

Americas DC Meeting Statement November 21, 2017

Bolivarian Republic of Venezuela¹

Summary

On November 16, 2017, the Americas DC Resolved that a Failure to Pay Credit Event occurred on November 12, 2017 with respect to Updated 2003 Transactions² and 2014 Transactions that specify the Bolivarian Republic of Venezuela (**Venezuela**) as the Reference Entity (such transactions, **Venezuela Transactions**).

Each capitalized term used but not defined in this Meeting Statement has the meaning given to such term in the Credit Derivatives Determinations Committees Rules (January 20, 2016 version) (including the Updated 2003 Definitions, as defined therein) (the **DC Rules**).

Publicly Available Information

Based on the Publicly Available Information submitted in connection with the Venezuela Question, the Americas DC Resolved that Venezuela failed to make payments that were due under the terms of the USD 2,495,963,000 7.75% Notes due 2019 (the **2019 Notes**) and the USD 2,495,963,000 8.25% Notes due 2024 (the **2024 Notes** and together with the 2019 Notes, the **Venezuela Notes**).³

Failure to Pay

The definition of Failure to Pay for purposes of the 2014 Definitions and Updated 2003 Definitions states as follows:

"Failure to Pay" means, after the expiration of any applicable Grace Period (after the satisfaction of any conditions precedent to the commencement of such Grace Period), the failure by [the] Reference Entity to make, when and where due, any payments in an aggregate amount of not less than the Payment Requirement under one or more Obligations, in accordance with the terms of such Obligations at the time of such failure.

In Resolving that a Failure to Pay occurred for purposes of Venezuela Transactions, the Americas DC reached the following conclusions:

(a) *"expiration of any applicable Grace Period..."*

The terms of the Venezuela Notes contain a 30 calendar days grace period for payments of interest.⁴ Therefore, the Americas DC determined that for the interest payment originally due on October 13, 2017, the grace period expired on November 12, 2017. The Americas DC determined based on Publicly Available Information submitted to the Americas DC that no payment had been made to the registered holder of the Venezuela Notes by such date.⁵

(b) *"payments in an aggregate amount of not less than the Payment Requirement..."*

¹ This statement relates to the following Credit Event Question (the **Venezuela Question**): DC Issue Number 2017111303.

² In accordance with the DC Rules, "Updated 2003 Transaction" means a March 2009 Supplement Transaction or a July 2009 Supplement Transaction (and not a Credit Derivatives Transaction incorporating the 2014 Definitions as a result of the ISDA 2014 Credit Derivatives Definitions Protocol).

³ See the Listing Memorandum for the Venezuela Notes dated October 23, 2009 (available online [here](#)) (the **Venezuela Prospectus**).

⁴ See p18 of the Venezuela Prospectus.

⁵ See, e.g., the Forbes article dated November 14, 2017 available [here](#).

Based on submitted Publicly Available Information, the Americas DC determined that the relevant payment failure exceeded the Payment Requirement of USD 1,000,000.

(c) *"under one or more Obligations"*

The Americas DC determined that the 2019 Notes and 2024 Notes each constituted a "Bond", and therefore an "Obligation", of the Reference Entity under the Updated 2003 Definitions and Updated 2014 Definitions.