

## EMEA DC Meeting Statement – 7 August 2025

### 1. SUMMARY

- 1.1 The EMEA DC met on 6 August 2025 to discuss the approach to the Auction in relation to the Bankruptcy Credit Event in respect of Altice France S.A. (the **Reference Entity**).
- 1.2 On 17 March 2025 the Reference Entity announced that creditors representing at least 90% of each tranche of Bonds issued by the Reference Entity had adhered to the framework agreement with the Reference Entity dated 25 February 2025 (the **Framework Agreement**).<sup>1</sup> In addition, the order of the Paris Court for Economic Affairs states that (i) over 95% of the creditors of the Bonds issued by Altice France S.A. have entered into the Framework Agreement;<sup>2</sup> and (ii) holders of certain Bonds issued by the Reference Entity along with other creditors entered into a cooperation agreement in April 2024 (the **Cooperation Agreement**). Reports from October 2024 stated that the Cooperation Agreement was extended until February 2026.<sup>3</sup>
- 1.3 The terms of the Framework Agreement and the Cooperation Agreement are not publicly available. Typically amongst other things, a restructuring support agreement or a cooperation agreement may (i) restrict the transfer of debt held by a person or a business unit subject to the terms of such agreement to parties that are not party to such agreement; and (ii) provide that any debt subsequently acquired by a person or a business unit that is bound by such agreement immediately becomes subject to it (subject, in each case, to certain exemptions). Whilst the terms of the Framework Agreement and the Cooperation Agreement are not publicly available, the EMEA DC assumes that such agreements include such terms in line with normal market practice.
- 1.4 The provisions of the Framework Agreement and the Cooperation Agreement may disrupt settlement of Representative Auction-Settled Transactions (**RASTs**). Accordingly, the EMEA DC has resolved to publish a revised draft set of Auction Settlement Terms that include certain amendments to facilitate cash settlement of RASTs that would otherwise not settle due to a Lock-up Settlement Block (as defined below). These amendments are made pursuant to Section 3.2(d) of the DC Rules.
- 1.5 **Eligible Market Participants should ensure that they carefully review the revised draft Auction Settlement Terms (and any revisions in the final version) and should consult their own legal and other advisors. This Meeting Statement is a high level summary of certain provisions only and is no substitute for reading the relevant contractual and other provisions of the draft Auction Settlement Terms and any RASTs. Note that a number of changes have been made to the Auction Settlement Terms since the first draft.**
- 1.6 **Eligible Market Participants should send final feedback on any material issues to the DC Secretary by no later than 5:00 p.m. London time on 14 August 2025 (by email to DCSecretary@cdsdeterminationscommittees.org).**
- 1.7 The date of the Auction will be announced separately.

### 2. KEY DEFINITIONS AND BACKGROUND

- 2.1 Certain key definitions in the Auction Settlement Terms are set out below:
- 2.2 A "**Lock-up Agreement**" is:

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<sup>1</sup> See press release available at: <https://alticefrance.com/investors-view?category=144>

<sup>2</sup> See translation available in Chapter 15 Petition of the Reference Entity available at: <https://cases.ra.kroll.com/alticefrance/Home-Index>

<sup>3</sup> See Octus article: <https://octus.com/resources/articles/altice-france-secured-creditor-co-op-extension-support-reaches-94/>

- (i) any lock-up agreement or restructuring support agreement entered into with the Reference Entity (including, without limitation, the framework agreement dated 25 February 2025); and
- (ii) any co-operation agreement entered into by creditors of the Reference Entity,

*provided* that such agreement includes restrictions on the parties bound by such agreement transferring debt which is subject to the terms of such agreement to any person that is not also bound by such agreement. The presence of certain exemptions from such restrictions (such as in favour of market makers) do not prevent an agreement being a Lock-up Agreement.

- 2.3 A **Locked-up Deliverable Obligation** means, in respect of a Lock-up Agreement, a Deliverable Obligation that (i) is held by a person or business unit that is subject to the transfer restrictions in such Lock-up Agreement in respect of such Deliverable Obligation; or (ii) has been transferred to another person or business unit in accordance one or more exemptions under such Lock-up Agreement but such exemption requires that such Deliverable Obligation is on-transferred to a person or business unit that would be subject to the transfer restrictions in such Lock-up Agreement in respect of such Deliverable Obligation.
- 2.4 An **Unlocked Deliverable Obligation** is any Deliverable Obligation that is not a Locked-up Deliverable Obligation.
- 2.5 Accordingly, both the Framework Agreement and the Cooperation Agreement are expected to be Lock-up Agreements for the purposes of the Auction Settlement Terms and any Deliverable Obligation subject to either or both of the Framework Agreement and the Cooperation Agreement is a Locked-up Deliverable Obligation. The restrictions set out in the Framework Agreement and the Cooperation Agreement may prevent a party from being able to Deliver or take Delivery of a Locked-up Deliverable Obligation as such Delivery may breach the terms of the Framework Agreement and/or the Cooperation Agreement if the recipient is not a party to such agreement. In addition, the operational systems and policies and procedures that a Participating Bidder or a PB Auction Affiliate may put in place to comply with the terms of the Framework Agreement and/or the Cooperation Agreement may hinder such Participating Bidder from being able to take Delivery of an Unlocked Deliverable Obligation.
- 2.6 The implementation of the Reference Entity's accelerated safeguard is continuing. On 4 August 2025, the Reference Entity announced that the Paris Commercial court had issued rulings approving the accelerated safeguard plans of the Reference Entity.<sup>4</sup> In this regard note that:
- (i) Delivery of a Deliverable Obligation also requires that the parties deliver any notices required to the Reference Entity, any calculation agent or any other administrative agent acting in respect of the implementation of the accelerated safeguard; and
  - (ii) consent fees or premiums are often paid on restructurings and the amount of such consent fee or premium may depend on when a particular creditor agreed to support the restructuring. The entitlement to any such consent fee or premium will depend on the terms of the restructuring (for example, does the entitlement depend on the holder of the relevant Bonds on a record date – if so, who is entitled to the consent fee or premium will depend on whether physical settlement occurs prior to or after the relevant record date). There is no requirement to separately account for any such consent fee or premium to the Seller under a Representative Auction-Settled Transaction.

<sup>4</sup>

See:  
[https://alticefrance.com/sites/default/files/pdf/Altice\\_France\\_Paris\\_Court\\_Approves\\_Accelerated\\_Safeguard\\_Plans%E2%80%94Pivotal\\_Step\\_for\\_Altice\\_France\\_SFR\\_Future.pdf](https://alticefrance.com/sites/default/files/pdf/Altice_France_Paris_Court_Approves_Accelerated_Safeguard_Plans%E2%80%94Pivotal_Step_for_Altice_France_SFR_Future.pdf)

### 3. STATUS CONFIRMATIONS

#### 3.1 Subject to any confidentiality obligations to the contrary in the relevant Lock-up Agreement:

- (i) any Eligible Market Participant submitting a Physical Settlement Request or a Limit Order to a Participating Bidder or PB Auction Affiliate will confirm at the time of such submission (x) whether such Eligible Market Participant will Deliver Locked-up Deliverable Obligations (and, if so, under which Lock-up Agreement); and/or (y) whether such Eligible Market Participant is able to take Delivery of Locked-up Deliverable Obligations pursuant to each Lock-up Agreement (including because the Eligible Market Participant will adhere to the relevant Lock-up Agreement on or prior to the Physical Settlement Date);
- (ii) upon request, a Participating Bidder will confirm to an Eligible Market Participant seeking to submit a Physical Settlement Request or a Limit Order whether such Participating Bidder is able to take Delivery of both Locked-up Deliverable Obligations and Unlocked Deliverable Obligations (and the Participating Bidder or PB Auction Affiliate must act reasonably when making such determination, considering without limitation, the terms of any applicable Lock-up Agreement and whether such Participating Bidder or PB Auction Affiliate is reasonably able to settle a transfer of such Locked-up Deliverable Obligations and Unlocked Deliverable Obligations including from an operational perspective); and
- (iii) upon request, a Participating Bidder (the “**First Participating Bidder**”) will be required to confirm to another Participating Bidder with whom the First Participating Bidder has entered into a RAST (the “**Second Participating Bidder**”)<sup>5</sup> whether the First Participating Bidder will take Delivery of both Locked-up Deliverable Obligations and Unlocked Deliverable Obligations from the Second Participating Bidder or the First Participating Bidder will only take Delivery of either Locked-up Deliverable Obligations or Unlocked Deliverable Obligations (and the First Participating Bidder must act reasonably when making such determination, considering without limitation, whether it is reasonably able to take such Delivery based on the terms of any applicable Lock-up Agreement and the ability of such Participating Bidder to settle a transfer of such Locked-up Deliverable Obligations and Unlocked Deliverable Obligations including from an operational perspective).

Each party consents to any party in the chain of Related RASTs (including without limitation, the consenting party’s counterparty) providing the information above to any other party in the chain of Related RASTs, provided that the identity of the party providing such confirmation shall not be provided to each other party in the chain of Related RASTs. Any party that intends to designate any of its Affiliates to Deliver or take Delivery or otherwise utilise any of the designation mechanics in the Auction Settlement Terms must take account of such intended designations when providing its confirmations and must promptly update its confirmations upon changing its approach in respect of any such designations.

- 3.2 These requirements are intended to (i) allow the Participating Bidders to prepare for settlement of the RASTs resulting from the Auction; and (ii) to assist Eligible Market Participants when they are selecting the Participating Bidders to whom such Eligible Market Participants will submit Physical Settlement Requests and Limit Orders.
- 3.3 If an Eligible Market Participant is seeking to sell Bonds under a RAST and a Participating Bidder or a PB Auction Affiliate is unable to take Delivery of the relevant Locked-up Deliverable Obligation or Unlocked Deliverable Obligation that such Eligible Market Participant intends to Deliver, then such Eligible Market Participant may wish to submit their Physical Settlement Request or Limit Order to another Participating Bidder or PB Auction Affiliate. As in previous Auctions, whether a Participating

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<sup>5</sup> Using the examples set out in paragraph 5.2, the First Participating Bidder would be Participating Bidder C, and the Second Participating Bidder would be Participating Bidder B.

Bidder or its PB Auction Affiliate is required to accept a Physical Settlement Request is subject to the usual rules (including that the Participating Bidder or its PB Auction Affiliate is not required to accept Physical Settlement Requests that are in excess of the Dealer-Specific Market Position of the relevant Eligible Market Participant) and acceptance of Limit Orders by Participating Bidders and PB Auction Affiliates is discretionary.

#### **4. NOTICES OF PHYSICAL SETTLEMENT AND NOPS AMENDMENT NOTICES**

- 4.1 Each Eligible Market Participant, Participating Bidder or PB Auction Affiliate Delivering Bonds under a RAST must deliver a Notice of Physical Settlement on the Business Day immediately following the date of the Auction. Such Notice of Physical Settlement should specify whether each Bond is either a Locked-up Deliverable Obligation (and if so under which Lock-up Agreement(s)) or an Unlocked Deliverable Obligation.
- 4.2 The identity of the Bonds specified in the Notice of Physical Settlement may be amended by delivering a NOPS Amendment Notice. Such NOPS Amendment Notice must also specify whether the relevant Deliverable Obligation is a Locked-up Deliverable Obligation (and if so under which Lock-up Agreement(s)) or an Unlocked Deliverable Obligation.
- 4.3 In order to assist with the orderly settlement of RASTs, any NOPS Amendment Notice must be delivered by the relevant NOPS Amendment Notice Cut-off Date. The NOPS Amendment Notice Cut-off Date depends on the type of RAST and is presently:
  - (a) where an Eligible Market Participant is Delivering to a Participating Bidder or a PB Auction Affiliate, such NOPS Amendment Notice must be delivered on or prior to 11:00 am London time on the 10<sup>th</sup> Business Day following the date of the Auction;
  - (b) in respect of a RAST between two Participating Bidders, such NOPS Amendment Notice must be delivered on or prior to 11:00 am London time on the 12<sup>th</sup> Business Day following the date of the Auction; and
  - (c) where a Participating Bidder or a PB Auction Affiliate is Delivering to an Eligible Market Participant, such NOPS Amendment Notice must be delivered on or prior to 11:00 am London time on the 15<sup>th</sup> Business Day following the date of the Auction.

The Physical Settlement Period is presently 30 Business Days. The final NOPS Amendment Notice Cut-off Dates and the Physical Settlement Period will be finalised once the date of the Auction has also been determined.

- 4.4 Note that the minimum size of a RAST is EUR100,000. In contrast, the Bonds denominated in USD have a minimum denomination of USD200,000. Eligible Market Participants should take such minimum denominations into account when completing their Notices of Physical Settlement and NOPS Amendment Notices – for example, if the RAST size is EUR100,000 then a EUR denominated Bond that can be transferred in the amount of EUR100,000 should be specified in the Notice of Physical Settlement or NOPS Amendment Notice.

#### **5. PHYSICAL SETTLEMENT**

- 5.1 Once the Notices of Physical Settlement have been delivered, then parties to RASTs can commence settlement in respect of such RASTs, taking into account the restrictions in any Lock-up Agreement.
- 5.2 The Auction may result in a chain of RASTs. For example:
  - (i) Eligible Market Participant A Delivers Deliverable Obligations to Participating Bidder B.

- (ii) Participating Bidder B Delivers Deliverable Obligations to Participating Bidder C.
- (iii) Participating Bidder C Delivers Deliverable Obligations to Eligible Market Participant D.

Note this is a simplified chain – for example, there may be multiple Eligible Market Participants D facing Participating Bidder C under separate RASTs. Each such Eligible Market Participant D will separately receive a portion of the Deliverable Obligations that Participating Bidder C receives from Participating Bidder B.

- 5.3 Each party to a RAST should seek to settle that RAST if it is able to do so – for example, if Eligible Market Participant A is Delivering a Locked-up Deliverable Obligation and each of Participating Bidder B and Participating Bidder C can take Delivery of such Locked-up Deliverable Obligation but Eligible Market Participant D is not party to the relevant Lock-up Agreement then (i) the first two RASTs set out above should be settled in the ordinary course; and (ii) the final RAST should be subject to Cash Settlement (as described further below).
- 5.4 If there is a chain of RASTs and a party that is not the ultimate recipient of the Deliverable Obligation under the relevant chain of RASTs is not reasonably able to take Delivery of Unlocked Deliverable Obligations (e.g. for operational reasons) or is not reasonably able to take Delivery of Locked-up Deliverable Obligations, then the Auction Settlement Terms provide for the possibility of directed settlement as described in paragraph 5.5 below.
- 5.5 If the parties to a RAST identify that such RAST may fail due to one party not being reasonably able to take Delivery of either Locked-up Deliverable Obligations or, in the case of a Participating Bidder or PB Auction Affiliate, Unlocked Deliverable Obligations, then:
  - (a) First, the parties to such Representative Auction-Settled Transaction shall exercise their rights (if any) to designate one or more other Representative Auction-Settled Transactions as Related RASTs and the parties to such Related RASTs shall also identify any further Related RASTs in the chain.
  - (b) For example using the fact pattern set out at paragraph 5.2 above, if the RAST between A and B cannot settle for these reasons, then both the RAST between B and C and the RAST between C and D would be identified as Related RASTs. In contrast, if the RAST between A and B is physically settled but the RAST between B and C cannot settle, then only the RAST between C and D would be identified as a Related RAST.
  - (c) Once all of the RASTs in a chain of Related RASTs has been identified, then each party to a RAST needs to confirm whether it consents to its identity being provided to the other parties to the RASTs in such chain of Related RASTs. If a party declines to reveal its identity, the other parties in such chain of Related RASTs shall assess whether directed settlement is possible among the entities who do agree to provide their identities to the other parties in the chain. This is because it is not possible to have a directed settlement directly to an entity that declines to reveal its identity.
  - (d) Each of the parties to such RASTs that have revealed their identities shall consult with the other parties in relation to directed settlement and, acting in good faith and a commercially reasonable manner, determine whether successful settlement could be facilitated by a directed settlement. If each such party determines that successful directed settlement could be facilitated, then each such party shall, acting in good faith, use commercially reasonable efforts to seek to agree terms with each other person in the chain of Related RASTs to facilitate such direct Delivery on or prior to the Physical Settlement Date (including facilitating completion of KYC requirements). Such directed settlement should be made to the first person in the chain of Related RASTs that has revealed its identity and is able to take Delivery of the relevant Deliverable Obligations. Delivery will be on a DvP basis. No party is required to

agree to a directed settlement which is not in compliance with its internal policies and procedures, including policies relating to credit risk.

Note that the details for how directed settlement will operate have been left to the parties to the Related RASTs to resolve – given the variety of factors, the EMEA DC was of the view that it would not be helpful to be overly prescriptive in the Auction Settlement Terms.

The obligation to seek to settle on a directed basis shall cease to apply once Cash Settlement is triggered.

## 6. CASH SETTLEMENT MECHANICS

- 6.1 The Cash Settlement mechanics have been updated following feedback from Eligible Market Participants. In particular, such Cash Settlement mechanics now require that the relevant Bonds that are not Delivered are instead sold pursuant to such Cash Settlement mechanics. The net proceeds of such sales are then used to determine the Final Price for the purposes of Cash Settlement.
- 6.2 Cash Settlement will be triggered at the end of the fourth Business Day following the Physical Settlement Date if Delivery is not made due to a Lock-up Settlement Block.
- 6.3 A "**Lock-up Settlement Block**" means that either (i) the relevant Deliverable Obligations to be transferred are Locked-up Deliverable Obligations and Delivery cannot reasonably be effected in accordance with the terms of the relevant Lock-up Agreement(s); or (ii) the relevant Deliverable Obligations to be transferred are Unlocked Deliverable Obligations which are required to be transferred to a Participating Bidder or PB Auction Affiliate and such Participating Bidder or PB Auction Affiliate, acting reasonably, has determined that it is not reasonably able to take Delivery of such Unlocked Deliverable Obligations. The relevant Bonds that cannot be Delivered due to a Lock-up Settlement Block are the "**Undelivered Obligations**".
- 6.4 At a high level, the Cash Settlement process will involve the following:
- (a) The first RAST that failed to physically settle due to a Lock-up Settlement Block and each subsequent Related RAST in the chain of Related RASTs (if any) will be subject to the same Cash Settlement process (even if the deadline for physical settlement has not yet occurred in relation to the Related RASTs). Any RASTs under which the relevant Bonds have already been physically settled are excluded from the Cash Settlement process. If only part of a RAST is a Related RAST, then only such part shall be subject to the Cash Settlement process.
  - (b) On the fifth Business Day following the Physical Settlement Date, the party that intended to Deliver the Undelivered Obligations will seek quotations for them under the Cash Settlement terms. Such quotations must be sought at around the same time and such time must be between 10:00 a.m. London time and 2:00 p.m. London time (as selected by the relevant party that intended to Deliver the Undeliverable Obligations). This quotation time window has been included to address concerns as to the feasibility of multiple Cash Settlement processes under multiple RASTs being conducted in the market at the same moment in time. Such Quotations must be firm quotations.
  - (c) Quotations must be sought from:
    - (i) at least five Dealers that are able to take Delivery of the relevant Undelivered Obligation(s), taking into account the identity of any Lock-up Agreements applicable to such Undelivered Obligations;
    - (ii) each Seller under a Related RAST that is subject to such Cash Settlement provided that on or prior to 10:00 a.m. London time on the Valuation Date (I) such Seller has

confirmed that (x) it is able to take Delivery of the relevant Undelivered Obligations to be sold and (taking into account the identity of any Lock-up Agreements applicable to such Undelivered Obligations); (y) it wishes to provide a quotation; and (z) such Seller has completed its KYC on the Relevant Buyer and is otherwise able to transact with the Relevant Buyer in accordance with such Sellers policies and procedures (including, without limitation, credit policies); and (II) the party obtaining such quotes has confirmed that it has completed its KYC on such Seller and such party is otherwise able to transaction with such Seller in accordance with its policies and procedures (including, without limitation, credit policies); and

- (iii) the Dealer (if any) nominated by each Lock-up Relevant Seller – the “**Lock-up Relevant Seller**” is each of the Sellers under the final Credit Derivative Transaction in each chain of Related RASTs that are not Loan Settled Transactions or a Lock-up Settled Transactions or if there is no chain of Related RASTs, the Seller under the relevant Representative Auction-Settled Transaction that is being subject to Cash Settlement.

Note that Sellers under limb (ii) are not typically expected to be relevant in practice as if a Seller was able to take such Delivery, then normally the relevant RAST would not have been subject to a Lock-up Settlement Block or such Lock-up Settlement Block could have been overcome through directed settlement.

- (d) In order for the Cash Settlement process to be successfully completed, the party that intended to Deliver the Affected Bonds must sell the relevant Affected Bonds to any person that provided a firm quotation. The seller of the relevant Affected Bonds shall, acting commercially reasonably, select the quotations to execute with the aim of maximising the total net sale proceeds in respect of the relevant Undelivered Obligation. However, the seller will not always be able to execute the highest such quotations – for example, some quotations may lapse prior to completion of the quotation process and may not be available for acceptance. The seller of the Undelivered Obligation is not obliged to accept any quotation if it has not completed KYC on the person providing such quotation or accepting such quotation would not otherwise comply with its policies and procedures (including, without limitation, credit policies).
- (e) The net sale proceeds in respect of the Undelivered Obligation will be used to determine the Final Price. If the party fails to sell the full amount of the Undelivered Obligation, then such process shall repeat for a further five Business Days following the Valuation Date. If any portion remains unsold on the fifth Business Day following the Valuation Date, such portion shall be valued at zero.
- (f) The Cash Settlement Amount will be equal to:

*The portion of the notional amount of the RAST represented by the Undelivered Obligation x (the Auction Final Price – the Final Price determined under Cash Settlement).*

If the Cash Settlement Amount is a positive amount, the person that would take Delivery of the Bonds will pay such amount to the other party and if the Cash Settlement Amount is a negative amount, the person required to Deliver the Bonds under the relevant RAST will pay such amount to the other party.

- (g) The Cash Settlement Date is three Business Days following the date on which the Final Price is determined.
- (h) Note that the parties to Related RASTs are required to cooperate with each other to facilitate this process – this includes promptly notifying each other of (i) any arrangements relating to

submissions of quotations under the Cash Settlement process and (ii) the resulting Final Price. As a result the Relevant Buyer will need to contact its direct counterparty and agree the arrangements pursuant to which the quotation process will operate – for example, how all Sellers providing quotes will be contacted. Accordingly, it is important that parties start to prepare ahead of the Valuation Date if it appears that a Representative Auction-Settled Transaction may be subject to Cash Settlement. Note:

- (i) any person that is required to sell the Undelivered Obligation consents to its identity being provided to each other person that is party to a Representative Auction-Settled Transaction in the chain of Related RASTs that is not a Lock-up Settled Transactions and will use commercially reasonable efforts to satisfy the KYC requirements of each such other person that wishes to participate in the quotation process; and
- (ii) if a Seller would otherwise be entitled to participate in the quotation process but such Seller refuses to consent to its identity being confirmed to the party seeking the quotations, then such Seller will not be entitled to participate in the process but the Representative Auction-Settled Transaction that such Seller is party to will still be cash settled by reference to the Final Price resulting from such quotation process.

- 6.5 If the party that is required to sell the Undelivered Obligation in the Cash Settlement process fails to do so because such party does not own such Undelivered Obligation, then the buy-in provisions shall apply to the RAST that triggered the Cash Settlement. Settlement of each Related RAST shall be suspended until completion of the buy-in process and then shall resume on the basis of physical settlement. If a RAST fails to settle other than due to a Lock-up Settlement Block then the normal buy-in process will apply provided that settlement of each Related RAST shall also be suspended until completion of the buy-in process in respect of the first RAST that fails to settle. Settlement shall then resume on the basis of physical settlement. Each party that is entitled to exercise a buy-in right under a Representative Auction-Settled Transaction that forms part of a chain of Related RASTs will use commercially reasonable efforts to do so. When conducting a buy-in, a party may buy-in either Locked Deliverable Obligations or Unlocked Deliverable Obligations.

## **7. SUPPLEMENT TO AUCTION SETTLEMENT TERMS**

- 7.1 As in prior EMEA Auctions where a Reference Entity restructuring process is on-going, the EMEA DC also has the power to Resolve to publish a supplement to the Auction Settlement Terms and the provisions of such supplement would be binding on parties to RASTs.