

Determinations Committee Decision

Date:	January 04, 2010
Determinations Committee:	Americas
Meeting Date:	January 04, 2010

DC Issue 2009120201:	Has a Failure to Pay Credit Event occurred with respect to Financial Guaranty Insurance Company?	
1st Question for vote:	Is the required information for the Credit Derivatives Auction Settlement Terms relating to Financial Guaranty Insurance Company agreed? (Please see Annex.)	
Vote result:	Yes	
Votes:	10 'Yes' votes and 0 'No' votes	
	Bank of America / Merrill Lynch	Yes
	Barclays	Yes
	Citibank	Yes
	Credit Suisse	Yes
	Deutsche Bank AG	Yes
	Elliott Management Corporation	*N/A
	Goldman Sachs	Yes
	JPMorgan Chase Bank, N.A.	Yes
	Legal & General Investment Management Limited	*N/A
	Morgan Stanley	Yes
	Pacific Investment Management Company LLC	*N/A
	Primus Asset Management, Inc.	*N/A
	Rabobank International	*N/A
	The Royal Bank of Scotland	Yes
	UBS	Yes

*DC Rules require simple majority of Dealer Voting Members only on vote concerning Supplemental Auction Terms

2nd Question for vote:	Do you agree that the timeline for determining the Final List of Deliverable Obligations for the Financial Guaranty Insurance Company Auction should be amended so that: (a) the latest time for challenging the inclusion of an obligation on the Supplemental List is 4pm New York time on Tuesday January 5, 2010; and (b) the the latest time for resolving any such challenge that may be submitted is 12 noon New York time on Wednesday January 6, 2010?
Vote result:	Yes
Votes:	15 'Yes' votes and 0 'No' votes

	Bank of America / Merrill Lynch	Yes
	Barclays	Yes
	Citibank	Yes
	Credit Suisse	Yes
	Deutsche Bank AG	Yes
	Elliott Management Corporation	Yes
	Goldman Sachs	Yes
	JPMorgan Chase Bank, N.A.	Yes
	Legal & General Investment Management Limited	Yes
	Morgan Stanley	Yes
	Pacific Investment Management Company LLC	Yes
	Primus Asset Management, Inc.	Yes
	Rabobank International	Yes
	The Royal Bank of Scotland	Yes
	UBS	Yes

Annex

**CREDIT DERIVATIVES DETERMINATIONS COMMITTEES
Required Information for Credit Derivatives Auction Settlement Terms**

	Reference Entity: <u>Financial Guaranty Insurance Company</u>	Terms for Financial Guaranty Insurance Company
	Question	
1.	Credit Event (Bankruptcy, Failure to Pay, Restructuring, Acceleration, Moratorium)	Failure to Pay
2.	Credit Event Resolution Request Date	December 2, 2009
3.	Auction Currency Fixing Date	January 6, 2010
4.	Auction Date (normally 30 calendar days from EDD minus 5 Business Days)	January 7, 2010
5.	Auction types (CDS: Senior, Subordinated; LCDS)	Senior (no LCDS auction)
6.	Deliverable Obligation Terms	Standard North American Corporate, North American Corporate
7.	Minimum Number of Valid Initial Market Submissions	8
8.	Initial Market Quotation Amount	USD2 million
9.	Maximum bid/offer spread for a Valid Initial Market Submission	3.00%
10.	Cap Amount	One-half of bid/offer spread
11.	Quotation Amount Increment	USD1,000
12.	RAST Notional Amount Increment	USD1 million
13.	Relevant Pricing Increment	One-eighth of one percentage point
14.	Auction Settlement Date	The later of the date that is (i) 5 Business Days following the Auction Final Price Determination Date and (ii) January 14, 2010.
15.	Originally Scheduled Initial Bidding Period	Between 9:45 a.m. and 10:00 a.m. Relevant City Time
16.	Originally Scheduled Subsequent Bidding Period:	Between 12:45 p.m. and 1:00 p.m. Relevant City Time
17.	Initial Bidding Information Publication Time	10:30 a.m. Relevant City Time
18.	Subsequent Bidding Information Publication Time	2:00 p.m. Relevant City Time
19.	Relevant Credit Derivatives Physical Settlement Matrix	Physical Settlement Matrix published on December 20, 2009 by ISDA
20.	Relevant Currency	USD