

**PLAN OF ALLOCATION FOR THE
BONDHOLDER U.S. DOLLAR LIBOR-BASED DEBT SECURITIES
CLASS ACTION SETTLEMENTS**

1. AGGREGATE SETTLEMENT FUND. The Aggregate Settlement Fund for the Settlements between Bondholder Plaintiffs and the Bondholder Settlement Classes and (i) Barclays Bank plc, (ii) UBS AG, (iii) HSBC Bank plc, (iv) Citibank, N.A., Citigroup Inc. (collectively “Citi”), (v) JPMorgan Chase & Co., JPMorgan Chase Bank, N.A. (collectively “JPMorgan”), (vi) Bank of America Corporation, Bank of America, N.A. (collectively “BOA”), and (vii) the Royal Bank of Scotland Group plc (“RBS”) (together, the “Settlements”). is \$68,625,000. The Settlement Agreements and other documentation related to the Settlements can be found at www.BondholderLIBORSettlements.com (the “Settlement Website”). All capitalized terms not specifically defined herein shall have the same meaning as set forth in the Settlement Notice, which is also available on the Settlement Website.

2. THE NET SETTLEMENT FUND. The Aggregate Settlement Fund, less all taxes, expenses of providing notice and claims administration for the Settlements, and other Court-approved expenses, Court awarded attorneys’ fees and expenses, and any service awards to the Bondholder Plaintiffs (the “Net Settlement Fund”), shall be distributed to the members of the Bondholder Settlement Classes who timely submit valid Proofs of Claim (“Claimants”), as described below.

3. RECOVERY UNDER THE SETTLEMENTS

If the Settlements are approved by the Court, the Claims Administrator will determine the amount Claimants shall receive under the Settlements by calculating the Claimant’s *pro rata* share of the Net Settlement Fund, using the following steps:

a. Calculate Individual Suppressed Interest Payment Amounts. A Claimant's Individual Suppressed Interest Payment Amount for a U.S. Dollar LIBOR-Based Debt Security will be calculated for each day during the Class Period when that Claimant received an Authorized Interest Payment on that Debt Security, based on the relevant LIBOR-Based interest payment amount previously set for that payment date. An Authorized Interest Payment is one where the amount of interest paid was *directly linked* to a U.S. Dollar LIBOR rate:

- For example, an interest payment where interest was calculated at the 3 month U.S. Dollar LIBOR +/- some specific, pre-set spread (i.e., + 0.02% or + 45 basis points) would be an Authorized Interest Payment.
- An interest payment where interest was calculated based on the weighted average interest paid during the relevant period on the aggregate principal balance of the underlying mortgages in the collateral pool of the instrument would not be an Authorized Interest Payment;

The Individual Suppressed Interest Payment Amount for each Authorized Interest Payment shall be equal to (i) the alleged Suppression Rate corresponding to the Debt Security's relevant U.S. Dollar LIBOR rate (*i.e.*, 1 month LIBOR, 3 month LIBOR), (ii) *multiplied by* the face value of that Claimant's investment in that Debt Security; and then (iii) *divided by* the number of interest payments per year on that Debt Security. The alleged Suppression Rate on a particular date is the *difference between*: (a) the relevant U.S. Dollar LIBOR rate that Bondholder Plaintiffs allege would have been reported absent Defendants' alleged suppression

(called the “But-For Rate”) and (b) the relevant published U.S. Dollar LIBOR rate (the “Published Rate”).^{1,2}

- As an example, Claimant X had a face value of \$75,000 in a U.S. Dollar LIBOR-Based Debt Security expressly tied to the 3 month U.S. Dollar LIBOR that paid interest quarterly. X received an Authorized Interest Payment with a reset date of July 9, 2008. On that date, the Suppression Rate was 0.2169%. X’s Individual Suppressed Interest Payment Amount for this Authorized Interest Payment would be: $0.00216938575314116 [0.2169\ldots\% = 0.002169\ldots] \times \$75,000 / 4 = \$40.67.$

b. Calculate the Total Suppressed Interest Payment Amount. Each Claimant’s Total Suppressed Interest Payment Amount shall be calculated by summing all of that Claimant’s Individual Suppressed Interest Payment Amounts over the Class Period.

c. Calculate the *Pro-Rata* Share Amount. Each Claimant’s *Pro-Rata* Share Amount shall be calculated by *dividing* that Claimant’s Total Suppressed Interest Payment Amount by the sum of the Total Suppressed Interest Payment Amounts of *all* Claimants in the Bondholder Class.

- For example, if Claimant Z has a Total Suppressed Interest Payment Amount of \$20,000, and the aggregate Total Suppressed Interest Payment Amount of *all*

¹ For the purposes of this Plan of Allocation, rather than reflecting the rate on a single day, the But-For Rate and the Published Rate reflect a three-day average rate. The use of a three-day average takes into account that most Debt Securities state a look-back period of some number of days prior to the reset day to determine the actual date for the reference rate that applies for each interest payment.

² The But-For Rates to be used to calculate the Individual Suppressed Interest Payment Amounts, as well as the daily suppression rates, can be found on the Settlement Website.

Claimants combined is \$100 million, then X's *Pro-Rata* Share Amount will be 0.0002.

d. Calculate the Pro-Rata Claim Amount. Finally, the *Pro Rata* Claim Amount for each Claimant will be calculated by multiplying the amount in the Net Settlement Fund by that Claimant's *Pro Rata* Share Amount.

4. DISTRIBUTION. Upon approval of the Court, the Claims Administrator shall distribute the *Pro Rata* Claim Amounts to Claimants from the Net Settlement Fund. In the opinion of Bondholder Settlement Class Counsel, this method of distributing funds represents the most appropriate way of distributing the Net Settlement Fund under the circumstances of this case. The Claims Administrator shall have discretion to resolve any disputes regarding the meaning and application of this Plan of Allocation, subject to review by the Court, as appropriate.

5. DE MINIMIS AMOUNT. In order to avoid paying claims in situations where the cost of processing the claim would exceed the payment made, no claim will be paid to any Claimant if the total amount of the payment to that Claimant would be \$10.00 or less; in such event, the payment amount will revert back to the Net Settlement Fund.

6. ROUNDING. The distribution to each Claimant from the Net Settlement Fund will be rounded up or down to the nearest dollar.

7. MODIFICATIONS TO THE PLAN OF ALLOCATION. The Plan of Allocation may be modified upon further order of the Court. Any updates to the Plan of Allocation will be published on the Settlement Website. Claimants should check the Settlement Website for updates to this Plan of Allocation regularly, including on the day of the final deadline for filing Proofs of Claims.