

Global Master Repurchase Agreement

Ref: D4122822

GLOBAL MASTER REPURCHASE AGREEMENT REPLICATION AGREEMENT

dated as of 01 September 2018 between:

J.P. Morgan AG
("JPMAG")

and

Ministry of Finance of the Czech Republic (the "Counterparty")

WHEREAS:

- (A) The Counterparty and J.P. Morgan Securities plc have entered into the JPMS plc GMRA (as defined below).
- (B) The Counterparty and JPMAG wish to enter into an agreement on the same terms as the JPMS plc GMRA, subject to the amendments set out in this Global Master Repurchase Agreement Replication Agreement (this "**Replication Agreement**").

Accordingly, the parties agree as follows:

1. Definitions.

Capitalised terms not otherwise defined in this Replication Agreement have the meanings specified in the pre-printed form of the TBMA/ISMA Global Master Repurchase Agreement (2000 version).

References to Clauses are references to such clauses of this Replication Agreement.

"**JPMS plc GMRA**" means the Global Master Repurchase Agreement entered into between J.P. Morgan Securities plc and the Counterparty dated as of 16 October 2015 (as amended and/or supplemented up to, but excluding, the date of this Replication Agreement).

2. New Agreement.

By executing this Replication Agreement and subject to the provisions of Clause 3, the Counterparty and JPMAG hereby enter into a Global Master Repurchase Agreement on the same terms as the JPMS plc GMRA, modified as set out in the Annex to this Replication Agreement (such modified form of agreement, the "**JPMAG GMRA**"), as if they had executed an agreement in such form on the date hereof.

3. No New Transactions.

Each of the Counterparty and JPMAG acknowledge and agree that the parties shall not have entered into any new Transactions solely as a result of the execution of this Replication Agreement.

4. Representations and Warranties.

On the date of this Replication Agreement:

(a) each of the Counterparty and JPMAG represents and warrants that:

(I) it is duly authorised to execute and deliver this Replication Agreement and to perform its obligations hereunder and has taken all necessary action to authorise such execution, delivery and performance;

(II) it has obtained all authorisations of any governmental or regulatory body required in connection with this Replication Agreement and such authorisations are in full force and effect;

(III) the execution, delivery and performance of this Replication Agreement will not violate any law, ordinance, charter, by-law or rule applicable to it or any agreement by which it is bound or by which any of its assets are affected; and

(IV) unless there is a written agreement with the other party to the contrary, it is not relying on any advice (whether written or oral) of the other party, other than the representations expressly set out in this Replication Agreement;

(b) the Counterparty acknowledges that it has assessed the merits of, and understands and accepts, the conditions and risks of the terms of the JPMS plc GMRA, and the JPMAG GMRA.

5. JPMS plc GMRA.

For the avoidance of doubt, the JPMS plc GMRA shall continue in full force and effect.

6. Governing Law and Jurisdiction.

(a) **Governing Law.**

This Replication Agreement, and any non-contractual obligations arising out of or in connection with it, will be governed by and construed in accordance with the law specified to govern the JPMS plc GMRA.

(b) **Jurisdiction.**

The terms of the second sentence of Paragraph 17 of the JPMS plc GMRA shall apply to this Replication Agreement, save that references therein to “this Agreement” shall be references to this Replication Agreement, references to “Party”, “party”, “Buyer” or “Seller” shall be references to a party to this Replication Agreement and the wording “and each Transaction” shall be deleted.



7. Entire Agreement.

This Replication Agreement constitutes the entire agreement and understanding of the parties with respect to its subject matter and supersedes all oral communication and prior writings (except as otherwise provided herein) with respect thereto.

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

J.P. MORGAN AG

By: 
Name: 
Title: Executive Director
Date: 01/03/2019

Ministry of Finance of the Czech Republic

By: _____
Name:
Title:
Date:

ANNEX 1

JPMAG GMRA

The following amendments shall apply in respect of the JPMAG GMRA:

General Provisions

- (i) The JPMAG GMRA (and relevant constituent parts thereof) shall be dated as of the date of this Replication Agreement (and references thereto shall be amended accordingly).
- (ii) All references to J.P. Morgan Securities plc (including, for the avoidance of doubt, references to its previous name, J.P. Morgan Securities Ltd.) shall be references to J.P. Morgan AG.
- (iii) All references to JPMAG's registered office shall be references to Frankfurt am Main, Taunustor 1 (TaunusTurm), 60310 Frankfurt am Main, Federal Republic of Germany.
- (iv) All references to JPMAG's place of incorporation, residence or domicile shall be references to Germany.
- (v) All references to JPMAG's regulator shall be references to the Federal Financial Supervisory Authority ("BaFin") (and not the Financial Conduct Authority or Prudential Regulation Authority) and any statement in any document constituting the JPMS plc GMRA disclosing J.P. Morgan Securities plc's regulated status or its regulator(s) shall be deleted.
- (vi) All references to JPMAG's corporate form shall be references to JPMAG being a stock corporation (and not a "company", "public limited company" or any other corporate form).
- (vii) All references to the branches or offices through which JPMAG may enter into a Transaction under the JPMAG GMRA, including where branches or offices are specified to be "Designated Offices" of JPMAG, shall be deleted and replaced with JPMAG being able to enter into a Transaction through all branches and offices.
- (viii) JPMAG appoints as its agent to receive on its behalf service of process with respect to the JPMAG GMRA in the courts of England J.P. Morgan Securities plc, having an office at 25 Bank Street, Canary Wharf, London E14 5JP (with any notices to be addressed to the Head of Legal).
- (ix) All references (if any) to the JPMAG GMRA amending, restating or superseding an existing Global Master Repurchase Agreement (other than as set out in paragraph 15 of the JPMAG GMRA) shall be disregarded.

Notice Details

- (x) The addresses for notices or communications to JPMAG shall be:

J.P. Morgan AG
Taunustor 1 (TaunusTurm)
60310
Frankfurt am Main
Federal Republic of Germany

For Equity Finance:

Telephone: [REDACTED] (Trading) / [REDACTED] (Operations)

Facsimile: [REDACTED] (Operations)

Electronic Messaging System Details: [REDACTED]

For Fixed Income Finance:

Electronic Message System Details: [REDACTED]

All references to JPMAG's addresses for notices or communications shall be modified accordingly.

Deliverable Documents

- (xi) Each party agrees to deliver the following documents (and any existing references to a party being required to deliver specific documents (other than documents confirming the terms of a specific Transaction) in the JPMAG GMRA shall be deleted):

Party required to deliver document	Form/Document/Certificate	Date by which to be delivered
JPMAG	Evidence of signing authority (including specimen signatures)	Upon execution and delivery of this Replication Agreement
Counterparty	Evidence of signing authority (including specimen signatures)	Upon execution and delivery of this Replication Agreement

Tax

- (xii) JPMAG makes the following representations:
- (a) It is a resident of Germany.
 - (b) It is not a United States Person for United States federal income tax purposes.

- (xiii) Counterparty makes the following representation:

It is not a resident of Germany and does not act through a German branch, permanent establishment or agent.

Bail-in

- (xxi) The following provision shall be added to the JPMAG GMRA (with references to 'JPMAG' and 'Counterparty' being amended to Party A and Party B, as applicable).

Notwithstanding and to the exclusion of any other provision of this Agreement or any other agreements, arrangements or understandings, in the event that JPMAG becomes subject to the exercise of Bail-in Powers under an applicable Bail-in Legislation, Counterparty acknowledges and accepts that a Liability arising under this Agreement may be subject to the exercise of Bail-in Powers by the Relevant Resolution Authority, and acknowledges, accepts, and agrees to be bound by:

- (a) the effect of the exercise of such powers in relation to any Liability of JPMAG arising under this Agreement that (without limitation) may include and result in any of the following, or some combination thereof:
 - (I) the reduction of all, or a portion, of such Liability;
 - (II) the conversion of all, or a portion, of the such Liability into shares, other securities, or other obligations of JPMAG or another person (and the issue to or conferral on Counterparty of such shares, securities or obligations), including by means of an amendment, modification or variation of the terms of this Agreement;
 - (III) the cancellation of such Liability;
 - (IV) the amendment or alteration of the amounts due in relation to such Liability, including any interest, if applicable, thereon, or the dates on which any payments are due, including by suspending payment for a temporary period;
- (b) the variation of the terms of this Agreement, if necessary, to give effect to the exercise of such powers.

Where:

“**Bail-in Legislation**” means the laws, regulations, rules or requirements in effect in Germany relating to the transposition of the BRRD, including but not limited to the German Act on Recovery and Resolution of Institutions and Financial Groups (*Gesetz zur Sanierung und Abwicklung von Instituten und Finanzgruppen*), as amended from time to time, or pursuant to, and in accordance with, Regulation 806/2014 establishing uniform rules and uniform procedures for the resolution of credit institutions and certain investment firms in the framework of a Single Resolution Mechanism and Single Resolution Fund, as amended from time to time, and the instruments, rules and standards created thereunder.

“**Bail-in Powers**” means any write-down, conversion, transfer, modification, or suspension power existing from time to time under, and exercised in compliance with, applicable Bail-in Legislation, pursuant to which any obligation of JPMAG can be reduced, cancelled, modified, or converted into shares, other securities, or other obligations of JPMAG or any other person (or suspended for a temporary period) or any right in a contract governing an obligation of JPMAG may be deemed to have been exercised.

“**BRRD**” means Directive 2014/59/EU of the European Parliament and of the Council of 15 May 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms, as amended from time to time.

“**Liability**” means any liability which is subject to the Bail-in Powers under and in accordance with the applicable Bail-in Legislation.

“**Relevant Resolution Authority**” means the resolution authority with the ability to exercise any Bail-in Powers in relation to JPMAG.

Stay in Resolution

- (xxii) The terms of the ISDA Resolution Stay Jurisdictional Modular Protocol – German Jurisdictional Module (the “**German Jurisdictional Module**”) and the ISDA Resolution Stay Jurisdictional Modular Protocol (the “**Resolution Stays Protocol**”), each as published by the International Swaps and Derivatives Association, Inc. (on 28 June 2016 and 3 May 2016, respectively, the German Jurisdictional Module and the Resolution Stays Protocol, together, the “**German Resolution Stays Protocol**”) are incorporated into and form part of the JPMAG GMRA. Accordingly, the JPMAG GMRA shall be deemed to be a Covered Agreement for the purposes of the German Resolution Stays Protocol, and the terms thereof shall apply as if Counterparty were a Module Adhering Party and JPMAG were a Regulated Entity Counterparty. In the event of any inconsistencies between the JPMAG GMRA and the German Resolution Stays Protocol, the German Resolution Stays Protocol will prevail.

ANNEX 2

**INFORMATION STATEMENT IN ACCORDANCE WITH ARTICLE 15 OF THE SECURITIES
FINANCING TRANSACTIONS REGULATION**

This Information Statement is provided for information purposes only and does not amend or supersede the express terms of any Transaction, Collateral Arrangement or any rights or obligations you may have under applicable law, create any rights or obligations, or otherwise affect your or our liabilities and obligations.

1. Introduction

You have received this Information Statement because you have entered into or may hereafter enter into one or more title transfer collateral arrangements or security collateral arrangements containing a right of use (together, "**Collateral Arrangements**") with us.

This Information Statement has been prepared to comply with Article 15 of the Securities Financing Transactions Regulation by informing you of the general risks and consequences that may be involved in consenting to a right of use of collateral provided under a security collateral arrangement or of concluding a title transfer collateral arrangement ("**Re-use Risks and Consequences**"). The information required to be provided to you pursuant to Article 15 of the Securities Financing Transactions Regulation relates only to Re-use Risks and Consequences, and so this Information Statement does not address any other risks or consequences that may arise as a result of your particular circumstances or as a result of the terms of particular Transactions.

This Information Statement is not intended to be, and should not be relied upon as, legal, financial, tax, accounting or other advice. Unless otherwise expressly agreed in writing, we are not providing you with any such legal, financial, tax, accounting or other advice and you should consult your own advisors for advice on consenting to a right of use of collateral provided under a security collateral arrangement or on concluding a title transfer collateral arrangement, including the impact on your business and the requirements of, and results of, entering into any Transaction.

In this Information Statement:

- "we", "our", "ours" and "us" refer to the provider of this Information Statement that may conduct Transactions with you (or, where we are acting on behalf of another person, including where that person is an affiliate, that person);
- "you", "your" and "yours" refer to each of the persons to which this Information Statement is delivered or addressed in connection with entering into, continuing, executing or agreeing upon the terms of Transactions with us (or, where you are acting on behalf of other persons, each of those persons);
- "right of use" means any right we have to use, in our own name and on our own account or the account of another counterparty, financial instruments received by us by way of collateral under a security collateral arrangement between you and us;
- "Securities Financing Transactions Regulation" means Regulation (EU) 2015/2365 of the European Parliament and of the Council of 25 November 2015 on transparency of securities financing transactions and of reuse and amending Regulation (EU) No 648/2012 (as amended from time to time);
- "Transaction" means a transaction entered into, executed or agreed between you and us under which you agree to provide financial instruments as collateral, either under a security collateral arrangement or under a title transfer collateral arrangement;
- "financial instruments", "security collateral arrangement" and "title transfer collateral arrangement" have the meaning given to those terms in the Securities Financing Transactions Regulation. These are set out in Appendix 1 for reference.

2. Re-use Risks and Consequences

- a) Where you provide financial instruments to us under a title transfer collateral arrangement or if we exercise a right of use in relation to any financial instruments that you have provided to us by way of collateral under a security collateral arrangement containing a right of use, we draw your attention to the following Re-use Risks and Consequences:

- i. your rights, including any proprietary rights that you may have had, in those financial instruments will be replaced by an unsecured contractual claim for delivery of equivalent financial instruments subject to the terms of the relevant Collateral Arrangement;
- ii. those financial instruments will not be held by us in accordance with client asset rules, and, if they had benefited from any client asset protection rights, those protection rights will not apply (for example, the financial instruments will not be segregated from our assets and will not be held subject to a trust);
- iii. in the event of our insolvency or default under the relevant agreement your claim against us for delivery of equivalent financial instruments will not be secured and will be subject to the terms of the relevant Collateral Arrangement and applicable law and, accordingly, you may not receive such equivalent financial instruments or recover the full value of the financial instruments (although your exposure may be reduced to the extent that you have liabilities to us which can be set off or netted against or discharged by reference to our obligation to deliver equivalent financial instruments to you);
- iv. in the event that a resolution authority exercises its powers under any relevant resolution regime in relation to us any rights you may have to take any action against us, such as to terminate our agreement, may be subject to a stay by the relevant resolution authority and:
 - a) your claim for delivery of equivalent financial instruments may be reduced (in part or in full) or converted into equity; or
 - b) a transfer of assets or liabilities may result in your claim on us, or our claim on you, being transferred to different entities

although you may be protected to the extent that the exercise of resolution powers is restricted by the availability of set-off or netting rights;

- v. as a result of your ceasing to have a proprietary interest in those financial instruments you will not be entitled to exercise any voting, consent or similar rights attached to the financial instruments, and even if we have agreed to exercise voting, consent or similar rights attached to any equivalent financial instruments in accordance with your instructions or the relevant Collateral Arrangement entitles you to notify us that the equivalent financial instruments to be delivered by us to you should reflect your instructions with respect to the subject matter of such vote, consent or exercise of rights, in the event that we do not hold and are not able to readily obtain equivalent financial instruments, we may not be able to comply (subject to any other solution that may have been agreed between the parties);
- vi. in the event that we are not able to readily obtain equivalent financial instruments to deliver to you at the time required: you may be unable to fulfil your settlement obligations under a hedging or other transaction you have entered into in relation to those financial instruments; a counterparty, exchange or other person may exercise a right to buy-in the relevant financial instruments; and you may be unable to exercise rights or take other action in relation to those financial instruments;
- vii. subject to any express agreement between you and us, we will have no obligation to inform you of any corporate events or actions in relation to those financial instruments;
- viii. you will not be entitled to receive any dividends, coupon or other payments, interests or rights (including securities or property accruing or offered at any time) payable in relation to those financial instruments, although the express written terms of the relevant Collateral Arrangement or Transaction may provide for you to receive or be credited with a payment by reference to such dividend, coupon or other payment (a "manufactured payment");
- ix. the provision of title transfer collateral to us, our exercise of a right of use in respect of any financial collateral provided to us by you and the delivery by us to you of equivalent financial instruments may give rise to tax consequences that differ from the tax consequences that would have otherwise applied in relation to the holding by you or by us for your account of those financial instruments;
- x. where you receive or are credited with a manufactured payment, your tax treatment may differ from your tax treatment in respect of the original dividend, coupon or other payment in relation to those financial instruments.

- b. Where we provide you with clearing services (whether directly as a clearing member or otherwise), we draw your attention to the following additional Re-use Risks and Consequences:
- i. if we are declared to be in default by an EU central counterparty ("**EU CCP**") the EU CCP will try to transfer ("**port**") your transactions and assets to another clearing broker or, if this cannot be achieved, the EU CCP will terminate your transactions;
 - ii. in the event that other parties in the clearing structure default (e.g., a central counterparty, a custodian, settlement agent or any clearing broker that we may instruct) you may not receive all of your assets back and your rights may differ depending on the law of the country in which the party is incorporated (which may not necessarily be English law) and the specific protections that that party has put in place;
 - iii. in some cases a central counterparty may benefit from legislation which protects actions it may take under its default rules in relation to a defaulting clearing member (e.g., to port transactions and related assets) from being challenged under relevant insolvency law.

Appendix 1

Defined terms for the purposes of the Securities Financing Transactions Regulation:

"**financial instrument**" means the instruments set out in Section C of Annex I to Directive 2014/65/EU on markets in financial instruments, and includes without limitation:

- 1) Transferable securities;
- 2) Money-market instruments;
- 3) Units in collective investment undertakings.

"**title transfer collateral arrangement**" means an arrangement, including repurchase agreements, under which a collateral provider transfers full ownership of financial collateral to a collateral taker for the purpose of securing or otherwise covering the performance of relevant financial obligations.

"**security collateral arrangement**" means an arrangement under which a collateral provider provides financial collateral by way of security in favour of, or to, a collateral taker, and where the full ownership of the financial collateral remains with the collateral provider when the security right is established.