

Disclaimer

This document has been discussed at the 15th meeting of the National Working Group on CHF Reference Rates (NWG). The NWG is the key forum for considering proposals to reform reference interest rates in Switzerland and discussing the latest international developments. The NWG is co-chaired by a representative of the private sector and a representative of the Swiss National Bank (SNB). The SNB supports the NWG by co-chairing the working group alongside a representative from the private sector. NWG recommendations are not legally binding. Decisions on recommendations are passed with a simple majority of the votes cast at the meetings. As market participants are responsible for providing reference interest rates, the SNB abstains from voting and acts primarily as a moderator. Furthermore, the SNB runs the NWG's technical secretariat and facilitates the organisation of the meetings. In this capacity, the SNB also publishes on its webpage documents discussed by the NWG such as this document. The items published do not necessarily reflect the views of the SNB.

This document represents a draft-template prepared by NWG for a SARON Swap confirmation. As such, it shall only be utilized after the Parties have thoroughly considered their individual circumstances and contractual agreements, which shall not conflict with the use of this document. The Parties may need to amend certain sections of the document in order to meet their specific needs.

Letterhead Party A

Name and address of Party B

CONFIRMATION

The purpose of this letter (“Confirmation”) is to confirm the terms and conditions of the Swap transaction entered into between Party A and B on the Trade Date specified below. This confirmation constitutes a “Confirmation” as referred to in the Agreement specified below.

1. The definitions and provisions contained in the 2006 ISDA Definitions (the “Definitions”) as published by the International Swaps and Derivatives Association, Inc. (“ISDA”), are incorporated by reference into this Confirmation and the Transaction is subject to the Agreement specified below. In the event of any inconsistency among or between the Agreement, the Definitions and this Confirmation, this Confirmation will govern.

Option 1: if Parties have a 1992/2002 ISDA Master Agreement in place (delete as applicable):

This document constitutes a “Confirmation” as referred to in and supplements, forms part of, and is subject to the 1992/2002 ISDA Master Agreement dated as of [DDMMYY], as amended and supplemented from time to time (the “Agreement”) between Party A and Party B. All provisions contained in the Agreement govern this Confirmation except as expressly modified as follows.

Option 2: if Parties do not have a 1992/2002 ISDA Master Agreement in place (delete as applicable):

This Confirmation evidences a complete binding agreement between the Parties (Party A and Party B) as to the terms of the Swap Transaction to which this Confirmation relates. In addition, Party A and Party B agree to use all reasonable efforts promptly to negotiate, execute and deliver an agreement in the form of the ISDA Master Agreement (Multicurrency-Cross Border) (the “ISDA Form”), with such modifications Party A and Party B will in good faith agree. Upon the execution by Party A and Party B of such agreement, this Confirmation will supplement, form a part of and be subject to that agreement. All provisions contained in or incorporated by reference in that agreement upon its execution will govern this Confirmation except as expressly modified below. Until Party A and Party B execute and deliver that agreement, this Confirmation, together with all other documents referring to the ISDA Form (each a “Confirmation”) confirming transactions (each a “Transaction”) entered into between Party A and Party B (notwithstanding anything to the contrary in a confirmation), shall supplement, form a part of, and be subject to, an agreement in the form of the ISDA Form as if Party A and Party B had executed an agreement in such form (but without any Schedule except for the election of English law as the governing law).

2. The terms of this particular Transaction to which this Confirmation relates are as follows:

General Terms

Notional Amount	CHF [xx]
Trade Date	[DDMMYY]
Effective Date	[DDMMYY + 2, subject to adjustment in accordance with the Modified Following Business Day Convention.]
Termination Date	[DDMMYY + 2 + Tenor of the trade, subject to adjustment in accordance with the Modified Following Business Day Convention.]

Fixed Amounts

Fixed Rate Payer	[Party A]
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Fixed Rate Payer Period end Date(s)	[Annually, commencing on [DDMMYY], and ending on the Termination Date, inclusive, subject to adjustment in accordance with the Modified Following Business Day Convention.]
Delayed Payment	[Two (2) Local Business Days following each Floating Rate Payer Period End Date]
Fixed Rate	[x]%
Fixed Rate Day Count Fraction	[Actual/360]

Floating Amounts

Floating Rate Payer	[Party B]
Floating Rate Payer Period end Date(s)	[Annually, commencing on [DDMMYY], and ending on the Termination Date, inclusive, subject to adjustment in accordance with the Modified Following Business Day Convention.]
Delayed Payment	[Two (2) Business Days following each Floating Rate Payer Period End Date]
Floating Rate Option	[CHF-SARON-COMPOUND, (Reuters ticker: "SARON.S, Bloomberg ticker: "SSARON") fixing at 6pm ZH time]
Spread	+/- [y]%
Floating Rate Day Count Fraction	[Actual/360]
Reset Dates	[The last day of each Calculation Period]
Compounding	[Applicable]
Compounding Dates	[Daily]
Business Days	[Zurich]
Calculation Agent	[Party A]

Account Details

Payments to Party A	[]
Account for payments in CHF	[As advised separately in writing]
Payments to Party B	[]
Account for payments in CHF	[As advised separately in writing]

Offices

(a) The office of Party A for the Swap Transaction is: [address]; and

(b) The office of Party B for the Swap Transaction is: [address].