The Metropolitan Water District of Southern California
Finance Department
ISDA Protocol Procedures

In addition to the adhering to the policies set forth in the Amended and Restated Master Swap Policy dated as of May 11, 2010, approved by the Board of Directors of The Metropolitan Water District of Southern California (“Metropolitan”) on such date, the following shall constitute the procedures of Metropolitan’s Finance Department relating to transactions and other matters relating to Metropolitan’s interest rate swap agreements.

1. Qualified Independent Representative

   (a) Metropolitan will select a swap advisor or swap advisors to advise Metropolitan with respect to its interest rate exchange or similar agreements and require that each such swap advisor satisfy the requirements of Title VII of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the “Act”) for such swap advisor to be a qualified independent representative to Metropolitan pursuant to the Act (a “QIB”).

   (b) Metropolitan will enter into a legal contract with each QIB in which the QIB provides representations and agreements to Metropolitan in accordance with the requirements of the Act.

   (c) Metropolitan will review each QIB’s internal policies and procedures before entering into the contract referenced in (b) above to confirm these policies and procedures are consistent with the requirements of the Act and review these policies and procedures on an annual ongoing basis.

   (d)Require that each QIB restates its representations to Metropolitan on at least an annual ongoing basis and that each QIB notifies Metropolitan promptly regarding any changes to information or representations provided by such QIB to Metropolitan.

2. Recordkeeping and Retention

Metropolitan will maintain full records (in the manner specified in the Act) related to interest rate exchange agreements or similar agreements for at least five years following the final termination of each agreement. Such records must be retrievable within five business days.

3. Consent to Recording

Metropolitan will require that each person at Metropolitan who enters into discussions with a swap counterparty regarding interest rate exchange agreements or similar agreements acknowledge on an annual ongoing basis (a) that phone calls in which they participate with a swap counterparty regarding an interest rate exchange agreement or similar agreement are likely to be recorded by the swap counterparty; and (b) that they consent to the recording of such phone calls.

4. Amendment of documentation for interest rate exchange agreements or similar agreements

Metropolitan will work with legal counsel and qualified independent representative to amend existing ISDA master agreements with swap counterparties to comply with requirements of the Act, including, but not limited to, the Business Conduct Standards for Swap Dealers and Major Swap Participants. Amend documentation through completion and distribution of applicable ISDA Protocol documentation and/or through direct negotiation of amendments with individual swap counterparties. Request and receive written consent of swap insurers, as necessary, to amendments to ISDA master agreements.