GENERAL DF PRE-TRADE MID-MARKET MARK DISCLOSURE

The “DF pre-trade mid-market mark” (“DF mid”) for a swap is prepared by discounting future cashflows of the swap to arrive at a current value. For each asset class, spot and forward curves, correlation and volatility levels are determined on the basis of observable market inputs when available and on the basis of estimates when observable market inputs are not available. These spot and forward curves, correlation and volatility levels are used to estimate future cashflows that are not certain (for example floating interest rates or options). In some cases, we may use probabilistic models to determine the expected value of future cashflows. These estimated cashflows, along with future cashflows that are known with certainty, are then discounted to their present value using discount factors derived from relevant market inputs. Unless otherwise specified, the discounting rate used for single-currency interest rate swaps is the Overnight Index Swap (“OIS”) rate for the relevant currency, USD Fed Funds (effective) rate for FX swaps and multi-currency interest rate swaps and for interest rate swaps in currencies determined to have insufficient liquidity, and LIBOR for all other swaps.

In our sole discretion, we may use a variety of methodologies to prepare the estimated cashflows described above, including without limitation, preparing Monte Carlo simulations and utilizing Black-Scholes and other mathematical pricing models. In our sole discretion, we may vary the inputs used in such simulations and modeling, and we are under no obligation to disclose to you the methodology used or the inputs thereto.

Please note that any DF mid we provide to you may not necessarily, and would often be expected not to: be a price at which either we or you would agree to enter into or terminate a swap; include adjustments you need to make internally to account for your credit reserves, funding or liquidity costs; unless otherwise expressly agreed, be the basis for margin calls and maintenance of collateral; or be the value used to mark our books and records.

Please also note that pursuant to Section 4s(h)23.431(d) of the Commodity Exchange Act, the DF mid is exclusive of several additional factors that may influence our pricing of swaps, namely, profit, credit reserves, hedging costs, funding and liquidity or any other costs or adjustments.

As of May 1, 2013