, at the Applicable Rate. Such interest will be calculated on the basis of daily compounding and the actual number of days elapsed.

(e) ***Payments on Early Termination.*** If an Early Termination Date occurs, the following provisions shall apply based on the parties' election in the Schedule of a payment measure, either "Market Quotation" or "Loss", and a payment method, either the "First Method" or the "Second Method". If the parties fail to designate a payment measure or payment method in the Schedule, it will be deemed that "Market Quotation" or the "Second Method", as the case may be, shall apply. The amount, if any, payable in respect of an Early Termination Date and determined pursuant to this Section will be subject to any Set-off.

(i) ***Events of Default.*** If the Early Termination Date results from an Event of Default: —

(1) ***First Method and Market Quotation.*** If the First Method and Market Quotation apply, the Defaulting Party will pay to the Non-defaulting Party the excess, if a positive number, of (A) the sum of the Settlement Amount (determined by the Non-defaulting Party) in respect of the Terminated Transactions and the Termination Currency Equivalent of the Unpaid Amounts owing to the Non-defaulting Party over (B) the Termination Currency Equivalent of the Unpaid Amounts owing to the Defaulting Party.

(2) ***First Method and Loss.*** If the First Method and Loss apply, the Defaulting Party will pay to the Non-defaulting Party, if a positive number, the Non-defaulting Party's Loss in respect of this Agreement.

(3) ***Second Method and Market Quotation.*** If the Second Method and Market Quotation apply, an amount will be payable equal to (A) the sum of the Settlement Amount (determined by the

Non-defaulting Party) in respect of the Terminated Transactions and the Termination Currency Equivalent of the Unpaid Amounts owing to the Non-defaulting Party less (B) the Termination Currency Equivalent of the Unpaid Amounts owing to the Defaulting Party. If that amount is a positive number, the Defaulting Party will pay it to the Non-defaulting Party; if it is a negative number, the Non-defaulting Party will pay the absolute value of that amount to the Defaulting Party.

(4) *Second Method and Loss*. If the Second Method and Loss apply, an amount will be payable equal to the Non-defaulting Party's Loss in respect of this Agreement. If that amount is a positive number, the Defaulting Party will pay it to the Non-defaulting Party; if it is a negative number, the Non-defaulting Party will pay the absolute value of that amount to the Defaulting Party.

(ii) *Termination Events*. If the Early Termination Date results from a Termination Event: —

(1) *One Affected Party*. If there is one Affected Party, the amount payable will be determined in accordance with Section 6(e)(i)(3), if Market Quotation applies, or Section 6(e)(i)(4), if Loss applies, except that, in either case, references to the Defaulting Party and to the Non-defaulting Party will be deemed to be references to the Affected Party and the party which is not the Affected Party, respectively, and, if Loss applies and fewer than all the Transactions are being terminated, Loss shall be calculated in respect of all Terminated Transactions.

(2) *Two Affected Parties*. If there are two Affected Parties: —

(A) if Market Quotation applies, each party will determine a Settlement Amount in respect of the Terminated Transactions, and an amount will be payable equal to (I) the sum of (a) one-half of the difference between the Settlement Amount of the party with the higher Settlement Amount ("X") and the Settlement Amount of the party with the lower Settlement Amount ("Y") and (b) the Termination Currency Equivalent of the Unpaid Amounts owing to X less (II) the Termination Currency Equivalent of the Unpaid Amounts owing to Y; and

(B) if Loss applies, each party will determine its Loss in respect of this Agreement (or, if fewer than all the Transactions are being terminated, in respect of all Terminated Transactions) and an amount will be payable equal to one-half of the difference between the Loss of the party with the higher Loss ("X") and the Loss of the party with the lower Loss ("Y").

If the amount payable is a positive number, Y will pay it to X; if it is a negative number, X will pay the absolute value of that amount to Y.

(iii) *Adjustment for Bankruptcy*. In circumstances where an Early Termination Date occurs because "Automatic Early Termination" applies in respect of a party, the amount determined under this Section 6(e) will be subject to such adjustments as are appropriate and permitted by law to reflect any payments or deliveries made by one party to the other under this Agreement (and retained by such other party) during the period from the relevant Early Termination Date to the date for payment determined under Section 6(d)(ii).

(iv) *Pre-Estimate*. The parties agree that if Market Quotation applies an amount recoverable under this Section 6(e) is a reasonable pre-estimate of loss and not a penalty. Such amount is payable for the loss of bargain and the loss of protection against future risks and except as otherwise provided in this Agreement neither party will be entitled to recover any additional damages as a consequence of such losses.

## 7. Transfer

Subject to Section 6(b)(ii), neither this Agreement nor any interest or obligation in or under this Agreement may be transferred (whether by way of security or otherwise) by either party without the prior written consent of the other party, except that: —

(a) a party may make such a transfer of this Agreement pursuant to a consolidation or amalgamation with, or merger with or into, or transfer of all or substantially all its assets to, another entity (but without prejudice to any other right or remedy under this Agreement); and

(b) a party may make such a transfer of all or any part of its interest in any amount payable to it from a Defaulting Party under Section 6(e).

Any purported transfer that is not in compliance with this Section will be void.

## 8. Contractual Currency

(a) *Payment in the Contractual Currency.* Each payment under this Agreement will be made in the relevant currency specified in this Agreement for that payment (the “Contractual Currency”). To the extent permitted by applicable law, any obligation to make payments under this Agreement in the Contractual Currency will not be discharged or satisfied by any tender in any currency other than the Contractual Currency, except to the extent such tender results in the actual receipt by the party to which payment is owed, acting in a reasonable manner and in good faith in converting the currency so tendered into the Contractual Currency, of the full amount in the Contractual Currency of all amounts payable in respect of this Agreement. If for any reason the amount in the Contractual Currency so received falls short of the amount in the Contractual Currency payable in respect of this Agreement, the party required to make the payment will, to the extent permitted by applicable law, immediately pay such additional amount in the Contractual Currency as may be necessary to compensate for the shortfall. If for any reason the amount in the Contractual Currency so received exceeds the amount in the Contractual Currency payable in respect of this Agreement, the party receiving the payment will refund promptly the amount of such excess.

(b) *Judgments.* To the extent permitted by applicable law, if any judgment or order expressed in a currency other than the Contractual Currency is rendered (i) for the payment of any amount owing in respect of this Agreement, (ii) for the payment of any amount relating to any early termination in respect of this Agreement or (iii) in respect of a judgment or order of another court for the payment of any amount described in (i) or (ii) above, the party seeking recovery, after recovery in full of the aggregate amount to which such party is entitled pursuant to the judgment or order, will be entitled to receive immediately from the other party the amount of any shortfall of the Contractual Currency received by such party as a consequence of sums paid in such other currency and will refund promptly to the other party any excess of the Contractual Currency received by such party as a consequence of sums paid in such other currency if such shortfall or such excess arises or results from any variation between the rate of exchange at which the Contractual Currency is converted into the currency of the judgment or order for the purposes of such judgment or order and the rate of exchange at which such party is able, acting in a reasonable manner and in good faith in converting the currency received into the Contractual Currency, to purchase the Contractual Currency with the amount of the currency of the judgment or order actually received by such party. The term “rate of exchange” includes, without limitation, any premiums and costs of exchange payable in connection with the purchase of or conversion into the Contractual Currency.

(c) *Separate Indemnities.* To the extent permitted by applicable law, these indemnities constitute separate and independent obligations from the other obligations in this Agreement, will be enforceable as separate and independent causes of action, will apply notwithstanding any indulgence granted by the party to which any payment is owed and will not be affected by judgment being obtained or claim or proof being made for any other sums payable in respect of this Agreement.

(d) *Evidence of Loss.* For the purpose of this Section 8, it will be sufficient for a party to demonstrate that it would have suffered a loss had an actual exchange or purchase been made.

## 9. Miscellaneous

- (a) *Entire Agreement.* This Agreement constitutes the entire agreement and understanding of the parties with respect to its subject matter and supersedes all oral communication and prior writings with respect thereto.
- (b) *Amendments.* No amendment, modification or waiver in respect of this Agreement will be effective unless in writing (including a writing evidenced by a facsimile transmission) and executed by each of the parties or confirmed by an exchange of telexes or electronic messages on an electronic messaging system.
- (c) *Survival of Obligations.* Without prejudice to Sections 2(a)(iii) and 6(c)(ii), the obligations of the parties under this Agreement will survive the termination of any Transaction.
- (d) *Remedies Cumulative.* Except as provided in this Agreement, the rights, powers, remedies and privileges provided in this Agreement are cumulative and not exclusive of any rights, powers, remedies and privileges provided by law.
- (e) *Counterparts and Confirmations.*
- (i) This Agreement (and each amendment, modification and waiver in respect of it) may be executed and delivered in counterparts (including by facsimile transmission), each of which will be deemed an original.
  - (ii) The parties intend that they are legally bound by the terms of each Transaction from the moment they agree to those terms (whether orally or otherwise). A Confirmation shall be entered into as soon as practicable and may be executed and delivered in counterparts (including by facsimile transmission) or be created by an exchange of telexes or by an exchange of electronic messages on an electronic messaging system, which in each case will be sufficient for all purposes to evidence a binding supplement to this Agreement. The parties will specify therein or through another effective means that any such counterpart, telex or electronic message constitutes a Confirmation.
- (f) *No Waiver of Rights.* A failure or delay in exercising any right, power or privilege in respect of this Agreement will not be presumed to operate as a waiver, and a single or partial exercise of any right, power or privilege will not be presumed to preclude any subsequent or further exercise, of that right, power or privilege or the exercise of any other right, power or privilege.
- (g) *Headings.* The headings used in this Agreement are for convenience of reference only and are not to affect the construction of or to be taken into consideration in interpreting this Agreement.

## 10. Offices; Multibranch Parties

- (a) If Section 10(a) is specified in the Schedule as applying, each party that enters into a Transaction through an Office other than its head or home office represents to the other party that, notwithstanding the place of booking office or jurisdiction of incorporation or organisation of such party, the obligations of such party are the same as if it had entered into the Transaction through its head or home office. This representation will be deemed to be repeated by such party on each date on which a Transaction is entered into.
- (b) Neither party may change the Office through which it makes and receives payments or deliveries for the purpose of a Transaction without the prior written consent of the other party.
- (c) If a party is specified as a Multibranch Party in the Schedule, such Multibranch Party may make and receive payments or deliveries under any Transaction through any Office listed in the Schedule, and the Office through which it makes and receives payments or deliveries with respect to a Transaction will be specified in the relevant Confirmation.

## 11. Expenses

A Defaulting Party will, on demand, indemnify and hold harmless the other party for and against all reasonable out-of-pocket expenses, including legal fees and Stamp Tax, incurred by such other party by reason of the enforcement and protection of its rights under this Agreement or any Credit Support Document

to which the Defaulting Party is a party or by reason of the early termination of any Transaction, including, but not limited to, costs of collection.

## 12. Notices

(a) **Effectiveness.** Any notice or other communication in respect of this Agreement may be given in any manner set forth below (except that a notice or other communication under Section 5 or 6 may not be given by facsimile transmission or electronic messaging system) to the address or number or in accordance with the electronic messaging system details provided (see the Schedule) and will be deemed effective as indicated:—

(i) if in writing and delivered in person or by courier, on the date it is delivered;

(ii) if sent by telex, on the date the recipient's answerback is received;

(iii) if sent by facsimile transmission, on the date that transmission is received by a responsible employee of the recipient in legible form (it being agreed that the burden of proving receipt will be on the sender and will not be met by a transmission report generated by the sender's facsimile machine);

(iv) if sent by certified or registered mail (airmail, if overseas) or the equivalent (return receipt requested), on the date that mail is delivered or its delivery is attempted; or

(v) if sent by electronic messaging system, on the date that electronic message is received,

unless the date of that delivery (or attempted delivery) or that receipt, as applicable, is not a Local Business Day or that communication is delivered (or attempted) or received, as applicable, after the close of business on a Local Business Day, in which case that communication shall be deemed given and effective on the first following day that is a Local Business Day.

(b) **Change of Addresses.** Either party may by notice to the other change the address, telex or facsimile number or electronic messaging system details at which notices or other communications are to be given to it.

## 13. Governing Law and Jurisdiction

(a) **Governing Law.** This Agreement will be governed by and construed in accordance with the law specified in the Schedule.

(b) **Jurisdiction.** With respect to any suit, action or proceedings relating to this Agreement ("Proceedings"), each party irrevocably:—

(i) submits to the jurisdiction of the English courts, if this Agreement is expressed to be governed by English law, or to the non-exclusive jurisdiction of the courts of the State of New York and the United States District Court located in the Borough of Manhattan in New York City, if this Agreement is expressed to be governed by the laws of the State of New York; and

(ii) waives any objection which it may have at any time to the laying of venue of any Proceedings brought in any such court, waives any claim that such Proceedings have been brought in a inconvenient forum and further waives the right to object, with respect to such Proceedings, that such court does not have any jurisdiction over such party.

Nothing in this Agreement precludes either party from bringing Proceedings in any other jurisdiction (outside, if this Agreement is expressed to be governed by English law, the Contracting States, as defined in Section 1(3) of the Civil Jurisdiction and Judgments Act 1982 or any modification, extension or re-enactment thereof for the time being in force) nor will the bringing of Proceedings in any one or more jurisdictions preclude the bringing of Proceedings in any other jurisdiction.

(c) **Service of Process.** Each party irrevocably appoints the Process Agent (if any) specified opposite its name in the Schedule to receive, for it and on its behalf, service of process in any Proceedings. If for any

reason any party's Process Agent is unable to act as such, such party will promptly notify the other party and within 30 days appoint a substitute process agent acceptable to the other party. The parties irrevocably consent to service of process given in the manner provided for notices in Section 12. Nothing in this Agreement will affect the right of either party to serve process in any other manner permitted by law.

(d) **Waiver of Immunities.** Each party irrevocably waives, to the fullest extent permitted by applicable law, with respect to itself and its revenues and assets (irrespective of their use or intended use), all immunity on the grounds of sovereignty or other similar grounds from (i) suit, (ii) jurisdiction of any court, (iii) relief by way of injunction, order for specific performance or for recovery of property, (iv) attachment of its assets (whether before or after judgment) and (v) execution or enforcement of any judgment to which it or its revenues or assets might otherwise be entitled in any Proceedings in the courts of any jurisdiction and irrevocably agrees, to the extent permitted by applicable law, that it will not claim any such immunity in any Proceedings.

#### 14. Definitions

As used in this Agreement:—

**"Additional Termination Event"** has the meaning specified in Section 5(b).

**"Affected Party"** has the meaning specified in Section 5(b).

**"Affected Transactions"** means (a) with respect to any Termination Event consisting of an Illegality, Tax Event or Tax Event Upon Merger, all Transactions affected by the occurrence of such Termination Event and (b) with respect to any other Termination Event, all Transactions.

**"Affiliate"** means, subject to the Schedule, in relation to any person, any entity controlled, directly or indirectly, by the person, any entity that controls, directly or indirectly, the person or any entity directly or indirectly under common control with the person. For this purpose, "control" of any entity or person means ownership of a majority of the voting power of the entity or person.

**"Applicable Rate"** means:—

(a) in respect of obligations payable or deliverable (or which would have been but for Section 2(a)(iii)) by a Defaulting Party, the Default Rate;

(b) in respect of an obligation to pay an amount under Section 6(e) of either party from and after the date (determined in accordance with Section 6(d)(ii)) on which that amount is payable, the Default Rate;

(c) in respect of all other obligations payable or deliverable (or which would have been but for Section 2(a)(iii)) by a Non-defaulting Party, the Non-default Rate; and

(d) in all other cases, the Termination Rate.

**"Burdened Party"** has the meaning specified in Section 5(b).

**"Change in Tax Law"** means the enactment, promulgation, execution or ratification of, or any change in or amendment to, any law (or in the application or official interpretation of any law) that occurs on or after the date on which the relevant Transaction is entered into.

**"Consent"** includes a consent, approval, action, authorisation, exemption, notice, filing, registration or exchange control consent.

**"Credit Event Upon Merger"** has the meaning specified in Section 5(b).

**"Credit Support Document"** means any agreement or instrument that is specified as such in this Agreement.

**"Credit Support Provider"** has the meaning specified in the Schedule.

**"Default Rate"** means a rate per annum equal to the cost (without proof or evidence of any actual cost) to the relevant payee (as certified by it) if it were to fund or of funding the relevant amount plus 1% per annum.

**"Defaulting Party"** has the meaning specified in Section 6(a).

**"Early Termination Date"** means the date determined in accordance with Section 6(a) or 6(b)(iv).

**"Event of Default"** has the meaning specified in Section 5(a) and, if applicable, in the Schedule.

**"Illegality"** has the meaning specified in Section 5(b).

**"Indemnifiable Tax"** means any Tax other than a Tax that would not be imposed in respect of a payment under this Agreement but for a present or former connection between the jurisdiction of the government or taxation authority imposing such Tax and the recipient of such payment or a person related to such recipient (including, without limitation, a connection arising from such recipient or related person being or having been a citizen or resident of such jurisdiction, or being or having been organised, present or engaged in a trade or business in such jurisdiction, or having or having had a permanent establishment or fixed place of business in such jurisdiction, but excluding a connection arising solely from such recipient or related person having executed, delivered, performed its obligations or received a payment under, or enforced, this Agreement or a Credit Support Document).

**"Law"** includes any treaty, law, rule or regulation (as modified, in the case of tax matters, by the practice of any relevant governmental revenue authority) and **"lawful"** and **"unlawful"** will be construed accordingly.

**"Local Business Day"** means, subject to the Schedule, a day on which commercial banks are open for business (including dealings in foreign exchange and foreign currency deposits) (a) in relation to any obligation under Section 2(a)(i), in the place(s) specified in the relevant Confirmation or, if not so specified, as otherwise agreed by the parties in writing or determined pursuant to provisions contained, or incorporated by reference, in this Agreement, (b) in relation to any other payment, in the place where the relevant account is located and, if different, in the principal financial centre, if any, of the currency of such payment, (c) in relation to any notice or other communication, including notice contemplated under Section 5(a)(i), in the city specified in the address for notice provided by the recipient and, in the case of a notice contemplated by Section 2(b), in the place where the relevant new account is to be located and (d) in relation to Section 5(a)(v)(2), in the relevant locations for performance with respect to such Specified Transaction.

**"Loss"** means, with respect to this Agreement or one or more Terminated Transactions, as the case may be, and a party, the Termination Currency Equivalent of an amount that party reasonably determines in good faith to be its total losses and costs (or gain, in which case expressed as a negative number) in connection with this Agreement or that Terminated Transaction or group of Terminated Transactions, as the case may be, including any loss of bargain, cost of funding or, at the election of such party but without duplication, loss or cost incurred as a result of its terminating, liquidating, obtaining or reestablishing any hedge or related trading position (or any gain resulting from any of them). Loss includes losses and costs (or gains) in respect of any payment or delivery required to have been made (assuming satisfaction of each applicable condition precedent) on or before the relevant Early Termination Date and not made, except, so as to avoid duplication, if Section 6(e)(i)(1) or (3) or 6(e)(ii)(2)(A) applies. Loss does not include a party's legal fees and out-of-pocket expenses referred to under Section 11. A party will determine its Loss as of the relevant Early Termination Date, or, if that is not reasonably practicable, as of the earliest date thereafter as is reasonably practicable. A party may (but need not) determine its Loss by reference to quotations of relevant rates or prices from one or more leading dealers in the relevant markets.

**"Market Quotation"** means, with respect to one or more Terminated Transactions and a party making the determination, an amount determined on the basis of quotations from Reference Market-makers. Each quotation will be for an amount, if any, that would be paid to such party (expressed as a negative number) or by such party (expressed as a positive number) in consideration of an agreement between such party (taking into account any existing Credit Support Document with respect to the obligations of such party) and the quoting Reference Market-maker to enter into a transaction (the "Replacement Transaction") that would have the effect of preserving for such party the economic equivalent of any payment or delivery (whether the underlying obligation was absolute or contingent and assuming the satisfaction of each applicable condition precedent) by the parties under Section 2(a)(i) in respect of such Terminated Transaction or group of Terminated Transactions that would, but for the occurrence of the relevant Early Termination Date, have

been required after that date. For this purpose, Unpaid Amounts in respect of the Terminated Transaction or group of Terminated Transactions are to be excluded but, without limitation, any payment or delivery that would, but for the relevant Early Termination Date, have been required (assuming satisfaction of each applicable condition precedent) after that Early Termination Date is to be included. The Replacement Transaction would be subject to such documentation as such party and the Reference Market-maker may, in good faith, agree. The party making the determination (or its agent) will request each Reference Market-maker to provide its quotation to the extent reasonably practicable as of the same day and time (without regard to different time zones) on or as soon as reasonably practicable after the relevant Early Termination Date. The day and time as of which those quotations are to be obtained will be selected in good faith by the party obliged to make a determination under Section 6(e), and, if each party is so obliged, after consultation with the other. If more than three quotations are provided, the Market Quotation will be the arithmetic mean of the quotations, without regard to the quotations having the highest and lowest values. If exactly three such quotations are provided, the Market Quotation will be the quotation remaining after disregarding the highest and lowest quotations. For this purpose, if more than one quotation has the same highest value or lowest value, then one of such quotations shall be disregarded. If fewer than three quotations are provided, it will be deemed that the Market Quotation in respect of such Terminated Transaction or group of Terminated Transactions cannot be determined.

**"Non-default Rate"** means a rate per annum equal to the cost (without proof or evidence of any actual cost) to the Non-defaulting Party (as certified by it) if it were to fund the relevant amount.

**"Non-defaulting Party"** has the meaning specified in Section 6(a).

**"Office"** means a branch or office of a party, which may be such party's head or home office.

**"Potential Event of Default"** means any event which, with the giving of notice or the lapse of time or both, would constitute an Event of Default.

**"Reference Market-makers"** means four leading dealers in the relevant market selected by the party determining a Market Quotation in good faith (a) from among dealers of the highest credit standing which satisfy all the criteria that such party applies generally at the time in deciding whether to offer or to make an extension of credit and (b) to the extent practicable, from among such dealers having an office in the same city.

**"Relevant Jurisdiction"** means, with respect to a party, the jurisdictions (a) in which the party is incorporated, organised, managed and controlled or considered to have its seat, (b) where an Office through which the party is acting for purposes of this Agreement is located, (c) in which the party executes this Agreement and (d) in relation to any payment, from or through which such payment is made.

**"Scheduled Payment Date"** means a date on which a payment or delivery is to be made under Section 2(a)(i) with respect to a Transaction.

**"Set-off"** means set-off, offset, combination of accounts, right of retention or withholding or similar right or requirement to which the payer of an amount under Section 6 is entitled or subject (whether arising under this Agreement, another contract, applicable law or otherwise) that is exercised by, or imposed on, such payer.

**"Settlement Amount"** means, with respect to a party and any Early Termination Date, the sum of: —

(a) the Termination Currency Equivalent of the Market Quotations (whether positive or negative) for each Terminated Transaction or group of Terminated Transactions for which a Market Quotation is determined; and

(b) such party's Loss (whether positive or negative and without reference to any Unpaid Amounts) for each Terminated Transaction or group of Terminated Transactions for which a Market Quotation cannot be determined or would not (in the reasonable belief of the party making the determination) produce a commercially reasonable result.

**"Specified Entity"** has the meanings specified in the Schedule.



**"Specified Indebtedness"** means, subject to the Schedule, any obligation (whether present or future, contingent or otherwise, as principal or surety or otherwise) in respect of borrowed money.

**"Specified Transaction"** means, subject to the Schedule, (a) any transaction (including an agreement with respect thereto) now existing or hereafter entered into between one party to this Agreement (or any Credit Support Provider of such party or any applicable Specified Entity of such party) and the other party to this Agreement (or any Credit Support Provider of such other party or any applicable Specified Entity of such other party) which is a rate swap transaction, 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, cap transaction, floor transaction, collar transaction, currency swap transaction, cross-currency rate swap transaction, currency option or any other similar transaction (including any option with respect to any of these transactions), (b) any combination of these transactions and (c) any other transaction identified as a Specified Transaction in this Agreement or the relevant confirmation.

**"Stamp Tax"** means any stamp, registration, documentation or similar tax.

**"Tax"** means any present or future tax, levy, impost, duty, charge, assessment or fee of any nature (including interest, penalties and additions thereto) that is imposed by any government or other taxing authority in respect of any payment under this Agreement other than a stamp, registration, documentation or similar tax.

**"Tax Event"** has the meaning specified in Section 5(b).

**"Tax Event Upon Merger"** has the meaning specified in Section 5(b).

**"Terminated Transactions"** means with respect to any Early Termination Date (a) if resulting from a Termination Event, all Affected Transactions and (b) if resulting from an Event of Default, all Transactions (in either case) in effect immediately before the effectiveness of the notice designating that Early Termination Date (or, if "Automatic Early Termination" applies, immediately before that Early Termination Date).

**"Termination Currency"** has the meaning specified in the Schedule.

**"Termination Currency Equivalent"** means, in respect of any amount denominated in the Termination Currency, such Termination Currency amount and, in respect of any amount denominated in a currency other than the Termination Currency (the "Other Currency"), the amount in the Termination Currency determined by the party making the relevant determination as being required to purchase such amount of such Other Currency as at the relevant Early Termination Date, or, if the relevant Market Quotation or Loss (as the case may be), is determined as of a later date, that later date, with the Termination Currency at the rate equal to the spot exchange rate of the foreign exchange agent (selected as provided below) for the purchase of such Other Currency with the Termination Currency at or about 11:00 a.m. (in the city in which such foreign exchange agent is located) on such date as would be customary for the determination of such a rate for the purchase of such Other Currency for value on the relevant Early Termination Date or that later date. The foreign exchange agent will, if only one party is obliged to make a determination under Section 6(e), be selected in good faith by that party and otherwise will be agreed by the parties.

**"Termination Event"** means an Illegality, a Tax Event or a Tax Event Upon Merger or, if specified to be applicable, a Credit Event Upon Merger or an Additional Termination Event.

**"Termination Rate"** means a rate per annum equal to the arithmetic mean of the cost (without proof or evidence of any actual cost) to each party (as certified by such party) if it were to fund or of funding such amounts.

**"Unpaid Amounts"** owing to any party means, with respect to an Early Termination Date, the aggregate of (a) in respect of all Terminated Transactions, the amounts that became payable (or that would have become payable but for Section 2(a)(iii)) to such party under Section 2(a)(i) on or prior to such Early Termination Date and which remain unpaid as at such Early Termination Date and (b) in respect of each Terminated Transaction, for each obligation under Section 2(a)(i) which was (or would have been but for Section 2(a)(iii)) required to be settled by delivery to such party on or prior to such Early Termination Date and which has not been so settled as at such Early Termination Date, an amount equal to the fair market

value of that which was (or would have been) required to be delivered as of the originally scheduled date for delivery, in each case together with (to the extent permitted under applicable law) interest, in the currency of such amounts, from (and including) the date such amounts or obligations were or would have been required to have been paid or performed to (but excluding) such Early Termination Date, at the Applicable Rate. Such amounts of interest will be calculated on the basis of daily compounding and the actual number of days elapsed. The fair market value of any obligation referred to in clause (b) above shall be reasonably determined by the party obliged to make the determination under Section 6(e) or, if each party is so obliged, it shall be the average of the Termination Currency Equivalents of the fair market values reasonably determined by both parties.

IN WITNESS WHEREOF the parties have executed this document on the respective dates specified below with effect from the date specified on the first page of this document.

**THE BROOKLYN UNION GAS COMPANY**  
**d/b/a NATIONAL GRID NY**

By:   
Name: John Vaughn  
Title: Authorized Representative

*CAC*

**CARGILL, INCORPORATED**

By:   
Name: Marc T. Mortl  
Title: Credit Manager, Authorized Signatory

# ISDA®

International Swaps and Derivatives Association, Inc.

**SCHEDULE**  
to the  
**1992 ISDA MASTER AGREEMENT**  
dated as of December 19, 2014  
between

**THE BROOKLYN UNION GAS COMPANY** and  
**d/b/a NATIONAL GRID NY**

**("Party A")**

established as a corporation  
with company number 11-0584613  
under the laws of the State of New York

**CARGILL, INCORPORATED**

**("Party B")**

established as a corporation  
with company number 41-0177680  
under the laws of the State of Delaware

## **Part 1. Termination Provisions**

- (a) "Specified Entity" means in relation to Party A for the purpose of:

Section 5(a)(v), None Specified  
Section 5(a)(vi), None Specified  
Section 5(a)(vii), None Specified  
Section 5(b)(iv), None Specified

and in relation to Party B for the purpose of:

Section 5(a)(v), None Specified  
Section 5(a)(vi), None Specified  
Section 5(a)(vii), None Specified  
Section 5(b)(iv), None Specified

- (b) "Specified Transaction" will have the meaning specified in Section 14 of this Agreement and shall also include agreements for the purchase, sale or transfer of any commodity or any other commodity transaction. For this purpose, "commodity" means any tangible or intangible commodity of any type or description (including, without limitation, electric power capacity, petroleum and natural gas, natural gas liquids, derivative transactions based upon the ambient temperature or other weather characteristics, renewable energy obligations or emission allowances and the products or by-products thereof).
- (c) "Cross Default" applies to Party A and Party B. Section 5(a)(vi) is hereby amended by adding at the end thereof the following words: *provided, however*, that, notwithstanding the foregoing, an Event of Default shall not occur under either (1) or (2) above if (A) (I) the default, or other similar event or condition referred to in (1) or the failure to pay referred to in (2) is a failure to pay or deliver caused by an error or omission of an administrative or operational nature, and (II) funds or the asset to be delivered were available to such party to enable it to make the relevant payment or delivery when due, and (III) such payment or delivery is made within three (3) Business Days following receipt of written notice from an interested party of such failure to pay.

"Specified Indebtedness" has the meaning specified in Section 14.

"Threshold Amount" [REDACTED]

- [REDACTED]
- (d) The "Credit Event Upon Merger" [REDACTED]
- (e) The "Automatic Early Termination" provisions of Section 6(a) will not apply to Party A and will not apply to Party B.
- (f) **Payments on Early Termination.** For purposes of Section 6(e):
- (i) "Loss" will apply, and
  - (ii) "Second Method" will apply.
- (g) "Termination Currency" means United States Dollars.
- (h) **Additional Termination Event** will not apply.
- (i) **Amendments to Section 5(a).** The parties agree to amend the following subsections of Section 5(a) as follows:-
- (i) Clauses (vii)(4)(B) and (vii)(7) are amended to delete the phrase "within 30 days" and insert the phrase "within 15 days".

## **Part 2. Tax Representations**

- (a) **Party A and Party B Payer Tax Representations.** For the purpose of Section 3(e), each of Party A and Party B makes the following representation:
- It is not required by any applicable law, as modified by the practice of any relevant governmental revenue authority, of any Relevant Jurisdiction to make any deduction or withholding for or on account of any Tax from any payment (other than interest under Section 2(e), 6(d)(ii) or 6(e)) to be made by it to the other party under this Agreement. In making this representation, it may rely on (i) the accuracy of any representations made by the other party pursuant to Section 3(f); (ii) the satisfaction of the agreement of the other party contained in Section 4(a)(i) or 4(a)(iii) and the accuracy and effectiveness of any document provided by the other party pursuant to Section 4(a)(i) or 4(a)(iii); and (iii) the satisfaction of the agreement of the other party contained in Section 4(d), *provided* that it shall not be a breach of this representation where reliance is placed on clause (ii) and the other party does not deliver a form or document under Section 4(a)(iii) by reason of material prejudice to its legal or commercial position.
- (b) **Payee Tax Representations**
- (i) For the purpose of Section 3(f), Party A makes the following representation:

It is a corporation duly organized under the laws of the State of New York, is not a foreign corporation for U.S. tax purposes, and has the following U.S. tax identification number: 11-0584613.
  - (ii) For the purpose of Section 3(f), Party B makes the following representation:

It is a U.S. corporation duly organized and incorporated under the laws of the State of Delaware, is not a foreign corporation for tax purposes, and has the following U.S. tax identification number: 41-0177680.

### Part 3. Agreement to Deliver Documents

For the purpose of Sections 4(a)(i) and (ii), each party agrees to deliver the following documents, as applicable:

(a) Tax forms, documents or certificates to be delivered are:

<b>Party required to deliver document</b>	<b><u>Form/Document/Certificate</u></b>	<b><u>Date by which to be delivered</u></b>
Party A and Party B	An executed United States Internal Revenue Service Form W-9 (or any successor thereto).	(i) Upon the execution of this Agreement; and (ii) promptly upon reasonable demand by the other party

(b) Other documents to be delivered are:

<b>Party required to deliver document</b>	<b><u>Form/Document/Certificate</u></b>	<b><u>Date by which to be delivered</u></b>	<b><u>Covered by Section 3(d) Representation</u></b>
Party A and Party B	Evidence of capacity, authority of the person(s) authorized and specimen signature to execute this Agreement.	Upon execution of this Agreement.	Yes
Party A and Party B	Either (1) a signature booklet containing secretary's certificate and resolutions ("authorizing resolutions") authorizing the party to enter into derivatives transactions of the type contemplated by the parties or (2) a secretary's certificate, authorizing resolutions and incumbency certificate for such party and any Credit Support Provider of such party reasonably satisfactory in form and substance to the other party.	Upon execution of this Agreement.	Yes
Party A and Party B	Annual audited financial statements.	Promptly following demand by the other party, but in no event later than 120 days after the end of each fiscal year of such party, if such financial statement is not available on "EDGAR" or such party's internet home page.	Yes
Party A and Party B	Quarterly Unaudited Consolidated Financial Statement of such party (or its Credit Support Provider).	Promptly following demand by the other party, if such financial statement is not available on "EDGAR" or such party's (or such party's Credit Support Provider's) internet home page.	Yes

#### Part 4. Miscellaneous

(a) **Addresses for Notices.** For the purpose of Section 12(a):

(i) **Address for notices or communications to Party A:**

Address: National Grid  
100 East Old Country Road, Hicksville, New York 11801  
Attention: Maria Stateman, Contract Administrator  
Telephone No.: (516) 545-6068  
Facsimile No.: (516) 545-5466

A copy of any notice sent to Party A pursuant to Section 5 or 6 of the Agreement must also be sent to:

National Grid  
175 East Old Country Road, Legal Department  
Hicksville, New York 11801  
Attention: Cynthia R. Clark, Senior Counsel  
Telephone No.: (516) 545-3774  
Facsimile No.: (516) 806-6141

(ii) **Address for notices or communications to Party B:**

Cargill, Incorporated  
Mailstop #150  
9350 Excelsior Blvd.  
Hopkins, MN 55343  
USA  
Attention: Credit/Energy Administration  
Facsimile: 952-249-4216  
Telephone: 952-984-3664

(iii) **Addresses for Notices or communications for Physical Gas Transactions:**

	<b>PARTY A</b>	<b>PARTY B</b>
Invoices	Energy Reconciliation & Billing Phone: 516-545-6070 Fax: 516-545-5469	Natural Gas Accounting Phone: 952-984-3234/3829 Fax: 952-367-1524
Nominations	Gas Scheduling Phone: 516-545-5425 Fax: 516-545-5468	Sr. Gas Scheduler Phone: 713-932-2321 Fax: 713-461-8646
Confirmations	Confirmations Phone: 516-545-6068 Fax: 516-545-5466	Natural Gas Confirmation 952-984-4055/3538 Fax: 952-367-1575
Wire Transfer	JPMorgan Chase, New York ABA: 021000021 Account: 957177984	Bank: JPMorgan Chase ABA: 021000021 Account: 910-2-714038

(b) **Netting of Payments.** The limitation set forth in Section 2(c)(ii) will not apply to any Transaction whether outstanding or entered into prior to, on or after the date of this Agreement).

(c) **Process Agent.** For the purpose of Section 13(c) of this Agreement:

Party A appoints as its Process Agent: None.

Party B appoints as its Process Agent: None.

(d) **Offices.** The provisions of Section 10(a) will apply to Party A and to Party B.

(e) **Multibranch Party.** For the purpose of Section 10(c):

Party A is not a Multibranch Party.

Party B is not a Multibranch Party.

(f) **Calculation Agent.** The Calculation Agent is Party A, *provided* that a party may challenge any calculation or determination made by the Calculation Agent promptly following receipt by the party of such calculation or determination. If the parties are unable to agree within two Business Days to a calculation or determination with respect to a Transaction, then Party A and Party B will negotiate in good faith to agree on an independent third party dealer with experience in the industry that will make the relevant calculation or determination and, if they cannot so agree within three Business Days, each of Party A and Party B will within an additional three (3) Business Days choose an independent third party dealer with experience in the industry and instruct the parties so chosen to agree on another independent third party that will make the relevant calculation or determination; *provided* that if either party fails to select its independent third party dealer within such time period, the other party's selected independent third party dealer shall determine the relevant calculation. Any calculation, determination or selection pursuant to these provisions by an independent third party will be binding in the absence of manifest error. The costs of any independent third party called upon to make such a calculation, determination or selection will be borne equally by Party A and Party B. If an Event of Default has occurred and is continuing with respect to Party A, the Calculation Agent shall be Party B.

Failure of a party acting as a Calculation Agent to comply with or perform any of its obligations in that capacity shall not be an Event of Default with respect to such party under this Agreement.

(g) **Credit Support Documents.** "Credit Support Document" means: the 1994 ISDA Credit Support Annex and Supplementary Paragraph 13 appended hereto, and dated the date hereof between Party A and Party B.

(h) **Credit Support Provider** means in relation to Party A: None

**Credit Support Provider** means in relation to Party B: None.

(i) **Governing Law; Jurisdiction.** This Agreement will be governed by and construed in accordance with the laws of the State of New York, without reference to its choice of law doctrine.

(j) **Waiver of Jury Trial.** EACH PARTY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY PROCEEDINGS RELATING TO THIS AGREEMENT, INCLUDING ANY CREDIT SUPPORT DOCUMENT OR CONFIRMATION.

(k) **"Affiliate"** has the meaning specified in Section 14, *provided* that (i) with respect to Party A, the term "Affiliate" shall not include The Brooklyn Union Gas Company, KeySpan Gas East Corporation, Niagara Mohawk Power Corporation, Boston Gas Company, Colonial Gas Company, The Narragansett Electric Company, Massachusetts Electric Company, Nantucket Electric Company, New England Power Company, National Grid Generation LLC, New England Electric Transmission Corporation, National Grid Glenwood Energy Center LLC, New England Hydro-Transmission Corporation, New England Hydro-Transmission Electric Company, Inc., and National Grid Port Jefferson Energy Center LLC; and (ii) with respect to Party B, the term "Affiliate" shall not include Black River Asset Management or CarVal.

#### **Part 5. Other Provisions**

(a) **Outstanding Transactions.** Unless governed by another agreement or otherwise agreed in writing between the parties, all Specified Transactions between Party A and Party B (whether outstanding or entered into prior to, on or after the date of this Agreement) shall be governed by the terms of this Agreement and, for the avoidance of doubt, all issues arising in relation to and all questions of construction or interpretation of any Specified Transactions entered into prior to this Agreement shall be construed or interpreted in accordance with the terms hereof.

- (b) **Absence of Certain Events.** Section 3(b) is amended by adding "(except as may be specified in writing to the other party or acknowledged in writing by the other party prior to the trade date for a specific Transaction)" after the word "Default" in each place that such word appears in such section.
- (c) **Additional Representations.** Section 3 is hereby amended by adding at the end thereof the following subsection (g):

(g) ***Additional Representations.***

- (i) ***Relationship Between Parties.*** Each party will be deemed to represent to the other party on the date on which it enters into a Transaction that (absent a written agreement between the parties that expressly imposes affirmative obligations to the contrary for that Transaction):--
    - (1) ***Non-Reliance.*** It is acting for its own account, and it has made its own independent decisions to enter into that Transaction and as to whether that Transaction is appropriate or proper for it based upon its own judgment and upon advice from such advisers as it has deemed necessary. It is not relying on any communication (written or oral) of the other party as investment advice or as a recommendation to enter into that Transaction; it being understood that information and explanations related to the terms and conditions of a Transaction shall not be considered investment advice or a recommendation to enter into that Transaction. No communication (written or oral) received from the other party shall be deemed to be an assurance or guarantee as to the expected results of that Transaction.
    - (2) ***Assessment and Understanding.*** It is capable of assessing the merits of and understanding (on its own behalf or through independent professional advice), and understands and accepts, the terms, conditions and risks of that Transaction. It is also capable of assuming, and, assumes, the risks of that Transaction.
    - (3) ***Status of Parties.*** The other party is not acting as a fiduciary for or an adviser to it in respect of that Transaction.
    - (4) ***No Agency.*** Each party is entering into this Agreement and each Transaction as principal (and not as agent or in any other capacity, fiduciary or otherwise).
  - (ii) ***Eligible Contract Participant.*** Each party is an "*Eligible Contract Participant*" as defined in Sec. 1a (18) of the Commodity Exchange Act (7 U.S.C. 1), as amended (the "Act"), for all Transactions involving an excluded commodity as defined in Sec. 1a (19) and an exempt commodity as defined in Sec. 1a (20) of the Act.
  - (iii) ***Customization and Creditworthiness.*** The economic terms of this Agreement, any Credit Support Document to which it is a party, and each Transaction have been individually tailored and negotiated by it; the creditworthiness of the other party was a material consideration in its entering into or determining the terms of this Agreement, such Credit Support Document and such Transaction.
- (d) **Termination of Specified Transactions.** The occurrence or designation of an Early Termination Date on account of an Event of Default with respect to a party hereto ("Y") shall constitute a material breach and event of default (howsoever described) under all Specified Transactions to which Y is a party, whereupon the Non-defaulting Party ("X") shall have the right to terminate, liquidate and otherwise close out any such Specified Transactions (and Y shall be liable for any damages suffered by X as a result thereof).
  - (e) **Setoff.** The following shall be added as Section 6(f) of this Agreement:
    - (f) ***Set-off.*** Any amount (the "Early Termination Amount") payable to one party (the Payee) by the other party (the Payer) under Section 6(e), in circumstances where there is a Defaulting Party or one Affected Party in the case where a Termination Event under Section 5(b)(iv) or 5(b)(v) has occurred, will, at the option of the party ('X') other than the Defaulting Party or the Affected Party (and without prior notice to the Defaulting Party or the Affected Party) be reduced by its set-off against any amount(s) (the 'Other Agreement Amount') payable (whether at such time or in the future or upon the occurrence of a



contingency) by the Payee to the Payer or any Affiliate of the Payer when X is the Payer (irrespective of the currency, place of payment or booking office of the obligation) under any other agreement(s) between the Payee and the Payer or any Affiliate of the Payer when X is the Payer or instrument(s) or undertaking(s) issued or executed by the Payee to, or in favor of, the Payer or any Affiliate of the Payer when X is the Payer (and the Other Agreement Amount will be discharged promptly and in all respects to the extent it is so set-off). X will give notice to the other party of any set-off effected under this Section 6(f).

For this purpose, either the Early Termination Amount or the Other Agreement Amount (or the relevant portion of such amounts) may be converted by X into the currency in which the other is denominated at the rate of exchange at which such party would be able, acting in a reasonable manner and in good faith to purchase the relevant amount of such currency.

Nothing in this Section 6(e) shall be effective to create a charge or other security interest. This section 6(e) shall be without prejudice and in addition to any right of setoff, combination of accounts, lien or other right to which any party is at any time otherwise entitled (whether by operation of law, contract or otherwise).

- (f) **Confidentiality.** The contents of this Agreement and all other documents relating to this Agreement, and any information made available by one party or its Credit Support Provider to the other party or its Credit Support Provider with respect to this Agreement are confidential and shall not be disclosed to any third party (nor shall any public announcement relating to this Agreement be made by either party), except for such information (i) as may become generally available to the public other than a result of a violation of this Agreement, (ii) as may be required or appropriate in response to any summons, subpoena, or otherwise in connection with any litigation or to comply with any applicable law, order, regulation, ruling, or accounting disclosure rule or standard, (iii) as may be obtained from a non-confidential source that disclosed such information in a manner that did not violate its obligations to the non-disclosing party or its Credit Support Provider in making such disclosure, (iv) as may be furnished to the disclosing party's Affiliates, and to each of such person's auditors, attorneys, advisors or lenders which are required to keep the information that is disclosed in confidence, or (v) as necessary to enforce a party's rights or comply with a party's obligations under this Agreements or the Transactions hereunder.
- (g) **Limitation of Liability.** No party shall be required to pay special, exemplary, incidental, consequential, indirect or punitive damages (whether or not arising from a Party's negligence); *provided, however*, that nothing in this provision shall affect the enforceability of Section 6(e) of this Agreement. If and to the extent any payment made pursuant to this Agreement is deemed to constitute liquidated damages, the parties acknowledge and agree that damages are difficult or impossible to determine and that such payment constitutes a reasonable approximation of the amount of such damages and not a penalty.
- (h) **Waiver.** No waiver by either Party A or Party B of any one or more defaults by the other in the performance of any of the provisions of this Agreement shall operate or be construed to be a waiver of any other default or defaults whether of a like kind or different nature.
- (i) **Definitions.**
  - (i) A new definition is added in Section 14 as follows:

"Business Day" means any day except Saturday, Sunday or a Federal Reserve Bank holiday. A Business day shall open at 8:00 a.m. and close at 5:00 p.m. local time for each Party's principal place of business.
  - (ii) The definition of "Local Business Day" in Section 14 is deleted in its entirety. All references to "Local Business Day" are deleted and replaced with "Business Day."
- (j) **Recording.** The parties agree that each may electronically record all telephonic conversations between them and that any such recordings may be submitted in evidence to any court or in any proceedings for the purpose of establishing any matters pertinent to the Agreement.
- (k) **ISDA Definitions.** This Agreement and each Transaction are subject to the 2006 ISDA Definitions as modified and updated, and the 2005 ISDA Commodity Derivatives Definitions as modified and updated, (collectively, the "Definitions"), each as published by the International Swaps and Derivatives Association, Inc. ("ISDA"), and will be governed in all respects by the Definitions,. The Definitions are incorporated by

reference in, and made part of, this Agreement and each relevant Confirmation as if set forth in full in this Agreement and such Confirmation.

- (l) **Inconsistency.** In the event of any inconsistency between any of the following documents, the relevant document first listed below shall govern: (i) a Confirmation; (ii) this Schedule and Paragraph 13 of any ISDA Credit Support Annex (as applicable); (iii) the printed form of definitions incorporated by reference in a Confirmation; (iv) the Definitions; and (v) the preprinted form of 1992 ISDA Master Agreement and ISDA Credit Support Annex (as applicable).
- (m) **Severability.** If any term, provision, covenant or condition of the Agreement, or the application thereof to any party or circumstance, shall be held to be invalid or unenforceable (in whole or in part) for any reason, the remaining terms, provisions, covenants, and conditions hereof shall continue in full force and effect as if this Agreement had been executed with the invalid or unenforceable portion eliminated, so long as this Agreement as so modified continues to express, without material change, the original intentions of the parties as to the subject matter of this Agreement; *provided, however*, that this severability provision shall not be applicable if any provision of Sections 1(c), 2, 5, 6, or 13 (or any definition or provision in Section 14 to the extent it relates to, or is used or in connection with any such Section) shall be so held to be invalid or unenforceable.
- (n) **Accounts.** Payments shall be they shall be made to the following accounts by wire transfer (wire transfer shall include, but not be limited to, Automated Clearing House transfers and Federal Wire Transfers):

**Party A:**

Payment to: JPMorgan Chase Bank  
For credit to: The Brooklyn Union Gas Company d/b/a National Grid NY  
Attention: Accounting  
Tel: 516-545-6070  
Fax: 516-545-5469  
Account No.: 957177984  
Fed. ABA No.: 021000021  
SWIFT: CHASUS33

Party B:

[REDACTED]	[REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED]
[REDACTED]	[REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED]

- (o) **Termination of Agreement.** Either party may terminate this Agreement upon thirty (30) days advance written notice to the other party; *provided, however*, such termination shall not affect or excuse the performance of either party under any provision of this Agreement that by its terms survives any such termination; and *provided, further*, that this Agreement shall remain in effect with respect to any Transaction(s) entered into prior to the effective date of such termination until both parties have fulfilled all of their obligations with respect to such Transaction(s).
- (p) **Pre-printed Form.** The entire text of this Agreement preceding this Schedule is intended by the parties to be a verbatim transcription of the printed terms of the form of Master Agreement published by ISDA in 1992. If the text of this Agreement preceding this Schedule is different in any respect from those printed terms, the differences shall be disregarded and treated as inadvertent errors or omissions or additions, and the text of this Agreement preceding this Schedule shall be deemed corrected to include those printed terms verbatim.

- (q) **Waiver of Termination Event and Event of Default.** A party ("X") shall be deemed to have waived its right to declare an Early Termination Date as a result of a Termination Event or Event of Default that occurs with respect to the other party ("Y") if X has not designated an Early Termination Date with respect to such event on or before the 60th calendar day following X's confirmed receipt of written notice of such event.

#### **Part 6. Commodity Provisions**

- (a) **Definitions.** The definitions and provisions contained in the 2005 ISDA Commodity Definitions as published by the International Swaps and Derivatives Association, Inc. ("ISDA"), as amended, supplemented, updated or superceded from time to time, and as amended herein by the parties are hereby incorporated into this Agreement by reference with respect to any "Transactions" (as that term is defined in the 2005 ISDA Commodity Definitions), except as otherwise specifically provided in a Confirmation.
- (b) **Market Disruption Events and Disruption Fallbacks.** With respect to Market Disruption Events and Disruption Fallbacks, the parties agree that Sections 7.4(d)(i), 7.5(d)(i), and 7.5(d)(ii) of the 2005 ISDA Commodity Definitions shall apply to all Transactions; *provided, however*, that the term "Fallback Reference Dealer" shall be amended to provide that each party shall select two Reference Dealers which shall not be affiliates of either party.

#### **Part 7. ISDA North American Gas Annex**

- (a) **Physically Settled Gas Transactions. Form of ISDA North American Gas Annex.**

The parties hereby agree that the text of the body (paragraphs (a) to (n)) of the pre-printed form of ISDA North American Gas Annex, Sub-Annex F to the 2005 ISDA Commodity Definitions as published and copyrighted by the International Swaps and Derivatives Association, Inc. as in effect at the date hereof (the "Gas Annex") is incorporated by reference herein without change or modification, other than as set forth in Section 7(b) Elective Provisions and Section 7(c) Other Modifications to this Gas Annex below. The Commodity Definitions are incorporated in the Gas Annex for all purposes. All terms used in this Part 7 that are not otherwise defined shall have the meanings given to them in the Gas Annex.

- (b) **Elective Provisions.** For purposes of clause (l) of the Gas Annex, the following elections shall apply:
1. (a)(ii) – **Outstanding Gas Transactions.** This Gas Annex shall apply to the following pre-existing Gas Transactions pursuant to clause (a)(ii):
- \_\_\_ Option A: All Gas Transactions outstanding between the parties as of the date this Gas Annex becomes effective.
- \_\_\_ Option B: The Gas Transactions listed in Schedule 1 to this Gas Annex.
- ✓ Option C: None of the Gas Transactions between the parties that were executed prior to the date this Gas Annex becomes effective.
- If none of the above options is selected, Option A shall apply.
2. (a)(iii) – **Outstanding Gas Credit Support**
- \_\_\_ Outstanding Gas Credit Support held by a party in connection with Outstanding Gas Transactions shall be deemed to have been delivered under and in connection with this Agreement pursuant to clause (a)(iii).
- If not checked, not applicable.
3. (b)(ii) – **Performance Obligation (remedy for breach of Firm obligation)**
- ✓ Option A: Cover Standard

\_\_\_ Option B: Spot Price Standard

If neither option is selected, Option A shall apply.

**4. (e) – Taxes**

√ Option A: Buyer Pays At and After Delivery Point

\_\_\_ Option B: Seller Pays Before and At Deliver Point

If neither option is selected, Option A shall apply.

**5. (f)(ii) – Payment Date**

√ Option A: the later of the 25<sup>th</sup> Day of Month following Month of delivery or 10 Days after receipt of the invoice by Buyer (*provided* that if the Payment Date is not a Business Day, payment is due on the next Business Day following that date).

\_\_\_ Option B: the later of the \_\_\_ Day of Month following Month of delivery or 10 Days after receipt of the invoice by Buyer (*provided* that if the Payment Date is not a Business Day, payment is due on the next Business Day following that date).

\_\_\_ Option C: Notwithstanding anything to the contrary in the Schedule, payments with respect to both Gas Transactions and Power Transactions (as defined separately in the Schedule) will be netted and payable on or before the later of the 20<sup>th</sup> Day of Month following Month of delivery or 10 Days after receipt of the invoice by Buyer (*provided* that if the Payment Date is not a Business Day, payment is due on the next Business Day following that date).

\_\_\_ Option D: Notwithstanding anything to the contrary in the Schedule, payments with respect to both Gas Transactions and Power Transactions (as defined separately in the Schedule) will be netted and payable on or before the later of the 25<sup>th</sup> Day of Month following Month of delivery or 10 Days after receipt of the invoice by Buyer (*provided* that if the Payment Date is not a Business Day, payment is due on the next Business Day following that date).

If none of the above options is selected, Option A shall apply.

**6. (k)(xxii) – Alternative to Spot Price Index**

The parties have selected the following alternative index as the Spot Price Index: \_\_\_\_\_. If no index is specified, the Spot Price Index specified in clause (k)(xxii) applies.

**(c) Other Modifications to this Gas Annex.**

The following special provisions (the "Special Provisions") to the Gas Annex shall supplement and form part of the Gas Annex between the parties. In the event of any conflict or inconsistency between the Special Provisions and the Gas Annex, the Special Provisions shall govern. Except as amended hereby, the Gas Annex shall remain in full force and effect.

1. **Physical Gas Transactions under this Agreement.** Section (a) of the Gas Annex is hereby amended to add new subsection (iv) as follows:

(iv) Transaction Procedure.

(A) Oral Transaction Procedure. With respect to Gas Transactions, the parties will use the following Transaction Confirmation procedure. Any Gas purchase and sale transaction may be effectuated in an electronic data interchange ("EDI") transmission or telephone conversation with the offer and acceptance constituting the agreement of the parties. The parties shall be legally bound from the time they so agree to transaction terms and may each rely thereon. Any such

transaction shall be considered a "writing" and to have been "signed." Notwithstanding the foregoing sentence, the parties agree that Confirming Party shall, and the other party may, confirm a telephonic transaction by sending the other party a Transaction Confirmation by facsimile, EDI or mutually agreeable electronic means within three Business Days of a Gas Transaction *provided* that the failure to send a Transaction Confirmation shall not invalidate the oral agreement of the parties. Party B, as Confirming Party, adopts its confirming letterhead, or the like, as its signature on any Transaction Confirmation as the identification and authentication of Confirming Party. If the Transaction Confirmation contains any provisions other than those relating to the commercial terms of the transaction (i.e., price, quantity, performance obligation, delivery point, period of delivery and/or transportation conditions), which modify or supplement this Gas Contract (e.g., arbitration or additional representations and warranties), such provisions shall not be deemed to be accepted pursuant to Section (a)(iv)(B) below but must be expressly agreed to by both parties in writing; *provided* that the foregoing shall not invalidate any transaction agreed to by the parties.

(B) With respect to Gas Transactions, if a sending party's Transaction Confirmation is materially different from the receiving party's understanding of the agreement referred to in Section (a)(iv)(A) above, such receiving party shall notify the sending party via facsimile, EDI or mutually agreeable electronic means by the Confirm Deadline, unless such receiving party has previously sent a Transaction Confirmation to the sending party. The failure of the receiving party to so notify the sending party in writing by the Confirm Deadline constitutes the receiving party's agreement to the terms of the transaction described in the sending party's Transaction Confirmation. If there are any material differences between timely sent Transaction Confirmations governing the same transaction, then the oral agreement reached under Section (a)(iv)(A) above shall be controlling and satisfy the statute of frauds, howsoever evidenced by the parties. In the event of a conflict among the terms of (i) a binding Transaction Confirmation pursuant to Section (a)(iv)(A) above, (ii) the oral agreement of the parties which may be evidenced by a recorded conversation, (iii) the Gas Annex, (iv) the Schedule, and (v) the ISDA Master Agreement, the terms of the documents shall govern in the priority listed in this sentence.

2. **Performance Obligation.** Section (b) of the Gas Annex is hereby amended to add new subsection (iv) as follows:

(iv) Notwithstanding anything contained herein to the contrary, in addition to the rights set out elsewhere in the Agreement and this Gas Annex, unless otherwise specified on the applicable Transaction confirmation, a performing party shall have the option to terminate, accelerate and liquidate an Affected Transaction by providing written notice to the non-performing party designating an Early Termination Date on which the Affected Transaction shall terminate. In this paragraph, an "Affected Transaction" means a Firm Transaction with a Delivery Period of at least 30 Days in respect of which there has occurred either three consecutive Failure Days or five total Failure Days in any 90 day period during the Term of such Firm Transaction. A "Failure Day" means a Day on which the non-performing party has failed to purchase and receive, or sell and deliver, as applicable, an amount equal to or greater than 96% of the Contract Quantity to be purchased and received or sold and delivered on such Day, which failure is not excused because of the non-performance (non-delivery or non-receipt, as applicable) of the performing party or by Force Majeure.

3. **Certain Amendments to the Agreement for Gas Transactions.**

(a) Section (h) is hereby amended to add new subsection (vii) as follows:

(vii) In the event of non-performance due to Force Majeure, the affected party shall, to the extent permitted by the Transporters, prorate all Firm obligations at the affected Delivery Point and shall give Firm obligations priority over all Interruptible obligations.

(b) Section (j) is hereby amended to add new subsections (iv), (v), (vi), (vii) and (viii) as follows:

(iv) Notwithstanding the provisions of Section 6(e) of the Master Agreement, for Gas Transactions, as of the Early Termination Date, the Non-Defaulting Party shall determine, in good faith and in a commercially reasonable manner, (i) the amount owed

(whether or not then due) by each party with respect to all Gas delivered and received between the parties under Terminated Transactions on and before the Early Termination Date and all other applicable charges relating to such deliveries and receipts (including without limitation any amounts owed under Section (b)(ii)), for which payment has not yet been made by the party that owes such payment under this Contract and (ii) the Market Value, of each Terminated Transaction. The Non-Defaulting Party shall (x) liquidate and accelerate each Terminated Transaction at its Market Value, so that each amount equal to the difference between such Market Value and the Contract Value, of such Terminated Transaction(s) shall be due to the Buyer under the Terminated Transaction(s) if such Market Value exceeds the Contract Value and to the Seller if the opposite is the case; and (y) where appropriate, discount each amount then due under clause (x) above to present value in a commercially reasonable manner as of the Early Termination Date (to take account of the period between the date of liquidation and the date on which such amount would have otherwise been due pursuant to the relevant Terminated Transactions).

(v) **Confidentiality.** Neither party shall disclose directly or indirectly without the prior written consent of the other party the terms of any transaction to a third party (other than the employees, lenders, royalty owners, counsel, accountants and other agents of the party, or prospective purchasers of all or substantially all of a party's assets or of any rights under this Contract, *provided* such persons shall have agreed to keep such terms confidential) except (i) in order to comply with any applicable law, order, regulation, or exchange rule, (ii) to the extent necessary for the enforcement of this Contract, (iii) to the extent necessary to implement any transaction, or (iv) to the extent such information is delivered to such third party for the sole purpose of calculating a published index. Each party shall notify the other party of any proceeding of which it is aware which may result in disclosure of the terms of any transaction (other than as permitted hereunder) and use reasonable efforts to prevent or limit the disclosure. The existence of this Contract is not subject to this confidentiality obligation. Subject to Section (i), the parties shall be entitled to all remedies available at law or in equity to enforce, or seek relief in connection with this confidentiality obligation. The terms of any transaction hereunder shall be kept confidential by the parties hereto for one year from the expiration of the transaction.

In the event that disclosure is required by a governmental body or applicable law, the party subject to such requirement may disclose the material terms of this Contract to the extent so required, but shall promptly notify the other party, prior to disclosure, and shall cooperate (consistent with the disclosing party's legal obligations) with the other party's efforts to obtain protective orders or similar restraints with respect to such disclosure at the expense of the other party.

(vi) **Assignment.** Neither Party shall assign this Agreement or its rights hereunder without the prior written consent of the other Party, which consent shall not be unreasonably withheld or delayed; *provided, however*, either Party may, without the consent of the other Party (and without relieving itself from liability hereunder), (i) transfer, sell, pledge, encumber or assign this Agreement or the accounts, revenues or proceeds hereof in connection with any financing or other financial arrangements, (ii) transfer or assign this Agreement to an affiliate of such Party which affiliate's creditworthiness is equal to or higher than that of such Party, or (iii) transfer or assign this Agreement to any person or entity succeeding to all or substantially all of the assets whose creditworthiness is equal to or higher than that of such Party; *provided, however*, that in each such case, any such assignee shall agree in writing to be bound by the terms and conditions hereof and so long as the transferring Party delivers such tax and enforceability assurance as the non-transferring Party may reasonably request.

(vii) **Recording.** Unless a Party expressly objects to a Recording (defined below) at the beginning of a telephone conversation, each Party consents to the creation of a tape or electronic recording ("Recording") of all telephone conversations between the Parties to this Master Agreement, and that any such Recordings will be retained in confidence, secured from improper access, and may be submitted in evidence in any proceeding or

action relating to this Agreement. Each Party waives any further notice of such monitoring or recording, and agrees to notify its officers and employees of such monitoring or recording and to obtain any necessary consent of such officers and employees. The Recording, and the terms and conditions described therein, if admissible, shall be the controlling evidence for the Parties' agreement with respect to a particular Transaction in the event a Confirmation is not fully executed (or deemed accepted) by both Parties. Upon full execution (or deemed acceptance) of a Confirmation, such Confirmation shall control in the event of any conflict with the terms of a Recording, or in the event of any conflict with the terms of this Master Agreement.

Additionally, each party waives any objections to the introduction of the recorded conversations or instant messages (a service provided by AOL Instant Messenger, Yahoo!Messenger and others) into evidence to prove a Contract whether based on the Statute of Frauds, the Parol Evidence Rule, the Best Evidence Rule or any similar evidentiary rules. Each party waives any objection or defense to its authority or the authority of its employee *provided* that such employee can be identified on the relevant employing party's recording.

(viii) **Imaged Agreement.** Any original executed Agreement, Confirmation or other related document may be photocopied and stored on computer tapes and disks (the "Imaged Agreement"). The Imaged Agreement, if introduced as evidence on paper, the Confirmation, if introduced as evidence in automated facsimile form, the Recording, if introduced as evidence in its original form and as transcribed onto paper, and all computer records of the foregoing, if introduced as evidence in printed format, in any judicial, arbitration, mediation or administrative proceedings, will be admissible as between the Parties to the same extent and under the same conditions as other business records originated and maintained in documentary form. Neither Party shall object to the admissibility of the Recording, the Confirmation or the Imaged Agreement (or photocopies of the transcription of the Recording, the Confirmation or the Imaged Agreement ) on the basis that such were not originated or maintained in documentary form under either the hearsay rule, the best evidence rule or other rule of evidence.

(c) Section (k) is hereby amended by adding new definitions as follows:

"**Confirm Deadline**" shall mean 5:00 p.m. in the receiving party's time zone on the second Business Day following the Day a Transaction Confirmation is received; *provided*, if the Transaction Confirmation is time-stamped after 5:00 p.m. in the receiving party's time zone, it shall be deemed received at the opening of the next Business Day.

"**Confirming Party**" shall mean Cargill, Incorporated as the party designated to prepare and forward Transaction Confirmations to the other party.

"**Contract**" shall mean the legally-binding relationship established by (i) the Master Agreement, (ii) the Gas Annex, (iii) any and all binding Transaction Confirmations and (iv) any and all transactions that the parties have entered into through an EDI transmission or by telephone, but that have not been confirmed in a binding Transaction Confirmation.

"**Contract Value**" means the amount of Gas remaining to be delivered or purchased under a transaction multiplied by the Contract Price

"**Market Value**" means the amount of Gas remaining to be delivered or purchased under a transaction multiplied by the market price for a similar transaction at the Delivery Point determined by the Non-Defaulting Party in a commercially reasonable manner. To ascertain the Market Value, the Non-Defaulting Party may consider, among other valuations, any or all of the settlement prices of NYMEX Gas futures contracts, quotations from leading dealers in energy swap contracts or physical gas trading markets, similar sales or purchases and any other bona fide third-party offers, all adjusted for the length of the term and differences in transportation costs. A party shall not be required to enter into a replacement transaction(s) in order to determine the Market Value. Any

extension(s) of the term of a transaction to which parties are not bound as of the Early Termination Date (including but not limited to "evergreen provisions") shall not be considered in determining Contract Values and Market Values. For the avoidance of doubt, any option pursuant to which one party has the right to extend the term of a transaction shall be considered in determining Contract Values and Market Values. The rate of interest used in calculating net present value shall be determined by the Non-Defaulting Party in a commercially reasonable manner.

"Transaction Confirmation" shall mean a document, setting forth the terms of a transaction formed pursuant to Section (a)(iii) for a particular Delivery Period.

- (d) Section "k(vi)" Is hereby amended as follows:

Delete the following: "(or an alternate fuel if elected by Buyer and replacement Gas is not available)," from line 3.

- (e) Section (m) is hereby amended by adding the following :

(i) All Transaction Confirmations, invoices, payment instructions, and other communications made pursuant to the Gas Annex ("Notices") shall be made to the addresses specified in writing by the respective parties from time to time, as noted below.

(ii) All Notices required hereunder shall be in writing and may be sent by facsimile or mutually acceptable electronic means, a nationally recognized overnight courier service, first class mail or hand delivered.

(iii) Notice shall be given when received on a Business Day by the addressee. In the absence of proof of the actual receipt date, the following presumptions will apply. Notices sent by facsimile shall be deemed to have been received upon the sending party's receipt of its facsimile machine's confirmation of successful transmission. If the day on which such facsimile is received is not a Business Day or is after five p.m. on a Business Day, then such facsimile shall be deemed to have been received on the next following Business Day. Notice by overnight mail or courier shall be deemed to have been received on the next Business Day after it was sent or such earlier time as is confirmed by the receiving party. Notice via first class mail shall be considered delivered five Business Days after mailing.

(iv) The party receiving a commercially acceptable Notice of change in payment instructions or other payment information shall not be obligated to implement such change until ten Business Days after receipt of such Notice.

#### **Part 8. Dodd Frank Supplement.**

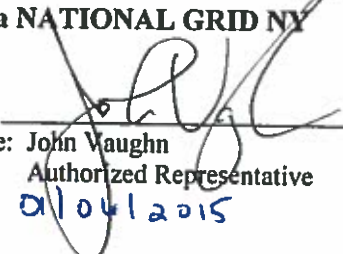
- (a) Dodd Frank Act Defined Terms. The parties agree to amend the Master Agreement as set forth in Annex A.
- (b) Dodd Frank Act Representations and Reporting Obligations. The parties agree to amend the Schedule as set forth in Annex B.




- (c) Dodd Frank Act Reporting Information. The parties agree to amend the Schedule to include the information set forth in Annex C.

IN WITNESS WHEREOF, the parties have executed this Schedule by their duly authorized officers as of the date hereof.

**THE BROOKLYN UNION GAS COMPANY**  
**d/b/a NATIONAL GRID NY**

By:   
Name: John Vaughn  
Title: Authorized Representative  
Date: 01/04/2015

**CARGILL, INCORPORATED**

By:   
Name: Marc Monti  
Title: Authorized Signer  
Date: 1/12/15

## Annex A

### Amendments to Master Agreement

1. The following defined terms shall be added to Section 14 of the Master Agreement in the appropriate alphabetic order:

“**CFTC**” means the U.S. Commodity Futures Trading Commission.”

“**CFTC Regulations**” means the rules, regulations, orders and interpretations published or issued by the CFTC.”

“**CEA**” means the U.S. Commodity Exchange Act, as amended.”

“**Commodity Trade Option**” means a commodity option entered into pursuant to CFTC Regulation 32.3(a).”

“**Dodd-Frank Information**” means (i) any information provided pursuant to Part 8(b)(v) of the Schedule in each case, as amended or supplemented from time to time in accordance with Part 8(b)(iv) of the Schedule or in another manner agreed by the parties; and (ii) any information or representation agreed in writing by the parties to be Dodd-Frank Information.”

“**Historical Swaps**” means all Pre-Enactment Swaps and Transition Swaps entered into between the parties since the signing of this Agreement.”

“**LEI/CICI**” means a “legal entity identifier” satisfying the requirements of CFTC Regulation 45.6 or such other entity identifier as shall be provided by the CFTC pending the availability of such legal entity identifiers.”

“**Pre-Enactment Swap**” means a “Pre-enactment swap” as such term is defined in CFTC Regulation 46.1.”

“**Reporting Counterparty**” means the counterparty required to report swap data pursuant to CFTC Regulation 45.1, selected as provided in CFTC Regulation 45.8 and as agreed upon between the parties in this Amendment that it shall be Party B.”

“**Non-Reporting Counterparty**” means in respect of any Swap subject to the CFTC Regulations, and as agreed upon between the parties in this Amendment it shall be Party A.”

“**SDR**” means a “swap data repository” as defined in Section 1a(48) of the CEA and the CFTC Regulations.”

“**Swap**” means a “swap” as defined in the Section 1a(47) of the CEA and CFTC Regulation 1.3(xxx). The term “Swap” also includes any foreign exchange swaps and foreign exchange forwards that may be exempted from regulation as “swaps” by the Secretary of the U.S. Treasury pursuant to authority granted by Section 1a(47)(E) of the CEA.”

“**Swap Communication Event**” means (1) each Swap Transaction Event, and (2) each offer to enter into a Swap under this Agreement or a Swap Transaction Event.”

“**Swap Transaction**” means any Transaction between the parties involving a Swap. For avoidance of doubt, any reference to “Transaction” or “Transactions” in this Agreement shall include any “Swap Transaction”.”

“**Swap Transaction Event**” means the execution of a new Swap Transaction between the parties or any material amendment, mutual unwind or novation of an existing Swap Transaction between the parties under this Agreement (including, without limitation, any “life cycle event” (as that term is defined in CFTC Regulation 45.1) relating to a Swap Transaction).”

“**Transition Swap**” means a “Transition swap” as such term is defined in CFTC Regulation 46.1.”

## Annex B

### Amendments to Schedule

1. The following representation shall be added to Part 5 of the Schedule, and to the extent the Master Agreement already contains a representation on the same issue, such representation shall be replaced in its entirety by the following:

“(vii) *Eligible Contract Participant.* Each party represents to the other party (which representation will be deemed to be repeated by each party on each date on which a Transaction is entered into) that it (and its Credit Support Provider, as applicable) is an “eligible contract participant,” as that term is defined in Section 1a(18) of the CEA and applicable regulations thereunder.”

2. The following shall be inserted as a new Part 9 to the Schedule:

#### “Part 9. Swap Transactions and Historical Swaps.

- (a) *Application.* In addition to the other terms of this Agreement, this Part 9 shall apply to any Swap Transactions and Historical Swaps entered into between the parties.

- (b) *Representations and Agreements.*

- (i) *U.S. Person Representation.* Each party represents and warrants to the other party that it is a “U.S. person” as such term is defined in the CFTC’s Final Exemptive Order Regarding Compliance with Certain Swap Regulations (*See* 78 Fed. Reg. 858, 879 (January 7, 2013)).
- (ii) *Non-Special Entity Representation.* Each party represents and warrants to the other party that it is not a Special Entity as defined in Section 1a(50) of the CEA and the CFTC Regulations.
- (iii) *Dodd-Frank Information Representation.* Each party represents and warrants to the other party (which representation is deemed repeated as of the time of each Swap Transaction Event) that, as of the date of each Swap Transaction Event, (i) all Dodd-Frank Information (excluding financial information and representations) furnished by or on behalf of it to the other party is true, accurate and complete in every material respect, (ii) no representation provided in the Dodd-Frank Information or in this Agreement is incorrect or misleading in any material respect, and (iii) all Dodd-Frank Information that is financial information furnished by or on behalf of it to the other party has been prepared in accordance with applicable accounting standards, consistently applied.
- (iv) Each party agrees to promptly notify the other party in writing in accordance with the notice procedures set forth in this Agreement (i) of any material change to Dodd-Frank Information (other than representations) previously provided by such party or on behalf of such party, and (ii) if any representations made in Dodd-Frank Information or this Agreement by or on behalf of such party become incorrect or misleading in any material respect. For any representation that would be incorrect or misleading in any material respect if repeated on any date following the date on which the representation was last repeated, the notifying party shall timely amend such representation by giving notice of such amendment to the other party in accordance with the notice procedures set forth in this Agreement. Notwithstanding anything in this Agreement to the contrary, a notification pursuant this Part 9(b)(iv) shall be effective on the General Business Day following the date on which a notice would be effective pursuant to the notice procedures set forth in this Agreement or such other date as the parties may specify in writing, and the relevant information or representation will be deemed amended as of such date.
- (v) In accordance with the notice procedures set forth in this Agreement, each party agrees to promptly provide the other party with any information reasonably requested by such other party to enable such other party to comply with Title VII of the Dodd-Frank Wall Street

Reform and Consumer Protection Act and the CFTC Regulations in connection with any Swap Transaction outstanding between the parties under this Agreement.

- (vi) Notwithstanding anything to the contrary in this Agreement or in any non-disclosure, confidentiality or similar agreement between the parties, each party consents to the disclosure of information to the extent required by the CFTC Regulations which mandate reporting of information regarding Swap Transaction Events and similar information. Each party acknowledges that disclosures made pursuant to this Part 9(b)(vi) may include, without limitation, the disclosure of trade information including a party's identity (by name, identifier or otherwise) to an SDR and relevant regulators and that such disclosures could result in certain anonymous Swap Transaction and pricing data becoming available to the public. For purposes of complying with the reporting obligations under the CFTC Regulations, each party further acknowledges that an SDR may engage the services of a global trade repository regulated by one or more governmental regulators, *provided* that such regulated global trade repository is subject to comparable confidentiality provisions as is an SDR registered with the CFTC. For avoidance of doubt, to the extent that applicable non-disclosure, confidentiality, bank secrecy or other law imposes non-disclosure requirements on information regarding Swap Transaction Events and similar information required to be disclosed pursuant to the CFTC Regulations but permits a party to waive such requirements by consent, the consent and acknowledgements provided by such party in this Part 9(b)(vi) shall be a consent by it for purposes of such other applicable law.

(c) ***Recordkeeping and Reporting.***

- (i) Each party agrees that the Reporting Counterparty, as defined in this Amendment, shall be Party B. In accordance with CFTC Regulation 45.8, the Reporting Counterparty will report all Swaps under this Agreement in accordance with CFTC Regulation 45.8, and under CFTC Regulation Part 46. The Reporting Counterparty will provide and report to a registered SDR all of the information and data required to be reported under the CFTC Regulations with respect to the Swap Transactions and Swap Transaction Events under this Agreement. In some cases, as of the date of this Agreement a SDR may have already uploaded and reported certain Reportable Swap Transactions between Party A and Party B, and applied convention that the seller of the swap is the Reporting Counterparty. Party A and Party B agree that, with respect to any transactions a SDR has already uploaded and reported, the seller of the swap will be the Reporting Counterparty.
- (ii) Each party agrees that the Non-Reporting Counterparty, as defined in this Amendment, shall be Party A.
- (iii) Upon the occurrence of any "life cycle event" (as that term is defined in CFTC Regulation 45.1) relating to a corporate event in respect of the Non-Reporting Counterparty and a Swap under a Swap Transaction, the Non-Reporting Counterparty will as soon as practicable, but not later than 10:00 a.m. on the second "business day" (as that term is defined in CFTC Regulation 45.1) following the day on which such life cycle event occurs, notify the Reporting Counterparty of the occurrence of such life cycle event with sufficient detail regarding such life cycle event to allow the Reporting Counterparty to comply with any reporting requirements imposed by the CFTC Regulations.

(d) ***End-User Exception.***

- (i) ***Election; Representations and Warranties.*** In the event that either party to this Agreement, pursuant to and in accordance with CFTC Regulation 50.50, elects the exception to the clearing requirement under Section 2(h) of the CEA, then such electing party hereby represents and warrants (which representations and warranties will be deemed to be repeated by such party on each date on which it makes such election) that:
  - (a) it is not a "financial entity" as defined in Section 2(h)(7)(C)(i) of the CEA;

- (b) it is using the Swap(s) to hedge or mitigate commercial risk as provided in, and in accordance with, CFTC Regulation 50.50(c); and
- (c) if it is, or is controlled by, an issuer of securities registered under Section 12 of, or is required to file reports under Section 15(d) of, the U.S. Securities Exchange Act of 1934, that the appropriate board (or committee of such board) has approved the exception to the clearing requirement under Section 2(h)(7)(A) of the CEA.

(ii) ***Reporting of Election.***

- (a) The Reporting Counterparty will provide and report to a registered SDR or the CFTC (as applicable) the information described in CFTC Regulation 39.6(b) regarding the parties' election (if any) of the exception to the clearing requirement under Section 2(h)(7)(A) of the CEA.
- (b) If in the future the Non-Reporting Counterparty intends to elect the exception to the clearing requirement under Section 2(h)(7)(A) of the CEA, then:
  - (i) If the Non-Reporting Counterparty has made an annual filing in accordance with CFTC Regulation 50.50(b)(2) and such filing was made no more than 365 days prior to the Trade Date of the relevant Swap Transaction, then the Non-Reporting Counterparty shall, upon execution of this Agreement, provide the Reporting Counterparty with a written notice that it has made such filing. Such notice shall indicate the date upon which and the SDR with which the annual filing was made;
  - (ii) If the Non-Reporting Counterparty of a Swap Transaction intends to make an annual filing in accordance with CFTC Regulation 50.50(b)(2), then the Non-Reporting Counterparty shall do so within two (2) Business Days of execution of this Agreement. Once such filing is made, the Non-Reporting Counterparty shall promptly provide the Reporting Counterparty with a written notice that it has done so. Such notice shall indicate the date upon which and the SDR with which the annual filing was made. The Non-Reporting Counterparty of a Swap Transaction, shall not be permitted to enter into a Swap Transaction for which it elects the exception to the clearing requirement under Section 2(h)(7)(A) of the CEA until it has provided the Reporting Counterparty with written notice indicating that the Non-Reporting Counterparty has made the annual filing; or
  - (iii) If the Non-Reporting Counterparty of a Swap Transaction does not intend to make or has not made an annual filing in accordance with CFTC Regulation 50.50(b)(2), then in order for the Reporting Counterparty to report the information required in CFTC Regulation 50.50(b)(1)(C), the Non-Reporting Counterparty seller shall provide the Reporting Counterparty with a written notice upon execution of this Agreement disclosing:
    - (a) Which of the following forms of credit support (if any), or combination thereof, the Non-Reporting Counterparty utilizes to generally meet its financial obligations associated with entering into non-cleared Swaps:
      - (i) A credit support agreement;
      - (ii) Pledged or segregated assets (including posting or receiving margin pursuant to a credit support agreement or otherwise);
      - (iii) A third-party guarantee;
      - (iv) The Non-Reporting Counterparty of a Swap Transaction's available financial resources; or
      - (v) Any other means.

- (b) If the Non-Reporting Counterparty of a Swap Transaction is, or is controlled by, an issuer of securities registered under Section 12 of, or is required to file reports under Section 15(d) of, the U.S. Securities Exchange Act of 1934, the relevant SEC Central Index Key number.
  - (c) The Non-Reporting Counterparty of a Swap Transaction shall update the information provided to the Reporting Counterparty pursuant to Part 9(d)(ii)(b) to the extent that such information is, or becomes, out of date or incorrect. If applicable, on each anniversary of the date on which the Non-Reporting Counterparty made its annual filing as described in Parts 9(d)(ii)(b)(i) and (ii), the Non-Reporting Counterparty shall provide the Reporting Counterparty with a written notice (1) indicating that the Non-Reporting Counterparty has renewed such annual filing (including the date upon which and the SDR with which the renewed annual filing was made), or (2) disclosing the information described in Part 9(d)(ii)(b)(iii), as applicable.
- (e) **Commodity Trade Option.** As of each Swap Transaction Event with respect to a Commodity Trade Option:
  - (i) The party that is the offeror of the Commodity Trade Option represents to the other party (i.e., the offeree) that it is (a) an “eligible contract participant” as described in Part 5 above, or (b) (1) a producer, processor, or commercial user of, or a merchant handling the commodity that is the subject of, the Commodity Trade Option, or the products or by-products thereof, and (2) that such offeror is offering or entering into the Commodity Trade Option solely for purposes related to its business as such;
  - (ii) The party that is the offeree of the Commodity Trade Option represents to the other party (i.e., the offeror) that it is (a) a producer, processor, or commercial user of, or a merchant handling the commodity that is the subject of, the Commodity Trade Option, or the products or by-products thereof, and (b) entering into the Commodity Trade Option solely for purposes related to its business as such; and
  - (iii) The parties intend to physically settle each Commodity Trade Option, so that if exercised, the Commodity Trade Option will result in the sale of an “exempt commodity” (as defined in Section 1a(20) of the CEA) or an “agricultural commodity” (as defined in CFTC Regulation 1.3(zz)) for immediate or deferred shipment or delivery.
- (f) **Hedging Representation.** Upon request by a party (the “Requesting Party”), and subject to the immediately following sentence, the other party (the “Providing Party”) shall provide the Requesting Party with a written representation in the applicable Confirmation indicating that, as to the Providing Party, the relevant Swap Transaction qualifies in good faith as a “bona fide hedging transaction or position” as defined in the relevant part of the CFTC Regulations, and as may be further defined or supplemented by the CFTC. Notwithstanding the foregoing, the Providing Party shall provide the written representation only if it is capable of making and supporting such written representation in accordance with the CFTC Regulations. Any such written representation shall be retained by the parties for a period of at least five years following the expiration of the relevant Swap Transaction.

Annex C

Reporting Information

<b>Company's Full Legal Entity Name:</b> The Brooklyn Union Gas Company dba National Grid NY  <b>Principal Address:</b> One Metrotech Center Brooklyn, New York 11201  <b>Guarantor, if applicable:</b>  <b>Address:</b> <b>Telephone:</b> <b>Fax:</b>	<b>Company's Full Legal Entity Name:</b> Cargill, Incorporated  <b>Principal Address:</b> 9350 Excelsior Blvd. Hopkins, MN 55343 USA Phone: 1-952-984-3975 Fax: 1-952-249-4216 Email: <a href="mailto:cpgm@cargill.com">cpgm@cargill.com</a>
<b>CFTC Interim Compliance Identifier (CICI):</b>  83BQ1DXS6VA5GZFK8S35	<b>CFTC Interim Compliance Identifier (CICI):</b>  QXZYQNMR4JZ5RIRN4T31
<b>Direct Parent Company:</b> KeySpan Corporation  Is the Company its 100% owned subsidiary? <input type="checkbox"/> No <input checked="" type="checkbox"/> Yes  Eligible Contract Participant <input type="checkbox"/> No <input checked="" type="checkbox"/> Yes	<b>Direct Parent Company:</b> N/A  Is the Company its 100% owned subsidiary? <input type="checkbox"/> No <input type="checkbox"/> Yes  Eligible Contract Participant <input type="checkbox"/> No <input checked="" type="checkbox"/> Yes
<b>Ultimate Parent Company:</b> National Grid plc  <hr/> Is the Direct Parent Company its 100% owned subsidiary? <input type="checkbox"/> No <input checked="" type="checkbox"/> Yes	<b>Ultimate Parent Company:</b> N/A  <hr/> Is the Direct Parent Company its 100% owned subsidiary? <input type="checkbox"/> No <input type="checkbox"/> Yes
<b>Dodd-Frank Entity Type:</b>	<b>Dodd-Frank Entity Type:</b>
Swap Dealer <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes Major Swap Participant: <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes Financial Entity <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes Special Entity <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes Eligible Contract Participant <input type="checkbox"/> No <input checked="" type="checkbox"/> Yes US Person <input type="checkbox"/> No <input checked="" type="checkbox"/> Yes	Swap Dealer <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes Major Swap Participant <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes Financial Entity <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes Special Entity <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes Eligible Contract Participant <input type="checkbox"/> No <input checked="" type="checkbox"/> Yes US Person <input type="checkbox"/> No <input checked="" type="checkbox"/> Yes
<b>Primary SDR:</b> _____	<b>Primary SDR:</b> ICE
<b>Reportable Events to be reported by Reporting Counterparty:</b>	
<input checked="" type="checkbox"/> Historical Swaps entered into prior to the date hereof <input checked="" type="checkbox"/> Reportable Events on or after the date hereof including in respect of Historical Swaps <input type="checkbox"/> Reportable Events on or after the date hereof excluding in respect of Historical Swaps <input checked="" type="checkbox"/> Historical Swaps as used in this election excludes cleared Historical Swaps	

**ISDA®**

International Swaps and Derivatives Association, Inc.

## **CREDIT SUPPORT ANNEX**

to the Schedule to the

**Master Agreement**

dated as of December 19, 2014

between

**THE BROOKLYN UNION GAS COMPANY  
d/b/a NATIONAL GRID NY**

**CARGILL, INCORPORATED**

("Party A")

and

("Party B")

This Annex supplements, forms part of, and is subject to, the above-referenced Agreement, is part of its Schedule and is a Credit Support Document under this Agreement with respect to each party.

Accordingly, the parties agree as follows;--

### **Paragraph 1. Interpretation**

(a) *Definitions and Inconsistency.* Capitalized terms not otherwise defined herein or elsewhere in this Agreement have the meanings specified pursuant to Paragraph 12, and all references in this Annex to Paragraphs are to Paragraphs of this Annex. In the event of any inconsistency between this Annex and the other provisions of this Schedule, this Annex will prevail, and in the event of any inconsistency between Paragraph 13 and the other provisions of this Annex, Paragraph 13 will prevail.

(b) *Secured Party and Pledgor.* All references in this Annex to the "Secured Party" will be to either party when acting in that capacity and all corresponding references to the "Pledgor" will be to the other party when acting in that capacity; *provided, however*, that if Other Posted Support is held by a party to this Annex, all references herein to that party as the Secured Party with respect to that Other Posted Support will be to that party as the beneficiary thereof and will not subject that support or that party as the beneficiary thereof to provisions of law generally relating to security interests and secured parties.

### **Paragraph 2. Security Interest**

Each party, as the Pledgor, hereby pledges to the other party, as the Secured Party, as security for its obligations, and grants to the Secured Party a first priority continuing security interest in, lien on and right of Set-off against all Posted Collateral Transferred to or received by the Secured Party hereunder. Upon the Transfer by the Secured Party to the Pledgor of Posted Collateral, the security interest and lien granted hereunder on that Posted Collateral will be released immediately and, to the extent possible, without any further action by either party.



### Paragraph 3. Credit Support Obligations

(a) **Delivery Amount.** Subject to Paragraphs 4 and 5, upon a demand made by the Secured Party on or promptly following a Valuation Date, if the Delivery Amount for that Valuation Date equals or exceeds the Pledgor's Minimum Transfer Amount, then the Pledgor will Transfer to the Secured Party Eligible Credit Support having a Value as of the date of Transfer at least equal to the applicable Delivery Amount (rounded pursuant to Paragraph 13). Unless otherwise specified in Paragraph 13, the "**Delivery Amount**" applicable to the Pledgor for any Valuation Date will equal the amount by which:

(i) the Credit Support Amount

exceeds

(ii) the Value as of that Valuation Date of all Posted Credit Support held by the Secured Party.

(b) **Return Amount.** Subject to Paragraphs 4 and 5, upon a demand made by the Pledgor on or promptly following a Valuation Date, if the Return Amount for that Valuation Date equals or exceeds the Secured Party's Minimum Transfer Amount, then the Secured Party will Transfer to the Pledgor Posted Credit Support specified by the Pledgor in that demand having a Value as of the date of Transfer as close as practicable to the applicable Return Amount (rounded pursuant to Paragraph 13). Unless otherwise specified in Paragraph 13, the "**Return Amount**" applicable to the Secured Party for any Valuation Date will equal the amount by which:

(i) the Value as of that Valuation Date of all Posted Credit Support held by the Secured Party exceeds

(ii) the Credit Support Amount.

**"Credit Support Amount"** means, unless otherwise specified in Paragraph 13, for any Valuation Date (i) the Secured Party's Exposure for that Valuation Date plus (ii) the aggregate of all Independent Amounts applicable to the Pledgor, if any, minus (iii) all Independent Amounts applicable to the Secured Party, if any, minus (iv) the Pledgor's Threshold; *provided, however*, that the Credit Support Amount will be deemed to be zero whenever the calculation of Credit Support Amount yields a number less than zero,

### Paragraph 4. Conditions Precedent, Transfer Timing, Calculations and Substitutions

(a) **Conditions Precedent.** Each Transfer obligation of the Pledgor under Paragraphs 3 and 5 and of the Secured Party under Paragraphs 3, 4(d)(ii), 5 and 6(d) is subject to the conditions precedent that:

(i) no Event of Default, Potential Event of Default or Specified Condition has occurred and is continuing with respect to the other party; and

(ii) no Early Termination Date for which any unsatisfied payment obligations exist has occurred or been designated as the result of an Event of Default or Specified Condition with respect to the other party.

(b) **Transfer Timing.** Subject to Paragraphs 4(a) and 5 and unless otherwise specified, if a demand for the Transfer of Eligible Credit Support or Posted Credit Support is made by the Notification Time, then the relevant Transfer will be made not later than the close of business on the next Local Business Day; if a demand is made after the Notification Time, then the relevant Transfer will be made not later than the close of business on the second Local Business Day thereafter.

(c) **Calculations.** All calculations of Value and Exposure for purposes of Paragraphs 3 and 6(d) will be made by the Valuation Agent as of the Valuation Time. The Valuation Agent will notify each party (or the other party, if the Valuation Agent is a party) of its calculations not later than the Notification Time on the Local Business Day following the applicable Valuation Date (or in the case of Paragraph 6(d), following the date of calculation).

(d) **Substitutions.**

(i) Unless otherwise specified in Paragraph 13, upon notice to the Secured Party specifying the items of Posted Credit Support to be exchanged, the Pledgor may, on any Local Business Day, Transfer to the Secured Party substitute Eligible Credit Support (the "Substitute Credit Support"); and

(ii) subject to Paragraph 4(a), the Secured Party will Transfer to the Pledgor the items of Posted Credit Support

specified by the Pledgor in its notice not later than the Local Business Day following the date on which the Secured Party receives the Substitute Credit Support, unless otherwise specified in Paragraph 13(the "Substitution Date"); *provided* that the Secured Party will only be obligated to Transfer Posted Credit Support with a Value as of the date of Transfer of that Posted Credit Support equal to the Value as of that date of the Substitute Credit Support.

#### **Paragraph 5. Dispute Resolution**

If a party (a "Disputing Party") disputes (I) the Valuation Agent's calculation of a Delivery Amount or a Return Amount or (II) the Value of any Transfer of Eligible Credit Support or Posted Credit Support, then (1) the Disputing Party will notify the other party and the Valuation Agent (if the Valuation Agent is not the other party) not later than the close of business on the Local Business Day following (X) the date that the demand is made under Paragraph 3 in the case of (I) above or (Y) the date of Transfer in the case of (II) above, (2) subject to Paragraph 4(a), the appropriate party will Transfer the undisputed amount to the other party not later than the close of business on the Local Business Day following (X) the date that the demand is made under Paragraph 3 in the case of (I) above or (Y) the date of Transfer in the case of (II) above, (3) the parties will consult with each other in an attempt to resolve the dispute and (4) if they fail to resolve the dispute by the Resolution Time, then:

- (i) In the case of a dispute involving a Delivery Amount or Return Amount, unless otherwise specified in Paragraph 13, the Valuation Agent will recalculate the Exposure and the Value as of the Recalculation Date by:
  - (A) utilizing any calculations of Exposure for the Transactions (or Swap Transactions) that the parties have agreed are not in dispute;
  - (B) calculating the Exposure for the Transactions (or Swap Transactions) in dispute by seeking four actual quotations at mid-market from Reference Market-makers for purposes of calculating Market Quotation, and taking the arithmetic average of those obtained; *provided* that if four quotations are not available for a particular Transaction (or Swap Transaction), then fewer than four quotations may be used for that Transaction (or Swap Transaction); and if no quotations are available for a particular Transaction (or Swap Transaction), then the Valuation Agent's original calculations will be used for that Transaction (or Swap Transaction); and
  - (C) utilizing the procedures specified in Paragraph 13 for calculating the Value, if disputed, of Posted Credit Support.
- (ii) In the case of a dispute involving the Value of any Transfer of Eligible Credit Support or Posted Credit Support, the Valuation Agent will recalculate the Value as of the date of Transfer pursuant to Paragraph 13.

Following a recalculation pursuant to this Paragraph, the Valuation Agent will notify each party (or the other party, if the Valuation Agent is a party) not later than the Notification Time on the Local Business Day following the Resolution Time. The appropriate party will, upon demand following that notice, by the Valuation Agent or a resolution pursuant to (3) above and subject to Paragraphs 4(a) and 4(b), make the appropriate Transfer.

#### **Paragraph 6. Holding and Using Posted Collateral**

(a) *Care of Posted Collateral* . Without limiting the Secured Party's rights under Paragraph 6(c), the Secured Party will exercise reasonable care to assure the safe custody of all Posted Collateral to the extent required by applicable law, and in any event the Secured Party will be deemed to have exercised reasonable care if it exercises at least the same degree of care as it would exercise with respect to its own property. Except as specified in the preceding sentence, the Secured Party will have no duty with respect to Posted Collateral, including, without limitation, any duty to collect any Distributions, or enforce or preserve any rights pertaining thereto.

(b) *Eligibility to Hold Posted Collateral; Custodians*.

- (i) *General*. Subject to the satisfaction of any conditions specified in Paragraph 13 for holding Posted Collateral, the Secured Party will be entitled to hold Posted Collateral or to appoint an agent (a "Custodian") to hold Posted Collateral for the Secured Party. Upon notice by the Secured Party to the Pledgor of the appointment of a Custodian, the Pledgor's obligations to make any Transfer will be discharged by making

the Transfer to that Custodian. The holding of Posted Collateral by a Custodian will be deemed to be the holding of that Posted Collateral by the Secured Party for which the Custodian is acting.

(ii) *Failure to Satisfy Conditions.* If the Secured Party or its Custodian fails to satisfy any conditions for holding Posted Collateral, then upon a demand made by the Pledgor, the Secured Party will, not later than five Local Business Days after the demand, Transfer or cause its Custodian to Transfer all Posted Collateral held by it to a Custodian that satisfies those conditions or to the Secured Party if it satisfies those conditions.

(iii) *Liability.* The Secured Party will be liable for the acts or omissions of its Custodian to the same extent that the Secured Party would be liable hereunder for its own acts or omissions.

(c) *Use of Posted Collateral.* Unless otherwise specified in Paragraph 13 and without limiting the rights and obligations of the parties under Paragraphs 3, 4(d)(ii), 5, 6(d) and 8, if the Secured Party is not a Defaulting Party or an Affected Party with respect to a Specified Condition and no Early Termination Date has occurred or been designated as the result of an Event of Default or Specified Condition with respect to the Secured Party, then the Secured Party will, notwithstanding Section 9-207 of the New York Uniform Commercial Code, have the right to:

(i) sell, pledge, rehypothecate, assign, invest, use, commingle or otherwise dispose of, or otherwise use in its business any Posted Collateral it holds, free from any claim or right of any nature whatsoever of the Pledgor, including any equity or right of redemption by the Pledgor, and

(ii) register any Posted Collateral in the name of the Secured Party, its Custodian or a nominee for either.

For purposes of the obligation to Transfer Eligible Credit Support or Posted Credit Support pursuant to Paragraphs 3 and 5 and any rights or remedies authorized under this Agreement, the Secured Party will be deemed to continue to hold all Posted Collateral and to receive Distributions made thereon, regardless of whether the Secured Party has exercised any rights with respect to any Posted Collateral pursuant to (i) or (ii) above.

(d) *Distributions and Interest Amount*

(i) *Distributions.* Subject to Paragraph 4(a), if the Secured Party receives or is deemed to receive Distributions on a Local Business Day, it will Transfer to the Pledgor not later than the following Local Business Day any Distributions it receives or is deemed to receive to the extent that a Delivery Amount would not be created or increased by that Transfer, as calculated by the Valuation Agent (and the date of calculation will be deemed to be a Valuation Date for this purpose).

(ii) *Interest Amount.* Unless otherwise specified in Paragraph 13 and subject to Paragraph 4(a), in lieu of any interest, dividends or other amounts paid or deemed to have been paid with respect to Posted Collateral in the form of Cash (all of which may be retained by the Secured Party), the Secured Party will Transfer to the Pledgor at the times specified in Paragraph 13 the Interest Amount to the extent that a Delivery Amount would not be created or increased by that Transfer, as calculated by the Valuation Agent (and the date of calculation will be deemed to be a Valuation Date for this purpose). The Interest Amount or portion thereof not Transferred pursuant to this Paragraph will constitute Posted Collateral in the form of Cash and will be subject to the security interest granted under Paragraph 2.

**Paragraph 7. Events of Default**

For purposes of Section 5(a)(iii)(1) of this Agreement, an Event of Default will exist with respect to a party if:

(i) that party fails (or fails to cause its Custodian) to make, when due, any Transfer of Eligible Collateral, Posted Collateral or the Interest Amount, as applicable, required to be made by it and that failure continues for two Local Business Days after notice of that failure is given to that party;

(ii) that party fails to comply with any restriction or prohibition specified in this Annex with respect to any of the rights specified in Paragraph 6(c) and that failure continues for five Local Business Days after notice of that failure is given to that party; or

(iii) that party fails to comply with or perform any agreement or obligation other than those specified in Paragraphs 7(i) and 7(ii) and that failure continues for 30 days after notice of that failure is given to that party.

## Paragraph 8. Certain Rights and Remedies

(a) **Secured Party's Rights and Remedies.** If at any time ( 1 ) an Event of Default or Specified Condition with respect to the Pledgor has occurred and is continuing or (2) an Early Termination Date has occurred or been designated as the result of an Event of Default or Specified Condition with respect to the Pledgor, then, unless the Pledgor has paid in full all of its Obligations that are then due, the Secured Party may exercise one or more of the following rights and remedies:

- (i) all rights and remedies available to a secured party under applicable law with respect to Posted Collateral held by the Secured Party;
- (ii) any other rights and remedies available to the Secured Party under the terms of Other Posted Support, if any;
- (iii) the right to Set-off any amounts payable by the Pledgor with respect to any Obligations against any Posted Collateral or the Cash equivalent of any Posted Collateral held by the Secured Party (or any obligation of the Secured Party to Transfer that Posted Collateral); and
- (iv) the right to liquidate any Posted Collateral held by the Secured Party through one or more public or private sales or other dispositions with such notice, if any, as may be required under applicable law, free from any claim or right of any nature whatsoever of the Pledgor, including any equity or right of redemption by the Pledgor (with the Secured Party having the right to purchase any or all of the Posted Collateral to be sold) and to apply the proceeds (or the Cash equivalent thereof) from the liquidation of the Posted Collateral to any amounts payable by the Pledgor with respect to any Obligations in that order as the Secured Party may elect.

Each party acknowledges and agrees that Posted Collateral in the form of securities may decline speedily in value and is of a type customarily sold on a recognized market, and, accordingly, the Pledgor is not entitled to prior notice of any sale of that Posted Collateral by the Secured Party, except any notice that is required under applicable law and cannot be waived.

(b) **Pledgor's Rights and Remedies.** If at any time an Early Termination Date has occurred or been designated as the result of an Event of Default or Specified Condition with respect to the Secured Party, then (except in the case of an Early Termination Date relating to less than all Transactions (or Swap Transactions) where the Secured Party has paid in full all of its obligations that are then due under Section 6(e) of this Agreement):

- (i) the Pledgor may exercise all rights and remedies available to a pledgor under applicable law with respect to Posted Collateral held by the Secured Party;
- (ii) the Pledgor may exercise any other rights and remedies available to the Pledgor under the terms of Other Posted Support, if any;
- (iii) the Secured Party will be obligated immediately to Transfer all Posted Collateral and the Interest Amount to the Pledgor; and
- (iv) to the extent that Posted Collateral or the Interest Amount is not so Transferred pursuant to (iii) above, the Pledgor may:
  - (A) Set-off any amounts payable by the Pledgor with respect to any Obligations against any Posted Collateral or the Cash equivalent of any Posted Collateral held by the Secured Party (or any obligation of the Secured Party to Transfer that Posted Collateral); and
  - (B) to the extent that the Pledgor does not Set-off under (iv)(A) above, withhold payment of any remaining amounts payable by the Pledgor with respect to any Obligations, up to the Value of any remaining Posted Collateral held by the Secured Party, until that Posted Collateral is Transferred to the Pledgor.

(c) **Deficiencies and Excess Proceeds.** The Secured Party will Transfer to the Pledgor any proceeds and Posted Credit Support remaining after liquidation, Set-off and/or application under Paragraphs 8(a) and 8(b) after satisfaction in full of all amounts payable by the Pledgor with respect to any Obligations; the Pledgor in all events will remain liable for any amounts remaining unpaid after any liquidation, Set-off and/or application under Paragraphs 8(a) and 8(b).

(d) **Final Returns.** When no amounts are or thereafter may become payable by the Pledgor with respect to any Obligations (except for any potential liability under Section 2(d) of this Agreement), the Secured Party will Transfer to the Pledgor all Posted Credit Support and the Interest Amount, if any.

#### **Paragraph 9. Representations**

Each party represents to the other party (which representations will be deemed to be repeated as of each date on which it, as the Pledgor, Transfers Eligible Collateral) that:

- (i) it has the power to grant a security interest in and lien on any Eligible Collateral it Transfers as the Pledgor and has taken all necessary actions to authorize the granting of that security interest and lien;
- (ii) it is the sole owner of or otherwise has the right to Transfer all Eligible Collateral it Transfers to the Secured Party hereunder, free and clear of any security interest, lien, encumbrance or other restrictions other than the security interest and lien granted under Paragraph 2;
- (iii) upon the Transfer of any Eligible Collateral to the Secured Party under the terms of this Annex, the Secured Party will have a valid and perfected first priority security interest therein (assuming that any central clearing corporation or any third-party financial intermediary or other entity not within the control of the Pledgor involved in the Transfer of that Eligible Collateral gives the notices and takes the action required of it under applicable law for perfection of that interest); and
- (iv) the performance by it of its obligations under this Annex will not result in the creation of any security interest, lien or other encumbrance on any Posted Collateral other than the security interest and lien granted under Paragraph 2.

#### **Paragraph 10. Expenses**

- (a) **General.** Except as otherwise provided in Paragraphs 10(b) and 10(c), each party will pay its own costs and expenses in connection with performing its obligations under this Annex and neither party will be liable for any costs and expenses incurred by the other party in connection herewith.
- (b) **Posted Credit Support.** The Pledgor will promptly pay when due all taxes, assessments or charges of any nature that are imposed with respect to Posted Credit Support held by the Secured Party upon becoming aware of the same, regardless of whether any portion of that Posted Credit Support is subsequently disposed of under Paragraph 6(c), except for those taxes, assessments and charges that result from the exercise of the Secured Party's rights under Paragraph 6(c).
- (c) **Liquidation/Application of Posted Credit Support.** All reasonable costs and expenses incurred by or on behalf of the Secured Party or the Pledgor in connection with the liquidation and/or application of any Posted Credit Support under Paragraph 8 will be payable, on demand and pursuant to the Expenses Section of this Agreement, by the Defaulting Party or, if there is no Defaulting Party, equally by the parties.

#### **Paragraph 11. Miscellaneous**

- (a) **Default Interest.** A Secured Party that fails to make, when due, any Transfer of Posted Collateral or the Interest Amount will be obligated to pay the Pledgor (to the extent permitted under applicable law) an amount equal to interest at the Default Rate multiplied by the Value of the items of property that were required to be Transferred, from (and including) the date that Posted Collateral or Interest Amount was required to be Transferred to (but excluding) the date of Transfer of that Posted Collateral or Interest Amount. This interest will be calculated on the basis of daily compounding and the actual number of days elapsed.
- (b) **Further Assurances.** Promptly following a demand made by a party, the other party will execute, deliver, file and record any financing statement, specific assignment or other document and take any other action that may be necessary or desirable and reasonably requested by that party to create, preserve, perfect or validate any security interest or lien granted under Paragraph 2, to enable that party to exercise or enforce its rights under this Annex with respect to Posted Credit Support or an Interest Amount or to effect or document a release of a security interest on Posted Collateral or an Interest Amount.
- (c) **Further Protection.** The Pledgor will promptly give notice to the Secured Party of, and defend against, any suit, action, proceeding or lien that involves Posted Credit Support Transferred by the Pledgor or that could adversely affect the security interest and lien granted by it under Paragraph 2, unless that suit, action, proceeding or lien results from the exercise of the Secured Party's rights under Paragraph 6(c).

(d) *Good Faith and Commercially Reasonable Manner.* Performance of all obligations under this Annex, including, but not limited to, all calculations, valuations and determinations made by either party, will be made in good faith and in a commercially reasonable manner.

(e) *Demands and Notices.* All demands and notices made by a party under this Annex will be made as specified in the Notices Section of this Agreement, except as otherwise provided in Paragraph 13.

(f) *Specifications of Certain Matters.* Anything referred to in this Annex as being specified in Paragraph 13 also may be specified in one or more Confirmations or other documents and this Annex will be construed accordingly.

## **Paragraph 12. Definitions**

As used in this Annex:--

*"Cash"* means the lawful currency of the United States of America.

*"Credit Support Amount"* has the meaning specified in Paragraph 3.

*"Custodian"* has the meaning specified in Paragraphs 6(b)(i) and 13.

*"Delivery Amount"* has the meaning specified in Paragraph 3(a).

*"Disputing Party"* has the meaning specified in Paragraph 5.

*"Distributions"* means with respect to Posted Collateral other than Cash, all principal, interest and other payments and distributions of cash or other property with respect thereto, regardless of whether the Secured Party has disposed of that Posted Collateral under Paragraph 6(c). Distributions will not include any item of property acquired by the Secured Party upon any disposition or liquidation of Posted Collateral or, with respect to any Posted Collateral in the form of Cash, any distributions on that collateral, unless otherwise specified herein.

*"Eligible Collateral"* means, with respect to a party, the items, if any, specified as such for that party in Paragraph 13.

*"Eligible Credit Support"* means Eligible Collateral and Other Eligible Support.

*"Exposure"* means for any Valuation Date or other date for which Exposure is calculated and subject to Paragraph 5 in the case of a dispute, the amount, if any, that would be payable to a party that is the Secured Party by the other party (expressed as a positive number) or by a party that is the Secured Party to the other party (expressed as a negative number) pursuant to Section 6(e)(ii)(2)(A) of this Agreement as if all Transactions (or Swap Transactions) were being terminated as of the relevant Valuation Time; *provided* that Market Quotation will be determined by the Valuation Agent using its estimates at mid-market of the amounts that would be paid for Replacement Transactions (as that term is defined in the definition of "Market Quotation").

*"Independent Amount"* means, with respect to a party, the amount specified as such for that party in Paragraph 13; if no amount is specified, zero.

*"Interest Amount"* means, with respect to an Interest Period, the aggregate sum of the amounts of interest calculated for each day in that Interest Period on the principal amount of Posted Collateral in the form of Cash held by the Secured Party on that day, determined by the Secured Party for each such day as follows:

(x) the amount of that Cash on that day; multiplied by

(y) the Interest Rate in effect for that day; divided by

(z) 360.

*"Interest Period"* means the period from (and including) the last Local Business Day on which an Interest Amount was Transferred (or, if no Interest Amount has yet been Transferred, the Local Business Day on which Posted Collateral in the form of Cash was Transferred to or received by the Secured Party) to (but excluding) the Local Business Day on which the current Interest Amount is to be Transferred.

**"Interest Rate"** means the rate specified in Paragraph 13.

**"Local Business Day"** unless otherwise specified in Paragraph 13, has the meaning specified in the Definitions Section of this Agreement, except that references to a payment in clause (b) thereof will be deemed to include a Transfer under this Annex.

**"Minimum Transfer Amount"** means, with respect to a party, the amount specified as such for that party in Paragraph 13; if no amount is specified, zero.

**"Notification Time"** has the meaning specified in Paragraph 13.

**"Obligations"** means, with respect to a party, all present and future obligations of that party under this Agreement and any additional obligations specified for that party in Paragraph 13.

**"Other Eligible Support"** means, with respect to a party, the items, if any, specified as such for that party in Paragraph 13.

**"Other Posted Support"** means all Other Eligible Support Transferred to the Secured Party that remains in effect for the benefit of that Secured Party.

**"Pledgor"** means either party, when that party (i) receives a demand for or is required to Transfer Eligible Credit Support under Paragraph 3(a) or (ii) has Transferred Eligible Credit Support under Paragraph 3(a).

**"Posted Collateral"** means all Eligible Collateral, other property, Distributions, and all proceeds thereof that have been Transferred to or received by the Secured Party under this Annex and not Transferred to the Pledgor pursuant to Paragraph 3(b), 4(d)(ii) or 6(d)(i) or released by the Secured Party under Paragraph 8. Any interest Amount or portion thereof not Transferred pursuant to Paragraph 6(d)(ii) will constitute Posted Collateral in the form of Cash.

**"Posted Credit Support"** means Posted Collateral and Other Posted Support.

**"Recalculation Date"** means the Valuation Date that gives rise to the dispute under Paragraph 5; *provided, however*, that if a subsequent Valuation Date occurs under Paragraph 3 prior to the resolution of the dispute, then the "Recalculation Date" means the most recent Valuation Date under Paragraph 3.

**"Resolution Time"** has the meaning specified in Paragraph 13.

**"Return Amount"** has the meaning specified in Paragraph 3(b).

**"Secured Party"** means either party, when that party (i) makes a demand for or is entitled to receive Eligible Credit Support under Paragraph 3(a) or (ii) holds or is deemed to hold Posted Credit Support.

**"Specified Condition"** means, with respect to a party, any event specified as such for that party in Paragraph 13.

**"Substitute Credit Support"** has the meaning specified in Paragraph 4(d)(i).

**"Substitution Date"** has the meaning specified in Paragraph 4(d)(ii).

**"Threshold"** means, with respect to a party, the amount specified as such for that party in Paragraph 13; if no amount is specified, zero.

**"Transfer"** means, with respect to any Eligible Credit Support, Posted Credit Support or Interest Amount, and in accordance with the instructions of the Secured Party, Pledgor or Custodian, as applicable:

- (i) in the case of Cash, payment or delivery by wire transfer into one or more bank accounts specified by the recipient;
- (ii) in the case of certificated securities that cannot be paid or delivered by book-entry, payment or delivery in appropriate physical form to the recipient or its account accompanied by any duly executed instruments of transfer, assignments in blank, transfer tax stamps and any other documents necessary to constitute a legally valid transfer to the recipient;

- (iii) in the case of securities that can be paid or delivered by book-entry, the giving of written instructions to the relevant depository institution or other entity specified by the recipient, together with a written copy thereof to the recipient, sufficient if complied with to result in a legally effective transfer of the relevant interest to the recipient; and
- (iv) in the case of Other Eligible Support or Other Posted Support, as specified in Paragraph 13.

**"Valuation Agent"** has the meaning specified in Paragraph 13.

**"Valuation Date"** means each date specified in or otherwise determined pursuant to Paragraph 13.

**"Valuation Percentage"** means, for any item of Eligible Collateral, the percentage specified in Paragraph 13.

**"Valuation Time"** has the meaning specified in Paragraph 13.

**"Value"** means for any Valuation Date or other date for which Value is calculated and subject to Paragraph 5 in the case of a dispute, with respect to:

- (i) Eligible Collateral or Posted Collateral that is:
  - (A) Cash, the amount thereof; and
  - (B) a security, the bid price obtained by the Valuation Agent multiplied by the applicable Valuation Percentage, if any;
- (ii) Posted Collateral that consists of items that are not specified as Eligible Collateral, zero; and
- (iii) Other Eligible Support and Other Posted Support, as specified in Paragraph 13.



# ISDA®

International Swaps and Derivatives Association, Inc.

Paragraph 13  
to the  
Credit Support Annex  
to the Schedule to the 1992 ISDA Master Agreement  
dated as of December 19, 2014

between

**THE BROOKLYN UNION GAS COMPANY d/b/a NATIONAL GRID NY**  
a corporation organized under the laws of the State of New York  
("Party A")

and

**CARGILL, INCORPORATED**  
a corporation organized under the laws of the State of Delaware  
("Party B")

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

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2003	100	100	100	100

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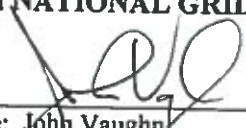
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IN WITNESS WHEREOF, the parties have executed this Annex by their duly authorized officers as of the date hereof.

THE BROOKLYN UNION GAS COMPANY  
d/b/a NATIONAL GRID NY

By:   
Name: John Vaughn  
Title: Authorized Representative  
Date: 01/06/2015

CAC

CARGILL, INCORPORATED

By:   
Name: Marc Morth  
Title: Authorized Signer  
Date: 1/12/15