

EMEA DC Statement 26 January 2018

The DC met yesterday and resolved to publish the following documents:

- (a) the DRAFT form of Auction Settlement Terms with respect to the deemed Auction the DC expects to hold in respect of Novo Banco S.A. 2014 Transactions (senior SRO transactions only) (the **Senior SRO AST**);
- (b) the DRAFT form of Auction Settlement Terms with respect to the Auction(s) (deemed or actual) the DC expects to hold in respect of Novo Banco S.A. 2014 Transactions (senior non-SRO and subordinated transactions) and Novo Banco S.A. Updated 2003 Transactions (senior and subordinated transactions) (the **Non-Senior SRO AST** and, together with the Senior SRO AST, the **NB ASTs**); and
- (c) an updated preliminary list of Deliverable Obligations for the potential deemed Auction in respect of Novo Banco S.A. 2014 Transactions (senior SRO transactions only) (the **Senior SRO Auction Preliminary List**); and
- (d) an updated preliminary list of Deliverable Obligations for the potential Auction(s) (deemed or actual) in respect of Novo Banco S.A. 2014 Transactions (senior non-SRO and subordinated transactions) and Novo Banco S.A. Updated 2003 Transactions (senior and subordinated transactions) (the **Non-Senior SRO Auction Preliminary List** and, together with the Senior SRO Auction Preliminary List, the **Preliminary Lists**).

The NB ASTs should be read in conjunction with the [DC statement published on 15 December 2017](#) entitled "Auction/Settlement Expectations" (the **NB Auction/Settlement Expectations Note**).

The Senior SRO AST is intended to cover those 2014 Transactions classified in the NB Auction/Settlement Expectations Note as "CATEGORY 1" transactions.

The Non-Senior SRO AST is intended to cover: (a) those 2014 Transactions classified in the NB Auction/Settlement Expectations Note as "CATEGORY 3" transactions as well as those "CATEGORY 2" transactions which the note expressly anticipates will be treated in the same manner as "CATEGORY 3" transactions; and (b) those Updated 2003 Transactions classified in the NB Auction/Settlement Expectations Note as "CATEGORY 4" transactions. The Auction Settlement Terms for these 2014 Transactions and Updated 2003 Transactions have been combined into one set of Auction Settlement Terms, being the Non-Senior SRO AST, on the basis that the Deliverable Obligations for each set of transactions is the same.

In accordance with Section 3.2(d) (*Amendments to the Credit Derivatives Auction Settlement Terms*) of the DC Rules, Eligible Market Participants should send any comments they may have on the NB ASTs to the DC Secretary (dcsecretary@isda.org) by no later than 5:00p.m. on Friday 2 February 2018.

Finally, in relation to the obligations set out on the Preliminary Lists, if any market participants have reason to believe that other obligations should be included on the corresponding Final List of Deliverable Obligations, they should submit any such obligations (with the required documentation) by sending an email with all information required by the DC Rules to the following email address: DeliverableObligations@isda.org.