

## **DODD-FRANK: DAILY MARK DISCLOSURE**

### **Daily (Post-Trade) Mid Market Marks**

#### *Cleared Swaps:*

We hereby notify you for cleared swaps originally executed by you with us, you have the right to receive the daily mark from the relevant derivatives clearing organisation upon request.

#### *Uncleared Swaps:*

With respect to uncleared swaps executed by you with us, we will provide you with a daily mid-market mark.

The value shown by us to you for each uncleared swap represents our current indicative daily mark which is the mid-price of the marked-to-market product (each, the "DM") (including as relevant, any underlying or related transactions or securities) as at the date shown and at the close of business in Frankfurt. The value is based on the notional/nominal amount of the product rather than on a per unit basis. The DM excludes amounts for profits, credit reserves, hedging, funding, liquidity, collateral or any other costs or adjustments.

The DM is provided in good faith and was determined by using our standard methodology for valuing transactions or securities of this kind or we have sourced such DM from third parties. That methodology may involve models, empirical data and assumptions regarding past, present and future market conditions or other factors. Vanilla products (e.g. FX forwards, NDF, IRS, CCS) are in general priced from zero coupon discounting cashflow based methodologies or screen quotations; however in certain cases, we may use probabilistic models, simulation models or other mathematical pricing models to determine the expected value of future cash flows before discounting. The models may utilise inputs from volatility levels, forward curves, spot, forward rates, correlations and other factors. Products with optionality or path dependency would use the bank's proprietary models in most cases. All values used to: i) directly mark a product or ii) mark a product as an input to a model are assumed to be at mid-market and are based on our view of the market at that particular time.

The DM may not reflect our internal records or our theoretical valuation models. Any value shown herein is not an indicative quotation of the price at which we would agree to replace, buy, unwind or terminate the product. Without limitation, any such value may not reflect such factors as hedging and transaction costs, credit considerations, market liquidity, etc all of which could be relevant in establishing a firm price quotation. Any calls for margin and collateral top-up (as relevant) may not be based on the DM.

The DM may reflect the components of a structured product and value those components individually. If it is the case that these components form a single product that has been entered into with us, nothing contained in the statement shall imply that these components can be treated as individual transactions.

The DM is provided for information purposes only, and is not intended to be relied upon by any party as the basis for making any trading, hedging or investment decision. We believe that the methodologies and models used to determine the DM are accurate and reasonable but we make no representation or warranty as to their accuracy or appropriateness.

We expressly disclaim any responsibility for the accuracy of the values shown, any errors or omissions in any statement provided by us to you, and any uses to which the statement is put. No representation or warranty is made as to the value other dealers might ascribe to the relevant swap transaction. This DM therefore does not constitute any offer (or solicitation of any offer) by us, nor does it represent the price at which we would be willing to replace, buy, unwind or terminate the swap transaction.