

**To:**

**Attn:**           **Fax:**

**Email:**

**Date:**

**Ref :**

**LEVERAGED ACCRUAL FORWARD**

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We confirm we have entered into the following Leveraged Accrual Forward Transaction (the "Transaction") with you under the Terms (as defined below). We have traded as principal for this transaction.

The terms and conditions of the transaction entered into on the trade date specified below between ("Bank" or "Party A") and ("Counterparty" or "Party B") are specified below. This communication constitutes a "Confirmation" as referred to in the Agreement specified below. This letter agreement constitutes a "Confirmation" as referred to in the ISDA Master Agreement specified below.

The definitions and provisions contained in the 1998 FX and Currency Option Definitions (the "FX Definitions") (as published by the International Swaps Derivatives Association, Inc., the Emerging Markets Traders Association and The Foreign Exchange Committee), as amended and supplemented (by any of the publishing bodies) through to the Trade Date, are incorporated into this Confirmation. In the event of any inconsistency between those provisions and this Confirmation, this Confirmation will prevail.

This Confirmation constitutes a "Confirmation" as referred to in, and supplements, forms part of and is subject to, the ISDA Master Agreement dated as of    as amended and supplemented from time to time between and, Paris. All provisions contained or incorporated by reference in such Agreement shall govern this Confirmation except as expressly modified above.

**1. The terms of the transaction to which this Confirmation relates are as follows:**

Trade Date:	09 June 2014
Trade Time:	Available on Request
Party A Bought Currency:	CAD (Amount as specified below)
Party B Bought Currency:	USD (Amount as specified below)
USD Notional Amount 1:	USD 400,000.00
USD Notional Amount 2:	USD 800,000.00
CAD Notional Amount 1:	CAD 433,000.00
CAD Notional Amount 2:	CAD 866,000.00
Forward Rate:	1.0825 CAD/USD
Lower Barrier Level:	1.0400 CAD/USD
Upper Barrier Level:	1.1100 CAD/USD

Accrual Period Start Date: 01 October 2014  
Accrual Period End Date: 31 October 2014

Accrual Period: From and including the relevant Accrual Period Start Date up to and including the relevant Accrual Period End Date

Fixing Dates: Every Toronto Business Day during the Accrual Period

Expiration Time: 10:00am New York time  
Expiration Date: 31 October 2014  
Settlement Date: 03 November 2014

Premium Payer: Not Applicable  
Premium Amount: Not Applicable  
Premium Date: Not Applicable  
Premium Payment Instruction: As per Standard Settlement Instructions

Your Designated Office: Toronto  
Our Designated Office: London

Calculation Agent: Party A  
(All determinations made by the Calculation Agent shall be made in good faith and in a commercially reasonable manner)

Party A Account Details: As per Standard Settlement Instructions

Party B Account Details: As per Standard Settlement Instructions

## **2. Settlement terms:**

If on the Expiration Date at the Expiration Time USDmat fixes at or above the Forward Rate then, the following exchange will be made on the Settlement Date

Party A Buys: CAD Notional Amount  $1 \times$  (the total number of Accrual Days / Total Number of Fixing Days in the Accrual Period);

Party B Buys: USD Notional Amount  $1 \times$  (the total number of Accrual Days / Total Number of Fixing Days in the Accrual Period)

If on the Expiration Date at the Expiration Time USDmat fixes below the Forward Rate then, the following exchange will be made in relation to the Accrual Period on the Settlement Date

Party A Buys: CAD Notional Amount  $2 \times$  (the total number of Accrual Days / Total Number of Fixing Days in the Accrual Period)

Party B Buys: USD Notional Amount 2 x (the total number of Accrual Days / Total Number of Fixing Days in the Accrual Period)

**3. Additional definitions for the transaction to which this Confirmation relates are as follows:**

"**Accrual Days**" means a Fixing Date during the Accrual Period where **USDmat** fixes below the Upper Barrier Level and above the Lower Barrier Level.

"**USDmat**" means the average or bid and ask prices for the mid exchange rate expressed as the amount of CAD required to buy one USD prevailing at 12:00pm Toronto Time as published on Reuters page BOFC on that Fixing day in any Accrual Period and if such rate is not available for whatever reason, the rate as determined by the Calculation Agent.

"**Settlement Date**" means the date specified above or if that is not a day (other than a Saturday or Sunday) on which commercial banks are open for business in Toronto and New York (a "Toronto and New York Business Day"), the next following day which is a Toronto and New York Business Day.

"**Total Number of Toronto Business Days in the Accrual Period**" is 22.

For avoidance of doubt, this number is subject to change in the case of an unscheduled Toronto Business Day holiday occurring during the Accrual Period.

**4. 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):

**(a) 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.

**(b) Assessment and Understanding.** It is capable of assessing the merits of and understanding (on its own behalf or through independent professional advice), and accepts, the terms, conditions and risks of that Transaction. It is also capable of assuming, and assumes, the risks of that Transaction.

**(c) Status of Parties.** The other party is not acting as a fiduciary for or an adviser to it in respect of that Transaction.

**5. Disclosure:**

and/or its Affiliates may, in its discretion, decide to engage in hedging activities with respect to the FX Transaction. Such activities may include buying and selling, on a dynamic basis,

the underlying currency in the spot market or entering into derivatives on such currency. The hedging strategy may entail unwinding the hedge when a trigger event occurs under the FX Transaction. and/or its Affiliate may anticipate such event occurring and begin unwinding the hedge before such event occurs, or our hedging strategy may require greater and more frequent dynamic adjustments to the hedge as market prices approach the trigger. Unwinding or adjusting the hedge typically consists of buying or selling a quantity of the underlying currencies, or terminating or entering into derivatives positions with market counterparties. This activity may affect the likelihood of the trigger event occurring or not occurring. In addition, currency or currency derivative transactions that we execute in other capacities (such as trading for proprietary accounts, for accounts under management or to facilitate transactions on behalf of customers) may affect the probability that a trigger event will occur. Please confirm that the foregoing correctly confirms the terms of our agreement by executing a copy of this confirmation and returning it to Derivatives Operations at the address below.

**6. Documentation:**

Please confirm that the foregoing correctly sets forth the terms of our agreement by executing the copy of this Confirmation enclosed for that purpose and returning it to us or by sending to us a letter of facsimile substantially similar to this letter, which letter or facsimile sets forth the material terms of the Transaction to which this Confirmation relates and indicates your agreement to those terms.

Fax Number: Telephone number for Confirmation Queries:

Regulatory Reference(s):

This represents the unique reference for the Transaction where has an obligation under the applicable laws, rules and regulations (collectively, the "Law") to report the Transaction in accordance with the Law, and such unique reference shall be the only reference for the Transaction for such reporting purposes. Each party agrees that it is responsible for making its own determination as to which party has an obligation under the Law to report the Transaction in accordance therewith.

Yours faithfully,

Duly authorised for and on behalf of

Name:

Title:

Duly authorised for and on behalf of

By: .....

Name:

Title