

## **ISDA Uniform Settlement Agreement (USA) FAQ**

The questions below are intended for participants in the European LCDS market who have questions regarding the purpose of and how to sign the Uniform Settlement Agreement (USA) for: -

SSP Financing Limited.

### **What is a uniform settlement agreement?**

A uniform settlement agreement is a contract signed by the major dealers and the clients with whom they have a large number of transactions, after the credit event occurs and publicly available information is available. The parties to the USA each agree that a credit event notice and notice of publicly available information are deemed to have been validly delivered as between signatories to the USA for all covered credit derivatives transactions referencing the relevant entity.

### **Why is a uniform settlement agreement necessary?**

Signing a USA avoids the operational burden of having to send notices between the most active participants in the LCDS market. This significantly reduces the overall number of notices that must be sent.

### **What is the deadline for signing up to the USA agreement mentioned above?**

Friday 25 September, 2009 at 4pm London time.

### **How do I sign up?**

Each firm wishing to sign up to the USA for SSP should email a copy of the signature page, completed with the full legal name of each entity signing and a signature for each entity, no later than \*\*\*4pm London time, Friday 25 September, 2009.\*\*\*.

Signature pages must be emailed to \*\*\*EACH OF\*\*\* the following addresses:

[Natalie.Gillam@allenovery.com](mailto:Natalie.Gillam@allenovery.com)

[Simon.Hooks@allenovery.com](mailto:Simon.Hooks@allenovery.com)

[Sarah.Price@AllenOvery.com](mailto:Sarah.Price@AllenOvery.com)

Please do not email signature pages to ISDA.

On Friday evening Allen & Overy will circulate to each entity that has agreed to sign a USA the full list of entities that have signed that USA

### **If I sign the USA, what happens next?**

For parties to:

1. LevX Series 1 trades who each signed up to the 2009 European Cancellable Form ELCDS Protocol; and
2. LevX Series 2 or 3 trades who each have signed up to the 2009 European Loan CDS Protocol

which amended the terms of covered transactions between those parties, those covered transaction will cash settle pursuant to the Final Price determined by auction. See ISDA's website ([www.isda.org](http://www.isda.org)) for further information about these Protocols. Parties to transactions at least one of which has not adhered to the relevant Protocol can settle their transaction bilaterally pursuant to its terms.