
20145 ISDA

**Credit Derivatives
Determinations Committees
Rules**

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Version)**

ISDA®

INTERNATIONAL SWAPS AND DERIVATIVES ASSOCIATION, INC.

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CREDIT DERIVATIVES DETERMINATIONS COMMITTEES RULES

(~~September~~ March 16~~3~~5, 2014~~5~~ Version)

1. COMPOSITION OF CREDIT DERIVATIVES DETERMINATIONS COMMITTEES

1.1 General

- (a) **Committees.** Credit Derivatives Determinations Committees (each, a "**Committee**") are committees established for purposes of making determinations in connection with Credit Derivative Transactions that have, or are deemed to have, incorporated the 2014 Definitions or the Updated 2003 Definitions in the relevant Confirmation (each such Credit Derivative Transaction, a "**Relevant Transaction**"). Each Committee is governed by the rules set forth in these Credit Derivatives Determinations Committees Rules (the "**Rules**").
- (b) **The Secretary.** ISDA shall serve as the secretary of each Committee (the "**DC Secretary**") and shall perform administrative duties and make certain determinations as provided for under the Rules. Communications to the DC Secretary under the Rules shall be made in the manner prescribed and in accordance with the contact information published from time to time for this purpose on the Website. Unless otherwise specified, all determinations by the DC Secretary under the Rules shall be made in a commercially reasonable manner. For any Transaction Type determination required to be made by the DC Secretary under the Rules, the DC Secretary may, if necessary, consult data provided by The Depository Trust and Clearing Corporation or its relevant subsidiary ("**DTCC**") compiled in accordance with the Trading Volume Data Guidelines. The DC Secretary may rely on the accuracy of any data provided by DTCC with respect to the Rules.
- (c) **Effectiveness of Notices.** Determinations of effectiveness of notices under the Rules will be made in accordance with Section 12(a) of the 2002 ISDA Master Agreement, except as modified by the Rules. Each reference to written notice in the Rules shall be interpreted to include notice via facsimile and/or email.
- (d) **Coverage.** Notwithstanding anything to the contrary herein, these Rules shall apply to any 2014 Transaction, any July 2009 Supplement Transaction and any March 2009 Supplement Transaction. They have been drafted using the definitions and terminology from the 2014 Definitions but in applying these Rules to July 2009 Supplement Transactions and March 2009 Supplement Transactions, the relevant Committee shall apply the provisions herein to the relevant provisions of the Updated 2003 Definitions on a *mutatis mutandis* basis, and taking into consideration the Credit Derivatives Determinations Committees Rules published by ISDA on April 7, 2014, where relevant.
- (e) **SRO Administrator.** The DC Secretary may, at any time, appoint a third party to be the SRO Administrator.
- (f) **POB Administrator.** The DC Secretary may, at any time, appoint a third party to be the POB Administrator.

1.2 Participating Institutions and Participating CCPs

- (a) **List of Participating Institutions.** The DC Secretary shall compile and maintain an up-to-date list of each non-dealer ISDA Member on the List of Non-dealer Committee Members and each dealer ISDA Member that, respectively, (i) has notified the DC Secretary that it (or an Affiliate) wishes to be considered for membership on the Committees and (ii) if a dealer ISDA Member, has agreed to provide DTCC with all necessary consents to effect the selection process under the Rules (the "**List of Participating Institutions**"). Each such institution shall identify itself as either a dealer ISDA

Member or a non-dealer ISDA Member, provided that any such institution that identifies itself as a non-dealer ISDA Member must satisfy the criteria for participation on the Non-Dealer Committee as set forth in Schedule 2 to the Rules. For each non-dealer ISDA Member on the List of Participating Institutions, its self-identified classification as a "private investment company manager", "registered investment company manager" or "other" shall also be included. No ISDA Member may be considered for membership on the Committees as both a dealer ISDA Member and a non-dealer ISDA Member.

- (b) **List of Participating CCPs.** The DC Secretary shall compile and maintain an up-to-date list of each CCP that (i) has notified the DC Secretary that it wishes to be considered for membership on one or more Committees and (ii) has agreed to provide the DC Secretary with all necessary consents to effect the selection process under the Rules (the "**List of Participating CCPs**"). Each such CCP shall notify the DC Secretary of each Region for which it wishes to be considered for membership. If a CCP is or has become an Affiliate of another CCP, the DC Secretary shall not consider both affiliated CCPs for membership on the same Committee.
- (c) **List of Authorized Contacts.** Each Participating Institution and Participating CCP shall designate, from time to time, one or more individuals as points of contact at the relevant institution with respect to each Committee (each, an "**Authorized Contact**") and shall notify the DC Secretary of the identities and contact information (including the telephone number and email address) of each such Authorized Contact. Each Participating Institution and Participating CCP may appoint different Authorized Contacts with respect to different Regions. Authorized Contacts may be changed at any time upon effective receipt by the DC Secretary of written notice from the relevant Participating Institution or Participating CCP. The DC Secretary shall maintain a list of all current Authorized Contacts and may rely on the identities and contact information provided by the relevant Participating Institution or Participating CCP until the DC Secretary is effectively notified of a change.

1.3 Specific Procedures Related to Dealer and CCP Selection

- (a) **Compiling DTCC Dealer Lists.** On the 10th DC Business Day immediately preceding a List Review Date (other than the Initial List Review Date), and on each other date specified under the Rules, DTCC shall compile, in accordance with the Trading Volume Data Guidelines, a list of certain dealer ISDA Members ordered by trading volume of Credit Derivative Transactions globally (the "**Global Dealer Trading Volume List**") and, for each Region, a list of certain dealer ISDA Members ordered by trading volume of Credit Derivative Transactions referencing any Transaction Type of such Region (each, a "**Regional Dealer Trading Volume List**"). Each Participating Dealer Institution will be included in the DTCC lists compiled under this Section 1.3(a) (*Compiling DTCC Dealer Lists*).
- (i) **Affiliate Accounts.** On the 25th DC Business Day immediately preceding a List Review Date (other than the Initial List Review Date), DTCC shall provide, via the DC Secretary, each Participating Dealer Institution with a list of the DTCC accounts for each Participating Dealer Institution that will be included for purposes of the trading volume determinations made under the Trading Volume Data Guidelines. A Participating Dealer Institution may add or remove a DTCC account for itself by submitting a request in writing to the DC Secretary before ~~5:00p.m~~5:00 p.m. New York time on the 20th DC Business Day immediately preceding a List Review Date (other than the Initial List Review Date). If any additions or removals are submitted, the DC Secretary shall provide each Participating Dealer Institution with an updated list incorporating all such additions or removals with respect to the relevant List Review Date. The Dealer Members may remove any DTCC account relating to an Affiliate of a Participating Dealer Institution from the list by at least 80% of the Dealer Members, in a binding vote held by the DC Secretary following a request to hold such a vote by at least 3 Dealer Members, voting in favor of removing the relevant

DTCC account from the list. Such binding vote must be held and the outcome thereof must be notified to the DC Secretary prior to ~~5:00p.m~~5:00 p.m. New York time on the 15th DC Business Day immediately preceding a List Review Date (other than the Initial List Review Date). The Participating Dealer Institution to which such DTCC account relates shall not participate in such vote and shall not count for purposes of the voting threshold determination.

- (ii) **Mergers.** The DC Secretary shall provide DTCC with a list of each Participating Dealer Institution that a Convened DC has Resolved, since the immediately preceding List Review Date in accordance with Section 1.10(k) (*Affiliates and Mergers*), is part of an Affiliate Group. With respect to each such Participating Dealer Institution, the DC Secretary shall also provide (A) the date of such occurrence determined under Section 1.10(k) (*Affiliates and Mergers*) (the "**Merger Date**"), (B) each relevant Merged Institution, (C) each relevant Merged Institution that has not failed to participate as a Participating Bidder in more than one Non-LCDS Auction that was held during the period from, and including, the most recent List Review Date to, but excluding, the Merger Date, ~~=~~ and (D) for each Region, each relevant Merged Institution that has not failed to participate as a Participating Bidder in more than one Non-LCDS Auction that references any Reference Entity of a Transaction Type included in such Region and that was held during the period from, and including, the most recent List Review Date to, but excluding, the Merger Date.
- (b) **Compiling CCP Lists.** Prior to the 10th DC Business Day immediately preceding a List Review Date, a Managing Director (or equivalent) at a Participating CCP will provide to the DC Secretary, for each Region for which it wishes to be considered for membership, the notional volume of Relevant Credit Derivative Transactions cleared by it (such amount for each Region, a "**CCP Clearing Amount**") and its certification that the CCP Clearing Amount fulfils the requirements in Sections 2(a) through (c) of the CCP Data Guidelines. On the 10th DC Business Day immediately preceding a List Review Date, the DC Secretary shall compile, in accordance with the CCP Data Guidelines and for each Region, a list of CCPs ordered by the CCP Clearing Amount for the relevant Region (each, a "**Regional CCP Clearing Volume List**"). Each Participating CCP will be included in the relevant Regional CCP Clearing Volume Lists compiled under this Section 1.3(b) (*Compiling CCP Lists*).
- (c) **Verifying the Lists.** Each time a list is compiled in accordance with Sections 1.3(a) (*Compiling DTCC Dealer Lists*) or 1.3(d) (*Re-compiling DTCC Dealer Lists*), each Participating Dealer Institution shall be promptly provided with a representative sample of the data that has been included in the volume determination for it. A Participating Dealer Institution shall be deemed to accept such volume determination unless the DC Secretary is notified in writing within three DC Business Days from the effective receipt of the sample data by the Participating Dealer Institution that it has raised a challenge with DTCC. All such challenges must be resolved within five DC Business Days from the effective receipt of the sample data by such Participating Dealer Institution. Once all challenges have been resolved, the relevant list will be re-compiled, if necessary.
- (d) **Re-compiling DTCC Dealer Lists.** The Global Dealer Trading Volume List and each Regional Dealer Trading Volume List shall be re-compiled in accordance with Section 1.3(a) (*Compiling DTCC Dealer Lists*) if (i) a dealer ISDA Member added to the List of Participating Institutions is not currently included on the relevant DTCC lists or (ii) a new List Review Date is determined in accordance with Section 5.2(f) (*Reconstituting the Committees with respect to Regional Dealer Members*).
- (e) **Discovering Error in the Lists.** If, after the deadline for resolving any challenges set forth in Section 1.3(c) (*Verifying the Lists*), DTCC discovers a material error in the Global Dealer Trading Volume List or a Regional Dealer Trading Volume List, DTCC will inform the DC Secretary of such error and promptly re-compile the relevant DTCC list(s). If an institution was incorrectly

selected as a Designated DC Member due to such error, it shall be promptly replaced on the relevant Committee(s), provided that it shall be permitted to finish serving on each Convened DC that is deliberating at the time.

1.4 Relevant Lists for Dealers and Non-dealers

- (a) **List of Ineligible Institutions.** The DC Secretary shall compile on the Initial List Review Date and maintain an up-to-date list of (i) each Participating Institution that, at any given time, is ineligible for membership of each relevant Committee for one or more of the reasons set out in Sections 1.4(a)(A) (*Failure to Participate in Previous Auctions as of the Initial List Review Date – Loss of Global Eligibility*), 1.4(a)(B) (*Failure to Participate in Previous Auctions as of the Initial List Review Date – Loss of Regional Eligibility*), Section 1.8(b) (*Standard Agreement*), 1.10(d) (*Failure to Pay an ISDA Invoice*), 1.10(e) (*Failure to Participate in a Non-LCDS Auction*), 1.10(f) (*Auction Exemption for Global Dealer Voting Members and Regional Dealer Voting Members*), 1.10(g) (*Failure to Attend Meetings*) or 1.10(i) (*Resignation*), (ii) the reason(s) for each such Participating Institution's ineligibility and (iii) the expiration date for each such reason for ineligibility (such list, the "**List of Ineligible Institutions**" and each institution on such list, an "**Ineligible Institution**"). A Participating Institution shall be removed from the List of Ineligible Institutions once all reasons for ineligibility for such Participating Institution have expired in accordance with the relevant expiration date set forth in the Rules. The resignation of a Participating Institution in accordance with Section 1.10(i) (*Resignation*) shall not result in the removal of such institution from the List of Ineligible Institutions until all reasons for ineligibility for such Participating Institution have expired in accordance with the relevant expiration date set forth in the Rules.
- (A) **Failure to Participate in Previous Auctions as of the Initial List Review Date – Loss of Global Eligibility.** On the Initial List Review Date, each Participating Dealer Institution that failed to participate as a Participating Bidder in more than one Non-LCDS Auction that was held during the period from, and including, January 1, 2009 to, but excluding, the Initial List Review Date shall have separate entries for each such missed Non-LCDS Auction added to the List of Missed Auctions in accordance with Section 1.4(d) (*List of Missed Auctions*) and shall be added to the List of Ineligible Institutions for "Failure to Participate in Auctions".
- (B) **Failure to Participate in Previous Auctions as of the Initial List Review Date – Loss of Regional Eligibility.** On the Initial List Review Date, for each Region, each Participating Dealer Institution that has failed to participate as a Participating Bidder in more than one Non-LCDS Auction that references any Reference Entity of a Transaction Type included in such Region and that was held during the period from, and including, (I) if the Region is EMEA, October 1, 2008 or (II) if the Region is not EMEA, January 1, 2009, to, but excluding, the Initial List Review Date, shall be added to the List of Ineligible Institutions for "Failure to Participate in Regional Auctions" for such Region.
- (C) **Failure to Participate in Previous Auctions – New Participating Institutions.** Each dealer ISDA Member added for the first time to the List of Participating Institutions after the Initial List Review Date shall have entries added to the List of Missed Auctions for prior Non-LCDS Auctions where it did not participate as a Participating Bidder, as determined by reference to the provisions of Section 1.10(e) (*Failure to Participate in a Non-LCDS Auction*); provided that when applying Section 1.10(e) (*Failure to Participate in a Non-LCDS Auction*) for purposes of this Section 1.4(a)(C) (*Failure to Participate in Previous Auctions – New Participating Institutions*), an entry to the List of Missed Auctions shall only be added for a Non-LCDS Auction held during the period from, and including, the List Review Date occurring immediately prior to the date such dealer ISDA Member is added to the List of Participating Institutions to, but excluding, the date it is added to the List of Participating Institutions.

Under Sections 1.4(a)(A) (*Failure to Participate in Previous Auctions as of the Initial List Review Date – Loss of Global Eligibility*) and 1.4(a)(B) (*Failure to Participate in Previous Auctions as of the Initial List Review Date – Loss of Regional Eligibility*), if more than one Non-LCDS Auction (including (i) a senior and subordinated auction (ii) multiple auctions held under Parallel Auction Settlement Terms or (iii) an Updated 2003 Auction and a 2014 Auction) was held to settle Credit Derivative Transactions upon the occurrence of a single Credit Event with respect to a Reference Entity, each such Non-LCDS Auction will be considered as a separate Non-LCDS Auction. For purposes of determining whether a Participating Dealer Institution participated as a Participating Bidder in a specific Non-LCDS Auction, such Participating Dealer Institution shall be deemed to include each Affiliate thereof as of the date of such Non-LCDS Auction.

- (b) **Lists of Eligible Dealers.** The DC Secretary shall compile on the Initial List Review Date and thereafter maintain an up-to-date list of:
 - (i) each Participating Dealer Institution, after removing each relevant Ineligible Institution (such list, the "**List of Eligible Global Dealer Members**" and each institution on such list, an "**Eligible Global Dealer**"); and
 - (ii) for each Region, each Participating Dealer Institution, after removing each relevant Ineligible Institution; provided that a Participating Dealer Institution (A) shall not be removed from such list for being on the List of Ineligible Institutions for "Failure to Participate in Auctions" and (B) shall only be removed from such list for being on the List of Ineligible Institutions for "Failure to Participate in Regional Auctions" if such ineligibility relates to the relevant Region (each such list, a "**List of Eligible Regional Dealer Members**" and each institution on such list, an "**Eligible Regional Dealer**").
- (c) **Lists of Non-dealers.** The DC Secretary shall maintain an up-to-date list of the institutions on the Non-dealer Committee (such list, the "**List of Non-dealer Committee Members**"). The DC Secretary shall compile on the Initial List Review Date and thereafter maintain an up-to-date list of each Participating Non-dealer Institution that is not an Ineligible Institution together with its self-identification as a "private investment company manager", "registered investment company manager" or "other" and a designation of whether it has been previously identified to serve on a Committee (such list, the "**List of Eligible Non-dealer Members**" and each institution on such list, an "**Eligible Non-dealer**"). Each time an Eligible Non-dealer is selected as a Designated Non-dealer Voting Member under the Rules, the DC Secretary shall immediately update the designation of such Eligible Non-dealer on the List of Eligible Non-dealer Members as having been previously identified to serve on a Committee and such designation shall remain until reset even if it is later removed from the List of Eligible Non-dealer Members and then is re-added to such list at a later time. Once each institution on the List of Eligible Non-dealer Members has been designated as having been previously identified to serve on a Committee, the DC Secretary shall reset the designations so that each institution on the List of Eligible Non-dealer Members shall be deemed to have not been previously identified to serve on a Committee. Each Participating Non-dealer Institution that was added to the Non-dealer Committee after January 1, 2010 and is added to the List of Eligible Non-dealer Members on a date on which there is at least one institution on the List of Eligible Non-dealer Members that is designated as not having been previously identified to serve on a Committee shall be designated as having been previously identified to serve on a Committee.
- (d) **List of Missed Auctions.** The DC Secretary shall, in accordance with Sections 1.4(a)(A) (*Failure to Participate in Previous Auctions as of the Initial List Review Date – Loss of Global Eligibility*), 1.4(a)(B) (*Failure to Participate in Previous Auctions as of the Initial List Review Date – Loss of Regional Eligibility*), 1.4(a)(C) (*Failure to Participate in Previous Auctions – New Participating Institutions*) and 1.10(e) (*Failure to Participate in a Non-LCDS Auction*), maintain an up-to-date list of (i) each Participating Dealer Institution that, at any given time, has failed to participate as a Participating Bidder in one or more Non-LCDS Auctions, (ii) the Auction Date of each such Non-

LCDS Auction and (iii) the Region in which the Transaction Type of the Reference Entity in respect of which each such Non-LCDS Auction was held is included (the "**List of Missed Auctions**"). With respect to a Participating Dealer Institution, all entries on the List of Missed Auctions shall be deleted on each List Review Date where such Participating Dealer Institution is not on the List of Ineligible Institutions for "Failure to Participate in Auctions". If more than one Non-LCDS Auction (including (i) a senior and subordinated auction (ii) multiple auctions held under Parallel Auction Settlement Terms or (iii) an Updated 2003 Auction and a 2014 Auction) is held to settle Relevant Transactions upon the occurrence of a single Credit Event with respect to an Affected Reference Entity, each such Non-LCDS Auction will be considered ~~as to be~~ a separate Non-LCDS Auction for purposes of this Section 1.4(d) (*List of Missed Auctions*).

- (e) **List of Missed Meetings.** The DC Secretary shall, in accordance with Section 1.10(g) (*Failure to Attend Meetings*), maintain an up-to-date list of (i) each Participating Institution that, while serving as a Convened DC Member, in contravention of the Rules, (A) failed to be present at a Convened DC meeting where one or more binding votes are held, (B) was present at a Convened DC meeting where one or more binding votes were held but failed to vote in each such binding vote or (C) failed to submit an email vote in respect of a Mandatory Email Vote within the required timeframe, in each case, other than pursuant to Section 2.3(c) (*Abstention*), (ii) the total number of entries for each such Participating Institution and (iii) the date of each such entry (the "**List of Missed Meetings**"). With respect to a Participating Institution, all entries on the List of Missed Meetings shall be deleted on (A) each Term Start Date for such Participating Institution where such Participating Institution is not on the List of Ineligible Institutions for "Failure to Attend Meetings" and (B) each List Review Date where such Participating Institution is not on the List of Ineligible Institutions for "Failure to Attend Meetings"; provided that sub-clause (B) shall not apply on a List Review Date with respect to a Participating Institution if entries on the List of Missed Meetings for such Participating Institution have been deleted pursuant to sub-clause (A) in respect of a Term Start Date that occurred with respect to such Participating Institution since the List Review Date immediately prior to such List Review Date.

1.5 Relevant Lists for CCPs

List of CCP Missed Meetings. The DC Secretary shall maintain an up-to-date list of (i) each Participating CCP that, while serving as a CCP Member, failed to be present at a Convened DC meeting in contravention of Section 2.3(b) (*Voting and Participation*), (ii) the total number of entries for each such Participating CCP and (iii) the date of each such entry (the "**List of CCP Missed Meetings**"). The List of CCP Missed Meetings may be made available to any regulatory, self-regulatory or supervising authority having appropriate jurisdiction over any Participating CCP.

1.6 Identifying DC Members

- (a) **Identifying Dealer Members on each List Review Date.** On each List Review Date, the DC Secretary shall provide DTCC with the List of Eligible Global Dealer Members and each List of Eligible Regional Dealer Members and request DTCC to identify the following from the Global Dealer Trading Volume List or relevant Regional Dealer Trading Volume List, as applicable, and in each case, as most recently compiled, in accordance with the Trading Volume Data Guidelines:
- (i) the first eight Eligible Global Dealers on the Global Dealer Trading Volume List (each, a "**Designated Global Dealer Voting Member**");
 - (ii) for each Region, the first two Eligible Regional Dealers on the Regional Dealer Trading Volume List for such Region that have not already been selected as a Designated Global Dealer Voting Member with respect to such List Review Date (each, a "**Designated Regional Dealer Voting Member**");

- (iii) the first Eligible Global Dealer on the Global Dealer Trading Volume List that has not already been selected as a Designated Global Dealer Voting Member with respect to such List Review Date; provided that, with respect to the Initial List Review Date, the first two Eligible Global Dealers on the Global Dealer Trading Volume List that have not already been selected as a Designated Global Dealer Voting Member with respect to such List Review Date shall be identified (each, a "**Designated Global Dealer Consultative Member**") and provided further that, if a Participating Dealer Institution selected under this Section 1.6(a)(iii) (*Identifying Dealer Members on each List Review Date*) has been selected as a Designated Regional Dealer Voting Member for any Region with respect to such List Review Date, the provisions of Section 1.6(b) (*Option to Act as a Global Dealer Consultative Member or a Regional Dealer Voting Member*) shall apply and no selections under Section 1.6(a)(iv) (*Identifying Dealer Members on each List Review Date*) shall occur until the selection of each Designated Global Dealer Consultative Member has been finalized in accordance with Section 1.6(b) (*Option to Act as a Global Dealer Consultative Member or a Regional Dealer Voting Member*); and
- (iv) for each Region, the first Eligible Regional Dealer on the Regional Dealer Trading Volume List for such Region that has not already been selected as a Designated Global Dealer Voting Member, a Designated Regional Dealer Voting Member for such Region or a Designated Global Dealer Consultative Member with respect to such List Review Date (the "**Designated Regional Dealer Consultative Member**").

(b) **Option to Act as a Global Dealer Consultative Member or a Regional Dealer Voting Member.**

Where the provisions of this Section 1.6(b) (*Option to Act as a Global Dealer Consultative Member or a Regional Dealer Voting Member*) apply in accordance with Section 1.6(a)(iii) (*Identifying Dealer Members on each List Review Date*), each Participating Dealer Institution that has been identified under both Sections 1.6(a)(ii) and 1.6(a)(iii) (*Identifying Dealer Members on each List Review Date*) shall be promptly notified by the DC Secretary of such multiple selections and may choose either to be a Designated Regional Dealer Voting Member for the Region(s) with respect to which it has been selected or to be a Designated Global Dealer Consultative Member by providing written notice to the DC Secretary; provided that if the DC Secretary does not effectively receive notice of such choice within one DC Business Day of effective receipt by such Participating Dealer Institution of notice from the DC Secretary under this Section 1.6(b) (*Option to Act as a Global Dealer Consultative Member or a Regional Dealer Voting Member*), it shall be deemed to have chosen to be a Designated Regional Dealer Voting Member for the Region(s) with respect to which it has been selected under Section 1.6(a)(ii) (*Identifying Dealer Members on each List Review Date*). In connection with this selection, the DC Secretary (based on the lists compiled under Section 1.3 (*Specific Procedures Related to Dealer and CCP Selection*)) may provide the relevant Participating Dealer Institution with information regarding the one or more Regions where it is currently selected as a Designated Regional Dealer Voting Member and any additional Regions where it will be selected at least as a Designated Regional Dealer Consultative Member and, depending on the remaining selection process, potentially as a Designated Regional Dealer Voting Member.

- (i) **Choosing to be a Designated Global Dealer Consultative Member.** If the relevant Participating Dealer Institution chooses to be a Designated Global Dealer Consultative Member, it shall not be considered a Designated Regional Dealer Voting Member under the Rules for any of the Region(s) with respect to which it has been selected under Section 1.6(a)(ii) (*Identifying Dealer Members on each List Review Date*) and the selection process shall resume (A) to select the proper number of Designated Regional Dealer Voting Members under Section 1.6(a)(ii) (*Identifying Dealer Members on each List Review Date*); provided that a Participating Dealer Institution that, at such time, has chosen with respect to the relevant List Review Date to be a Designated Global Dealer Consultative Member under this Section 1.6(b) (*Option to Act as a Global Dealer Consultative Member or a Regional Dealer Voting Member*) shall not be considered for such selection and (B) to select the

Designated Regional Dealer Consultative Member under Section 1.6(a)(iv) (*Identifying Dealer Members on each List Review Date*).

- (ii) **Choosing to be a Designated Regional Dealer Voting Member.** If the relevant Participating Dealer Institution chooses to be a Designated Regional Dealer Voting Member, it shall not be considered a Designated Global Dealer Consultative Member under the Rules and the DC Secretary shall request DTCC to identify another Designated Global Dealer Consultative Member in accordance with Section 1.6(a)(iii) (*Identifying Dealer Members on each List Review Date*); provided that a Participating Dealer Institution that, at such time, has chosen with respect to the relevant List Review Date to be a Designated Regional Dealer Voting Member under this Section 1.6(b) (*Option to Act as a Global Dealer Consultative Member or a Regional Dealer Voting Member*) shall not be considered for such selection.

- (c) **Identifying Non-dealer Members on each List Review Date.** On each List Review Date, the DC Secretary shall identify the following:

- (i) five Eligible Non-dealers on the List of Eligible Non-dealer Members, selected in the following order (each, a **"Designated Non-dealer Voting Member"**):
 - (A) first, each then-current Non-dealer Voting Member that is a Holdover Non-dealer Member or Designated Non-dealer Voting Member that is a Holdover Non-dealer Member, if any;
 - (B) second, the then-current Non-dealer Consultative Member, if any; and
 - (C) third, at random from those Eligible Non-dealers that are designated as not having been previously identified to serve on a Committee,

provided that at least one of the Designated Non-dealer Voting Members selected must be classified as a "private investment company manager" and at least one of the Designated Non-dealer Voting Members selected must be classified as a "registered investment company manager", in each case, on the List of Participating Institutions. If such requirement is not satisfied, the fifth (and, if necessary, the fourth) Designated Non-dealer Voting Member initially selected shall be replaced by an Eligible Non-dealer selected at random from those Eligible Non-dealers designated as not having been previously identified to serve on a Committee and designated as a "private investment company manager" or "registered investment company manager", as applicable, depending on which category is unrepresented, or if no such Eligible Non-dealers remain, by any Eligible Non-dealer selected at random from those designated as a "private investment company manager" or "registered investment company manager", as applicable, depending on which category is unrepresented. Following identification of the five Designated Non-dealer Voting Members, two shall be designated a "First Term Non-dealer", two shall be designated a "Second Term Non-dealer" and one shall be designated a "Third Term Non-dealer", in each case, at random, provided that a current Non-dealer Voting Member that is again selected as a Designated Non-dealer Voting Member shall retain the designation already applicable to such Non-dealer Voting Member; and

- (ii) one Eligible Non-dealer on the List of Eligible Non-dealer Members, selected at random from those Eligible Non-dealers that are designated as not having been previously identified to serve on a Committee and have not already been selected as a Designated Non-dealer Voting Member with respect to such List Review Date (the **"Designated Non-dealer Consultative Member"**),

provided that a Designated Non-dealer Voting Member or a Designated Non-dealer Consultative Member with respect to a List Review Date shall not be an Affiliate of a Designated Global Dealer Voting Member, Designated Regional Dealer Voting Member, Designated Global Dealer Consultative Member or Designated Regional Dealer Consultative Member identified with respect to such List Review Date.

- (d) **Insufficient Number of Dealer Members or Non-dealer Members on a List Review Date.** If the DC Secretary cannot select the appropriate number of Designated DC Voting Members or Designated Consultative Members under Sections 1.6(a) (*Identifying Dealer Members on each List Review Date*) or 1.6(c) (*Identifying Non-dealer Members on each List Review Date*), for each empty position, the DC Secretary shall select an Ineligible Institution in accordance with the provisions of Section 1.11(e) (*Identifying Ineligible Replacement Institutions*).

1.7 Identifying CCP Members

- (a) **Identifying CCP Members on each List Review Date.** On each List Review Date, the DC Secretary shall identify as a Designated CCP Member, for each Region, each Participating CCP that:
 - (i) has notified the DC Secretary that it wishes to be considered for membership for the relevant Region;
 - (ii) is authorized to act as a CCP for Relevant Credit Derivative Transactions by the relevant regulator(s);
 - (iii) as of such List Review Date, has an Open Interest in, and makes available for clearing, Relevant Credit Derivative Transactions (as certified to the DC Secretary by the relevant CCP); and
 - (iv) is one of the first three CCPs on the Regional CCP Clearing Volume List for the relevant Region, as most recently compiled in accordance with the CCP Data Guidelines.

The DC Secretary shall not be required to select, with respect to a List Review Date, any specific number of Participating CCPs.

- (b) **DC Approval of Participating CCPs.** At any time, a Convened DC may Resolve by a Majority to approve a Participating CCP as a member for the relevant Region, notwithstanding the fact that such Participating CCP was not identified by the DC Secretary pursuant to Section 1.7(a) (*Identifying CCP Members on each List Review Date*).
- (c) **Designated CCP Members.** Each Participating CCP selected in accordance with Sections 1.7(a) (*Identifying CCP Members on each List Review Date*) or 1.7(b) (*DC Approval of Participating CCPs*) shall be a "**Designated CCP Member**".

1.8 Procedures for becoming a DC Member

- (a) **Notifying Designated DC Members.** Each Designated DC Member will be notified promptly by the DC Secretary that it has been identified by the DC Secretary as a Designated DC Member. If any Designated Global Dealer Voting Member is not a current Global Dealer Voting Member or any Designated Regional Dealer Voting Member is not a current Regional Dealer Voting Member for the relevant Region, the DC Secretary shall match each newly selected Designated Global Dealer Voting Member or Designated Regional Dealer Voting Member, as applicable, with the Global Dealer Voting Member or Regional Dealer Voting Member, as applicable, being replaced by such Designated DC Voting Member for purposes of the replacement process under Section 1.10(a)

(Failure by a Global Dealer Voting Member or a Regional Dealer Voting Member to Qualify for Continued DC Membership).

- (b) **Standard Agreement.** As of each List Review Date, the DC Secretary shall have in place a standard agreement, pursuant to which Designated DC Members (or any Affiliate thereof which is representing a Designated DC Member on the relevant Committee(s)), Designated CCP Members and the DC Secretary will each acknowledge and agree to their respective rights and responsibilities as described in the Rules (the "**Standard Agreement**"). In order to be eligible to participate on a Committee, each Designated DC Member (or Affiliate representing such Designated DC Member) shall effectively enter into, accede to, or renew adherence to, the Standard Agreement prior to ~~5:00p.m~~5:00 p.m. New York time on a day falling ten DC Business Days immediately after becoming a Designated DC Member with respect to such List Review Date (the "**DC Participation Deadline**").

If a Designated DC Member (or Affiliate representing such Designated DC Member) does not effectively enter into, accede to, or renew adherence to, the Standard Agreement on or prior to the DC Participation Deadline, it shall be immediately removed from each Committee on which it serves, the List of Eligible Global Dealer Members, each relevant List of Eligible Regional Dealer Members and the List of Eligible Non-dealer Members, as applicable, upon effective receipt by such Designated DC Member of valid written notice from the DC Secretary. Upon removal, the Designated DC Member shall also be added to the List of Ineligible Institutions for "Failure to Execute the Standard Agreement" and the expiration date for being on the List of Ineligible Institutions for "Failure to Execute the Standard Agreement" shall be the day immediately preceding the second List Review Date immediately following the date of such removal. Upon such removal from a Committee, a Replacement DC Member will be selected in respect of such Committee in accordance with Section 1.11 (*Replacement of DC Members*).

A Designated DC Member that has entered into, acceded to, or renewed adherence to, the Standard Agreement in accordance with its terms shall be an "**Adhered DC Member**" and shall cease to be a Designated DC Member.

- (c) **Term of Membership on each Committee.** Each Adhered DC Member shall serve on each relevant Committee until resigning or being removed in accordance with the Rules, and the start of the term for each Adhered DC Member shall be as follows (each Adhered DC Member shall become a "**DC Member**" from the start of such Adhered DC Member's term and ~~and~~ for purposes of the Rules, shall no longer be considered to be an Adhered DC Member from the start of such Adhered DC Member's term):
- (i) each Adhered Global Dealer Voting Member and Adhered Regional Dealer Voting Member shall begin its term on each relevant Committee on the later of (A) the day falling 30 calendar days after the List Review Date for the relevant calendar year and (B) the date of becoming an Adhered DC Member (such later date, the "**Dealer Term Start Date**");
 - (ii) each Adhered First Term Non-dealer Voting Member shall begin its term on each Committee on the later of (A) the day falling 30 calendar days after the List Review Date for the relevant calendar year and (B) the date of becoming an Adhered DC Member (such later date, the "**Non-dealer First Term Start Date**");
 - (iii) each Adhered Second Term Non-dealer Voting Member shall begin its term on each Committee on the later of (A) July ~~30th~~30 of the relevant calendar year and (B) the date of becoming an Adhered DC Member (such later date, the "**Non-dealer Second Term Start Date**");

- (iv) the Adhered Third Term Non-dealer Voting Member shall begin its term on each Committee on the later of (A) November ~~30th~~30 of the relevant calendar year and (B) the date of becoming an Adhered DC Member (such later date, the "**Non-dealer Third Term Start Date**"); and
- (v) each Adhered Consultative Member shall begin its term on each relevant Committee on the later of (A) the day falling 30 calendar days after the List Review Date for the relevant calendar year and (B) the date of becoming an Adhered DC Member (such later date, the "**Consultative Term Start Date**"), provided that if a current Non-dealer Voting Member designated as either a "Second Term Non-dealer" or a "Third Term Non-dealer" is also the Adhered Consultative Member, the Consultative Term Start Date shall not be until the Non-dealer Second Term Start Date or Non-dealer Third Term Start Date, as applicable, and the term of the current Non-dealer Consultative Member shall not end until replaced by the Adhered Consultative Member, unless the current Non-dealer Consultative Member has also been selected as a Designated Non-dealer Voting Member, in which case a Replacement DC Member shall be selected to replace such institution as the Non-dealer Consultative Member in accordance with Section 1.11 (*Replacement of DC Members*) until the Consultative Term Start Date (as determined above).

Notwithstanding the above, with respect to the Initial List Review Date, each Adhered DC Member shall begin its term on the later of (A) April 8, 2009 and (B) the date of becoming an Adhered DC Member.

- (d) **Publication of DC Members.** The DC Secretary shall, on each Term Start Date, promptly publish on its Website the identity of each then-current DC Member. The identity of any DC Member that replaces a DC Member prior to the immediately following Term Start Date shall also be promptly published by the DC Secretary on its Website along with the identity of the institution such DC Member is replacing.
- (e) **Failure to Identify ~~Fifteen~~15 DC Members.** If there are fewer than ~~fifteen~~15 DC Members for one or more Regions and the empty voting positions cannot be filled in accordance with the Rules, each Convened DC for the relevant Region will comprise the number of DC Members existing for such Region until such time as the DC Secretary is able to fill any empty voting position in accordance with the replacement provisions of Section 1.11 (*Replacement of DC Members*).

1.9 Procedures for becoming a CCP Member

- (a) **Notifying Designated CCP Members.** Each Designated CCP Member will be notified promptly by the DC Secretary that it has been identified by the DC Secretary as a Designated CCP Member.
- (b) **Standard Agreement.** In order to be eligible to participate on a Committee, each Designated CCP Member shall effectively enter into, accede to, or renew adherence to, the Standard Agreement prior to ~~5:00p.m~~5:00 p.m. New York time on a day falling ten DC Business Days immediately after becoming a Designated CCP Member (the "**CCP Participation Deadline**").

If a Designated CCP Member does not effectively enter into, accede to, or renew adherence to, the Standard Agreement on or prior to the CCP Participation Deadline, it shall be immediately removed from each Committee on which it serves and the List of Participating CCPs upon effective receipt by such Designated CCP Member of valid written notice from the DC Secretary. Upon removal from a Committee, the DC Secretary will attempt to select a Replacement CCP Member in respect of such Committee in accordance with Section 1.12 (*Replacement of CCP Members*).

A Designated CCP Member that has entered into, acceded to, or renewed adherence to, the Standard Agreement in accordance with its terms shall be an "**Adhered CCP Member**" and shall cease to be a Designated CCP Member.

- (c) **Term of Membership on each Committee.** Each Adhered CCP Member shall serve on each relevant Committee until resigning or being removed in accordance with the Rules, and the start of the term for each Adhered CCP Member shall be the later of (i) the day falling 30 calendar days after the List Review Date for the relevant calendar year and (ii) the date of becoming an Adhered CCP Member (such later date, the "**CCP Term Start Date**").

From the start of such Adhered CCP Member's term, each Adhered CCP Member shall become a "**CCP Member**" and shall no longer be considered to be an Adhered CCP Member.

- (d) **Publication of CCP Members.** The DC Secretary shall, on each CCP Term Start Date, promptly publish on its Website the identity of each then-current CCP Member.

1.10 Removal from the Eligible Lists and the Determinations Committees

- (a) **Failure by a Global Dealer Voting Member or a Regional Dealer Voting Member to Qualify for Continued DC Membership.** As of a List Review Date, a Global Dealer Voting Member that fails to qualify as a Designated Global Dealer Voting Member or a Regional Dealer Voting Member that fails to qualify as a Designated Regional Dealer Voting Member for the relevant Region, as applicable, shall be replaced on each relevant Committee on the Dealer Term Start Date of the Designated DC Member matched under Section 1.8(a) (*Notifying Designated DC Members*) to replace such Global Dealer Voting Member or Regional Dealer Voting Member, as applicable. A Global Dealer Voting Member or Regional Dealer Voting Member being replaced under this Section 1.10(a) (*Failure by a Global Dealer Voting Member or a Regional Dealer Voting Member to Qualify for Continued DC Membership*) shall be permitted to finish serving on each Convened DC that is deliberating at the time.
- (b) **Failure by a CCP Member to Qualify for Continued DC Membership.** As of a List Review Date, a CCP Member that fails to qualify as a Designated CCP Member for each Region with respect to which it is currently a CCP Member shall be removed from each relevant Committee for which it no longer qualifies on the day falling 30 calendar days after such List Review Date (unless it obtains the approval of the relevant Committee to remain a member pursuant to Section 1.7(b) (*DC Approval of Participating CCPs*)). A CCP Member being removed under this Section 1.10(b) (*Failure by a CCP Member to Qualify for Continued DC Membership*) shall be permitted to finish serving on each Convened DC that is deliberating at the time.
- (c) **Term End Date for a Non-dealer Voting Member or Consultative Member.** The term of each Non-dealer Voting Member and Consultative Member shall end on the earlier of (i) the date on which it is replaced in accordance with Section 1.11 (*Replacement of DC Members*) and (ii) the relevant Term Start Date under Section 1.8(c) (*Term of Membership on each Committee*) for the new Non-dealer Voting Member or Consultative Member, if any, replacing it. A Non-dealer Voting Member or Consultative Member being replaced under Section 1.10(c)(ii) (*Term End Date for a Non-dealer Voting Member or Consultative Member*) shall be permitted to finish serving on each Convened DC that is deliberating at the time.
- (d) **Failure to Pay an ISDA Invoice.** If any Participating Institution (or any Affiliate thereof), has an invoice from ISDA that (i) remains unpaid for more than one year after effective receipt of such invoice by such Participating Institution (or Affiliate) (ii) has not been challenged in good faith by such Participating Institution (or Affiliate) and (iii) such Participating Institution has not been previously added to the List of Ineligible Institutions on account of such invoice, it shall be added to the List of Ineligible Institutions for "Failure to Pay an ISDA Invoice" and the expiration date for

being on the List of Ineligible Institutions for "Failure to Pay an ISDA Invoice" shall be the date on which payment in full of such invoice is received by the DC Secretary. If a Participating Institution is added to the List of Ineligible Institutions for "Failure to Pay an ISDA Invoice", it shall also be removed from each Committee on which it serves, if any, the List of Eligible Global Dealer Members, each relevant List of Eligible Regional Dealer Members and the List of Eligible Non-dealer Members, as applicable. Upon removal of a Participating Institution from a Committee, a Replacement DC Member will be selected in respect of such Committee in accordance with Section 1.11 (*Replacement of DC Members*). Notwithstanding the above, the DC Secretary may waive or postpone the application of this Section 1.10(d) (*Failure to Pay an ISDA Invoice*) at any time in its sole discretion.

- (e) **Failure to Participate in a Non-LCDS Auction.** Each time a Participating Dealer Institution fails to participate as a Participating Bidder in a Non-LCDS Auction, the DC Secretary shall enter, on the List of Missed Auctions, the name of such Participating Dealer Institution, the Auction Date of such missed Non-LCDS Auction and the Region in which the Transaction Type of the Reference Entity in respect of which the relevant Non-LCDS Auction was held is included; provided that an entry shall not be added to the List of Missed Auctions if the Participating Dealer Institution failed to participate as a Participating Bidder due to (i) regulatory restrictions preventing such Participating Dealer Institution from participating in the relevant Non-LCDS Auction (and a certificate signed by a Managing Director (or other substantively equivalent title) of such Participating Dealer Institution attesting to such effect, based on reasonable belief, is provided to the DC Secretary prior to the Auction Date of the relevant Non-LCDS Auction) or (ii) a Convened DC rejecting such institution's request to act as a Participating Bidder.
- (A) **Loss of Global Eligibility.** Each time a Participating Institution accumulates an entry on the List of Missed Auctions so that it has two or more entries on the List of Missed Auctions since the most recent List Review Date, it shall, upon effective receipt of valid written notice from the DC Secretary, (I) immediately be removed from each relevant Committee with respect to which it serves as a Global Dealer Voting Member or Global Dealer Consultative Member, as applicable, if any, and from the List of Eligible Global Dealer Members to the extent it is on the List of Eligible Global Dealer Members at such time and (II) be added, unless already on the List of Ineligible Institutions for "Failure to Participate in Auctions", to the List of Ineligible Institutions for "Failure to Participate in Auctions". The expiration date for being on the List of Ineligible Institutions for "Failure to Participate in Auctions" shall be the day immediately preceding the second List Review Date immediately following the most recent Auction Date with respect to the most recent entry included on the List of Missed Auctions for such Participating Institution.
- (B) **Loss of Regional Eligibility.** Each time a Participating Institution accumulates an entry on the List of Missed Auctions so that it has two or more entries on the List of Missed Auctions since the most recent List Review Date for a specific Region, it shall, upon effective receipt of valid written notice from the DC Secretary, (I) immediately be removed from the Committee for such Region with respect to which it serves as a Regional Dealer Voting Member or Regional Dealer Consultative Member, as applicable, if any, and from the List of Eligible Regional Dealer Voting Members for such Region to the extent it is on the relevant List of Eligible Regional Dealer Voting Members at such time and (II) be added, unless already on the List of Ineligible Institutions for "Failure to Participate in Regional Auctions" for the relevant Region, to the List of Ineligible Institutions for "Failure to Participate in Regional Auctions" for the relevant Region. The expiration date for being on the List of Ineligible Institutions for "Failure to Participate in Regional Auctions" shall be the day immediately preceding the second List Review Date immediately following the most recent Auction Date with respect to the most recent entry included on the List of Missed Auctions for such Participating Institution and for the relevant Region.

Upon removal of a DC Member from a Committee, if any, a Replacement DC Member will be selected with respect to such Committee to replace such DC Member in accordance with Section 1.11 (*Replacement of DC Members*). If more than one Non-LCDS Auction (including (i) a senior and subordinated auction, (ii) multiple auctions held under Parallel Auction Settlement Terms or (ii) an Updated 2003 Auction and a 2014 Auction) is held to settle Relevant Transactions upon the occurrence of a single Credit Event with respect to an Affected Reference Entity, each such Non-LCDS Auction will be considered as a separate Non-LCDS Auction for purposes of Section 1.4(d) (*List of Missed Auctions*) and this Section 1.10(e) (*Failure to Participate in a Non-LCDS Auction*). To determine whether a Participating Dealer Institution participated as a Participating Bidder in a specific Non-LCDS Auction, it shall be deemed to include each Affiliate thereof as of the date of such Non-LCDS Auction.

- (f) **Auction Exemption for Global Dealer Voting Members and Regional Dealer Voting Members.** With respect to a Non-LCDS Auction for which a Global Dealer Voting Member or a Regional Dealer Voting Member would have an entry added on the List of Missed Auctions under Section 1.10(e) (*Failure to Participate in a Non-LCDS Auction*) and, for a Regional Dealer Voting Member, is held with respect to a Reference Entity of a Transaction Type included in a Region in respect of which it serves as a DC Member (such Non-LCDS Auction, a "**Relevant Auction**"), such Global Dealer Voting Member and such Regional Dealer Voting Member may only be exempt from participating as a Participating Bidder in a Relevant Auction by requesting an exemption from the DC Secretary by written notice; provided that such Global Dealer Voting Member or Regional Dealer Voting Member must not have already received an exemption during the period from, and including, the List Review Date occurring immediately prior to the date of such exemption request to, and including, the date of such exemption request. For each Non-LCDS Auction, the DC Secretary will grant up to two exemption requests and will grant such exemptions to those requests effectively received first by the DC Secretary; provided that an exemption will not be granted to a Global Dealer Voting Member or a Regional Dealer Voting Member that has received an exemption since the immediately preceding List Review Date. Upon granting one or more exemptions with respect to a Non-LCDS Auction, the DC Secretary shall promptly notify the Authorized Contact(s) of each DC Member, in writing and/or by telephone, of the identity of the exempted Global Dealer Voting Member(s) and/or Regional Dealer Voting Member(s). An exemption will not prevent a Global Dealer Voting Member or a Regional Dealer Voting Member from being added to the List of Missed Auctions under the provisions of Section 1.4(d) (*List of Missed Auctions*) and Section 1.10(e) (*Failure to Participate in a Non-LCDS Auction*).
- (i) **Loss of Global Eligibility.** If an entry to the List of Missed Auctions is added for a Relevant Auction with respect to a Global Dealer Voting Member and it has not obtained an exemption for such Relevant Auction, such Global Dealer Voting Member shall, upon effective receipt by it of valid written notice from the DC Secretary, (A) immediately be removed from each relevant Committee and from the List of Eligible Global Dealer Voting Members to the extent it is on the List of Eligible Global Dealer Voting Members at such time and (B) be added, unless already on the List of Ineligible Institutions for "Failure to Participate in Auctions", to the List of Ineligible Institutions for "Failure to Participate in Auctions". The expiration date for being on the List of Ineligible Institutions for "Failure to Participate in Auctions" shall be the day immediately preceding the second List Review Date immediately following the most recent Auction Date with respect to the most recent entry included on the List of Missed Auctions for such Participating Institution.
- (ii) **Loss of Regional Eligibility.** If an entry to the List of Missed Auctions is added for a Relevant Auction with respect to a Regional Dealer Voting Member and it has not obtained an exemption for such Relevant Auction, such Regional Dealer Voting Member shall, upon effective receipt by it of valid written notice from the DC Secretary, (A) immediately be removed from the Committee for the relevant Region and the List of Eligible Regional Dealer Members for the relevant Region to the extent such Regional Dealer Voting Member

is on the List of Eligible Regional Dealer Members at such time and (B) be added, unless already on the List of Ineligible Institutions for "Failure to Participate in Regional Auctions" for the relevant Region, to the List of Ineligible Institutions for "Failure to Participate in Regional Auctions" for the relevant Region. The expiration date for being on the List of Ineligible Institutions for "Failure to Participate in Regional Auctions" shall be the day immediately preceding the second List Review Date immediately following the most recent Auction Date with respect to the most recent entry included on the List of Missed Auctions for such Participating Institution and for the relevant Region.

Upon removal of a DC Member from a Committee, a Replacement DC Member will be selected with respect to such Committee to replace such DC Member in accordance with Section 1.11 (*Replacement of DC Members*). If more than one Non-LCDS Auction (including (i) a senior and subordinated auction, (ii) multiple auctions held under Parallel Auction Settlement Terms or (iii) an Updated 2003 Auction and a 2014 Auction) is held to settle Relevant Transactions upon the occurrence of a single Credit Event with respect to an Affected Reference Entity, each such Non-LCDS Auction will be considered as a separate Non-LCDS Auction for purposes of this Section 1.10(f) (*Auction Exemption for Global Dealer Voting Members and Regional Dealer Voting Members*).

- (g) **Failure to Attend Meetings.** Each time a Convened DC Voting Member, in contravention of Section 2.3(b) (*Voting and Participation*), (i) fails to be present at a Convened DC meeting where one or more binding votes are held, (ii) is present at a Convened DC meeting where one or more binding votes are held but fails to vote in each such binding vote or (iii) fails to submit an email vote in respect of a Mandatory Email Vote within the required timeframe, in each case, other than pursuant to Section 2.3(c) (*Abstention*), it shall be deemed to have missed a meeting and the DC Secretary shall enter its name on the List of Missed Meetings. Each time a Convened DC Consultative Member, in contravention of Section 2.3(b) (*Voting and Participation*), fails to be present at a Convened DC meeting where one or more binding votes are held, other than pursuant to Section 2.3(c) (*Abstention*), the DC Secretary shall enter its name on the List of Missed Meetings. Each time a DC Member accumulates an entry on the List of Missed Meetings that results in it having two or more entries on the List of Missed Meetings since the most recent Term Start Date for such DC Member, it shall be immediately removed from each Committee on which it serves, the List of Eligible Global Dealer Members, each relevant List of Eligible Regional Dealer Members and the List of Eligible Non-dealer Members, as applicable, upon effective receipt by it of valid written notice from the DC Secretary. Upon removal, it shall also be added, unless already on the List of Ineligible Institutions for "Failure to Attend Meetings", to the List of Ineligible Institutions for "Failure to Attend Meetings". Upon removal, the expiration date for being on the List of Ineligible Institutions for "Failure to Attend Meetings" shall be the day immediately preceding the second List Review Date immediately following the date of such removal. Upon removal from a Committee, a Replacement DC Member will be selected in respect of such Committee in accordance with Section 1.11 (*Replacement of DC Members*).
- (h) **Bankruptcy Event of Default.** A Convened DC may Resolve, by a Supermajority, that an event under Section 5(a)(vii)(1), (4), (5) or (6) (or under Section 5(a)(vii)(8) or (9) to the extent either Section 5(a)(vii)(8) or (9) would apply with respect to Section 5(a)(vii)(1), (4), (5) or (6)) of the 2002 ISDA Master Agreement has occurred and is continuing with respect to a Participating Institution. If such Participating Institution is one of the relevant Convened DC Voting Members, it shall not participate in the vote. Following a DC Resolution under this Section 1.10(h) (*Bankruptcy Event of Default*) that such event has occurred and is continuing with respect to a Participating Institution, it shall be immediately removed from each Committee on which it serves, if any, upon effective receipt by it of valid written notice from the DC Secretary. In addition, such Participating Institution shall be removed from the List of Participating Institutions, the List of Eligible Global Dealer Members, each relevant List of Eligible Regional Dealer Members and the List of Eligible Non-dealer Members, as applicable, and shall not be permitted to be included on the List of

Participating Institutions until a Convened DC Resolves by a Supermajority to allow such inclusion; provided that inclusion on the List of Participating Institutions shall in no event occur earlier than the second List Review Date immediately following the date of such removal. Upon removal from a Committee, a Replacement DC Member will be selected in respect of such Committee in accordance with Section 1.11 (*Replacement of DC Members*).

- (i) **Resignation.** Any Participating Institution may at any time request to resign from the List of Participating Institutions, the List of Eligible Global Dealer Members, each List of Eligible Regional Dealer Members, the List of Eligible Non-dealer Members and each Committee on which it serves by written notice to the DC Secretary. Such resignation shall be effective from the date of effective receipt by the DC Secretary of valid notice and, upon effective resignation from a Committee, a Replacement DC Member will be selected with respect to such Committee in accordance with Section 1.11 (*Replacement of DC Members*). A Participating Institution may not request to resign from only a specific list or Committee. Upon effective resignation from a Committee, a Participating Institution shall be added to the List of Ineligible Institutions for "Resignation". The expiration date for being on the List of Ineligible Institutions for "Resignation" shall be the day immediately preceding the second List Review Date immediately following the most recent date of such Participating Institution's removal from a Committee. The resignation of a Participating Institution shall not result in the removal of such institution from the List of Ineligible Institutions.
- (j) **Reinstatement.** Any institution that has resigned under Section 1.10(i) (*Resignation*) may at any time request to be reinstated to the List of Participating Institutions, the List of Eligible Global Dealer Members, a List of Eligible Regional Dealer Members and the List of Eligible Non-dealer Members, as applicable, by written notice to the DC Secretary. Upon effective receipt by the DC Secretary of valid notice, such reinstatement shall be immediately effective but, if applicable, such institution will remain an Ineligible Institution until the expiration of all reasons for ineligibility for such institution (including ineligibility for "Resignation").
- (k) **Affiliates and Mergers.** A Convened DC may Resolve by a Majority (i) that one or more institutions (including another Participating Institution) (A) have consolidated or amalgamated with, or merged into, or transferred all or substantially all their assets to, a Participating Institution or (B) are or have become Affiliates of a Participating Institution and (ii) the date of such occurrence (following such DC Resolution, such institutions, together, shall be an "**Affiliate Group**"). The Convened DC Voting Members, if any, that are part of a potential Affiliate Group shall not participate in any vote under this Section 1.10(k) (*Affiliates and Mergers*). An Affiliate Group is entitled to one entry on the List of Participating Institutions, the List of Eligible Global Dealer Members, each relevant List of Eligible Regional Dealer Members and the List of Eligible Non-dealer Members, as applicable, and shall, promptly and jointly, notify the DC Secretary of the appropriate Participating Institution to include and the identity and contact information of the joint Authorized Contact(s) of the Affiliate Group. The DC Secretary shall also include only such Participating Institution notified by the Affiliate Group on each other list maintained in accordance with the Rules. In addition, an Affiliate Group shall be limited to one voting representative and one vote for each Convened DC. Any resulting empty position(s) on each relevant Committee shall be filled by the selection of one or more Replacement DC Members in respect of each relevant Committee in accordance with Section 1.11 (*Replacement of DC Members*). The foregoing determinations may be made with respect to events that may have occurred prior to such Participating Institution being added to the List of Participating Institutions.
- (l) **Loss of CCP Observer Status.** A Convened DC may Resolve by Supermajority to remove a CCP Member from the Committee for the relevant Region if it (i) breaches any of its obligations under the Rules or the Standard Agreement (other than the requirement to attend meetings of a Convened DC under Section 2.3(b) (*Voting and Participation*)) or (ii) ceases to have an Open Interest in, and make available for clearing, Relevant Credit Derivative Transactions. Such CCP Member shall be immediately removed from the relevant Committee upon effective receipt by it of valid written

notice from the DC Secretary. Upon removal from a Committee, the DC Secretary will attempt to select a Replacement CCP Member in respect of such Committee in accordance with Section 1.12 (*Replacement of CCP Members*).

- (m) **Resignation of a CCP Member.** Any Participating CCP may at any time request to resign from the List of Participating CCPs and/or any Committee on which it serves by written notice to the DC Secretary. Such resignation shall be effective from the date of effective receipt by the DC Secretary of valid notice and, upon effective resignation from a Committee, the DC Secretary will attempt to select a Replacement CCP Member in respect to such Committee in accordance with Section 1.12 (*Replacement of CCP Members*).
- (n) **Removal from a Committee and Acting as a Participating Bidder.** Each DC Member or CCP Member that resigns, is replaced or is removed from a Committee shall no longer be a DC Member or a CCP Member, as applicable, for purposes of the Rules. Removal from a Committee shall not prevent a DC Member or any of its Affiliates from acting as a Participating Bidder in any Auction, subject to any approval of a Convened DC required under Section 3.2(b)(ii) (*Other Auction-related Determinations*).

1.11 Replacement of DC Members

- (a) **The Replacement Process.** Each Designated DC Member, Adhered DC Member or DC Member that is to be replaced pursuant to the Rules (each, a "**Replaced Institution**") shall be replaced by a Participating Institution (the "**Replacement DC Member**") in accordance with the provisions of this Section 1.11 (*Replacement of DC Members*).
- (b) **Identifying Eligible Replacement Institutions for Dealer Members.** With respect to a Replaced Institution that is a Dealer Member, the DC Secretary shall first attempt to identify potential replacements for such Dealer Member as follows:
 - (i) if the Replaced Institution is a Designated Global Dealer Voting Member, Adhered Global Dealer Voting Member or Global Dealer Voting Member, the DC Secretary shall identify as a potential replacement each Eligible Global Dealer that is not a Designated Global Dealer Voting Member, Adhered Global Dealer Voting Member or Global Dealer Voting Member;
 - (ii) if the Replaced Institution is a Designated Global Dealer Consultative Member, Adhered Global Dealer Consultative Member or Global Dealer Consultative Member, the DC Secretary shall identify as a potential replacement each Eligible Global Dealer that is not a Designated DC Voting Member, Adhered DC Voting Member, DC Voting Member, Designated Global Dealer Consultative Member, Adhered Global Dealer Consultative Member or Global Dealer Consultative Member;
 - (iii) if the Replaced Institution is a Designated Regional Dealer Voting Member, Adhered Regional Dealer Voting Member or Regional Dealer Voting Member, the DC Secretary shall identify as a potential replacement, for each Region in respect of which the Replaced Institution is designated to serve or serves, as applicable, each Eligible Regional Dealer on the List of Eligible Regional Dealer Members for such Region that is not a Designated DC Voting Member, Adhered DC Voting Member or DC Voting Member in respect of such Region; and
 - (iv) if the Replaced Institution is a Designated Regional Dealer Consultative Member, Adhered Regional Dealer Consultative Member or Regional Dealer Consultative Member, the DC Secretary shall identify as a potential replacement, for each Region in respect of which the Replaced Institution is designated to serve or serves, as applicable, each Eligible Regional

Dealer on the List of Eligible Regional Dealer Members for such Region that is not a Designated DC Member, Adhered DC Member or DC Member in respect of such Region.

If only one Participating Dealer Institution is identified as a potential replacement for a Replaced Institution that is a Dealer Member, such Participating Dealer Institution shall be the Replacement DC Member. If more than one Participating Institution is identified as a potential replacement for a Replaced Institution that is a Dealer Member, the DC Secretary shall provide DTCC with a list of such potential replacements and the Replacement DC Member shall be the potential replacement that DTCC identifies as appearing highest on (A) for potential replacements identified under Sections 1.11(b)(i) or (ii) (*Identifying Eligible Replacement Institutions for Dealer Members*), the Global Dealer Trading Volume List or (B) for potential replacements identified under Sections 1.11(b)(iii) or (iv) (*Identifying Eligible Replacement Institutions for Dealer Members*), the relevant Regional Dealer Trading Volume List, in each case, as most recently compiled.

Notwithstanding the above, if a Designated DC Member has been selected on a List Review Date to replace the relevant Replaced Institution pursuant to Sections 1.6(a) (*Identifying Dealer Members on each List Review Date*) and 1.8(a) (*Notifying Designated DC Members*) but the Term Start Date applicable to such Designated DC Member has not yet occurred, such Designated DC Member shall be the Replacement DC Member.

(c) **Identifying an Eligible Replacement Institution for Non-dealer Members.** With respect to a Replaced Institution that is a Non-dealer Member, the DC Secretary shall first attempt to identify a Replacement DC Member as follows:

- (i) if the Replaced Institution is a Designated Non-dealer Voting Member, Adhered Non-dealer Voting Member or Non-dealer Voting Member, the Replacement DC Member shall be the Participating Non-dealer Institution that is currently the Designated Non-dealer Consultative Member, Adhered Non-dealer Consultative Member or Non-dealer Consultative Member, as applicable; provided that (A) at least one (including the Replacement DC Member) of the Designated Non-dealer Voting Members, Adhered Non-dealer Voting Members and Non-dealer Voting Members must be classified as a "private investment company manager" and (B) at least one (including the Replacement DC Member) of the Designated Non-dealer Voting Members, Adhered Non-dealer Voting Members and Non-dealer Voting Members must be classified as a "registered investment company manager". If such requirement is not satisfied, the Replacement DC Member shall instead be an Eligible Non-dealer that is (I) not a Designated Non-dealer Voting Member, Adhered Non-dealer Voting Member, Non-dealer Voting Member, Designated Non-dealer Consultative Member, Adhered Non-dealer Consultative Member or Non-dealer Consultative Member and (II) selected at random by the DC Secretary from those Eligible Non-dealers designated as not having been previously identified to serve on a Committee and designated as a "private investment company manager" or "registered investment company manager", as applicable, depending on which category is unrepresented; provided that if no such Eligible Non-dealers remain, the Replacement DC Member shall be an Eligible Non-dealer selected at random by the DC Secretary from those designated as a "private investment company manager" or "registered investment company manager", as applicable, depending on which category is unrepresented; and
- (ii) if the Replaced Institution is a Designated Non-dealer Consultative Member, Adhered Non-dealer Consultative Member or Non-dealer Consultative Member, the Replacement DC Member shall be an Eligible Non-dealer that is not a Designated DC Member, Adhered DC Member or DC Member, selected at random by the DC Secretary from (A) those Eligible Non-dealers that are designated as not having been previously identified to serve on a Committee or (B) if no such Eligible Non-dealers remain, any Eligible Non-dealer,

provided that the Replacement DC Member shall not be an Affiliate of a Dealer Member.

Notwithstanding the above, if a Designated DC Member has been selected on a List Review Date to replace the relevant Replaced Institution pursuant to Section 1.6(c) (*Identifying Non-dealer Members on each List Review Date*) but the Term Start Date applicable to such Designated DC Member has not yet occurred, such Designated DC Member shall be the Replacement DC Member, provided that, for purposes of replacing a Replaced Institution that is a "First Term Non-dealer" or a "Second Term Non-dealer" in accordance with this paragraph, the Designated DC Member first designated as a "First Term Non-dealer" or a "Second Term Non-dealer", as applicable, on such List Review date shall be the Replacement DC Member.

- (d) **Inability to Identify a Replacement DC Member.** If the DC Secretary is unable to identify a Replacement DC Member in accordance with Sections 1.11(b) (*Identifying Eligible Replacement Institutions for Dealer Members*) or 1.11(c) (*Identifying an Eligible Replacement Institution for Non-dealer Members*), the DC Secretary shall attempt to identify a Replacement DC Member in accordance with the provisions of Section 1.11(e) (*Identifying Ineligible Replacement Institutions*).
- (e) **Identifying Ineligible Replacement Institutions.** Each time that the DC Secretary applies this Section 1.11(e) (*Identifying Ineligible Replacement Institutions*), the DC Secretary shall, by reference to the relevant sub-clause of Section 1.6(a) (*Identifying Dealer Members on each List Review Date*), 1.6(c) (*Identifying Non-dealer Members on each List Review Date*), 1.11(b) (*Identifying Eligible Replacement Institutions for Dealer Members*) or 1.11(c) (*Identifying an Eligible Replacement Institution for Non-dealer Members*) that is applicable based on the position being filled, identify one or more Ineligible Institutions in accordance with the following priority, provided that an Ineligible Institution that is on the List of Ineligible Institutions for "Failure to Execute the Standard Agreement" shall not be so identified:
 - (i) first, the DC Secretary shall identify as a potential replacement each Ineligible Institution that (A) would otherwise be selected under the relevant sub-clause but for being an Ineligible Institution, (B) is a Participating Institution and (C) is on the List of Ineligible Institutions solely for "Failure to Pay an ISDA Invoice";
 - (ii) second, to the extent that no Ineligible Institution satisfying sub-clause (i) exists, the DC Secretary shall identify as a potential replacement each Ineligible Institution that (A) would otherwise be selected under the relevant sub-clause but for being an Ineligible Institution, (B) is a Participating Institution, (C) is on the List of Ineligible Institutions solely for "Failure to Attend Meetings" and, if applicable, "Failure to Pay an ISDA Invoice" and (D) has the least number of entries on the List of Missed Meetings out of such Ineligible Institutions;
 - (iii) third, to the extent that no Ineligible Institution satisfying sub-clause (ii) exists, the DC Secretary shall identify as a potential replacement each Ineligible Institution that (A) would otherwise be selected under the relevant sub-clause but for being an Ineligible Institution, (B) is a Participating Institution and (C) is on the List of Ineligible Institutions solely for "Resignation" and, if applicable, "Failure to Attend Meetings" and/or "Failure to Pay an ISDA Invoice"; and
 - (iv) fourth, to the extent that no Ineligible Institution satisfying sub-clause (iii) exists, the DC Secretary shall identify as a potential replacement each Ineligible Institution that (A) would otherwise be selected under the relevant sub-clause but for being an Ineligible Institution, (B) is a Participating Institution, (C) is on the List of Ineligible Institutions for "Failure to Participate in Auctions" and (D) has the least number of entries on the List of Missed Auctions out of such Ineligible Institutions; provided that for regional replacements, only entries on the List of Missed Auctions for the relevant Region will be considered.

For a replacement selection with respect to a Non-dealer Member, the Replacement DC Member shall be selected at random from the Ineligible Institutions identified as potential replacements. For a replacement selection with respect to a Replaced Institution that is a Dealer Member, if only one Ineligible Institution is identified as a potential replacement, such Participating Dealer Institution shall be the Replacement DC Member. However, if more than one Ineligible Institution is identified as a potential replacement for such Dealer Member, the DC Secretary shall provide DTCC with a list of such potential replacements and the Replacement DC Member shall be the potential replacement that DTCC identifies as appearing highest on (I) if the replacement is being made in accordance with Section 1.6(a)(i) or 1.6(a)(iii) (*Identifying Dealer Members on each List Review Date*) or 1.11(b)(i) or 1.11(b)(ii) (*Identifying Eligible Replacement Institutions for Dealer Members*), the Global Dealer Trading Volume List or (II) if the replacement is being made in accordance with Section 1.6(a)(ii) or 1.6(a)(iv) (*Identifying Dealer Members on each List Review Date*) or Section 1.11(b)(iii) or 1.11(b)(iv) (*Identifying Eligible Replacement Institutions for Dealer Members*), the relevant Regional Dealer Trading Volume List, in each case, as most recently compiled.

- (f) **Option to Remain a Global Consultative Dealer.** Notwithstanding the above, if the Replacement DC Member selected in accordance with this Section 1.11 (*Replacement of DC Members*) is currently a Designated Global Dealer Consultative Member, Adhered Global Dealer Consultative Member or Global Dealer Consultative Member, such Replacement DC Member shall be promptly notified by the DC Secretary and may choose to remain in its current position instead of assuming the position of the Replaced Institution by providing written notice of such choice to the DC Secretary; provided that if the DC Secretary does not effectively receive notice of such choice within one DC Business Day of effective receipt by such Replacement DC Member of notice from the DC Secretary under Section 1.11(h) (*Notifying the Replacement DC Member*), such Replacement DC Member shall be deemed to have chosen not to remain as a Designated Global Dealer Consultative Member, Adhered Global Dealer Consultative Member or Global Dealer Consultative Member, as applicable. If such Replacement DC Member chooses to remain as a Designated Global Dealer Consultative Member, Adhered Global Dealer Consultative Member or Global Dealer Consultative Member, as applicable, it shall not be considered a Replacement DC Member under the Rules and the DC Secretary shall select another Replacement DC Member in accordance with this Section 1.11 (*Replacement of DC Members*) for the Replaced Institution; provided that a Participating Dealer Institution that, at such time, has chosen with respect to such Replaced Institution to remain as a Designated Global Dealer Consultative Member, Adhered Global Dealer Consultative Member or Global Dealer Consultative Member, as applicable, shall not be considered for such selection.
- (g) **Subsequent Replacements.** If a Replacement DC Member selected in accordance with this Section 1.11 (*Replacement of DC Members*) is currently serving as a Designated DC Member, Adhered DC Member or DC Member immediately prior to being designated as a Replacement DC Member, the empty position resulting from the operation of this Section 1.11 (*Replacement of DC Members*) shall also be filled in accordance with this Section 1.11 (*Replacement of DC Members*).
- (h) **Notifying the Replacement DC Member.** Each Replacement DC Member will promptly be notified by the DC Secretary, in writing and/or by telephone, that it has been identified as a Replacement DC Member. For purposes of Section 1.8(b) (*Standard Agreement*), the DC Participation Deadline shall be ~~5:00p.m~~5:00 p.m. New York time on the day falling ten DC Business Days immediately following the date of effective receipt by the Replacement DC Member of valid notice from the DC Secretary that such Replacement DC Member has been selected by the DC Secretary as a Replacement DC Member, provided that if a Replacement DC Member identified pursuant to Section 1.11(e) (*Identifying Ineligible Replacement Institutions*) is the same as the Replaced Institution, such Replacement DC Member will not be required to re-execute the Standard Agreement.
- (i) **Holdover Non-dealer Members.** Each Replacement DC Member that effectively receives notice that it has been identified as a Replacement DC Member for a Designated Non-dealer Voting

Member, Adhered Non-dealer Voting Member or Non-dealer Voting Member after the date falling eight calendar months prior to the start date of the next term for the designation of such Designated Non-dealer Voting Member, Adhered Non-dealer Voting Member or Non-dealer Voting Member, as applicable, as specified in Section 1.8(c)(ii)(A), (iii)(A) or (iv)(A) (*Term of Membership on each Committee*), as applicable, shall be a "**Holdover Non-dealer Member**".

- (j) **Proper Designation under the Rules.** For purposes of the Rules, a Replacement DC Member shall be considered a Designated Global Dealer Voting Member, Designated Global Dealer Consultative Member, Designated Regional Dealer Voting Member, Designated Regional Dealer Consultative Member, Designated Non-dealer Voting Member or Designated Non-dealer Consultative Member, as applicable, based on the designation of the position being filled, and the Replaced Institution shall no longer be considered as such. With respect to replacements for a Designated Non-dealer Voting Member, Adhered Non-dealer Voting Member or Non-dealer Voting Member, the Replacement DC Member shall be designated a "First Term Non-dealer", "Second Term Non-dealer" or "Third Term Non-dealer" so as to correspond to the designation of the Replaced Institution. For purposes of the replacement process under Section 1.10(a) (*Failure by a Global Dealer Voting Member or a Regional Dealer Voting Member to Qualify for Continued DC Membership*), a Replacement DC Member shall be considered to be matched with the institution, if any, that the Replaced Institution was matched with under Section 1.8(a) (*Notifying Designated DC Members*). If the Replaced Institution was a DC Member immediately prior to being replaced, the Replacement DC Member shall begin its term on the Committees and shall be deemed to be a DC Member immediately upon becoming an Adhered DC Member, notwithstanding Section 1.8(c) (*Term of Membership on each Committee*).
- (k) **Failure to Identify a Replacement DC Member.** If no Replacement DC Member has been selected with respect to a Replaced Institution under this Section 1.11 (*Replacement of DC Members*), each relevant Committee will be composed of the remaining DC Members identified for such Region until such time as the DC Secretary is able to fill the empty position(s) through the replacement provisions of this Section 1.11 (*Replacement of DC Members*).

1.12 Replacement of CCP Members

- (a) **Identifying Replacement CCP Members.** With respect to a Designated CCP Member, Adhered CCP Member or CCP Member that has failed to adhere to the Standard Agreement, has resigned or has been removed pursuant to the Rules (each, an "**Exiting CCP**"), the DC Secretary shall attempt to identify a potential replacement for such Exiting CCP by selecting the Participating CCP (the "**Replacement CCP Member**"), if any, that satisfies each of the criteria in Section 1.7(a) (*Identifying CCP Members on each List Review Date*) for the relevant Region, provided that the requirement that such Participating CCP be one of the first three CCPs on the most recently compiled Regional CCP Clearing Volume List for such Region shall be assessed without taking into account any CCP that is an Exiting CCP.
- (b) **Notifying the Replacement CCP Member.** The Replacement CCP Member, if any, will promptly be notified by the DC Secretary, in writing and/or by telephone, that it has been identified as a Replacement CCP Member. For purposes of Section 1.9(b) (*Standard Agreement*), the CCP Participation Deadline shall be ~~5:00p.m~~5:00 p.m. New York time on the day falling ten DC Business Days immediately following the date of effective receipt by the Replacement CCP Member of valid notice from the DC Secretary that such Replacement CCP Member has been selected by the DC Secretary as a Replacement CCP Member.
- (c) **Proper Designation under the Rules.** For purposes of the Rules, a Replacement CCP Member shall be considered a Designated CCP Member and the Exiting CCP shall no longer be considered as such. If the Exiting CCP was a CCP Member immediately prior to being replaced, the Replacement CCP Member shall begin its term on each relevant Committee and shall be deemed to be a CCP

Member immediately upon becoming an Adhered CCP Member, notwithstanding Section 1.9(c) (*Term of Membership on each Committee*).

- (d) **Failure to Identify a Replacement CCP Member.** If it has not been possible to select a Replacement CCP Member with respect to an Existing CCP in accordance with the criteria in this Section 1.12 (*Replacement of CCP Members*), the DC Secretary shall cease to attempt to replace such Existing CCP and each relevant Committee will be composed of the remaining DC Members and CCP Members identified for such Region.

2. PROCEDURES OF CREDIT DERIVATIVES DETERMINATIONS COMMITTEES

2.1 Convening a Committee

- (a) **Notifying ISDA.** In order to convene a Committee, an Eligible Market Participant must request a meeting of a Committee by notifying the DC Secretary of the issue(s) it believes should be deliberated by such Committee (each, a "**Potential DC Issue**"). All requests to the DC Secretary should include (i) a reasonably detailed description of all of the issues that the relevant Eligible Market Participant believes the relevant Committee should deliberate—(ii) whether the request relates to 2014 Transactions, Updated 2003 Transactions or both (the "**Coverage Election**") and (iii) if applicable, supporting information that is consistent with the definition of Publicly Available Information. If no Coverage Election is made, the request shall be treated as though it relates to 2014 Transactions only. A Potential DC Issue regarding the potential occurrence of a Credit Event may relate to a potential Credit Event that is not continuing at the time of the request to convene a Committee. The DC Secretary shall notify the relevant DC Members and CCP Members of the request for a meeting of a Committee in accordance with Section 2.2(a) (*Notifying the Committee*). Any Potential DC Issue may be withdrawn by the Eligible Market Participant that submitted such Potential DC Issue to the DC Secretary at any time until the time of such notification. Any such withdrawal shall constitute a dismissal of such Potential DC Issue for purposes of the 2014 Definitions (but will not constitute a rejection, or deemed rejection, of such Potential DC Issue for purposes of Section 2.5(a) (*General Interest Questions*)). Any Potential DC Issue may be designated as a "General Interest Question" by the Eligible Market Participant submitting such Potential DC Issue (a "**General Interest Question**"), in which case the identity of such Eligible Market Participant will not be disclosed by the DC Secretary. Each Potential DC Issue that has been designated as a General Interest Question shall be treated in the same manner as any other Potential DC Issue under the Rules, unless otherwise specified herein.
- (b) **Publicly Available Information.** For each Potential DC Issue relating to whether the Repudiation/Moratorium Extension Condition is satisfied or whether a Potential Failure to Pay, Potential Repudiation/Moratorium or Credit Event has occurred, a Committee may not deliberate the issue until such Committee determines, in accordance with Section 3.1(a) (*Publicly Available Information Resolution*), that Publicly Available Information has been provided to the DC Secretary; provided that, (i) the references to "Credit Event Notice" and "Repudiation/Moratorium Extension Notice" in Section 1.35(a) of the 2014 Definitions shall be deemed to be references to a DC Credit Event Question or a notice to the DC Secretary submitted pursuant to Section 3.1(a) (*Publicly Available Information Resolution*)—as applicable— and (ii) for purposes of Section 1.35(a)(i) of the 2014 Definitions, the Specified Number is two.
- (c) **Representations by Eligible Market Participant**

Each Eligible Market Participant submitting any information to the DC Secretary (or to (i) the SRO Administrator pursuant to the SRO [Rules](#) or (ii) the POB Administrator pursuant to the POB [Rules](#)) shall be deemed to represent and warrant that such information has been disclosed and can be made public without violating any law, agreement or understanding regarding the confidentiality of such information and the DC Secretary, each DC Member, the SRO [Administrator, the POB](#)

Administrator and each CCP Member may rely on such representation in addition to the assumption of Section 1.35(b) of the 2014 Definitions (which for these purposes, shall be amended by the deletion of the words "In relation to any information of the type described in Sections 1.35(a)(ii) or (iii)").

- (d) **Determining the Relevant Transaction Type.** Following effective receipt of a request for a meeting of a Committee, unless the Rules provide that a Committee for each Region shall be convened, the DC Secretary shall determine, where relevant, (i) each Reference Entity that is the subject of the meeting request (each, an "**Affected Reference Entity**") and (ii) the Transaction Type of each Affected Reference Entity based on the Transaction Types in the version of the Credit Derivatives Physical Settlement Matrix most recently published by ISDA as of the date of effective receipt of such request by the DC Secretary (each, an "**Implicated Transaction Type**"). If there is more than one Implicated Transaction Type for a meeting request, the DC Secretary shall promptly request DTCC to determine, in accordance with the Trading Volume Data Guidelines, which Affected Reference Entity and Transaction Type have the greatest notional trading volume (such Transaction Type, the "**Dominant Transaction Type**"). The "**Relevant Transaction Type**" shall be the Implicated Transaction Type, or where there is more than one Implicated Transaction Type for a meeting request, the Dominant Transaction Type, provided that where the Affected Reference Entity is the United States of America, the Relevant Transaction Type shall be deemed to be included in the Americas Region only.
- (e) **Convening the DC Members.** Following effective receipt of a request for a meeting of a Committee, the DC Secretary shall convene the relevant DC Voting Members (i) for each Region, where the Rules provide that a Committee for each Region shall be convened or (ii) for the Region that includes the Relevant Transaction Type, where the Rules do not provide that a Committee for each Region shall be convened (each such DC Voting Member, with respect to a Convened DC, a "**Convened DC Voting Member**"). In addition, the DC Secretary shall convene the relevant Consultative Members for (A) each Region, where the Rules provide that a Committee for each Region shall be convened or (B) the Region that includes the Relevant Transaction Type, where the Rules do not provide that a Committee for each Region shall be convened (each such eligible institution, with respect to a Convened DC, a "**Convened DC Consultative Member**"). Finally, the DC Secretary shall convene the relevant CCP Members for (A) each Region, where the Rules provide that a Committee for each Region shall be convened or (B) the Region that includes the Relevant Transaction Type, where the Rules do not provide that a Committee for each Region shall be convened (each such CCP Member, with respect to a Convened DC, a "**Convened DC CCP Member**").
- (f) **Reducing the Size of the Convened DC in Certain Situations.** If, with respect to a Committee, fewer than eight Convened DC Voting Members that are Global Dealer Voting Members and/or fewer than two Convened DC Voting Members that are Regional Dealer Voting Members are identified by the DC Secretary under Section 2.1(e) (*Convening the DC Members*) following effective receipt of a request for a meeting of a Committee, the following provisions shall apply:
 - (i) the number of Convened DC Voting Members that are either Global Dealer Voting Members or Regional Dealer Voting Members shall be aggregated and subtracted from the number ten (such result, the "**Dealer Shortage**"); and
 - (ii) the Dealer Shortage shall be divided by two and rounded down to the nearest whole number (such result, the "**Non-dealer Reduction Amount**").

The number of Convened DC Voting Members that are Non-dealer Voting Members shall be reduced by an amount equal to the Non-dealer Reduction Amount. The DC Secretary shall select each Non-dealer Voting Member to be removed from the Convened DC at random from the Non-dealer Voting Members that have not been designated as a Removed Non-dealer, and each such

Non-dealer Voting Member shall be immediately removed from the Convened DC upon effective receipt by the relevant Non-dealer Voting Member of valid written notice from the DC Secretary (such Non-dealer Voting Member, a "**Removed Non-dealer**"). For purposes of this sub-clause, once each Non-dealer Voting Member has been designated as a Removed Non-dealer, the DC Secretary shall reset the designations described above so that each Non-dealer Voting Member shall be deemed to have not been previously designated as a Removed Non-dealer.

2.2 Notifying the Committee and Determining the DC Questions

- (a) **Notifying the Committee.** Following the identification of the relevant Convened DC Members in accordance with Section 2.1(e) (*Convening the DC Members*) (the Committee composed by such Convened DC Members, a "**Convened DC**"), the DC Secretary shall promptly notify, in writing and/or by telephone, the Authorized Contact(s) of each Convened DC Member of each Potential DC Issue, provided that if the DC Secretary effectively receives two substantially similar Potential DC Issues on or around the same time on the same calendar day (as determined by the DC Secretary in its sole discretion), at least one of which is submitted by a Convened DC Voting Member, the DC Secretary may, in its sole discretion, decide not to notify such Authorized Contacts of the Potential DC Issue submitted by the Convened DC Voting Member and instead request such Convened DC Voting Member to agree to deliberate the other substantially similar Potential DC Issue. In circumstances where such Convened DC Voting Member does not agree to deliberate the other substantially similar Potential DC Issue, the DC Secretary shall promptly notify, in writing and/or by telephone, the Authorized Contact(s) of each Convened DC Member of the Potential DC Issue submitted by such Convened DC Voting Member.

In order to hold a meeting of a Convened DC to deliberate a Potential DC Issue, at least one Convened DC Voting Member must have agreed to deliberate such Potential DC Issue by notifying the DC Secretary, provided that, with respect to a Potential DC Issue that has been designated as a General Interest Question, at least two Convened DC Voting Members must have agreed to deliberate such Potential DC Issue (in either case, such agreed Potential DC Issue, a "**DC Issue**"). In instances where a Convened DC Voting Member proposes a Potential DC Issue to be deliberated by a Convened DC, such Convened DC Voting Member shall count towards satisfying the applicable agreement requirements specified in the immediately preceding sentence. The DC Secretary will not disclose the identity of any Convened DC Voting Member that agrees to deliberate a Potential DC Issue. If the DC Secretary does not effectively receive agreement from the required number of Convened DC Voting Members to deliberate a Potential DC Issue by ~~5:00p.m~~5:00 p.m, Relevant City Time on the second Relevant City Business Day immediately following the date on which the DC Secretary notified the Convened DC Members of such Potential DC Issue in accordance with this Section 2.2(a) (*Notifying the Committee*), such Potential DC Issue shall be deemed to have been rejected by the Convened DC. In each instance where a Potential DC Issue is deemed to have been rejected, the DC Secretary shall publish notice on its Website in accordance with Section 2.5(d)(iv) (*Publication on the ISDA Website*). The Committee may refuse to consider a Potential DC Issue that is merely a matter of bilateral dispute solely between two Eligible Market Participants.

With respect to a Potential DC Issue that—(i) is submitted in accordance with Section 2.1(a) (*Notifying ISDA*) by an Eligible Market Participant that is an Eligible CCP, (ii) is not designated as a "General Interest Question" and (iii) relates to (A) an Eligible Cleared Reference Entity with respect to such Eligible CCP and (B) a matter subject to resolution under any of Section 3.1 (*Credit Event and Potential Repudiation/Moratorium Resolutions*), 3.3 (*Deliverable Obligation Resolutions*), 3.5 (*Successor Resolutions*), 3.6 (*Substitute Reference Obligation Resolutions*) or 3.7 (*Merger of Reference Entity and Seller*) (such Potential DC Issue, a **Qualifying CCP Question**), the DC Secretary will not be required to obtain the agreement of any Convened DC Voting Members to deliberate the Qualifying CCP Question and, instead, a meeting of the relevant Committee will always be convened in accordance with Section 2.4(b) (*Convening the Committee for the First Time*) (subject to the provisions of Section 2.4(c)(ii) (*Dismissing a Particular DC Question*)).

The DC Secretary shall maintain an up-to-date list of each CCP (the "**List of Eligible CCPs**") that has executed and delivered to the DC Secretary a letter agreement substantially in the form of Schedule 3 hereto or such other form substantially to the same effect as the DC Secretary may publish from time to time on its Website in replacement thereof (the "**CCP Letter Agreement**" and each CCP on such list, an "**Eligible CCP**"). On or prior to the DC Business Day on or immediately following March 1st of each year, each CCP on the List of Eligible CCPs shall provide written certification that, as of March 1st of the relevant year, such CCP continues to satisfy the criteria contained in the most recent version of the CCP Letter Agreement. Failure to provide such certification shall result in the removal of such Eligible CCP from the List of Eligible CCPs if such failure is not remedied within 10 calendar days after effective receipt of notice of such failure from the DC Secretary. An Eligible CCP shall also be removed from the List of Eligible CCPs if the relevant Committee Resolves by Supermajority that such Eligible CCP has failed to comply with any of its obligations under the CCP Letter Agreement at any time and such failure is not remedied within 30 calendar days after effective receipt of notice of such failure from the DC Secretary. The DC Secretary shall be under no obligation to actively monitor compliance by an Eligible CCP with any of its obligations under the CCP Letter Agreement.

In determining whether a Reference Entity is an Eligible Cleared Reference Entity, the DC Secretary will rely on information certified to the DC Secretary by the Eligible CCP submitting the relevant Potential DC Issue.

- (b) **Determining and Rephrasing the DC Questions.** With respect to a Convened DC, the DC Secretary shall form the meeting agenda by phrasing specific questions for each of the DC Issues (each, a "**DC Question**") in order to allow the Convened DC to make each determination that a Convened DC is permitted to make under the Rules. Where applicable, DC Questions should be phrased in order to resemble, as closely as practicable, the standard format of the relevant question in Schedule 1 to the Rules; provided that the relevant question in Schedule 1 may be broken down into component questions for a specific DC Issue, which will each constitute a DC Question for purposes of the Rules. For example, whether Obligation Acceleration has occurred would be a component of the question of whether a Credit Event has occurred. Furthermore, whether an event results from a deterioration in the creditworthiness or financial condition of a Reference Entity would be a component question of whether a Restructuring has occurred. DC Questions relating to DC Issues that fall under Section 3.8 (*Other DC Resolutions*) should be phrased as "yes" or "no" questions to the extent practicable and shall, as equitably as practicable, not be framed in a manner as to be suggestive of any given result. The DC Secretary may, whenever it deems necessary, solicit additional information from the Convened DC Members for purposes of phrasing a DC Question. A Convened DC may Resolve by a Majority to rephrase, with respect to a DC Question, the phrasing determined by the DC Secretary.

2.3 Quorum, Participation and Voting Procedures for a Convened DC

- (a) **Quorum.** A Convened DC shall not engage in any deliberations or take any vote unless a Quorum is obtained. If a Quorum is not obtained at the first meeting of a Convened DC, such Convened DC shall reconvene at ~~3:00p.m~~3:00 p.m. Relevant City Time on the same Relevant City Business Day (in the case where the Relevant Transaction Type is included in the Americas or EMEA) or 9:00 a.m. Relevant City Time on the immediately following Relevant City Business Day (in the case where the Relevant Transaction Type is included in Asia Ex-Japan, Australia-New Zealand or Japan), and, in each case, every 24 hours after the first meeting (provided that the Convened DC shall only reconvene on a Relevant City Business Day) until a Quorum is obtained. If a Quorum is not obtained at any subsequent meeting of the Convened DC, additional meetings shall be scheduled in accordance with Section 2.4(a) (*Meetings of the Convened DC*). At least 80% of the Convened DC Voting Members, of whom at least three are Non-dealer Voting Members, must be present (either in person or by telephone, videoconference or web conference) to engage in any deliberations or take any vote at a meeting of a Convened DC (such requirement, the "**80% Requirement**");

provided that, if the 80% Requirement is not satisfied at any meeting of the Convened DC, (i) at least 60% of the Convened DC Voting Members, without regard to the number of Non-dealer Voting Members included in such 60%, must be present for the next meeting and all subsequent meetings of such Convened DC (such requirement, the "**60% Requirement**") and (ii) if the 60% Requirement is not satisfied at a relevant meeting, at least 50% of the Convened DC Voting Members, without regard to the number of Non-dealer Voting Members included in such 50%, must be present for all subsequent meetings of such Convened DC (such applicable required threshold, the "**Quorum**").

- (b) **Voting and Participation.** Each Convened DC Voting Member shall have one vote on a Convened DC. Each Convened DC Voting Member is required to vote in all binding votes held by the relevant Convened DC, subject to the abstention provisions of Section 2.3(c) (*Abstention*). Convened DC Consultative Members and Convened DC CCP Members may participate in all discussions of a Convened DC but shall not delay any vote of such Convened DC or participate in any vote of such Convened DC. Each Convened DC Consultative Member must be present (either in person or by telephone, videoconference or web conference) at each meeting of a Convened DC where a binding vote is held (unless a binding vote by email is held), subject to the abstention provisions of Section 2.3(c) (*Abstention*). Each Convened DC CCP Member must be present (either in person or by telephone, videoconference or web conference) at each meeting of a Convened DC.
- (c) **Abstention.** If a Convened DC Voting Member or Convened DC Consultative Member, or any of its Affiliates, is an Affected Reference Entity in respect of a Convened DC, such Convened DC Voting Member or Convened DC Consultative Member, as applicable, may decide not to participate and any such Convened DC Voting Member shall not vote in any meeting of such Convened DC, notwithstanding Section 2.3(b) (*Voting and Participation*). Each Convened DC Voting Member or Convened DC Consultative Member abstaining under this Section 2.3(c) (*Abstention*) shall not be added to the List of Missed Meetings for such failure to be present at a meeting where a binding vote is held with respect to such Convened DC Voting Member or Convened DC Consultative Member or Affiliate thereof, as applicable, and each Convened DC Voting Member abstaining under this Section 2.3(c) (*Abstention*) shall not be added to the List of Missed Meetings for a failure to vote and shall not be included in any relevant voting threshold or Quorum determination under the Rules.
- (d) **Voting Representative.** Each Convened DC Voting Member must choose one individual to cast votes on its behalf before a Convened DC. Such individual must be able to cast votes on behalf of the relevant Convened DC Voting Member at any time without further consultation or approval of any other member or officer of such Convened DC Voting Member or its Affiliates. Any individual purporting to represent a Convened DC Voting Member before a Convened DC shall be deemed to have validly exercised such Convened DC Voting Member's vote unless the DC Secretary has actual knowledge that the relevant individual is not authorized to bind the relevant Convened DC Voting Member in a vote of the Convened DC, in which case such Convened DC Voting Member shall be deemed to have failed to have voted and an entry with respect to such Convened DC Voting Member shall be added to the List of Missed Meetings. More than one representative of a Convened DC Member may participate in the discussions of a Convened DC and, subject to appropriate authorization of the relevant Convened DC Voting Members, a single individual may exercise the vote of more than one Convened DC Voting Member.
- (e) **Replacement of a Convened DC Voting Member by a Consultative Member.** Upon the effective resignation or removal of a Convened DC Voting Member from a Convened DC under the Rules, all prior votes of such Convened DC Voting Member remain valid notwithstanding any replacement in accordance with this Section 2.3(e) (*Replacement of a Convened DC Voting Member by a Consultative Member*). Such Convened DC Voting Member shall be replaced for voting purposes of such Convened DC by the Convened DC Consultative Member that corresponds to the designation of such Convened DC Voting Member. A Global Dealer Voting Member shall be replaced by a Global Dealer Consultative Member, a Regional Dealer Voting Member by the relevant Regional Dealer Consultative Member and a Non-dealer Voting Member by the Non-dealer Consultative

Member; provided that if there is more than one possible replacement, the replacement shall be chosen by the DC Secretary from such replacements at random. The replacement provisions of Section 1.11 (*Replacement of DC Members*) or Section 1.12 (*Replacement of CCP Members*), as applicable, shall not apply to replace a Convened DC Member on a Convened DC and, instead, any such subsequent replacement pursuant to the provisions of Section 1.11 (*Replacement of DC Members*) or Section 1.12 (*Replacement of CCP Members*), as applicable, will only have effect with respect to future Committees. If a Convened DC Voting Member that resigns or is removed from a Convened DC is not replaced for voting purposes in accordance with this Section 2.3(e) (*Replacement of a Convened DC Voting Member by a Consultative Member*), such Convened DC Voting Member shall not be included in any voting threshold or Quorum determination under the Rules with respect to such Convened DC. Upon the effective resignation or removal of a Convened DC Member from a Convened DC under the Rules, such Convened DC Member shall no longer be considered a Convened DC Voting Member, a Convened DC Consultative Member or a Convened DC CCP Member, as applicable.

2.4 Procedures of a Convened DC

- (a) **Meetings of the Convened DC.** Meetings of the Convened DC may be held in person, by telephone, by videoconference and/or by web conference; provided that a Convened DC Member may participate by telephone in any meetings of the Convened DC. Following the first meeting of a Convened DC scheduled under Section 2.4(b) (*Convening the Committee for the First Time*), subsequent meetings may be convened either (i) by a Majority, which may specify an alternate location or method of meeting or (ii) by the DC Secretary by providing the Convened DC Members with the equivalent notice as would be required under Section 2.4(b) (*Convening the Committee for the First Time*) for convening the initial meeting of the Convened DC (determined for purposes of this provision as if agreement to deliberate a Potential DC Issue was effectively received at the moment notice of the subsequent meeting is provided to the Convened DC Members by the DC Secretary), unless an earlier meeting time is determined by the DC Secretary, in its sole discretion, to be required in order to comply with a deadline imposed by these Rules. If a meeting of a Convened DC is to be held in person, it shall be held in the Relevant City and may be held at ISDA's offices in the Relevant City. Deliberations of a Convened DC can occur at any time among the Convened DC Members by email. Convened DC Members may deliberate any of the DC Questions at any meeting of the relevant Convened DC.
- (b) **Convening the Committee for the First Time.** Following receipt by the DC Secretary under Section 2.1(a) (*Notifying ISDA*) of a request for the DC Secretary to convene a meeting of a Committee and upon the satisfaction of the requirements of Section 2.2(a) (*Notifying the Committee*), the DC Secretary shall give notice to the Authorized Contact(s) of each Convened DC Member, in writing and/or by telephone, (i) that a meeting of the relevant Committee is to take place by telephone, by videoconference and/or by web conference, (ii) the time and conference call details of such meeting and (iii) the DC Question(s). Upon effective receipt by the DC Secretary at or before ~~4:00 p.m.~~ 4:00 p.m. Relevant City Time on a Relevant City Business Day of (A) valid notice of the agreement of the requisite number of Convened DC Voting Members to deliberate a Potential DC Issue under Section 2.2(a) (*Notifying the Committee*) or (B) a request from a Convened DC Voting Member that the DC Secretary convene a meeting under Section 2.1(a) (*Notifying ISDA*) with respect to a Potential DC Issue that such Convened DC Voting Member has not designated as a General Interest Question, the time of the meeting of the relevant Committee shall be 11:00 a.m. Relevant City Time on the Relevant City Business Day immediately following such effective receipt by the DC Secretary (if the Relevant Transaction Type is included in the Americas), noon Relevant City Time on the Relevant City Business Day immediately following such effective receipt by the DC Secretary (if the Relevant Transaction Type is included in EMEA) or 9:00 a.m. Relevant City Time on the second Relevant City Business Day immediately following such effective receipt by the DC Secretary (if the Relevant Transaction Type is included in Asia Ex-Japan, Australia-New Zealand or Japan), in each case, unless modified by the Convened DC Voting Members in

accordance with this Section 2.4(b) (*Convening the Committee for the First Time*). Otherwise, the time of the meeting of the relevant Committee shall be 11:00 a.m. Relevant City Time on the second Relevant City Business Day immediately following such effective receipt by the DC Secretary (if the Relevant Transaction Type is included in the Americas or EMEA) or 9:00 a.m. Relevant City Time on the third Relevant City Business Day immediately following such effective receipt by the DC Secretary (if the Relevant Transaction Type is included in Asia Ex-Japan, Australia-New Zealand or Japan), in each case, unless modified by the Convened DC Voting Members in accordance with this Section 2.4(b) (*Convening the Committee for the First Time*). Notwithstanding the above, if the Relevant Transaction Type is included in Asia Ex-Japan, Australia-New Zealand or Japan, the first meeting of the relevant Committee with respect to a DC Question shall be delayed until the immediately following Relevant City Business Day or as necessary, if, prior to such first meeting, the DC Secretary effectively receives notice from one Convened DC Voting Member that the date of such meeting is not a day on which both (I) commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) and (II) bond markets are open, in a city relevant to the jurisdiction of incorporation of the Affected Reference Entity. The Convened DC Voting Members may agree by unanimity to meet for purposes of holding a binding vote with respect to a DC Question at an earlier time than otherwise provided for in the Rules or may agree by Supermajority to defer holding the first meeting to deliberate the relevant DC Question for a period of time or otherwise meet in an alternate manner than as provided for in this Section 2.4(b) (*Convening the Committee for the First Time*); provided that the Convened DC Voting Members will not be able to defer the first meeting to deliberate a Qualifying CCP Question pursuant to this Section 2.4(b) (*Convening the Committee for the First Time*) for more than three Relevant City Business Days.

(c) **Transferring or Dismissing DC Questions.** Upon receipt of notice from the DC Secretary under Section 2.4(b) (*Convening the Committee for the First Time*) of a meeting of the relevant Committee and the DC Question(s), the Convened DC may transfer or dismiss DC Questions at any time in accordance with the following provisions.

- (i) **Challenging the Relevant Transaction Type.** Any Convened DC Voting Member (that is not acting in its capacity as a Convened DC Voting Member of a Replacement DC) may challenge the DC Secretary's determination of the Relevant Transaction Type by requesting that a vote be held to transfer one or more DC Questions to a Committee for another Region. A Convened DC may transfer the DC Question(s) to a Committee for another Region by Resolving by a Supermajority (or by a Majority on or before the first Relevant City Business Day on which such Convened DC holds a meeting to deliberate such DC Question(s)) the Relevant Transaction Type. Upon a Convened DC voting to change the Relevant Transaction Type and transfer the DC Question(s) to a Committee for another Region, the DC Secretary shall convene a Committee in accordance with Section 2.4(b) (*Convening the Committee for the First Time*) for the Relevant Transaction Type Resolved by such Convened DC (a "**Replacement DC**"); provided that the DC Secretary will be deemed to have effectively received a request for a meeting of the new Committee by a Convened DC Voting Member at the time the vote by the prior Convened DC was published by the DC Secretary. A Replacement DC cannot vote to further transfer DC Questions to another Committee.
- (ii) **Dismissing a Particular DC Question.** A Convened DC may Resolve to dismiss a DC Question, for any reason, by a Supermajority. The dismissal of a DC Question will not constitute a DC Resolution with respect to whether or not the matter referenced in such DC Question has occurred, exists or is satisfied and will not constitute a rejection, or deemed rejection, of such DC Question for purposes of Section 2.5(a) (*General Interest Questions*).

A Committee may only dismiss a Qualifying CCP Question by Supermajority pursuant to this Section 2.4(c)(ii) (*Dismissing a Particular DC Question*) in circumstances where the

Committee Resolves that such dismissal is due to (i) a lack of available information necessary to answer the relevant question or (ii) the premature nature of the question (as indicated by the Convened DC and published by the DC Secretary). Any such dismissal should not, for purposes of a CCP's rules, constitute a refusal to consider the question or a dismissal or rejection of the question or give rise to any other right of a CCP to convene a "fallback DC" or resolve the question unilaterally.

A Qualifying CCP Question that is dismissed pursuant to this Section 2.4(c)(ii) (*Dismissing a Particular DC Question*) may not be re-submitted to the DC Secretary by an Eligible CCP unless there is new information or analysis with respect to such Qualifying CCP Question that was not previously presented to the Committee so that such Qualifying CCP Question may reasonably be considered to no longer be subject to a lack of available information or be premature.

- (d) **Binding Votes.** A binding vote is necessary in order to Resolve any DC Question and shall be taken whenever a majority of the Convened DC Voting Members participating in a meeting of a Convened DC request a binding vote and a Quorum has been obtained for such meeting. Unless otherwise specified in the Rules, a Convened DC must hold a binding vote on each DC Question by ~~5:00p.m~~5:00 p.m. Relevant City Time on the second Relevant City Business Day after the day on which the first meeting at which such DC Question was deliberated is held. A Convened DC may not commence deliberations in respect of a DC Question until a separate but related DC Question completes External Review. Notwithstanding the above, the Convened DC may Resolve by a Supermajority to extend the deadline for holding a binding vote with respect to any DC Question. During a meeting of a Convened DC, the Convened DC Voting Members may agree by Majority to hold a binding vote by email (a "**Mandatory Email Vote**"). Once the Convened DC Voting Members agree to hold a Mandatory Email Vote, a vote must be submitted within twenty-four hours of such agreement in order to be counted, provided that the Convened DC may alter this timing when agreeing to hold a Mandatory Email Vote. In addition, the Convened DC Voting Members may, at any time, hold a binding vote by email without previously agreeing to do so (a "**Non-mandatory Email Vote**"), provided that the failure of a Convened DC Voting Member to submit an email vote in respect of a Non-mandatory Email Vote shall not result in such Convened DC Voting Member being entered on the List of Missed Meetings in accordance with Section 1.10(g) (*Failure to Attend Meetings*). For purposes of either a Mandatory Email Vote or a Non-mandatory Email Vote, a DC Question shall be considered Resolved once (i) the applicable voting threshold with respect to such DC Question has been satisfied and (ii) a Quorum satisfying the 80% Requirement is obtained by reference to the email votes effectively received, provided that votes will be accepted by the DC Secretary, and any related DC Resolution will not be published by the DC Secretary pursuant to Section 2.5(d)(iii) (*Publication on the ISDA Website*), until any deadline established for the relevant Mandatory Email Vote or Non-mandatory Email Vote, as applicable, has expired.
- (e) **Adding DC Issues.** Any Eligible Market Participant (via the DC Secretary in accordance with the procedural requirements of Section 2.1(a) (*Notifying ISDA*)) or any Convened DC Member may request, at any time before the Convened DC has Resolved all of the DC Questions with respect to all DC Issues for which such Convened DC has been convened, that an additional Potential DC Issue be deliberated by such Convened DC. Such additional Potential DC Issue should relate to an Affected Reference Entity and/or its Affiliates and may relate to any determination that the Convened DC is permitted to make under Section 3 (*Resolutions of a Convened DC*). Upon effective receipt of a request for an additional Potential DC Issue to be deliberated by a Convened DC, the DC Secretary shall follow the procedures of Sections 2.2(a) (*Notifying the Committee*) and 2.2(b) (*Determining and Rephrasing the DC Questions*), as if the request for an additional Potential DC Issue to be deliberated by such Convened DC was a request for the DC Secretary to convene a meeting of a Committee, and shall forward each request in substantially the same form as the request was originally submitted.

- (f) **Coverage Election.** If the Coverage Election is that the request relates to both 2014 Transactions and Updated 2003 Transactions, the Convened DC may Resolve by a Majority that the request should be treated as two separate requests which may have two different outcomes. In such circumstances, the Convened DC may continue to deliberate both requests at the same meetings but shall make separate Resolutions in respect of each request. If the Coverage Election is that the request relates to either 2014 Transactions or Updated 2003 Transactions, the Convened DC may Resolve by Majority that the request shall be treated as though the Coverage Election is that the request relates to both 2014 Transactions and Updated 2003 Transactions.
- (g) **Joint Convened DC Meetings.** A Convened DC may meet jointly with one or more other Convened DCs for any reason if each Convened DC participating in the joint meeting separately Resolves by a Majority to do so. Any such joint meeting will be considered, with respect to each Convened DC, to be a separate meeting under the Rules and votes shall be taken separately for each Convened DC. The separate vote for each Convened DC will only include the Convened DC Voting Members of such Convened DC and the Quorum requirements and Majority and Supermajority voting thresholds will be determined on the basis of such Convened DC Voting Members.
- (h) **Outside Discussions.** Subject to Sections 4.5(a) (*Advocates*) and 5.2(a) (*Confidentiality*), a Convened DC Member may engage in any communication with another Convened DC Member outside of the Convened DC.
- (i) **Completing the Agenda.** Upon disposing of all of the DC Questions being deliberated by a Convened DC by either Resolving, transferring or dismissing such DC Questions, such Convened DC shall dissolve.

2.5 General Provisions

- (a) **General Interest Questions.** Following (i) satisfaction of the agreement requirements with respect to a General Interest Question in accordance with Section 2.2(a) (*Notifying the Committee*) and (ii) publication of notice of the relevant Committee being convened following satisfaction of such agreement requirements in accordance with Section 2.5(d) (*Publication on the ISDA Website*), any Convened DC Member may require the DC Secretary to instruct such counsel that the DC Secretary may have appointed from time to time in accordance with Section 2.5(e) (*Third-Party Advice and Legal Sub-Committees*) to present a summary of the issues pertinent to the determination of the General Interest Question and neither the DC Secretary nor such counsel shall disclose the identity of the Convened DC Member(s) that requested such summary. Any General Interest Question that has been rejected, or deemed to have been rejected, by a Convened DC may not be re-submitted for consideration by an Eligible Market Participant unless new information or analysis with respect to such General Interest Question that was not previously presented to the Convened DC becomes known and is included in any subsequently submitted request to the DC Secretary except in the case of an Eligible CCP wishing to re-submit such General Interest Question as a Qualifying CCP Question, provided that such Eligible CCP did not originally submit such General Interest Question. In any such subsequently submitted request, the relevant Potential DC Question may, but need not, be designated as a General Interest Question. Nothing in Section 2.1(a) (*Notifying ISDA*), Section 2.2(a) (*Notifying the Committee*) or this Section 2.5(a) (*General Interest Questions*) purports to affect any obligation of the DC Secretary to disclose any information as may be required of the DC Secretary by applicable law, regulation or court order.
- (b) **DC Resolutions.** Each DC Voting Member shall perform its obligations under the Rules in a commercially reasonable manner in Resolving a DC Question and shall base its vote on information that is either public or can be published by the Convened DC in accordance with Section 2.5(d)(v) (*Publication on the ISDA Website*); provided that neither the DC Secretary nor any DC Voting Member is under any obligation to research, investigate, supplement, or verify the veracity of, any information on which the relevant Convened DC bases its decision. Each DC Question shall be

Resolved based on the provisions of the 2014 Definitions (taking into consideration any amendments thereto contemplated in the relevant DC Question) or the provisions of such other documents as contemplated in the relevant DC Question and each DC Resolution shall only apply to Relevant Transactions for which the relevant provisions are not materially inconsistent with such provisions in the 2014 Definitions (including any such amendments) or such other documentation and notwithstanding the use of terms in the Rules that are defined in the 2014 Definitions. To the extent practicable, each DC Resolution should be as specific as possible as to what was Resolved. A DC Question that has been Resolved, including following a Decision of the relevant External Reviewers, may not be re-deliberated or voted on again by a Convened DC, except (i) if new information that was not previously known to the Convened DC becomes known to the Convened DC with respect to such DC Question and (ii) subject to Section 10.2 of the 2014 Definitions.

- (c) **No Reversal of Explicit Agreement.** A DC Resolution shall have effect from the time such DC Resolution is published by the DC Secretary in accordance with Section 2.5(d) (*Publication on the ISDA Website*), unless the DC Resolution specifies an alternate date of effectiveness. Notwithstanding the above, no DC Resolution shall have retroactive effect with respect to a Relevant Transaction by overruling any inconsistent determination explicitly agreed to between the parties under, and made in accordance with, the terms of such Relevant Transaction.
- (d) **Publication on the ISDA Website.** The DC Secretary shall promptly publish on its Website:
 - (i) (A) each request that the DC Secretary receives in accordance with Section 2.1(a) (*Notifying ISDA*), other than a Potential DC Issue that the DC Secretary considers is substantially similar to another Potential DC Issue pursuant to Section 2.2(a) (*Notifying the Committee*), (B) in circumstances where the Potential DC Issue specified in any such request has not been designated as a General Interest Question, the identity of the Eligible Market Participant that submitted such request and (C) each piece of supporting information submitted with such request;
 - (ii) notice of a specific Committee being convened under Section 2.4(b) (*Convening the Committee for the First Time*) following agreement by the requisite number of Convened DC Voting Members to deliberate one or more Potential DC Issues in accordance with Section 2.2(a) (*Notifying the Committee*) and the relevant DC Questions for such Convened DC;
 - (iii) subject to Section 4.2(c) (*Approval and Adherence*), each binding vote of a Convened DC, the DC Question or issue corresponding to such binding vote, the identity and vote of each Convened DC Voting Member with respect to such binding vote and whether the DC Question has been Resolved or is being referred to External Review, as applicable;
 - (iv) any decision by a Convened DC not to deliberate a Potential DC Issue in accordance with Section 2.2(a) (*Notifying the Committee*), transfer a DC Question to another Committee in accordance with Section 2.4(c)(i) (*Challenging the Relevant Transaction Type*) or dismiss a DC Question under Section 2.4(c)(ii) (*Dismissing a Particular DC Question*);
 - (v) any information relating to the deliberations of a Convened DC that such Convened DC Resolves by a Majority to publish, acting in a commercially reasonable manner;
 - (vi) any DC Meeting Statements in accordance with Section 2.5(f) (*DC Meeting Statements*);
~~and~~
 - (vii) any Standard Reference Obligation DC Resolution passed by a Relevant Convened DC pursuant to the SRO Rules- ~~and~~ [and](#)

(viii) any Package Observable Bond DC Resolution passed by a Relevant Convened DC pursuant to the POB Rules.

- (e) **Third-Party Advice and Legal Sub-Committees.** A Convened DC may Resolve to solicit information, advice or commentary from any third party by a Majority. Outside legal counsel or third-party professionals may be hired, if necessary, by (i) a Convened DC by a Majority, (ii) Convened DC Members and/or (iii) the DC Secretary at any time to assist in the performance of their respective duties under the Rules. A Convened DC may also Resolve by a Majority to form legal sub-committees, comprised of each Convened DC Member of the relevant Convened DC, to consider questions relevant to the credit derivatives market generally. The Convened DC Members comprising any such legal sub-committee will enjoy the applicable rights and be bound by the applicable obligations set forth in Section 5.1 (*Waivers and Disclaimers*) and Section 5.2(a) (*Confidentiality*) as though the meetings of such legal sub-committee were meetings of the relevant Convened DC.

(f) **DC Meeting Statements.**

- (i) **Publication of DC Meeting Statements.** At the end of each Convened DC meeting, the DC Secretary will produce a draft DC Meeting Statement. Such draft DC Meeting Statement shall describe the issue(s) considered during such Convened DC meeting, the resolution of such issue(s) (if any) and the next steps of the relevant Convened DC (if any).

If during a Convened DC meeting, the Convened DC Resolves by a Majority to publish such DC Meeting Statement, the DC Secretary will publish such DC Meeting Statement on its Website promptly following such DC Resolution.

- (ii) **Review of Draft DC Meeting Statements.** If a Convened DC does not Resolve by a Majority to publish a DC Meeting Statement during a Convened DC meeting pursuant to Section 2.5(f)(i) (*Publication of DC Meeting Statements*), the DC Secretary will send a draft DC Meeting Statement to the relevant Convened DC promptly following the relevant Convened DC meeting, and the Convened DC may review such draft during the relevant Initial Review Period.

The DC Secretary may in its discretion make changes to the draft DC Meeting Statement during the Initial Review Period. If material changes are made to the draft DC Meeting Statement, the DC Secretary will recirculate a revised DC Meeting Statement to the relevant Convened DC for further review during the next following Further Review Period. The DC Secretary shall determine in its discretion whether a change is material for this purpose. If a draft DC Meeting Statement is revised multiple times, a separate Further Review Period may occur, in the DC Secretary's discretion, for purposes of review of each version of the draft DC Meeting Statement by the relevant Convened DC.

- (iii) **Voting on Draft DC Meeting Statements.** At any time during an Initial Review Period or Further Review Period, a Convened DC Member may submit a Voting Request with respect to the relevant draft DC Meeting Statement. If during an Initial Review Period or Further Review Period the DC Secretary receives a Voting Request, the DC Secretary will promptly request that each Convened DC Member notify the DC Secretary by email prior to the Voting Deadline whether such Convened DC Member believes that the draft DC Meeting Statement should be published in its then-current form.

The draft DC Meeting Statement will be published in its then-current form unless a Supermajority of the Convened DC Members indicates by the relevant Voting Deadline that the draft DC Meeting Statement should not be published in its then-current form (for purposes of which, a vote not received from any Convened DC Member by the DC

Secretary prior to the expiration of such Voting Deadline will not be deemed to be a vote against publication of such DC Meeting Statement in its then-current form). If a Supermajority of the Convened DC Members votes against publication of the DC Meeting Statement in its then-current form, the DC Secretary will either (i) redraft and recirculate the DC Meeting Statement, providing an opportunity for further review during a Further Review Period, or (ii) convene another meeting of the relevant Convened DC.

Votes submitted pursuant to this ~~paragraph~~-sub-clause (iii) will not constitute binding votes for the purposes of Section 2.5(d)(iii) (*Publication on the ISDA Website*). A Convened DC Member that does not submit a vote pursuant to this ~~paragraph~~-sub-clause (iii) will not be penalized as having missed a vote for purposes of Section 1.10(g) (*Failure to Attend Meetings*).

- (iv) **Publication on the ISDA Website.** If a Voting Request is not received during either the Initial Review Period or a Further Review Period, as applicable, and the DC Secretary does not make material changes to the draft DC Meeting Statement after having last circulated the draft DC Meeting Statement to the relevant Convened DC for review (as determined by the DC Secretary in its sole discretion), the DC Secretary will publish the DC Meeting Statement in its then-current form on its website after the Initial Review Period or relevant Further Review Period, as applicable.

If a Voting Request has been received by the DC Secretary, the DC Secretary may at any time prior to the Voting Deadline publish the relevant DC Meeting Statement in its then-current form on its Website if a sufficient number of votes of the Convened DC Members in favor of publication have been received, such that a Supermajority of the Convened DC Members voting against publication would be impossible to achieve.

In each case, the DC Secretary shall have discretion to delay publication in order to obtain consensus on the content of such DC Meeting Statement.

This Section 2.5(f) (*DC Meeting Statements*) is without prejudice to Section 2.5(d)(v) (*Publication on the ISDA Website*).

3. RESOLUTIONS OF A CONVENED DC

3.1 Credit Event and Potential Repudiation/Moratorium Resolutions

- (a) **Publicly Available Information Resolution.** A Convened DC may Resolve, with respect to an Affected Reference Entity, by a Majority, the date on which the DC Secretary first effectively received both a request to convene the Committee for a DC Question falling under (i) Section 3.1(b) (*Potential Repudiation/Moratorium Resolution*) or (ii) Section 3.1(c) (*Credit Event Resolution*) and Publicly Available Information that satisfies the requirements of Section 2.1(b) (*Publicly Available Information*) for purposes of such DC Question; provided that (A) determinations of effectiveness of notices for purposes of this clause shall be determined in accordance with Section 1.38 of the 2014 Definitions and (B) each reference to "Calculation Agent City time" and "Calculation Agent City Business Day" shall be deemed to refer to "Regional City Time" and "Regional City Business Day", respectively, provided that where the Relevant Transaction Type is included in the Australia-New Zealand Region, Sydney shall be deemed to be the only Regional City for purposes of this provision only (such DC Resolution, in the case of Section 3.1(a)(i), a "**Potential Repudiation/Moratorium Request Resolution**", and in the case of Section 3.1(a)(ii), a "**Credit Event Request Resolution**"). If there has been a DC Credit Event Question Dismissal prior to such time, the Convened DC shall nonetheless Resolve, by a Majority, the date on which the DC Secretary first effectively received both a request to convene the Committee for a DC Question falling under this Section 3.1 (*Credit Event and Potential Repudiation/Moratorium Resolutions*) and Publicly Available Information that

satisfies the requirement of Section 2.1(b) (*Publicly Available Information*) for purposes of such DC Question.

- (b) **Potential Repudiation/Moratorium Resolution.** Following a Potential Repudiation/Moratorium Request Resolution, a Convened DC may Resolve, with respect to an Affected Reference Entity, by a Supermajority:
 - (i) whether a Potential Repudiation/Moratorium has occurred; and
 - (ii) if applicable, the date of occurrence of such Potential Repudiation/Moratorium by reference to (A) if the Relevant Transaction type is included in the Region of Japan, Tokyo time or (B) otherwise, Greenwich Mean Time (such DC Resolution, a "**Potential Repudiation/Moratorium Resolution**").
- (c) **Credit Event Resolution.** Following a Credit Event Request Resolution, a Convened DC may Resolve, with respect to an Affected Reference Entity, by a Supermajority:
 - (i) whether a Potential Failure to Pay or a Potential Repudiation/Moratorium has occurred;
 - (ii) whether a Credit Event of the type referenced in the relevant DC Question has occurred; and
 - (iii) if applicable, the date of the occurrence of the Potential Failure to Pay, Potential Repudiation/Moratorium and/or Credit Event, by reference to (A) if the Relevant Transaction Type is included in the Region of Japan, Tokyo time or (B) otherwise, Greenwich Mean Time (such DC Resolution, together with the related Credit Event Request Resolution, a "**Credit Event Resolution**").
- (d) **Further Determination following a DC Resolution of a Restructuring.** Following a DC Resolution that a Restructuring has occurred with respect to a Relevant Transaction: (i) for purposes of any Relevant Transaction that is (A) a July 2009 Supplement Transaction or a 2014 Transaction and (B) an Index Transaction, the Convened DC may Resolve by a Majority the form of documentation that will apply to the portion of such Relevant Transaction relating to the Affected Reference Entity that, as of the calendar day immediately following such DC Resolution, will be separated from such Relevant Transaction and separately documented as a separate Credit Derivative Transaction (such portion of such Relevant Transaction, a "**Component Transaction**") to the extent that the Convened DC determines that such Component Transaction should not be evidenced by a Confirmation for use with the Credit Derivatives Physical Settlement Matrix; and (ii) the Convened DC may Resolve by Supermajority the Exercise Cut-off Date and/or Movement Option Cut-off Date, if applicable, if it Resolves by Supermajority that the relevant date should be other than as set out in Sections 1.41 and 6.17 of the 2014 Definitions respectively.

3.2 Auction Resolutions and Potential Auctions Resolutions

- (a) **Holding one or more Auctions.** Upon the occurrence of a Credit Event Resolution, and unless the DC Resolves by Supermajority that no Deliverable Obligations exist in respect of the relevant Reference Entity:
 - (i) unless the relevant Credit Event is a Restructuring for purposes of any Relevant Transactions and either (A) Mod R or Mod Mod R is applicable or (B) such Relevant Transactions are March 2009 Supplement Transactions, a Convened DC may Resolve by a Majority whether one or more auctions will be held to settle Relevant Transactions with respect to which such Credit Event Resolution has occurred in accordance with the terms set out in the Credit Derivatives Auction Settlement Terms as amended in accordance with this Section 3.2 (*Auction Resolutions and Potential Auctions Resolutions*) (such DC Resolution,

an "**Auction Resolution**" and each such auction, an "**Auction**"), provided that, if the Convened DC determines in accordance with the Relevant Transaction and Triggered Transaction Data Guidelines that, as of the date of such Credit Event Resolution, there exist, outstanding and confirmed through DTCC, 300 or more of such Relevant Transactions for which Auction Settlement is specified as the Settlement Method in the related Confirmations, which would be likely to be covered by one single set of Credit Derivatives Auction Settlement Terms and to which five or more Global Dealer Voting Members and/or Global Dealer Consultative Members (and/or, with respect to the Region in which the Transaction Type of the relevant Affected Reference Entity is included, Regional Dealer Voting Members and/or Regional Dealer Consultative Members of the Convened DC for such Region) are parties (the "**Relevant Transaction 300/5 Criteria**") (provided that in determining whether the Relevant Transaction 300/5 Criteria are satisfied, the Convened DC will use information provided to it by DTCC in accordance with the Relevant Transaction and Triggered Data Guidelines which shall differentiate between 2014 Transactions, March 2009 Supplement Transactions and July 2009 Supplement Transactions and, in addition, will also incorporate any relevant information provided in a timely manner to DTCC by other appropriate sources, such as central clearing houses, if the Convened DC Resolves by Supermajority that DTCC shall incorporate such information into the data it provides to the Convened DC), an Auction shall be held to settle such Relevant Transactions in accordance with the Credit Derivatives Auction Settlement Terms, with such amendments thereto as the Convened DC Resolves in accordance with this Section 3.2 (*Auction Resolutions and Potential Auctions Resolutions*); or

- (ii) if the relevant Credit Event is a Restructuring for purposes of any Relevant Transaction that is a July 2009 Supplement Transaction or a 2014 Transaction for which either Mod R or Mod Mod R is applicable, a Convened DC may Resolve by a Majority whether one or more Auctions may be held to settle such Relevant Transactions with respect to which such Credit Event Resolution has occurred in accordance with the terms set out in the Credit Derivatives Auction Settlement Terms, with, for each Auction, such amendments thereto as the Convened DC Resolves in accordance with this Section 3.2 (*Auction Resolutions and Potential Auctions Resolutions*) (such DC Resolution, a "**Potential Auctions Resolution**").

If the Deliverable Obligation Provisions for all Relevant Transactions with respect to which a Credit Event Resolution has occurred are not equivalent in all material respects, the Convened DC may Resolve to hold separate Auctions and, in such case, shall Resolve the set(s) of Deliverable Obligation Terms that will apply, respectively, for purposes of each such Auction in accordance with Section 3.2(c) (*Deliverable Obligation Terms*). Following a Restructuring with respect to any Relevant Transaction that is a July 2009 Supplement Transaction or 2014 Transaction for which either Mod R or Mod Mod R is specified in the related Confirmation, the Convened DC may Resolve by a Majority whether one or more Auctions based on the respective Limitation Dates (or, with respect to such Relevant Transactions that are Triggered by Seller, the Maximum Maturity) applicable to such Relevant Transactions may be held to settle such Relevant Transactions.

- (b) **Other Auction-related Determinations.** The Global Dealer Voting Members and Regional Dealer Voting Members of a Convened DC shall Resolve, for each Auction, by a Majority:
 - (i) the Auction Date for each Auction; provided that the Auction Date shall be the third Relevant City Business Day immediately preceding the 30th calendar day after the Credit Event Resolution Request Date unless the Global Dealer Voting Members and Regional Dealer Voting Members of such Convened DC Resolve otherwise;
 - (ii) whether an institution (other than a Global Dealer Voting Member, a Global Dealer Consultative Member, a Regional Dealer Voting Member or a Regional Dealer Consultative Member of such Convened DC) that submits a Participating Bidder Letter with respect to an

Auction will be permitted to act as a Participating Bidder for purposes of the relevant Auction; provided that (A) an Eligible Global Dealer or Eligible Regional Dealer or any Affiliate of such Eligible Global Dealer or Eligible Regional Dealer (in each case, other than a Global Dealer Voting Member, a Global Dealer Consultative Member, a Regional Dealer Voting Member or a Regional Dealer Consultative Member of such Convened DC) that submits a Participating Bidder Letter will be permitted to act as a Participating Bidder for purposes of the relevant Auction unless the Global Dealer Voting Members and Regional Dealer Voting Members of a Convened DC Resolve otherwise by a Supermajority and (B) any Global Dealer Voting Member, Global Dealer Consultative Member, Regional Dealer Voting Member or Regional Dealer Consultative Member that participates in an Auction as a Participating Bidder will be deemed to be bound by the same terms, obligations, representations, waivers and agreements contained in the Participating Bidder Letter relating to such Auction that would bind any institution required to submit such Participating Bidder Letter in order to participate as a Participating Bidder in such Auction, irrespective of whether or not such Global Dealer Voting Member, Global Dealer Consultative Member, Regional Dealer Voting Member or Regional Dealer Consultative Member, as applicable, has in fact submitted a Participating Bidder Letter in respect of the relevant Auction; and

- (iii) all of the Supplemental Auction Terms, to the extent applicable; provided that in aggregate, across all Credit Derivatives Auction Settlement Terms applicable to Relevant Transactions for which a Credit Event Resolution has occurred, the Initial Market Quotation Amount shall not be less than (A) if the Relevant Currency is USD or EUR, 2,000,000 units of the Relevant Currency or (B) if the Relevant Currency is JPY, 20,000,000 units of the Relevant Currency.

- (c) **Deliverable Obligation Terms.** With respect to an Auction, a Convened DC may Resolve by a Majority a separate set of Deliverable Obligation Terms to be published with respect to each set of Credit Derivatives Auction Settlement Terms. A Convened DC may Resolve by a Supermajority to add one or more sets of Deliverable Obligation Terms (and consequently publish a single set of Credit Derivatives Auction Settlement Terms with more than one set of Deliverable Obligation Terms) up until five calendar days prior to the first Auction Date to occur with respect to the relevant Affected Reference Entity; provided that no additional set of Deliverable Obligation Terms may have the effect of bringing into question a previous DC Resolution that an obligation of the relevant Affected Reference Entity is a Deliverable Obligation with respect to the relevant set of Credit Derivatives Auction Settlement Terms. Each set of Deliverable Obligation Terms shall include (collectively, the "**Deliverable Obligation Terms**"):
 - (i) whether the 2014 Definitions and/or Updated 2003 Definitions are applicable;
 - (ii) the Deliverable Obligation Category and Deliverable Obligation Characteristics;
 - (iii) whether the Deliverable Obligations are to be determined by reference to any Additional Provisions;
 - (iv) whether an obligation should be specifically excluded and/or included as a Deliverable Obligation or Reference Obligation, notwithstanding that such obligation meets, or fails to meet, as applicable, the Deliverable Obligation Terms otherwise determined to be applicable;
 - (v) whether "All Guarantees" is applicable;
 - (vi) the obligation of the relevant Affected Reference Entity by reference to which the Not Subordinated Deliverable Obligation Characteristic, if applicable, should be assessed; and

- (vii) each other provision, if any, that the Convened DC Resolves is necessary to establish the criteria for what obligations will constitute Deliverable Obligations with respect to the relevant set of Credit Derivatives Auction Settlement Terms.

In determining whether the 2014 Definitions, the Updated 2003 Definitions, or both, are applicable to an Auction, the Convened DC shall take into account whether the settlement provisions would have been materially different under the 2014 Definitions and the Updated 2003 Definitions (including, but not limited to, the applicability of Asset Package Delivery) if the Settlement Method had been Physical Settlement.

Each time a Convened DC Resolves a set of Deliverable Obligation Terms with respect to a set of Credit Derivatives Auction Settlement Terms, the DC Secretary shall promptly publish such set of Deliverable Obligation Terms on its Website.

- (d) **Amendments to the Credit Derivatives Auction Settlement Terms.** With respect to an Auction, any amendment to the Credit Derivatives Auction Settlement Terms, as amended from time to time in accordance with this Section 3.2(d) (*Amendments to the Credit Derivatives Auction Settlement Terms*), that is not otherwise provided for in Section 3 (*Resolutions of a Convened DC*) may only be made after a public comment period, unless the Convened DC Resolves by a Supermajority to allow amendment to the Credit Derivatives Auction Settlement Terms without a public comment period. A Convened DC shall Resolve a proposed amendment by a Supermajority and allow any Eligible Market Participant to provide comment on the proposed amendment to the DC Secretary until ~~5:00p.m~~5:00 p.m. Relevant City Time on the Relevant City Business Day on or immediately following the seventh calendar day after the publication of such proposed amendment by the DC Secretary on its Website. By ~~7:00p.m~~7:00 p.m. Relevant City Time on the Relevant City Business Day on or immediately following the seventh calendar day after the publication of such proposed amendment by the DC Secretary on its Website, the DC Secretary will notify the Convened DC of all comments received by the DC Secretary with respect to the proposed amendment and the Convened DC, acting in a commercially reasonable manner, may make any changes to the proposed amendment that it Resolves to be necessary or desirable by a Supermajority.

If the Convened DC determines that the Credit Derivatives Auction Settlement Terms and Final List are not broadly reflective of the Deliverable Obligations and ability to settle which would have been available if Physical Settlement had been the applicable Settlement Method and that this would cause prejudice to either Buyer or Seller under a Relevant Transaction, it may Resolve by Supermajority to make amendments to the Credit Derivatives Auction Settlement Terms and/or Final List as applicable in an attempt to avoid or mitigate against such prejudice. Such amendment may only be made after a public comment period unless the Convened DC Resolves by a Supermajority to allow such amendment without a public comment period.

- (e) **Decision to not hold an Auction.**

- (i) Subject to the requirements relating to the Relevant Transaction 300/5 Criteria in Section 3.2(a)(i) (*Holding one or more Auctions*) and the Triggered Transaction 300/5 Criteria in Section 3.4(a) (*Triggered Transactions and the Triggered Transaction 300/5 Criteria*), a Convened DC may Resolve, at any time, by a Majority:
 - (A) that no Credit Derivatives Auction Settlement Terms will be published following a Credit Event Resolution; and
 - (B) up to the Auction Final Price Determination Date of an Auction, that any Auction contemplated by a set of Credit Derivatives Auction Settlement Terms that has been published by ISDA will not be held; and

- (ii) a Convened DC may Resolve, at any time, by a Supermajority, that no Deliverable Obligations exist in respect of the Reference Entity and accordingly that no Credit Derivatives Auction Settlement Terms shall be published following a Credit Event Resolution with respect thereto.

3.3 Deliverable Obligation Resolutions

(a) Identifying Deliverable Obligations.

- (i) **Following an Auction Resolution.** Following an Auction Resolution, the Deliverable Obligations of an Affected Reference Entity, for a particular set of Credit Derivatives Auction Settlement Terms and one or more sets of Deliverable Obligation Terms, shall be identified in accordance with the procedures in this Section 3.3 (*Deliverable Obligation Resolutions*). Any identification of a Deliverable Obligation in accordance with this Section 3.3 (*Deliverable Obligation Resolutions*) with respect to a set of Credit Derivatives Auction Settlement Terms shall only apply to a Relevant Transaction that is an Auction Covered Transaction, as defined in such set of Credit Derivatives Auction Settlement Terms.
- (ii) **Following a Potential Auctions Resolution.** Following a Potential Auctions Resolution, the Deliverable Obligations of an Affected Reference Entity shall be identified in accordance with the procedures in this Section 3.3 (*Deliverable Obligation Resolutions*), provided that any Deliverable Obligation so identified must, with respect to a Relevant Transaction, and in accordance with Section 3.31 or Section 3.32 of the 2014 Definitions, as applicable, also satisfy (i) the Restructuring Maturity Limitation Date requirement or the Modified Restructuring Maturity Limitation Date requirement, if any, as applicable, and (ii) the Fully Transferable Obligation requirement or the Conditionally Transferable Obligation requirement, if any, as applicable (each such identified Deliverable Obligation, a "**Permissible Deliverable Obligation**").

- (b) **Proposing Obligations.** Any Convened DC Voting Member may propose to the DC Secretary that an obligation of the relevant Affected Reference Entity be included on an initial list of potential Deliverable Obligations (such list, the "**Initial List**"). Any Eligible Market Participant may notify the DC Secretary of its proposal to include a particular obligation on the Initial List, and the DC Secretary will notify the Convened DC Voting Members of such proposal for their consideration. In order for an obligation to be included on the Initial List, whether proposed by a Convened DC Voting Member or an Eligible Market Participant, a description of the obligation, the CUSIP or ISIN number of the obligation and public copies of, or public internet links to, all material documentation, including offering documents, pricing supplements, indentures and, as applicable, guarantees, or, in each case, equivalent documentation howsoever designated in respect of the relevant obligation must be provided to the DC Secretary and the Convened DC must Resolve by a Majority to include such obligation on the Initial List. The DC Secretary shall publish the Initial List on its Website by ~~5:00p.m~~5:00 p.m. Relevant City Time on the Relevant City Business Day occurring on or immediately following the day that falls three calendar days after the first meeting of the Convened DC held with respect to a DC Question falling under this Section 3.3 (*Deliverable Obligation Resolutions*) at which an obligation of the relevant Affected Reference Entity is proposed for inclusion on the Initial List.

- (c) **Adding Obligations.** Any Eligible Market Participant may propose to the DC Secretary obligations not on the Initial List to be included on a further list of potential Deliverable Obligations. Any such proposal to add an obligation to such list must (A) have been effectively received by the DC Secretary by ~~5:00p.m~~5:00 p.m. Relevant City Time on the Relevant City Business Day occurring on or immediately following the day that falls two calendar days after the publication of the Initial List, (B) include the information and documentation described in Section 3.3(b) (*Proposing Obligations*) and (C) include agreement by such Eligible Market Participant to pay any of the reasonable costs

related to any successful challenge to the inclusion of such obligation that could be incurred under Section 3.3(e) (*The Final List of Deliverable Obligations*) (each such obligation, a "**Supplemental Obligation**" and the Supplemental Obligations, together with the obligations on the Initial List, form the "**Supplemental List**"). The DC Secretary may, in its sole discretion, refuse to include any proposed obligation on the Supplemental List where adequate supporting information and documentation is not provided or may refer the proposal to the Convened DC Members in an attempt to locate the adequate supporting information and documentation to satisfy sub-clause (B) above. The DC Secretary shall publish the Supplemental List on its Website by ~~7:00p.m~~7:00 p.m. Relevant City Time, on the Relevant City Business Day occurring on or immediately following the day that falls two calendar days after the publication of the Initial List.

- (d) **Challenging Potential Deliverable Obligations.** Any Eligible Market Participant may challenge the inclusion of an obligation on the Supplemental List (including obligations that were also on the Initial List) by notifying the DC Secretary. Any such challenge must (A) have been effectively received by the DC Secretary by ~~5:00p.m~~5:00 p.m. Relevant City Time on the Relevant City Business Day occurring on or immediately following the day that falls three calendar days after the publication of the Supplemental List (the "**Challenge Deadline**"), (B) include the CUSIP or ISIN of the challenged obligation and a full statement of the reasons why such obligation should not be considered a Deliverable Obligation and (C) include agreement by such Eligible Market Participant to pay any of the reasonable costs related to such challenge, if unsuccessful, that could be incurred under Section 3.3(e) (*The Final List of Deliverable Obligations*). Any such valid challenge shall be considered to be a DC Issue for purposes of the Rules.
- (e) **The Final List of Deliverable Obligations.** Following the publication of the Supplemental List, the Convened DC shall Resolve each challenge to each obligation on the Supplemental List by a Supermajority. Each challenge must be Resolved by ~~5:00p.m~~5:00 p.m. Relevant City Time on the Relevant City Business Day occurring on or immediately following the day that falls two calendar days after the Challenge Deadline. Each obligation for which it is Resolved that such obligation falls within a set of Deliverable Obligation Terms with respect to the relevant set of Credit Derivatives Auction Settlement Terms shall be included on the Final List, other than an obligation included within a set of Deliverable Obligation Terms that is not an obligation of the Affected Reference Entity (provided that the Convened DC may still include such an obligation on the Final List). For each obligation on the Supplemental List that is successfully challenged and not included on the Final List, the institution(s) that proposed such obligation shall, pro rata, bear the reasonable costs incurred by the DC Secretary or the Convened DC in obtaining advice and analysis as to whether or not such obligation is a Deliverable Obligation, as determined by the DC Secretary in a commercially reasonable manner. For each obligation on the Supplemental List that is unsuccessfully challenged, the institution(s) that challenged such obligation shall, pro rata, bear the reasonable costs incurred by the DC Secretary or the Convened DC in obtaining advice and analysis as to whether or not such obligation is a Deliverable Obligation, as determined by the DC Secretary in a commercially reasonable manner. Promptly upon the resolution of all DC Questions (including those that have been referred to External Review, if any) concerning whether an obligation on the Supplemental List should be excluded from the final list of Deliverable Obligations (such list, the "**Final List**"), the DC Secretary shall publish the Final List on its Website. With respect to a Final List compiled following a Potential Auctions Resolution, at the time of publication of such Final List, the DC Secretary shall specify each range of Scheduled Termination Dates with respect to which the same Permissible Deliverable Obligations apply.
- (f) **Timetables.** The Convened DC may Resolve to amend any deadline or time period established by this Section 3.3 (*Deliverable Obligation Resolutions*) by a Supermajority. The Convened DC may Resolve by a Supermajority to alter a previous DC Resolution regarding a potential Deliverable Obligation (including altering its Outstanding Principal Balance) if new information becomes known to the Convened DC. Notwithstanding Section 2.5(b) (*DC Resolutions*), the Global Dealer Voting Members and Regional Dealer Voting Members of a Convened DC may Resolve by a Supermajority

to amend previous DC Resolutions fixing the Auction Date and other timing-related terms of the Auction if challenges under Section 3.3(d) (*Challenging Potential Deliverable Obligations*) result in a delay in publication of the Final List.

- (g) **Other Deliverable Obligations-related Determinations.** A Convened DC may Resolve by a Majority:
 - (i) with respect to each Deliverable Obligation, the longest number of Transaction Type Business Days for physical settlement in accordance with then current market practice of such Deliverable Obligation;
 - (ii) subject to Section 3.3(j) (*Loan Documentation*), with respect to each Deliverable Obligation, any specific assignment, novation or other document or any other action that may be necessary, customary or desirable and reasonably requested by either party under a Relevant Transaction in connection with Buyer's Delivery; and
 - (iii) if applicable, the Currency Rate Source.
- (h) **Determinations relating to the Outstanding Principal Balance.** In addition, a Convened DC may determine that the Outstanding Principal Balance of a Deliverable Obligation is other than par, in which case it shall Resolve its Outstanding Principal Balance by Supermajority. In doing so, such Convened DC shall be entitled to assume that no applicable laws will reduce or discount the size of the claim to reflect the original issue price or accrued value of such Deliverable Obligation unless it has evidence to the contrary.
- (i) **Other Determinations relating to the Asset Package.** A Convened DC may Resolve:
 - (i) by a Supermajority, if Asset Package Delivery is applicable pursuant to the 2014 Definitions, and if so, any Asset Package relating to a Prior Deliverable Obligation or Package Observable Bond, as applicable;
 - (ii) by a Majority, if relevant, the Largest Asset Package as determined by reference to Eligible Information, or if this cannot be determined, the methodology for determining the package of Assets with the highest immediately realisable value (which methodology shall be applied by the Convened DC itself if the relevant Prior Deliverable Obligation or Package Observable Bond is included on a Final List);
 - (iii) by a Supermajority, whether any element of an Asset Package constitutes a Non-Transferable Instrument or a Non-Financial Instrument; and
 - (iv) if (iii) above is applicable, by a Majority, the methodology or the specialist valuation process to assess the Asset Market Value of a Non-Transferable Instrument or Non-Financial Instrument (which methodology or specialist valuation process shall be applied by the Convened DC itself if the relevant Prior Deliverable Obligation or Package Observable Bond is included on a Final List).
- (j) **Loan Documentation.** Notwithstanding Section 3.3(g)(ii) (*Other Deliverable Obligations-related Determinations*), with respect to each Deliverable Obligation that is a Loan, a Convened DC may Resolve by a Supermajority the documentation customarily used in the relevant market for Delivery of such Loan at that time, including any market advisory, and any amendments to such documentation to the extent necessary in order to preserve the economic equivalent, as closely as practicable, of the delivery and payment obligations of the parties under the 2014 Definitions.

3.4 Post-Final-List Determinations Where Mod R or Mod Mod R is Applicable

- (a) **Triggered Transactions and the Triggered Transaction 300/5 Criteria.** Upon publication of the Final List following the occurrence of a Potential Auctions Resolution, the Convened DC will, for purposes of any Relevant Transaction that is a July 2009 Supplement Transaction or a 2014 Transaction for which Mod R or Mod Mod R and, in either case, Auction Settlement, are specified in the related Confirmation, determine in accordance with Section 3.4(b) (*DTCC Triggered Transaction Data*) the number of such Relevant Transactions that are confirmed through DTCC and with respect to which a Notifying Party has delivered an effective Credit Event Notice in accordance with the terms of such Relevant Transaction and on or prior to the Exercise Cut-off Date applicable to such Notifying Party (such timely and effective delivery of a Credit Event Notice, a "**Trigger**", and any such Relevant Transaction so triggered, a "**Triggered Transaction**"). Unless the DC Resolves by Supermajority that no Deliverable Obligations exist in respect of the Reference Entity, if 300 or more of any group of such Relevant Transactions for which the same Permissible Deliverable Obligations apply, which would be likely to be covered by the same single set of Credit Derivatives Auction Settlement Terms and to which five or more Global Dealer Voting Members and/or Global Dealer Consultative Members (and/or, with respect to the Region in which the Transaction Type of the relevant Affected Reference Entity is included, Regional Dealer Voting Members and/or Regional Dealer Consultative Members of the Convened DC for such Region) are parties, are Triggered on or prior to the Exercise Cut-off Date applicable to Buyer (such Exercise Cut-off Date, the "**Buyer Exercise Cut-off Date**", and such criteria, the "**Triggered Transaction 300/5 Criteria**"), Credit Derivatives Auction Settlement Terms will be published with respect to such Relevant Transactions. If the Convened DC determines that the Triggered Transaction 300/5 Criteria are not satisfied with respect to such a group of Relevant Transactions, the Convened DC will Resolve by a Majority whether Credit Derivatives Auction Settlement Terms will be published, pursuant to which a Relevant Transaction in such group of Relevant Transactions would be an Auction Covered Transaction.
- (b) **DTCC Triggered Transaction Data.** With respect to each group of Relevant Transactions for which the same Permissible Deliverable Obligations apply, DTCC will, in accordance with the Relevant Transaction and Triggered Transaction Data Guidelines, provide to the Convened DC by ~~5:00p.m~~5:00 p.m. Relevant City Time on each Relevant City Business Day prior to, and including, the Buyer Exercise Cut-off Date, both a daily and a cumulative total of the number of such Relevant Transactions that have been Triggered. In accordance with the Relevant Transaction and Triggered Transaction Data Guidelines, DTCC will only count Triggered Transactions for which Auction Settlement is specified in the related Confirmations and that are confirmed through DTCC, unless the Convened DC Resolves by Supermajority that information provided in a timely manner to DTCC by other appropriate sources, such as central clearing houses, may also be counted by DTCC in the data provided by DTCC to the Convened DC. In accordance with the Relevant Transaction and Triggered Transaction Data Guidelines, for purposes of counting such Triggered Transactions, (i) DTCC will differentiate between 2014 Transactions and July 2009 Supplement Transactions, (ii) any such Relevant Transaction with respect to which each of Buyer and Seller has delivered an effective Credit Event Notice on or prior to the applicable Exercise Cut-off Date will be counted as one Triggered Transaction and (iii) all portions of a single such Relevant Transaction that are Triggered separately on or prior to the Buyer Exercise Cut-off Date, pursuant to Section 1.33 of the 2014 Definitions, will be counted collectively as one Triggered Transaction. With respect to each such group of Relevant Transactions, ISDA will publicly announce on the Relevant City Business Day immediately following the Buyer Exercise Cut-off Date (A) whether Credit Derivatives Auction Settlement Terms will be published with respect to such Relevant Transactions and (B) the number of such Relevant Transactions that have been Triggered. If, however, with respect to any such group of Relevant Transactions, DTCC informs the Convened DC on any day up to, and including, the Buyer Exercise Cut-off Date that the Triggered Transaction 300/5 Criteria have been satisfied, ISDA will publicly announce on such day that Credit Derivatives Auction Settlement Terms will be published, pursuant to which such Relevant Transactions will be Auction Covered Transactions.

- (c) **Auction Date.** The Auction Date specified in any such Credit Derivatives Auction Settlement Terms will be no earlier than six Relevant City Business Days following the Buyer Exercise Cut-off Date.

3.5 Successor Resolutions

- (a) **Successor Request.** A Convened DC may Resolve, with respect to an Affected Reference Entity, by a Majority, the date on which the DC Secretary first received a request to convene the Committee for a DC Question falling under this Section 3.5 (*Successor Resolutions*); provided that (i) determinations of effectiveness of notices for purposes of this clause shall be determined in accordance with Section 1.38 of the 2014 Definitions and (ii) each reference to "Calculation Agent City time" and "Calculation Agent City Business Day" shall be deemed to refer to "Regional City Time" and "Regional City Business Day", respectively, provided that where the Relevant Transaction Type is included in the Australia-New Zealand Region, Sydney shall be deemed to be the only Regional City for purposes of this provision only (such DC Resolution, a "**Successor Request Resolution**").
- (b) **Determination of a Successor.** A Convened DC may Resolve by a Supermajority and by reference to Eligible Information:
- (i) with respect to an Affected Reference Entity that is not a Sovereign:
 - (A) the Relevant Obligation(s) of the Affected Reference Entity, if any, including any adjustments required to be made pursuant to Section 2.2(f)(ii) of the 2014 Definitions if there is a Steps Plan;
 - (B) the proportion of the Relevant Obligation(s) to which each purported Successor succeeds; and
 - (C) the Succession Date; or
 - (ii) with respect to an Affected Reference Entity that is a Sovereign:
 - (A) the Relevant Obligation(s) of the Affected Reference Entity, including any adjustments required to be made pursuant to Section 2.2(f)(ii) of the 2014 Definitions if there is a Steps Plan;
 - (B) whether a Sovereign Succession Event has occurred;
 - (C) if so, the proportion of the Relevant Obligation(s) to which each purported Successor succeeds; and
 - (D) the Succession Date.

Following, and by reference to the DC Resolutions under Sections 3.5(b)(i) and 3.5(b)(ii) (*Determination of a Successor*), the Convened DC shall Resolve the identity of the Successor(s), if any, by a Majority (such DC Resolution, a "**Successor Resolution**").

Notwithstanding anything to the contrary in these Rules, once made, the Successor Resolution shall have effect from the Succession Date.

- (c) **Adjustments to the SRO List.** If a Successor Resolution relates to a Reference Entity (and, if applicable, the relevant Seniority Level) for which a Standard Reference Obligation is included on the SRO List, notwithstanding anything to the contrary in Section 3 (*Identifying Replacement Standard Reference Obligations*) of the SRO Rules, the Convened DC may Resolve by a Majority to

direct the SRO Administrator to make any adjustments to the SRO List (which adjustments shall not include the identification of additional Standard Reference Obligations) as it deems suitable and appropriate to reflect the Successor Resolution (such DC Resolution, an "SRO Successor Determination Adjustment Resolution").

- (d) **Adjustments to the POB List.** If a Successor Resolution relates to a Sovereign Reference Entity for which a Package Observable Bond is included on the POB List, notwithstanding anything to the contrary in Section 3 (*Identifying Replacement Package Observable Bonds*) of the POB Rules, the Convened DC may Resolve by a Majority to direct the POB Administrator to make any adjustments to the POB List (which adjustments shall not include the identification of additional Package Observable Bonds) as it deems suitable and appropriate to reflect the Package Observable Bond Resolution (such DC Resolution, a "POB Successor Determination Adjustment Resolution").

3.6 Substitute Reference Obligation Resolutions

- (a) **Substitute Reference Obligation Request.** A Convened DC may Resolve, with respect to an Affected Reference Entity, by a Majority, the date on which the DC Secretary first received a request to convene the Committee for a DC Question falling under this Section 3.6 (*Substitute Reference Obligation Resolutions*); provided that (i) determinations of effectiveness of notices for purposes of this clause shall be determined in accordance with Section 1.38 of the 2014 Definitions and (ii) each reference to "Calculation Agent City time" and "Calculation Agent City Business Day" shall be deemed to refer to "Regional City Time" and "Regional City Business Day", respectively, provided that where the Relevant Transaction Type is included in the Australia-New Zealand Region, Sydney shall be deemed to be the only Regional City for purposes of this provision only (such DC Resolution, a "**Substitute Reference Obligation Request Resolution**").
- (b) **Substitute Reference Obligations.** A Convened DC may Resolve, with respect to an Affected Reference Entity, by a Supermajority:
- (i) whether a Substitution Event has occurred in respect of one or more Relevant Transactions such that a Substitute Reference Obligation should be identified;
 - (ii) the Substitution Event Date; and
 - (iii) any Substitute Reference Obligation in accordance with Section 2.10(c) of the 2014 Definitions, provided that if more than one potential Substitute Reference Obligation is determined pursuant thereto, it shall also Resolve by Majority which such potential Reference Obligation most closely preserves the economic equivalent of the delivery and payment obligations of two hypothetical parties to a Relevant Transaction that would be affected by the identification of a Substitute Reference Obligation in accordance with Section 2.10(d) of the 2014 Definitions (such DC Resolution, a "**Substitute Reference Obligation Resolution**").
- (c) **Substitution Date.** The date on which the Substitute Reference Obligation Resolution is made shall be deemed to be the Substitution Date for purposes of the 2014 Definitions.

3.7 Merger of Reference Entity and Seller

A Convened DC may Resolve by a Supermajority, with respect to an Affected Reference Entity, whether an entity that acts as seller of protection under one or more Relevant Transactions (such entity, the "**Relevant Seller**") or such Affected Reference Entity has consolidated or amalgamated with, or merged into, or transferred all or substantially all its assets to, the Affected Reference Entity or the Relevant Seller, as applicable, or that the Relevant Seller and the Affected Reference Entity have become Affiliates.

3.8 Other DC Resolutions

- (a) **Interpretation and Amendments to the 2014 Protocol.** A Convened DC may Resolve by Supermajority (i) a question of interpretation regarding the provisions of the 2014 Protocol (including, without limitation, the definition of Protocol Covered Transaction therein) and (ii) any amendments to Schedule 1 of the 2014 Protocol in order to correct errors or otherwise give effect to the purpose of the 2014 Definitions.
- (b) **Other Determinations Relating to the Overall Market.** Any other matter of contractual interpretation relevant to the credit derivatives market generally (that is not merely a matter of bilateral dispute solely between two Eligible Market Participants) may be Resolved by a Supermajority, separately, of each Committee convened for each relevant Region, as determined by the DC Secretary. The relevant Convened DC Members may engage in consultations with other market participants for purposes of Resolving the relevant DC Question.
- (c) **Standard Reference Obligation Determinations.** A Convened DC may Resolve any determination required to be made by them pursuant to the Standard Reference Obligation Rules, in the manner prescribed therein.
- (d) **Calculation Agent Determinations.** A Convened DC may Resolve by Supermajority any determination which is described in the 2014 Definitions as being a determination to be made by the Calculation Agent and which is not explicitly referred to in these Rules.

4. EXTERNAL REVIEW

4.1 Referral to External Review

- (a) **Eligible DC Questions for Review.** Any DC Question relating to DC Resolutions to be made by Supermajority under Sections 3.1(b) (*Potential Repudiation/Moratorium Resolution*), 3.1(c) (*Credit Event Resolution*), 3.2(e)(ii) (*Decision to not hold an Auction*), 3.3(e) (*The Final List of Deliverable Obligations*), 3.3(h) (*Determinations relating to the Outstanding Principal Balance*), 3.3(i) (*Other Determinations relating to the Asset Package*), 3.3(j) (*Loan Documentation*), 3.5(b) (*Determination of a Successor*), 3.6 (*Substitute Reference Obligation Resolutions*) ~~or~~ 3.7 (*Merger of Reference Entity and Seller*) ~~or~~ Section 2.2(e)(i)(A) of the SRO Rules or Section 2.2(e)(i)(A) of the POB Rules shall be referred to the external review process described in this Section 4 (*External Review*) (such process, "**External Review**") if a Convened DC (or Relevant Convened DC, as applicable) holds a binding vote on, but is unable to Resolve by a Supermajority, such DC Question (such DC Question, an "**Eligible Review Question**"). Furthermore, any DC Question relating to DC Resolutions under Section 3.8(b) (*Other Determinations Relating to the Overall Market*) shall be referred to External Review if a Convened DC Resolves by a Majority to send such DC Question to External Review. The referral of an Eligible Review Question will occur at such time when there are at least three External Reviewers selected in accordance with Section 4.3(a) (*Conflicts*) and Section 4.3(b) (*Selection of External Reviewers*).
- (b) **Forming Reviewable Questions.** Upon referral of an Eligible Review Question to the DC Secretary for External Review in accordance with Section 4.1(a) (*Eligible DC Questions for Review*), the DC Secretary shall rephrase such Eligible Review Question in order to resemble, where applicable, the standard format of the relevant reviewable question in Schedule 1 to the Rules; provided that the phrasing may be modified to accurately reflect an Eligible Review Question that is a component question of the relevant reviewable question in Schedule 1 (each such rephrased Eligible Review Question, a "**Reviewable Question**"). Each Eligible Review Question falling under Sections 3.1(b)(ii) (*Potential Repudiation/Moratorium Resolution*), 3.1(c)(iii) (*Credit Event Resolution*), 3.3(h) (*Determinations relating to the Outstanding Principal Balance*), 3.3(i)(i) (*Other Determinations relating to the Asset Package*), 3.5(b)(i)(B) (*Determination of a Successor*),

3.5(b)(i)(C) (*Determination of a Successor*), 3.5(b)(ii)(C) (*Determination of a Successor*), 3.5(b)(ii)(D) (*Determination of a Successor*), 3.6(b)(ii) (*Substitute Reference Obligations*) or 3.6(b)(iii) (*Substitute Reference Obligations*) in accordance with the applicable standard format for Reviewable Questions specified in Schedule 1 to the Rules, shall include the two answers that were supported by the most Convened DC Voting Members during the binding vote held by the Convened DC with respect to the DC Question corresponding to such Eligible Review Question; provided that, if the number of votes in favor of either of the two answers that were supported by the most Convened DC Voting Members is tied with one or more other answers, all such tied answers shall be included in such Eligible Review Question. Each Eligible Review Question falling under Section 3.8(b) (*Other Determinations Relating to the Overall Market*) shall be phrased in the manner Resolved by the Convened DC.

- (c) **Presented Positions.** The positions to be presented to the External Reviewers (each, a "**Presented Position**") with respect to any Reviewable Question shall be as follows:
 - (i) for a Reviewable Question phrased to be answered either "yes" or "no", the Presented Positions shall be the respective arguments in favor of the "yes" and "no" answers; and
 - (ii) for a Reviewable Question not phrased to be answered either "yes" or "no", the Presented Positions shall consist of the arguments in favor of the two answers that were supported by the most Convened DC Voting Members during the binding vote held by the Convened DC with respect to such Reviewable Question; provided that, if the number of votes in favor of either of the two answers that were supported by the most Convened DC Voting Members is tied with one or more other answers, all such tied answers shall be included as Presented Positions.
- (d) **Publishing Reviewable Questions.** All Reviewable Questions shall be promptly published by the DC Secretary on its Website, along with the answer relating to each Presented Position and the Submission Deadline with respect to such Reviewable Question.

4.2 Pool Members

- (a) **Terms of Engagement.** The DC Secretary shall cause to have in place standard terms of engagement, pursuant to which Pool Members and the DC Secretary will acknowledge and agree to their respective rights and responsibilities as described in the Rules (the "**Terms of Engagement**"). The Terms of Engagement shall include provisions to pay compensation to External Reviewers and shall allow Pool Members to recuse themselves from External Review in situations where they believe a potential conflict of interest exists. The DC Secretary and a Pool Member may agree at any time to extend the term of the Terms of Engagement with respect to such Pool Member rather than allowing the Terms of Engagement to expire with respect to such Pool Member.
- (b) **Nominating Pool Members.** With respect to each Region, any ISDA Member may nominate one or more individuals to be a Pool Member for such Region by notice to the DC Secretary of each such nomination (each such individual, a "**Potential Pool Member**"). Each nomination notified to the DC Secretary will be deliberated for purposes of confirming the nomination in accordance with Section 4.2(c) (*Approval and Adherence*) the next time a meeting of a Convened DC of the relevant Region is convened; provided that the DC Secretary may convene a Convened DC of the relevant Region once per month solely for the purpose of deliberating Potential Pool Member nominations. An individual nominated to be a Potential Pool Member must be willing to provide a resume, biography or other background materials requested by the DC Secretary or the Convened DC in order to permit the Convened DC to deliberate.
- (c) **Approval and Adherence.** A Potential Pool Member shall be able to participate in External Review only after (i) a Convened DC Resolves to confirm the nomination of the relevant individual as a

Potential Pool Member by a Majority; provided that a Convened DC may not confirm the nomination of an individual that is a current employee of either a DC Member or an Affiliate of a DC Member and (ii) such Potential Pool Member adheres to the Terms of Engagement described in Section 4.2(a) (*Terms of Engagement*) (each such approved and adhering Potential Pool Member, a "**Pool Member**"). Notwithstanding Section 2.5(d) (*Publication on the ISDA Website*), the DC Secretary shall not publish the binding vote taken for purposes of confirming a Potential Pool Member.

- (d) **External Review Panel List.** The DC Secretary shall maintain a list, for each Region, of all Pool Members for such Region (each list, an "**External Review Panel List**"). The DC Secretary shall publish the members of each External Review Panel List from time to time on its Website. Any Pool Member may resign from an External Review Panel List at any time upon effective receipt by the DC Secretary of valid written notice from such Pool Member.
- (e) **Removal.** A Convened DC may Resolve to remove a Pool Member by a Majority; provided that a Pool Member that is currently serving as an External Reviewer may be removed from the External Review Panel only for fraud, wilful misconduct or voluntary breach of an express term of the Terms of Engagement ("**Cause**"). Following a DC Resolution to remove a Pool Member, the Terms of Engagement with respect to the relevant Pool Member shall terminate upon effective receipt by such Pool Member of valid written notice from the DC Secretary.

4.3 Composition of the External Review Panels

- (a) **Conflicts.** Upon the existence of an Eligible Review Question, any Convened DC Voting Member may identify any Pool Member from the External Review Panel List for the same Region as such Convened DC for purposes of analyzing their availability and potential conflicts of interest with respect to such Eligible Review Question (each such Pool Member, a "**Potential External Reviewer**"). Each Potential External Reviewer shall notify the Convened DC, via the DC Secretary, by ~~5:00p.m~~5:00 p.m. Relevant City Time on the first Relevant City Business Day after being designated a Potential External Reviewer or such other time as the Convened DC Resolves by a Majority, of its availability and disclose to the Convened DC any conflict of interest which exists or is foreseeable with respect to either the Reviewable Question or the related DC Questions which may be deliberated by the Convened DC. Any Convened DC Voting Member or Convened DC Consultative Member may also raise an existing or potential conflict of interest with respect to a Potential External Reviewer or may ask for additional information to be disclosed.
- (b) **Selection of External Reviewers.** Following the disclosure of availability and potential conflicts of interest in accordance with Section 4.3(a) (*Conflicts*), the Convened DC may Resolve by unanimity to select up to five Potential External Reviewers (of which the fourth and fifth, if any, shall be designated as the first and second alternate, respectively). If the Convened DC fails to select a total of five Potential External Reviewers and Resolves by a Majority to have the DC Secretary select the remaining Potential External Reviewers required, the DC Secretary shall select, at random, the number of remaining Potential External Reviewers necessary in order to reach a total of five selected Potential External Reviewers (or all remaining Potential External Reviewers if there are fewer than five in total) (of which the fourth and fifth, if any, shall be designated as the first and second alternate, respectively), provided that each Potential External Reviewer selected by the DC Secretary can be dismissed by the Convened DC Resolving by a Majority. The Convened DC may also follow the procedures in Section 4.3(a) (*Conflicts*) and this Section 4.3(b) (*Selection of External Reviewers*) to select additional Potential External Reviewers as necessary at any time during External Review to maintain three External Reviewers on the External Review Panel and up to two alternates. For purposes of the Rules, each Potential External Reviewer that (i) is not designated as an alternate and (ii) is either (A) selected by unanimity by the Convened DC or (B) is selected at random by the DC Secretary and is not dismissed by the Convened DC in accordance with this Section 4.3(b) (*Selection*

of *External Reviewers*) shall be an "**External Reviewer**" and upon the existence of three External Reviewers, an "**External Review Panel**" shall be deemed to have been formed.

- (c) **Resignation.** Any Potential External Reviewer may resign from being considered under Section 4.3(a) (*Conflicts*) for an External Review Panel due to unavailability or an existing or potential conflict of interest and any External Reviewer may resign from an External Review Panel due to an existing or potential conflict of interest. Such resignation shall be effective upon effective receipt by the DC Secretary of valid written notice from such Potential External Reviewer or External Reviewer, as applicable.
- (d) **Scope of the External Review Panel.** Each External Review Panel formed with respect to a Reviewable Question shall also Review any other Reviewable Questions originating from the same Convened DC. The External Review Schedule shall apply separately with respect to each Reviewable Question but, if possible, the External Reviewers should group two or more Reviewable Questions together for purposes of efficiency (such as multiple Reviewable Questions relating to obligations of an Affected Reference Entity).
- (e) **Replacement of an External Reviewer.** If an External Reviewer is effectively removed for Cause or resigns at any point during External Review, the first alternate shall no longer be designated as an alternate and shall be deemed to be an External Reviewer under the Rules following effective receipt of notice from the DC Secretary. Upon the effective replacement of an External Reviewer, (i) on or prior to the Submission Deadline for the relevant Reviewable Question, the External Review Schedule will remain unchanged or (ii) after the Submission Deadline for the relevant Reviewable Question, the External Review Schedule will be reset to the Submission Deadline and proceed accordingly.
- (f) **Replacement of Alternates.** If at any time, the first alternate is removed by the Convened DC in accordance with Section 4.3(b) (*Selection of External Reviewers*), resigns under Section 4.3(c) (*Resignation*) or is no longer designated as an alternate, the second alternate shall immediately become the first alternate and a new second alternate shall be selected by the Convened DC in accordance with the procedures of Section 4.3(a) (*Conflicts*) and Section 4.3(b) (*Selection of External Reviewers*).
- (g) **Failure to Form a Complete External Review Panel.** If, at any time, an External Review Panel does not contain three External Reviewers (taking into account each designated alternate, if any) the External Review process shall be suspended until a sufficient number of External Reviewers have been selected by the Convened DC in accordance with this Section 4 (*External Review*).

4.4 The External Review Schedule

- (a) **External Review Schedule.** The following schedule shall apply to External Review unless modified in accordance with Section 4.4(b) (*Modification to the Schedule*) (the "**External Review Schedule**"):
 - (i) Within four Relevant City Business Days from the referral of an Eligible Review Question to the DC Secretary for External Review, the External Reviewers and the Advocates shall hold an administrative meeting (subject to the provisions of Section 4.5(b) (*Administrative Meetings*)).
 - (ii) Written Materials shall be submitted to the External Reviewers no more than seven Relevant City Business Days after the referral of an Eligible Review Question to the DC Secretary for External Review (the "**Submission Deadline**").

- (iii) Oral Argument shall be heard at a time and on a Relevant City Business Day specified by the External Reviewers, but in no event before two Relevant City Business Days following the Submission Deadline and in no event later than four Relevant City Business Days after the Submission Deadline.
 - (iv) The External Reviewers shall render their Decision by ~~5:00p.m~~5:00 p.m. Relevant City Time no later than five Relevant City Business Days after the Submission Deadline (the "**Decision Deadline**").
- (b) **Modification to the Schedule.** The Convened DC may, at any time, Resolve by a Supermajority to modify the External Review Schedule for a particular Reviewable Question. The DC Secretary shall promptly notify the External Reviewers of any modification to the External Review Schedule, and in cases where the External Review Schedule is modified prior to the start of External Review, the DC Secretary shall notify the External Reviewers prior to the first administrative meeting.

4.5 General External Review Procedures

- (a) **Advocates.** The Convened DC Voting Members and Convened DC Consultative Members who support a particular Presented Position shall identify one or more persons to coordinate their communications with the External Reviewers, present their arguments to the External Reviewers and participate in Oral Arguments (each such identified persons, an "**Advocate**"). Such Convened DC Voting Members and Convened DC Consultative Members shall notify the DC Secretary and the External Reviewers of the identity of, and contact information for, their Advocate(s). All communication by the External Reviewers with the Convened DC shall be via either the DC Secretary or the Advocates. There shall be no oral communication between the External Reviewers and any individual Advocate unless an Advocate for each Presented Position is given the opportunity to be present during or is otherwise included in such communication. Communication in writing between the External Reviewers and an Advocate must also be transmitted contemporaneously to all other Advocates. Advocates may, but need not, be outside legal counsel selected by the relevant Convened DC Voting Members and Convened DC Consultative Members. An Advocate may be a Convened DC Voting Member.
- (b) **Administrative Meetings.** In addition to the administrative meeting scheduled under Section 4.4(a)(i) (*External Review Schedule*), the External Reviewers may call other administrative meetings, in each case on no less than three hours' notice to all of the Advocates. Administrative meetings may be commenced at any time between ~~10:00a.m~~10:00 a.m.— and ~~6:00p.m~~6:00 p.m. Relevant City Time on a Relevant City Business Day, or at any other time agreed to by the External Reviewers and all of the Advocates. All of the Advocates must be given the opportunity to be present at each administrative meeting and the External Reviewers must provide notice of (i) an administrative meeting taking place and (ii) the time, place and/or conference call details, as applicable, of such meeting. Administrative meetings may be held in person or by telephone, videoconference or web conference at the discretion of the External Reviewers. To the extent that in person meetings are held, any Advocate will be permitted to participate by telephone.
- (c) **Written Materials.** Certain materials in support of a Presented Position may be submitted to the External Reviewers via the DC Secretary by any ISDA Member. Allowed materials are the following (collectively, the "**Written Materials**"):
 - (i) a brief addressing the question before the External Reviewers consisting of no more than twenty single-sided, double-spaced pages in Times New Roman twelve-point font, with one inch margins, headers and footers, on A4 or 8 1/2" by 11" paper (the "**Brief**"); and

- (ii) any exhibits in support of the Brief (the "**Exhibits**"). Unless requested or allowed by the External Reviewers, the Exhibits shall not contain any witness affidavits or additional argument.

Written Materials that do not satisfy the requirements of Section 4.5(c)(i) (*Written Materials*) will only be accepted in the sole discretion of the External Reviewers. All Written Materials shall only include information that was available to the Convened DC on or prior to the binding vote held for the DC Question corresponding to such Reviewable Question and the External Reviewers, in making their Decision, shall disregard any additional information. Notwithstanding the above, Written Materials may identify new information that is relevant to the resolution of a Reviewable Question and that was not available to the Convened DC on or prior to the binding vote held for the DC Question corresponding to such Reviewable Question for purposes of returning the Reviewable Question to the Convened DC in accordance with Section 4.6(a) (*Returning the Reviewable Question to the Convened DC*), provided that such information is clearly identified to the External Reviewers. Each ISDA Member submitting information to the DC Secretary shall be deemed to represent and warrant that such information has been disclosed and can be made public without violating any law, agreement or understanding regarding the confidentiality of such information and each DC Party may rely on such representation. All Briefs shall be promptly published by the DC Secretary on its Website, along with any accompanying Exhibits for which publicly available internet links acceptable to the DC Secretary are provided.

- (d) **Oral Argument.** The External Reviewers shall hold one or more proceedings where the Advocates may orally present arguments in favor of their Presented Position (each such proceeding, an "**Oral Argument**"). An Oral Argument shall only include information that was available to the Convened DC on or prior to the binding vote held for the DC Question corresponding to such Reviewable Question. Notwithstanding the above, Oral Argument may identify new information that is relevant to the resolution of a Reviewable Question and that was not available to the Convened DC on or prior to the binding vote held for the DC Question corresponding to such Reviewable Question for purposes of returning the Reviewable Question to the Convened DC in accordance with Section 4.6(a) (*Returning the Reviewable Question to the Convened DC*), provided that such information is clearly identified to the External Reviewers. Unless the External Reviewers have altered the duration of an Oral Argument under Section 4.5(e)(ii) (*Powers of the External Reviewers*), the Advocates for each Presented Position shall be allocated an aggregate of one hour in which to present their arguments. All Advocates must be given the opportunity to be present for the duration of an Oral Argument and the External Reviewers must provide reasonable prior notice of (i) an Oral Argument taking place and (ii) the time, place and/or conference call details, as applicable, of such Oral Argument. Oral Argument may be held in person, by videoconference, by web conference or by other means established by the External Reviewers; provided that any Advocate may participate in any Oral Argument by telephone. If an Oral Argument is to be held in person, it shall be held in the Relevant City and may be held at ISDA's offices in the Relevant City.
- (e) **Powers of the External Reviewers.** The External Reviewers may, subject to the External Review Schedule of Section 4.4(a) (*External Review Schedule*), do any of the following at an administrative meeting or an Oral Argument, as applicable:
 - (i) schedule the time and Relevant City Business Day of an Oral Argument;
 - (ii) establish or alter the place, duration, format or means of an Oral Argument;
 - (iii) alter the page limit of the Brief;
 - (iv) request additional Written Materials or Oral Argument on a particular subject or in response to arguments previously made, while satisfying the requirements of Section 4.6(c) (*Reviewable Information*); and/or

- (v) upon request by a Convened DC Voting Member, allow witness affidavits as Exhibits or witness testimony at Oral Argument.
- (f) **Procedural Decisions by External Reviewers.** Unless otherwise specified, all procedural decisions contemplated under the Rules to be taken by the External Reviewers shall be decided by a Majority.
- (g) **Expenses.** Any expenses incurred by a Convened DC Voting Member or Convened DC Consultative Member in connection with the support of a Presented Position shall be borne by such Convened DC Voting Member or Convened DC Consultative Member.

4.6 The Review Process

- (a) **Returning the Reviewable Question to the Convened DC.** At any time before the Final Decision, a Convened DC may Resolve by a Majority to withdraw a Reviewable Question from External Review if new information exists that is relevant to the resolution of such Reviewable Question and was not available to the Convened DC on or prior to the binding vote held for the DC Question corresponding to such Reviewable Question. In addition, the External Reviewers shall inform the Convened DC, and may decide to return the Reviewable Question back to the Convened DC (even if the Convened DC has not withdrawn the Reviewable Question), if they determine that new information exists that is relevant to the resolution of such Reviewable Question and that it was not available to the Convened DC on or prior to the binding vote held for the DC Question corresponding to such Reviewable Question. If a Reviewable Question is returned to a Convened DC for any reason, the External Reviewers may continue to deliberate but cannot reach a Decision on such Reviewable Question until the Convened DC has held a new binding vote with respect to such Reviewable Question. The deadline for holding a binding vote under Section 2.4(d) (*Binding Votes*) shall be reset upon a Reviewable Question being returned to a Convened DC, but the External Review Schedule under Section 4.4(a) (*External Review Schedule*) shall only be suspended (and not reset) until the Convened DC either Resolves the Reviewable Question or again fails to Resolve the Reviewable Question. If a Reviewable Question is Resolved by a Convened DC, the DC Secretary shall notify the External Reviewers to cease any deliberations with respect to such Reviewable Question.
- (b) **The DC Vote.** With respect to a Reviewable Question, the answer which was supported by the most Convened DC Voting Members in the binding vote held for the DC Question corresponding to such Reviewable Question shall be the "**DC Vote**". In instances where the number of votes in favor of the answer that was supported by the most Convened DC Voting Members is tied with one or more other answers, the DC Vote for such Reviewable Question shall be the deemed vote, if any, specified in Schedule 1 to the Rules for such Reviewable Question or, with respect to a Reviewable Question that relates to a component question of a DC Question, the deemed vote specified in Schedule 1 to the Rules for the Reviewable Question that relates to such DC Question.
- (c) **Reviewable Information.** When deciding a Reviewable Question, the External Reviewers shall only consider information that was available to the Convened DC on or prior to the binding vote held for the DC Question corresponding to such Reviewable Question and shall make their Decision solely based on such information. For purposes of this Section 4 (*External Review*), all information that was publicly available on or prior to the binding vote held for the DC Question corresponding to the Reviewable Question shall be deemed to have been available to the Convened DC. With respect to a Reviewable Question, the Convened DC may disclose to the External Reviewers and Advocates what information was available to the Convened DC for purposes of its deliberations with respect to such Reviewable Question and the Advocates may jointly agree a list of the information that was available to the Convened DC and may be used for purposes of External Review. Any disputes among the Advocates regarding the composition of such list of information shall be resolved by the External Reviewers. Any agreed list of information shall be published by the DC Secretary on its Website.

- (d) **The Decision.** The External Reviewers must each, with respect to a Reviewable Question, select, without alteration, one of the Presented Positions (each selection, a "**Selection**"). The answer to the Reviewable Question shall then be determined according to the sub-clauses below (such answer, the "**Decision**", and the term "**Decided**" will be interpreted accordingly).
 - (i) **More than 60% to less than 80%.** If more than 60% of the Convened DC Voting Members participating but less than a Supermajority voted for a specific outcome in the binding vote held for the DC Question corresponding to such Reviewable Question, the Reviewable Question will be Decided in accordance with the DC Vote of such Reviewable Question unless the External Reviewers unanimously conclude that another Presented Position is "the better answer", in which case the Reviewable Question will be Decided in accordance with the Selection of the three External Reviewers.
 - (ii) **Less than or equal to 60%.** If less than or equal to 60% of the Convened DC Voting Members participating voted for a specific outcome in the binding vote held for the DC Question corresponding to such Reviewable Question, the Reviewable Question will be Decided in accordance with the DC Vote of such Reviewable Question unless at least two out of the three External Reviewers conclude that another Presented Position is "the better answer", in which case the Reviewable Question will be Decided in accordance with the Selection of the Majority of the External Reviewers.
- (e) **Relevant Governing Law.** The External Reviewers will interpret the Reviewable Question in accordance with the Relevant Governing Law. Any Decision made by the External Reviewers will be made without regard to the governing law of any Relevant Transaction.
- (f) **Publishing the Decision.** With respect to each Reviewable Question, the External Reviewers shall notify the DC Secretary by the Decision Deadline of each of their votes with respect to the Presented Positions for such Reviewable Question and will produce a single summary explaining their reasoning and analysis (including any dissenting views). In addition, the External Reviewers shall notify the DC Secretary by the Decision Deadline of the Decision reached in accordance with Section 4.6(d) (*The Decision*). The DC Secretary shall publish the votes of the External Reviewers, the written summary and the Decision on its Website within 5 hours of receiving such information from the External Reviewers (once published, the Decision is a "**Final Decision**").
- (g) **Adopting the Decision.** The Convened DC shall be deemed to ratify the Final Decision, without any amendment or further action, at the time such Final Decision is published and such Final Decision will constitute a DC Resolution for purposes of the Rules.
- (h) **Failure to Arrive at a Decision.** If the External Review Panel, for any reason, fails to make a Decision within the timeframe established by the External Review Schedule, a new External Review Panel will be selected in accordance with Section 4.3 (*Composition of the External Review Panels*) and External Review will re-commence with respect to the relevant Reviewable Question.

5. ADDITIONAL PROVISIONS

5.1 Waivers and Disclaimers

- (a) **Waiver by DC Parties.** Each DC Party shall be deemed to agree:
 - (i) that no DC Party and no legal counsel or other third-party professional hired by any DC Party in connection with any DC Party's performance of its duties under the Rules shall be liable, whether for negligence or otherwise, to such DC Party for any form of damages, whether direct, indirect, special, consequential or otherwise, that might arise in connection with any DC Party's performance of its duties, or any advice given by legal counsel or any

other third-party professional hired by any DC Party in connection with any DC Party's performance of its duties, under the Rules, except in the case of gross negligence, fraud or wilful misconduct on the part of the relevant DC Party, legal counsel or other third-party professional, as applicable; and

- (ii) to waive any claim, whether for negligence or otherwise, that may arise against any DC Party and any legal counsel or other third-party professional hired by any DC Party in connection with any DC Party's performance of its duties under the Rules, except in the case of gross negligence, fraud or wilful misconduct on the part of the relevant DC Party, legal counsel or other third-party professional, as applicable.

Notwithstanding the above, outside legal counsel or a third-party professional hired by a DC Party may still be liable to such DC Party.

- (b) **Disclaimer by the DC Parties.** No DC Party and no outside legal counsel or other third-party professional hired by any DC Party in connection with any DC Party's performance of its duties under the Rules shall undertake any duty of care or otherwise be liable to any party to a Relevant Transaction for any form of damages, whether direct, indirect, special, consequential or otherwise, that might arise in connection with any DC Party's performance of its duties, or any advice given in connection with any DC Party's performance of its duties, under the Rules, except in the case of gross negligence, fraud or wilful misconduct on the part of the relevant DC Party, legal counsel or other third-party professional, as applicable. No DC Party and no outside legal counsel or other third-party professional hired by any DC Party shall undertake any duty or otherwise be liable to any party to a Relevant Transaction for any action, including one based on negligence, that might arise in connection with any DC Party's performance of its duties, or any advice given by legal counsel or any other third-party professional hired by any DC Party in connection with any DC Party's performance of its duties, under the Rules, except in the case of gross negligence, fraud or wilful misconduct on the part of the relevant DC Party, legal counsel or other third-party professional, as applicable. Notwithstanding the above, outside legal counsel or a third-party professional hired by a DC Party may still be liable to such DC Party.

5.2 Other Provisions

- (a) **Confidentiality.** Except as (i) expressly contemplated by the Rules or (ii) as may be required by applicable law or court order or requested by a regulatory, self-regulatory or supervising authority having appropriate jurisdiction, each DC Party (and any outside legal counsel or other third-party professional hired by such DC Party in connection with such DC Party's performance of its duties under the Rules) agrees to maintain confidentiality as to all non-public deliberations occurring under the Rules, including, without limitation, any discussions, deliberations or proceedings relating to a DC Question or Reviewable Question, the results of any non-binding vote and the location, timing and/or access details for any meeting (the "**Confidential Material**"). If a DC Party is served with, or otherwise subject to, legal process (including subpoena or a discovery notice) requiring it to testify about, to produce, or otherwise to divulge Confidential Material, to the extent permitted by law, the DC Party subject to such process shall, as soon as practicable, inform the DC Secretary, who will in turn notify each DC Party so that any DC Party may seek a protective order or other remedy if desired. If such protective order or other remedy has not been obtained and the DC Party is advised, in the opinion of counsel, that it is legally compelled to disclose any of the Confidential Material, the DC Party may disclose only such Confidential Material so advised to be disclosed. If a DC Party is requested by a regulatory, self-regulatory or supervising authority having appropriate jurisdiction to disclose any Confidential Material, to the extent permitted by law, the DC Party subject to such process may comply with such request but shall, as soon as practicable, inform the DC Secretary, who will in turn notify each DC Party so that any DC Party may seek a protective order or other remedy if desired. Following publication by the DC Secretary of any Confidential Material, a DC Party shall have no duty of confidentiality with respect to such Confidential Material.

Following publication by the DC Secretary of the outcome of a binding vote of a Convened DC in accordance with Section 2.5(d)(iii) (*Publication on the ISDA Website*) or of a DC Meeting Statement in accordance with Section 2.5(d)(vi) (*Publication on the ISDA Website*), a DC Party shall have no duty of confidentiality with respect to Confidential Material relating to such binding vote or DC Meeting Statement as applicable.

- (b) **The Allocation of Regions and Transaction Types.** The Board of Directors of ISDA may at any time add a new region to the definition of "Region" for purposes of the Rules, in which case such new definition of Region shall be effective for purposes of the Rules upon publication of such new definition of Region by the DC Secretary on its Website. The DC Secretary may re-allocate the already covered Transaction Types among, or add additional Transaction Types to, specific Regions by publication of such changes on its Website. Any such publication shall be deemed to replace the relevant definitions in the Rules until a revised version of the Rules ~~are~~is published by the DC Secretary.
- (c) **Amendments to the Selection Criteria.**
 - (i) **Amendments to the Non-dealer Committee.** Any proposed amendment to Schedule 2 must be approved by a majority of the institutions on the List of Non-dealer Committee Members as of the time such amendment is first proposed.
 - (ii) **Amendments to the Trading Volume Data Guidelines.** Any proposed amendment to the Trading Volume Data Guidelines must be approved (A) first, (I) for proposed amendments that only affect the criteria with respect to one or more Regional Dealer Trading Volume Lists, by each Committee for each Region that is implicated or (II) for proposed amendments that affect the criteria with respect to the Global Dealer Trading Volume List, by each Committee for each Region, in each case, by 80% of the Global Dealer Voting Members and Regional Dealer Voting Members of each such Committee and (B) second, by a Majority of the Participating Dealer Institutions as of the time such amendment was approved under sub-clause (A) that submit a vote to the DC Secretary within fifteen calendar days of such amendment being approved under sub-clause (A).
- (d) **Amendments to the Relevant Transaction and Triggered Transaction Data Guidelines.** Any proposed amendment to the Relevant Transaction and Triggered Transaction Data Guidelines must be approved by 80% of the Global Dealer Voting Members and Regional Dealer Voting Members of each Committee.
- (e) **Amendments to the Rules.** An ISDA Member or the DC Secretary may propose an amendment to the Rules (including the Schedules attached hereto) by providing the DC Secretary with the text of such proposed amendment. Following effective receipt of any such proposed amendment, the DC Secretary shall consider such proposed amendment as a request for a meeting of a Committee under Section 2.1(a) (*Notifying ISDA*) and unless otherwise provided in the Rules, shall convene a Committee for each relevant Region; provided that the DC Secretary shall not be required to convene a meeting of a Committee more than once every six months for amendment proposals from ISDA Members that are not DC Members. Any proposed amendment under this Section 5.2(e) (*Amendments to the Rules*) shall only become effective with respect to a Region if (i) such proposed amendment is Resolved, for such Region, by a Supermajority of the relevant Convened DC Voting Members and (ii) any Eligible Market Participant is allowed to provide comment on such proposed amendment to the DC Secretary until ~~5:00p.m~~5:00 p.m. New York time on the DC Business Day on or immediately following the seventh calendar day after publication of such proposed amendment by the DC Secretary on its Website. By ~~7:00p.m~~7:00 p.m. New York time on the DC Business Day on or immediately following the seventh calendar day after the publication of such proposed amendment by the DC Secretary on its Website, the DC Secretary will notify each relevant Convened DC of all comments received by the DC Secretary with respect to such proposed

amendment, and each relevant Convened DC, acting in a commercially reasonable manner, may agree with each other relevant Convened DC to make changes to the proposed amendment that each such Convened DC Resolves to be necessary or desirable by Supermajority. Notwithstanding the above, the provisions of this Section 5.2(e) (*Amendments to the Rules*) can be overridden by a Convened DC Resolving by a Supermajority to allow amendment to the Rules with respect to such Region with a shorter public comment period or without a public comment period altogether. Following the effectiveness of any amendment, either the relevant amendment or a revised version of the Rules will be published by the DC Secretary on its Website.

- (f) **Reconstituting the Committees with respect to Regional Dealer Members.** The Participating Dealer Institutions may, at any time, set a new List Review Date with respect to one or more Regions in order to reconstitute the regional representation on the relevant Committee(s) by following the approval procedures of Section 5.2(c)(ii) (*Amendments to the Trading Volume Data Guidelines*). Any then-current Global Dealer Voting Member, Global Dealer Consultative Member or Non-dealer Member shall not be changed as a result of any List Review Date specified under this Section 5.2(f) (*Reconstituting the Committees with respect to Regional Dealer Members*).
- (g) **Governing Law.** The Rules shall be governed by, and interpreted in accordance with, the laws of the State of New York, without regard to the conflict of laws provisions thereof.
- (h) **Headings.** All headings in the Rules are for convenience of reference only and shall not affect the construction or interpretation of any provision of the Rules.

6. DEFINITIONS

All capitalized terms used but not defined in the Rules shall have the meanings given to such terms in the 2014 Definitions (or, if the context so requires, the Updated 2003 Definitions) or the form of Credit Derivatives Auction Settlement Terms, a form of which will be published by ISDA on its Website from time to time and may be amended from time to time in accordance with the Rules, as applicable.

As used in the Rules, the following terms shall have the following meanings unless the context clearly indicates otherwise:

"2014 Auction" means an Auction for which the Credit Derivatives Auction Settlement Terms specify that the Auction Covered Transactions are those which incorporate the 2014 Definitions.

"2014 Definitions" means the 2014 ISDA Credit Derivatives Definitions published by ISDA.

"2014 Transaction" means a Credit Derivative Transaction for which the 2014 Definitions have been incorporated into the related Confirmation.

"60% Requirement" has the meaning specified in Section 2.3(a).

"80% Requirement" has the meaning specified in Section 2.3(a).

"Additional Provisions" means the Additional Provisions for STMicroelectronics NV, Additional Provisions for Reference Entities with Delivery Restrictions, Additional Provisions for LPN Reference Entities, Additional Provisions for the Argentine Republic: Excluded Obligations and Excluded Deliverable Obligations, Additional Provisions for the Russian Federation: Obligation Characteristics and Deliverable Obligation Characteristics, Additional Provisions for the Republic of Hungary: Obligation Characteristics and Deliverable Obligation Characteristics, Additional Provisions for Constant Maturity Credit Default Swaps, Additional Provisions for a Secured Deliverable Obligation Characteristic, Additional Provisions for Physically Settled Default Swaps -

Monoline Insurer as Reference Entity (as published in either 2003 or 2005), or any other Additional Provisions published by ISDA from time to time, as applicable.

"Adhered CCP Member" has the meaning specified in Section 1.9(b).

"Adhered Consultative Member" means an Adhered DC Member that was a Designated Consultative Member at the time of becoming an Adhered DC Member.

"Adhered DC Member" has the meaning specified in Section 1.8(b).

"Adhered DC Voting Member" means an Adhered DC Member that was a Designated DC Voting Member at the time of becoming an Adhered DC Member.

"Adhered First Term Non-dealer Voting Member" means an Adhered DC Member that was a Designated Non-dealer Voting Member at the time of becoming an Adhered DC Member and is designated as a "First Term Non-dealer".

"Adhered Global Dealer Consultative Member" means an Adhered DC Member that was a Designated Global Dealer Consultative Member at the time of becoming an Adhered DC Member.

"Adhered Global Dealer Voting Member" means an Adhered DC Member that was a Designated Global Dealer Voting Member at the time of becoming an Adhered DC Member.

"Adhered Non-dealer Consultative Member" means an Adhered DC Member that was a Designated Non-dealer Consultative Member at the time of becoming an Adhered DC Member.

"Adhered Non-dealer Voting Member" means an Adhered DC Member that was a Designated Non-dealer Voting Member at the time of becoming an Adhered DC Member.

"Adhered Regional Dealer Consultative Member" means an Adhered DC Member that was a Designated Regional Dealer Consultative Member at the time of becoming an Adhered DC Member.

"Adhered Regional Dealer Voting Member" means an Adhered DC Member that was a Designated Regional Dealer Voting Member at the time of becoming an Adhered DC Member.

"Adhered Second Term Non-dealer Voting Member" means an Adhered DC Member that was a Designated Non-dealer Voting Member at the time of becoming an Adhered DC Member and is designated as a "Second Term Non-dealer".

"Adhered Third Term Non-dealer Voting Member" means an Adhered DC Member that was a Designated Non-dealer Voting Member at the time of becoming an Adhered DC Member and is designated as a "Third Term Non-dealer".

"Advocate" has the meaning specified in Section 4.5(a).

"Affected Reference Entity" has the meaning specified in Section 2.1(d).

"Affiliate Group" has the meaning specified in Section 1.10(k).

"Americas" means Latin America Corporate B, Standard Latin America Corporate B, Latin America Corporate BL, Standard Latin America Corporate BL, Latin America Sovereign, Standard Latin America Sovereign, North American Corporate and Standard North American Corporate.

"Asia Ex-Japan" means Asia Corporate, Standard Asia Corporate, Asia Sovereign, Standard Asia Sovereign, Singapore Corporate, Standard Singapore Corporate, Singapore Sovereign and Standard Singapore Sovereign.

"Auction" has the meaning specified in Section 3.2(a)(i).

"Auction Covered Transaction" has the meaning specified in the relevant set of Credit Derivatives Auction Settlement Terms.

"Auction Resolution" has the meaning specified in Section 3.2(a)(i).

"Australia-New Zealand" means Australia Corporate, Standard Australia Corporate, Australia Sovereign, Standard Australia Sovereign, New Zealand Corporate, Standard New Zealand Corporate, New Zealand Sovereign and Standard New Zealand Sovereign.

"Authorized Contact" has the meaning specified in Section 1.2(c).

"Brief" has the meaning specified in Section 4.5(c)(i).

"Buyer Exercise Cut-off Date" has the meaning specified in Section 3.4(a).

"Cause" has the meaning specified in Section 4.2(e).

"CCP" means a clearinghouse, clearing association, clearing corporation, or similar entity, facility, system, or organization (a **"Clearing Entity"**) that (a) enables each party to a Credit Derivative Transaction to substitute, through novation or otherwise, the credit of the Clearing Entity for the credit of its counterparty, (b) arranges or provides, on a multilateral basis, for the settlement or netting of obligations resulting from Credit Derivative Transactions executed by participants in the Clearing Entity or (c) otherwise provides clearing services or arrangements that mutualize or transfer among participants in the Clearing Entity the credit risk arising from Credit Derivative Transactions executed by the participants. The term CCP does not include a Clearing Entity solely because it arranges or provides for (i) settlement, netting, or novation of obligations resulting from agreements, contracts, or transactions on a bilateral basis and without a central counterparty or (ii) settlement or netting of cash payments through an interbank payment system.

"CCP Clearing Amount" has the meaning specified in Section 1.3(b).

"CCP Data Guidelines" means the guidelines adopted for determining the relevant open interest and clearing volume of Participating CCPs, as amended from time to time.

"CCP Letter Agreement" has the meaning specified in Section 2.2(a).

"CCP Member" has the meaning specified in Section 1.9(c).

"CCP Participation Deadline" has the meaning specified in Section 1.9(b).

"CCP Term Start Date" has the meaning specified in Section 1.9(c).

"Challenge Deadline" has the meaning specified in Section 3.3(d).

"Clearing Entity" has the meaning specified in the definition of "CCP".

"Committee" has the meaning specified in Section 1.1(a).

"Component Transaction" has the meaning specified in Section 3.1(d).

"Confidential Material" has the meaning specified in Section 5.2(a).

"Consultative Member" means a DC Member that was an Adhered Consultative Member at the time of becoming a DC Member.

"Consultative Term Start Date" has the meaning specified in Section 1.8(c)(v).

"Convened DC" has the meaning specified in Section 2.2(a).

"Convened DC CCP Member" has the meaning specified in Section 2.1(e).

"Convened DC Consultative Member" has the meaning specified in Section 2.1(e).

"Convened DC Member" means a Convened DC Voting Member, a Convened DC Consultative Member or a Convened DC CCP Member, as applicable.

"Convened DC Voting Member" has the meaning specified in Section 2.1(e).

"Coverage Election" has the meaning specified in Section 2.1(a).

"Credit Derivatives Auction Settlement Terms" means the relevant set of Credit Derivatives Auction Settlement Terms published by ISDA, in accordance with the Rules, a form of which will be published by ISDA on its Website from time to time and may be amended from time to time in accordance with the Rules.

"Credit Derivatives Physical Settlement Matrix" means the "Credit Derivatives Physical Settlement Matrix", as such term is defined in the 2005 Matrix Supplement to the 2003 ISDA Credit Derivatives Definitions published by ISDA on March 7, 2005.

"Credit Event Resolution" has the meaning specified in Section 3.1(c)(iii).

"Credit Event Request Resolution" has the meaning specified in Section 3.1(a).

"DC Business Day" means a day on which both (a) commercial banks are open for general business (including dealings in foreign exchange currency deposits) and (b) bond markets are open, in each case New York and in London, provided that the calendar day immediately following the fourth Thursday in November shall not be a DC Business Day.

"DC Issue" has the meaning specified in Section 2.2(a).

"DC Meeting Statement" means, with respect a Convened DC meeting, a statement produced by the DC Secretary following such Convened DC meeting.

"DC Member" has the meaning specified in Section 1.8(c).

"DC Participation Deadline" has the meaning specified in Section 1.8(b).

"DC Party" means DTCC, the DC Secretary, the SRO [Administrator, the POB](#) Administrator, a DC Member, a CCP Member, a Participating Bidder in a relevant Auction, an External Reviewer or an Advocate, or any Affiliates of any thereof, as applicable.

"DC Question" has the meaning specified in Section 2.2(b).

"DC Resolution" has the meaning specified in the definition of "Resolve".

"DC Secretary" has the meaning specified in Section 1.1(b).

"DC Vote" has the meaning specified in Section 4.6(b).

"DC Voting Member" means a DC Member that was an Adhered DC Voting Member at the time of becoming a DC Member.

"Dealer Member" means a Designated Global Dealer Voting Member, Adhered Global Dealer Voting Member, Global Dealer Voting Member, Designated Global Dealer Consultative Member, Adhered Global Dealer Consultative Member, Global Dealer Consultative Member, Designated Regional Dealer Voting Member, Adhered Regional Dealer Voting Member, Regional Dealer Voting Member, Designated Regional Dealer Consultative Member, Adhered Regional Dealer Consultative Member or Regional Dealer Consultative Member, as applicable.

"Dealer Shortage" has the meaning specified in Section 2.1(f)(i).

"Dealer Term Start Date" has the meaning specified in Section 1.8(c)(i).

"Decided" has the meaning specified in Section 4.6(d).

"Decision" has the meaning specified in Section 4.6(d).

"Decision Deadline" has the meaning specified in Section 4.4(a)(iv).

"Deliverable Obligation" has the meaning specified in the 2014 Definitions.

"Deliverable Obligation Provisions" means, with respect to a Credit Derivative Transaction, the provisions that specify whether it incorporates the 2014 Definitions or the Updated 2003 Definitions and that set forth the criteria for establishing what obligations may constitute Deliverable Obligations (or the provisions therein that set forth the criteria for establishing what obligations may be valued to determine a Final Price).

"Deliverable Obligation Terms" has the meaning specified in Section 3.2(c).

"Designated CCP Member" has the meaning specified in Section 1.7([bc](#)).

"Designated Consultative Member" means a Designated Global Dealer Consultative Member, Designated Regional Dealer Consultative Member or Designated Non-dealer Consultative Member, as applicable.

"Designated DC Member" means a Designated DC Voting Member or a Designated Consultative Member, as applicable.

"Designated DC Voting Member" means a Designated Global Dealer Voting Member, Designated Regional Dealer Voting Member or Designated Non-dealer Voting Member, as applicable.

"Designated Global Dealer Consultative Member" has the meaning specified in Section 1.6(a)(iii).

"Designated Global Dealer Voting Member" has the meaning specified in Section 1.6(a)(i).

"Designated Non-dealer Consultative Member" has the meaning specified in Section 1.6([ac](#))(ii).

"Designated Non-dealer Voting Member" has the meaning specified in Section 1.6([ac](#))(i).

"Designated Regional Dealer Consultative Member" has the meaning specified in Section 1.6(a)(iv).

"Designated Regional Dealer Voting Member" has the meaning specified in Section 1.6(a)(ii).

"Dominant Transaction Type" has the meaning specified in Section 2.1([ed](#)).

"DTCC" has the meaning specified in Section 1.1(b).

"Eligible CCP" has the meaning specified in Section 2.2(a).

"Eligible Cleared Reference Entity" means, with respect to an Eligible CCP, a Reference Entity for which there are one or more outstanding Relevant Transactions that (a) reference such Reference Entity and (b) are cleared by such Eligible CCP.

"Eligible Global Dealer" has the meaning specified in Section 1.4(b)(i).

"Eligible Market Participant" means (i) a party to a Relevant Transaction or (ii) a CCP that has an open interest in Relevant Transactions.

"Eligible Non-dealer" has the meaning specified in Section 1.4(c).

"Eligible Regional Dealer" has the meaning specified in Section 1.4(b)(ii).

"Eligible Review Question" has the meaning specified in Section 4.1(a).

"EMEA" means Emerging European Corporate, Standard Emerging European Corporate, Emerging European Corporate LPN, Standard Emerging European Corporate LPN, Emerging European & Middle Eastern Sovereign, Standard Emerging European & Middle Eastern Sovereign, European Corporate, Standard European Corporate, Subordinated European Insurance Corporate, Standard Subordinated European Insurance Corporate, Sukuk Corporate, Standard Sukuk Corporate, Sukuk Sovereign, Standard Sukuk Sovereign, Western European Sovereign and Standard Western European Sovereign.

"EUR" means the lawful currency of the member states of the European Union that adopt the single currency in accordance with the treaty establishing the European Community (signed in Rome on March 25, 1957), as amended by the Treaty on European Union (signed in Maastricht on February 7, 1992), the Treaty of Amsterdam (signed in Amsterdam on October 2, 1997), the Treaty of Nice (signed in Nice on February 26, 2001) and the Treaty of Lisbon (signed in Lisbon on December 13, 2007).

"Exhibits" has the meaning specified in Section 4.5(c)(ii).

"Exiting CCP" has the meaning specified in Section 1.12(a).

"External Review" has the meaning specified in Section 4.1(a).

"External Reviewer" has the meaning specified in Section 4.3(b).

"External Review Panel" has the meaning specified in Section 4.3(b).

"External Review Panel List" has the meaning specified in Section 4.2(d).

"External Review Schedule" has the meaning specified in Section 4.4(a).

"Final Decision" has the meaning specified in Section 4.6(f).

"Final List" has the meaning specified in Section 3.3(e).

"Further Review Period" means, with respect to a DC Meeting Statement, each period determined as such by the relevant Convened DC by Majority vote that begins on a Relevant City Business Day.

"General Interest Question" has the meaning specified in Section 2.1(a).

"Global Dealer Consultative Member" means a DC Member that was an Adhered Global Dealer Consultative Member at the time of becoming a DC Member.

"Global Dealer Voting Member" means a DC Member that was an Adhered Global Dealer Voting Member at the time of becoming a DC Member.

"Global Dealer Trading Volume List" has the meaning specified in Section 1.3(a).

"Holdover Non-dealer Member" has the meaning specified in Section 1.11(i).

"Implicated Transaction Type" has the meaning specified in Section 2.1([ed](#)).

"Index Transaction" means any Credit Derivative Transaction evidenced by a Confirmation substantially in the form of (a) the Untranching Confirmation (for use with CDX EM Diversified Untranching Terms) published by Markit North America, Inc. (formerly known as CDS IndexCo LLC) on September 21, 2009 and incorporating the CDX Emerging Markets Diversified Untranching Transactions Standard Terms Supplement, published by Markit North America, Inc. (formerly known as CDS IndexCo LLC) on September 21, 2009; (b) the Untranching Confirmation (for use with CDX EM Untranching Terms) published by Markit North America, Inc. (formerly known as CDS IndexCo LLC) on September 21, 2009 and incorporating the CDX Emerging Markets Untranching Transactions Standard Terms Supplement, published by Markit North America, Inc. (formerly known as CDS IndexCo LLC) on September 21, 2009; (c) the Untranching Confirmation (for use with iTraxx® Europe Untranching Standard Terms Supplement) published by International Index Company Limited on November 23, 2009 and incorporating the iTraxx® Europe Untranching Standard Terms Supplement, published by International Index Company Limited on November 23, 2009; (d) the Untranching Confirmation (for use with iTraxx® Asia ex-Japan/Japan/Australia Standard Terms Supplement) published by International Index Company Limited on November 13, 2006 and incorporating either: (i) the iTraxx® Asia Ex-Japan Standard Terms Supplement, published by International Index Company Limited on October 19, 2005; (ii) the iTraxx® Japan Standard Terms Supplement, published by International Index Company Limited on November 13, 2006; or (iii) the iTraxx® Australia Standard Terms Supplement, published by International Index Company Limited on October 19, 2005; and (e) the Untranching Confirmation (for use with iTraxx® SovX® Untranching Standard Terms Supplement) published by International Index Company Limited on September 28, 2009 and incorporating the iTraxx® SovX® Untranching Standard Terms Supplement, published by International Index Company Limited on September 28, 2009, and in each case, any Credit Derivative Transaction evidenced by a Confirmation (and incorporating the relevant standard terms supplement) that may from time to time supersede any such forms.

"Ineligible Institution" has the meaning specified in Section 1.4(a).

"Initial List" has the meaning specified in Section 3.3(b).

"Initial List Review Date" means March 31, 2009.

"Initial Review Period" means, with respect to a DC Meeting Statement, the period determined as such by the relevant Convened DC by Majority vote that begins on the day of the relevant Convened DC meeting; provided that an Initial Review Period may be lengthened by the DC Secretary in its sole discretion or otherwise modified by the relevant Convened DC by Majority vote (whether at the Convened DC meeting or following the meeting via email vote or otherwise).

"ISDA Member" means any entity that is a "Primary Member" of ISDA or a "Subscriber Member" of ISDA, from time to time, as determined by the DC Secretary.

"Japan" means Japan Corporate, Standard Japan Corporate, Japan Sovereign and Standard Japan Sovereign.

"JPY" means the lawful currency of Japan.

"July 2009 Supplement Transaction" means a Credit Derivative Transaction for which the definitions and provisions of the July 2009 Supplement have been incorporated into the related Confirmation.

"List of CCP Missed Meetings" has the meaning specified in Section 1.5.

"List of Eligible CCPs" has the meaning specified in Section 2.2(a).

"List of Eligible Global Dealer Members" has the meaning specified in Section 1.4(b)(i).

"List of Eligible Non-dealer Members" has the meaning specified in Section 1.4(c).

"List of Eligible Regional Dealer Members" has the meaning specified in Section 1.4(b)(ii).

"List of Ineligible Institutions" has the meaning specified in Section 1.4(a).

"List of Missed Auctions" has the meaning specified in Section 1.4(d).

"List of Missed Meetings" has the meaning specified in Section 1.4(e).

"List of Non-dealer Committee Members" has the meaning specified in 1.4(c).

"List of Participating CCPs" has the meaning specified in Section 1.2(b).

"List of Participating Institutions" has the meaning specified in Section 1.2(a).

"List Review Date" means the Initial List Review Date and the DC Business Day occurring on or immediately prior to March ~~30th~~ 30 of each calendar year thereafter.

"Loan Only Transaction" means a Credit Derivative Transaction in respect of which "Loan" is specified as the only Deliverable Obligation Category or a Credit Derivative Transaction pursuant to which the Reference Obligations (which are required to be Loans) and certain other Loans (or Borrowed Money obligations other than Bonds) are the only Deliverable Obligations.

"Majority" means more than 50% of those participating in a binding vote have voted in favor of a particular answer.

"Mandatory Email Vote" has the meaning specified in Section 2.4(d).

"March 2009 Supplement Transaction" means a Credit Derivative Transaction for which the definitions and provisions of the March 2009 Supplement have been incorporated into the related Confirmation.

"Merged Institution" means, with respect to an Affiliate Group, each institution in such Affiliate Group.

"Merger Date" has the meaning specified in Section 1.3(a)(ii).

"Non-dealer Committee" means the committee of non-dealers established in accordance with Schedule 2 of the Rules.

"Non-dealer Committee Member" means an institution on the Non-dealer Committee.

"Non-dealer Consultative Member" means a DC Member that was an Adhered Non-dealer Consultative Member at the time of becoming a DC Member.

"Non-dealer First Term Start Date" has the meaning specified in Section 1.8(c)(ii).

"Non-dealer Member" means Designated Non-dealer Voting Member, Adhered Non-dealer Voting Member, Non-dealer Voting Member, Designated Non-dealer Consultative Member, Adhered Non-dealer Consultative Member or Non-dealer Consultative Member, as applicable.

"Non-dealer Reduction Amount" has the meaning specified in Section 2.1(f)(ii).

"Non-dealer Second Term Start Date" has the meaning specified in Section 1.8(c)(iii).

"Non-dealer Third Term Start Date" has the meaning specified in Section 1.8(c)(iv).

"Non-dealer Voting Member" means a DC Member that was an Adhered Non-dealer Voting Member at the time of becoming a DC Member.

"Non-LCDS Auction" means an Auction or an auction for which ISDA has published a protocol for the settlement of Credit Derivatives Transactions that, in each case, is not held for the settlement of Loan Only Transactions.

"Non-mandatory Email Vote" has the meaning specified in Section 2.4(d).

"Open Interest" has the meaning specified in the CCP Data Guidelines.

"Oral Argument" has the meaning specified in Section 4.5(d).

"Participating Bidder Letter" means, with respect to an Auction, the form of Participating Bidder Letter annexed to the relevant Credit Derivatives Auction Settlement Terms or any form that is substantially similar.

"Participating CCP" means each institution on the List of Participating CCPs.

"Participating Dealer Institution" means a dealer ISDA Member (or Affiliate of such institution, as applicable) on the List of Participating Institutions.

"Participating Institution" means each institution (or Affiliate of such institution, as applicable) on the List of Participating Institutions.

"Participating Non-dealer Institution" means a non-dealer ISDA Member (or Affiliate of such institution, as applicable) on the List of Participating Institutions.

"Permissible Deliverable Obligation" has the meaning specified in Section 3.3(a)(ii).

"POB Rules" means the Package Observable Rules included herein as Schedule 5.

"POB Successor Determination Adjustment Resolution" has the meaning specified in Section 3.5(d).

"Pool Member" has the meaning specified in Section 4.2(c).

"Potential Auctions Resolution" has the meaning specified in Section 3.2(a)(ii).

"Potential Repudiation/Moratorium Request Resolution" has the meaning specified in Section 3.1(a).

"Potential Repudiation/Moratorium Resolution" has the meaning specified in Section 3.1(b).

"Potential DC Issue" has the meaning specified in Section 2.1(a).

"Potential External Reviewer" has the meaning specified in Section 4.3(a).

"Potential Pool Member" has the meaning specified in Section 4.2(b).

"Presented Position" has the meaning specified in Section 4.1(c).

"Qualifying CCP Question" has the meaning specified in Section 2.2(a).

"Quorum" has the meaning specified in Section 2.3(a).

"Region" means the Americas, Asia Ex-Japan, Australia-New Zealand, EMEA and Japan.

"Regional CCP Clearing Volume List" has the meaning specified in Section 1.3(b).

"Regional City" means, if the Relevant Transaction Type is included in (a) the Americas, New York, (b) Asia Ex-Japan, Hong Kong and Singapore, (c) Australia-New Zealand, Sydney, Singapore and Hong Kong, (d) EMEA, London and (e) Japan, Tokyo.

"Regional City Business Day" means a day on which both (a) commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) and (b) bond markets are open, in each Regional City, provided that, if the Regional City is New York, the calendar day immediately following the fourth Thursday in November shall not be a Regional City Business Day.

"Regional City Time" means the time of the Regional City.

"Regional Dealer Consultative Member" means a DC Member that was an Adhered Regional Dealer Consultative Member at the time of becoming a DC Member.

"Regional Dealer Trading Volume List" has the meaning specified in Section 1.3(a).

"Regional Dealer Voting Member" means a DC Member that was an Adhered Regional Dealer Voting Member at the time of becoming a DC Member.

"Relevant Auction" has the meaning specified in Section 1.10(f).

"Relevant City" means, if the Relevant Transaction Type is included in (a) the Americas, New York and (b) Asia Ex-Japan, Australia-New Zealand, EMEA or Japan, London.

"Relevant City Business Day" means a day on which both (a) commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) and (b) bond markets are open, in the Relevant City and each Regional City, provided that, if either the Relevant City is New York or the Regional City is New York, the calendar day immediately following the fourth Thursday in November shall not be a Relevant City Business Day.

"Relevant City Time" means the time of the Relevant City.

"Relevant Credit Derivative Transaction" means a credit default swap that is a Credit Derivative Transaction that references one or more Reference Entities of a Transaction Type that is included in the relevant Region.

"Relevant Currency" has the meaning specified in the relevant set of Credit Derivatives Auction Settlement Terms.

"Relevant Governing Law" means, if the Relevant Transaction Type is included in (a) the Americas, New York law (without regard to the conflict of laws provisions thereof) and (b) Asia Ex-Japan, Australia-New Zealand, EMEA or Japan, English law.

"Relevant Seller" has the meaning specified in Section 3.7.

"Relevant Transaction" has the meaning specified in Section 1.1(a).

"Relevant Transaction and Triggered Transaction Data Guidelines" means the guidelines adopted by the Participating Dealer Institutions and DTCC (as amended from time to time) for determining whether the Relevant Transaction 300/5 Criteria or the Triggered Transaction 300/5 Criteria, as applicable, have been satisfied.

"Relevant Transaction 300/5 Criteria" has the meaning specified in Section 3.2(a)(i).

"Relevant Transaction Type" has the meaning specified in Section 2.1(d).

"Removed Non-dealer" has the meaning specified in Section 2.1(f).

"Replaced Institution" has the meaning specified in Section 1.11(a).

"Replacement CCP Member" has the meaning specified in Section 1.12(a).

"Replacement DC" has the meaning specified in Section 2.4(c)(i).

"Replacement DC Member" has the meaning specified in Section 1.11(a).

"Resolve", "Resolved", "Resolves" and "Resolving" mean a Convened DC making (a) a specific determination through a binding vote that satisfies the applicable voting threshold and (b) where the applicable voting threshold is not met, the specific determination that is deemed to be made by a Convened DC following a Final Decision of the External Reviewers or the failure of the External Reviewers to come to a Decision- if applicable (and each such determination, a **"DC Resolution"**).

"Reviewable Question" has the meaning specified in Section 4.1(b).

"Rules" has the meaning specified in Section 1.1(a).

"Selection" has the meaning specified in Section 4.6(d).

"SRO Rules" means the Standard Reference Obligation Rules included herein as Schedule 4.

"SRO Successor Determination Adjustment Resolution" has the meaning specified in Section 3.5(c).

"Standard Agreement" has the meaning specified in Section 1.8(b).

"Submission Deadline" has the meaning specified in Section 4.4(a)(ii).

"Substitute Reference Obligation Request Resolution" has the meaning specified in Section 3.6(a).

"Substitute Reference Obligation Resolution" has the meaning specified in Section 3.6(b)(iii).

"Successor Request Resolution" has the meaning specified in Section 3.5(a).

"Successor Resolution" has the meaning specified in Section 3.5(b).

"Supermajority" means at least 80% of those participating in a binding vote have voted in favor of a particular answer.

"Supplemental Auction Terms" means, together, the Auction Settlement Date, Cap Amount, Designated Range of Scheduled Termination Dates, Final Maturity Bucket, Initial Bidding Information Publication Time, Initial Market Quotation Amount, Maximum Initial Market Bid-Offer Spread, Minimum Number of Valid Initial Market Submissions, Originally Scheduled Auction Currency Fixing Date, Originally Scheduled Initial Bidding Period, Originally Scheduled Subsequent Bidding Period, Other Initial Bidding Period, Other Originally Scheduled Initial Bidding Period, Other Originally Scheduled Subsequent Bidding Period, Other Subsequent Bidding Period, Quotation Amount Increment, RAST Notional Amount Increment, Reference Auction Obligation, Relevant Credit Derivatives Physical Settlement Matrix, Relevant Currency, Relevant Pricing Increment, Rounding Amount, Subsequent Bidding Information Publication Time and any other information establishing the details of an Auction as set forth in Schedule 1 to the relevant set of Credit Derivatives Auction Settlement Terms.

"Supplemental List" has the meaning specified in Section 3.3(c).

"Supplemental Obligation" has the meaning specified in Section 3.3(c).

"Term Start Date" means a Consultative Term Start Date, a Dealer Term Start Date, a Non-dealer First Term Start Date, a Non-dealer Second Term Start Date or a Non-dealer Third Term Start Date, as applicable.

"Terms of Engagement" has the meaning specified in Section 4.2(a).

"Trading Volume Data Guidelines" means the guidelines adopted by the Participating Dealer Institutions and DTCC for determining the relevant trading volume of Participating Dealer Institutions, as amended from time to time.

"Transaction Type" has the meaning specified in the 2005 Matrix Supplement.

"Transaction Type Business Day" means a day on which both (a) commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) and (b) bond markets are open, in the city or cities specified under the definition of Business Day in the version of the Credit Derivatives Physical Settlement Matrix most recently published by ISDA for the Transaction Type of the relevant Affected Reference Entity, provided that, if such city or cities includes New York, the calendar day immediately following the fourth Thursday in November shall not be a Transaction Type Business Day.

"Trigger" has the meaning specified in Section 3.4(a).

"Triggered Transaction" has the meaning specified in Section 3.4(a).

"Triggered Transaction 300/5 Criteria" has the meaning specified in Section 3.4(a).

~~**"Uniform Settlement Agreement"** means an agreement to facilitate the orderly settlement of Credit Derivative Transactions where Credit Event Notices and Notices of Publicly Available Information are deemed to have been effectively delivered in respect of the relevant Reference Entity that has been the subject of a Credit Event.~~

"Updated 2003 Auction" means an Auction for which the Credit Derivatives Auction Settlement Terms specify that the Auction Covered Transactions are those which incorporate the Updated 2003 Definitions.

"Updated 2003 Definitions" means (i) with respect to a March 2009 Supplement Transaction, the 2003 ISDA Credit Derivatives Definitions as supplemented by the March 2009 Supplement and (ii), with respect to a July 2009 Supplement Transaction, the 2003 ISDA Credit Derivatives Definitions as supplemented by the July 2009 Supplement, in each case, as published by ISDA.

"Updated 2003 Transaction" means a March 2009 Supplement Transaction or a July 2009 Supplement Transaction.

"USD" means the lawful currency of the United States of America.

"Voting Deadline" means, with respect to a Convened DC and a DC Meeting Statement, the deadline determined by the relevant Convened DC by Majority vote.

"Voting Request" means, with respect to a Convened DC and a DC Meeting Statement, a request by a Convened DC Member that a vote of the Convened DC be held to determine whether such DC Meeting Statement be published in its then-current form.

"Website" means "www.isda.org" or any such successor website of ISDA; provided that if the Website is unavailable for any reason, another comparable media outlet may be used by the DC Secretary as a replacement for purposes of publication of information that the DC Secretary is required to publish in accordance with the Rules.

"Written Materials" has the meaning specified in Section 4.5(c).

SCHEDULE 1

FORM OF STANDARD QUESTIONS

<u>Section</u>	<u>DC Question</u>	<u>Reviewable Question</u>	<u>Deemed Vote (if the vote of the Convened DC is tied)</u>
Credit Event and Potential Repudiation/Moratorium Questions:			
3.1(a)	What is the date on which the DC Secretary first effectively received both a request to convene the Committee and Publicly Available Information that satisfies the requirements of Section 2.1(b) for the [<i>Potential Failure to Pay, Potential Repudiation/Moratorium or Credit Event</i>] with respect to [<i>Affected Reference Entity</i>]?	Not Reviewable	N/A
3.1(b)(i)	Has a Potential Repudiation/Moratorium occurred with respect to [<i>Affected Reference Entity</i>] and Relevant Transactions with a Scheduled Termination Date occurring on or prior to [<i>date</i>]? [As modified for any component DC Question]	Has a [<i>type of Potential Repudiation/Moratorium</i>] Potential Repudiation/Moratorium occurred with respect to [<i>Affected Reference Entity</i>] and Relevant Transactions with a Scheduled Termination Date occurring on or prior to [<i>date</i>]? [As modified for any component DC Question]	No (or for any component DC Question, in favor of the answer which negates the occurrence of a Potential Repudiation/Moratorium)
3.1(b)(ii)	What is the date of the Potential Repudiation/ Moratorium that has occurred with respect to [<i>Affected Reference Entity</i>]?	Is the date of the [<i>Potential Repudiation/ Moratorium</i>] that has occurred with respect to [<i>Affected Reference Entity</i>] [<i>date with the highest Convened DC votes</i>] or [<i>date with the second highest Convened DC votes</i>]?	In favor of the most recent date out of the choices sent to External Review
3.1(c)(ii)	Has a [<i>type of Credit Event</i>] Credit Event occurred with respect to [<i>Affected Reference Entity</i>]? [As modified for any component DC Question]	Has a [<i>type of Credit Event</i>] Credit Event occurred with respect to [<i>Affected Reference Entity</i>]? [As modified for any component DC Question]	No (or for any component DC Question, in favor of the answer which negates the occurrence of a Credit Event)
3.1(c)(iii)	What is the date of the [<i>Potential Failure to Pay, Potential Repudiation/ Moratorium or Credit Event</i>] that has occurred	Is the date of the [<i>Potential Failure to Pay, Potential Repudiation/ Moratorium or Credit Event</i>] that has occurred	In favor of the most recent date out of the choices sent to External

Section	DC Question	Reviewable Question	<u>Deemed Vote</u> <u>(if the vote of the</u> <u>Convened DC is</u> <u>tied)</u>
	with respect to [<i>Affected Reference Entity</i>]?	with respect to [<i>Affected Reference Entity</i>] [<i>date with the highest Convened DC votes</i>] or [<i>date with the second highest Convened DC votes</i>]?	Review
Auction Questions following a Credit Event (i) other than a Restructuring where either Mod R or Mod R is applicable or (ii) which relates to a Relevant Transaction which is a March 2009 Supplement Transaction:			
3.2(a)(i)	Should ISDA hold one or more auctions to settle Relevant Transactions with respect to which a Credit Event Resolution has occurred in accordance with the terms set out in the form of Credit Derivatives Auction Settlement Terms with respect to [<i>Affected Reference Entity</i>]?	Not reviewable	N/A
3.2(b)(i)	Should the default Auction Date specified in Section 3.2(b)(i) be changed for the Auction(s) to be held with respect to [<i>Affected Reference Entity</i>]?	Not reviewable	N/A
3.2(b)(ii)	Should [<i>an institution other than a Global Dealer Voting Member or Regional Dealer Voting Member</i>] be permitted to act as a Participating Bidder in the Auction(s) to be held with respect to [<i>Affected Reference Entity</i>]?	Not reviewable	N/A
3.2(b)(iii)	What are the Supplemental Auction Terms for the Auction(s) to be held with respect to [<i>Affected Reference Entity</i>]?	Not reviewable	N/A
Deliverable Obligation Questions following a Credit Event (i) other than a Restructuring where either Mod R or Mod R is applicable or (ii) which relates to a Relevant Transaction which is a March 2009 Supplement Transaction:			
3.2(e)(ii)	Do any Deliverable Obligations exist in respect of [<i>Affected Reference Entity</i>]?	Do any Deliverable Obligations exist in respect of [<i>Affected Reference Entity</i>]?	No
3.2(c)	What are the Deliverable Obligation Terms to be published with respect to a set of Credit Derivatives Auction Settlement	Not reviewable	N/A

Section	DC Question	Reviewable Question	<u>Deemed Vote (if the vote of the Convened DC is tied)</u>
	Terms for [<i>Affected Reference Entity</i>]?		
3.3(a)	(For purposes of the Initial List) Is the obligation of [<i>Affected Reference Entity</i>] with [<i>CUSIP/ISIN</i>] number [<i>relevant number</i>] a Deliverable Obligation for purposes of the Auction(s) to be held with respect to [<i>Affected Reference Entity</i>]? [As modified for any component DC Question]	Not reviewable	N/A
3.3(e)	(For purposes of the Final List and following a challenge) Is the obligation of [<i>Affected Reference Entity</i>] with [<i>CUSIP/ISIN</i>] number [<i>relevant number</i>] a Deliverable Obligation for purposes of the Auction(s) to be held with respect to [<i>Affected Reference Entity</i>]? [As modified for any component DC Question]	Is the obligation of [<i>Affected Reference Entity</i>] with [<i>CUSIP/ISIN</i>] number [<i>relevant number</i>] a Deliverable Obligation for purposes of the Auction(s) to be held with respect to [<i>Affected Reference Entity</i>]? [As modified for any component DC Question]	No (or for any component DC Question, in favor of the answer which makes the obligation Not Deliverable)
3.3(g)(i)	What is the longest number of Transaction Type Business Days for physical settlement in accordance with then current market practice of [<i>Deliverable Obligation</i>]?	Not reviewable	N/A
3.3(g)(ii)	What is the specific assignment, novation or other document or any other action that may be necessary, customary or desirable and reasonably requested in connection with Buyer's Delivery of [<i>Deliverable Obligation</i>]?	Not reviewable	N/A
3.3(g)(iii)	What is the Currency Rate Source?	Not reviewable	N/A
3.3(h)	What is the Outstanding Principal Balance of [<i>Deliverable Obligation</i>] ?	Does [<i>Deliverable Obligation</i>] have an Outstanding Principal Balance of [<i>Outstanding Principal Balance with highest Convened DC Votes</i>] or [<i>Outstanding Principal Balance with second</i>	In favor of the lowest Outstanding Principal Balance out of the choices sent to External

Section	DC Question	Reviewable Question	Deemed Vote (if the vote of the Convened DC is tied)
		<i>highest Convened DC Votes</i>]?	Review.
3.3(i)(i)	If Asset Package Delivery applicable, what is the Asset Package relating to the [<i>Prior Deliverable Obligation</i>] or [<i>Package Observable Bond</i>]?	Is the [<i>Asset Package with highest Convened DC Votes</i>] or [<i>Asset Package with second highest Convened DC Votes</i>] the Asset Package relating to the [<i>Prior Deliverable Obligation</i>] or [<i>Package Observable Bond</i>]?	
3.3(i)(ii)	What is the Largest Asset Package as determined by reference to Eligible Information, or the methodology for determining the package of Assets with the highest immediately realisable value?	Not reviewable	N/A
3.3(i)(iii)	Does any element of the Asset Package constitute a Non-Transferable Instrument or a Non-Financial Instrument?	Does any element of the Asset Package constitute a Non-Transferable Instrument or a Non-Financial Instrument?	No
3.3(i)(iv)	What is the methodology or the specialist valuation process to assess the Asset Market Value of the [<i>Non-Transferable Instrument</i>] or [<i>Non-Financial Instrument</i>]?	Not reviewable	N/A
3.3(j)	What is the documentation customarily used in the relevant market for Delivery of [<i>Deliverable Obligation that is a Loan</i>], including any market advisory? What amendments to the relevant documentation are necessary in order to preserve the economic equivalent, as closely as practicable, of the delivery and payment obligations of the parties under the 2014 Definitions?	Is/Are [<i>type(s) of documentation</i>] customarily used in the relevant market for Delivery of [<i>Deliverable Obligation that is a Loan</i>]? What amendments to the relevant documentation are necessary in order to preserve the economic equivalent, as closely as practicable, of the delivery and payment obligations of the parties under the 2014 Definitions?	In favor of the answer which results in no additional documentation or amendments being required to be published.
Deliverable Obligation Questions following a Restructuring where either Mod R or Mod Mod R is applicable:			
3.2(e)(ii)	Do any Deliverable Obligations exist in respect of [<i>Affected Reference Entity</i>]?	Do any Deliverable Obligations exist in respect of [<i>Affected Reference Entity</i>]?	No
3.2(c)	What are the Deliverable Obligation Terms to be published with respect to each set of Credit	Not reviewable	N/A

<u>Section</u>	<u>DC Question</u>	<u>Reviewable Question</u>	<u>Deemed Vote (if the vote of the Convened DC is tied)</u>
	Derivatives Auction Settlement Terms for [<i>Affected Reference Entity</i>]?		
3.3(a)(ii)	<p>(For purposes of the Initial List)</p> <p>Is the obligation of [<i>Affected Reference Entity</i>] with [<i>CUSIP/ISIN</i>] number [<i>relevant number</i>] a Permissible Deliverable Obligation for purposes of the Auction that may be held with respect to [<i>Affected Reference Entity</i>] and a Triggered Transaction with a Scheduled Termination Date between [<i>relevant dates</i>] or a Maximum Maturity of [<i>number of years</i>], as applicable?</p> <p>[As modified for any component DC Question]</p>	Not reviewable	N/A
3.3(e)	<p>(For purposes of the Final List and following a challenge)</p> <p>Is the obligation of [<i>Affected Reference Entity</i>] with [<i>CUSIP/ISIN</i>] number [<i>relevant number</i>] a Permissible Deliverable Obligation for purposes of the Auction that may be held with respect to [<i>Affected Reference Entity</i>] and a Triggered Transaction with a Scheduled Termination Date between [<i>relevant dates</i>] or a Maximum Maturity of [<i>number of years</i>], as applicable?</p> <p>[As modified for any component DC Question]</p>	<p>Is the obligation of [<i>Affected Reference Entity</i>] with [<i>CUSIP/ISIN</i>] number [<i>relevant number</i>] a Permissible Deliverable Obligation for purposes of the Auction that may be held with respect to [<i>Affected Reference Entity</i>] and a Triggered Transaction with a Scheduled Termination Date between [<i>relevant dates</i>] or a Maximum Maturity of [<i>number of years</i>], as applicable?</p> <p>[As modified for any component DC Question]</p>	No
3.3(g)(i)	What is the longest number of Transaction Type Business Days for physical settlement in accordance with then current market practice of [<i>Permissible Deliverable Obligation</i>]?	Not reviewable	In favor of the most recent date out of the choices sent to External Review
3.3(g)(ii)	What is the specific assignment, novation or other document or any other action that may be necessary,	Not reviewable	N/A

Section	DC Question	Reviewable Question	<u>Deemed Vote</u> (if the vote of the Convened DC is tied)
	customary or desirable and reasonably requested in connection with Buyer's Delivery of <i>[Permissible Deliverable Obligation]</i> ?		
3.3(g)(iii)	What is the Currency Rate Source?	Not reviewable	N/A
3.3(h)	What is the Outstanding Principal Balance of <i>[Permissible Deliverable Obligation]</i> ?	Does <i>[Deliverable Obligation]</i> have an Outstanding Principal Balance of <i>[Outstanding Principal Balance with highest Convened DC Votes]</i> or <i>[Outstanding Principal Balance with second highest Convened DC Votes]</i> ?	In favor of the lowest Outstanding Principal Balance out of the choices sent to External Review.
3.3(i)(i)	If Asset Package Delivery applicable, what is the Asset Package relating to the <i>[Prior Deliverable Obligation]</i> or <i>[Package Observable Bond]</i> ?	Is the <i>[Asset Package with highest Convened DC Votes]</i> or <i>[Asset Package with second highest Convened DC Votes]</i> the Asset Package relating to the <i>[Prior Deliverable Obligation]</i> or <i>[Package Observable Bond]</i> ?	
3.3(i)(ii)	What is the Largest Asset Package as determined by reference to Eligible Information, or the methodology for determining the package of Assets with the highest immediately realisable value?	Not reviewable	N/A
3.3(i)(iii)	Does any element of the Asset Package constitute a Non-Transferable Instrument or a Non-Financial Instrument?	Does any element of the Asset Package constitute a Non-Transferable Instrument or a Non-Financial Instrument?	No
3.3(i)(iv)	What is the methodology or the specialist valuation process to assess the Asset Market Value of the <i>[Non-Transferable Instrument]</i> or <i>[Non-Financial Instrument]</i> ?	Not reviewable	N/A
3.3(j)	What is the documentation customarily used in the relevant market for Delivery of <i>[Permissible Deliverable Obligation that is a Loan]</i> , including any market advisory? What amendments to the relevant documentation are necessary in order to preserve the economic	Is/Are <i>[type(s) of documentation]</i> customarily used in the relevant market for Delivery of <i>[Permissible Deliverable Obligation that is a Loan]</i> ? What amendments to the relevant documentation are necessary in order to preserve the economic equivalent, as closely as	N/A

Section	DC Question	Reviewable Question	<u>Deemed Vote (if the vote of the Convened DC is tied)</u>
	equivalent, as closely as practicable, of the delivery and payment obligations of the parties under the 2014 Definitions?	practicable, of the delivery and payment obligations of the parties under the 2014 Definitions?	
Auction Questions following a Restructuring where either Mod R or Mod Mod R is applicable:			
3.2(a)(ii)	Should ISDA potentially hold one or more auctions to settle Relevant Transactions with respect to which a Credit Event Resolution has occurred in accordance with the terms set out in the form of Credit Derivatives Auction Settlement Terms with respect to [<i>Affected Reference Entity</i>]?	Not reviewable	N/A
3.4(a)	With respect to each group of Triggered Transactions for which the same Permissible Deliverable Obligations apply, have the Triggered Transaction 300/5 Criteria been satisfied?	Not reviewable	N/A
3.4(a)	With respect to each group of Triggered Transactions for which the same Permissible Deliverable Obligations apply, if the Triggered Transaction 300/5 Criteria have not been satisfied, should an Auction be held to settle such group of Triggered Transactions in accordance with the terms set out in the form of Credit Derivatives Auction Settlement Terms with respect to [<i>Affected Reference Entity</i>]?	Not reviewable	N/A
3.2(b)(i)	Should the default Auction Date specified in Section 3.2(b)(i) be changed for the Auction(s) to be held with respect to [<i>Affected Reference Entity</i>]?	Not reviewable	N/A
3.2(b)(ii)	Should [<i>an institution other than a Global Dealer Voting Member or Regional Dealer Voting Member</i>] be permitted to act as a Participating Bidder in the Auction(s) to be held with respect to [<i>Affected Reference Entity</i>]?	Not reviewable	N/A

Section	DC Question	Reviewable Question	<u>Deemed Vote (if the vote of the Convened DC is tied)</u>
3.2(b)(iii)	What are the Supplemental Auction Terms for the Auction(s) to be held with respect to <i>[Affected Reference Entity]</i> ?	Not reviewable	N/A
Successor Questions:			
3.5(a)	What is the date on which the DC Secretary first effectively received a request to convene the Committee to consider whether one or more Successors may be determined with respect to <i>[Affected Reference Entity]</i> ?	Not reviewable	N/A
3.5(b)(ii)(B)	If the <i>[Affected Reference Entity]</i> is a Sovereign, has a Sovereign Succession Event occurred with respect to <i>[Affected Reference Entity]</i> ?	Has a Sovereign Succession Event occurred with respect to <i>[Affected Reference Entity]</i> ?	No
3.5(b)(i)(C) and 3.5(b)(ii)(D)	What is the Succession Date with respect to <i>[Affected Reference Entity]</i> ?	Is the Succession Date with respect to <i>[Affected Reference Entity]</i> <i>[date with the highest Convened DC votes]</i> or <i>[date with the second highest Convened DC votes]</i> ?	In favor of the most recent date out of the choices sent to External Review
3.5(b)(i)(A) and 3.5(b)(ii)(A)	Is the obligation with <i>[CUSIP/ISIN]</i> number <i>[relevant number]</i> a Relevant Obligation for purposes of determining whether one or more Successors may be determined with respect to <i>[Affected Reference Entity]</i> ? [As modified for any component DC Question]	Is the obligation with <i>[CUSIP/ISIN]</i> number <i>[relevant number]</i> a Relevant Obligation for purposes of determining whether one or more Successors may be determined with respect to <i>[Affected Reference Entity]</i> ? [As modified for any component DC Question]	No (or for any component DC Question, in favor of the answer which makes the obligation not a Relevant Obligation)
3.5(b)(i)(B) and 3.5(b)(ii)(C)	What provision of Section 2.2(a) of the 2014 Definitions applies for purposes of determining whether one or more Successors may be determined with respect to <i>[Affected Reference Entity]</i> ?	Does <i>[the provision of Section 2.2(a) of the 2014 Definitions with the highest Convened DC votes]</i> or <i>[the provision of Section 2.2(a) of the 2014 Definitions with the second highest Convened DC votes]</i> apply for purposes of determining whether one or more Successors may be determined with respect to <i>[Affected Reference Entity]</i> ?	In favor of the provision which results in the fewest Successors, or if the provisions result in the same number of Successors, the provision under which the most Relevant Obligations remain with the

<u>Section</u>	<u>DC Question</u>	<u>Reviewable Question</u>	<u>Deemed Vote (if the vote of the Convened DC is tied)</u>
			Reference Entity.
3.5(b)(i) and 3.5(b)(ii)	What is the identity of the Successor(s)?	Not reviewable	N/A
Substitute Reference Obligation Questions:			
3.6(a)	What is the date on which the DC Secretary first effectively received a request to convene the Committee to consider whether a Substitution Event has occurred such that a Substitute Reference Obligation is required to be identified with respect to [<i>Affected Reference Entity</i>]?	Not reviewable	N/A
3.6(b)(i)	Has a Substitution Event occurred such that a Substitute Reference Obligation is required to be identified with respect to [<i>Affected Reference Entity</i>]?	Has a Substitution Event occurred such that a Substitute Reference Obligation is required to be identified with respect to [<i>Affected Reference Entity</i>]?	No
3.6(b)(ii)	What is the Substitution Event Date that has with respect to [<i>Affected Reference Entity</i>]?	Is the Substitution Event Date with respect to [<i>Affected Reference Entity</i>] [<i>date with the highest Convened DC votes</i>] or [<i>date with the second highest Convened DC votes</i>]?	In favor of the most recent date out of the choices sent to External Review
3.6(b)(iii)	Is the obligation with [<i>CUSIP/ISIN</i>] number [<i>relevant number</i>] a Substitute Reference Obligation of [<i>Affected Reference Entity</i>]? If more than one potential Substitute Reference Obligation is determined, is the obligation with [<i>CUSIP/ISIN</i>] number [<i>relevant number</i>] the obligation of [<i>Affected Reference Entity</i>] that most closely preserves economic equivalent of the delivery and payment obligations of two hypothetical parties to a Relevant Transaction that would be affected by the identification of a Substitute Reference Obligation in accordance with Section 2.10(d) of the 2014 Definitions? [As modified for any component	Is the obligation with [<i>CUSIP/ISIN</i>] number [<i>relevant number</i>] a Substitute Reference Obligation of [<i>Affected Reference Entity</i>]? If more than one potential Substitute Reference Obligation is determined, is the [<i>obligation with [CUSIP/ISIN] number [relevant number] and with the highest Convened DC votes</i>] or [<i>obligation with [CUSIP/ISIN] number [relevant number] and with the second highest Convened DC votes</i>] the obligation of [<i>Affected Reference Entity</i>] that most closely preserves economic equivalent of the delivery and payment obligations of two hypothetical parties to a Relevant Transaction that would be affected	No (or for any component DC Question, in favor of the answer which makes the obligation not a Substitute Reference Obligation)

Section	DC Question	Reviewable Question	Deemed Vote (if the vote of the Convened DC is tied)
	DC Question]	by the identification of a Substitute Reference Obligation in accordance with Section 2.10(d) of the 2014 Definitions? [As modified for any component DC Question]	
Merger of Reference Entity and Seller Questions:			
3.7	Has the Relevant Seller or [Affected Reference Entity] consolidated or amalgamated with, or merged into, or transferred all or substantially all its assets to, [Affected Reference Entity] or the Relevant Seller, as applicable, or have the Relevant Seller and [Affected Reference Entity] become Affiliates?	Has the Relevant Seller or [Affected Reference Entity] consolidated or amalgamated with, or merged into, or transferred all or substantially all its assets to, [Affected Reference Entity] or the Relevant Seller, as applicable, or have the Relevant Seller and [Affected Reference Entity] become Affiliates?	No
SRO identification Questions:			
2.2(e)(i)(A) of the SRO Rules	Does the Potential SRO with [CUSIP/ISIN] number [relevant number] identified in respect of [Reference Entity] pursuant to the SRO Rules satisfy both the Legal Terms Requirement and the Seniority Requirement?	Does the Potential SRO with [CUSIP/ISIN] number [relevant number] identified in respect of [Reference Entity] pursuant to the SRO Rules satisfy both the Legal Terms Requirement and the Seniority Requirement?	No (or for any component DC Question, in favor of the answer which makes the Potential SRO not satisfy the Legal Terms Requirement and the Seniority Requirement)
2.2 (e)(i)(B) of the SRO Rules	If the Potential SRO with [CUSIP/ISIN] number [relevant number] identified in respect of [Reference Entity] pursuant to the SRO Rules satisfies both the Legal Terms Requirement and the Seniority Requirement, is it suitable and appropriate as the Standard Reference Obligation for [Reference Entity] and [Seniority Level]?	Not reviewable	N/A
<u>POB identification Questions:</u>			
<u>2.2(e)(i)(A) of the POB</u>	<u>Does the Potential POB with [CUSIP/ISIN] number [relevant</u>	<u>Does the Potential POB with [CUSIP/ISIN] number [relevant</u>	<u>No (or for any component DC</u>

Section	DC Question	Reviewable Question	Deemed Vote (if the vote of the Convened DC is tied)
<u>Rules</u>	<u><i>number</i> identified in respect of [Reference Entity] pursuant to the POB Rules satisfy the Legal Terms Requirement?</u>	<u><i>number</i> identified in respect of [Reference Entity] pursuant to the POB Rules satisfy the Legal Terms Requirement?</u>	<u>Question, in favour of the answer which makes the Potential POB not satisfy the Legal Terms Requirement)</u>
<u>2.2(e)(i)(B) of the POB Rules</u>	<u>If the Potential POB with [CUSIP/ISIN] number [<i>relevant number</i>] identified in respect of [Reference Entity] satisfies the Legal Terms Requirement, is it suitable and appropriate as the Package Observable Bond for [Reference Entity] and [POB Slot]?</u>	<u>Not reviewable</u>	<u>N/A</u>

SCHEDULE 2

THE NON-DEALER COMMITTEE

1. COMPOSITION OF THE NON-DEALER COMMITTEE

- (a) The Non-dealer Committee will initially be composed of the non-dealer ISDA Members that actively participated in the ISDA meetings regarding the drafting of the March 2009 Supplement, as identified by ISDA.
- (b) A non-dealer ISDA Member may join the Non-dealer Committee by (i) providing a written summary of its experience in the credit derivatives market to the DC Secretary and (ii) providing written certification to the DC Secretary that:
 - (i) it has at least USD1,000,000,000 of assets under management (or relevant equivalent concept); and
 - (ii) as of the last day of the calendar month immediately prior to the day on which such certification is provided to the DC Secretary, the sum of:
 - (A) the aggregate notional of Credit Derivative Transactions referencing a single Reference Entity to which such non-dealer ISDA Member is a party on the date falling 12 calendar months prior to the last day of the immediately preceding calendar month; and
 - (B) the aggregate notional of additional Credit Derivative Transactions referencing a single Reference Entity entered into (including by way of assignment or novation if the non-dealer ISDA Member is not the Remaining Party) or terminated early by mutual agreement of the parties during the period from, and excluding, the date falling 12 calendar months prior to the last day of the immediately preceding calendar month, to, but excluding, the last day of the immediately preceding calendar month,exceeds USD1,000,000,000.

For purposes of this Section 1(b), non-dealer ISDA Member shall be deemed to include all Affiliates of such non-dealer ISDA Member that are not dealers.

- (c) Upon effectively receiving a valid request to join the Non-dealer Committee, the DC Secretary shall provide each Non-dealer Committee Member with a copy of such request. Such request to join the Non-dealer Committee shall be deemed to be approved unless two-thirds of the Non-dealer Committee Members as of the time such request was effectively notified to all of the Non-dealer Committee Members vote, within 10 calendar days of the DC Secretary giving notice of a request, to deny such request; provided that, for purposes of the Initial List Review Date, (i) the DC Secretary shall compile all of the requests received prior to ~~5:00p.m~~5:00 p.m. New York time on March 20, 2009 and promptly provide such requests to each Non-dealer Committee Member and (ii) Non-dealer Committee Members may vote to deny any request until ~~5:00p.m~~5:00 p.m. New York time on March 27, 2009. A non-dealer ISDA Member requesting to join the Non-dealer Committee shall not be included on the List of Non-dealer Committee Members until the expiration of the relevant voting period under this Section 1(c).

2. PARTICIPATING ON A COMMITTEE

Each Non-dealer Committee Member must notify the DC Secretary whether it wishes to serve on the Committees and may change such decision at any time upon effective receipt of written notice by the DC Secretary. Each Non-dealer Committee Member that wishes to serve on the Committees must self-identify as either a "private investment company manager", a "registered investment company manager" or "other". If a Non-dealer Committee Member wishes to serve on the Committees, such Non-dealer Committee Member cannot change its designation as either a "private investment company manager", a "registered investment company manager" or "other" unless such Non-dealer Committee Member provides written notice to the DC Secretary and two-thirds of the Non-dealer Committee Members, as of the time such request was effectively notified to all of the Non-dealer Committee Members by the DC Secretary, vote to approve such request.

3. CONTINUING MEMBERSHIP ON THE NON-DEALER COMMITTEE

- (a) On March 1st of each year, each Non-dealer Committee Member shall provide written certification that, as of such date, such Non-dealer Committee Member continues to satisfy the criteria of Section 1(b)(ii) of this Schedule 2. Failure to provide such certification shall result in the removal of such Non-dealer Committee Member from the Non-dealer Committee if such failure is not remedied within 10 calendar days of effective receipt of notice of such failure from the DC Secretary.
- (b) A Non-dealer Committee Member may be removed from the Non-dealer Committee by a binding vote of 80% of the Non-dealer Committee Members as of the date of such vote. Such Non-dealer Committee Member may not participate in such binding vote and shall not be counted for purposes of the voting threshold determination.

4. AMENDMENTS TO THIS SCHEDULE 2

Any amendment to this Schedule 2 will be made in accordance with Section 5.2(c)(i) (*Amendments to the Non-dealer Committee*) of the Rules.

SCHEDULE 3
FORM OF ELIGIBLE CCP CERTIFICATION LETTER

[Letterhead of CCP]

International Swaps and Derivatives Association, Inc.

[Date]

Send to: DCSecretary@isda.org

Dear Sirs,

We write to inform you that we wish to be an "Eligible CCP", as described in the Credit Derivatives Determinations Committees Rules, as amended from time to time in accordance with the terms thereof and as published by the International Swaps and Derivatives Association, Inc. (**ISDA**) (the **DC Rules**). Capitalized terms used but not otherwise defined in this letter shall have the meanings given to them in (a) the 2014 ISDA Credit Derivatives Definitions (as published by ISDA) (as supplemented, the **Definitions**) or (b) the DC Rules, as applicable.

By signing and sending this letter to you, we represent, as of the date of this letter, which representation will be deemed repeated on each date on which we submit a Potential DC Issue to the DC Secretary, that:

- (a) we are a clearinghouse, clearing association, clearing corporation, or similar entity, facility, system, or organization (a **Clearing Entity**) that (i) enables each party to a Credit Derivative Transaction to substitute, through novation or otherwise, the credit of the Clearing Entity for the credit of its counterparty, (ii) arranges or provides, on a multilateral basis, for the settlement or netting of obligations resulting from Credit Derivative Transactions executed by participants in the Clearing Entity or (iii) otherwise provides clearing services or arrangements that mutualize or transfer among participants in the Clearing Entity the credit risk arising from Credit Derivative Transactions executed by the participants. We are a Clearing Entity that satisfies sub-clause (i), (ii) or (iii) above other than solely due to the provision or the arranging of (A) settlement, netting, or novation of obligations resulting from agreements, contracts, or transactions on a bilateral basis and without a central counterparty or (B) settlement or netting of cash payments through an interbank payment system;
- (b) each credit default swap contract cleared by us constitutes a Credit Derivative Transaction (each, a **Cleared Contract**) and incorporates the Definitions without amendment or, to the extent that the Definitions are amended in respect of a Cleared Contract, such amendments neither (i) affect the applicability to such Cleared Contract of a DC Resolution that would otherwise be applicable to such Cleared Contract, or to a substantially equivalent non-cleared credit default swap contract nor (ii) provide for any entity, group, committee or other body (including us or any committee established pursuant to our rules for making determinations and resolving disputes) other than a Credit Derivatives Determinations Committee (any such body, an **Alternative Body**) to affect the applicability of such DC Resolution to such Cleared Contract;
- (c) with respect to a matter subject to resolution under any of Section 3.1 (*Credit Event and Potential Repudiation/Moratorium Resolutions*), 3.3 (*Deliverable Obligation Resolutions*), 3.5 (*Successor Resolutions*), 3.6 (*Substitute Reference Obligation Resolutions*) or 3.7 (*Merger of Reference Entity and Seller*) of the DC Rules:

- (i) our rules do not permit a determination to be made in respect of such matter by an Alternative Body; and
 - (ii) to the extent that a DC Resolution in relation to such matter is applicable to a Cleared Contract, such DC Resolution will, pursuant to our rules or the terms of such Cleared Contract, as applicable, and subject to Section 10.2 of the Definitions, be binding on such Cleared Contract; and
- (d) either:
- (i) with respect to a matter subject to resolution under Section 3.8(b) (*Other Determinations Relating to the Overall Market*) of the DC Rules:
 - (A) our rules do not permit a determination that would be binding on any party to a Cleared Contract to be made in respect of such matter by an Alternative Body other than an arbitrator or arbitration panel (each, an **Arbitrator**) pursuant to an arbitration proceeding (howsoever described) (I) between two or more parties (other than us), at least one of which shall be a clearing member (any such party, a **Relevant Party**), (II) which shall not be initiated by us other than at the request of a Relevant Party and (III) which shall be in respect of one or more specifically identified Cleared Contracts with respect to which a Relevant Party is a party (each, a **Relevant Cleared Contract**) (any such arbitration proceeding, an **Arbitration Proceeding**);
 - (B) with respect to a determination in respect of such matter by an Arbitrator pursuant to an Arbitration Proceeding, our rules do not permit a determination that would be binding on any party to a Cleared Contract to be made in respect of such matter by an Arbitrator pursuant to an Arbitration Proceeding unless such determination is reached on or after the twentieth calendar day following receipt by all Relevant Parties (other than the Relevant Party delivering the notice) of the last notice of claim (howsoever described, including without limitation a notice asserting a counterclaim or cross-claim) in respect of such Arbitration Proceeding, in which case such determination will only be binding on a Relevant Party to a Relevant Cleared Contract (any such determination of such matter by an Arbitrator pursuant to an Arbitration Proceeding on or after such date, an **Arbitrator Determination**); and
 - (C) notwithstanding (d)(i)(A) and (B) above, to the extent that a DC Resolution in relation to such matter is applicable to a Cleared Contract, such DC Resolution will, pursuant to our rules or the terms of such Cleared Contract, as applicable, be binding on such Cleared Contract and will override any prior Arbitrator Determination in respect of such matter, subject to Section 10.2 of the Definitions. Section 10.2 of the Definitions shall be interpreted as if any prior Arbitrator Determination in respect of such matter constituted a prior determination by the Calculation Agent with respect to the relevant Cleared Contract; or
 - (ii) with respect to a matter subject to resolution under Section 3.8(b) (*Other Determinations Relating to the Overall Market*) of the DC Rules that relates to a matter of contractual interpretation relevant to the credit derivatives market generally involving the Definitions or any confirmations, supplements, annexes or other market standard documents published by ISDA that are incorporated into the terms of a Cleared Contract (which, for the avoidance of doubt, excludes matters related to margin requirements, default management processes, clearing member and customer portability, clearinghouse disciplinary procedures and financial safeguards):

- (A) our rules do not permit a determination to be made in respect of such matter by any entity, group, committee or other body (including us or any committee established pursuant to our rules for making determinations and resolving disputes) other than a Credit Derivatives Determinations Committee unless made (x) by a risk committee that is part of our governance structure or a supervisory committee that is part of our governance structure that acts in consultation with a risk committee that is also part of our governance structure (a **Qualifying Supervisory Body**) or (y) pursuant to arbitration, disciplinary or judicial proceedings or other third-party expert determination, and, in either case, only if:
- I. such question has been previously submitted to the DC Secretary by an Eligible CCP (other than as a General Interest Question);
 - II. the DC Secretary has publicly announced that the relevant Credit Derivatives Determinations Committee has resolved to dismiss such question for a reason other than insufficient information being available to answer the relevant question or the question being premature in nature (in each case, as indicated by the Credit Derivatives Determinations Committee and published by the DC Secretary); and
 - III. where new information or analysis becomes available with respect to such matter after an announcement by the DC Secretary under clause (d)(ii)(A)II above and prior to a determination made by any Qualifying Supervisory Body or pursuant to arbitration, disciplinary or judicial proceedings or other third-party expert determination becoming binding under Section 10.2 of the Definitions (interpreted as if such Qualifying Supervisory Body or arbitration, disciplinary or judicial proceedings or other third-party expert determination constituted a Calculation Agent determination with respect to the relevant Cleared Contract), such information or analysis has been made available to the DC Secretary (which may require the re-submission of the question to the DC Secretary) and an announcement has again been made by the DC Secretary under (d)(ii)(A)II above; and
- (B) our rules or the terms of each Cleared Contract expressly provide that any DC Resolution in relation to such matter shall be binding on each Cleared Contract to which such DC Resolution is applicable (subject to Section 10.2 of the Definitions, interpreted as if any Qualifying Supervisory Body or arbitration, disciplinary or judicial proceedings or other third-party expert determination that resulted in a prior determination of such matter constituted a Calculation Agent determination with respect to the relevant Cleared Contract).

SCHEDULE 4

STANDARD REFERENCE OBLIGATION RULES

~~(September 16, 2014 Version)~~

1. General

- 1.1 SRO List.** Each Committee for a Region shall be obliged to compile and maintain an SRO List in respect of certain Reference Entities whose Transaction Type is included in that Region.
- 1.2 SRO Rules.** The selection and replacement of the Standard Reference Obligation to be included on the SRO List with respect to a Reference Entity for the applicable Seniority Level shall be governed by these Standard Reference Obligation Rules (the "**SRO Rules**").
- 1.3 SRO Administrator.** The SRO Administrator shall perform all of its functions as required by these SRO Rules in a commercially reasonable manner. Communications to the SRO Administrator shall be made in the manner prescribed and in accordance with the contact information published from time to time for this purpose by the SRO Administrator on the SRO Website.

2. Identifying Standard Reference Obligations

2.1 SRO Requests

- (a) **Notifying the SRO Administrator of an SRO Request.** An Eligible Market Participant may at any time propose to the SRO Administrator that a Standard Reference Obligation be selected for a specific Reference Entity and Seniority Level (an "**SRO Request**"). An SRO Request in respect of a Reference Entity and Seniority Level may also include an explicit request by the Eligible Market Participant that (i) an INCRO be selected as the Standard Reference Obligation (an "**INCRO SRO Request**") or (ii) an obligation of the Reference Entity that is a Loan or in respect of which the Underlying Obligation is a Loan (in either case, other than a Private-side Loan) be considered as part of the Standard Reference Obligation selection process (a "**Loan SRO Request**").
- (b) **SRO Request Requirements**
- (i) An SRO Request that is ~~a~~an SRO Request in respect of the Subordinated Level, an INCRO SRO Request and/or a Loan SRO Request, must identify and include a description of an obligation of the Reference Entity (the "**Submitted Obligation**") that the Eligible Market Participant believes would be a suitable Standard Reference Obligation in respect of such SRO Request; provided, however, that any other type of SRO Request may also identify a Submitted Obligation.
- (ii) An SRO Request that is a Loan SRO Request, must include copies of, or unrestricted internet links to, all material documentation and, as applicable, guarantees in respect of the Submitted Obligation and, in each case, such documentation or information must be documentation or information which is publicly available or which can be made public without violating a law, agreement, understanding or other restriction regarding the confidentiality of such documentation or information.

- (iii) An SRO Request that is an INCRO SRO Request, must identify each Deliverability Flaw that results in the Submitted Obligation not constituting a Conforming Obligation.
 - (iv) An SRO Request must specify the SRO Relevant Transaction Type.
 - (v) An SRO Request must include agreement by the Eligible Market Participant that it is prepared to pay any of the reasonable costs incurred by the SRO Administrator or the DC Secretary in connection with the selection of a Standard Reference Obligation for the Reference Entity and Seniority Level specified in such SRO Request including, without limitation, in obtaining advice and analysis from Legal Review Counsel (and irrespective of whether the Submitted Obligation (if any) is selected as the Standard Reference Obligation).
- (c) **Processing SRO Requests.** The Standard Reference Obligation for a Reference Entity and Seniority Level specified in an SRO Request shall be determined by the Committee (the "**Relevant Convened DC**") for the Region that includes the SRO Relevant Transaction Type applicable to the Reference Entity, in accordance with the selection process and criteria set out below.

2.2 Quarterly Standard Reference Obligation Selection Process

- (a) **General.** SRO Requests received by the SRO Administrator shall be processed by the Relevant Convened DC in quarterly cycles by reference to Quarterly Roll Dates as per the process set out below. As such, in respect of an SRO Request received during the Quarterly Submission Period in respect of a Quarterly Roll Date, the Standard Reference Obligation for a Reference Entity and Seniority Level specified in an SRO Request shall be selected and published on the SRO List by no later than such Quarterly Roll Date. Notwithstanding the foregoing, the Relevant Convened DC may in its sole discretion by a Majority DC Resolution, amend any deadline or time period for any reason whatsoever including, without limitation, if (i) the volume of SRO Requests received ~~or~~ the number of Potential SROs in respect of a particular quarter or the volume of other DC Issues being deliberated by the Relevant Convened DC makes it impractical for ~~the Relevant Convened DC~~ it to process all such SRO Requests or review all such Potential SROs (taking into account the time required to conclude legal review of such Potential SROs pursuant to Section 2.2(d) (*Legal Review of Potential SRO*)), (ii) the Relevant Convened DC is unable to select a Standard Reference Obligation due to a lack of Required Information, (iii) there are delays in Resolving any challenges under Section 2.3 (*Challenging Standard Reference Obligation DC Resolutions*), or (iv) market participants would benefit from the Standard Reference Obligation for a Reference Entity and Seniority Level being determined on an expedited basis. The Relevant Convened DC may also prioritise SRO Requests ~~based on notional trading volume or otherwise as requested by DC Members of the Relevant Convened DC~~ in its sole discretion, by a Majority DC Resolution.
- (b) **Endorsing an SRO Request.** In respect of each Quarterly Roll Date:
 - (i) following receipt by the SRO Administrator under Section 2.1(a) (*Notifying the SRO Administrator of an SRO Request*) of an SRO Request that satisfies the relevant requirements of Section 2.1(b) (*SRO Request Requirements*) during the Quarterly Submission Period in respect of such Quarterly Roll Date, the SRO Administrator shall (a) promptly publish such SRO Request on the SRO Website together with the identity of the Eligible Market Participant that submitted such request and each piece of supporting information (if any) submitted with such request and (b) identify the Relevant Convened DC in respect of such SRO

Request in a manner consistent with Section 2.1(c) (*Processing SRO Requests*) above;

- (ii) (A) at regular intervals during the Quarterly Submission Period in respect of such Quarterly Roll Date (which in any event shall not be less frequent than fortnightly) and (B) by no later than 5:00 p.m. Relevant City Time on the Relevant City Business Day immediately following the end of such Quarterly Submission Period, the SRO Administrator shall notify (such notification, an "**SRO Request Notification**") each Relevant Convened DC identified in accordance with Section 2.2(b)(i) above of the SRO Request(s) that it has received, as at the date of such SRO Request Notification, during such Quarterly Submission Period and which require processing by that Relevant Convened DC;
- (iii) the SRO Request Notification shall ask the Dealer Members of the Relevant Convened DC whether they want to endorse each such SRO Request and the Submitted Obligation (if any) specified therein;
- (iv) an SRO Request shall be endorsed ("**Endorsed**") if a Qualified Majority of the Dealer Members of the Relevant Convened DC notifies the SRO Administrator that it endorses the SRO Request and the Submitted Obligation (if any) specified therein by no later than 5:00 p.m. Relevant City Time on the second Relevant City Business Day following such SRO Request Notification (the "**Endorsement Cut-off Time**"). If a Dealer Member of the Relevant Convened DC has submitted the relevant SRO Request, it shall automatically count as one vote towards satisfying the applicable endorsement requirements specified in the immediately preceding sentence. The SRO Administrator shall promptly publish on the SRO Website whether or not such SRO Request has been Endorsed; and
- (v) if an SRO Request is not Endorsed, it shall be deemed to have been rejected and a Standard Reference Obligation with respect to the Reference Entity and Seniority Level specified in the SRO Request shall not be identified in accordance with the selection process set out below. An SRO Request that is deemed to have been rejected shall not prevent an Eligible Market Participant from submitting a new SRO Request in respect of the same Reference Entity and Seniority Level at a later date.

Notwithstanding the foregoing, if an SRO Request is submitted by a Relevant CCP and relates to a Reference Entity and Seniority Level that is referenced (including as a component of a credit index) in 2014 Transactions that are cleared by such Relevant CCP, then such SRO Request shall automatically be deemed to be Endorsed without the requirement for any Dealer Members of the Relevant Convened DC to notify the SRO Administrator that it endorses such SRO Request and the Submitted Obligation (if any) specified therein in accordance with ~~subparagraph~~ sub-clause (iv) above; provided, however, that a Qualified Majority of Dealer Members of the Relevant Convened DC may amend the terms of such SRO Request so as to replace the Submitted Obligation (if any) specified therein or to include a Submitted Obligation therein (and accordingly to conform the status of such SRO Request to reflect such new Submitted Obligation) except that a Submitted Obligation may not be replaced or included if the effect of such replacement or inclusion would be to change the Seniority Level specified in such SRO Request.

- (c) **Identifying Potential SROs and sourcing Required Information.** In respect of each SRO Request that is, or is deemed to be, Endorsed (each, an "**Endorsed SRO Request**"), the SRO Administrator will, immediately following the applicable Endorsement Cut-off Time, use reasonable efforts to identify an obligation (a "**Potential SRO**") of the relevant

Reference Entity (either directly or as provider of a guarantee) for the applicable Seniority Level from the following pool of obligations and in the specified order of priority:

- (i) first, the Market Standard Reference Obligation in respect of the Reference Entity for the applicable Seniority Level; or if no such obligation is available,
- (ii) second, the General Criteria Obligation in respect of the Reference Entity for the applicable Seniority Level, provided that if such Reference Entity has more than one General Criteria Obligation the Potential SRO shall be selected in accordance with the General Criteria Obligation Priority Rules.

The above selection criteria for purposes of identifying a Potential SRO shall in all cases be applied by reference to the terms of the relevant obligation of the Reference Entity as at the relevant Assessment Date.

Following the identification of a Potential SRO in respect of a Reference Entity for the applicable Seniority Level, the SRO Administrator shall: (A) notify Legal Review Counsel of such Potential SRO and the Submitted Obligation (if any and if different to such Potential SRO), and provide Legal Review Counsel with any Required Information that it has received from the Eligible Market Participant who submitted the Endorsed SRO Request in respect of such Potential SRO and, if applicable, the Submitted Obligation, by no later than 5:00 p.m. Relevant City Time on the first Relevant City Business Day following the applicable Endorsement Cut-off Time or, in the case of subsequent requests to identify additional Potential SROs, by no later than 5:00 p.m. Relevant City Time on the first Relevant City Business Day following the relevant request; and (B) attempt to source, and provide Legal Review Counsel with, additional Required Information in respect of such Potential SRO, and if applicable, the Submitted Obligation, as soon as practicable following the applicable Endorsement Cut-off Time or, in the case of subsequent requests to identify additional Potential SROs, as soon as practicable following the relevant request. The SRO Administrator will only provide the Relevant Convened DC and Legal Review Counsel with documentation and information which is publicly available or which can be made public without violating a law, agreement, understanding or other restriction regarding the confidentiality of such documentation or information.

- (d) **Legal Review of Potential SRO.** In respect of an Endorsed SRO Request and the Potential SRO identified pursuant to Section 2.2(c) (*Identifying Potential SROs and sourcing Required Information*) above in respect of the relevant Reference Entity and Seniority Level:
 - (i) Legal Review Counsel shall review the Required Information it has received from the SRO Administrator in respect of the Potential SRO for the purposes of advising the Relevant Convened DC whether such Potential SRO satisfies the Legal Terms Requirement and the Seniority Requirement. Legal Review Counsel shall notify the SRO Administrator and the Relevant Convened DC of its advice and analysis as soon as reasonably practicable and in any event by no later than 5:00 p.m. Relevant City Time on the Relevant City Business Day immediately preceding the Quarterly SRO Selection Date in respect of the relevant Quarterly Roll Date, unless Legal Review Counsel has notified the SRO Administrator and the Relevant Convened DC that, due to the volume of SRO Requests and/or the number of Potential SROs that need to be processed and/or reviewed in respect of such Quarterly Roll Date, it would not be practicable to conclude all such reviews by this time;

- (ii) if Legal Review Counsel is of the view that the Potential SRO does not satisfy, or believes there is material doubt as to whether the Potential SRO satisfies, the Legal Terms Requirement and/or the Seniority Requirement and therefore the Relevant Convened DC may pass an SRO Non-Identification Resolution in respect of such Potential SRO on the relevant Quarterly SRO Selection Date in accordance with Section 2.2(e) (*Resolving Standard Reference Obligation DC Resolutions*) below, Legal Review Counsel shall ask the SRO Administrator to identify the next applicable Potential SRO in accordance with Section 2.2(c) (*Identifying Potential SROs and sourcing Required Information*) above;
 - (iii) following notification of the next applicable Potential SRO and receipt of the Required Information in respect thereof, Legal Review Counsel shall repeat the process set out in ~~subparagraphs~~ sub-clauses (i) and (ii) above and shall continue to do so in respect of other Potential SROs (which shall be sequentially identified in descending order of priority by the SRO Administrator in accordance with Section 2.2(c) (*Identifying Potential SROs and sourcing Required Information*) above) until Legal Review Counsel identifies a Potential SRO that it believes satisfies both the Legal Terms Requirement and the Seniority Requirement or the SRO Administrator is unable to identify further Potential SROs;
 - (iv) the process contemplated by Section 2.2(c) (*Identifying Potential SROs and sourcing Required Information*) above and this Section 2.2(d) (*Legal Review of Potential SRO*) is intended to take place in the period from and including the Endorsement Cut-off Time in respect of such Endorsed SRO Request to and including the Relevant City Business Day immediately preceding the Quarterly SRO Selection Date in respect of the relevant Quarterly Roll Date to which such Endorsed SRO Request relates (the "**Potential SRO Identification and Legal Review Period**"). If Legal Review Counsel is of the view that a Potential SRO identified in accordance with such process satisfies the Legal Terms Requirement and the Seniority Requirement, then Legal Review Counsel shall not review any further Potential SROs in respect of the relevant Reference Entity and Seniority Level; and
 - (v) if Legal Review Counsel determines that it has been provided with insufficient (or no) Required Information such that it is unable to come to a view as to whether the Potential SRO satisfies the Legal Terms Requirement and/or the Seniority Requirement, it shall immediately notify the SRO Administrator who shall attempt to source further Required Information which may include, without limitation, asking the Eligible Market Participant that submitted the SRO Request and/or the Relevant Convened DC to source and submit additional documentation and/or information.
- (e) **Resolving Standard Reference Obligation DC Resolutions.** On the Quarterly SRO Selection Date in respect of a Quarterly Roll Date, the Relevant Convened DC in respect of an Endorsed SRO Request that was submitted during the related (or a previous) Quarterly Submission Period ~~shall~~may:
- (i) in respect of each Potential SRO for the relevant Reference Entity and Seniority Level that has been identified by the SRO Administrator and reviewed by Legal Review Counsel during the related (and/or a previous) Potential SRO Identification and Legal Review Period, (A) Resolve by a Supermajority whether such Potential SRO satisfies both the Legal Terms Requirement and the Seniority Requirement and (B) Resolve by a Majority whether such Potential SRO would be suitable and appropriate as the Standard Reference Obligation for such Reference

Entity and Seniority Level. After giving effect to External Review of the DC Question relating to the DC Resolution to be made under (A) (if applicable), if the DC Resolutions made under both (A) and (B) are affirmative, such DC Resolutions shall together constitute a DC Resolution that is an **"SRO Identification Resolution"** or, if either or both of the DC Resolutions made under (A) and (B) is negative, such DC Resolutions shall together constitute a DC Resolution that is an **"SRO Non-Identification Resolution"**. If the Potential SRO to which an SRO Identification Resolution relates is an INCRO, the SRO Identification Resolution shall identify the Potential SRO as such and specify each corresponding Deliverability Flaw. Any SRO Non-Identification Resolution in respect of a Potential SRO shall identify which ~~(or that both)~~ of the DC Resolutions referred to in (A) and (B) above were negative (or that both were); and

- (ii) if the Relevant Convened DC passes an SRO Non-Identification Resolution in respect of all ~~such~~ Potential SROs in accordance with Section 2.2(e)(i), or the SRO Administrator was unable to identify any Potential SROs for the relevant Reference Entity and Seniority Level during the corresponding Potential SRO Identification and Legal Review Period, Resolve by a Majority that, in respect of the relevant SRO Request, no obligation is available for selection as the Standard Reference Obligation for such Reference Entity and Seniority Level (such a DC Resolution, a **"No SRO Identified Resolution"**).
- (f) **Publication of DC Resolutions.** The ~~SRO Administrator~~ DC Secretary shall promptly publish ~~on the SRO Website, and the DC Secretary shall promptly publish on its Website,~~ any SRO Identification Resolution, SRO Non-Identification Resolution and/or No SRO Identified Resolution on the Website.
- (g) **Identification of Standard Reference Obligation.** If the SRO Identification Resolution relating to a Potential SRO for the relevant Reference Entity and Seniority Level either (A) is unsuccessfully challenged or (B) is not subject to any challenge by the Challenge Deadline, in each case, in accordance with Section 2.3 (*Challenging Standard Reference Obligation DC Resolutions*) below, then that Potential SRO shall be the Standard Reference Obligation for that Reference Entity and Seniority Level and the SRO Administrator shall promptly publish such Standard Reference Obligation, the Reference Entity and Seniority Level and the relevant SRO Relevant Transaction Type on the SRO List. If the Standard Reference Obligation is an INCRO, the SRO Administrator shall identify such Standard Reference Obligation as an INCRO, and specify each corresponding Deliverability Flaw, on the SRO List.
- (h) **Non-identification of Standard Reference Obligation.** If a No SRO Identified Resolution for the relevant Reference Entity and Seniority Level either (A) is unsuccessfully challenged or (B) is not subject to any challenge by the applicable Challenge Deadline, in each case, in accordance with Section 2.3 (*Challenging Standard Reference Obligation DC Resolutions*) below, then there shall be no Standard Reference Obligation for that Reference Entity and Seniority Level identified on the SRO List (other than in accordance with Section 2.5 (*Identifying a Standard Reference Obligation for the Subordinated Level*) below) unless and until a Standard Reference Obligation is subsequently selected in accordance with these SRO Rules.

2.3 Challenging Standard Reference Obligation DC Resolutions

- (a) Any Eligible Market Participant may challenge a Standard Reference Obligation DC Resolution in accordance with the provisions set out below.

- (b) Any challenge by an Eligible Market Participant must: (i) have been effectively received by the SRO Administrator by 5:00 p.m. Relevant City Time on the fifth Relevant City Business Day immediately following the publication of the relevant Standard Reference Obligation DC Resolution on the ~~SRO~~-Website (the "**Challenge Deadline**"); (ii) include a full statement of the reasons why such challenge is being made which may include, without limitation, that (A) the requirements to constitute a Potential SRO are not satisfied, (B) the Legal Terms Requirement and/or the Seniority Requirement are or are not, as the case may be, satisfied, (C) the related SRO Request should not have been Endorsed or (D) another obligation of the relevant Reference Entity would be more suitable and/or appropriate as the Standard Reference Obligation, in which case such challenge must include Required Information in respect of the proposed obligation; and (iii) include agreement by such Eligible Market Participant that it is prepared to pay any of the reasonable costs related to such challenge, if unsuccessful.
- (c) The Relevant Convened DC shall Resolve each challenge to a Standard Reference Obligation DC Resolution by a Majority. Each challenge must be Resolved by 5:00 p.m. Relevant City Time on the fifth Relevant City Business Day immediately following the relevant Challenge Deadline (the "**Challenge Resolution Date**"). Promptly following resolution of any such challenge, the DC Secretary shall publish such DC Resolution on its Website. The SRO Administrator shall publish ~~on the SRO Website, and the DC Secretary shall publish on its Website,~~ the outcome of any challenge as soon as practicable, but in any case, promptly after the Challenge Resolution Date on the SRO Website.
- (d) If the Relevant Convened DC Resolves that any such challenge is successful, then the Relevant Convened DC shall be deemed to have Resolved that the relevant Standard Reference Obligation DC Resolution was not passed. Following any such successful challenge, the Relevant Convened DC shall in its sole discretion and by Majority DC Resolution determine the next steps (if any) that such Relevant Convened DC (or any Eligible Market Participant, the SRO Administrator or Legal Review Counsel, as applicable) must or may need to take in order to identify a Standard Reference Obligation in respect of the relevant Reference Entity and Seniority Level, adhering to the extent possible to the process and timings set out in these SRO Rules and taking into account any obligations of the relevant Reference Entity and Seniority Level that the Eligible Market Participant may have submitted with such challenge; provided, however, that the Relevant Convened DC shall not pass an SRO Identification Resolution in respect of another obligation of the relevant Reference Entity and Seniority Level unless it is satisfied that such obligation (i) is a General Criteria Obligation of the Reference Entity and (ii) satisfies the applicable Legal Terms Requirement and the Seniority Requirement. Any SRO Identification Resolution that the Relevant Convened DC passes in respect of a successful challenge shall itself be subject to challenge pursuant to this Section 2.3 (*Challenging Standard Reference Obligation DC Resolutions*).
- (e) For each Standard Reference Obligation DC Resolution that is unsuccessfully challenged, the institution(s) that challenged such resolution may be required to and, if so, shall, pro rata, bear the reasonable costs incurred by the SRO Administrator, Legal Review Counsel, the DC Secretary or the Relevant Convened DC in connection with such challenge.

2.4 Identifying Standard Reference Obligations for Sovereign Reference Entities

Notwithstanding anything to the contrary in this Section 2 (*Identifying Standard Reference Obligations*), if an Endorsed SRO Request relates to a Reference Entity which is a Sovereign and in respect of which one or more Package Observable Bonds have been published on the POB Website as at the relevant Assessment Date, then (a) the process contemplated by Section 2.2(c) (*Identifying Potential SROs and sourcing Required Information*) and Section 2.2(d) (*Legal Review*

of Potential SRO) above shall not take place and (b) the Relevant Convened DC ~~shall~~ may pass an SRO Identification Resolution in respect of the Relevant Package Observable Bond of that Reference Entity. Such SRO Identification Resolution shall not be subject to any challenge pursuant to Section 2.3 (*Challenging Standard Reference Obligation DC Resolutions*) and therefore upon the Relevant Convened DC passing such SRO Identification Resolution, that Relevant Package Observable Bond shall be the Standard Reference Obligation for that Sovereign Reference Entity and the SRO Administrator shall promptly publish such obligation on the SRO List. Once a Package Observable Bond has been selected as the Standard Reference Obligation for a Sovereign Reference Entity in accordance with this Section 2.4 (*Identifying Standard Reference Obligations for Sovereign Reference Entities*), it may only be replaced as the Standard Reference Obligation for such Sovereign Reference Entity in accordance with Section 3 (*Identifying Replacement Standard Reference Obligations*) below.

2.5 Identifying a Standard Reference Obligation for the Subordinated Level

- (a) If an Eligible Market Participant believes that there would otherwise be no Standard Reference Obligation identified with respect to a Reference Entity for the Subordinated Level pursuant to the selection process and criteria set out above, it may submit an SRO Request in accordance with, and subject to, Section 2.1 (*SRO Requests*) above, except that such SRO Request may identify as the Submitted Obligation (i) an obligation of such Reference Entity which has previously been redeemed or (ii) in circumstances where a suitable previously redeemed obligation of such Reference Entity is not available, an obligation of another entity (which may or may not have been previously redeemed) which will serve as a proxy obligation for such Reference Entity. In either case, any such obligation identified as the Submitted Obligation shall be deemed to be an obligation of the Reference Entity for the purposes of Section 2.6 (*Standard Reference Obligation*) of the 2014 Definitions and these SRO Rules.
- (b) Any such SRO Request shall be processed in accordance with the process set out above, except that the only Potential SRO will be the Submitted Obligation.
- (c) An SRO Identification Resolution in respect of such Submitted Obligation shall be subject to challenge in accordance with Section 2.3 (*Challenging Standard Reference Obligation DC Resolutions*) above.
- (d) If the Submitted Obligation is selected as the Standard Reference Obligation with respect to such Reference Entity for the Subordinated Level, it shall immediately thereafter be treated as an Affected SRO for the purposes of these SRO Rules as though an event under paragraph (a) or (c) (as applicable) of the definition of SRO Substitution Event had occurred in respect of such Affected SRO. Pursuant to Section 3.2(b)(i) below, such Affected SRO shall therefore immediately cease to be the Standard Reference Obligation with respect to the relevant Reference Entity and Seniority Level provided, however, that such Affected SRO shall constitute the "Prior Reference Obligation" of such Reference Entity and Seniority Level for the purposes of the 2014 Definitions.

2.6 Identification of a Standard Reference Obligation that is solely applicable to Credit Derivative Transactions referencing a specific SRO Relevant Transaction Type

A Standard Reference Obligation with respect to a Reference Entity and Seniority Level that is solely applicable to Credit Derivative Transactions referencing a specific SRO Relevant Transaction Type which incorporates one or more sets of terms or additional provisions, or supplements (including, without limitation, the 2014 CoCo Supplement to the 2014 ISDA Credit Derivatives Definitions), may be identified using the selection process and criteria set out above. Any Standard Reference Obligation that is so identified (i) will be identified on the SRO List as

being solely applicable to Credit Derivative Transactions referencing such specific SRO Relevant Transaction Type and (ii) may be replaced as the Standard Reference Obligation in accordance with Section 3 (*Identifying Replacement Standard Reference Obligations*) below.

3. Identifying Replacement Standard Reference Obligations

3.1 Quarterly Replacement Standard Reference Obligation Process

- (a) **Substitute SRO Determination Requests.** In respect of each Quarterly Roll Date, the SRO Administrator shall use reasonable efforts to identify any SRO Substitution Events that have occurred with respect to any Standard Reference Obligation (each, an "**Affected SRO**") and shall collate these together with any SRO Substitution Events notified to it by an Eligible Market Participant in accordance with Section 3.1(b) (*Potential SRO Substitution Events*) below, in each case, during (or prior to) the Quarterly Submission Period relating to such Quarterly Roll Date and shall (i) notify the Relevant Convened DC as soon as reasonably practicable, but in any event, by no later than 5:00 p.m. Relevant City Time on the Relevant City Business Day immediately following the end of such Quarterly Submission Period of such SRO Substitution Event (such notification, a "**Substitute SRO Determination Request**" and the deadline for such notification, the "**Substitute SRO Determination Request Deadline**") and (ii) promptly publish such Substitute SRO Determination Request on the SRO Website. For the purposes of this Section 3 (*Identifying Replacement Standard Reference Obligations*), the Relevant Convened DC means the Committee for the Region that includes the SRO Relevant Transaction Type specified on the SRO List in respect of the Affected SRO.
- (b) **Potential SRO Substitution Events.** An Eligible Market Participant may from time to time notify the SRO Administrator to bring to the SRO Administrator's attention any SRO Substitution Event that such Eligible Market Participant believes has occurred in respect of any Standard Reference Obligation. Any such notification must include a reasonably detailed description of the relevant SRO Substitution Event and supporting information in respect thereof that is consistent with the definition of Eligible Information.
- (c) **Processing Substitute SRO Determination Requests.** Substitute SRO Determination Requests notified by the SRO Administrator to the Relevant Convened DC in accordance with Section 3.1(a) (*Substitute SRO Determination Requests*) shall be processed by the Relevant Convened DC in quarterly cycles by reference to Quarterly Roll Dates as per the process provided for in Section 3.3 (*Identifying a replacement Standard Reference Obligation*) below. As such, in respect of a Substitute SRO Determination Request which relates to a SRO Substitution Event that occurred during (or prior to) the Quarterly Submission Period in respect of a Quarterly Roll Date, the replacement Standard Reference Obligation in respect of the related Affected SRO specified in such Substitute SRO Determination Request shall be selected and, subject to Section 3.2(b) below, published on the SRO List by no later than such Quarterly Roll Date. Notwithstanding the foregoing, the Relevant Convened DC may in its sole discretion by a Majority DC Resolution, amend any deadline or time period for any reason whatsoever including, without limitation, if (i) the volume of Substitute SRO Determination Requests it has received ~~or~~ the number of Potential SROs in respect of a particular quarter or the volume of other DC Issues being deliberated by the Relevant Convened DC makes it impractical for ~~the Relevant Convened DC~~ it to process all such Substitute SRO Determination Requests or review all such Potential SROs (taking into account the time required to conclude legal review of such Potential SROs pursuant to Section 2.2(d) (*Legal Review of Potential SRO*) as may be amended by Section 3.3 (*Identifying a replacement Standard Reference Obligation*) below), (ii) the Relevant Convened DC is unable to select a replacement Standard Reference Obligation due to a lack of Required Information, (iii) there are delays in Resolving any

challenges under Section 2.3 (*Challenging Standard Reference Obligation DC Resolutions*) as may be amended by Section 3.3 (*Identifying a replacement Standard Reference Obligation*) below, or (iv) market participants would benefit from the replacement Standard Reference Obligation in respect of an Affected SRO of a specific Reference Entity and Seniority Level being determined on an expedited basis. The Relevant Convened DC may also prioritise Substitute SRO Determination Requests ~~based on notional trading volume or otherwise as requested by DC Members of the Relevant Convened DC~~ in its sole discretion by a Majority DC Resolution.

3.2 Consequences of a Substitute SRO Determination Request

With respect to an Affected SRO of a specific Reference Entity and Seniority Level that is the subject of a Substitute SRO Determination Request:

- (a) The Relevant Convened DC will identify the replacement Standard Reference Obligation to replace the Affected SRO in accordance with Section 3.3 (*Identifying a replacement Standard Reference Obligation*) below.
- (b)
 - (i) If any of the events set forth under paragraphs (a) or (c) of the definition of SRO Substitution Event have occurred with respect to the Affected SRO, then with effect from and including the SRO Substitution Event Date, the Affected SRO shall be deemed to have been removed from the SRO List and at such time shall immediately cease to be the Standard Reference Obligation with respect to the relevant Reference Entity and Seniority Level. Accordingly, the SRO Administrator shall remove references to the Affected SRO from the SRO List as soon as reasonably practicable after the SRO Substitution Event Date in respect of any such SRO Substitution Event;
 - (ii) If any of the events set forth under paragraphs (b), (d), ~~(e)~~ or ~~(ef)~~ of the definition of SRO Substitution Event have occurred with respect to the Affected SRO, then the Affected SRO will remain on the SRO List until the earlier of: (A) subject to ~~subparagraphs sub-clauses~~ (iii) and (iv) below, the date on which the replacement Standard Reference Obligation is identified in accordance with Section 3.3 (*Identifying a replacement Standard Reference Obligation*) below; and (B) the date on which any of the events set forth under paragraphs (a) or (c) of the definition of SRO Substitution Event occurs with respect to the Affected SRO;
 - (iii) If the event set forth under paragraph (d) of the definition of SRO Substitution Event has occurred with respect to the Affected SRO, notwithstanding anything to the contrary in these SRO Rules, any obligation identified in accordance with Section 3.3 (*Identifying a replacement Standard Reference Obligation*) below shall only constitute the replacement Standard Reference Obligation, and shall only be published on the SRO List, if such obligation is in the first Maturity Bucket as at the relevant Assessment Date; and
 - (iv) If the event set forth under paragraph (e) of the definition of SRO Substitution Event has occurred with respect to the Affected SRO, any obligation identified in accordance with Section 3.3 (*Identifying a replacement Standard Reference Obligation*) below shall promptly be published on the SRO List but identified thereon as not constituting the replacement Standard Reference Obligation in respect of the Affected SRO until the date on which any of the events set forth under paragraphs (a), (b) or (c) of the definition of SRO Substitution Event occurs with respect to the Affected SRO (and until such time the Affected SRO will remain on the SRO List and constitute the Standard Reference Obligation). Any

amendments to the terms of such obligation between the date of identification in accordance with Section 3.3 (*Identifying a replacement Standard Reference Obligation*) below and immediately prior to the date on which any of the events set forth under paragraphs (a), (b) or (c) of the definition of SRO Substitution Event occurs with respect to the Affected SRO shall not prevent such obligation from constituting the replacement Standard Reference Obligation for the Affected SRO.

- (c) If a replacement Standard Reference Obligation is not available for the Affected SRO, then, and notwithstanding the fact that the Affected SRO may have been removed from the SRO List in accordance with Section 3.2(b) above, the relevant parties will continue to attempt to identify a replacement Standard Reference Obligation in accordance with the process provided for in Section 3.3 (*Identifying a replacement Standard Reference Obligation*) below.

3.3 Identifying a replacement Standard Reference Obligation

In respect of a Substitute SRO Determination Request which relates to a SRO Substitution Event that has occurred with respect to an Affected SRO during (or prior to) the Quarterly Submission Period relating to a Quarterly Roll Date:

- (a) If the Affected SRO was a Conforming Obligation when added to the SRO List as the Standard Reference Obligation and immediately prior to the SRO Substitution Event Date, a replacement Standard Reference Obligation shall be identified with respect to such Reference Entity and Seniority Level in accordance with, and subject to, the process set out in Sections 2.2(c) (*Identifying Potential SROs and sourcing Required Information*) to 2.4 (*Identifying Standard Reference Obligations for Sovereign Reference Entities*) (inclusive) above as though:
 - (i) a valid SRO Request that is not an INCRO SRO Request (nor, if the Affected SRO is not a Loan or in respect of which the Underlying Obligation is not a Loan, a Loan SRO Request) has been received by the SRO Administrator and Endorsed by the Dealer Members of the Relevant Convened DC;
 - (ii) no Submitted Obligation is required to be, and no Submitted Obligation has been, included with respect to such SRO Request;
 - (iii) references to the Endorsement Cut-off Time were references to the Substitute SRO Determination Request Deadline in respect of the relevant Quarterly Roll Date;
 - (iv) there is no Market Standard Reference Obligation available in respect of the Reference Entity for the applicable Seniority Level; and
 - (v) the Comparison Obligation is the Affected SRO with the Seniority Level as of the date it was originally selected as the Standard Reference Obligation.
- (b) If the Affected SRO was an INCRO when it was added to the SRO List as the Standard Reference Obligation and/or immediately prior to the SRO Substitution Event Date, a replacement Standard Reference Obligation shall be identified with respect to such Reference Entity and Seniority Level in accordance with, and subject to, the process set out in Sections 2.2(c) (*Identifying Potential SROs and sourcing Required Information*) to 2.4 (*Identifying Standard Reference Obligations for Sovereign Reference Entities*) (inclusive) above as though:

- (i) a valid SRO Request that is an INCRO SRO Request has been received by the SRO Administrator and Endorsed by the Dealer Members of the Relevant Convened DC;
- (ii) no Submitted Obligation is required to be, and no Submitted Obligation has been, included with respect to such SRO Request;
- (iii) references to the Endorsement Cut-off Time were references to the Substitute SRO Determination Request Deadline in respect of the relevant Quarterly Roll Date;
- (iv) there is no Market Standard Reference Obligation available in respect of the Reference Entity for the applicable Seniority Level;
- (v) the Comparison Obligation is the Affected SRO with the Seniority Level as of the date it was originally selected as the Standard Reference Obligation; and
- (vi) the Legal Terms Requirement, with respect to such SRO Request and a Potential SRO of such Reference Entity and Seniority Level, shall be:
 - (A) that the Potential SRO is an INCRO on the SRO Substitution Date which has the same Deliverability Flaws which resulted in the Affected SRO constituting an INCRO when added to the SRO List as the Standard Reference Obligation and/or immediately prior to the SRO Substitution Event Date; or, if no Potential SROs can be identified that satisfy the foregoing requirements,
 - (B) that the Potential SRO is an INCRO on the SRO Substitution Date which has at least one of the same Deliverability Flaws which resulted in the Affected SRO constituting an INCRO when added to the SRO List as the Standard Reference Obligation and/or immediately prior to the SRO Substitution Event Date; or, if no Potential SROs can be identified that satisfy the foregoing requirements,
 - (C) provided that the relevant Reference Entity has one or more Potential SROs that satisfies the definition of Conforming Obligation, that the Potential SRO is a Conforming Obligation on the SRO Substitution Date.

3.4 Subordinated Credit Derivatives Transactions entered into after certain SRO Substitution Events and prior to identification of a replacement Standard Reference Obligation

In circumstances where (i) "Standard Reference Obligation" is specified as applicable (or no election is specified) in the Confirmation of a Credit Derivative Transaction with respect to a Reference Entity for the Subordinated Level and (ii) there is no Reference Obligation applicable to such Credit Derivative Transaction, then the most recent Standard Reference Obligation (if any) with respect to such Reference Entity for the Subordinated Level shall be deemed to be the "Prior Reference Obligation" for the purposes of such Credit Derivative Transaction.

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- 4.1** The SRO Administrator ~~is obliged to~~ shall update the SRO List as and when it becomes aware that (i) a SRO Substitution Event has occurred in respect of a Standard Reference Obligation or (ii) the terms of a Standard Reference Obligation have been amended such that such Standard Reference Obligation has become an INCRO or, if it was already an INCRO, the Deliverability Flaws have

changed and/or increased and, in either case, the Convened DC has Resolved by a Majority DC Resolution as such.

- 4.2 An Eligible Market Participant may at any time notify the SRO Administrator that it believes the terms of a Standard Reference Obligation have been amended such that such Standard Reference Obligation has become an INCRO or, if it was already an INCRO, the Deliverability Flaws have changed and/or increased. Such notification must include a reasonably detailed description of the relevant amendment(s) to the terms of the Standard Reference Obligation and must include supporting information and documentation relating to such amendment(s) which are consistent with the definition of Eligible Information or Required Information, as the case may be.

5. **Successor Resolutions**

5.1 **Adjustments to the SRO List**

Following the occurrence of a Successor Resolution with respect to a Reference Entity (the "Original Reference Entity") (and, if applicable, the relevant Seniority Level) for which a Standard Reference Obligation is included on the SRO List, notwithstanding anything to the contrary in Section 3 (*Identifying Replacement Standard Reference Obligations*) of the SRO Rules, the SRO Administrator shall promptly update the SRO List as directed by the Relevant Convened DC pursuant to any SRO Successor Determination Adjustment Resolution.

5.2 **Selection of new Standard Reference Obligations**

Without prejudice to Section 5.1 (*Adjustments to the SRO List*) above, if following the occurrence of a Successor Resolution the SRO Administrator reasonably determines that a Standard Reference Obligation should be selected for a specific Successor (and/or the Original Reference Entity) and a Seniority Level, it may commence the Standard Reference Obligation selection process as set out in Section 2 (*Identifying Standard Reference Obligations*) as though a valid SRO Request has been received by the SRO Administrator.

6. **5.Transitional Provisions**

On or shortly after ~~the date of publication of these SRO Rules~~September 16, 2014, each Relevant Convened DC may pass Standard Reference Obligation DC Resolutions with respect to one or more of the obligations of certain Reference Entities and Seniority Levels, which in each case has been selected, reviewed and otherwise processed in a manner consistent with these SRO Rules notwithstanding the fact that these SRO Rules had not yet been adopted at the time of such selection, review and processing. Any such Standard Reference Obligation DC Resolutions will promptly be published on the SRO Website and the Website in accordance with Section 2.2(f) (*Publication of DC Resolutions*).

Any such Standard Reference Obligation DC Resolution may be challenged by an Eligible Market Participant subject to, and in accordance, with Section 2.3 (*Challenging Standard Reference Obligation DC Resolutions*) above; provided, however, that for these purposes only:

- (a) the Challenge Deadline shall be 5:00 p.m. Relevant City Time on the second Relevant City Business Day immediately following the publication of such Standard Reference Obligation DC Resolution on the SRO Website; and
- (b) the Challenge Resolution Date shall be 5:00 p.m. Relevant City Time on the second Relevant City Business Day immediately following the relevant Challenge Deadline,

or, in either case, such other time and date as determined by the Relevant Convened DC in its sole discretion.

7. **~~6.~~Representations by SRO Administrator**

With respect to any information or documentation that is submitted by the SRO Administrator to the Relevant Convened DC, the DC Secretary and/or Legal Review Counsel, the SRO Administrator shall be deemed to represent and warrant that such information and/or documentation has been disclosed and can be made public without violating any law, agreement or understanding regarding the confidentiality of such information and the DC Secretary, each DC Member, each CCP Member and Legal Review Counsel may rely on such representation in addition to the assumption of Section 1.35(b) of the 2014 Definitions (which for these purposes, shall be amended by the deletion of the words "In relation to any information of the type described in Sections 1.35(a)(ii) or (iii)").

8. **~~7.~~Publication of information on the SRO Website**

If circumstances require, the SRO Administrator may satisfy any obligation to publish information or documentation on the SRO Website in accordance with these SRO Rules by providing an alternative method of making that information or documentation available.

9. **~~8.~~Definitions**

All capitalised terms used but not defined in these SRO Rules shall have the meanings given to such terms in the DC Rules or the 2014 Definitions, as the case may be.

As used in these SRO Rules, the following terms shall have the following meanings unless the context clearly indicates otherwise:

"**Affected SRO**" has the meaning specified in Section 3.1(a).

"**Assessment Date**" means, with respect to the selection of a Potential SRO (or Package Observable Bond, as applicable) of a Reference Entity, the date on which the SRO Administrator is selecting the Potential SRO (or Package Observable Bond, as applicable) except that, for purposes of determining the remaining maturity of any obligation, any Maturity Bucket Dates and/or any Maturity Buckets, the Assessment Date shall be the Quarterly Roll Date immediately following the date on which the SRO Administrator is making such selection.

"**Challenge Deadline**" has the meaning specified in Section 2.3(b).

"**Challenge Resolution Date**" has the meaning specified in Section 2.3(c).

"**Comparison Obligation**" means, with respect to an Endorsed SRO Request and a Potential SRO of the relevant Reference Entity and Seniority Level:

- (a) the Submitted Obligation, if any; otherwise
- (b) any unsubordinated Borrowed Money obligation of the Reference Entity.

"**Conforming Obligation**" means, with respect to a Reference Entity and Seniority Level, an obligation of the Reference Entity which is a Deliverable Obligation determined in accordance with Section 3.2(a) (*Deliverable Obligation*) of the Definitions (and for the purposes of the "Not Subordinated" Deliverable Obligation Characteristic, the Comparison Obligation shall be deemed to be the Reference Obligation) on the relevant date of determination. For these purposes, the applicable Deliverable Obligation Category and Deliverable Obligation Characteristics, whether

All Guarantees is applicable, and whether any terms, supplements or additional provisions in each case pertaining to deliverability are applicable, shall be as specified in the Credit Derivatives Physical Settlement Matrix most recently published by ISDA on its Website as of the relevant date of determination for the SRO Relevant Transaction Type.

"DC Rules" means the Credit Derivatives Determinations Committees Rules to which these SRO Rules are annexed, as published by ISDA on its Website from time to time.

"Domestic Law Package Observable Bond" means a Package Observable Bond whose governing law is the Domestic Law (as defined in Section 3.18 of the 2014 Definitions).

"Endorsed" has the meaning specified in Section 2.2(b)(iv).

"Endorsed SRO Request" has the meaning specified in Section 2.2(c).

"Endorsement Cut-off Time" has the meaning specified in Section 2.2(b)(iv).

"General Criteria Obligation" means, with respect to a Reference Entity for the applicable Seniority Level, an obligation of the Reference Entity (or, if the Reference Entity is provider of a guarantee, in respect of an Underlying Obligation) that:

- (a) either (i) is a Bond or (ii) if the Submitted Obligation (or, for the purposes of identifying a replacement Standard Reference Obligation, the Affected SRO) in respect of such Reference Entity is a Loan or relates to an Underlying Obligation that is a Loan, is the Submitted Obligation or a Loan that is submitted by an Eligible Market Participant to the SRO Administrator in accordance with these SRO Rules;
- (b) has an outstanding principal balance of at least the Minimum Size;
- (c) satisfies the Remaining Maturity Limit; and
- (d) satisfies the Minimum Liquidity Requirement,

in each case, as at the Assessment Date.

"General Criteria Obligation Priority Rules" means the following rules, which shall be applied for the purposes of selecting a Potential SRO for a Reference Entity after all General Criteria Obligations of such Reference Entity have been grouped in the order set out in sub-paragraph (a) or (b) below (as applicable): (A) a General Criteria Obligation falling into an earlier group in the relevant list below shall be selected as the Potential SRO before a General Criteria Obligation falling into a later group; and (B) (I) within a group set out at sub-paragraphs (a)(i), (a)(ii), (b)(i) or (b)(ii) below, the General Criteria Obligation with the longest remaining maturity will be selected as the Potential SRO or (II) within any other group, the General Criteria Obligation with the shortest remaining maturity will be selected as the Potential SRO, provided that if two or more General Criteria Obligations cannot be prioritised following the application of the above rules, the SRO Administrator shall prioritise as between each other randomly:

- (a) In respect of an M(M)R Financial Reference Entity:
 - (i) General Criteria Obligations in the first Maturity Bucket with an outstanding principal balance of at least the Threshold Size; followed by
 - (ii) General Criteria Obligations in the first Maturity Bucket with an outstanding principal balance of less than the Threshold Size; followed by

- (iii) General Criteria Obligations in the second Maturity Bucket with an outstanding principal balance of at least the Threshold Size; followed by
 - (iv) General Criteria Obligations in the second Maturity Bucket with an outstanding principal balance of less than the Threshold Size; followed by
 - (v) General Criteria Obligations in the third Maturity Bucket with an outstanding principal balance of at least the Threshold Size; followed by
 - (vi) General Criteria Obligations in the third Maturity Bucket with an outstanding principal balance of less than the Threshold Size; followed by
 - (vii) General Criteria Obligations in the fourth Maturity Bucket with an outstanding principal balance of at least the Threshold Size; followed by
 - (viii) General Criteria Obligations in the fourth Maturity Bucket with an outstanding principal balance of less than the Threshold Size.
- (b) In respect of a Reference Entity other than an M(M)R Financial Reference Entity and a Sovereign Reference Entity in respect of which one or more Package Observable Bonds have been published on the POB Website as at the Assessment Date:
- (i) General Criteria Obligations with a remaining maturity of at least five years and not longer than ten years and an outstanding principal balance of at least the Threshold Size; followed by
 - (ii) General Criteria Obligations with a remaining maturity of at least one year and not longer than five years and an outstanding principal balance of ~~less than at least~~ the Threshold Size; followed by
 - (iii) General Criteria Obligations with a remaining maturity of more than ten years and an outstanding principal balance of at least the Threshold Size; followed by
 - (iv) General Criteria Obligations with a remaining maturity of at least five years and not longer than ten years and an outstanding principal balance of less than the Threshold Size; followed by
 - (v) General Criteria Obligations with a remaining maturity of at least one year and not longer than five years and an outstanding principal balance of less than the Threshold Size; followed by
 - (vi) General Criteria Obligations with a remaining maturity of more than ten years and an outstanding principal balance of less than the Threshold Size.

Notwithstanding the foregoing, in respect of all Reference Entities, any General Criteria Obligation that is unsecured (or does not benefit from any other form of third party credit support) shall have priority over, and therefore be selected as the Potential SRO before, any General Criteria Obligation which is secured (or does benefit from some other form of third party credit support).

"INCRO" or "Identified Non-Conforming Standard Reference Obligation" means, with respect to a Reference Entity and Seniority Level, an obligation of the Reference Entity which would be a Conforming Obligation on the relevant date of determination but for one or more reasons (each such reason, a **"Deliverability Flaw"**) other than that the obligation has an Outstanding Principal Balance or Due and Payable Amount that is not greater than zero.

"INCRO SRO Request" has the meaning specified in Section 2.1(a).

"International Law Package Observable Bond" means a Package Observable Bond which is not a Domestic Law Package Observable Bond.

"Legal Review Counsel" means external legal counsel or any other third-party professional appointed from time to time by the DC Secretary on behalf of the relevant Committee, or the legal function of one or more identified DC Members of the relevant Committee which has been appointed by such Committee, to provide advice and analysis in relation to, *inter alia*, the Legal Terms Requirement and Seniority Requirement.

"Legal Terms Requirement" means unless otherwise stated herein, with respect to an Endorsed SRO Request and a Potential SRO of the relevant Reference Entity and Seniority Level, such Potential SRO is a Conforming Obligation. Notwithstanding the foregoing, if the Endorsed SRO Request is an INCRO SRO Request, the Legal Terms Requirement shall be that the Potential SRO is an INCRO which has the same Deliverability Flaws as specified in such INCRO SRO Request.

"Loan SRO Request" has the meaning specified in Section 2.1(a).

"M(M)R Financial Reference Entity" means a Reference Entity for which the SRO Relevant Transaction Type is ~~a one for which (i) "Financial Transaction Type pursuant to which Reference Entity Terms" and (ii) M(M)R Restructuring~~ applies are applicable.

"Market Standard Reference Obligation" means, with respect to a Reference Entity for the applicable Seniority Level, the Markit RED Preferred™ Reference Obligation for the Reference Entity for that Seniority Level, provided that such obligation (or, if the Reference Entity is provider of a guarantee, the Underlying Obligation):

(a) is an obligation of the Reference Entity (either directly or as provider of a guarantee); and

(b) ~~(a) has a remaining maturity of at least one year and,~~ if the Reference Entity is an M(M)R Financial Reference Entity, has a remaining maturity of not longer than the first Maturity Bucket Date;

~~(b) — has an outstanding principal balance of at least the Minimum Size;~~

~~(c) — is not a Private side Loan; and~~

~~(d) — is unsecured;~~

in each case, as at the Assessment Date.

"Markit RED Preferred™ Reference Obligation" means, with respect to a Reference Entity and Seniority Level, the default "Reference Obligation" for 2014 Transactions relating to such Reference Entity and Seniority Level as recorded on Markit Group Limited's Reference Entity Database (RED).

"Maturity Bucket Date" means the first Quarterly Roll Date in any year to occur on or immediately following the date that is one of the following number of years after the Assessment Date: 2.5 years, 5 years, 7.5 years and 10 years. Maturity Bucket Dates shall not be subject to any adjustment in accordance with any Business Day Convention.

"Maturity Bucket" means each period from and excluding one Maturity Bucket Date to and including the next Maturity Bucket Date, provided that the first Maturity Bucket will begin 1 year after the relevant Assessment Date.

"Minimum Liquidity Requirement" means, with respect to an obligation, at least ~~5~~3 major dealers make daily markets in the obligation.

"Minimum Size" means, with respect to an obligation, an outstanding principal balance of:

- (a) if EMEA is the Region that includes the SRO Relevant Transaction Type applicable to the Reference Entity to which such obligation relates, EUR 100 million; ~~and~~
- (b) if Japan is the Region that includes the SRO Relevant Transaction Type applicable to the Reference Entity to which such obligation relates, JPY 10 billion; or
- (c) ~~(b)~~ otherwise, USD 100 million,

in each case, or its equivalent in the currency or currencies in which the obligation is denominated, as determined by the SRO Administrator.

"No SRO Identified Resolution" has the meaning specified in Section 2.2(e)(ii).

"Original Reference Entity" has the meaning specified in Section 5.1.

"POB Website" means "www.isda.org" (or any such successor website of ISDA) or the website of any third party designated by ISDA to publish Package Observable Bonds.

"Potential SRO" has the meaning specified in Section 2.2(c).

"Potential SRO Identification and Legal Review Period" has the meaning specified in Section 2.2(d)(iv).

"Private-side Loan" means an obligation that is a Loan, or in respect of which the Underlying Obligation is a Loan, in respect of which the documentation governing its terms is not publicly available or capable of being made public without violating a law, agreement, understanding or other restriction regarding the confidentiality of such information.

"Qualified Majority" means, in respect of any vote of the Dealers Members of a Relevant Convened DC, (a) at least five Dealer Members of the Relevant Convened DC ~~participate in such vote~~ and (b) more than 50% of ~~these~~ participating Dealer Members ~~vote~~ in favour of a particular answer.

"Quarterly Roll Date" means ~~20~~-March 20, ~~20~~-June 20, ~~20~~-September 20 and ~~20~~-December 20 in each year. Quarterly Roll Dates shall not be subject to any adjustment in accordance with any Business Day Convention.

"Quarterly SRO Selection Date" means, with respect to a Quarterly Roll Date, the Relevant City Business Day occurring on or about the date that is four weeks prior to the Quarterly Roll Date, as published by the SRO Administrator on the SRO Website by no later than 5:00 p.m. Relevant City Time on the first Relevant City Business Day following the immediately preceding Quarterly Roll Date.

"Quarterly Submission Deadline" means, with respect to a Quarterly Roll Date, the Relevant City Business Day occurring on or about the date that is seven weeks prior to the Quarterly Roll Date, as published by the SRO Administrator on the SRO Website by no later than 5:00 p.m. Relevant City Time on the first Relevant City Business Day following the immediately preceding Quarterly Roll Date.

"Quarterly Submission Period" means, with respect to a Quarterly Roll Date, the period from but excluding the Quarterly Submission Deadline in respect of the immediately preceding Quarterly Roll Date to and including the Quarterly Submission Deadline in respect of such Quarterly Roll Date.

"Relevant CCP" means a CCP with at least eight clearing members.

"Relevant Convened DC" has the meaning specified in Section 2.1(c) or Section 3.1(a) as applicable.

"Relevant Package Observable Bond" means, with respect to a Sovereign Reference Entity in respect of which one or more Package Observable Bonds have been published on the POB Website:

- (a) if M(M)R Restructuring applies to the SRO Relevant Transaction Type applicable to that Sovereign Reference Entity:
 - (i) the International Law Package Observable Bond in the first Maturity Bucket which has the longest remaining maturity; or if there are no International Law Package Observable Bonds in the first Maturity Bucket,
 - (ii) the Domestic Law Package Observable Bond in the first Maturity Bucket which has the longest remaining maturity; or if there are no Domestic Law Package Observable Bonds in the first Maturity Bucket,
 - (iii) ~~(i) the~~ the International Law Package Observable Bond which has the shortest remaining maturity; ~~and~~ or if there are no International Law Package Observable Bonds,
 - (iv) the Domestic Law Package Observable Bond which has the shortest remaining maturity; and
- (b) otherwise, ~~the~~ :
 - (i) the International Law Package Observable Bond which has the longest remaining maturity; or
 - (ii) ~~(b) if there are no International Law Package Observable Bonds,~~ the Domestic Law Package Observable Bond which has the longest remaining maturity,

in each case, as at the relevant Assessment Date.

"Remaining Maturity Limit" means: an obligation with a remaining maturity of at least 1 year and (a) with respect to an obligation of an M(M)R Financial Reference Entity, ~~a remaining maturity of at least 1 year and~~ not longer than the last Maturity Bucket Date; ~~and~~ .

~~(b) otherwise, an obligation with a remaining maturity of at least five years and not longer than ten years.~~

"Required Information" means, with respect to an obligation, a description of the obligation, the CUSIP or ISIN number of the obligation (if applicable) and copies of, or unrestricted internet links to, all material documentation, including offering documents, pricing supplements, indentures and, as applicable, guarantees, or, in each case, equivalent documentation howsoever designated in respect of the relevant obligation and, in each case, such documentation or information must be documentation or information which is publicly available or which can be made public without

violating a law, agreement, understanding or other restriction regarding the confidentiality of such documentation or information.

"Seniority Requirement" means, with respect to an Endorsed SRO Request and a Potential SRO:

- (a) whether such Potential SRO ~~has~~ is (i) a Senior Obligation of the Reference Entity if the Seniority Level specified in the SRO Request, which shall be determined by reference to any unsubordinated Borrowed Money obligation of the Reference Entity is Senior Level or (ii) a Subordinated Obligation of the Reference Entity if the Seniority Level specified in the SRO Request is Subordinated Level; and
- (b) such Potential SRO is not Subordinated to the Comparison Obligation and the Comparison Obligation is not Subordinated to such Potential SRO.

"SRO Administrator" means Markit Group Limited or its relevant subsidiary (the **"Initial SRO Administrator"**) or any successor or replacement thereto, appointed by the DC Secretary on behalf of the relevant Committee to act as the SRO Administrator pursuant to, and in accordance with, ~~these SRO~~ the DC Rules.

"SRO Identification Resolution" has the meaning specified in Section 2.2(e)(i).

"SRO Non-Identification Resolution" has the meaning specified in Section 2.2(e)(i).

"SRO Relevant Transaction Type" means, with respect to a Reference Entity and Seniority Level, the Transaction Type as specified in the related SRO Request that applies to 2014 Transactions in respect of the Reference Entity for that Seniority Level which shall be based on the Transaction Types in the version of the Credit Derivatives Physical Settlement Matrix most recently published by ISDA on its Website as of the date of effective receipt of such SRO Request by the SRO Administrator. Following the identification of the initial Standard Reference Obligation for a Reference Entity and Seniority Level, the SRO Relevant Transaction Type shall be that published on the SRO List in respect of such Reference Entity and Seniority Level.

"SRO Request" has the meaning specified in Section 2.1(a).

"SRO Request Notification" has the meaning specified in Section 2.2(b)(ii).

"SRO Rules" has the meaning specified in Section 1.2.

"SRO Substitution Date" means the date on which a replacement Standard Reference Obligation is added to the SRO List following the occurrence of an SRO Substitution Event with respect to an Affected SRO.

"SRO Substitution Event" means, with respect to the Standard Reference Obligation of a specific Reference Entity and Seniority Level:

- (a) the Standard Reference Obligation is redeemed in whole;
- (b) the aggregate amounts due under the Standard Reference Obligation have been reduced by redemption or otherwise below the SRO Substitution Threshold;
- (c) for any reason, other than due to the existence or occurrence of a Credit Event, the Standard Reference Obligation is no longer an obligation of the Reference Entity (either directly or as provider of a guarantee);

- (d) if the Reference Entity is an M(M)R Financial Reference Entity, the Standard Reference Obligation has a remaining maturity of less than one year; ~~or~~
- (e) if the Reference Entity is not an M(M)R Financial Reference Entity, the Standard Reference Obligation has a remaining maturity of less than six months; ~~or~~
- (f) at any time prior to the occurrence of a Credit Event Resolution Request Date, the Relevant Convened DC Resolves by Majority DC Resolution that the Standard Reference Obligation either (a) has ceased to satisfy the Minimum Liquidity Requirement and an Eligible Market Participant has notified the SRO Administrator thereof; or (b) did not satisfy the Minimum Liquidity Requirement as at the Assessment Date.

Any change in the Standard Reference Obligation's CUSIP or ISIN number or other similar identifier will not, in and of itself, constitute a SRO Substitution Event.

"SRO Substitution Event Date" means, with respect to an Affected SRO, the date of the occurrence of the relevant SRO Substitution Event.

"SRO Substitution Threshold" means, with respect to the Standard Reference Obligation of a Reference Entity and Seniority Level, the Minimum Size or such other amount that the Relevant Convened DC in respect of such Standard Reference Obligation may determine in its sole discretion in respect of such Standard Reference Obligation.

"SRO Website" means the website of the SRO Administrator, which in respect of the Initial SRO Administrator is at www.markit.com (or any successor website thereto).

"Standard Reference Obligation DC Resolution" means an SRO Identification Resolution, an SRO Non-Identification Resolution or a No SRO Identified Resolution.

"Submitted Obligation" has the meaning specified in Section 2.1(b).

"Substitute SRO Determination Request" has the meaning specified in Section 3.1(a).

"Substitute SRO Determination Request Deadline" has the meaning specified in Section 3.1(a).

"Threshold Size" means, with respect to an obligation, an outstanding principal balance of:

- (a) if EMEA is the Region that includes the SRO Relevant Transaction Type applicable to the Reference Entity to which such obligation relates, EUR 250 million; ~~and~~
- (b) if Japan is the Region that includes the SRO Relevant Transaction Type applicable to the Reference Entity to which such obligation relates, JPY 25 billion; or
- (c) ~~(b)~~ otherwise, USD 250 million,

in each case, or its equivalent in the currency or currencies in which the obligation is denominated, as determined by the SRO Administrator.

SCHEDULE 5

PACKAGE OBSERVABLE BOND RULES

1. General

1.1 POB List. Each Committee for a Region shall be obliged to compile and maintain a POB List in respect of certain Sovereign Reference Entities whose Transaction Type is included in that Region.

1.2 POB Rules. The selection and replacement of the Package Observable Bonds to be included on the POB List with respect to a Sovereign Reference Entity shall be governed by these Package Observable Bond Rules (the "**POB Rules**").

1.3 POB Administrator. The POB Administrator shall perform all of its functions as required by these POB Rules in a commercially reasonable manner. Communications to the POB Administrator shall be made in the manner prescribed and in accordance with the contact information published from time to time for this purpose by the POB Administrator on the POB Website.

2. Identifying Package Observable Bonds

2.1 POB Requests

(a) **Notifying the POB Administrator of a POB Request.** An Eligible Market Participant may propose to the POB Administrator that Package Observable Bonds be selected for a Sovereign Reference Entity in respect of such Sovereign Reference Entity or any Obligations thereof (a "**POB Request**").

(b) **POB Request Requirements.**

A POB Request must:

(i) identify the name of the Sovereign Reference Entity that the Eligible Market Participant would like the Package Observable Bonds to be identified for;

(ii) specify the POB Relevant Transaction Type; and

(iii) include agreement by the Eligible Market Participant that it is prepared to pay any of the reasonable costs incurred by the POB Administrator or the DC Secretary in connection with the selection of the Package Observable Bonds for the Sovereign Reference Entity, including, without limitation, in obtaining advice and analysis from Legal Review Counsel.

(c) **Processing POB Requests.** The Package Observable Bonds for a Sovereign Reference Entity specified in a POB Request shall be determined by the Committee (the "**Relevant Convened DC**") for the Region that includes the POB Relevant Transaction Type applicable to the Sovereign Reference Entity, in accordance with the selection process and criteria set out below.

2.2 Quarterly Package Observable Bonds Selection Process

(a) **General.** POB Requests received by the POB Administrator shall be processed by the Relevant Convened DC in quarterly cycles by reference to Quarterly Roll Dates as per the process set out below. As such, in respect of a POB Request received during the Quarterly

Submission Period in respect of a Quarterly Roll Date, the Package Observable Bonds for a Sovereign Reference Entity specified in a POB Request shall be selected and published on the POB List by no later than such Quarterly Roll Date. Notwithstanding the foregoing, the Relevant Convened DC may in its sole discretion, by a Majority DC Resolution, amend any deadline or time period for any reason whatsoever, including, without limitation, if (i) the volume of POB Requests received, the number of Potential POBs in respect of a particular quarter or the volume of other DC Issues being deliberated by the Relevant Convened DC makes it impractical for it to process all such POB Requests or review all such Potential POBs (taking into account the time required to conclude legal review of such Potential POBs pursuant to Section 2.2(d) (*Legal Review of Potential POB*)), (ii) the Relevant Convened DC is unable to select a Package Observable Bond due to a lack of Required Information, (iii) there are delays in Resolving any challenges under Section 2.3 (*Challenging Package Observable Bond DC Resolutions*), or (iv) market participants would benefit from the Package Observable Bonds for a Sovereign Reference Entity being determined on an expedited basis. The Relevant Convened DC may also prioritise POB Requests in its sole discretion, by a Majority DC Resolution.

(b) Endorsing a POB Request. In respect of each Quarterly Roll Date:

- (i) following receipt by the POB Administrator under Section 2.1(a) (*Notifying the POB Administrator of a POB Request*) of a POB Request that satisfies the relevant requirements of Section 2.1(b) (*POB Request Requirements*) during the Quarterly Submission Period in respect of such Quarterly Roll Date, the POB Administrator shall (A) promptly publish such POB Request on the POB Website together with the identity of the Eligible Market Participant that submitted such request and (B) identify the Relevant Convened DC in respect of such POB Request in a manner consistent with Section 2.1(c) (*Processing POB Requests*) above;
- (ii) (A) at regular intervals during the Quarterly Submission Period in respect of such Quarterly Roll Date (which in any event shall not be less frequent than fortnightly) and (B) by no later than 5:00 p.m. Relevant City Time on the Relevant City Business Day immediately following the end of such Quarterly Submission Period, the POB Administrator shall notify (such notification, an "**POB Request Notification**") each Relevant Convened DC identified in accordance with Section 2.2(b)(i) above of the POB Request(s) that it has received, as at the date of such POB Request Notification, during such Quarterly Submission Period and which require processing by that Relevant Convened DC;
- (iii) the POB Request Notification shall ask the Dealer Members of the Relevant Convened DC whether they want to endorse each such POB Request;
- (iv) a POB Request shall be endorsed ("**Endorsed**") if a Qualified Majority of the Dealer Members of the Relevant Convened DC notifies the POB Administrator that it endorses the POB Request by no later than 5:00 p.m. Relevant City Time on the second Relevant City Business Day following such POB Request Notification (the "**Endorsement Cut-off Time**"). If a Dealer Member of the Relevant Convened DC has submitted the relevant POB Request, it shall automatically count as one vote towards satisfying the applicable endorsement requirements specified in the immediately preceding sentence. The POB Administrator shall promptly publish on the POB Website whether or not such POB Request has been Endorsed; and
- (v) if a POB Request is not Endorsed, it shall be deemed to have been rejected and no Package Observable Bonds with respect to the Sovereign Reference Entity

specified in the POB Request shall be identified in accordance with the selection process set out below. A POB Request that is deemed to have been rejected shall not prevent an Eligible Market Participant from submitting a new POB Request in respect of the same Sovereign Reference Entity at a later date.

Notwithstanding the foregoing, if a POB Request is submitted by a Relevant CCP and relates to a Sovereign Reference Entity that is referenced (including as a component of a credit index) in 2014 Transactions that are cleared by such Relevant CCP, then such POB Request shall automatically be deemed to be Endorsed without the requirement for any Dealer Members of the Relevant Convened DC to notify the POB Administrator that it endorses such POB Request in accordance with sub-clause (iv) above.

(c) **Identifying Potential POBs and sourcing Required Information.** In respect of each POB Request that is, or is deemed to be, Endorsed (each, an "Endorsed POB Request"), the POB Administrator will, immediately following the applicable Endorsement Cut-off Time, use reasonable efforts to identify the Relevant Number of obligations of the relevant Sovereign Reference Entity (either directly or as provider of a guarantee), being one obligation governed by International Law and, unless the Sovereign Reference Entity is an International Law Sovereign, one obligation governed by Domestic Law, in each case, in respect of each POB Maturity Period (each a "Potential POB") by grouping together each obligation falling within a particular POB Slot and then identifying an obligation in respect of such POB Slot from the following pool of obligations and in the specified order of priority (provided that if more than one General Criteria POB can be identified in respect of any of the groups from (ii) to (v) below, the POB Administrator shall identify the Potential POB in respect of the relevant POB Slot by applying the General Criteria POB Priority Rules):

- (i) first, the Standard Reference Obligation in respect of the Sovereign Reference Entity if one has been published on the SRO List; or if no such obligation is available,
- (ii) second, any General Criteria POB in respect of the Sovereign Reference Entity that is an unsecured direct obligation of the Sovereign Reference Entity; or if no such obligation is available,
- (iii) third, any General Criteria POB in respect of the Sovereign Reference Entity that is an unsecured guarantee of the Sovereign Reference Entity; or if no such obligation is available,
- (iv) fourth, any General Criteria POB in respect of the Sovereign Reference Entity that is a secured direct obligation of the Sovereign Reference Entity; or if no such obligation is available,
- (v) fifth, any General Criteria POB in respect of the Sovereign Reference Entity that is a secured guarantee of the Sovereign Reference Entity.

The above selection criteria for purposes of identifying a Potential POB shall in all cases be applied by reference to the terms of the relevant obligation of the Sovereign Reference Entity as at the relevant Assessment Date.

If two or more General Criteria POBs cannot be prioritised following the application of the above rules, the POB Administrator shall prioritise as between them randomly.

If no Potential POB can be identified in accordance with the above in respect of one or more POB Slots, the Relevant Convened DC may Resolve by Majority DC Resolution to

reduce the Minimum Size to a smaller outstanding principal balance (the "**Lower Minimum Size**") provided that unless the Relevant Convened DC has Resolved by Supermajority DC Resolution to allow this amendment without a public comment period, such amendment shall only be made after a public comment period.

Following the identification of one or more Potential POBs in respect of one or more POB Slots, the POB Administrator shall: (A) notify Legal Review Counsel of each such Potential POB and provide Legal Review Counsel with any Required Information, by no later than 5:00 p.m. Relevant City Time on the first Relevant City Business Day following the applicable Endorsement Cut-off Time or, in the case of subsequent requests to identify additional Potential POBs, by no later than 5:00 p.m. Relevant City Time on the first Relevant City Business Day following the relevant request; and (B) attempt to source, and provide Legal Review Counsel with, additional Required Information in respect of each such Potential POB, as soon as practicable following the applicable Endorsement Cut-off Time or, in the case of subsequent requests to identify additional Potential POBs, as soon as practicable following the relevant request. The POB Administrator will only provide the Relevant Convened DC and Legal Review Counsel with documentation and information which is publicly available or which can be made public without violating a law, agreement, understanding or other restriction regarding the confidentiality of such documentation or information.

(d) **Legal Review of Potential POB.** In respect of an Endorsed POB Request and each Potential POB identified pursuant to Section 2.2(c) (*Identifying Potential POBs and sourcing Required Information*) above in respect of a POB Slot:

- (i) Legal Review Counsel shall review the Required Information it has received from the POB Administrator in respect of the Potential POB for the purposes of advising the Relevant Convened DC whether such Potential POB satisfies the Legal Terms Requirement. Legal Review Counsel shall notify the POB Administrator and the Relevant Convened DC of its advice and analysis as soon as reasonably practicable and in any event by no later than 5:00 p.m. Relevant City Time on the Relevant City Business Day immediately preceding the Quarterly POB Selection Date in respect of the relevant Quarterly Roll Date, unless Legal Review Counsel has notified the POB Administrator and the Relevant Convened DC that, due to the volume of POB Requests and/or the number of Potential POBs that need to be processed and/or reviewed in respect of such Quarterly Roll Date, it would not be practicable to conclude all such reviews by this time;
- (ii) if Legal Review Counsel is of the view that the Potential POB does not satisfy, or believes there is material doubt as to whether the Potential POB satisfies, the Legal Terms Requirement, and therefore that the Relevant Convened DC may pass a POB Non-Identification Resolution in respect of such Potential POB on the relevant Quarterly POB Selection Date in accordance with Section 2.2(e) (*Resolving Package Observable Bond DC Resolutions*) below, Legal Review Counsel shall ask the POB Administrator to identify the next applicable Potential POB in accordance with Section 2.2(c) (*Identifying Potential POBs and sourcing Required Information*) above;
- (iii) following notification of the next applicable Potential POB and receipt of the Required Information in respect thereof, Legal Review Counsel shall repeat the process set out in sub-clauses (i) and (ii) above and shall continue to do so in respect of other Potential POBs (which shall be sequentially identified in descending order of priority by the POB Administrator in accordance with Section 2.2(c) (*Identifying Potential POBs and sourcing Required Information*) above)

until Legal Review Counsel identifies a Potential POB that it believes satisfies the Legal Terms Requirement or the POB Administrator is unable to identify further Potential POBs;

- (iv) the process contemplated by Section 2.2(c) (*Identifying Potential POBs and sourcing Required Information*) above and this Section 2.2(d) (*Legal Review of Potential POB*) is intended to take place in the period from and including the Endorsement Cut-off Time in respect of such Endorsed POB Request to and including the Relevant City Business Day immediately preceding the Quarterly POB Selection Date in respect of the relevant Quarterly Roll Date to which such Endorsed POB Request relates (the "**Potential POB Identification and Legal Review Period**"). If Legal Review Counsel is of the view that a Potential POB identified in accordance with such process satisfies the Legal Terms Requirement, then Legal Review Counsel shall not review any further Potential POBs in respect of the relevant POB Slot; and
- (v) if Legal Review Counsel determines that it has been provided with insufficient (or no) Required Information such that it is unable to come to a view as to whether the Potential POB satisfies the Legal Terms Requirement, it shall immediately notify the POB Administrator who shall attempt to source further Required Information which may include, without limitation, asking the Eligible Market Participant that submitted the POB Request and/or the Relevant Convened DC to source and submit additional documentation and/or information.

(e) **Resolving Package Observable Bond DC Resolutions.** On the Quarterly POB Selection Date in respect of a Quarterly Roll Date, the Relevant Convened DC in respect of an Endorsed POB Request that was submitted during the related (or a previous) Quarterly Submission Period may:

- (i) in respect of each Potential POB for the relevant POB Slot and Sovereign Reference Entity that has been identified by the POB Administrator and reviewed by Legal Review Counsel during the related (and/or a previous) Potential POB Identification and Legal Review Period, (A) Resolve by a Supermajority whether such Potential POB satisfies the Legal Terms Requirement and (B) Resolve by a Majority whether such Potential POB would be suitable and appropriate as a Package Observable Bond for such POB Slot and Sovereign Reference Entity. After giving effect to External Review of the DC Question relating to the DC Resolution to be made under (A) (if applicable), if the DC Resolutions made under both (A) and (B) are affirmative, such DC Resolutions shall together constitute a DC Resolution that is a "**POB Identification Resolution**" or, if either or both of the DC Resolutions made under (A) and (B) is negative, such DC Resolution shall together constitute a DC Resolution that is a "**POB Non-Identification Resolution**"; and
- (ii) if the Relevant Convened DC passes a POB Non-Identification Resolution in respect of all Potential POBs in respect of a particular POB Slot in accordance with Section 2.2(e)(i), or the POB Administrator was unable to identify any Potential POBs for a particular POB Slot for the relevant Sovereign Reference Entity during the corresponding Potential POB Identification and Legal Review Period, Resolve by a Majority that, in respect of the relevant POB Request, no obligations are available for selection as the Package Observable Bond in respect of the relevant POB Slot for such Sovereign Reference Entity (such a DC Resolution, a "**No POB Identified Resolution**") and such POB Slot in respect of that Sovereign Reference Entity shall constitute an "**Empty POB Slot**".

- (f) **Publication of DC Resolutions.** The DC Secretary shall promptly publish any POB Identification Resolution, POB Non-Identification Resolution and/or No POB Identified Resolution made in respect of a Potential POB for a particular POB Slot on its Website.
- (g) **Identification of Package Observable Bond** If the POB Identification Resolution relating to a Potential POB for a POB Slot for the relevant Sovereign Reference Entity is either (A) unsuccessfully challenged or (B) not subject to any challenge by the Challenge Deadline, in each case in accordance with Section 2.3 (*Challenging Package Observable Bond DC Resolutions*) below, then that Potential POB shall be the Package Observable Bond for the relevant POB Slot for that Sovereign Reference Entity and the POB Administrator shall promptly publish such Package Observable Bond, the POB Slot, the Sovereign Reference Entity and the relevant POB Relevant Transaction Type on the POB List.
- (h) **Non-identification of Package Observable Bond.** If a No POB Identified Resolution for a POB Slot for the relevant Sovereign Reference Entity either (A) is unsuccessfully challenged or (B) is not subject to any challenge by the applicable Challenge Deadline, in each case, in accordance with Section 2.3 (*Challenging Package Observable Bond DC Resolutions*) below, then there shall be no Package Observable Bond for the relevant POB Slot for that Sovereign Reference Entity identified on the POB List unless and until a Package Observable Bond is subsequently selected in accordance with these POB Rules.

2.3 Challenging Package Observable Bond DC Resolutions

- (a) Any Eligible Market Participant may challenge a Package Observable Bond DC Resolution in accordance with the provisions set out below.
- (b) Any challenge by an Eligible Market Participant must: (i) have been effectively received by the POB Administrator by 5:00 p.m. Relevant City Time on the fifth Relevant City Business Day immediately following the publication of the relevant Package Observable Bond DC Resolution on the Website (the "**Challenge Deadline**"); (ii) include a full statement of the reasons why such challenge is being made which may include, without limitation, that (A) the requirements to constitute a Potential POB are not satisfied, (B) the Legal Terms Requirement is not satisfied, (C) the Potential POB does not fall within the correct POB Slot or (D) another obligation of the relevant Sovereign Reference Entity would be more suitable and/or appropriate as the Package Observable Bond for the relevant POB Slot, in which case such challenge must include Required Information in respect of the proposed obligation; and (iii) include agreement by such Eligible Market Participant that it is prepared to pay any of the reasonable costs related to such challenge, if unsuccessful.
- (c) The Relevant Convened DC shall Resolve each challenge to a Package Observable Bond DC Resolution by a Majority. Each challenge must be Resolved by 5:00 p.m. Relevant City Time on the fifth Relevant City Business Day immediately following the relevant Challenge Deadline (the "**Challenge Resolution Date**"). Promptly following resolution of any such challenge, the DC Secretary shall publish such DC Resolution on its Website. The POB Administrator shall publish the outcome of any challenge promptly after the Challenge Resolution Date on the POB Website.
- (d) If the Relevant Convened DC Resolves that any such challenge is successful, then the Relevant Convened DC shall be deemed to have Resolved that the relevant Package Observable Bond DC Resolution was not passed. Following any such successful challenge, the Relevant Convened DC shall in its sole discretion and by Majority DC Resolution determine the next steps (if any) that such Relevant Convened DC (or any Eligible Market Participant, the POB Administrator or Legal Review Counsel, as

applicable) must or may need to take in order to identify a Package Observable Bond in respect of the relevant POB Slot for the Sovereign Reference Entity, adhering to the extent possible to the process and timings set out in these POB Rules and taking into account any obligations of the relevant Sovereign Reference Entity that the Eligible Market Participant may have submitted with such challenge; provided, however, that the Relevant Convened DC shall not pass a POB Identification Resolution in respect of another obligation of the relevant Sovereign Reference Entity unless it is satisfied that such obligation (i) is a General Criteria POB of the Sovereign Reference Entity, (ii) satisfies the applicable Legal Terms Requirement and (iii) falls within the relevant POB Slot. Any POB Identification Resolution that the Relevant Convened DC passes in respect of a successful challenge shall itself be subject to challenge pursuant to this Section 2.3 (*Challenging Package Observable Bond DC Resolutions*).

- (e) For each Package Observable Bond DC Resolution that is unsuccessfully challenged, the institution(s) that challenged such resolution may be required to and, if so, shall, pro rata, bear the reasonable costs incurred by the POB Administrator, Legal Review Counsel, the DC Secretary or the Relevant Convened DC in connection with such challenge.

2.4 Identification of a Package Observable Bond that is solely applicable to Credit Derivative Transactions referencing a specific POB Relevant Transaction Type

A Package Observable Bond with respect to a Sovereign Reference Entity that is solely applicable to Credit Derivative Transactions referencing a specific POB Relevant Transaction Type which incorporates one or more sets of terms or additional provisions, or supplements may be identified using the selection process and criteria set out above. Any Package Observable Bond that is so identified (i) will be identified on the POB List as being solely applicable to Credit Derivative Transactions referencing such specific POB Relevant Transaction Type and (ii) may be replaced as the Package Observable Bond in accordance with Section 3 (*Identifying Replacement Package Observable Bonds*) below.

3. Identifying Replacement Package Observable Bonds

3.1 Quarterly Replacement Package Observable Bond Process

- (a) **Affected POBs.** In respect of each Quarterly Roll Date, the POB Administrator shall use reasonable efforts to identify any POB Substitution Events that have occurred with respect to any Package Observable Bond (each, an "Affected POB") and shall collate these together with any POB Substitution Events notified to it by an Eligible Market Participant, in accordance with Section 3.1(b) (*POB Substitution Events*) below, during (or prior to) the Quarterly Submission Period relating to such Quarterly Roll Date. The POB Administrator shall (i) notify the Relevant Convened DC as soon as reasonably practicable, but in any event, by no later than 5:00 p.m. Relevant City Time on the Relevant City Business Day immediately following the end of such Quarterly Submission Period of such POB Substitution Event and (ii) promptly publish the contents of such notification on the POB Website. For the purposes of this Section 3 (*Identifying Replacement Package Observable Bonds*), the Relevant Convened DC means the Committee for the Region that includes the POB Relevant Transaction Type specified on the POB List in respect of the Affected POB.
- (b) **POB Substitution Events.** An Eligible Market Participant may from time to time notify the POB Administrator to bring to the POB Administrator's attention any POB Substitution Event that such Eligible Market Participant believes has occurred in respect of any Package Observable Bond. Any such notification must include a reasonably detailed description of the relevant POB Substitution Event and supporting information in respect thereof that is consistent with the definition of Eligible Information.

3.2 Consequences of a POB Substitution Event

With respect to an Affected POB of a Sovereign Reference Entity:

- (a) If the POB Substitution Event results in an Empty POB Slot, then unless a Credit Event Resolution Request Date has occurred, the Relevant Convened DC will identify the replacement Package Observable Bond to replace the Affected POB in accordance with Section 3.3 (*Identifying a replacement Package Observable Bond*) below.
- (b) (i) If any of the events set forth under paragraphs (a), (c) or (d) of the definition of POB Substitution Event have occurred with respect to the Affected POB, then with effect from and including the POB Substitution Event Date, the Affected POB shall be deemed to have been removed from the POB List and at such time shall immediately cease to be the Package Observable Bond with respect to the relevant POB Slot for the Sovereign Reference Entity. Accordingly, the POB Administrator shall remove references to the Affected POB from the POB List as soon as reasonably practicable after the POB Substitution Event Date in respect of any such POB Substitution Event; and
 - (ii) if the event set forth under paragraph (b) of the definition of POB Substitution Event has occurred with respect to the Affected POB, then the Affected POB will remain on the POB List until the earlier of: (A) the date on which the replacement Package Observable Bond is identified in accordance with Section 3.3 (*Identifying a replacement Package Observable Bond*) below; and (B) the date on which any of the events set forth under paragraphs (a), (c) or (d) of the definition of POB Substitution Event occurs with respect to the Affected POB; provided that for the purposes of determining whether such POB Substitution Event results in an Empty POB Slot, the Affected POB shall be deemed to be removed from the applicable POB Slot with effect from the date of such POB Substitution Event; and
 - (iii) if the event set forth under paragraph (e) of the definition of POB Substitution Event has occurred with respect to the Affected POB, then the Affected POB will remain on the POB List until the date on which any of the events set forth under paragraphs (a), (c) or (d) of the definition of POB Substitution Event occurs with respect to the Affected POB; provided that for the purposes of determining whether such POB Substitution Event results in an Empty POB Slot, the Affected POB shall be deemed to be removed from the applicable POB Slot with effect from the date of such POB Substitution Event.
- (c) If a replacement Package Observable Bond is not available for the Affected POB, then, and notwithstanding the fact that the Affected POB may have been removed from the POB List in accordance with Section 3.2(b) above, the relevant parties will continue to attempt to identify a replacement Package Observable Bond in accordance with the process provided for in Section 3.3 (*Identifying a replacement Package Observable Bond*) below.

3.3 Identifying a replacement Package Observable Bond

- (a) **Empty POB Slot Requests.** In respect of each Quarterly Roll Date, the POB Administrator shall identify any Empty POB Slots with respect to a Sovereign Reference Entity in respect of which one or more POBs have been published on the POB List and shall (i) notify the Relevant Convened DC by no later than 5:00 p.m. Relevant City Time on the Relevant City Business Day immediately following the end of such Quarterly Submission Period of such Empty POB Slots (such notification, a "**Empty POB Slot Request**" and the deadline for such notification, the "**Empty POB Slot Request**

Deadline") and (ii) promptly publish such Empty POB Slot Request on the POB Website. For the purposes of this Section 3 (*Identifying Replacement Package Observable Bonds*), the Relevant Convened DC means the Committee for the Region that includes the POB Relevant Transaction Type specified on the POB List in respect of the relevant Sovereign Reference Entity.

- (b) **Processing Empty POB Slot Requests.** Empty POB Slot Requests notified by the POB Administrator to the Relevant Convened DC in accordance with Section 3.3(a) (*Empty POB Slot Requests*) shall be processed by the Relevant Convened DC in quarterly cycles by reference to Quarterly Roll Dates as per the process provided for below. In respect of an Empty POB Slot Request which relates to a POB Substitution Event that occurred during (or prior to) the Quarterly Submission Period in respect of a Quarterly Roll Date, the replacement Package Observable Bond in respect of the related Affected POB specified in such Empty POB Slot Request shall be selected and, subject to Section 3.2(b) (*Consequences of a POB Substitution Event*) above, published on the POB List by no later than such Quarterly Roll Date. In respect of an Empty POB Slot Request, a Package Observable Bond shall be published on the POB List in respect of the first Quarterly Roll Date possible.

In respect of an Empty POB Slot Request, a Package Observable Bond shall be identified with respect to the relevant Empty POB Slot in relation to the Sovereign Reference Entity in accordance with, and subject to, the process set out in Section 2.2(c) (*Identifying Potential POBs and sourcing Required Information*) to Section 2.3 (*Challenging Package Observable Bond DC Resolutions*) (inclusive) above as though references to the Endorsement Cut-off Time were references to the Empty POB Slot Request Deadline in respect of the relevant Quarterly Roll Date and in respect of each Empty POB Slot.

Notwithstanding the foregoing, the Relevant Convened DC may in its sole discretion by a Majority DC Resolution amend any deadline or time period for any reason whatsoever including, without limitation, if (i) the volume of Empty POB Slot Requests it has received, the number of Potential POBs in respect of a particular quarter, or the volume of other DC Issues being deliberated by the Relevant Convened DC makes it impractical for it to process all such Empty POB Slot Requests or review all such Potential POBs (taking into account the time required to conclude legal review of such Potential POBs pursuant to Section 2.2(d) (*Legal Review of Potential POB*) as may be amended by Section 3.3 (*Identifying a replacement Package Observable Bond*) below), (ii) the Relevant Convened DC is unable to select a replacement Package Observable Bond due to a lack of Required Information, (iii) there are delays in Resolving any challenges under Section 2.3 (*Challenging Package Observable Bond DC Resolutions*) as may be amended by Section 3.3 (*Identifying a replacement Package Observable Bond*) below, or (iv) market participants would benefit from the replacement Package Observable Bond in respect of an Affected POB or a Package Observable Bond in respect of an Empty POB Slot being determined on an expedited basis. The Relevant Convened DC may also prioritise Empty POB Slot Requests in its sole discretion, by a Majority DC Resolution.

4. Further Legal Review

Once an obligation has been published on the POB Website as a Package Observable Bond, no further legal review shall be conducted in respect of such Package Observable Bond, unless the terms of the applicable Package Observable Bond have been amended and, accordingly, such Package Observable Bond shall fall within Section 3.4 of the 2014 Definitions until the time of such amendment, if any.

If Legal Review Counsel determines that, following an amendment to the terms of a Package Observable Bond, it may no longer satisfy the Legal Terms Requirement, the Relevant Convened DC may, at any time, Resolve by Supermajority DC Resolution whether this is the case. If such Resolution is made, the relevant obligation shall cease to constitute the Package Observable Bond with effect from the time of the amendment and shall be removed from the POB Website accordingly.

5. Successor Resolutions

5.1 Adjustments to the POB List

Following the occurrence of a Successor Resolution with respect to a Sovereign Reference Entity (the "**Original Sovereign Reference Entity**") for which a Package Observable Bond is included on the POB List, notwithstanding anything to the contrary in Section 3 (*Identifying Replacement Package Observable Bonds*) of the POB Rules, the POB Administrator shall promptly update the POB List as directed by the Relevant Convened DC pursuant to any POB Successor Determination Adjustment Resolution.

5.2 Selection of new Package Observable Bonds

Without prejudice to Section 5.1 (*Adjustments to the POB List*) above, if, following the occurrence of a Successor Resolution, the POB Administrator reasonably determines that a Package Observable Bond should be selected for a specific Successor (and/or the Original Sovereign Reference Entity), it may commence the Package Observable Bonds selection process as set out in Section 2 (*Identifying Package Observable Bonds*) as though a valid POB Request has been received by the POB Administrator.

6. Transitional Provisions

On or shortly after February 25, 2015, each Relevant Convened DC may pass DC Resolutions with respect to one or more of the obligations of certain Sovereign Reference Entities, which in each case has been selected, reviewed and otherwise processed in a manner consistent with these POB Rules notwithstanding the fact that these POB Rules had not yet been adopted at the time of such selection, review and processing. Any such Package Observable Bond DC Resolutions will promptly be published on the POB Website and the Website in accordance with Section 2.2(f) (*Publication of DC Resolutions*).

Any such Package Observable Bond DC Resolution may be challenged by an Eligible Market Participant subject to, and in accordance, with Section 2.3 (*Challenging Package Observable Bond DC Resolutions*) above; provided, however, that for these purposes only:

- (a) the Challenge Deadline shall be 5:00 p.m. Relevant City Time on the second Relevant City Business Day immediately following the publication of such Package Observable Bond DC Resolution on the POB Website; and
- (b) the Challenge Resolution Date shall be 5:00 p.m. Relevant City Time on the second Relevant City Business Day immediately following the relevant Challenge Deadline.

or, in either case, such other time and date as determined by the Relevant Convened DC in its sole discretion.

7. Representations by POB Administrator

With respect to any information or documentation that is submitted by the POB Administrator to the Relevant Convened DC, the DC Secretary and/or Legal Review Counsel, the POB Administrator shall be deemed to represent and warrant that such information and/or documentation has been disclosed and can be made public without violating any law, agreement or understanding regarding the confidentiality of such information and the DC Secretary, each DC Member, each CCP Member and Legal Review Counsel may rely on such representation in addition to the assumption of Section 1.35(b) of the 2014 Definitions (which for these purposes, shall be amended by the deletion of the words "In relation to any information of the type described in Sections 1.35(a)(ii) or (iii)").

8. Publication of information on the POB Website

If circumstances require, the POB Administrator may satisfy any obligation to publish information or documentation on the POB Website in accordance with these POB Rules by providing an alternative method of making that information or documentation available.

9. Definitions

All capitalised terms used but not defined in these POB Rules shall have the meanings given to such terms in the DC Rules or the 2014 Definitions, as the case may be.

As used in these POB Rules, the following terms shall have the following meanings unless the context clearly indicates otherwise:

"Affected POB" has the meaning specified in Section 3.1(a).

"Assessment Date" means, with respect to the selection of a Potential POB (or Package Observable Bond, as applicable) of a Sovereign Reference Entity, the date on which the POB Administrator is selecting the Potential POB (or Package Observable Bond, as applicable) except that, for purposes of determining the remaining maturity of any obligation, the Assessment Date shall be the Quarterly Roll Date immediately following the date on which the POB Administrator is making such selection.

"Challenge Deadline" has the meaning specified in Section 2.3(b).

"Challenge Resolution Date" has the meaning specified in Section 2.3(c).

"DC Rules" means the Credit Derivatives Determinations Committees Rules to which these POB Rules are annexed, as published by ISDA on its Website from time to time.

"Domestic Law" has the meaning given to such term in Section 3.18 of the 2014 Definitions.

"Empty POB Slot" (a) in respect of an initial selection of Package Observable Bonds for a Sovereign Reference Entity, has the meaning specified in Section 2.2(e)(ii) and (b) thereafter, means any POB Slot to which no Package Observable Bond is allocated for such Sovereign Reference Entity.

"Endorsed" has the meaning specified in Section 2.2(b)(iv).

"Endorsed POB Request" has the meaning specified in Section 2.2(c).

"Endorsement Cut-off Time" has the meaning specified in Section 2.2(b)(iv).

"General Criteria POB" means, with respect to a Sovereign Reference Entity, an obligation of such Sovereign Reference Entity (or, if the Sovereign Reference Entity is provider of a guarantee, in respect of an Underlying Obligation) that:

- (a) is a Bond;
- (b) has an outstanding principal balance of at least the Minimum Size;
- (c) satisfies the Remaining Maturity Limit; and
- (d) satisfies the Minimum Liquidity Requirement,

in each case, as at the Assessment Date.

"General Criteria POB Priority Rules" means, after all General Criteria POBs of a Sovereign Reference Entity have been grouped into the relevant POB Slots, a General Criteria POB which is identified pursuant to the following list of prioritisations:

- (a) a General Criteria POB with a longer remaining maturity than another General Criteria POB will be selected prior to that other General Criteria POB;
- (b) if, pursuant to (a) above, there is more than one General Criteria POB with the applicable longest remaining maturity, a General Criteria POB with such maturity and a greater outstanding principal balance will be selected prior to another General Criteria POB with the same such maturity; and
- (c) if, pursuant to (a) and (b) above, there is more than one General Criteria POB with the applicable longest remaining maturity and greatest outstanding principal balance, a General Criteria POB with such maturity and outstanding principal balance that was issued more recently will be selected prior to another General Criteria POB with the same such maturity and outstanding principal balance.

"International Law" means, with respect to a Sovereign Reference Entity, a governing law other than the applicable Domestic Law.

"International Law Sovereign" means a Sovereign Reference Entity for whom the relevant POB Reference Transaction Type includes "Not Domestic Law" as an applicable Deliverable Obligation Characteristic.

"Legal Review Counsel" means external legal counsel or any other third-party professional appointed from time to time by the DC Secretary on behalf of the relevant Committee, or the legal function of one or more identified DC Members of the relevant Committee which has been appointed by such Committee, to provide advice and analysis in relation to, *inter alia*, the Legal Terms Requirement.

"Legal Terms Requirement" means, with respect to an Endorsed POB Request and a Potential POB of the relevant Sovereign Reference Entity, such Potential POB is an obligation of the Sovereign Reference Entity which is a Deliverable Obligation determined in accordance with Section 3.2(a) (*Deliverable Obligation*) of the Definitions (and for the purposes of the "Not Subordinated" Deliverable Obligation Characteristic, it shall be deemed that there is no Reference Obligation and that the Prior Reference Obligation is an **unsubordinated Borrowed Money** Obligation of the Sovereign Reference Entity) on the relevant date of determination. For these purposes, the applicable Deliverable Obligation Category and Deliverable Obligation Characteristics, whether All Guarantees is applicable, and whether any terms, supplements or

additional provisions in each case pertaining to deliverability are applicable, shall be as specified in the Credit Derivatives Physical Settlement Matrix most recently published by ISDA on its Website as of the relevant date of determination for the POB Relevant Transaction Type.

"Lower Minimum Size" has the meaning specified in Section 2.2(c).

"Minimum Liquidity Requirement" means, with respect to an obligation, at least 5 major dealers make daily markets in the obligation.

"Minimum Size" means, with respect to an obligation, an outstanding principal balance of:

- (a) (i) if EMEA is the Region that includes the POB Relevant Transaction Type applicable to the Sovereign Reference Entity to which such obligation relates, EUR 1 billion;
- (ii) if Asia Ex-Japan is the Region that includes the POB Relevant Transaction Type applicable to the Sovereign Reference Entity to which such obligation relates, USD 750 million; or
- (iii) otherwise, USD 1 billion.

in each case, or its equivalent in the currency or currencies in which the obligation is denominated, as determined by the POB Administrator. or

- (b) if applicable, the Lower Minimum Size.

"No POB Identified Resolution" has the meaning specified in Section 2.2(e)(ii).

"Original Sovereign Reference Entity" has the meaning specified in Section 5.1.

"Package Observable Bond DC Resolution" means a POB Identification Resolution, a POB Non-Identification Resolution or a No POB Identified Resolution.

"POB Administrator" means Markit Group Limited or its relevant subsidiary, or any successor or replacement thereto, appointed by the DC Secretary on behalf of the relevant Committee to act as the POB Administrator pursuant to, and in accordance with, the DC Rules.

"POB Governing Law Type" means, with respect to a Sovereign Reference Entity, either the applicable Domestic Law or applicable International Law.

"POB Identification Resolution" has the meaning specified in Section 2.2(e)(i).

"POB List" means the list of Package Observable Bonds as published by ISDA on the POB Website.

"POB Maturity Period" means, in relation to an Assessment Date, each of the POB Maturity Period 1, the POB Maturity Period 2 and the POB Maturity Period 3.

"POB Maturity Period 1" means, in relation to an Assessment Date, the period from but excluding the date that is 1 year following the Assessment Date to and including the date that is 2.5 years following the Assessment Date.

"POB Maturity Period 2" means, in relation to an Assessment Date, the period from but excluding the date that is 2.5 years following the Assessment Date to and including the date that is 10 years following the Assessment Date.

"POB Maturity Period 3" means, in relation to an Assessment Date, the period from but excluding the date that is 10 years following the Assessment Date to and including the date that is 30 years following the Assessment Date.

"POB Non-Identification Resolution" has the meaning specified in Section 2.2(e)(i).

"POB Relevant Transaction Type" means, with respect to a Sovereign Reference Entity, the Transaction Type as specified in the related POB Request that applies to 2014 Transactions in respect of that Sovereign Reference Entity which shall be based on the Transaction Types in the version of the Credit Derivatives Physical Settlement Matrix most recently published by ISDA on its Website as of the date of effective receipt of such POB Request by the POB Administrator. Following the identification of the initial Package Observable Bond for a Sovereign Reference Entity, the POB Relevant Transaction Type shall be that published on the POB List in respect of such Sovereign Reference Entity.

"POB Request" has the meaning specified in Section 2.1(a).

"POB Request Notification" has the meaning specified in Section 2.2(b)(ii).

"POB Rules" has the meaning specified in Section 1.2.

"POB Slot" means, in respect of a Sovereign Reference Entity, each combination of POB Maturity Period and POB Governing Law type.

"POB Substitution Date" means the date on which a replacement Package Observable Bond is added to the POB List following the occurrence of a POB Substitution Event with respect to an Affected POB.

"POB Substitution Event" means, with respect to a Package Observable Bond:

- (a) the Package Observable Bond is redeemed in whole;
- (b) the outstanding principal balance of the Package Observable Bond has been reduced by redemption or otherwise below the POB Substitution Threshold;
- (c) for any reason, other than due to the existence or occurrence of an Asset Package Credit Event, the Package Observable Bond is no longer an obligation of the Sovereign Reference Entity (either directly or as provider of a guarantee);
- (d) for any reason, other than due to the existence or occurrence of an Asset Package Credit Event, the Relevant Convened DC Resolves that the Package Observable Bond does not satisfy the Legal Terms Requirement; or
- (e) the Relevant Convened DC Resolves by Majority DC Resolution that the Package Observable Bond either (i) has ceased to satisfy the Minimum Liquidity Requirement and an Eligible Market Participant has notified the POB Administrator thereof; or (ii) did not satisfy the Minimum Liquidity Requirement as at the Assessment Date.

Any change in the Package Observable Bond's CUSIP or ISIN number or other similar identifier will not, in and of itself, constitute a POB Substitution Event.

"POB Substitution Event Date" means, with respect to an Affected POB, the date of the occurrence of the relevant POB Substitution Event.

"POB Substitution Threshold" means, with respect to the Package Observable Bond of a Sovereign Reference Entity:

(a) if EMEA is the region that includes the POB Relevant Transaction Type applicable to the Sovereign Reference Entity to which such obligation relates, EUR750 million;

(b) if Asia Ex-Japan is the Region that includes the POB Relevant Transaction Type applicable to the Sovereign Reference Entity to which such obligation relates, USD 500 million; or

(c) otherwise, USD750 million in each case, or its equivalent in the currency or currencies in which the obligation is denominated, as determined by the POB Administrator.

"POB Website" means "www.isda.org" (or any such successor website of ISDA) or the website of any third party designated by ISDA to publish Package Observable Bonds.

"Potential POB" has the meaning specified in Section 2.2(c).

"Potential POB Identification and Legal Review Period" has the meaning specified in Section 2.2(d)(iv).

"Qualified Majority" means, in respect of any vote of the Dealer Members of a Relevant Convened DC, (a) at least five Dealer Members of the Relevant Convened DC and (b) more than 50% of the participating Dealer Members, vote in favor of a particular answer.

"Quarterly POB Selection Date" means, with respect to a Quarterly Roll Date, the Relevant City Business Day occurring on or about the date that is four weeks prior to the Quarterly Roll Date, as published by the POB Administrator on the POB Website by no later than 5:00 p.m. Relevant City Time on the first Relevant City Business Day following the immediately preceding Quarterly Roll Date.

"Quarterly Roll Date" means March 20, June 20, September 20 and December 20 in each year. Quarterly Roll Dates shall not be subject to any adjustment in accordance with any Business Day Convention.

"Quarterly Submission Deadline" means, with respect to a Quarterly Roll Date, the Relevant City Business Day occurring on or about the date that is seven weeks prior to the Quarterly Roll Date, as published by the POB Administrator on the POB Website by no later than 5:00 p.m. Relevant City Time on the first Relevant City Business Day following the immediately preceding Quarterly Roll Date.

"Quarterly Submission Period" means, with respect to a Quarterly Roll Date, the period from but excluding the Quarterly Submission Deadline in respect of the immediately preceding Quarterly Roll Date to and including the Quarterly Submission Deadline in respect of such Quarterly Roll Date.

"Relevant CCP" means a CCP with at least eight clearing members.

"Relevant Convened DC" has the meaning specified in Section 2.1(c), Section 3.1(a) or Section 3.3(a) as applicable.

"Relevant Number" means six, unless the relevant Sovereign Reference Entity is an International Law Sovereign, in which case, it shall mean three.

"Remaining Maturity Limit" means an obligation with a remaining maturity of at least 1 year.

"Required Information" means, with respect to an obligation, a description of the obligation, the CUSIP or ISIN number of the obligation (if applicable) and copies of, or unrestricted internet links to, all material documentation, including offering documents, pricing supplements, indentures and, as applicable, guarantees, or, in each case, equivalent documentation howsoever designated in respect of the relevant obligation and, in each case, such documentation or information must be documentation or information which is publicly available or which can be made public without violating a law, agreement, understanding or other restriction regarding the confidentiality of such documentation or information.

"Sovereign Reference Entity" is a Reference Entity which constitutes a Sovereign.

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Sources	
Original Document	\\omnia.aoglobal.com\Europe\LN\Home3\SimmonsR\My Documents\ICM-#19997111-v10-DC_Rules_2014.DOC
Modified Document	[#20593052] [v16] 2015 DC Rules

Comparison Statistics	
Insertions	107
Deletions	44
Changes	104
Moves	10
TOTAL CHANGES	265

Word Rendering Set Markup Options	
Name	Standard
<u>Insertions</u>	
Deletions	
<u>Moves / Moves</u>	
Inserted cells	
Deleted cells	
Merged cells	
Formatting	Color only.
Changed lines	Mark left border.
Comments color	By Author.
Balloons	False

compareDocs Settings Used	Category	Option Selected
Open Comparison Report after Saving	General	Always
Report Type	Word	Formatting
Character Level	Word	True
Include Headers / Footers	Word	True
Include Footnotes / Endnotes	Word	True
Include List Numbers	Word	True
Include Tables	Word	True
Include Field Codes	Word	True
Include Moves	Word	True
Show Track Changes Toolbar	Word	False
Show Reviewing Pane	Word	False
Update Automatic Links at Open	Word	False
Summary Report	Word	End
Include Change Detail Report	Word	Separate
Document View	Word	Print
Remove Personal Information	Word	False
Flatten Field Codes	Word	True