

1. DOCUMENTS ONE OR MORE TRANSACTIONS BETWEEN THE PARTIES TO THE CONTRACT OR AGREEMENT FOR OR INVOLVING ONE OR MORE QUALIFIED FINANCIAL CONTRACTS; AND

2. PROVIDES FOR THE NETTING OR LIQUIDATION OF QUALIFIED FINANCIAL CONTRACTS OR THE PRESENT OR FUTURE PAYMENT OBLIGATIONS OR PAYMENT ENTITLEMENTS UNDER QUALIFIED FINANCIAL CONTRACTS, INCLUDING LIQUIDATION OR CLOSE-OUT VALUES RELATING TO THE OBLIGATIONS OR ENTITLEMENTS, AMONG THE PARTIES TO THE NETTING AGREEMENT.

(II) "NETTING AGREEMENT" INCLUDES A MASTER AGREEMENT THAT, TOGETHER WITH ALL SCHEDULES, CONFIRMATIONS, DEFINITIONS, AND ADDENDA TO AND TRANSACTIONS UNDER ANY THEREOF, SHALL BE TREATED AS ONE NETTING AGREEMENT.

(6) "QUALIFIED FINANCIAL CONTRACT" MEANS A COMMODITY CONTRACT, FORWARD CONTRACT, REPURCHASE AGREEMENT, REVERSE REPURCHASE AGREEMENT, SECURITIES CONTRACT, SWAP AGREEMENT, OR ANY SIMILAR AGREEMENT THAT THE COMMISSIONER DETERMINES BY REGULATION OR ORDER TO BE A QUALIFIED FINANCIAL CONTRACT FOR PURPOSES OF THIS SUBTITLE.

(7) (I) "REPURCHASE AGREEMENT" OR "REVERSE REPURCHASE AGREEMENT" MEANS AN AGREEMENT, INCLUDING RELATED TERMS, THAT PROVIDES FOR THE TRANSFER OF CERTIFICATES OF DEPOSIT, ELIGIBLE BANKERS' ACCEPTANCES, OR SECURITIES THAT ARE DIRECT OBLIGATIONS OF, OR THAT ARE FULLY GUARANTEED AS TO PRINCIPAL AND INTEREST BY, THE UNITED STATES OR AN AGENCY OF THE UNITED STATES AGAINST THE TRANSFER OF FUNDS BY THE TRANSFEREE OF THE CERTIFICATES OF DEPOSIT, ELIGIBLE BANKERS' ACCEPTANCES, OR SECURITIES WITH A SIMULTANEOUS AGREEMENT BY THE TRANSFEREE TO TRANSFER TO THE TRANSFEROR CERTIFICATES OF DEPOSIT, ELIGIBLE BANKERS' ACCEPTANCES, OR SECURITIES AS DESCRIBED ABOVE IN THIS SUBPARAGRAPH (I) AT A CERTAIN DATE NOT LATER THAN 1 YEAR AFTER THE TRANSFERS OR ON DEMAND, AGAINST THE TRANSFER OF FUNDS.

(II) FOR PURPOSES OF THE DEFINITIONS OF "REPURCHASE AGREEMENT" AND "REVERSE REPURCHASE AGREEMENT" IN SUBPARAGRAPH (I) OF THIS PARAGRAPH, THE ITEMS THAT MAY BE SUBJECT TO A REPURCHASE AGREEMENT OR A REVERSE REPURCHASE AGREEMENT INCLUDE MORTGAGE-RELATED SECURITIES, A MORTGAGE LOAN, AND AN INTEREST IN A MORTGAGE LOAN, AND DO NOT INCLUDE ANY PARTICIPATION IN A COMMERCIAL MORTGAGE LOAN UNLESS THE COMMISSIONER DETERMINES BY REGULATION OR ORDER TO INCLUDE THE COMMERCIAL MORTGAGE LOAN PARTICIPATION.

(8) (I) "SECURITIES CONTRACT" MEANS A CONTRACT FOR THE PURCHASE, SALE, OR LOAN OF A SECURITY, INCLUDING: