

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: -

Pages Jaunes

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 to facilitate the settlement of those transactions. 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.

Do I need to sign the uniform settlement agreement?

No – market participants can choose not to sign the uniform settlement agreement for any reason. Signing up is at the sole discretion of the relevant market participant.

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 European 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?

19 June 2014 at 4pm London time.

How do I sign up?

Each firm wishing to sign up to the USA for Pages Jaunes 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, 19 June 2014.

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

Suril.Patel@allenovery.com

Lucy.Williams@AllenOvery.com

Please do not email signature pages to ISDA.

On the evening of Thursday 19 June 2014, Allen & Overy will circulate to each entity that has agreed to sign the USA the full list of entities that have signed.

If I sign the USA, what happens next?

A Covered Transaction (as defined in the uniform settlement agreement) between two parties that sign the uniform settlement agreement will settle in accordance with its terms as if a Credit Event Notice specifying Failure to Pay as the Credit Event and Notice of Publicly Available Information had been delivered at the time and in the manner described in the uniform settlement agreement.

If LCDS Auction Settlement Terms are subsequently published for the purposes of the relevant Covered Transaction, this will involve cash settlement pursuant to the Final Price determined by the auction held pursuant to those LCDS Auction Settlement Terms. Otherwise, the relevant Covered Transaction will be settle bilaterally without reference to a Final Price determined pursuant to an auction.

If it is decided to publish any LCDS Auction Settlement Terms, such LCDS Auction Settlement Terms will be accessible on the ISDA website.