PLAN OF DISTRIBUTION
OVER-THE-COUNTER U.S. DOLLAR LIBOR SETTLEMENT:

DEUTSCHE BANK AKTIENGESELLSCHAFT
HSBC BANK PLC

1. **Settlement Funds**. The Settlement Fund for the Settlement with Deutsche Bank Aktiengesellschaft ("Deutsche Bank") and OTC Plaintiffs is $240,000,000. The Settlement Fund for the Settlement with HSBC Bank plc ("HSBC") and OTC Plaintiffs is $100,000,000. The Settlement Agreements and Supplements describing these Settlements can be found at www.USDollarLiborSettlement.com. All capitalized terms herein are used as defined in the Settlement Agreements.

2. **Net Settlement Funds**. Each Settlement Fund, less all taxes, expenses of the Notice and administration of the Settlement, and other court-approved expenses, attorneys' fees, and class representative enhancement awards (the "Net Settlement Fund") shall be distributed to members of the Class who timely submit valid Proofs of Claim ("Authorized Claimants") as described below.

3. **Qualifying LIBOR Instruments**. For purposes of this Plan of Distribution, a "qualifying LIBOR Instrument" is a U.S. Dollar LIBOR-Based Instrument that qualifies its holder to be a member of either Settlement Class, and for which a Proof of Claim has been filed. A "U.S. Dollar LIBOR-Based Instrument" is an instrument that includes any term, provision, obligation or right to be paid by or to receive interest from a Defendant (or its subsidiaries or affiliates) based upon the U.S. Dollar LIBOR rate, including but not limited to asset swaps, collateralized debt obligations, credit default swaps, forward rate agreements, inflation swaps, interest rate swaps, total return swaps, options or bonds/floating rate notes. *See* Deutsche Bank

Settlement Agreement ¶ 1(tt) (defining U.S. Dollar LIBOR-Based Instrument); HSBC Settlement Agreement ¶ 1(tt) (same). Each Settlement Class includes, subject to certain exceptions set forth in the respective Settlement Agreement, all persons or entities (other than Defendants and their employees, affiliates, parents, and subsidiaries) that purchased in the United States, directly from a Defendant (or a Defendant's subsidiaries or affiliates), a U.S. Dollar LIBOR-Based Instrument and that owned the U.S. Dollar LIBOR-Based Instrument any time during the period August 2007 through May 2010 (the "Class Period"). *See* Deutsche Bank Settlement Agreement ¶ 3(a)-(b) (defining the "Class"); HSBC Settlement Agreement ¶ 3(a)(b) (same).

4. **Proof of Claim**. In order for an instrument to be a qualifying LIBOR Instrument, and to earn benefits from either Settlement Fund, a Class Member must submit a timely Proof of Claim that is accepted in whole or in part by the Claims Administrator.

5. ***Pro Rata* Claim.** The Claims Administrator will determine the *Pro Rata* Claim of each Authorized Claimant by calculating each Authorized Claimant's *pro rata* share of each Net Settlement Fund. This will be calculated in the following four steps for each Net Settlement Fund:

a. First, each Authorized Claimant's "overall notional stake" is calculated. The notional stake of a qualifying LIBOR Instrument equals the sum of the "suppressed daily underpayments" for that instrument. An Authorized Claimant's overall notional stake equals the sum of the notional stakes for each of its qualifying LIBOR Instruments. The suppressed daily underpayments for an instrument are calculated as follows:

For each day during the Class Period when the Authorized Claimant had the right to be paid or to receive interest based upon the U.S. Dollar LIBOR rate, the suppressed daily underpayment equals: the dollar amount of the LIBOR-based payment that was due to the Authorized Claimant that day (using historical reported LIBOR rates and payment frequency) multiplied by the magnitude of suppression applicable for that day and then divided by the historical reported LIBOR rate for that day.[1]

For example, if an Authorized Claimant had a qualifying interest-rate swap, executed on January 1, 2007, paid annually, where it was due 3 LIBOR-based payments during the Class Period, measured for each day by the notional amount ($1 million) multiplied by the historical 1-month USD LIBOR rate for that day (reported as 3%, 4%, and 3.5% respectively), then the dollar amount of the LIBOR-based payments due to the Authorized Claimant for each of those days was $30,000, $40,000, and $35,000 respectively. If LIBOR was suppressed by .1%, .15%, and .2% during those 3 days respectively, then the notional stake of that instrument would be $4,500, calculated as follows:

Suppressed daily payment (Day 1): (LIBOR payment = $30,000) * (suppression: .001) / (1-month USD LIBOR rate for that day = 0.03) = $1,000

Suppressed daily payment (Day 2): (LIBOR payment = $40,000) * (suppression: .0015) / (1-month USD LIBOR rate for that day = 0.04) = $1,500

Suppressed daily payment (Day 3): (LIBOR payment = $35,000) * (suppression: .002) / (1-month USD LIBOR rate for that day = 0.035) = $2,000

Total suppressed daily payments: $4,500.

[1] The magnitude of suppression for a day is based on the weekly average of suppression for that tenor, as reported in the expert modelling offered on behalf of the OTC plaintiffs, and as adjusted to reflect tenors and periods not reported on in that report. Prior to the date when the Proof of Claim is due, a chart depicting the weekly averages of

b. Second, each Authorized Claimant's "*pro rata* share" is calculated. This is calculated by dividing each Authorized Claimant's overall notional stake by the sum of the overall notional stakes of all Authorized Claimants. For example, if an Authorized Claimant has an overall notional stake of $20,000, and the total overall notional stake of all claimants combined is $100 million, then that Authorized Claimant's *pro rata* share will be .0002.

c. Third, the *Pro Rata* Claim for each Authorized Claimant is calculated by multiplying the amount in the Net Settlement Fund by that Authorized Claimant's *pro rata* share.

d. Fourth, the *Pro Rata* Claim for each Authorized Claimant may be subject to adjustment based upon compensation received from any other source relating to the claims at issue this case.

6. **Distribution**. The Claims Administrator shall distribute the *Pro Rata* Claims to the Authorized Claimants from the Net Settlement Funds, upon application to the Court. In the opinion of Co-Lead Class Counsel, this method of distributing funds represents the most appropriate way of distributing the Net Settlement Funds under the circumstances of this case. The Claims Administrator shall have the discretion to resolve any disputes regarding the meaning and application of this Plan of Distribution, subject to review by the Court as appropriate.

7. **De Minimis Amount.** In order to avoid paying claims in situations where the cost of processing the claim exceeds the payment made, no claim will be paid to any claimant if the total

suppression for each tenor will be posted on the website. If the transaction requires both parties to make LIBOR-based payments (e.g., a basis swap), then the but-for payments will be calculated in both directions and netted.

payment to that claimant would be $10 or less; in such an event, the payment amount will revert back to the respective Net Settlement Fund.

8. **Rounding**. The distribution to each Authorized Claimant from each Net Settlement Fund will be rounded off to the nearest dollar. The Plan of Distribution may be modified upon further order of the Court. Any updates to the Plan of Distribution will be published on the website www.USDollarLiborSettlement.com, and Class Members should check the website for updates to this Plan of Distribution regularly, including on the day of the final deadline for the filing of Proofs of Claim.