

Nomura Index Modification Notification

25-September-19

Nomura International plc ("NIP") as administrator of the Nomura Interest Rate Volatility Risk Premium family of indices, hereby gives notice of the following modifications:

1. expansion of the definition of the Index Business Days to take into account days which are designated holiday days for the relevant exchanges as well as the 24th and 31st December of each calendar year;
2. precluding the Index from selling swaptions if the natural expiry date of that swaption falls on a holiday (including days which are holidays for the relevant exchanges) as well as the 24th and 31st December of each calendar year; and
3. aligning the EUR swaptions settlement convention with the recent developments in the market and adopt the method equivalent to a Collateralized Cash Price.

The modifications described in 1) and 2) are effective from 20-September-19. The effective dates for 3) are the respective Following Clean Dates from the 20-September-19.

For further details, please contact indexstructuring@nomura.com

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- Call or put vertical spread purchasing (same expiration month for both options): The basic risk of effecting a long spread transaction is limited to the premium paid when the position is established.
- Call or put vertical spread writing (same expiration month for both options): The basic risk of effecting a short spread transaction is limited to the difference between the strike prices less the amount received in premiums.
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