



Clearing Rules

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20. CREDIT DEFAULT SWAPS

The rules in this Chapter 20 apply to the clearance of CDS Contracts.

20-102. Definitions.

2003/2014 Changeover Effective Date

September [22], 2014.

2003 Definitions

The 2003 ISDA Credit Derivatives Definitions, as supplemented by the 2005 Matrix Supplement and the July 2009 Supplement, each as published by ISDA. In the event of any inconsistency between the terms of the July 2009 Supplement and the terms of any other portion of the 2003 Definitions, the terms of the July 2009 Supplement will govern for purposes of the relevant Contract.

2005 Matrix Supplement

The “2005 Matrix Supplement to the 2003 ISDA Credit Derivatives Definitions” (published on March 7, 2005), as published by ISDA.

2003-Type CDS Contract

A CDS Contract incorporating the 2003 Definitions; provided that in the case of an index CDS Contract, a 2003-Type CDS Contract shall mean a Component Transaction thereof incorporating the 2003 Definitions.

2005 Monoline Supplement

The “Additional Provisions for Physically Settled Default Swaps – Monoline Insurer as Reference Entity” (published on January 21, 2005), as published by ISDA.

2014 Definitions

The 2014 ISDA Credit Derivatives Definitions, as published by ISDA.

2014-Type CDS Contract

A CDS Contract incorporating the 2014 Definitions; provided that in the case of an index CDS Contract, a 2014-Type CDS Contract shall mean a Component Transaction thereof incorporating the 2014 Definitions.

Applicable Credit Derivatives Definitions

With respect to a 2014-Type CDS Contract, the 2014 Definitions, and with respect to a 2003-Type CDS Contract, the 2003 Definitions, in each case as identified in the relevant List of Eligible Reference Entities, pursuant to the terms of the submitted Contract or otherwise in a manner to be specified by ICE Clear Credit.

CDS Committee Rules

The rules set forth in Chapter 21. Any reference to a particular CDS Committee Rule shall be a reference to the relevant rule in Chapter 21.

CDS Committee-Eligible Participant

Any CDS Participant that has been approved by the Board or its designee, after consultation with the Risk Committee, for participation in one or more Regional CDS Committees under the CDS Committee Rules and in the CDS Default Committee. The Board or its designee, after consultation with the Risk Committee, may revoke (or reinstate) its approval from time to time based on its determination as to whether a particular CDS Participant has been in compliance with these Rules and the ICE Clear Credit Procedures.

CDS Contract

A credit default swap transaction accepted for clearing that meets the criteria established under these Rules. A CDS Contract is a Contract for purposes of Chapter 1 of these Rules.

CDS Participant

A Participant that has been approved by ICE Clear Credit for the submission of CDS Contracts.

CDS Physical Settlement Rules

The rules set forth in Chapter 22 of these Rules. Any reference to a particular CDS Physical Settlement Rule shall be a reference to the relevant rule in Chapter 22 of these Rules.

CDS Region

A region for which CDS Contracts are cleared by ICE Clear Credit, as determined by the Board or its designee, after consultation with the Risk Committee.

CDS Regional Business Day

With respect to a CDS Region, any day determined in accordance with the location and other parameters designated by the Board or its designee as a day on which the business of clearing CDS Contracts may occur in the particular CDS Region.

CDS Restructuring Rules

~~The rules published and designated as such by ICE Clear Credit that specify the rights and obligations of ICE Clear Credit and the relevant CDS Participants under Restructuring CDS Contracts for which either “Restructuring Maturity Limitation and Fully Transferable Obligation Applicable” or “Modified Restructuring Maturity Limitation and Conditionally Transferable Obligation Applicable” is specified.~~

[Subchapter 26E of the Rules.](#)

[Converting Contracts](#)

[Contracts converted as of the 2003/2014 Changeover Effective Date into 2014-Type CDS Contracts \(including index CDS Contracts that have one or more components transactions converted as of such date into 2014-Type CDS Contracts\) as set forth herein, as specified in a list maintained by ICE Clear Credit on its website as of such time.](#)

DC Rules

The Credit Derivatives Determinations Committees Rules [as published by ISDA, as defined in Section 1.22 of the July 2009 Supplement as the “Rules” in effect from time to time.](#)

ISDA

The International Swaps and Derivatives Association, Inc., or any successor thereto.

July 2009 Supplement

The 2009 ISDA Credit Derivatives Determinations Committees, Auction Settlement and Restructuring Supplement to the 2003 ISDA Credit Derivatives Definitions, as published by ISDA on July 14, 2009.

Open CDS Positions

A CDS Participant's Open Positions in CDS Contracts.

20-103 **Interpretation Relating to Index CDS Contracts**

Index CDS Contracts comprise a number of separate Component Transactions, each of which may, subject to the Rules, be a 2003-Type CDS Contract or a 2014-Type CDS Contract. Where there is a distinction in the application of the Rules or ICE Clear Credit Procedures or the Applicable Credit Derivatives Definitions as between a 2003-Type CDS Contract and a 2014-Type CDS Contract, the Rules and ICE Clear Credit Procedures and Applicable Credit Derivatives Definitions, as applicable, shall apply separately to each such Component Transaction that is a 2003-Type CDS Contract or 2014-Type CDS Contract, respectively.

20-402. **ICE Clear Credit Lien.**

In addition to the lien described in Rule 402(b), each CDS Participant hereby grants ICE Clear Credit, acting on behalf of the relevant Buyer, a continuing lien and security interest in and to all of such CDS Participant's right, title and interest, whether now owned or existing or hereafter acquired or arising, in and to all Buyer Allocated Collateral (as defined in Rule 2204(b)) as security for all obligations of such CDS Participant to such Buyer under all Allocated CDS Contracts (as defined in Rule 2203(a)) between such CDS Participant and such Buyer.

20-605. **CDS Participant Default.**

- (a) ICE Clear Credit may determine, subject to paragraph (g) of this Rule, that a CDS Participant is in "**Default**" if such CDS Participant (i) fails to meet, or appears, in the judgment of ICE Clear Credit, likely to fail to meet, any of the CDS Participant's obligations (other than an obligation to Transfer Margin) with respect to, or is otherwise in default or subject to early termination under, the CDS Participant's Contracts with ICE Clear Credit, (ii) fails to Transfer Margin (whether Initial Margin or Mark-to-Market Margin) by the deadline established under these Rules, (iii) is suspended or expelled or whose privileges are revoked by a Market or by ICE Clear Credit, subject to the requirements of Rule 615(b), or (iv) has a guarantor providing a guarantee pursuant to Rule 205 who fails to meet, or appears, in the judgment of ICE Clear Credit, likely to fail to meet, any obligations with respect to, or who is otherwise in default under, the guarantee. If "Automatic Early Termination" is specified as applying to a CDS Participant under its Participant Agreement, then all Open CDS Positions of such CDS Participant

Replacement Participant without loss to ICE Clear Credit pursuant to Rule 20A-02;

(B) With respect to the Open CDS Positions that are House Positions in any account of such Defaulting CDS Participant, to liquidate, set off and/or apply the following resources, in the following order, to cover any amounts paid by ICE Clear Credit in closing or replacing such House Positions or any related Initial Cover Transactions (or in making payments or providing Mark-to-Market Margin to other Participants in respect of corresponding positions), including any commissions, losses, costs or expenses incurred in connection therewith or in connection with the liquidation of applicable Margin applied thereto pursuant to this subclause, and any other obligations of the Defaulting CDS Participant to ICE Clear Credit, including any obligations arising from any other accounts maintained by the Defaulting CDS Participant with ICE Clear Credit:

- (a) any proceeds received by ICE Clear Credit from closing or replacing such House Positions or any related Initial Cover Transactions,
- (b) any property or proceeds thereof deposited with or held by ICE Clear Credit as Margin for such Defaulting Participant's House Positions,
- (c) the Defaulting Participant's Required Contribution and Specific WWR Guaranty Fund Contribution, if any, to the General Guaranty Fund as provided in Rule 802, and
- (d) any other property of or delivered by the Defaulting CDS Participant within the possession or control of ICE Clear Credit (whether or not related to Open CDS Positions), other than any property or proceeds thereof deposited with or held by ICE Clear Credit as Margin for such Defaulting Participant's Client-Related Positions (including any amounts in the Client Omnibus Margin Account);

(C) Notwithstanding the foregoing, to the extent any (i) property or proceeds thereof deposited with or held by ICE Clear Credit as Margin for such Defaulting Participant's House Positions or (ii) any other property of or delivered by the Defaulting CDS Participant within the possession or control of ICE Clear Credit, whether or not related to Open CDS Positions (other than any property or proceeds thereof deposited with or held by ICE Clear Credit as Margin for such Defaulting Participant's Client-Related Positions and the Defaulting Participant's Required ~~contribution~~Contribution to the General Guaranty Fund as provided in Rule

promptly as practicable under the circumstances, replace it with the next CDS Committee-Eligible Participant on the CDS Default Committee Participant List and, pending such replacement, the remaining CDS Default Committee Members shall continue to perform the responsibilities of the CDS Default Committee.

- (f) No CDS Default Committee Member or CDS Default Committee Participant shall be liable to ICE Clear Credit, any Defaulting CDS Participant, any other CDS Participant or any other person for any actions taken or not taken in good faith in its role as CDS Default Committee Member or CDS Default Committee Participant.
- (g) The CDS Default Committee shall assist ICE Clear Credit in determining and executing any Initial Cover Transactions and in determining and thereafter adjusting any Minimum Target Prices and shall provide ICE Clear Credit with recommendations with respect to (i) how prudently to unwind the Open CDS Positions of a Defaulting CDS Participant (both Client-Related Positions and House Positions) and the related Initial Cover Transactions, if any, (ii) how to implement the Default Portability Rules, if applicable and (iii) the particular structure and characteristics of any SR Auction ~~(as defined in Rule 26B-203(a))~~, in each case in accordance with these Rules and the ICE Clear Credit Procedures.
- (h) Except as may be required by applicable law or court order or by a regulatory, self-regulatory or supervising authority having appropriate jurisdiction, each CDS Default Committee Participant and CDS Default Committee Member (each a **“Covered Party”**) agrees (i) to maintain confidentiality as to all non-public information it obtains in the course of its service including, without limitation, the Open CDS Positions of a Defaulting CDS Participant, Minimum Target Prices (or any adjustments thereto), or any other deliberations or determinations related to the actions of ICE Clear Credit upon the Default of a CDS Participant (the **“Confidential Material”**) and (ii) not to use any Confidential Material for its own benefit or the benefit of any of its Affiliates. In the event that a Covered Party is served with or otherwise subject to legal process (including subpoena or discovery notice) requiring it to testify about, to produce, or otherwise to divulge Confidential Material, to the extent permitted by law the Covered Party subject to such process will as soon as practicable inform ICE Clear Credit so that ICE Clear Credit may seek a protective order or other remedy. In the event that such protective order or other remedy has not been obtained and the Covered Party is advised, in the opinion of counsel, that it is legally compelled to disclose any of the Confidential Material, the Covered Party may disclose only such Confidential Material so advised to be disclosed.
- (i) Each CDS Default Committee Participant and CDS Default Committee Member shall be responsible for its own costs associated with its service in such position.

Committee Member to serve as Chairperson of the relevant Regional CDS Committee for the remainder of the outgoing Chairperson's term. Prior service as Chairperson does not disqualify a Committee Member from subsequent terms of service as Chairperson.

- (e) Each Regional CDS Participant shall be responsible for its own costs associated with its participation as a Regional CDS Participant or as a Committee Member unless these CDS Committee Rules specifically provide otherwise.

2101-02. Role of the Regional CDS Committees.

- (a) For the relevant CDS Region, the Regional CDS Committee shall, subject to Rule 2101-02(d) and (e), be responsible for:
 - (i) determining whether a Reference Entity under a CDS Contract has been the subject of a Succession Event (in the case of a 2003-Type CDS Contract) or circumstances giving rise to a Successor and a Succession Date (in the case of a 2014-Type CDS Contract) and, if so, determining the legally effective date of the Succession Event or such circumstances and the identity of the Reference Entity's Successor(s), if any, *provided* that such determination shall be made only where sufficient information is available to the Regional CDS Committee to make such determination;
 - (ii) where necessary in respect of a CDS Contract to which "Standard Reference Obligation" is not applicable hereunder, determining whether a Reference Obligation no longer satisfies the applicable requirements under asuch CDS Contract and, if so, identifying any Substitute Reference Obligation, *provided* that such determination shall be made only where sufficient information is available to the Regional CDS Committee to make such determination;
 - (iii) determining whether a Credit Event for which there is Publicly Available Information has occurred with respect to a CDS Contract on or after the Credit Event Backstop Date ~~(determined by reference to Greenwich Mean Time)~~ and on or prior to the Extension Date ~~(determined by reference to Greenwich Mean Time)~~ with the timing of such Credit Event determined in accordance with the terms of such CDS Contracts and, if so, determining the relevant Event Determination Date, if any, which shall be the first date on which the relevant Regional CDS Committee both has received effective notice ~~prior to the end of the last day of~~ during the relevant Notice Delivery Period or Post Dismissal Additional Period, as applicable, requesting that the Regional CDS Committee determine the matters described in this clause (iii) and is in possession of Publicly Available Information in respect of the relevant Credit Event; *provided, however*, that an Event Determination Date relating to a Relevant Restructuring Credit

Event shall occur in respect of a Restructuring CDS Contract or part thereof only if a relevant party thereto delivers a Restructuring Credit Event Notice relating thereto on or before the relevant Exercise Cut-off Date, as provided in the CDS Restructuring Rules; provided, further, that in circumstances where Section 4.6(d)(ii) of the Applicable Credit Derivatives Definitions would otherwise apply, the Regional CDS Committee will be responsible for determining whether the Repudiation/Moratorium Extension Condition is satisfied (and delivery of a Repudiation/Moratorium Extension Notice will be of no effect).

- (iv) if the applicable method of settlement under a CDS Contract is Physical Settlement (whether initially or due to the fact that the CDS Contract is to be settled in accordance with the Fallback Settlement Method), resolving any questions presented by one or more Committee Members with respect to such CDS Contract regarding (1) whether a particular obligation is a Deliverable Obligation, (2) whether a particular Deliverable Obligation satisfies Section 2.32(a) or 2.33(a) of the ~~Credit Derivatives Definitions~~2003 Definitions (in the case of a 2003-Type CDS Contract) or Section 3.31(a) or 3.32(a) of the 2014 Definitions (in the case of a 2014-Type CDS Contract), if applicable (a Deliverable Obligation that satisfies the relevant Section, a **“Permissible Deliverable Obligation”**), (3) the length of the Physical Settlement Period (unless such period is fixed for purposes of the relevant Delivery pursuant to the Applicable Credit Derivatives Definitions), in the case of a 2003-Type CDS Contract, (4) the Accreted Amount of any Accreting Obligation ~~or~~(5) (in the case of a 2003-Type CDS Contract) or the Outstanding Principal Balance of any relevant Deliverable Obligation (in the case of a 2014-Type CDS Contract), (5) whether an Asset Package Credit Event has occurred in the case of a 2014-Type CDS Contract, the identification of any relevant Asset Package or Largest Asset Package or the methodology for determining the relevant Asset Market Value with respect to a Non-Transferable Instrument or Non-Financial Instrument (in the case of a 2014-Type CDS Contract); or (6) with respect to a 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 to an Allocated CDS Contract for the purpose of effecting Physical Settlement and, with respect to a Deliverable Obligation that is a Loan, 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 Applicable Credit Derivatives Definitions; and

- (v) with respect to a CDS Contract, making any other determination requested of it or resolving any disputes referred to it by ICE Clear Credit or its designee or by any Committee Member, excluding (A) making determinations or resolving disputes relating to withholding, gross-up or reimbursement for or on account of any Tax (as defined in Rule 613) or other Tax matters and (B) resolving disputes that are subject to arbitration pursuant to these Rules.
- (b) Subject to Rule 2101-02(d) and (e), ICE Clear Credit shall be responsible for performing any calculations or other determinations required of the Calculation Agent by a CDS Contract, other than those responsibilities specifically delegated to the Regional CDS Committees as provided in Rule 2101-02(a) or as otherwise delegated to the Regional CDS Committees by the Board or its designee. Any Calculation Agent determination made by ICE Clear Credit under this Rule 2101-02(b) may be disputed by any Committee Member referring the determination to the relevant Regional CDS Committee.
- (c) If there is a question presented to the Regional CDS Committee under Rule 2101-02(a)(iv) with respect to whether a particular obligation is a Deliverable Obligation or a Permissible Deliverable Obligation, as applicable, or, in respect of a 2014-Type CDS Contract, the Outstanding Principal Balance of such Deliverable Obligation or Permissible Deliverable Obligation, as applicable, and the answer to the question may differ based on the date as of which the question is answered (for example, ~~the “Not Contingent” characteristic is at issue and~~ there is a contingency that might cease to exist as of a particular date for purposes of the “Not Contingent” Deliverable Obligation Characteristic in the case of a 2003-Type CDS Contract or for purposes of Section 3.8 of the 2014 Definitions in the case of a 2014-Type CDS Contract), the presenter of the question will identify the relevant date.
- (d) Notwithstanding anything to the contrary in this Rule 2101-02 or elsewhere in these Rules, if the July 2009 Supplement applies or 2014 Definitions apply to a CDS Contract, the Regional CDS Committee shall not consider a question under these CDS Committee Rules in respect of such CDS Contract (including where new information, relevant to the question to be considered, has become available) unless a request has been previously submitted to ~~ISDA, as the~~ DC Secretary, to convene the relevant Credit Derivatives Determinations Committee to resolve the answer to such question for the purposes of the relevant CDS Contract (and, where new information as aforesaid has become available, that information has been made available to the DC Secretary with such request) and ~~ISDA~~ the DC Secretary has publicly announced that the relevant Credit Derivatives Determinations Committee has resolved not to determine the answer to such question or will not be deliberating the question.

- (e) For the avoidance of doubt, if the July 2009 Supplement ~~applies~~ or 2014 Definitions apply to a CDS Contract, any determination by a Credit Derivatives Determinations Committee applicable to such CDS Contract shall be binding on ICE Clear Credit and the relevant CDS Participants and shall supersede a prior determination of the same question by the relevant Regional CDS Committee, Dispute Resolver or ICE Clear Credit, as applicable, as provided in Section 9.1(c)(iii) of the ~~Credit Derivatives Definitions~~ 2003 Definitions (in the case of a 2003-Type CDS Contract) or Section 10.2 of the 2014 Definitions (in the case of a 2014-Type CDS Contract) (except as expressly stated otherwise in Section 9.1(c)(iii)(B) thereof, or Section 10.2(a)(i) thereof, as applicable) interpreted as if the relevant Regional CDS Committee, Dispute Resolver or ICE Clear Credit, as applicable, were the Calculation Agent). In the event there is a pending question before a Regional CDS Committee or a Dispute Resolver and ~~ISDA~~ the DC Secretary publicly announces that the conditions are satisfied to convene a Credit Derivatives Determinations Committee to resolve the same question, such Regional CDS Committee or Dispute Resolver shall cease considering such question and, in the event the question is raised again with such Regional CDS Committee or Dispute Resolver following such Credit Derivatives Determinations Committee's proceedings, the process of considering such question by such Regional CDS Committee or Dispute Resolver shall start over from the beginning.
- (f) If the July 2009 Supplement ~~applies~~ or 2014 Definitions apply to a CDS Contract, in each case notwithstanding whether the applicable Regional CDS Committee is entitled to consider the question pursuant to Rule 2101-02(d):
- (i) a question presented to a Regional CDS Committee concerning whether or not an event constitutes a Credit Event with respect to such CDS Contract which includes a description in reasonable detail of the facts and information required to be included in a Credit Event Notice and a Notice of Publicly Available Information shall be deemed to be delivery by a Notifying Party to the other party of a Credit Event Notice and Notice of Publicly Available Information under all relevant CDS Contracts only for the purposes of determining the Credit Event Backstop Date pursuant to Section 1.23 of the ~~Credit Derivatives Definitions~~ 2003 Definitions (in the case of a 2003-Type CDS Contract) or Section 1.39 of the 2014 Definitions (in the case of a 2014-Type CDS Contract) and as otherwise provided in these Rules; and
 - (ii) a question presented to a Regional CDS Committee concerning whether or not an event constitutes a Succession Event or circumstances giving rise to a Successor and a Succession Date with respect to such CDS Contract which includes a description in reasonable detail of the facts required to be included in a Succession Event Notice or Successor Notice, as applicable, shall be deemed to be delivery by one party to the other

party of a Succession Event Notice or Successor Notice, as applicable, under all relevant CDS Contracts only for the purposes of determining the Succession Event Backstop Date pursuant to Section 2.2(i) of the ~~Credit Derivatives Definitions~~2003 Definitions (in the case of a 2003-Type CDS Contract) or the Successor Backstop Date pursuant to Section 2.2(k) of the 2014 Definitions (in the case of a 2014-Type CDS Contract), as applicable, and as otherwise provided in these Rules.

2101-03. Meetings of the Regional CDS Committee.

- (a) ICE Clear Credit or the Chairperson may, and at the request of any two Committee Members the Chairperson will, call a meeting of the Regional CDS Committee on no less than three hours' notice. Meetings may commence at any time between 10:00 a.m. and 6:00 p.m. local time on a CDS Regional Business Day. As part of the notice to Committee Members of the meeting, ICE Clear Credit or the Chairperson, as applicable, shall include a brief description of the circumstances, including (if applicable) which category described in Rule 2101-02(a) the Regional CDS Committee is being asked to consider. Meetings may be held in person or by telephone or videoconference.
- (b) There will be no quorum for holding a meeting of a Regional CDS Committee. The quorum for holding a binding or non-binding vote will be a number of Committee Members equal to the Standard Quorum Number, unless otherwise indicated in a CDS Committee Rule. "**Standard Quorum Number**" means the greater of (i) 5 and (ii) 50 percent of the Regional CDS Participants for the relevant Regional CDS Committee (rounded down to the nearest whole number).
- (c) Each Committee Member will have a single vote on all matters before the Regional CDS Committee. In addition, each Regional CDS Participant agrees that it will cause its Committee Member (or any other person voting on such Committee Member's behalf) to, when casting a ballot in a binding vote, vote for the answer that is, in such voter's good faith belief, the proper answer to the question, taking into account any ambiguities in the application of the terms of the CDS Contract to the particular question.
- (d) The voting standards used in these CDS Committee Rules have the following meanings:
 - (i) a "**Quorum Majority**" means that there is a quorum for the vote and at least a majority of voting Committee Members have voted for a particular answer to the question posed.
 - (ii) a "**Quorum Supermajority**" means that there is a quorum for the vote and at least two-thirds of voting Committee Members have voted for a particular answer to the question posed.

question has been Resolved, it may not be reconsidered or voted on again by the Regional CDS Committee. For the sake of clarity, if a Regional CDS Committee Resolves ~~that~~ (i) that a Credit Event for which there is Publicly Available Information has not occurred with respect to a CDS Contract, but Publicly Available Information not considered by the Regional CDS Committee becomes available to the Regional CDS Committee ~~or~~, (ii) that a particular obligation is or is not a Deliverable Obligation or a Permissible Deliverable Obligation as of a particular date, but the analysis would be different if the Deliverable Obligation Characteristics ~~or Credit Derivatives, 2003~~ 2003 Definitions Section 2.32(a) or 2.33(a), (in the case of a 2003-Type CDS Contract), or 2014 Definitions Section 3.31(a) or 3.32(a) (in the case of a 2014-Type CDS Contract), as applicable, were applied on a different date, or (iii) the Outstanding Principal Balance of a Deliverable Obligation (in the case of a 2014-Type CDS Contract) as of a particular date but the analysis would be different if Section 3.8 of the 2014 Definitions were applied on a different date, a subsequent vote on such Issue is considered a new question rather than reconsideration of the prior question.

- (d) A Regional CDS Committee may, in a binding vote, by a Quorum Majority, decide not to determine the relevant Issue or to dismiss the relevant Issue, in which case the Issue shall be treated as though it had never been raised for consideration by such Regional CDS Committee.

2103-03. Referral to Stage 2.

- (a) An Issue presented to the Regional CDS Committee will be referred to Stage 2 if:
- (i) the Regional CDS Committee holds a binding vote where a Quorum Supermajority are in favor of referring the Issue to Stage 2, in which case all elements of such Issue that have not been Resolved by the Regional CDS Committee through a binding vote will be referred to Stage 2; or
 - (ii) (unless Rule 2103-02(d) applies) the Regional CDS Committee has not fully Resolved all elements of an Issue through a binding vote within the time period described in Rule 2103-02(a), in which case each element not Resolved will be referred to Stage 2.
- (b) If an Issue is referred to Stage 2, the positions to be presented to the Dispute Resolver (each, a “**Presented Position**” and, collectively, the “**Presented Positions**”) in respect of the elements of an Issue not Resolved by the Regional CDS Committee shall be determined as follows:
- (i) In the case of a question that was phrased to be answered with either “yes” or “no”, the Presented Positions shall be both the “yes” and “no” answers.

- (a) The provisions of Sections 9.1(c)(i), (c)(ii), (c)(iv) and (c)(v) of the ~~Credit Derivatives Definitions~~2003 Definitions (in the case of a 2003-Type CDS Contract) and Sections 11.1(c)(i), (c)(ii), (c)(iii) or (c)(iv) of the 2014 Definitions (in the case of a 2014-Type CDS Contract), as applicable, shall be incorporated by reference herein, with (i) references therein to a DC Party deemed to refer to ICE Clear Credit (and its directors, officers, employees and other representatives) and each Committee Member, Regional CDS Participant, Panel Member, or Dispute Resolver and (ii) references therein to the Rules, the Credit Derivatives Determinations Committee, and DC Resolutions deemed to refer to these CDS Committee Rules, the Regional CDS Committee or the Dispute Resolver, and Resolutions by the Regional CDS Committee or the Dispute Resolver, respectively.

- (d) As they relate to an obligation for which a dispute has been presented to the relevant Regional CDS Committee or the relevant Credit Derivatives Determinations Committee as to whether the obligation is a Deliverable Obligation or a Permissible Deliverable Obligation, if applicable, under the terms of the Physically Settled CDS Contract, time periods and related rights and remedies relating to Physical Settlement, for example, under Sections 9.9 and 9.10 of the ~~Credit Derivatives Definitions~~[2003 Definitions \(in the case of a 2003-Type CDS Contract\)](#) or [Sections 9.7, 9.8 and 9.9 of the 2014 Definitions \(in the case of a 2014-Type CDS Contract\)](#) and any applicable cap on settlement, shall be tolled for the period commencing on the date the dispute is first presented until the date of the relevant actual decision to Resolve (i.e., determined without regard to any Effectiveness Convention or any time of effectiveness specified in a Presented Position) or the date ISDA publicly announces the resolution by the relevant Credit Derivatives Determinations Committee, as applicable, whether or not such obligation is a Deliverable Obligation or a Permissible Deliverable Obligation, as applicable, under the terms of the Physically Settled CDS Contract.

2203. Effect of Allocation; Notice of Deliveries.

- (a) Upon the allocation by ICE Clear Credit of Buyers and Sellers to create one or more Matched Delivery Pairs, ICE Clear Credit shall have no further rights or obligations as counterparty with respect to either the portion of the Physically Settled CDS Contract with the Buyer in each Matched Delivery Pair or the portion of the Physically Settled CDS Contract with the Seller in each Matched Delivery Pair, in each case to which the allocated Floating Rate Payer Calculation Amount relates. Instead, the Buyer and Seller in the Matched Delivery Pair shall be deemed to have entered directly with each other into a CDS Contract (an **“Allocated CDS Contract”**) having the same terms as the portion of the Physically Settled CDS Contract to which the allocated Floating Rate Payer Calculation Amount relates, but excluding any terms set forth in Chapters of these Rules prior to Chapter 20, with Seller specified as the Calculation Agent and with a form of ISDA 2002 Master Agreement, as published by ISDA, deemed entered into by the Matched Delivery Pair with a Schedule specifying New York law as the governing law, the Margin provisions of these rules as a Credit Support Document, and each party waiving rights to trial by jury. If the Buyer in a Matched Delivery Pair is not permitted to deliver a Deliverable Obligation specified in the relevant Notice of Physical Settlement or NOPS Amendment Notice to the related Seller because (i) the amount of such Deliverable Obligation is less than the relevant minimum denomination of such Deliverable Obligation or (ii) such Seller is not a permitted transferee under such Deliverable Obligation or Buyer does not obtain any requisite consent with respect to delivery of loans, it shall be treated as an illegality or impossibility outside the parties’ control for the purpose of Section 9.3 of the ~~Credit Derivatives Definitions~~[2003 Definitions \(in](#)

[the case of a 2003-Type CDS Contract](#)) or [Section 9.1 of the 2014 Definitions \(in the case of a 2014-Type CDS Contract\)](#), as applicable, but in the case of clause (ii), Indicative Quotations shall not be applicable. For the sake of clarity, no assets of ICE Clear Credit, including the General Guaranty Fund, shall be available to satisfy obligations of the Buyer or the Seller in respect of an Allocated CDS Contract.

- (b) The parties to a Matched Delivery Pair shall notify ICE Clear Credit in accordance with the procedures it establishes for this purpose of the completion of any delivery under an Allocated CDS Contract or if they have otherwise settled all or part of such Allocated CDS Contract, identifying the relevant amount, Deliverable Obligation and Matched Delivery Pair.

2204. Role of ICE Clear Credit in respect of Allocated CDS Contracts.

- (a) ICE Clear Credit shall act as collateral agent for the Buyer in a Matched Delivery Pair, holding the related Buyer Allocated Collateral (as defined below) on Buyer's behalf to secure Seller's obligations under each related Allocated CDS Contract.
- (b) The Physical Settlement Margin held by ICE Clear Credit on behalf of a particular Buyer in respect of all Allocated CDS Contracts with a particular Seller shall be determined from time to time as follows: Each ICE Business Day, ICE Clear Credit shall allocate the Physical Settlement Margin for a particular Seller to particular Buyers in Matched Pairs with the relevant Seller on a proportionate basis, based on the remaining obligations of the relevant Seller to each such Buyer under Allocated CDS Contracts (in respect of a particular Buyer and the relevant Seller, and including all proceeds thereof, the "**Buyer Allocated Collateral**"). ICE Clear Credit shall determine the remaining obligations under Allocated CDS Contracts consistent with its procedures for determining appropriate Physical Settlement Margin, taking into account its determination of the value of any relevant Deliverable Obligation at the relevant time.
- (c) In the event that an Early Termination Date in respect of an Allocated CDS Contract occurs or is designated and the Buyer thereunder determines that the Seller thereunder is obligated to make a payment to the Buyer in respect of such Early Termination Date, the Buyer may provide ICE Clear Credit a certificate (an "**Allocated CDS Default Certificate**") signed by a Managing Director (or other substantively equivalent title) of the Buyer, indicating that an Early Termination Date has occurred, identifying the relevant Seller and Allocated CDS Contract(s), and the amount of the payment the Seller is obligated to make to the Buyer in respect of such Early Termination Date. Upon receipt of such a certificate, ICE Clear Credit, on behalf of Buyer, may exercise any and all rights and remedies of a secured party under applicable law and under these Rules in respect of the Buyer Allocated Collateral and pay any Buyer Allocated Collateral or proceeds thereof, after deduction for any costs or expenses incurred in connection

26. CLEARED CDS PRODUCTS

The Subchapters of this Chapter 26 define the particular characteristics of and any additional Rules applicable to the various CDS Contracts cleared by ICE Clear Credit.

26A. CDX Untranching North American IG/HY/XO.

The rules in this Subchapter 26A apply to the clearance of CDX.NA Untranching Contracts.

26A-102. Definitions.

CDX.NA Untranching Contract

A credit default swap in respect of any Eligible CDX.NA Untranching Index and governed by any CDX.NA Untranching Terms Supplement. A CDX.NA Untranching Contract is a CDS Contract for purposes of Chapter 20.

CDX.NA Untranching Publisher

Markit North America, Inc., as successor to CDS IndexCo LLC, or any successor sponsor of the Eligible CDX.NA Untranching Indexes it publishes.

CDX.NA Untranching Rules

The rules set forth in Chapters 1 through 8 and 20 through 22, inclusive, as modified by the provisions of this Subchapter 26A.

CDX.NA Untranching Terms Supplement

Each of the following:

(a) The “CDX Untranching Transactions Standard Terms Supplement”, as published by CDS IndexCo LLC on March 20, 2008 (the “**March 2008 Supplement**”).

(b) The “CDX Untranching Transactions Standard Terms Supplement”, as published by Markit North America, Inc. on January 31, 2011 (the “**January 2011 Supplement**”).

(c) [The “CDX Untranching Transactions Standard Terms Supplement”, as published by Markit North America, Inc. on or about September 20, 2014 \(the “2014 Supplement”\).](#)

Eligible CDX.NA Untranching Index

Each particular series and version of a CDX.NA index or sub-index, as published by the CDX.NA Untranchéd Publisher, determined by ICE Clear Credit to be eligible and included in the List of Eligible CDX.NA Untranchéd Indexes.

List of Eligible CDX.NA Untranchéd Indexes

The list of Eligible CDX.NA Untranchéd Indexes, maintained, updated and published by the Board or its designee on the ICE Clear Credit website, specifying the following information with respect to each index:

- (a) the name and series, including any applicable sub-index designation;
- (b) the “Effective Date”;
- (c) one or more eligible “Scheduled Termination Dates” and the applicable “Fixed Rate” for each such date;
- (d) the Relevant CDX.NA Untranchéd Terms Supplement;
- (e) the versions (and related annex dates) eligible for clearing (and, if applicable for the relevant index, the Applicable Credit Derivatives Definitions for each component); and
- (f) any inactive versions (and related annex dates), i.e., those that have been determined to be fungible with later versions.

Relevant CDX.NA Untranchéd Terms Supplement

With respect to an Eligible CDX.NA Untranchéd Index, the CDX.NA Untranchéd Terms Supplement specified for such Eligible CDX.NA Untranchéd Index in the List of Eligible CDX.NA Untranchéd Indexes.

26A-309. Acceptance of CDX.NA Untranchéd Contracts by ICE Clear Credit.

- (a) A CDS Participant shall make all reasonable efforts to not submit a Trade for clearance as a CDX.NA Untranchéd Contract, and any such Trade shall not be a Conforming Trade, if the Novation Time would be:
 - (i) at a time when the Fallback Settlement Method is applicable to a Credit Event with respect to such CDX.NA Untranchéd Contract; or
 - (ii) at or after the close of business on the calendar day following the Auction Final Price Determination Date for a Credit Event with respect to such CDX.NA Untranchéd Contract;

(such time with respect to any CDX.NA Untranching Contract, the "Clearance Cut-off Time"); provided that ICE Clear Credit may, by written notice to all CDS Participants following consultation with the Risk Committee, designate a time other than the time determined pursuant to clauses (i) or (ii) above as the Clearance Cut-off Time with respect to any CDX.NA Untranching Contract. CDS Participants may again submit Trades for clearance as such CDX.NA Untranching Contract, and such Trades shall again be Conforming Trades, following receipt of notice from ICE Clear Credit that a Fungibility Date (as defined in Rule 26A-316) has occurred with respect to such CDX.NA Untranching Contract.

- (b) A CDS Participant shall as soon as reasonably practicable notify ICE Clear Credit if any Trade it has submitted for clearance was not at the time of submission, or ceases to be prior to the Novation Time, a Conforming Trade.

26A-315. Terms of the Cleared CDX.NA Untranching Contract.

- (a) Any capitalized term used in this Subchapter 26A but not defined in these CDX.NA Untranching Rules shall have the meaning provided in the Relevant CDX.NA Untranching Terms Supplement.
- (b) For purposes of the CDS Committee Rules, the CDS Region for each CDX.NA Untranching Contract is the North American Region.
- (c) Each CDX.NA Untranching Contract will be governed by the Relevant CDX.NA Untranching Terms Supplement, as modified by these CDX.NA Untranching Rules. In the event of any inconsistency between the Relevant CDX.NA Untranching Terms Supplement or the Confirmation (including in electronic form) for a CDX.NA Untranching Contract and these CDX.NA Untranching Rules, these CDX.NA Untranching Rules will govern.

26A-316. Updating Index Version of Fungible Contracts After a Credit Event or a Succession Event; Updating Relevant Untranching Standard Terms Supplement.

- (a) Where the CDX.NA Untranching Publisher of an Eligible CDX.NA Untranching Index publishes one or more subsequent versions or annexes of the relevant series following a Credit Event or a Succession Event or circumstances giving rise to a Successor and a Succession Date with respect to a Reference Entity included in such series, and the Board or its designee determines that CDX.NA Untranching Contracts referencing the earlier version or annex of such series are fungible with CDX.NA Untranching Contracts referencing a later version or annex of such series that is an Eligible CDX.NA Untranching Index and so notifies CDS Participants, CDX.NA Untranching Contracts referencing the earlier version or annex of such series shall become CDX.NA Untranching Contracts referencing

such later version or annex of such series on the date determined by the Board or its designee (the “**Fungibility Date**”). Any CDX.NA Untranching Contracts referencing the earlier version or annex of such series submitted for clearing after the related Fungibility Date shall, upon acceptance for clearing, become a CDX.NA Untranching Contract referencing the latest version or annex of such series that the Board or its designee has determined is fungible with such earlier version or annex.

- (b) Where a new version of the CDX.NA Untranching Terms Supplement (a “**New Standard Terms**”) is published as of a date that is subsequent to the date of the version that is specified as the Relevant CDX.NA Untranching Terms Supplement for any CDX.NA Untranching Contract(s) (the “**Existing Standard Terms**”), and the Board or its designee determines that CDX.NA Untranching Contracts referencing the Existing Standard Terms are fungible with CDX.NA Untranching Contracts referencing the New Standard Terms, and so notifies CDS Participants, CDX.NA Untranching Contracts referencing the Existing Standard Terms shall become CDX.NA Untranching Contracts referencing the New Standard Terms on the date determined by the Board or its designee (the “**Standard Terms Update Date**” and each prior CDX.NA Untranching Terms Supplement subject to such determination, a “**Superseded Standard Terms**”). Any Trade referencing a Superseded Standard Terms submitted for clearing as a CDX.NA Untranching Contract shall, upon acceptance for clearing, become a CDX.NA Untranching Contract referencing the New Standard Terms.
- (c) The Board or its designee may determine a different Fungibility Date or Standard Terms Update Date applicable to individual CDX.NA Untranching Contracts or groups of CDX.NA Untranching Contracts or may determine a Fungibility Date or Standard Terms Update Date applicable to all CDX.NA Untranching Contracts referencing the earlier version or annex of a series described in clauses (a) or (b) of this Rule, as it deems appropriate.
- (d) Notwithstanding anything to the contrary herein (including Rule 616(b)), with respect to Open Positions in CDX.NA Untranching Contracts that are Converting Contracts, effective as of the 2003/2014 Changeover Effective Date and without need for further action or determination by the Board, the terms of each such Contract shall be deemed amended such that it references the 2014 Supplement in lieu of the Relevant CDX.NA Untranching Terms Supplement in effect prior to such date. The amendments made by this rule 26A-316(d) shall apply as of the 2003/2014 Changeover Effective Date regardless of whether any relevant transaction record in Deriv/SERV is updated to reflect such amendments.

26A-317. Terms of CDX.NA Untranching Contracts.

With respect to each CDX.NA Untranching Contract, the following terms will apply:

(a) The following provisions will apply to each CDX.NA Untranching Contract or component thereof to which the 2003 Definitions apply under the Relevant CDX.NA Untranching Standard Terms Supplement. For purposes of this Chapter 26A only, references to the 2003 Definitions shall not include the 2005 Matrix Supplement.

(i) The terms of the CDX.NA Untranching Standard Terms Supplement are hereby amended as follows:

(A) ~~(i)~~ in the case of the March 2008 Supplement, deleting the last sentence of the definition of "Reference Entity" beginning "For the avoidance of doubt"; and

(B) ~~(ii)~~ in the case of the March 2008 Supplement, in the definition of "Reference Obligation(s)": deleting the ",", from the fourth line of the first paragraph thereof and replacing it with "and"; deleting the words "and the following paragraph:" from the end of the first paragraph thereof and replacing them with a period; and deleting the second paragraph thereof in its entirety.

(bii) If a Convened DC (as defined in the DC Rules) resolves, pursuant to ~~Section 3.8(a) of~~ the DC Rules, (i) a question of interpretation regarding the provisions of the July 2009 Protocol (as defined in the DC Rules) or (ii) to make any amendments to Schedule 1 of the July 2009 Protocol, in each case that affect a CDX.NA Untranching Contract, ICE Clear Credit shall, as promptly as practicable, make conforming changes to these Rules in order to implement such resolutions. Notwithstanding anything to the contrary in Rule 616, any change made to the Rules in accordance with this paragraph (b) shall not constitute a Contract Modification.

(eiii) Section 3.2(c)(i) of the ~~Credit Derivatives~~2003 Definitions is hereby amended by replacing the "or" at the end of subparagraph (B) thereof with an "and" and adding the following as a new subparagraph (C):

"(C) the tenth calendar day after the date of the actual decision by the relevant Regional CDS Committee (or Dispute Resolver) to Resolve (i.e., determined without regard to any Effectiveness Convention or any time of effectiveness specified in a Presented Position) that a Credit Event has occurred for which there is Publicly Available Information, as described in CDS Committee Rule 2101-02(a)(iii), with respect to such CDX.NA Untranching Contracts; or".

(div) If the March 2008 Supplement applies, any reference in a CDX.NA Untranching Contract to the 2003 ISDA Credit Derivatives Definitions

(including any reference to the 2003 ISDA Credit Derivatives Definitions as supplemented or otherwise modified, including by incorporation of any additional provisions thereto (howsoever described) (the “**Existing Supplements**”)) shall be deemed to be a reference to the 2003 ISDA Credit Derivatives Definitions as so supplemented and as further supplemented by the July 2009 Supplement. In the event of any inconsistency between the terms of the July 2009 Supplement and the terms of the 2003 ISDA Credit Derivatives Definitions (including any Existing Supplements), the terms of the July 2009 Supplement shall prevail for the purposes of such CDX.NA Untranching Contract.

(~~ev~~) For the purposes of any determination as to whether a Credit Event has occurred in respect of a Reference Entity or an Obligation thereof:

(A) ~~(i)~~ at any time up to but excluding June 20, 2009; or

(B) ~~(ii)~~ if (A) a Credit Event Resolution Request Date occurs or (B) a Credit Event Notice and a Notice of Publicly Available Information are deemed delivered pursuant to Rule 2101-02(f) by a Notifying Party, in either case before June 20, 2009,

the Credit Event Backstop Date with respect to such determination shall be deemed to be the Effective Date.

(~~fv~~i) If the March 2008 Supplement applies, for the purposes of any determination as to whether a Succession Event has occurred in respect of a Reference Entity:

(A) ~~(i)~~ at any time up to but excluding June 20, 2009; or

(B) ~~(ii)~~ if (A) a Succession Event Resolution Request Date occurs or (B) a Succession Event Notice is deemed delivered pursuant to Rule 2101-02(f), in either case before June 20, 2009,

the Succession Event Backstop Date with respect to such Reference Entity shall be deemed to be the Effective Date.

If the January 2011 Supplement applies, Section 6.7 of the January 2011 Supplement is hereby modified by inserting “or a Succession Event Notice is deemed delivered pursuant to Rule 2101-02(f), in either case” before the words “before June 20, 2009”.

(~~gv~~ii) Except for purposes of Rule 26A-317(e) and Section 1.23 of the ~~Credit Derivatives~~2003 Definitions, a Credit Event Notice and Notice of Publicly Available Information with respect to a CDX.NA Untranching Contract will

be deemed to have been effectively delivered by the Notifying Party on the relevant Event Determination Date determined under the CDS Committee Rules only when the Resolution is effective, under the CDS Committee Rules, that a Credit Event has occurred for which there is Publicly Available Information, as described in CDS Committee Rule 2101-02(a)(iii), with respect to such CDX.NA Untranching Contract. Notwithstanding anything to the contrary in the ~~Credit Derivatives~~2003 Definitions, any delivery of a Credit Event Notice and/or Notice of Publicly Available Information by a CDS Participant (other than the deemed delivery as provided in this Rule 26A-317(g)) shall not be valid. For the avoidance of doubt, Section 6.8 of the January 2011 Supplement shall not apply.

(hviii) (iA) Section 1.8(a)(ii)(A)(l)(3)(y) of the ~~Credit Derivatives~~2003 Definitions is hereby modified by replacing the term “Auction Final Price Determination Date” with the phrase “date that is one Relevant City Business Day prior to the Auction Settlement Date”.

(iB) Section 1.30 of the ~~Credit Derivatives~~2003 Definitions is hereby modified by replacing the term “Auction Final Price Determination Date” in clause (ii) of the last sentence thereof with the phrase “date that is one Relevant City Business Day prior to the Auction Settlement Date”.

(i) ~~The Settlement Method for particular CDX.NA Untranching Contracts will be Auction Settlement and the Fallback Settlement Method will be Physical Settlement in accordance with the CDS Physical Settlement Rules. ix) With respect to CDX.NA Untranching Contracts for which it is Resolved by the Regional CDS Committee (or applicable Dispute Resolver) or Credit Derivatives Determinations Committee that a Credit Event has occurred for which there is Publicly Available Information, as described in CDS Committee Rule 2101-02(a)(iii) or the DC Rules, as applicable, Buyer may not deliver a Notice of Physical Settlement until after it is determined that the method of settlement for a particular Credit Event is the Fallback Settlement Method due to the occurrence of one of the events in Section 12.1 of the 2003 Definitions and as further provided in the CDS Physical Settlement Rules. For the avoidance of doubt, the effectiveness of any Notice of Physical Settlement and obligations relating thereto are subject to the suspension and finality provisions of Sections 6.5 and 9.1(c)(iii) of the 2003 Definitions.~~

(b) The following provisions will apply to each CDX.NA Untranching Contract or component thereof to which the 2014 Definitions apply under the Relevant CDX.NA Untranching Standard Terms Supplement.

- (i) Section 8.10(a) of the 2014 Definitions is hereby amended by replacing the "." at the end of subparagraph (B) thereof with "; and" and adding the following as a new subparagraph (C):

"(C) the tenth calendar day after the date of the actual decision by the relevant Regional CDS Committee (or Dispute Resolver) to Resolve (i.e., determined without regard to any Effectiveness Convention or any time of effectiveness specified in a Presented Position) that a Credit Event has occurred for which there is Publicly Available Information, as described in CDS Committee Rule 2101-02(a)(iii), with respect to such CDX.NA Untranchored Contracts."

- (ii) Except for purposes of Section 1.39 of the 2014 Definitions, a Credit Event Notice and Notice of Publicly Available Information with respect to a CDX.NA Untranchored Contract for a Credit Event other than M(M)R Restructuring will be deemed to have been effectively delivered by the Notifying Party on the relevant Event Determination Date determined under the CDS Committee Rules only when the Resolution is effective, under the CDS Committee Rules, that a Credit Event other than M(M)R Restructuring has occurred for which there is Publicly Available Information, as described in CDS Committee Rule 2101-02(a)(iii), with respect to such CDX.NA Untranchored Contract. Notwithstanding anything to the contrary in the 2014 Definitions, any delivery of a Credit Event Notice and/or Notice of Publicly Available Information by a CDS Participant (other than (i) the deemed delivery as provided in this Rule 26A-317(b)(ii) or (ii) notices with respect to a Relevant Restructuring Credit Event as provided in the CDS Restructuring Rules) shall not be valid.

- ~~(j)iii)~~ For the purposes only of Section 1.16(a)(ii)(A)(II) of the 2014 Definitions, Section 1.17 of the 2014 Definitions is hereby modified by replacing the term "Auction Final Price Determination Date" with the phrase "date that is one Relevant City Business Day prior to the Auction Settlement Date".

- (iv) With respect to CDX.NA Untranchored Contracts for which it is Resolved by the ~~North American~~ Regional CDS Committee (or applicable Dispute Resolver) or Credit Derivatives Determinations Committee that a Credit Event has occurred for which there is Publicly Available Information, as described in CDS Committee Rule 2101-02(a)(iii) or the DC Rules, as applicable, Buyer may not deliver a Notice of Physical Settlement until after it is determined that the method of settlement for a particular Credit Event is the Fallback Settlement Method due to the occurrence of one of the events in Section ~~42.16.1~~ of the ~~Credit Derivatives~~2014 Definitions, and as further provided in the CDS Physical Settlement Rules. For the avoidance of doubt, the effectiveness of any Notice of Physical Settlement

and obligations relating thereto are subject to the suspension and finality provisions of Sections [6.510.1](#) and [9.1\(e\)\(iii\)10.2](#) of the [Credit Derivatives2014](#) Definitions.

[\(kc\)](#) The Settlement Method for particular CDX.NA Untranching Contracts will be Auction Settlement and the Fallback Settlement Method will be Physical Settlement in accordance with the CDS Physical Settlement Rules.

[\(d\)](#) ICE Clear Credit is deemed an Index Party for purposes of ~~Paragraph 6.1(b) of~~ the CDX.NA Untranching Standard Terms Supplement.

[\(e\)](#) The following terms will apply to each CDX.NA Untranching Contract:

- (i) The “Agreement” is the Participant Agreement between the relevant CDS Participant and ICE Clear Credit.
- (ii) The “Source of Relevant Annex” is “Publisher”.
- (iii) The “Effective Date” is the date specified in the List of Eligible CDX.NA Indexes for the relevant Index.
- (iv) The “Calculation Agent” is ICE Clear Credit, except as provided in the CDS Committee Rules.
- (v) There are no “Excluded Reference Entities”.
- (vi) “De Minimis Cash Settlement” is not applicable.
- (vii) The “Fixed Rate” is the rate specified in the List of Eligible CDX.NA Indexes for the relevant Index and Scheduled Termination Date.
- (viii) The “Initial Payment Date” will be the date that is the first Business Day immediately following the Trade Date; provided that with respect to a CDX.NA Untranching Contract that is accepted for clearing pursuant to Rule 309 after the Trade Date thereof, the “Initial Payment Date” will be the date that is the first Business Day following the date as of which such CDX.NA Untranching Contract is accepted for clearing pursuant to Rule 309.

[\(mf\)](#) For each CDX.NA Untranching Contract, the following terms will be determined according to the particular CDX.NA Untranching Contract submitted for clearing:

- (i) Which of the Eligible CDX.NA Untranching Indexes is the “Index”.
- (ii) The “Annex Date”.

26B. Standard North American Corporate (“SNAC”) Single Name.

The rules in this Subchapter 26B apply to the clearance of SNAC Contracts.

26B-102. Definitions.

Eligible SNAC Reference Entities

Each particular Reference Entity included in the List of Eligible SNAC Reference Entities as determined by ICE Clear Credit to be eligible. For the avoidance of doubt, if there are multiple Reference Entity Database codes (as published by Markit Group Limited or any successor thereto, such codes “**RED Codes**”) for a particular Reference Entity listed in the List of Eligible SNAC Reference Entities, each such RED Code shall be treated as a separate Eligible SNAC Reference Entity.

Eligible SNAC Reference Obligations

With respect to any SNAC Contract Reference Obligation for any Eligible SNAC Reference Entity, the Reference Obligations determined by ICE Clear Credit to be eligible and listed under the heading “Eligible Reference Obligations” for such SNAC Contract Reference Obligation and Eligible SNAC Reference Entity in the List of Eligible SNAC Reference Entities. [In the case of a 2014-Type CDS Contract where “Standard Reference Obligation” is applicable to the SNAC Reference Entity and the Standard Reference Obligation has been implemented by ICE Clear Credit, the Standard Reference Obligation shall be an Eligible SNAC Reference Obligation.](#)

Eligible SNAC Sector

With respect to any SNAC Sector (as published by Markit Group Limited or any successor thereto) for any Eligible SNAC Reference Entity, the Eligible SNAC Sectors listed under the heading “Sector as reported in Rollout Schedule” for such Eligible SNAC Reference Entities in the List of Eligible SNAC Reference Entities shall be any of the following:

- (a) Basic Materials;
- (b) Consumer Goods;
- (c) Consumer Services;
- (d) Energy;
- (e) Financials;

- (f) Healthcare;
- (g) Industrials;
- (h) Technology;
- (i) Telecommunications Services; and
- (j) Utilities.

List of Eligible SNAC Reference Entities

The list of Eligible SNAC Reference Entities, maintained, updated and published by the Board or its designee on the ICE Clear Credit website, specifying the following information (and the permissible combinations thereof, which may distinguish, where applicable, between 2003-Type CDS Contracts and 2014-Type CDS Contracts), with respect to each Eligible SNAC Reference Entity:

- (a) the name of such Eligible SNAC Reference Entity and the RED Code(s) for such Eligible SNAC Reference Entity;
- (b) each Relevant Physical Settlement Matrix and Transaction Type for such Eligible SNAC Reference Entity (which shall be Standard North American Corporate);
- (c) each SNAC Contract Reference Obligation and each Eligible SNAC Reference Obligation for each such SNAC Contract Reference Obligation;
- (d) each eligible “Scheduled Termination Date”;
- (e) whether “Restructuring” is an eligible “Credit Event”;
- (f) the eligible Applicable Credit Derivatives Definitions for such Contract;
- (g) in the case of a 2003-Type CDS Contract:
 - (i) whether the 2005 Monoline Supplement is applicable;
 - (gii) whether the Additional Provisions for a Secured Deliverable Obligation Characteristic, as published by ISDA on June 16, 2006 (the “**Secured Deliverable Obligation Characteristic Supplement**”) is applicable;
 - (hiii) whether the Additional Provisions for Reference Entities with Delivery Restrictions, as published by ISDA on February 1, 2007 (the “**Delivery Restrictions Supplement**”) is applicable; ~~and~~

- (h) in the case of a 2014-Type CDS Contract, whether any additional supplement or additional provisions under the 2014 Definitions are applicable;
- (i) the Eligible SNAC Sector;
- (j) in the case of a 2014-Type CDS Contract, whether the Financial Reference Entity Terms are applicable.
- (k) in the case of a 2014-Type CDS Contract, the eligible Seniority Levels.
- (l) in the case of a 2014-Type CDS Contract, whether “Standard Reference Obligation” is applicable.

Permitted SNAC Fixed Rates

The Fixed Rates permitted for a SNAC Contract, as determined from time to time by the Board or its designee and notified to CDS Participants.

Relevant Physical Settlement Matrix

With respect to a SNAC Contract, the “Credit Derivatives Physical Settlement Matrix” applicable to such SNAC Contract, as specified in the combination of characteristics listed as eligible for the relevant Eligible SNAC Reference Entity in, and permitted by, the List of Eligible SNAC Reference Entities.

SNAC Contract

A credit default swap in respect of any Eligible SNAC Reference Entity having a combination of characteristics listed as eligible for such Eligible SNAC Reference Entity in, and permitted by, the List of Eligible SNAC Reference Entities. A SNAC Contract is a CDS Contract for purposes of Chapter 20.

SNAC Contract Reference Obligations

With respect to any Eligible SNAC Reference Entity, the Reference Obligation(s) listed under the heading “SNAC Contract Reference Obligations” for such Eligible SNAC Reference Entity in the List of Eligible SNAC Reference Entities -(which, for the avoidance of doubt, may indicate “No Reference Obligation”, indicating that no obligation is specified as a Reference Obligation). In the case of a 2014-Type CDS Contract where “Standard Reference Obligation” is applicable to the SNAC Reference Entity and the Standard Reference Obligation has been implemented by ICE Clear Credit, the SNAC Contract Reference Obligation shall

thereafter be such Standard Reference Obligation, subject to Section 2.9 of the 2014 Definitions.

SNAC Rules

The rules set forth in Chapters 1 through 8, 20 through 22, inclusive, and the CDS Restructuring Rules, as modified by the provisions of this Subchapter 26B.

26B-203. Restriction on Activity.

- (a) In addition to the other rights granted to ICE Clear Credit in Rule 203, in the event a CDS Participant (or a Non-Participant Party for whom such Participant is acting) is subject to an event or agreement described in Rule 26B-206 or in the event such CDS Participant submits a Trade of the type described in Rule 26B-309(c) that is not a Conforming Trade and such Trade is cleared pursuant to these Rules (in each case, an “**SR CDS Participant**”), ICE Clear Credit may conduct an auction process to replace all of the SR CDS Participant’s Open CDS Positions in the affected CDS Contracts (including, if applicable, those on behalf of any such Non-Participant Party) (each auction in such process, an “**SR Auction**”). ICE Clear Credit shall have the authority to determine the timing and other particular characteristics of each SR Auction in consultation with the CDS Default Committee and as provided in the ICE Clear Credit Procedures, including determining the size of the bid/offer spread and/or of the CDS Contracts to be auctioned, whether one or more SR Auctions are to be held and the timing and structure of such auctions and whether CDS Participants other than the SR CDS Participant will be required to submit actionable quotations in an SR Auction.
- (b) ICE Clear Credit shall enter into Trades in one or more CDS Contracts with the CDS Participant(s) and in the amount determined pursuant to the SR Auction, at which time the corresponding Open CDS Positions of the SR CDS Participant shall be reduced or terminated, as applicable. The SR CDS Participant and the other CDS Participants shall be obligated to submit to Deriv/SERV or another service specified by ICE Clear Credit the terms of such reduction, termination or Trade, as applicable. Amounts owed by the SR CDS Participant to (or receivable by the SR CDS Participant from) ICE Clear Credit in connection with any such reduction or termination shall be determined by ICE Clear Credit using the prices determined pursuant to the SR Auctions. In addition, any Initial Payments, Margin, or other payments or deliveries owed (including the dates of settlement with respect thereto) relating to the Open CDS Positions increased, created, reduced or terminated pursuant to this Rule 26B-203(b) shall be as determined by ICE Clear Credit with reference to the SR Auction in accordance with the ICE Clear Credit Procedures and, notwithstanding Rules 301 or 303, Initial Payments may be owed in respect to CDS Contracts entered into by ICE Clear Credit pursuant to an SR Auction.

26B-206. Notices Required of Participants with respect to SNAC Contracts.

In addition to the notice requirements contained in Rule 206, a CDS Participant shall provide notice to ICE Clear Credit in the event that such CDS Participant (or a Non-Participant Party for whom such CDS Participant is acting) or an Eligible SNAC Reference Entity consolidates or amalgamates with, or merges into, or transfers all or substantially all of its assets to, the Eligible SNAC Reference Entity or such CDS Participant (or Non-Participant Party for whom such CDS Participant is acting), as applicable, or such CDS Participant (or Non-Participant Party for whom such CDS Participant is acting) and an Eligible SNAC Reference Entity are the same entity or are or become Affiliates, or, subject to any restrictions on such disclosure imposed by law or regulation, such CDS Participant (or Non-Participant Party for whom such CDS Participant is acting) is subject to an agreement pursuant to which any of the foregoing is reasonably likely to occur.

26B-303. SNAC Contract Adjustments.

In addition to the adjustments described in Rule 303, upon clearance of a Trade otherwise equivalent to a SNAC Contract but that:

- (a) specifies an Eligible SNAC Reference Obligation as the “Reference Obligation”, such Trade shall become an Open CDS Position in the SNAC Contract with the SNAC Contract Reference Obligation specified for such Eligible SNAC Reference Obligation in the List of Eligible SNAC Reference Entities;
- (b) an Event Determination Date has occurred with respect to a Restructuring, such Trade shall become an Open CDS Position in the SNAC Contract for which no such Event Determination Date has occurred; and/or
- (c) specifies a Transaction Type other than Standard North American Corporate, such Trade shall become an Open CDS Position in the SNAC Contract otherwise equivalent to such Trade but specifying Standard North American Corporate as the Transaction Type.

26B-309. Acceptance of SNAC Contracts by ICE Clear Credit.

- (a) In addition to the acceptance process described in Rule 309, ICE Clear Credit’s notice to the relevant CDS Participants that it has accepted a Trade submitted for clearance shall include any adjustment that will be made by ICE Clear Credit pursuant to Rule 26B-303. Such CDS Participants’ resubmission of the terms of such Trade, as provided in Rule 309, shall include the adjustments described by ICE Clear Credit in such notice.

- (b) A CDS Participant shall make all reasonable efforts to not submit a Trade for clearance as a SNAC Contract, and any such Trade shall not be a Conforming Trade, if the Novation Time would be:
- (i) at a time when the Fallback Settlement Method is applicable to such SNAC Contract;
 - (ii) at or after the close of business on the calendar day following the Auction Final Price Determination Date for such SNAC Contract; or
 - (iii) on or after the calendar day following the day on which the Final List (as defined in the DC Rules) is published for a Restructuring CDS Contract and at or before the close of business on the calendar day following the CDS Regional Business Day following the latest possible Exercise Cut-off Date for the related Relevant Restructuring Credit Event under such Restructuring CDS Contract;

(such time with respect to any SNAC Contract, the “**Clearance Cut-off Time**”); *provided* that ICE Clear Credit may, by written notice to all CDS Participants following consultation with the Risk Committee, designate a time other than the time determined pursuant to clauses (i) through (iii) above as the Clearance Cut-off Time with respect to any SNAC Contract.

- (c) A CDS Participant may not submit a Trade for clearance as a SNAC Contract, and any such Trade shall not be a Conforming Trade, if the time of submission of the Trade or the Novation Time would be at a time when the CDS Participant (or any Non-Participant Party for whom such Participant is acting) is, or is an Affiliate of, the Eligible SNAC Reference Entity for such SNAC Contract or is subject to an agreement under which it is reasonably likely that the CDS Participant (or any such Non-Participant Party) will become, or will become an Affiliate of, the Eligible SNAC Reference Entity for such SNAC Contract.
- (d) A CDS Participant shall as soon as reasonably practicable notify ICE Clear Credit if any Trade it has submitted for clearance was not at the time of submission, or ceases to be prior to the Novation Time, a Conforming Trade.
- (e) If ICE Clear Credit determines that any Trade submitted for clearance would have been subject to a Succession Event (in the case of a 2003-Type CDS Contract) or circumstances giving rise to a Successor and a Succession Date (in the case of a 2014-Type CDS Contract) but will no longer be subject to such Succession Event or such circumstances, as the case may be, upon clearance because of the Trade Date that would be specified with respect to the related Open CDS Position, ICE Clear Credit shall take such action as it deems necessary to ensure that such Succession Event is given effect or such circumstances are given effect, as the case may be, with respect to such Trade,

including, without limitation, declining to accept such Trade for clearance or specifying an alternate Trade Date for purposes of Section 2.1 of the [Applicable Credit Derivatives Definitions](#) with respect to the relevant portion of the related Open CDS Position.

26B-315. Terms of the Cleared SNAC Contract.

- (a) Any capitalized term used in this Subchapter 26B but not defined in these SNAC Rules shall have the meaning provided in the Credit Derivatives Definitions.
- (b) For purposes of the CDS Committee Rules, the CDS Region for each SNAC Contract is the North American Region.
- (c) The definitions and provisions contained in the ~~2003 ISDA~~[Applicable](#) Credit Derivatives Definitions ~~as supplemented by each of the 2005 Matrix Supplement and the July 2009 Supplement and, if applicable to the relevant SNAC Contract, the 2005 Monoline Supplement, the Secured Deliverable Obligation Characteristic Supplement and/or the Delivery Restrictions Supplement, each as published by ISDA (as so supplemented,~~ (for the purposes of the SNAC Rules only, the “**Credit Derivatives Definitions**”); are incorporated into the SNAC Rules. ~~In the event of any inconsistency between the terms of the July 2009 Supplement and the terms of any other portion of the Credit Derivatives Definitions, the terms of the July 2009 Supplement shall prevail for purposes of the relevant SNAC Contract.~~ In the event of any inconsistency between the Credit Derivatives Definitions or the Confirmation (including in electronic form) for a SNAC Contract and these SNAC Rules, these SNAC Rules will govern.
- (d) [The following provisions shall apply if the Applicable Credit Derivatives Definitions are the 2003 Definitions:](#)
- [\(i\)](#) If a Convened DC (as defined in the DC Rules) resolves, pursuant to ~~Section 3.8(a) of~~ the DC Rules, (i) a question of interpretation regarding the provisions of the July 2009 Protocol (as defined in the DC Rules) or (ii) to make any amendments to Schedule 1 of the July 2009 Protocol, in each case that affect a SNAC Contract, ICE Clear Credit shall, as promptly as practicable, make conforming changes to these Rules in order to implement such resolutions. Notwithstanding anything to the contrary in Rule 616, any change made to the Rules in accordance with this paragraph (d) shall not constitute a Contract Modification.
- [\(eii\)](#) Section 3.2(c)(i) of the Credit Derivatives Definitions is hereby amended by replacing the “or” at the end of subparagraph (B) thereof with an “and” and adding the following as a new subparagraph (C):

“(C) the tenth calendar day after the date of the actual decision by the relevant Regional CDS Committee (or Dispute Resolver) to Resolve (i.e., determined without regard to any Effectiveness Convention or any time of effectiveness specified in a Presented Position) that a Credit Event has occurred for which there is Publicly Available Information, as described in CDS Committee Rule 2101-02(a)(iii), with respect to such SNAC Contracts; or”.

(fiii) Except for purposes of Section 1.23 of the Credit Derivatives Definitions, a Credit Event Notice and Notice of Publicly Available Information with respect to a SNAC Contract will be deemed to have been effectively delivered by the Notifying Party for a Credit Event other than Restructuring on the relevant Event Determination Date determined under the CDS Committee Rules only when the Resolution is effective, under the CDS Committee Rules, that a Credit Event other than Restructuring has occurred for which there is Publicly Available Information, as described in CDS Committee Rule 2101-02(a)(iii), with respect to such SNAC Contract. Notwithstanding anything to the contrary in the Credit Derivatives Definitions, any delivery of a Credit Event Notice and/or Notice of Publicly Available Information by a CDS Participant (other than (i) the deemed delivery as provided in this Rule 26B-315(f) or (ii) notices with respect to a Relevant Restructuring Credit Event as provided in the CDS Restructuring Rules) shall not be valid.

(giv) (iA) Section 1.8(a)(ii)(A)(l)(3)(y) of the Credit Derivatives Definitions is hereby modified by replacing the term “Auction Final Price Determination Date” with the phrase “date that is one Relevant City Business Day prior to the Auction Settlement Date”.

(iB) Section 1.30 of the Credit Derivatives Definitions is hereby modified by replacing the term “Auction Final Price Determination Date” in clause (ii) of the last sentence thereof with the phrase “date that is one Relevant City Business Day prior to the Auction Settlement Date”.

~~(h) The Settlement Method for particular SNAC Contracts will be Auction Settlement and the Fallback Settlement Method will be Physical Settlement in accordance with the CDS Physical Settlement Rules.~~(iv) With respect to SNAC Contracts for which it is Resolved by the North American Regional CDS Committee (or applicable Dispute Resolver) or Credit Derivatives Determinations Committee that a Credit Event has occurred for which there is Publicly Available Information, as described in CDS Committee Rule 2101-02(a)(iii) or the DC Rules, as applicable, Buyer may not deliver a Notice of Physical Settlement until after it is determined that the method of settlement for a particular Credit Event is the Fallback Settlement Method due to the occurrence of one of the events in Section 12.1 of the Credit Derivatives Definitions and as further provided in the CDS Physical Settlement Rules. For the avoidance of doubt, the effectiveness of

any Notice of Physical Settlement and obligations relating thereto are subject to the suspension and finality provisions of Sections 6.5 and 9.1(c)(iii) of the Credit Derivatives Definitions.

(jvi) Notwithstanding Section 2.9 of the Credit Derivatives Definitions, the initial Fixed Rate Payer Calculation Period shall commence on, and include, the Fixed Rate Payer Payment Date falling on or immediately prior to the calendar day immediately following the Trade Date.

For purposes of this provision, Section 2.10 of the Credit Derivatives Definitions shall be deemed amended by deleting the words “during the term of the transaction”.

(ke) The following ~~terms will apply to each SNAC Contract~~ provisions shall apply if the Applicable Credit Derivatives Definitions are the 2014 Definitions:

(i) Section 8.10(a) of the 2014 Definitions is hereby amended by replacing the "." at the end of subparagraph (B) thereof with "; and" and adding the following as a new subparagraph (C):

"(C) the tenth calendar day after the date of the actual decision by the relevant Regional CDS Committee (or Dispute Resolver) to Resolve (i.e., determined without regard to any Effectiveness Convention or any time of effectiveness specified in a Presented Position) that a Credit Event has occurred for which there is Publicly Available Information, as described in CDS Committee Rule 2101-02(a)(iii), with respect to such SNAC Contracts."

(ii) Except for purposes of Section 1.39 of the 2014 Definitions, a Credit Event Notice and Notice of Publicly Available Information with respect to a SNAC Contract for a Credit Event other than M(M)R Restructuring will be deemed to have been effectively delivered by the Notifying Party on the relevant Event Determination Date determined under the CDS Committee Rules only when the Resolution is effective, under the CDS Committee Rules, that a Credit Event other than M(M)R Restructuring has occurred for which there is Publicly Available Information, as described in CDS Committee Rule 2101-02(a)(iii), with respect to such SNAC Contract. Notwithstanding anything to the contrary in the 2014 Definitions, any delivery of a Credit Event Notice and/or Notice of Publicly Available Information by a CDS Participant (other than (i) the deemed delivery as provided in this Rule 26B-315(e)(ii) or (ii) notices with respect to a Relevant Restructuring Credit Event as provided in the CDS Restructuring Rules) shall not be valid.

(iii) For the purposes only of Section 1.16(a)(ii)(A)(II) of the 2014 Definitions, Section 1.17 of the 2014 Definitions is hereby modified by replacing the term “Auction Final Price Determination Date” with the phrase “date that is one Relevant City Business Day prior to the Auction Settlement Date”.

(iv) With respect to SNAC Contracts for which it is Resolved by the Regional CDS Committee (or applicable Dispute Resolver) or Credit Derivatives Determinations Committee that a Credit Event has occurred for which there is Publicly Available Information, as described in CDS Committee Rule 2101-02(a)(iii) or the DC Rules, as applicable, Buyer may not deliver a Notice of Physical Settlement until after it is determined that the method of settlement for a particular Credit Event is the Fallback Settlement Method due to the occurrence of one of the events in Section 6.1 of the 2014 Definitions, and as further provided in the CDS Physical Settlement Rules. For the avoidance of doubt, the effectiveness of any Notice of Physical Settlement and obligations relating thereto are subject to the suspension and finality provisions of Sections 10.1 and 10.2 of the 2014 Definitions.

(v) Section 11.4 of the Credit Derivatives Definitions shall not apply.

(f) The Settlement Method for particular SNAC Contracts will be Auction Settlement and the Fallback Settlement Method will be Physical Settlement in accordance with the CDS Physical Settlement Rules.

(g) The following terms will apply to each SNAC Contract:

(i) The “Agreement” is the Participant Agreement between the relevant CDS Participant and ICE Clear Credit.

(ii) The “Calculation Agent” is ICE Clear Credit, except as provided in the CDS Committee Rules.

(iii) The “Transaction Type” is Standard North American Corporate.

(iv) The “Fixed Rate Payer Payment Dates” will be March 20, June 20, September 20 and December 20.

(v) In the case of a 2003-Type CDS Contract:

(i) The 2005 Monoline Supplement will apply if specified as applicable in the List of Eligible SNAC Reference Entities for the relevant SNAC Contract.

(viii) The Secured Deliverable Obligation Characteristic Supplement will apply if specified as applicable in the List of Eligible SNAC Reference Entities for the relevant SNAC Contract.

(viii) The Delivery Restrictions Supplement will apply if specified as applicable in the List of Eligible SNAC Reference Entities for the relevant SNAC Contract.

(~~ix~~vi) In the case of a 2014-Type CDS Contract, any supplement or additional provisions specified as applicable in the List of Eligible SNAC Reference Entities for the relevant SNAC Contract will apply.

(vii) In the case of a 2014-Type CDS Contract, the Financial Reference Entity Terms will apply if specified as applicable in the List of Eligible SNAC Reference Entities.

(viii) The “Initial Payment Date” will be the date that is the first Business Day immediately following the Trade Date; provided that with respect to a SNAC Contract that is accepted for clearing pursuant to Rule 309 after the Trade Date thereof, the “Initial Payment Date” will be the date that is the first Business Day following the date as of which such SNAC Contract is accepted for clearing pursuant to Rule 309.

(h) For each SNAC Contract, the following terms will be determined according to the particular SNAC Contract submitted for clearing, subject to Rule 26B-303:

- (i) Which of the Eligible SNAC Reference Entities is the “Reference Entity”.
- (ii) Which of the SNAC Contract Reference Obligations specified for the Reference Entity in the List of Eligible SNAC Reference Entities is the “Reference Obligation”.
- (iii) The “Trade Date”.
- (iv) The “Effective Date”.
- (v) Which of the eligible Scheduled Termination Dates specified for the “Reference Entity” in the List of Eligible SNAC Reference Entities is the “Scheduled Termination Date”.
- (vi) The “Floating Rate Payer Calculation Amount”.
- (vii) The “Floating Rate Payer”.
- (viii) The “Fixed Rate Payer”.

- (ix) The “Fixed Rate”.
- (x) Whether “Restructuring” is an applicable “Credit Event”.
- (xi) If applicable, the Matrix Publication Date for the Relevant Physical Settlement Matrix.
- (xii) The “Initial Payment Payer”.
- (xiii) The “Initial Payment Amount”.
- [\(xiv\) Which of the eligible Applicable Credit Derivatives Definitions applies.](#)
- [\(xv\) In the case of a 2014-Type CDS Contract, which of the eligible Seniority Levels applies.](#)

26B-316. Relevant Physical Settlement Matrix Updates.

- (a) Where ISDA publishes a version of the Credit Derivatives Physical Settlement Matrix (a “**New Matrix**”) that is subsequent to the version that is specified as the Relevant Physical Settlement Matrix for any SNAC Contract(s) (the “**Existing Matrix**”), and the Board or its designee determines that updating such SNAC Contract(s) to reference the New Matrix would not constitute a Contract Modification as provided in Rule 616 (the date of such determination, the “**Matrix Update Date**” and each prior Credit Derivatives Physical Settlement Matrix subject to such determination, a “**Superseded Matrix**”) and so notifies CDS Participants, such SNAC Contracts shall, as of the close of business on the Matrix Update Date, become SNAC Contracts referencing the New Matrix as the Relevant Physical Settlement Matrix and the List of Eligible SNAC Reference Entities shall be updated accordingly. Any Trade referencing a Superseded Matrix submitted for clearing as a SNAC Contract shall, upon acceptance for clearing, become a SNAC Contract referencing the New Matrix.
- (b) The Board or its designee may determine a different Matrix Update Date applicable to individual SNAC Contracts or groups of SNAC Contracts or may determine a Matrix Update Date applicable to all SNAC Contracts referencing a Superseded Matrix, as it deems appropriate.

26B-502. Specified Actions.

Notwithstanding anything to the contrary in Rule 502(a) but without limiting the application of Rule 616 to any Modification (including the requirement of consultation with the Risk Committee, as provided in Rule 502(a), prior to determining that a Modification is not a Contract Modification), none of the following shall constitute a

Specified Action: (a) adding and/or Modifying Permitted SNAC Fixed Rates, (b) adding new Eligible SNAC Reference Entities, and adding and/or Modifying any other entries in any of the fields in the List of Eligible SNAC Reference Entities or (c) an update to the List of Eligible SNAC Reference Entities, as described in Rules 26B-316 and 26B-616.

26B-616. Contract Modification.

(a) It shall not constitute a Contract Modification if the Board or its designee updates the List of Eligible SNAC Reference Entities (and modifies the terms and conditions of related SNAC Contracts) to give effect to determinations by the North American Regional CDS Committee (or applicable Dispute Resolver) or a Credit Derivatives Determinations Committee, including, without limitation, determinations of Succession Events or circumstances that result in Successors and Succession Dates or Substitute Reference Obligations. or implementation of Standard Reference Obligations (or changes thereto). In addition, the determination that "Standard Reference Obligation" will be applicable to an Eligible SNAC Reference Entity shall not constitute a Contract Modification.

(b) Notwithstanding anything to the contrary herein (including Rule 616(b)), with respect to Open Positions in SNAC Contracts that are Converting Contracts, effective as of the 2003/2014 Changeover Effective Date and without need for further action or determination by the Board, the terms of each such Contract will be deemed amended such that it is a 2014-Type CDS Contract under these Rules, the Applicable Credit Derivatives Definitions are the 2014 Definitions and it references the New Matrix with a Matrix Update Date of the 2003/2014 Changeover Effective Date. The amendments made by this rule 26B-616 shall apply as of the 2003/2014 Changeover Effective Date regardless of whether any relevant transaction record in Deriv/SERV is updated to reflect such amendments.

26C. CDX Untranching Emerging Markets.

The rules in this Subchapter 26C apply to the clearance of CDX.EM Untranching Contracts.

26C-102. Definitions.

CDX.EM Untranching Contract

A credit default swap in respect of any Eligible CDX.EM Untranching Index and governed by any CDX.EM Untranching Terms Supplement. A CDX.EM Untranching Contract is a CDS Contract for purposes of Chapter 20.

CDX.EM Untranching Publisher

Markit North America, Inc., or any successor sponsor of the Eligible CDX.EM Untranching Indexes it publishes.

CDX.EM Untranching Rules

The rules set forth in Chapters 1 through 8 and 20 through 22, inclusive, as modified by the provisions of this Subchapter 26C.

CDX.EM Untranching Terms Supplement

Each of the following:

(a) The “CDX [Emerging Markets](#) Untranching Transactions Standard Terms Supplement”, as published by Markit North America, Inc. on January 31, ~~2011~~ [2011](#) (the “2011 Supplement”).

(b) The “CDX [Emerging Markets Untranching Transactions Standard Terms Supplement](#)”, as published by Markit North America, Inc. on or about [September 20, 2014](#) (the “2014 Supplement”).

Eligible CDX.EM Untranching Index

Each particular series and version of a CDX.EM index or sub-index, as published by the CDX.EM Untranching Publisher, determined by ICE Clear Credit to be eligible and included in the List of Eligible CDX.EM Untranching Indexes.

List of Eligible CDX.EM Untranching Indexes

The list of Eligible CDX.EM Untranching Indexes, maintained, updated and published by the Board or its designee on the ICE Clear Credit website, specifying the following information with respect to each index:

- (a) the name and series, including any applicable sub-index designation;
- (b) the “Effective Date”;
- (c) one or more eligible “Scheduled Termination Dates” and the applicable “Fixed Rate” for each such date;
- (d) the Relevant CDX.EM Untranching Terms Supplement;
- (e) the versions (and related annex dates) eligible for clearing (and, if applicable for the relevant index, the Applicable Credit Derivatives Definitions for each component); and
- (f) any inactive versions (and related annex dates), i.e., those that have been determined to be fungible with later versions.

Relevant CDX.EM Untranching Terms Supplement

With respect to an Eligible CDX.EM Untranching Index, the CDX.EM Untranching Terms Supplement specified for such Eligible CDX.EM Untranching Index in the List of Eligible CDX.EM Untranching Indexes.

26C-309. Acceptance of CDX.EM Untranching Contracts by ICE Clear Credit.

- (a) A CDS Participant shall make all reasonable efforts to not submit a Trade for clearance as a CDX.EM Untranching Contract, and any such Trade shall not be a Conforming Trade, if the Novation Time would be:
 - (i) at a time when the Fallback Settlement Method is applicable to a Credit Event with respect to such CDX.EM Untranching Contract; or
 - (ii) at or after the close of business on the calendar day following the Auction Final Price Determination Date for a Credit Event with respect to such CDX.EM Untranching Contract;

(such time with respect to any CDX.EM Untranching Contract, the “**Clearance Cut-off Time**”); provided that ICE Clear Credit may, by written notice to all CDS Participants following consultation with the Risk Committee, designate a time other than the time determined pursuant to clauses (i) or (ii) above as the Clearance Cut-off Time with respect to any CDX.EM Untranching Contract. CDS Participants may again submit Trades for clearance as such CDX.EM Untranching Contract, and such Trades shall again be Conforming Trades, following receipt of notice from ICE Clear Credit that a Fungibility Date (as defined in Rule 26C-316) has occurred with respect to such CDX.EM Untranching Contract.

- (b) A CDS Participant shall as soon as reasonably practicable notify ICE Clear Credit if any Trade it has submitted for clearance was not at the time of submission, or ceases to be prior to the Novation Time, a Conforming Trade.

26C-315. Terms of the Cleared CDX.EM Untranching Contract.

- (a) Any capitalized term used in this Subchapter 26C but not defined in these CDX.EM Untranching Rules shall have the meaning provided in the Relevant CDX.EM Untranching Terms Supplement.
- (b) For purposes of the CDS Committee Rules, the CDS Region for each CDX.EM Untranching Contract is the North American Region for Latin American Reference Entities, the European Region for European Reference Entities and the Asian Region for Asian Reference Entities (or for an issue not specific to a particular Reference Entity, the North American Region).
- (c) Each CDX.EM Untranching Contract will be governed by the Relevant CDX.EM Untranching Terms Supplement, as modified by these CDX.EM Untranching Rules. In the event of any inconsistency between the Relevant CDX.EM Untranching Terms Supplement or the Confirmation (including in electronic form) for a CDX.EM Untranching Contract and these CDX.EM Untranching Rules, these CDX.EM Untranching Rules will govern.

26C-316. Updating Index Version of Fungible Contracts After a Credit Event or a Succession Event; Updating Relevant Untranching Standard Terms Supplement.

- (a) Where the CDX.EM Untranching Publisher of an Eligible CDX.EM Untranching Index publishes one or more subsequent versions or annexes of the relevant series following a Credit Event or a Succession Event [or circumstances giving rise to a Successor and a Succession Date](#) with respect to a Reference Entity included in such series, and the Board or its designee determines that CDX.EM Untranching Contracts referencing the earlier version or annex of such series are fungible with CDX.EM Untranching Contracts referencing a later version or annex of such series that is an Eligible CDX.EM Untranching Index and so notifies CDS Participants, CDX.EM Untranching Contracts referencing the earlier version or annex of such series shall become CDX.EM Untranching Contracts referencing such later version or annex of such series on the date determined by the Board or its designee (the “**CDX.EM Fungibility Date**”). Any CDX.EM Untranching Contracts referencing the earlier version or annex of such series submitted for clearing after the related CDX.EM Fungibility Date shall, upon acceptance for clearing, become a CDX.EM Untranching Contract referencing the latest version or annex of such series that the Board or its designee has determined is fungible with such earlier version or annex.

- (b) Where a new version of the CDX.EM Untranching Terms Supplement (a “**New CDX.EM Standard Terms**”) is published as of a date that is subsequent to the date of the version that is specified as the Relevant CDX.EM Untranching Terms Supplement for any CDX.EM Untranching Contract(s) (the “**Existing CDX.EM Standard Terms**”), and the Board or its designee determines that CDX.EM Untranching Contracts referencing the Existing CDX.EM Standard Terms are fungible with CDX.EM Untranching Contracts referencing the New CDX.EM Standard Terms, and so notifies CDS Participants, CDX.EM Untranching Contracts referencing the Existing CDX.EM Standard Terms shall become CDX.EM Untranching Contracts referencing the New CDX.EM Standard Terms on the date determined by the Board or its designee (the “**CDX.EM Standard Terms Update Date**” and each prior CDX.EM Untranching Terms Supplement subject to such determination, a “**Superseded CDX.EM Standard Terms**”). Any Trade referencing a Superseded CDX.EM Standard Terms submitted for clearing as a CDX.EM Untranching Contract shall, upon acceptance for clearing, become a CDX.EM Untranching Contract referencing the New CDX.EM Standard Terms.
- (c) The Board or its designee may determine a different Fungibility Date or CDX.EM Standard Terms Update Date applicable to individual CDX.EM Untranching Contracts or groups of CDX.EM Untranching Contracts or may determine a Fungibility Date or CDX.EM Standard Terms Update Date applicable to all CDX.EM Untranching Contracts referencing the earlier version or annex of a series or standard terms described in clauses (a) or (b) of this Rule, as it deems appropriate.
- (d) Notwithstanding anything to the contrary herein (including Rule 616(b)), with respect to Open Positions in CDX.EM Untranching Contracts that are Converting Contracts, effective as of the 2003/2014 Changeover Effective Date and without need for further action or determination by the Board, the terms of each such Contract shall be deemed amended such that it references the 2014 Supplement in lieu of the Relevant CDX.EM Untranching Terms Supplement in effect prior to such date. The amendments made by this Rule 26C-316(d) shall apply as of the 2003/2014 Changeover Effective Date regardless of whether any relevant transaction record in Deriv/SERV is updated to reflect such amendments.

26C-317. Terms of CDX.EM Untranching Contracts.

With respect to each CDX.EM Untranching Contract, the following terms will apply:

- (a) The following provisions will apply to each CDX.EM Untranching Contract or component thereof to which the 2003 Definitions apply under the Relevant CDX.EM Untranching Terms Supplement. For purposes of this Chapter 26C only, references to the 2003 Definitions shall not include the 2005 Matrix Supplement.

(i) Section 3.2(c)(i) of the Credit Derivatives Definitions is hereby amended by replacing the "or" at the end of subparagraph (B) thereof with an "and" and adding the following as a new subparagraph (C):

"(C) the tenth calendar day after the date of the actual decision by the relevant Regional CDS Committee (or Dispute Resolver) to Resolve (i.e., determined without regard to any Effectiveness Convention or any time of effectiveness specified in a Presented Position) that a Credit Event has occurred for which there is Publicly Available Information, as described in CDS Committee Rule 2101-02(a)(iii), with respect to such CDX.EM Untranchored Contracts; or".

(bii) Intentionally omitted.

(eiii) For the purposes of any determination as to whether a Credit Event has occurred in respect of a Reference Entity or an Obligation thereof:

(A) ~~(i)~~ at any time up to but excluding June 20, 2009; or

(B) ~~(ii)~~ if (A) a Credit Event Resolution Request Date occurs or (B) a Credit Event Notice and a Notice of Publicly Available Information are deemed delivered pursuant to Rule 2101-02(f) by a Notifying Party, in either case before June 20, 2009,

the Credit Event Backstop Date with respect to such determination shall be deemed to be the Effective Date.

(div) Section 6.8 of the CDX.EM Untranchored Terms Supplement is hereby modified by inserting "or a Succession Event Notice is deemed delivered pursuant to Rule 2101-02(f), in either case" before the words "before June 20, 2009".

(ev) Except for purposes of Rule 26C-317(c) and Section 1.23 of the Credit Derivatives Definitions, a Credit Event Notice and Notice of Publicly Available Information with respect to a CDX.EM Untranchored Contract for a Credit Event other than Restructuring will be deemed to have been effectively delivered by the Notifying Party on the relevant Event Determination Date determined under the CDS Committee Rules only when the Resolution is effective, under the CDS Committee Rules, that a Credit Event other than Restructuring has occurred for which there is Publicly Available Information, as described in CDS Committee Rule 2101-02(a)(iii), with respect to such CDX.EM Untranchored Contract. Notwithstanding anything to the contrary in the Credit Derivatives Definitions, any delivery of a Credit Event Notice and/or Notice of Publicly Available Information by a CDS Participant (other than (i) the deemed delivery as provided in this Rule 26C-317(e) or (ii) notices with respect to a Relevant Restructuring Credit Event as provided in the CDS Restructuring Rules) shall not be valid. For the

avoidance of doubt, Section 6.9 of the CDX.EM Untranching Terms Supplement shall not apply.

(fvi) (iA) Section 1.8(a)(ii)(A)(I)(3)(y) of the Credit Derivatives Definitions is hereby modified by replacing the term "Auction Final Price Determination Date" with the phrase "date that is one Relevant City Business Day prior to the Auction Settlement Date".

(iiB) Section 1.30 of the Credit Derivatives Definitions is hereby modified by replacing the term "Auction Final Price Determination Date" in clause (ii) of the last sentence thereof with the phrase "date that is one Relevant City Business Day prior to the Auction Settlement Date".

~~(g) The Settlement Method for particular CDX.EM Untranching Contracts will be Auction Settlement and the Fallback Settlement Method will be Physical Settlement in accordance with the CDS Physical Settlement Rules. (hvii)~~ With respect to CDX.EM Untranching Contracts for which it is Resolved by the applicable Regional CDS Committee (or applicable Dispute Resolver) or Credit Derivatives Determinations Committee that a Credit Event has occurred for which there is Publicly Available Information, as described in CDS Committee Rule 2101-02(a)(iii) or the DC Rules, as applicable, Buyer may not deliver a Notice of Physical Settlement until after it is determined that the method of settlement for a particular Credit Event is the Fallback Settlement Method due to the occurrence of one of the events in Section 12.1 of the Credit Derivatives Definitions and as further provided in the CDS Physical Settlement Rules. For the avoidance of doubt, the effectiveness of any Notice of Physical Settlement and obligations relating thereto are subject to the suspension and finality provisions of Sections 6.5 and 9.1(c)(iii) of the Credit Derivatives Definitions.

(b) The following provisions will apply to each CDX.EM Untranching Contract or component thereof to which the 2014 Definitions apply under the Relevant CDX.EM Untranching Terms Supplement:

~~(i) ICE Clear Credit is deemed an Index Party for purposes of Paragraph 6.1(b) of the CDX.EM Untranching Standard Terms Supplement. Section 8.10(a) of the 2014 Definitions is hereby amended by replacing the "." at the end of subparagraph (B) thereof with "; and" and adding the following as a new subparagraph (C):~~

"(C) the tenth calendar day after the date of the actual decision by the relevant Regional CDS Committee (or Dispute Resolver) to Resolve (i.e., determined without regard to any Effectiveness Convention or any time of effectiveness specified in a Presented Position) that a Credit Event has

occurred for which there is Publicly Available Information, as described in CDS Committee Rule 2101-02(a)(iii), with respect to such CDX.NA Untranchured Contracts."

- (ii) Except for purposes of Section 1.39 of the 2014 Definitions, a Credit Event Notice and Notice of Publicly Available Information with respect to a CDX.EM Untranchured Contract for a Credit Event other than M(M)R Restructuring will be deemed to have been effectively delivered by the Notifying Party on the relevant Event Determination Date determined under the CDS Committee Rules only when the Resolution is effective, under the CDS Committee Rules, that a Credit Event other than M(M)R Restructuring has occurred for which there is Publicly Available Information, as described in CDS Committee Rule 2101-02(a)(iii), with respect to such CDX.EM Untranchured Contract. Notwithstanding anything to the contrary in the 2014 Definitions, any delivery of a Credit Event Notice and/or Notice of Publicly Available Information by a CDS Participant (other than (i) the deemed delivery as provided in this Rule 26C-317(b)(ii) or (ii) notices with respect to a Relevant Restructuring Credit Event as provided in the CDS Restructuring Rules) shall not be valid.
- (iii) For the purposes only of Section 1.16(a)(ii)(A)(II) of the 2014 Definitions, Section 1.17 of the 2014 Definitions is hereby modified by replacing the term "Auction Final Price Determination Date" with the phrase "date that is one Relevant City Business Day prior to the Auction Settlement Date".
- (iv) With respect to CDX.EM Untranchured Contracts for which it is Resolved by the Regional CDS Committee (or applicable Dispute Resolver) or Credit Derivatives Determinations Committee that a Credit Event has occurred for which there is Publicly Available Information, as described in CDS Committee Rule 2101-02(a)(iii) or the DC Rules, as applicable, Buyer may not deliver a Notice of Physical Settlement until after it is determined that the method of settlement for a particular Credit Event is the Fallback Settlement Method due to the occurrence of one of the events in Section 6.1 of the 2014 Definitions, and as further provided in the CDS Physical Settlement Rules. For the avoidance of doubt, the effectiveness of any Notice of Physical Settlement and obligations relating thereto are subject to the suspension and finality provisions of Sections 10.1 and 10.2 of the 2014 Definitions.
- (c) The Settlement Method for particular CDX.EM Untranchured Contracts will be Auction Settlement and the Fallback Settlement Method will be Physical Settlement in accordance with the CDS Physical Settlement Rules.

- (d) ICE Clear Credit is deemed an Index Party for purposes of the CDX.EM Untranchéd Terms Supplement.
- (j) ~~Section 6.5(c)(ii) of the~~ Notwithstanding anything to the contrary in the Relevant CDX.EM Untranchéd Standard Terms Supplement is amended by adding at the end, immediately after “(such new Transaction, a ‘New Trade’)” the following: “and except that, the Reference Obligation for the purposes of the New Trade (as defined therein) will be the Reference Obligation for the Restructured Entity in question as specified by ICE Clear Credit following consultation with the CDS Risk Committee (which for the avoidance of doubt may be determined by reference to any Standard Reference Obligation).”
- (k) The following terms will apply to each CDX.EM Untranchéd Contract:
- (i) The “Agreement” is the Participant Agreement between the relevant CDS Participant and ICE Clear Credit.
 - (ii) The “Source of Relevant Annex” is “Publisher”.
 - (iii) The “Effective Date” is the date specified in the List of Eligible CDX.EM Indexes for the relevant Index.
 - (iv) The “Calculation Agent” is ICE Clear Credit, except as provided in the CDS Committee Rules.
 - (v) There are no “Excluded Reference Entities”.
 - (vi) “De Minimis Cash Settlement” is not applicable.
 - (vii) The “Fixed Rate” is the rate specified in the List of Eligible CDX.EM Indexes for the relevant Index and Scheduled Termination Date.
 - (viii) The “Initial Payment Date” will be the date that is the first Business Day immediately following the Trade Date; provided that with respect to a CDX.EM Untranchéd Contract that is accepted for clearing pursuant to Rule 309 after the Trade Date thereof, the “Initial Payment Date” will be the date that is the first Business Day following the date as of which such CDX.EM Untranchéd Contract is accepted for clearing pursuant to Rule 309.
- (l) For each CDX.EM Untranchéd Contract, the following terms will be determined according to the particular CDX.EM Untranchéd Contract submitted for clearing:
- (i) Which of the Eligible CDX.EM Untranchéd Indexes is the “Index”.
 - (ii) The “Annex Date”.

26D. Standard Emerging [Market Sovereign \(“SES”\)](#) Single Name.

The rules in this Subchapter 26D apply to the clearance of SES Contracts.

26D-102. Definitions.

Eligible SES Reference Entities

Each particular Reference Entity included in the List of Eligible SES Reference Entities as determined by ICE Clear Credit to be eligible (specifically, the Federative Republic of Brazil, the United Mexican States, the ~~Bolivian~~[Bolivarian](#) Republic of Venezuela, the Argentine Republic, the Republic of Turkey and the Russian Federation). For the avoidance of doubt, if there are multiple Reference Entity Database codes (as published by Markit Group Limited or any successor thereto, such codes “**RED Codes**”) for a particular Reference Entity listed in the List of Eligible SES Reference Entities, each such RED Code shall be treated as a separate Eligible SES Reference Entity.

Eligible SES Reference Obligations

With respect to any SES Contract Reference Obligation for any Eligible SES Reference Entity, the Reference Obligations determined by ICE Clear Credit to be eligible and listed under the heading “Eligible Reference Obligations” for such SES Contract Reference Obligation and Eligible SES Reference Entity in the List of Eligible SES Reference Entities. [In the case of a 2014-Type CDS Contract where “Standard Reference Obligation” is applicable to the SES Reference Entity and ICE Clear Credit has implemented the Standard Reference Obligation, the Standard Reference Obligation shall be an Eligible SES Reference Obligation.](#)

List of Eligible SES Reference Entities

The list of Eligible SES Reference Entities, maintained, updated and published by the Board or its designee on the ICE Clear Credit website, specifying the following information [\(and the permissible combinations thereof, which may distinguish, where applicable, between 2003-Type CDS Contracts and 2014-Type CDS Contracts\)](#) with respect to each Eligible SES Reference Entity:

- (a) the name of such Eligible SES Reference Entity and the RED Code(s) for such Eligible SES Reference Entity;
- (b) each Relevant Physical Settlement Matrix and relevant Transaction Type;
- (c) each SES Contract Reference Obligation and each Eligible SES Reference Obligation for each such SES Contract Reference Obligation;
- (d) each eligible “Scheduled Termination Date”; and

- (e) the Sector “Government” (as published by Markit Group Limited or any successor thereto).
- (f) [the eligible Applicable Credit Derivatives Definitions for such Contract.](#)
- (g) [in the case of a 2014-Type CDS Contract, the eligible Seniority Levels.](#)
- (h) [in the case of a 2014-Type CDS Contract, whether “Standard Reference Obligation” is applicable.](#)

Permitted SES Fixed Rates

The Fixed Rates permitted for a SES Contract, as determined from time to time by the Board or its designee and notified to CDS Participants.

Relevant Physical Settlement Matrix

With respect to a SES Contract, the “Credit Derivatives Physical Settlement Matrix” applicable to such SES Contract, as specified in the combination of characteristics listed as eligible for the relevant Eligible SES Reference Entity in, and permitted by, the List of Eligible SES Reference Entities.

SES Contract

A credit default swap in respect of any Eligible SES Reference Entity having a combination of characteristics listed as eligible for such Eligible SES Reference Entity in, and permitted by, the List of Eligible SES Reference Entities. A SES Contract is a CDS Contract for purposes of Chapter 20.

SES Contract Reference Obligations

With respect to any Eligible SES Reference Entity, the Reference Obligation(s) listed under the heading “SES Contract Reference Obligations” for such Eligible SES Reference Entity in the List of Eligible SES Reference Entities [\(which, for the avoidance of doubt, may indicate “No Reference Obligation”, indicating that no obligation is specified as a Reference Obligation\).](#) [In the case of a 2014-Type CDS Contract where “Standard Reference Obligation” is applicable to the SES Reference Entity and ICE Clear Credit has implemented the Standard Reference Obligation, the SES Contract Reference Obligation shall thereafter be such Standard Reference Obligation, subject to Section 2.9 of the 2014 Definitions.](#)

SES Rules

The rules set forth in Chapters 1 through 8, 20 through 22, inclusive, and the CDS Restructuring Rules, as modified by the provisions of this Subchapter 26D.

26D-203. Restriction on Activity.

- (a) In addition to the other rights granted to ICE Clear Credit in Rule 203, in the event a CDS Participant (or a Non-Participant Party for whom such CDS Participant is acting) is subject to an event or agreement described in Rule 26D-206 or in the event such CDS Participant submits a Trade of the type described in Rule 26D-309(c) that is not a Conforming Trade and such Trade is cleared pursuant to these Rules (in each case, an “**SR CDS Participant**”), ICE Clear Credit may conduct an auction process to replace all of the SR CDS Participant’s Open CDS Positions in the affected CDS Contracts (including, if applicable, those on behalf of any such Non-Participant Party) (each auction in such process, an “**SR Auction**”). ICE Clear Credit shall have the authority to determine the timing and other particular characteristics of each SR Auction in consultation with the CDS Default Committee, including determining the size of the bid/offer spread and/or of the CDS Contracts to be auctioned, whether one or more SR Auctions are to be held and the timing and structure of such auctions and whether CDS Participants other than the SR CDS Participant will be required to submit actionable quotations in an SR Auction.
- (b) ICE Clear Credit shall enter into Trades in one or more CDS Contracts with the CDS Participant(s) and in the amount determined pursuant to the SR Auction, at which time the corresponding Open CDS Positions of the SR CDS Participant shall be reduced or terminated, as applicable. The SR CDS Participant and the other CDS Participants shall be obligated to submit to Deriv/SERV or another service specified by ICE Clear Credit the terms of such reduction, termination or Trade, as applicable. Amounts owed by the SR CDS Participant to (or receivable by the SR CDS Participant from) ICE Clear Credit in connection with any such reduction or termination shall be determined by ICE Clear Credit using the prices determined pursuant to the SR Auctions. In addition, any Initial Payments, Margin, or other payments or deliveries owed (including the dates of settlement with respect thereto) relating to the Open CDS Positions increased, created, reduced or terminated pursuant to this Rule 26D-203(b) shall be as determined by ICE Clear Credit with reference to the SR Auction and, notwithstanding Rules 301 or 303, Initial Payments may be owed in respect to CDS Contracts entered into by ICE Clear Credit pursuant to an SR Auction.

26D-206. Notices Required of Participants with respect to SES Contracts.

In addition to the notice requirements contained in Rule 206, a CDS Participant shall provide notice to ICE Clear Credit in the event that such CDS Participant (or a Non-Participant Party for whom such CDS Participant is acting) or an Eligible SES Reference Entity consolidates or amalgamates with, or merges into, or transfers all or

substantially all of its assets to, the Eligible SES Reference Entity or such CDS Participant (or Non-Participant Party for whom such CDS Participant is acting), as applicable, or such CDS Participant (or Non-Participant Party for whom such CDS Participant is acting) and an Eligible SES Reference Entity are the same entity or are or become Affiliates, or, subject to any restrictions on such disclosure imposed by law or regulation, such CDS Participant (or Non-Participant Party for whom such CDS Participant is acting) is subject to an agreement pursuant to which any of the foregoing is reasonably likely to occur.

26D-303. SES Contract Adjustments.

In addition to the adjustments described in Rule 303, upon clearance of a Trade otherwise equivalent to a SES Contract but that:

- (a) specifies an Eligible SES Reference Obligation as the “Reference Obligation”, such Trade shall become an Open CDS Position in the SES Contract with the SES Contract Reference Obligation specified for such Eligible SES Reference Obligation in the List of Eligible SES Reference Entities;
- (b) an Event Determination Date has occurred with respect to a Restructuring, such Trade shall become an Open CDS Position in the SES Contract for which no such Event Determination Date has occurred; and/or
- (c) specifies a Transaction Type other than Standard Latin America Sovereign or Standard Emerging European and Middle Eastern Sovereign, such Trade shall become an Open CDS Position in the SES Contract otherwise equivalent to such Trade but specifying Standard Latin America Sovereign or Standard Emerging European and Middle Eastern Sovereign as the Transaction Type.

26D-309. Acceptance of SES Contracts by ICE Clear Credit.

- (a) In addition to the acceptance process described in Rule 309, ICE Clear Credit’s notice to the relevant CDS Participants that it has accepted a Trade submitted for clearance shall include any adjustment that will be made by ICE Clear Credit pursuant to Rule 26D-303. Such CDS Participants’ resubmission of the terms of such Trade, as provided in Rule 309, shall include the adjustments described by ICE Clear Credit in such notice.
- (b) A CDS Participant shall make all reasonable efforts to not submit a Trade for clearance as a SES Contract, and any such Trade shall not be a Conforming Trade, if the Novation Time would be:
 - (i) at a time when the Fallback Settlement Method is applicable to such SES Contract;

- (ii) at or after the close of business on the calendar day following the Auction Final Price Determination Date for such SES Contract; or
- (iii) on or after the calendar day following the day on which the Final List (as defined in the DC Rules) is published for a Restructuring CDS Contract and at or before the close of business on the calendar day following the CDS Regional Business Day following the latest possible Exercise Cut-off Date for the related Relevant Restructuring Credit Event under such Restructuring CDS Contract;

(such time with respect to any SES Contract, the “**Clearance Cut-off Time**”); *provided* that ICE Clear Credit may, by written notice to all CDS Participants following consultation with the Risk Committee, designate a time other than the time determined pursuant to clauses (i) through (iii) above as the Clearance Cut-off Time with respect to any SES Contract.

- (c) A CDS Participant may not submit a Trade for clearance as a SES Contract, and any such Trade shall not be a Conforming Trade, if the time of submission of the Trade or acceptance or the Novation Time would be at a time when the CDS Participant (or any Non-Participant Party for whom such CDS Participant is acting) is, or is an Affiliate of, the Eligible SES Reference Entity for such SES Contract or is subject to an agreement under which it is reasonably likely that the CDS Participant (or any such Non-Participant Party) will become, or will become an Affiliate of, the Eligible SES Reference Entity for such SES Contract. ~~ICE Clear Credit will not accept a Trade for clearance and settlement if at the time of submission or acceptance of the Trade or at the time of novation the Participant submitting the Trade is domiciled in the country of the Eligible SES Reference Entity for such SES Contract.~~
- (d) A CDS Participant shall as soon as reasonably practicable notify ICE Clear Credit if any Trade it has submitted for clearance was not at the time of submission, or ceases to be prior to the Novation Time, a Conforming Trade.
- (e) If ICE Clear Credit determines that any Trade submitted for clearance would have been subject to a Succession Event (in the case of a 2003-Type CDS Contract) or circumstances giving rise to a Successor and a Succession Date (in the case of a 2014-Type CDS Contract) but will no longer be subject to such Succession Event or such circumstances, as the case may be, upon clearance because of the Trade Date that would be specified with respect to the related Open CDS Position, ICE Clear Credit shall take such action as it deems necessary to ensure that such Succession Event is given effect or such circumstances are given effect, as the case may be, with respect to such Trade, including, without limitation, declining to accept such Trade for clearance or specifying an alternate Trade Date for purposes of Section 2.1 of the Applicable

Credit Derivatives Definitions with respect to the relevant portion of the related Open CDS Position.

26D-315. Terms of the Cleared SES Contract.

- (a) Any capitalized term used in this Subchapter 26D but not defined in these SES Rules shall have the meaning provided in the Credit Derivatives Definitions.
- (b) For purposes of the CDS Committee Rules, for an SES Contract where the Transaction Type is Standard Latin America Sovereign the CDS Region is the North American Region; where the Transaction Type is Standard Emerging European and Middle Eastern Sovereign the CDS Region is the European Region.
- (c) The definitions and provisions contained in the ~~2003 ISDA~~Applicable Credit Derivatives Definitions ~~as supplemented by each of the 2005 Matrix Supplement and the July 2009 Supplement and any other supplement specified as applicable in the Relevant Physical Settlement Matrix, each as published by ISDA (as so supplemented,~~ (for the purposes of the SES Rules only, the **“Credit Derivatives Definitions”**); are incorporated into the SES Rules. ~~In the event of any inconsistency between the terms of the July 2009 Supplement and the terms of any other portion of the Credit Derivatives Definitions, the terms of the July 2009 Supplement shall prevail for purposes of the relevant SES Contract.~~ In the event of any inconsistency between the Credit Derivatives Definitions or the Confirmation (including in electronic form) for a SES Contract and these SES Rules, these SES Rules will govern.
- (d) The following provisions shall apply if the Applicable Credit Derivatives Definitions are the 2003 Definitions:
 - (i) If a Convened DC (as defined in the DC Rules) resolves, pursuant to ~~Section 3.8(a) of~~ the DC Rules, (i) a question of interpretation regarding the provisions of the July 2009 Protocol (as defined in the DC Rules) or (ii) to make any amendments to Schedule 1 of the July 2009 Protocol, in each case that affect a SES Contract, ICE Clear Credit shall, as promptly as practicable, make conforming changes to these Rules in order to implement such resolutions. Notwithstanding anything to the contrary in Rule 616, any change made to the Rules in accordance with this paragraph (d) shall not constitute a Contract Modification.
 - (eii) Section 3.2(c)(i) of the Credit Derivatives Definitions is hereby amended by replacing the “or” at the end of subparagraph (B) thereof with an “and” and adding the following as a new subparagraph (C):

“(C) the tenth calendar day after the date of the actual decision by the relevant Regional CDS Committee (or Dispute Resolver) to Resolve (i.e., determined without regard to any Effectiveness Convention or any time of effectiveness specified in a Presented Position) that a Credit Event has occurred for which there is Publicly Available Information, as described in CDS Committee Rule 2101-02(a)(iii), with respect to such SES Contracts; or”.

(fiii) Except for purposes of Section 1.23 of the Credit Derivatives Definitions, a Credit Event Notice and Notice of Publicly Available Information with respect to a SES Contract will be deemed to have been effectively delivered by the Notifying Party for a Credit Event other than Restructuring on the relevant Event Determination Date determined under the CDS Committee Rules only when the Resolution is effective, under the CDS Committee Rules, that a Credit Event other than Restructuring has occurred for which there is Publicly Available Information, as described in CDS Committee Rule 2101-02(a)(iii), with respect to such SES Contract. Notwithstanding anything to the contrary in the Credit Derivatives Definitions, any delivery of a Credit Event Notice and/or Notice of Publicly Available Information by a CDS Participant (other than (i) the deemed delivery as provided in this Rule 26D-315(f) or (ii) notices with respect to a Relevant Restructuring Credit Event as provided in the CDS Restructuring Rules) shall not be valid.

(giv) (iA) Section 1.8(a)(ii)(A)(l)(3)(y) of the Credit Derivatives Definitions is hereby modified by replacing the term “Auction Final Price Determination Date” with the phrase “date that is one Relevant City Business Day prior to the Auction Settlement Date”.

(iB) Section 1.30 of the Credit Derivatives Definitions is hereby modified by replacing the term “Auction Final Price Determination Date” in clause (ii) of the last sentence thereof with the phrase “date that is one Relevant City Business Day prior to the Auction Settlement Date”.

~~(h) The Settlement Method for particular SES Contracts will be Auction Settlement and the Fallback Settlement Method will be Physical Settlement in accordance with the CDS Physical Settlement Rules.~~(iv) With respect to SES Contracts for which it is Resolved by the applicable Regional CDS Committee (or applicable Dispute Resolver) or Credit Derivatives Determinations Committee that a Credit Event has occurred for which there is Publicly Available Information, as described in CDS Committee Rule 2101-02(a)(iii) or the DC Rules, as applicable, Buyer may not deliver a Notice of Physical Settlement until after it is determined that the method of settlement for a particular Credit Event is the Fallback Settlement Method due to the occurrence of one of the events in Section 12.1 of the Credit Derivatives Definitions and as further provided in the CDS Physical Settlement Rules. For the avoidance of doubt, the effectiveness of

any Notice of Physical Settlement and obligations relating thereto are subject to the suspension and finality provisions of Sections 6.5 and 9.1(c)(iii) of the Credit Derivatives Definitions.

(jvi) Notwithstanding Section 2.9 of the Credit Derivatives Definitions, the initial Fixed Rate Payer Calculation Period shall commence on, and include, the Fixed Rate Payer Payment Date falling on or immediately prior to the calendar day immediately following the Trade Date.

For purposes of this provision, Section 2.10 of the Credit Derivatives Definitions shall be deemed amended by deleting the words “during the term of the transaction”.

(ke) The following ~~terms will apply to each SES Contract~~ provisions shall apply if the Applicable Credit Derivatives Definitions are the 2014 Definitions:

(i) Section 8.10(a) of the 2014 Definitions is hereby amended by replacing the "." at the end of subparagraph (B) thereof with "; and" and adding the following as a new subparagraph (C):

"(C) the tenth calendar day after the date of the actual decision by the relevant Regional CDS Committee (or Dispute Resolver) to Resolve (i.e., determined without regard to any Effectiveness Convention or any time of effectiveness specified in a Presented Position) that a Credit Event has occurred for which there is Publicly Available Information, as described in CDS Committee Rule 2101-02(a)(iii), with respect to such SES Contracts."

(ii) Except for purposes of Section 1.39 of the 2014 Definitions, a Credit Event Notice and Notice of Publicly Available Information with respect to a SES Contract for a Credit Event other than M(M)R Restructuring will be deemed to have been effectively delivered by the Notifying Party on the relevant Event Determination Date determined under the CDS Committee Rules only when the Resolution is effective, under the CDS Committee Rules, that a Credit Event other than M(M)R Restructuring has occurred for which there is Publicly Available Information, as described in CDS Committee Rule 2101-02(a)(iii), with respect to such SES Contract. Notwithstanding anything to the contrary in the 2014 Definitions, any delivery of a Credit Event Notice and/or Notice of Publicly Available Information by a CDS Participant (other than (i) the deemed delivery as provided in this Rule 26D-315(e)(ii) or (ii) notices with respect to a Relevant Restructuring Credit Event as provided in the CDS Restructuring Rules) shall not be valid.

- (iii) For the purposes only of Section 1.16(a)(ii)(A)(II) of the 2014 Definitions, Section 1.17 of the 2014 Definitions is hereby modified by replacing the term “Auction Final Price Determination Date” with the phrase “date that is one Relevant City Business Day prior to the Auction Settlement Date”.
- (iv) With respect to SES Contracts for which it is Resolved by the Regional CDS Committee (or applicable Dispute Resolver) or Credit Derivatives Determinations Committee that a Credit Event has occurred for which there is Publicly Available Information, as described in CDS Committee Rule 2101-02(a)(iii) or the DC Rules, as applicable, Buyer may not deliver a Notice of Physical Settlement until after it is determined that the method of settlement for a particular Credit Event is the Fallback Settlement Method due to the occurrence of one of the events in Section 6.1 of the 2014 Definitions, and as further provided in the CDS Physical Settlement Rules. For the avoidance of doubt, the effectiveness of any Notice of Physical Settlement and obligations relating thereto are subject to the suspension and finality provisions of Sections 10.1 and 10.2 of the 2014 Definitions.
- (v) Section 11.4 of the Credit Derivatives Definitions shall not apply.
- (f) The Settlement Method for particular SES Contracts will be Auction Settlement and the Fallback Settlement Method will be Physical Settlement in accordance with the CDS Physical Settlement Rules.
- (g) The following terms will apply to each SES Contract:

 - (i) The “Agreement” is the Participant Agreement between the relevant CDS Participant and ICE Clear Credit.
 - (ii) The “Calculation Agent” is ICE Clear Credit, except as provided in the CDS Committee Rules.
 - (iii) The “Fixed Rate Payer Payment Dates” will be March 20, June 20, September 20 and December 20.
 - (iv) The “Initial Payment Date” will be the date that is the first Business Day immediately following the Trade Date; provided that with respect to a SES Contract that is accepted for clearing pursuant to Rule 309 after the Trade Date thereof, the “Initial Payment Date” will be the date that is the first Business Day following the date as of which such SES Contract is accepted for clearing pursuant to Rule 309.
- (h) For each SES Contract, the following terms will be determined according to the particular SES Contract submitted for clearing, subject to Rule 26D-303:

- (i) Which of the Eligible SES Reference Entities is the “Reference Entity”.
- (ii) Which of the SES Contract Reference Obligations specified for the Reference Entity in the List of Eligible SES Reference Entities is the “Reference Obligation”.
- (iii) The “Trade Date”.
- (iv) The “Effective Date”.
- (v) Which of the eligible Scheduled Termination Dates specified for the “Reference Entity” in the List of Eligible SES Reference Entities is the “Scheduled Termination Date”.
- (vi) The “Floating Rate Payer Calculation Amount”.
- (vii) The “Floating Rate Payer”.
- (viii) The “Fixed Rate Payer”.
- (ix) The “Fixed Rate”.
- (x) The “Transaction Type”, which may be Standard Latin America Sovereign or Standard Emerging European and Middle Eastern Sovereign.
- (xi) If applicable, the Matrix Publication Date for the Relevant Physical Settlement Matrix.
- (xii) The “Initial Payment Payer”.
- (xiii) The “Initial Payment Amount”.
- (xiv) Which of the eligible Applicable Credit Derivatives Definitions applies.
- (xv) In the case of a 2014-Type CDS Contract, which of the eligible Seniority Levels applies.

26D-316. Relevant Physical Settlement Matrix Updates.

- (a) Where ISDA publishes a version of the Credit Derivatives Physical Settlement Matrix (a “**New SES Matrix**”) that is subsequent to the version that is specified as the Relevant Physical Settlement Matrix for any SES Contract(s), and the Board or its designee determines that updating such SES Contract(s) to reference the New SES Matrix would not constitute a Contract Modification as provided in Rule 616 (the date of such determination, the “**SES Matrix Update Date**” and each prior Credit Derivatives Physical Settlement Matrix subject to such determination, a “**Superseded SES Matrix**”) and so notifies CDS Participants, such SES Contracts shall, as of the close of business on the SES Matrix Update Date, become SES Contracts referencing the New SES Matrix as the Relevant Physical Settlement Matrix and the List of Eligible SES Reference Entities shall be updated accordingly. Any Trade referencing a Superseded SES Matrix submitted for clearing as a SES Contract shall, upon acceptance for clearing, become a SES Contract referencing the New SES Matrix.
- (b) The Board or its designee may determine a different SES Matrix Update Date applicable to individual SES Contracts or groups of SES Contracts or may determine a SES Matrix Update Date applicable to all SES Contracts referencing a Superseded SES Matrix, as it deems appropriate.

26D-502. Specified Actions.

Notwithstanding anything to the contrary in Rule 502(a) but without limiting the application of Rule 616 to any Modification (including the requirement of consultation with the Risk Committee, as provided in Rule 502(a), prior to determining that a Modification is not a Contract Modification), none of the following shall constitute a Specified Action: (a) adding and/or Modifying Permitted SES Fixed Rates, (b) adding new Eligible SES Reference Entities and related Transaction Types, and adding and/or Modifying any other entries in any of the fields in the List of Eligible SES Reference Entities or (c) an update to the List of Eligible SES Reference Entities, as described in Rules 26D-316 and 26D-616.

26D-616. Contract Modification.

(a) It shall not constitute a Contract Modification if the Board or its designee updates the List of Eligible SES Reference Entities (and modifies the terms and conditions of related SES Contracts) to give effect to determinations by the applicable Regional CDS Committee (or applicable Dispute Resolver) or a Credit Derivatives Determinations Committee, including, without limitation, determinations of Succession Events or circumstances that give rise to Successors and Succession Dates, or Substitute Reference Obligations or implementation of Standard Reference Obligations (or changes thereto). In addition, the determination that “Standard Reference Obligation”

will be applicable to an Eligible SES Reference Entity shall not constitute a Contract Modification.

(b) Notwithstanding anything to the contrary herein (including Rule 616(b)), with respect to Open Positions in SES Contracts that are Converting Contracts, effective as of the 2003/2014 Changeover Effective Date and without need for further action or determination by the Board, the terms of each such Contract will be deemed amended such that it is a 2014-Type CDS Contract under these Rules, the Applicable Credit Derivatives Definitions are the 2014 Definitions and it references the New SES Matrix with an SES Matrix Update Date of the 2003/2014 Changeover Effective Date. The amendments made by this rule 26D-616 shall apply as of the 2003/2014 Changeover Effective Date regardless of whether any relevant transaction record in Deriv/SERV is updated to reflect such amendments.

26E. CDS Restructuring Rules.

The rules in this Subchapter 26E apply to the clearance of ~~Contracts for which~~ [Relevant Restructuring](#) ~~is a Credit Event~~ [Contracts](#).

26E-102 Definitions

Matched CDS Buyer

The Buyer in a Matched Restructuring Pair.

Matched CDS Buyer Contract

A CDS Contract (or part thereof) between a Matched CDS Buyer for a Matched Restructuring Pair and ICE Clear Credit having a Floating Rate Payer Calculation Amount equal to the MP Amount relating to that Matched Restructuring Pair.

Matched CDS Contract

A Matched CDS Seller Contract or a Matched CDS Buyer Contract.

Matched CDS Seller

The Seller in a Matched Restructuring Pair.

Matched CDS Seller Contract

A CDS Contract (or part thereof) between a Matched CDS Seller for a Matched Restructuring Pair and ICE Clear Credit having a Floating Rate Payer Calculation Amount equal to the MP Amount relating to that Matched Restructuring Pair.

Matched Restructuring Pair

Following a [CDS Relevant Restructuring](#) Contract becoming a Restructuring CDS Contract pursuant to these Rules, a matched pair of a Buyer and a Seller under such Restructuring CDS Contract with an allocated Floating Rate Payer Calculation Amount, as determined by ICE Clear Credit in accordance with the CDS Restructuring Rules.

MP Amount

An amount equal to the portion of a Floating Rate Payer Calculation Amount in respect of which ICE Clear Credit matches a Matched Restructuring Pair.

Regional CDS Committee Restructuring Announcement

The announcement by ICE Clear Credit that a Regional CDS Committee (or Dispute Resolver) has Resolved that an event that constitutes a Restructuring has occurred with respect to one or more CDS Contracts.

[Relevant Restructuring](#) ~~CDS~~ Contract

A CDS Contract (or, in respect of a CDS Contract that relates to an index, a CDS Contract which is a Component Transaction (including a New Trade)) for which a Relevant Restructuring Credit Event is a Credit Event.

Relevant Restructuring Credit Event

(i) With respect to a 2003-Type CDS Contract, a Restructuring Credit Event and (ii) with respect to a 2014-Type CDS Contract, an M(M)R Restructuring Credit Event.

Restructuring CDS Contract

A Relevant Restructuring Contract that is subject to a Restructuring Credit Event Announcement; provided that if, after such announcement has been made, a further DC Credit Event Announcement or Regional CDS Committee Announcement is made of the occurrence of a Credit Event other than Restructuring in relation to the Reference Entity and such CDS Contract, such CDS Contract, to the extent that it has not become a Triggered Restructuring CDS Contract, will cease to be a Restructuring CDS Contract and provided further that any Restructuring CDS Contract, to the extent that it is not a Triggered Restructuring CDS Contract, in respect of which an effective Restructuring Credit Event Notice can no longer be delivered will cease to be a Restructuring CDS Contract ~~and~~ (but will thereafter continue to be a CDS Contract subject to the provisions of these Rules).

Restructuring Credit Event Announcement

A DC Credit Event Announcement in respect of Restructuring Credit Event or a Regional CDS Committee Restructuring Announcement.

Restructuring Reference Entity

The Reference Entity in respect of which a DC Credit Event Announcement or Regional CDS Committee Restructuring Announcement has been made in respect of a Restructuring Credit Event.

Triggered Restructuring CDS Contract

An Open CDS Position (or portion thereof) in a Restructuring CDS Contract that is the subject of an effective Restructuring Credit Event Notice pursuant to the CDS Restructuring Rules; provided that, where permitted under Section 3.9 of the ~~Credit Derivatives Definitions~~ 2003 Definitions (in the case of a 2003-Type CDS Contract) or Section 1.33 of the 2014 Definitions (in the case of a 2014-Type CDS Contract), as applicable, if such Restructuring Credit Event Notice specifies an Exercise Amount that is less than the Floating Rate Payer Calculation Amount of the Restructuring CDS Contract, such Restructuring CDS Contract shall be construed, pursuant to Section 3.9 of the ~~Credit-~~

[Derivatives2003 Definitions](#) or [Section 1.33 of the 2014 Definitions](#), as applicable, as if the parties had entered into two Restructuring CDS Contracts, one of which will constitute the Triggered Restructuring CDS Contract and has a Floating Rate Payer Calculation Amount equal to the Exercise Amount and the other of which has a Floating Rate Payer Calculation Amount equal to the Floating Rate Payer Calculation Amount outstanding immediately prior to the delivery of the Restructuring Credit Event Notice minus the Exercise Amount.

26E-103 Allocation of Matched Restructuring Pairs

- (a) With respect to a Restructuring CDS Contract, following the occurrence of the DC Credit Event Announcement or Regional CDS Committee Restructuring Announcement:
 - (i) ICE Clear Credit will match each Seller with one or more Buyers each of which is party to a Restructuring CDS Contract of the same type (such Restructuring CDS Contracts thereby becoming Matched CDS Contracts and each matched CDS Seller and CDS Buyer becoming a Matched Restructuring Pair), such that the Floating Rate Payer Calculation Amount related to each Matched CDS Seller under each Matched CDS Contract is fully allocated to one or more CDS Buyers under Matched CDS Contracts of the same type as the Matched CDS Seller Contract; and
 - (ii) ICE Clear Credit will notify each relevant CDS Buyer and CDS Seller of the Matched CDS Contracts, Matched CDS Buyer and Matched CDS Seller (such notice, for purposes of this Rule, the "**Matched Restructuring Pair Notice**") and the associated MP Amount.
- (b) If ICE Clear Credit has delivered a Matched Restructuring Pair Notice that specifies a MP Amount that is less than the outstanding Floating Rate Payer Calculation Amount applicable to a Matched CDS Contract to which such Matched Restructuring Pair Notice relates, the relevant rights and obligations of ICE Clear Credit and the relevant CDS Participant pursuant to the Matched CDS Contract shall, with effect from the date such Matched Restructuring Pair Notice is effective, be construed as if ICE Clear Credit and the relevant CDS Participant have entered into two Restructuring CDS Contracts, one of which has a Floating Rate Payer Calculation Amount equal to the MP Amount and the other of which has a Floating Rate Payer Calculation Amount equal to the Floating Rate Payer Calculation Amount outstanding immediately prior to delivery of such Matched Restructuring Pair Notice minus the MP Amount.
- (c) With respect to a Triggered Restructuring CDS contract to which Physical Settlement applies (including as a result of a fallback settlement) under Chapter 22 of the Rules, the related Matched Restructuring Pair will also constitute a Matched Delivery Pair for purposes of Chapter 22 of the Rules.

26E-104 Matched Restructuring Pairs: Designations and Notices

- (a) In respect of each Matched CDS Buyer Contract which is the subject of a Matched Restructuring Pair, ICE Clear Credit, pursuant to Section 9.2(c)(iv) of the ~~Credit Derivatives Definitions~~ (2003 Definitions (in the case of a 2003-Type CDS Contract) or Section 11.2(c)(iv) of the 2014 Definitions (in the case of a 2014-Type CDS Contract), as applicable (each as may be modified in the ICE Clear Credit Procedures), as designator, shall be deemed to have designated the Matched CDS Seller in such Matched Restructuring Pair as its designee:
- (i) to receive on its behalf from the Matched CDS Buyer in the Matched Restructuring Pair, Credit Event Notices and, where applicable, Notices to Exercise Movement Option, in relation to any Restructuring CDS Contract or Triggered Restructuring CDS Contract, as the case may be;
 - (ii) to deliver on its behalf to the Matched CDS Buyer in the Matched Restructuring Pair Credit Event Notices and, where applicable, Notices to Exercise Movement Option, in relation to any Restructuring CDS Contract or Triggered Restructuring CDS Contract, as the case may be.
- (b) In respect of each Matched CDS Seller Contract which is the subject of a Matched Restructuring Pair, ICE Clear Credit, pursuant to Section 9.2(c)(iv) of the ~~Credit Derivatives Definitions~~ (2003 Definitions (in the case of a 2003-Type CDS Contract) or Section 11.2(c)(iv) of the 2014 Definitions (in the case of a 2014-Type CDS Contract), as applicable (each as may be modified in the ICE Clear Credit Procedures), as designator, shall be deemed to have designated the Matched CDS Buyer in such Matched Restructuring Pair as its designee:
- (i) to deliver on its behalf to the Matched CDS Seller in the Matched Restructuring Pair, Credit Event Notices and, where applicable, Notices to Exercise Movement Option, in relation to any Restructuring CDS Contract or Triggered Restructuring CDS Contract, as the case may be;
 - (ii) to receive on its behalf from the Matched CDS Seller in the Matched Restructuring Pair Credit Event Notices and, where applicable, Notices to Exercise Movement Option, in relation to any Restructuring CDS Contract or Triggered Restructuring CDS Contract, as the case may be;
- (c) In relation to each Matched Restructuring Pair:
- (i) the exercise of any rights by the Matched CDS Buyer against ICE Clear Credit under a Matched CDS Buyer Contract shall be deemed to constitute the exercise of equal and simultaneous rights by ICE Clear Credit against the Matched CDS Seller under the Matched CDS Seller Contract in the relevant Matched Restructuring Pair;
 - (ii) the exercise of any rights of the Matched CDS Seller against ICE Clear Credit under a Matched CDS Seller Contract shall be deemed to constitute the exercise of equal and simultaneous rights by ICE Clear Credit against the Matched CDS Buyer under the Matched CDS Buyer Contract in the relevant Matched Restructuring Pair;

26F. iTraxx Europe.

The rules in this Subchapter 26F apply to the clearance of iTraxx Europe Untranchred Contracts.

26F-102. Definitions.

iTraxx Europe Untranchred Contract

A credit default swap in respect of any Eligible iTraxx Europe Untranchred Index and governed by any iTraxx Europe Untranchred Terms Supplement. An iTraxx Europe Untranchred Contract is a CDS Contract for purposes of Chapter 20.

iTraxx Europe Untranchred Publisher

Markit Group Limited or its successor, or any successor sponsor of the Eligible iTraxx Europe Untranchred Indexes it publishes.

iTraxx Europe Untranchred Rules

The rules set forth in Chapters 1 through 8 and 20 through 22, inclusive, as modified by the provisions of Subchapter 26E and this Subchapter 26F.

iTraxx Europe Untranchred Terms Supplement

Any one of the following:

(a) The iTraxx Europe Untranchred Standard Terms Supplement as published on November 23, 2009 together with the third paragraph of the form of confirmation published on November 23, 2009 with respect to such standard terms supplement (or any relevant electronic equivalent thereof).

(b) [The iTraxx Europe Untranchred Standard Terms Supplement as published on or about September 20, 2014 together with the second, third and fourth paragraphs of the form of confirmation published on or about September 20, 2014 with respect to such standard terms supplement \(or any relevant electronic equivalent thereof\).](#)

(c) Such other supplement as may be specified in relation to any Eligible iTraxx Europe Untranchred Index by ICE Clear Credit, including any successor to any of the documents listed in subparagraphs (a) or (b) of this definition.

For purposes of each iTraxx Europe Untranchred Contract, a reference in the iTraxx Europe Untranchred Terms Supplement to an “iTraxx Master

Transaction” shall be deemed a reference to an iTraxx Europe Untranchéd Contract.

Eligible iTraxx Europe Untranchéd Index

Each particular series and version of an iTraxx Europe index or sub-index, as published by the iTraxx Europe Untranchéd Publisher, determined by ICE Clear Credit to be eligible and included in the List of Eligible iTraxx Europe Untranchéd Indexes.

List of Eligible iTraxx Europe Untranchéd Indexes

The list of Eligible iTraxx Europe Untranchéd Indexes, maintained, updated and published by the Board or its designee on the ICE Clear Credit website, specifying the following information with respect to each index:

- (a) the name and series, including any applicable sub-index designation;
- (b) the “Effective Date”;
- (c) one or more eligible “Scheduled Termination Dates” and the applicable “Fixed Rate” for each such date;
- (d) the Relevant iTraxx Europe Untranchéd Terms Supplement;
- (e) the versions (and related annex dates) eligible for clearing (and, if applicable for the relevant index, the Applicable Credit Derivatives Definitions for each component); and
- (f) any inactive versions (and related annex dates), i.e., those that have been determined to be fungible with later versions.

Relevant iTraxx Europe Untranchéd Terms Supplement

With respect to an Eligible iTraxx Europe Untranchéd Index, the iTraxx Europe Untranchéd Terms Supplement specified for such Eligible iTraxx Europe Untranchéd Index in the List of Eligible iTraxx Europe Untranchéd Indexes.

26F-309. Acceptance of iTraxx Europe Untranchéd Contracts by ICE Clear Credit.

- (a) A CDS Participant shall make all reasonable efforts to not submit a Trade for clearance as a iTraxx Europe Untranchéd Contract, and any such Trade shall not be a Conforming Trade, if the Novation Time would be:

- (i) at a time when the Fallback Settlement Method is applicable to a Credit Event with respect to such iTraxx Europe Untranchéd Contract; or
- (ii) at or after the close of business on the calendar day following the Auction Final Price Determination Date for a Credit Event with respect to such iTraxx Europe Untranchéd Contract;

(such time with respect to any iTraxx Europe Untranchéd Contract, the “Clearance Cut-off Time”); provided that ICE Clear Credit may, by written notice to all CDS Participants following consultation with the Risk Committee, designate a time other than the time determined pursuant to ~~clauses~~[clause](#) (i) or (ii) above as the Clearance Cut-off Time with respect to any iTraxx Europe Untranchéd Contract. CDS Participants may again submit Trades for clearance as such iTraxx Europe Untranchéd Contract, and such Trades shall again be Conforming Trades, following receipt of notice from ICE Clear Credit that a Fungibility Date (as defined in Rule 26F-316) has occurred with respect to such iTraxx Europe Untranchéd Contract.

- (b) A CDS Participant shall as soon as reasonably practicable notify ICE Clear Credit if any Trade it has submitted for clearance was not at the time of submission, or ceases to be prior to the Novation Time, a Conforming Trade.

26F-315. Terms of the Cleared iTraxx Europe Untranchéd Contract.

- (a) Any capitalized term used in this Subchapter 26F but not defined in these iTraxx Europe Untranchéd Rules shall have the meaning provided in the Relevant iTraxx Europe Untranchéd Terms Supplement.
- (b) For purposes of the CDS Committee Rules, the CDS Region for each iTraxx Europe Untranchéd Contract is the European Region.
- (c) Each iTraxx Europe Untranchéd Contract will be governed by the Relevant iTraxx Europe Untranchéd Terms Supplement, as modified by these iTraxx Europe Untranchéd Rules. In the event of any inconsistency between the Relevant iTraxx Europe Untranchéd Terms Supplement or the Confirmation (including in electronic form) for a iTraxx Europe Untranchéd Contract and these iTraxx Europe Untranchéd Rules, these iTraxx Europe Untranchéd Rules will govern.

26F-316. Updating Index Version of Fungible Contracts After a Credit Event or a Succession Event; Updating Relevant Untranchéd Standard Terms Supplement.

- (a) Where the iTraxx Europe Untranchéd Publisher of an Eligible iTraxx Europe Untranchéd Index publishes one or more subsequent versions or annexes of the relevant series following a Credit Event or a Succession Event [or circumstances](#)

[giving rise to a Successor and Succession Date](#) with respect to a Reference Entity included in such series, and the Board or its designee determines that iTraxx Europe Untranching Contracts referencing the earlier version or annex of such series are fungible with iTraxx Europe Untranching Contracts referencing a later version or annex of such series that is an Eligible iTraxx Europe Untranching Index and so notifies CDS Participants, iTraxx Europe Untranching Contracts referencing the earlier version or annex of such series shall become iTraxx Europe Untranching Contracts referencing such later version or annex of such series on the date determined by the Board or its designee (the “**Fungibility Date**”). Any iTraxx Europe Untranching Contracts referencing the earlier version or annex of such series submitted for clearing after the related Fungibility Date shall, upon acceptance for clearing, become a iTraxx Europe Untranching Contract referencing the latest version or annex of such series that the Board or its designee has determined is fungible with such earlier version or annex.

- (b) Where a new version of the iTraxx Europe Untranching Terms Supplement (a “**New Standard Terms**”) is published as of a date that is subsequent to the date of the version that is specified as the Relevant iTraxx Europe Untranching Terms Supplement for any iTraxx Europe Untranching Contract(s) (the “**Existing Standard Terms**”), and the Board or its designee determines that iTraxx Europe Untranching Contracts referencing the Existing Standard Terms are fungible with iTraxx Europe Untranching Contracts referencing the New Standard Terms, and so notifies CDS Participants, iTraxx Europe Untranching Contracts referencing the Existing Standard Terms shall become iTraxx Europe Untranching Contracts referencing the New Standard Terms on the date determined by the Board or its designee (the “**Standard Terms Update Date**” and each prior iTraxx Europe Untranching Terms Supplement subject to such determination, a “**Superseded Standard Terms**”). Any Trade referencing a Superseded Standard Terms submitted for clearing as a iTraxx Europe Untranching Contract shall, upon acceptance for clearing, become a iTraxx Europe Untranching Contract referencing the New Standard Terms.
- (c) The Board or its designee may determine a different Fungibility Date or Standard Terms Update Date applicable to individual iTraxx Europe Untranching Contracts or groups of iTraxx Europe Untranching Contracts or may determine a Fungibility Date or Standard Terms Update Date applicable to all iTraxx Europe Untranching Contracts referencing the earlier version or annex of a series described in clauses (a) or (b) of this Rule, as it deems appropriate.
- (d) [Notwithstanding anything to the contrary herein \(including Rule 616\(b\)\), with respect to Open Positions in iTraxx Europe Untranching Contracts that are Converting Contracts, effective as of the 2003/2014 Changeover Effective Date and without need for further action or determination by the Board, the terms of each such Contract shall be deemed amended such that it references the 2014](#)

Supplement in lieu of the Relevant iTraxx Europe Untranching Terms Supplement in effect prior to such date. The amendments made by this rule 26F-316(d) shall apply as of the 2003/2014 Changeover Effective Date regardless of whether any relevant transaction record in Deriv/SERV is updated to reflect such amendments.

26F-317. Terms of iTraxx Europe Untranching Contracts.

With respect to each iTraxx Europe Untranching Contract, the following terms will apply:

(a) The following provisions will apply to each iTraxx Europe Untranching Contract or component thereof to which the 2003 Definitions apply under the Relevant iTraxx Europe Untranching Terms Supplement:

(i) Section 3.2(c)(i) of the ~~Credit Derivatives~~2003 Definitions is hereby amended by replacing the "or" at the end of subparagraph (B) thereof with an "and" and adding the following as a new subparagraph (C):

"(C) the tenth calendar day after the date of the actual decision by the relevant Regional CDS Committee (or Dispute Resolver) to Resolve (i.e., determined without regard to any Effectiveness Convention or any time of effectiveness specified in a Presented Position) that a Credit Event has occurred for which there is Publicly Available Information, as described in CDS Committee Rule 2101-02(a)(iii), with respect to such iTraxx Europe Untranching Contracts; or".

(~~b~~ii) For the purposes of any determination as to whether a Credit Event has occurred in respect of a Reference Entity or an Obligation thereof:

(A) ~~(i)~~ at any time up to but excluding June 20, 2009; or

(B) ~~(ii)~~ if (A1) a Credit Event Resolution Request Date occurs or (B2) a Credit Event Notice and a Notice of Publicly Available Information are deemed delivered pursuant to Rule 2101-02(f) by a Notifying Party, in either case before June 20, 2009,

the Credit Event Backstop Date with respect to such determination shall be deemed to be the Effective Date.

(~~c~~iii) For the purposes of any determination as to whether a Succession Event has occurred in respect of a Reference Entity:

(A) ~~(i)~~ at any time up to but excluding June 20, 2009; or

(B) ~~(ii)~~ if (A1) a Succession Event Resolution Request Date occurs or (B2) a Succession Event Notice is deemed delivered pursuant to Rule 2101-02(f), in either case before June 20, 2009,

the Succession Event Backstop Date with respect to such Reference Entity shall be deemed to be the Effective Date.

- (div) Except for purposes of Rule 26F-317(~~ba~~)(ii) and Section 1.23 of the ~~Credit Derivatives~~2003 Definitions, a Credit Event Notice and Notice of Publicly Available Information with respect to a iTraxx Europe Untranching Contract for a Credit Event other than Restructuring will be deemed to have been effectively delivered by the Notifying Party on the relevant Event Determination Date determined under the CDS Committee Rules only when the Resolution is effective, under the CDS Committee Rules, that a Credit Event other than Restructuring has occurred for which there is Publicly Available Information, as described in CDS Committee Rule 2101-02(a)(iii), with respect to such iTraxx Europe Untranching Contract. Notwithstanding anything to the contrary in the ~~Credit Derivatives~~2003 Definitions, any delivery of a Credit Event Notice and/or Notice of Publicly Available Information by a CDS Participant (other than (i) the deemed delivery as provided in this Rule 26F-317(~~da~~)(iv) or (ii) notices with respect to a Relevant Restructuring Credit Event as provided in the CDS Restructuring Rules) shall not be valid.
- (ev) ~~(i)~~ Section 1.8(a)(ii)(A)(l)(3)(y) of the ~~Credit Derivatives~~2003 Definitions is hereby modified by replacing the term "Auction Final Price Determination Date" with the phrase "date that is one Relevant City Business Day prior to the Auction Settlement Date".
- (#vi) Section 1.30 of the ~~Credit Derivatives~~2003 Definitions is hereby modified by replacing the term "Auction Final Price Determination Date" in clause (ii) of the last sentence thereof with the phrase "date that is one Relevant City Business Day prior to the Auction Settlement Date".
- (f) ~~The Settlement Method for particular iTraxx Europe Untranching Contracts will be Auction Settlement and the Fallback Settlement Method will be Physical Settlement in accordance with the CDS Physical Settlement Rules.~~ (gvii) With respect to iTraxx Europe Untranching Contracts for which it is Resolved by the Regional CDS Committee (or applicable Dispute Resolver) or Credit Derivatives Determinations Committee that a Credit Event has occurred for which there is Publicly Available Information, as described in CDS Committee Rule 2101-02(a)(iii) or the DC Rules, as applicable, Buyer may not deliver a Notice of Physical Settlement until after it is determined that the method of settlement for a particular Credit Event is the Fallback Settlement Method due to the

occurrence of one of the events in Section 12.1 of the ~~Credit Derivatives~~2003 Definitions and as further provided in the CDS Physical Settlement Rules. For the avoidance of doubt, the effectiveness of any Notice of Physical Settlement and obligations relating thereto are subject to the suspension and finality provisions of Sections 6.5 and 9.1(c)(iii) of the ~~Credit Derivatives~~2003 Definitions.

- (h) ~~Section 7.3(b)(ii) of the iTraxx Europe Untranching Standard Terms Supplement is amended by adding at the end, immediately after “(such new transaction, a ‘New Trade’)” the following: “and except that the Reference Obligation for purposes of the New Trade will be the Reference Obligation for the Restructured Entity in question as specified by ICE Clear Credit following consultation with the CDS Risk Committee”.~~b) The following provisions will apply to each iTraxx Europe Untranching Contract or component thereof to which the 2014 Definitions apply under the Relevant iTraxx Europe Untranching Terms Supplement:
- (i) Section 8.10(a) of the 2014 Definitions is hereby amended by replacing the "." at the end of subparagraph (B) thereof with "; and" and adding the following as a new subparagraph (C):
- "(C) the tenth calendar day after the date of the actual decision by the relevant Regional CDS Committee (or Dispute Resolver) to Resolve (i.e., determined without regard to any Effectiveness Convention or any time of effectiveness specified in a Presented Position) that a Credit Event has occurred for which there is Publicly Available Information, as described in CDS Committee Rule 2101-02(a)(iii), with respect to such iTraxx Europe Untranching Contracts."
- (ii) Except for purposes of Section 1.39 of the 2014 Definitions, a Credit Event Notice and Notice of Publicly Available Information with respect to a iTraxx Europe Untranching Contract for a Credit Event other than M(M)R Restructuring will be deemed to have been effectively delivered by the Notifying Party on the relevant Event Determination Date determined under the CDS Committee Rules only when the Resolution is effective, under the CDS Committee Rules, that a Credit Event other than M(M)R Restructuring has occurred for which there is Publicly Available Information, as described in CDS Committee Rule 2101-02(a)(iii), with respect to such iTraxx Europe Untranching Contract. Notwithstanding anything to the contrary in the 2014 Definitions, any delivery of a Credit Event Notice and/or Notice of Publicly Available Information by a CDS Participant (other than (i) the deemed delivery as provided in this Rule 26F-317(b)(ii) or (ii) notices with respect to a Relevant Restructuring

Credit Event as provided in the CDS Restructuring Rules) shall not be valid.

- (iii) For the purposes only of Section 1.16(a)(ii)(A)(II) of the 2014 Definitions, Section 1.17 of the 2014 Definitions is hereby modified by replacing the term “Auction Final Price Determination Date” with the phrase “date that is one Relevant City Business Day prior to the Auction Settlement Date”.
- (iv) With respect to iTraxx Europe Untranchéd Contracts for which it is Resolved by the Regional CDS Committee (or applicable Dispute Resolver) or Credit Derivatives Determinations Committee that a Credit Event has occurred for which there is Publicly Available Information, as described in CDS Committee Rule 2101-02(a)(iii) or the DC Rules, as applicable, Buyer may not deliver a Notice of Physical Settlement until after it is determined that the method of settlement for a particular Credit Event is the Fallback Settlement Method due to the occurrence of one of the events in Section 6.1 of the 2014 Definitions, and as further provided in the CDS Physical Settlement Rules. For the avoidance of doubt, the effectiveness of any Notice of Physical Settlement and obligations relating thereto are subject to the suspension and finality provisions of Sections 10.1 and 10.2 of the 2014 Definitions.
- (c) The Settlement Method for particular iTraxx Europe Untranchéd Contracts will be Auction Settlement and the Fallback Settlement Method will be Physical Settlement in accordance with the CDS Physical Settlement Rules.
- (d) Notwithstanding anything to the contrary in the Relevant iTraxx Europe Untranchéd Terms Supplement, the Reference Obligation for purposes of a New Trade (as defined therein) will be the Reference Obligation for the Restructured Entity in question as specified by ICE Clear Credit following consultation with the CDS Risk Committee (which for the avoidance of doubt may be determined by reference to any Standard Reference Obligation).
- (ie) The following terms will apply to each iTraxx Europe Untranchéd Contract:
 - (i) The “Agreement” is the Participant Agreement between the relevant CDS Participant and ICE Clear Credit.
 - (ii) The “Source of Relevant Annex” is “Publisher”.
 - (iii) The “Effective Date” is the date specified in the List of Eligible iTraxx Europe Indexes for the relevant Index.
 - (iv) The “Calculation Agent” is ICE Clear Credit, except as provided in the CDS Committee Rules.

- (v) There are no “Excluded Reference Entities”.
 - (vi) “De Minimis Cash Settlement” under ~~Section 7.7 of~~ the [Relevant](#) iTraxx Europe Untranched ~~Standard~~ Terms Supplement is not applicable.
 - (ix) The “Fixed Rate” is the rate specified in the List of Eligible iTraxx Europe Indexes for the relevant Index and Scheduled Termination Date.
 - (x) The “Initial Payment Date” will be the date that is the first Business Day immediately following the Trade Date; provided that with respect to a iTraxx Europe Untranched Contract that is accepted for clearing pursuant to Rule 309 after the Trade Date thereof, the “Initial Payment Date” will be the date that is the first Business Day following the date as of which such iTraxx Europe Untranched Contract is accepted for clearing pursuant to Rule 309.
- (f) For each iTraxx Europe Untranched Contract, the following terms will be determined according to the particular iTraxx Europe Untranched Contract submitted for clearing:
- (i) Which of the Eligible iTraxx Europe Untranched Indexes is the “Index”.
 - (ii) The “Annex Date”.
 - (iii) The “Trade Date”.
 - (iv) Which of the eligible Scheduled Termination Dates specified for the Index in the List of Eligible iTraxx Europe Untranched Indexes is the “Scheduled Termination Date”.
 - (v) The “Original Notional Amount”.
 - (vi) The “Floating Rate Payer”.
 - (vii) The “Fixed Rate Payer”.
 - (viii) The “Initial Payment Payer”.
 - (ix) The “Initial Payment Amount”.

26G. Standard European Corporate (“**SDEG****STEC**”) Single Name.

The rules in this Subchapter 26G apply to the clearance of **SDEG****STEC** Contracts.

26G-102. Definitions.

Eligible **SDEG****STEC** Reference Entities

Each particular Reference Entity included in the List of Eligible **SDEG****STEC** Reference Entities, as determined by ICE Clear Credit to be eligible. For the avoidance of doubt, if there are multiple Reference Entity Database codes (as published by Markit Group Limited or any successor thereto, such codes “**RED Codes**”) for a particular Reference Entity listed in the List of Eligible **SDEG****STEC** Reference Entities, each such RED Code shall be treated as a separate Eligible **SDEG****STEC** Reference Entity.

Eligible **SDEG****STEC** Reference Obligations

With respect to any **SDEG****STEC** Contract Reference Obligation for any Eligible **SDEG****STEC** Reference Entity, the Reference Obligations determined by ICE Clear Credit to be eligible and listed under the heading “Eligible Reference Obligations” for such **SDEG****STEC** Contract Reference Obligation and Eligible **SDEG****STEC** Reference Entity in the List of Eligible ~~**SDEG**~~~~Reference Entities~~**STEC** Reference Entities. In the case of a 2014-Type CDS Contract where “Standard Reference Obligation” is applicable to the **STEC** Reference Entity and ICE Clear Credit has implemented the Standard Reference Obligation, the Standard Reference Obligation shall be an Eligible **STEC** Reference Obligation.

Eligible **SDEG****STEC** Sector

With respect to any **SDEG****STEC** Sector (as published by Markit Group Limited or any successor thereto) for any Eligible **SDEG****STEC** Reference Entity, the Eligible **SDEG****STEC** Sectors listed under the heading “Sector as reported in Rollout Schedule” for such Eligible **SDEG****STEC** Reference Entities in the List of Eligible **SDEG****STEC** Reference Entities shall be any of the following:

- (a) Basic Materials;
- (b) Consumer Goods;
- (c) Consumer Services;
- (d) Energy;
- (e) Financials;

- (f) Healthcare;
- (g) Industrials;
- (h) Technology;
- (i) Telecommunications Services; and
- (j) Utilities.

List of Eligible **SDECSTEC** Reference Entities

The list of Eligible **SDECSTEC** Reference Entities, maintained, updated and published by the Board or its designee on the ICE Clear Credit website, specifying the following information (and the permissible combinations thereof, which may distinguish, where applicable, between 2003-Type CDS Contracts and 2014-Type CDS Contracts) with respect to each Eligible **SDECSTEC** Reference Entity:

- (a) the name of such Eligible **SDECSTEC** Reference Entity and the RED Code(s) for such Eligible **SDECSTEC** Reference Entity;
- (b) each Relevant Physical Settlement Matrix and Transaction Type for such Eligible STEC Reference Entity (which shall be Standard European Corporate);
- (c) each **SDECSTEC** Contract Reference Obligation and each Eligible **SDECSTEC** Reference Obligation for each such **SDECSTEC** Contract Reference Obligation;
- (d) each eligible “Scheduled Termination Date”; ~~and~~
- (e) the Eligible **SDECSTEC** Sector;
- (f) the eligible Applicable Credit Derivatives Definitions for such Contract;
- (g) in the case of a 2014-Type CDS Contract, the eligible Seniority Levels for such Contract; and
- (h) in the case of a 2014-Type CDS Contract, whether “Standard Reference Obligation” is applicable.

Permitted **SDECSTEC** Fixed Rates

The Fixed Rates permitted for a **SDECSTEC** Contract, as determined from time to time by the Board or its designee and notified to CDS Participants.

Relevant Physical Settlement Matrix

With respect to a **SDEG****STEC** Contract, the “Credit Derivatives Physical Settlement Matrix” applicable to such **SDEG****STEC** Contract, as specified in the combination of characteristics listed as eligible for the relevant Eligible **SDEG****STEC** Reference Entity in, and permitted by, the List of Eligible **SDEG****STEC** Reference Entities.

SDEG**STEC** Contract

A credit default swap in respect of any Eligible **SDEG****STEC** Reference Entity having a combination of characteristics listed as eligible for such Eligible **SDEG****STEC** Reference Entity in, and permitted by, the List of Eligible **SDEG****STEC** Reference Entities. A **SDEG****STEC** Contract is a CDS Contract for purposes of Chapter 20.

SDEG**STEC** Contract Reference Obligations

With respect to any Eligible **SDEG****STEC** Reference Entity, the Reference Obligation(s) listed under the heading “**SDEG****STEC** Contract Reference Obligations” for such Eligible **SDEG****STEC** Reference Entity in the List of Eligible **SDEG****STEC** Reference Entities: (which, for the avoidance of doubt, may indicate “No Reference Obligation”, indicating that no obligation is specified as a Reference Obligation). In the case of a 2014-Type CDS Contract where “Standard Reference Obligation” is applicable to the STEC Reference Entity and ICE Clear Credit has implemented the Standard Reference Obligation, the STEC Contract Reference Obligation shall thereafter be such Standard Reference Obligation, subject to Section 2.9 of the 2014 Definitions.

SDEG**STEC** Rules

The rules set forth in Chapters 1 through 8, 20 through 22, inclusive, and the CDS Restructuring Rules, as modified by the provisions of Subchapter 26E and this Subchapter 26G.

26G-203. Restriction on Activity.

- (a) In addition to the other rights granted to ICE Clear Credit in Rule 203, in the event a CDS Participant (or a Non-Participant Party for whom such Participant is acting) is subject to an event or agreement described in Rule 26G-206 or in the event such CDS Participant submits a Trade of the type described in Rule 26G-309(c) that is not a Conforming Trade and such Trade is cleared pursuant to these Rules (in each case, an “**SR CDS Participant**”), ICE Clear Credit may conduct an auction process to replace all of the SR CDS Participant’s Open CDS Positions in the affected CDS Contracts (including, if applicable, those on behalf

of any such Non-Participant Party) (each auction in such process, an “**SR Auction**”). ICE Clear Credit shall have the authority to determine the timing and other particular characteristics of each SR Auction in consultation with the CDS Default Committee and as provided in the ICE Clear Credit Procedures, including determining the size of the bid/offer spread and/or of the CDS Contracts to be auctioned, whether one or more SR Auctions are to be held and the timing and structure of such auctions and whether CDS Participants other than the SR CDS Participant will be required to submit actionable quotations in an SR Auction.

- (b) ICE Clear Credit shall enter into Trades in one or more CDS Contracts with the CDS Participant(s) and in the amount determined pursuant to the SR Auction, at which time the corresponding Open CDS Positions of the SR CDS Participant shall be reduced or terminated, as applicable. The SR CDS Participant and the other CDS Participants shall be obligated to submit to Deriv/SERV or another service specified by ICE Clear Credit the terms of such reduction, termination or Trade, as applicable. Amounts owed by the SR CDS Participant to (or receivable by the SR CDS Participant from) ICE Clear Credit in connection with any such reduction or termination shall be determined by ICE Clear Credit using the prices determined pursuant to the SR Auctions. In addition, any Initial Payments, Margin, or other payments or deliveries owed (including the dates of settlement with respect thereto) relating to the Open CDS Positions increased, created, reduced or terminated pursuant to this Rule 26G-203(b) shall be as determined by ICE Clear Credit with reference to the SR Auction in accordance with the ICE Clear Credit Procedures and, notwithstanding Rules 301 or 303, Initial Payments may be owed in respect to CDS Contracts entered into by ICE Clear Credit pursuant to an SR Auction.

26G-206. Notices Required of Participants with respect to **SDEGSTEC Contracts.**

In addition to the notice requirements contained in Rule 206, a CDS Participant shall provide notice to ICE Clear Credit in the event that such CDS Participant (or a Non-Participant Party for whom such CDS Participant is acting) or an Eligible **SDEGSTEC** Reference Entity consolidates or amalgamates with, or merges into, or transfers all or substantially all of its assets to, the Eligible **SDEGSTEC** Reference Entity or such CDS Participant (or Non-Participant Party for whom such CDS Participant is acting), as applicable, or such CDS Participant (or Non-Participant Party for whom such CDS Participant is acting) and an Eligible **SDEGSTEC** Reference Entity are the same entity or are or become Affiliates, or, subject to any restrictions on such disclosure imposed by law or regulation, such CDS Participant (or Non-Participant Party for whom such CDS Participant is acting) is subject to an agreement pursuant to which any of the foregoing is reasonably likely to occur.

26G-303. **SDEGSTEC Contract Adjustments.**

In addition to the adjustments described in Rule 303, upon clearance of a Trade otherwise equivalent to a **SDEGSTEC** Contract but that:

- (a) specifies an Eligible **SDEGSTEC** Reference Obligation as the “Reference Obligation”, such Trade shall become an Open CDS Position in the **SDEGSTEC** Contract with the **SDEGSTEC** Contract Reference Obligation specified for such Eligible **SDEGSTEC** Reference Obligation in the List of Eligible **SDEGSTEC** Reference Entities;
- (b) an Event Determination Date has occurred with respect to a Restructuring, such Trade shall become an Open CDS Position in the **SDEGSTEC** Contract for which no such Event Determination Date has occurred; and/or
- (c) specifies a Transaction Type other than Standard European Corporate, such Trade shall become an Open CDS Position in the **SDEGSTEC** Contract otherwise equivalent to such Trade but specifying Standard European Corporate as the Transaction Type.

26G-309. Acceptance of **SDEGSTEC Contracts by ICE Clear Credit.**

- (a) In addition to the acceptance process described in Rule 309, ICE Clear Credit’s notice to the relevant CDS Participants that it has accepted a Trade submitted for clearance shall include any adjustment that will be made by ICE Clear Credit pursuant to Rule 26G-303. Such CDS Participants’ resubmission of the terms of such Trade, as provided in Rule 309, shall include the adjustments described by ICE Clear Credit in such notice.
- (b) A CDS Participant shall make all reasonable efforts to not submit a Trade for clearance as a **SDEGSTEC** Contract, and any such Trade shall not be a Conforming Trade, if the Novation Time would be:
 - (i) at a time when the Fallback Settlement Method is applicable to such **SDEGSTEC** Contract;
 - (ii) at or after the close of business on the calendar day following the Auction Final Price Determination Date for such **SDEGSTEC** Contract; or
 - (iii) on or after the calendar day following the day on which the Final List (as defined in the DC Rules) is published for a Restructuring CDS Contract and at or before the close of business on the calendar day following the CDS Regional Business Day following the latest possible Exercise Cut-off Date for the related Relevant Restructuring Credit Event under such Restructuring CDS Contract;

(such time with respect to any **SDEGSTE**C Contract, the “**Clearance Cut-off Time**”); *provided* that ICE Clear Credit may, by written notice to all CDS Participants following consultation with the Risk Committee, designate a time other than the time determined pursuant to clauses (i) through (iii) above as the Clearance Cut-off Time with respect to any **SDEGSTE**C Contract.

- (c) A CDS Participant may not submit a Trade for clearance as a **SDEGSTE**C Contract, and any such Trade shall not be a Conforming Trade, if the time of submission of the Trade or the Novation Time would be at a time when the CDS Participant (or any Non-Participant Party for whom such Participant is acting) is, or is an Affiliate of, the Eligible **SDEGSTE**C Reference Entity for such **SDEGSTE**C Contract or is subject to an agreement under which it is reasonably likely that the CDS Participant (or any such Non-Participant Party) will become, or will become an Affiliate of, the Eligible **SDEGSTE**C Reference Entity for such **SDEGSTE**C Contract.
- (d) A CDS Participant shall as soon as reasonably practicable notify ICE Clear Credit if any Trade it has submitted for clearance was not at the time of submission, or ceases to be prior to the Novation Time, a Conforming Trade.
- (e) If ICE Clear Credit determines that any Trade submitted for clearance would have been subject to a Succession Event (in the case of a 2003-Type CDS Contract) or circumstances giving rise to a Successor and a Succession Date (in the case of a 2014-Type CDS Contract) but will no longer be subject to such Succession Event or such circumstances, as the case may be, upon clearance because of the Trade Date that would be specified with respect to the related Open CDS Position, ICE Clear Credit shall take such action as it deems necessary to ensure that such Succession Event is given effect or such circumstances are given effect, as the case may be, with respect to such Trade, including, without limitation, declining to accept such Trade for clearance or specifying an alternate Trade Date for purposes of Section 2.1 of the Applicable Credit Derivatives Definitions with respect to the relevant portion of the related Open CDS Position.

26G-315. Terms of the Cleared **SDEGSTEC Contract.**

- (a) Any capitalized term used in this Subchapter 26G but not defined in these **SDEGSTE**C Rules shall have the meaning provided in the Credit Derivatives Definitions.
- (b) For purposes of the CDS Committee Rules, the CDS Region for each **SDEGSTE**C Contract is the European Region.
- (c) The definitions and provisions contained in the ~~2003-ISDA~~Applicable Credit Derivatives Definitions ~~as supplemented by each of the 2005 Matrix Supplement~~

~~and the July 2009 Supplement, each as published by ISDA (as so supplemented, (for the purposes of the SDEGSTECH Rules only, the “Credit Derivatives Definitions”), are incorporated into the SDECH Rules. In the event of any inconsistency between the terms of the July 2009 Supplement and the terms of any other portion of the Credit Derivatives Definitions, the terms of the July 2009 Supplement shall prevail for purposes of the relevant SDECH Contract.~~ STECH Rules. In the event of any inconsistency between the Credit Derivatives Definitions or the Confirmation (including in electronic form) for a SDEGSTECH Contract and these SDEGSTECH Rules, these SDEGSTECH Rules will govern.

(d) The following provisions shall apply if the Applicable Credit Derivatives Definitions are the 2003 Definitions:

(i) If a Convened DC (as defined in the DC Rules) resolves, pursuant to ~~Section 3.8(a) of~~ the DC Rules, (i) a question of interpretation regarding the provisions of the July 2009 Protocol (as defined in the DC Rules) or (ii) to make any amendments to Schedule 1 of the July 2009 Protocol, in each case that affect a SDEGSTECH Contract, ICE Clear Credit shall, as promptly as practicable, make conforming changes to these Rules in order to implement such resolutions. Notwithstanding anything to the contrary in Rule 616, any change made to the Rules in accordance with this paragraph (d) shall not constitute a Contract Modification.

(eii) Section 3.2(c)(i) of the Credit Derivatives Definitions is hereby amended by replacing the “or” at the end of subparagraph (B) thereof with an “and” and adding the following as a new subparagraph (C):

“(C) the tenth calendar day after the date of the actual decision by the relevant Regional CDS Committee (or Dispute Resolver) to Resolve (i.e., determined without regard to any Effectiveness Convention or any time of effectiveness specified in a Presented Position) that a Credit Event has occurred for which there is Publicly Available Information, as described in CDS Committee Rule 2101-02(a)(iii), with respect to such SDEGSTECH Contracts; or”.

(fiii) Except for purposes of Section 1.23 of the Credit Derivatives Definitions, a Credit Event Notice and Notice of Publicly Available Information with respect to a SDEGSTECH Contract will be deemed to have been effectively delivered by the Notifying Party for a Credit Event other than Restructuring on the relevant Event Determination Date determined under the CDS Committee Rules only when the Resolution is effective, under the CDS Committee Rules, that a Credit Event other than Restructuring has occurred for which there is Publicly Available Information, as described in CDS Committee Rule 2101-02(a)(iii), with respect to such SDEGSTECH Contract. Notwithstanding anything to the contrary in the Credit Derivatives Definitions, any delivery of a Credit Event Notice and/or Notice

of Publicly Available Information by a CDS Participant (other than (i) the deemed delivery as provided in this Rule 26G-315(~~fd~~)(iii) or (ii) notices with respect to a Relevant Restructuring Credit Event as provided in the CDS Restructuring Rules) shall not be valid.

(~~g~~iv) (~~i~~A) Section 1.8(a)(ii)(A)(I)(3)(y) of the Credit Derivatives Definitions is hereby modified by replacing the term “Auction Final Price Determination Date” with the phrase “date that is one Relevant City Business Day prior to the Auction Settlement Date”.

(~~ii~~B) Section 1.30 of the Credit Derivatives Definitions is hereby modified by replacing the term “Auction Final Price Determination Date” in clause (ii) of the last sentence thereof with the phrase “date that is one Relevant City Business Day prior to the Auction Settlement Date”.

~~(h) The Settlement Method for particular SDEC Contracts will be Auction Settlement and the Fallback Settlement Method will be Physical Settlement in accordance with the CDS Physical Settlement Rules.~~(iv) With respect to SDECSTEC Contracts for which it is Resolved by the Regional CDS Committee (or applicable Dispute Resolver) or Credit Derivatives Determinations Committee that a Credit Event has occurred for which there is Publicly Available Information, as described in CDS Committee Rule 2101-02(a)(iii) or the DC Rules, as applicable, Buyer may not deliver a Notice of Physical Settlement until after it is determined that the method of settlement for a particular Credit Event is the Fallback Settlement Method due to the occurrence of one of the events in Section 12.1 of the Credit Derivatives Definitions and as further provided in the CDS Physical Settlement Rules. For the avoidance of doubt, the effectiveness of any Notice of Physical Settlement and obligations relating thereto are subject to the suspension and finality provisions of Sections 6.5 and 9.1(c)(iii) of the Credit Derivatives Definitions.

(~~j~~vi) Notwithstanding Section 2.9 of the Credit Derivatives Definitions, the initial Fixed Rate Payer Calculation Period shall commence on, and include, the Fixed Rate Payer Payment Date falling on or immediately prior to the calendar day immediately following the Trade Date.

For purposes of this provision, Section 2.10 of the ~~Credit Derivatives~~2003 Definitions shall be deemed amended by deleting the words “during the term of the transaction”.

(~~k~~e) The following ~~terms will apply to each SDEC Contract~~provisions shall apply if the Applicable Credit Derivatives Definitions are the 2014 Definitions:

- (i) Section 8.10(a) of the 2014 Definitions is hereby amended by replacing the "." at the end of subparagraph (B) thereof with "; and" and adding the following as a new subparagraph (C):

"(C) the tenth calendar day after the date of the actual decision by the relevant Regional CDS Committee (or Dispute Resolver) to Resolve (i.e., determined without regard to any Effectiveness Convention or any time of effectiveness specified in a Presented Position) that a Credit Event has occurred for which there is Publicly Available Information, as described in CDS Committee Rule 2101-02(a)(iii), with respect to such STEC Contracts."

- (ii) Except for purposes of Section 1.39 of the 2014 Definitions, a Credit Event Notice and Notice of Publicly Available Information with respect to a STEC Contract for a Credit Event other than M(M)R Restructuring will be deemed to have been effectively delivered by the Notifying Party on the relevant Event Determination Date determined under the CDS Committee Rules only when the Resolution is effective, under the CDS Committee Rules, that a Credit Event other than M(M)R Restructuring has occurred for which there is Publicly Available Information, as described in CDS Committee Rule 2101-02(a)(iii), with respect to such STEC Contract. Notwithstanding anything to the contrary in the 2014 Definitions, any delivery of a Credit Event Notice and/or Notice of Publicly Available Information by a CDS Participant (other than (i) the deemed delivery as provided in this Rule 26G-315(e)(ii) or (ii) notices with respect to a Relevant Restructuring Credit Event as provided in the CDS Restructuring Rules) shall not be valid.

- (iii) For the purposes only of Section 1.16(a)(ii)(A)(II) of the 2014 Definitions, Section 1.17 of the 2014 Definitions is hereby modified by replacing the term "Auction Final Price Determination Date" with the phrase "date that is one Relevant City Business Day prior to the Auction Settlement Date".

- (iv) With respect to STEC Contracts for which it is Resolved by the Regional CDS Committee (or applicable Dispute Resolver) or Credit Derivatives Determinations Committee that a Credit Event has occurred for which there is Publicly Available Information, as described in CDS Committee Rule 2101-02(a)(iii) or the DC Rules, as applicable, Buyer may not deliver a Notice of Physical Settlement until after it is determined that the method of settlement for a particular Credit Event is the Fallback Settlement Method due to the occurrence of one of the events in Section 6.1 of the 2014 Definitions, and as further provided in the CDS Physical Settlement Rules. For the avoidance of doubt, the effectiveness of any Notice of Physical Settlement and obligations relating thereto are subject to the

suspension and finality provisions of Sections 10.1 and 10.2 of the 2014 Definitions.

- (v) Section 11.4 of the 2014 Definitions shall not apply.
- (f) The Settlement Method for particular STEC Contracts will be Auction Settlement and the Fallback Settlement Method will be Physical Settlement in accordance with the CDS Physical Settlement Rules.
- (g) The following terms will apply to each STEC Contract:
 - (i) The “Agreement” is the Participant Agreement between the relevant CDS Participant and ICE Clear Credit.
 - (ii) The “Calculation Agent” is ICE Clear Credit, except as provided in the CDS Committee Rules.
 - (iii) The “Transaction Type” is Standard European Corporate.
 - (iv) The “Fixed Rate Payer Payment Dates” will be March 20, June 20, September 20 and December 20.
 - (v) The “Initial Payment Date” will be the date that is the first Business Day immediately following the Trade Date; provided that with respect to a **SDEG****STEC** Contract that is accepted for clearing pursuant to Rule 309 after the Trade Date thereof, the “Initial Payment Date” will be the date that is the first Business Day following the date as of which such **SDEG****STEC** Contract is accepted for clearing pursuant to Rule 309.
- (h) For each **SDEG****STEC** Contract, the following terms will be determined according to the particular **SDEG****STEC** Contract submitted for clearing, subject to Rule 26G-303:
 - (i) Which of the Eligible **SDEG****STEC** Reference Entities is the “Reference Entity”.
 - (ii) Which of the **SDEG****STEC** Contract Reference Obligations specified for the Reference Entity in the List of Eligible **SDEG****STEC** Reference Entities is the “Reference Obligation”.
 - (iii) The “Trade Date”.
 - (iv) The “Effective Date”.

- (v) Which of the eligible Scheduled Termination Dates specified for the “Reference Entity” in the List of Eligible **SDEG**STEC Reference Entities is the “Scheduled Termination Date”.
- (vi) The “Floating Rate Payer Calculation Amount”.
- (vii) The “Floating Rate Payer”.
- (viii) The “Fixed Rate Payer”.
- (ix) The “Fixed Rate”.
- (x) If applicable, the Matrix Publication Date for the Relevant Physical Settlement Matrix.
- (xi) The “Initial Payment Payer”.
- (xii) The “Initial Payment Amount”.
- (xiv) [Which of the eligible Applicable Credit Derivatives Definitions applies.](#)
- (xv) [In the case of a 2014-Type CDS Contract, which of the eligible Seniority Levels applies.](#)

26G-316. Relevant Physical Settlement Matrix Updates.

- (a) Where ISDA publishes a version of the Credit Derivatives Physical Settlement Matrix (a “**New Matrix**”) that is subsequent to the version that is specified as the Relevant Physical Settlement Matrix for any **SDEG**STEC Contract(s) (the “**Existing Matrix**”), and the Board or its designee determines that updating such **SDEG**STEC Contract(s) to reference the New Matrix would not constitute a Contract Modification as provided in Rule 616 (the date of such determination, the “**Matrix Update Date**” and each prior Credit Derivatives Physical Settlement Matrix subject to such determination, a “**Superseded Matrix**”) and so notifies CDS Participants, such **SDEG**STEC Contracts shall, as of the close of business on the Matrix Update Date, become **SDEG**STEC Contracts referencing the New Matrix as the Relevant Physical Settlement Matrix and the List of Eligible **SDEG**STEC Reference Entities shall be updated accordingly. Any Trade referencing a Superseded Matrix submitted for clearing as a **SDEG**STEC Contract shall, upon acceptance for clearing, become a **SDEG**STEC Contract referencing the New Matrix.
- (b) The Board or its designee may determine a different Matrix Update Date applicable to individual **SDEG**STEC Contracts or groups of **SDEG**STEC

Contracts or may determine a Matrix Update Date applicable to all [SDEGSTEC](#) Contracts referencing a Superseded Matrix, as it deems appropriate.

26G-502. Specified Actions.

Notwithstanding anything to the contrary in Rule 502(a) but without limiting the application of Rule 616 to any Modification (including the requirement of consultation with the Risk Committee, as provided in Rule 502(a), prior to determining that a Modification is not a Contract Modification), none of the following shall constitute a Specified Action: (a) adding and/or Modifying Permitted [SDEGSTEC](#) Fixed Rates, (b) adding new Eligible [SDEGSTEC](#) Reference Entities, and adding and/or Modifying any other entries in any of the fields in the List of Eligible [SDEGSTEC](#) Reference Entities or (c) an update to the List of Eligible [SDEGSTEC](#) Reference Entities, as described in Rules 26G-316 and 26G-616.

26G-616. Contract Modification.

(a) It shall not constitute a Contract Modification if the Board or its designee updates the List of Eligible [SDEGSTEC](#) Reference Entities (and modifies the terms and conditions of related [SDEGSTEC](#) Contracts) to give effect to determinations by the Regional CDS Committee (or applicable Dispute Resolver) or a Credit Derivatives Determinations Committee, including, without limitation, determinations of Succession Events or [circumstances giving rise to Successors and Succession Dates or Substitute Reference Obligations or implementation of Standard Reference Obligations \(or changes thereto\)](#). [In addition, the determination that "Standard Reference Obligation" will be applicable to an Eligible STEC Reference Entity shall not constitute a Contract Modification.](#)

(b) [Notwithstanding anything to the contrary herein \(including Rule 616\(b\)\), with respect to Open Positions in STEC Contracts that are Converting Contracts, effective as of the 2003/2014 Changeover Effective Date and without need for further action or determination by the Board, the terms of each such Contract will be deemed amended such that it is a 2014-Type CDS Contract under these Rules, the Applicable Credit Derivatives Definitions are the 2014 Definitions and it references the New Matrix with a Matrix Update Date of the 2003/2014 Changeover Effective Date. The amendments made by this rule 26G-616 shall apply as of the 2003/2014 Changeover Effective Date regardless of whether any relevant transaction record in Deriv/SERV is updated to reflect such amendments.](#)

26H. Standard European Financial Corporate (“STEFC”) Single Name.

The rules in this Subchapter 26H apply to the clearance of STEFC Contracts.

26H-102. Definitions.

Eligible STEFC Reference Entities

Each particular Reference Entity included in the List of Eligible STEFC Reference Entities, as determined by ICE Clear Credit to be eligible. For the avoidance of doubt, if there are multiple Reference Entity Database codes (as published by Markit Group Limited or any successor thereto, such codes “RED Codes”) for a particular Reference Entity listed in the List of Eligible STEFC Reference Entities, each such RED Code shall be treated as a separate Eligible STEFC Reference Entity.

Eligible STEFC Reference Obligations

With respect to any STEFC Contract Reference Obligation for any Eligible STEFC Reference Entity, the Reference Obligations determined by ICE Clear Credit to be eligible and listed under the heading “Eligible Reference Obligations” for such STEFC Contract Reference Obligation and Eligible STEFC Reference Entity in the List of Eligible STEFC Reference Entities. In the case of a 2014-Type CDS Contract where “Standard Reference Obligation” is applicable to the STEFC Reference Entity and ICE Clear Credit has implemented the Standard Reference Obligation, the Standard Reference Obligation shall be an Eligible STEFC Reference Obligation.

List of Eligible STEFC Reference Entities

The list of Eligible STEFC Reference Entities, maintained, updated and published by the Board or its designee on the ICE Clear Credit website, specifying the following information (and the permissible combinations thereof, which may distinguish, where applicable, between 2003-Type CDS Contracts and 2014-Type CDS Contracts) with respect to each Eligible STEFC Reference Entity:

- (a) the name of such Eligible STEFC Reference Entity and the RED Code(s) for such Eligible STEFC Reference Entity;
- (b) each Relevant Physical Settlement Matrix and Transaction Type for such Eligible STEFC Reference Entity (which shall be Standard European Financial Corporate);

- (c) each STEFC Contract Reference Obligation and each Eligible STEFC Reference Obligation for each such STEFC Contract Reference Obligation;
- (d) each eligible “Scheduled Termination Date”;
- (e) the Sector “Financials” (as published by Markit Group Limited or any successor thereto);
- (f) the Applicable Credit Derivatives Definitions for such Contract, which shall be the 2014 Definitions;
- (g) the eligible Seniority Levels for such Contract; and
- (h) whether “Standard Reference Obligation” is applicable

Permitted STEFC Fixed Rates

The Fixed Rates permitted for a STEFC Contract, as determined from time to time by the Board or its designee and notified to CDS Participants.

Relevant Physical Settlement Matrix

With respect to a STEFC Contract, the “Credit Derivatives Physical Settlement Matrix” applicable to such STEFC Contract, as specified in the combination of characteristics listed as eligible for the relevant Eligible STEFC Reference Entity in, and permitted by, the List of Eligible STEFC Reference Entities.

STEFC Contract

A credit default swap in respect of any Eligible STEFC Reference Entity having a combination of characteristics listed as eligible for such Eligible STEFC Reference Entity in, and permitted by, the List of Eligible STEFC Reference Entities. A STEFC Contract is a CDS Contract for purposes of Chapter 20.

STEFC Contract Reference Obligations

With respect to any Eligible STEFC Reference Entity, the Reference Obligation(s) listed under the heading “STEFC Contract Reference Obligations” for such Eligible STEFC Reference Entity in the List of Eligible STEFC Reference Entities (which, for the avoidance of doubt, may indicate “No Reference Obligation”, indicating that no obligation is specified as a Reference Obligation). In the case of a 2014-Type CDS Contract where “Standard Reference Obligation” is applicable to the STEFC Reference Entity and ICE Clear Credit has implemented the Standard Reference Obligation, the STEFC Contract Reference

Obligation shall thereafter be such Standard Reference Obligation, subject to Section 2.9 of the 2014 Definitions.

STEF C Rules

The rules set forth in Chapters 1 through 8, 20 through 22, inclusive, and the CDS Restructuring Rules, as modified by the provisions of Subchapter 26E and this Subchapter 26H.

26H-203. Restriction on Activity.

- (a) In addition to the other rights granted to ICE Clear Credit in Rule 203, in the event a CDS Participant (or a Non-Participant Party for whom such Participant is acting) is subject to an event or agreement described in Rule 26H-206 or in the event such CDS Participant submits a Trade of the type described in Rule 26H-309(c) that is not a Conforming Trade and such Trade is cleared pursuant to these Rules (in each case, an “**SR CDS Participant**”), ICE Clear Credit may conduct an auction process to replace all of the SR CDS Participant’s Open CDS Positions in the affected CDS Contracts (including, if applicable, those on behalf of any such Non-Participant Party) (each auction in such process, an “**SR Auction**”). ICE Clear Credit shall have the authority to determine the timing and other particular characteristics of each SR Auction in consultation with the CDS Default Committee and as provided in the ICE Clear Credit Procedures, including determining the size of the bid/offer spread and/or of the CDS Contracts to be auctioned, whether one or more SR Auctions are to be held and the timing and structure of such auctions and whether CDS Participants other than the SR CDS Participant will be required to submit actionable quotations in an SR Auction.
- (b) ICE Clear Credit shall enter into Trades in one or more CDS Contracts with the CDS Participant(s) and in the amount determined pursuant to the SR Auction, at which time the corresponding Open CDS Positions of the SR CDS Participant shall be reduced or terminated, as applicable. The SR CDS Participant and the other CDS Participants shall be obligated to submit to Deriv/SERV or another service specified by ICE Clear Credit the terms of such reduction, termination or Trade, as applicable. Amounts owed by the SR CDS Participant to (or receivable by the SR CDS Participant from) ICE Clear Credit in connection with any such reduction or termination shall be determined by ICE Clear Credit using the prices determined pursuant to the SR Auctions. In addition, any Initial Payments, Margin, or other payments or deliveries owed (including the dates of settlement with respect thereto) relating to the Open CDS Positions increased, created, reduced or terminated pursuant to this Rule 26H-203(b) shall be as determined by ICE Clear Credit with reference to the SR Auction in accordance with the ICE Clear Credit Procedures and, notwithstanding Rules 301 or 303, Initial Payments may be owed in respect to CDS Contracts entered into by ICE Clear Credit pursuant to an SR Auction.

26H-206. Notices Required of Participants with respect to STEFC Contracts.

In addition to the notice requirements contained in Rule 206, a CDS Participant shall provide notice to ICE Clear Credit in the event that such CDS Participant (or a Non-Participant Party for whom such CDS Participant is acting) or an Eligible STEFC Reference Entity consolidates or amalgamates with, or merges into, or transfers all or substantially all of its assets to, the Eligible STEFC Reference Entity or such CDS Participant (or Non-Participant Party for whom such CDS Participant is acting), as applicable, or such CDS Participant (or Non-Participant Party for whom such CDS Participant is acting) and an Eligible STEFC Reference Entity are the same entity or are or become Affiliates, or, subject to any restrictions on such disclosure imposed by law or regulation, such CDS Participant (or Non-Participant Party for whom such CDS Participant is acting) is subject to an agreement pursuant to which any of the foregoing is reasonably likely to occur.

26H-303. STEFC Contract Adjustments.

In addition to the adjustments described in Rule 303, upon clearance of a Trade otherwise equivalent to a STEFC Contract but that:

- (a) specifies an Eligible STEFC Reference Obligation as the “Reference Obligation”, such Trade shall become an Open CDS Position in the STEFC Contract with the STEFC Contract Reference Obligation specified for such Eligible STEFC Reference Obligation in the List of Eligible STEFC Reference Entities;
- (b) an Event Determination Date has occurred with respect to a Restructuring, such Trade shall become an Open CDS Position in the STEFC Contract for which no such Event Determination Date has occurred; and/or
- (c) specifies a Transaction Type other than Standard European Financial Corporate, such Trade shall become an Open CDS Position in the STEFC Contract otherwise equivalent to such Trade but specifying Standard European Financial Corporate as the Transaction Type.

26H-309. Acceptance of STEFC Contracts by ICE Clear Credit.

- (a) In addition to the acceptance process described in Rule 309, ICE Clear Credit’s notice to the relevant CDS Participants that it has accepted a Trade submitted for clearance shall include any adjustment that will be made by ICE Clear Credit pursuant to Rule 26H-303. Such CDS Participants’ resubmission of the terms of such Trade, as provided in Rule 309, shall include the adjustments described by ICE Clear Credit in such notice.

- (b) A CDS Participant shall make all reasonable efforts to not submit a Trade for clearance as a STEFC Contract, and any such Trade shall not be a Conforming Trade, if the Novation Time would be:
- (i) at a time when the Fallback Settlement Method is applicable to such STEFC Contract;
 - (ii) at or after the close of business on the calendar day following the Auction Final Price Determination Date for such STEFC Contract; or
 - (iii) on or after the calendar day following the day on which the Final List (as defined in the DC Rules) is published for a Restructuring CDS Contract and at or before the close of business on the calendar day following the CDS Regional Business Day following the latest possible Exercise Cut-off Date for the related Relevant Restructuring Credit Event under such Restructuring CDS Contract;

(such time with respect to any STEFC Contract, the “**Clearance Cut-off Time**”); provided that ICE Clear Credit may, by written notice to all CDS Participants following consultation with the Risk Committee, designate a time other than the time determined pursuant to clauses (i) through (iii) above as the Clearance Cut-off Time with respect to any STEFC Contract.

- (c) A CDS Participant may not submit a Trade for clearance as a STEFC Contract, and any such Trade shall not be a Conforming Trade, if the time of submission of the Trade or the Novation Time would be at a time when the CDS Participant (or any Non-Participant Party for whom such Participant is acting) is, or is an Affiliate of, the Eligible STEFC Reference Entity for such STEFC Contract or is subject to an agreement under which it is reasonably likely that the CDS Participant (or any such Non-Participant Party) will become, or will become an Affiliate of, the Eligible STEFC Reference Entity for such STEFC Contract.
- (d) A CDS Participant shall as soon as reasonably practicable notify ICE Clear Credit if any Trade it has submitted for clearance was not at the time of submission, or ceases to be prior to the Novation Time, a Conforming Trade.
- (e) If ICE Clear Credit determines that any Trade submitted for clearance would have been subject to circumstances giving rise to a Successor and a Succession Date but will no longer be subject to such circumstances upon clearance because of the Trade Date that would be specified with respect to the related Open CDS Position, ICE Clear Credit shall take such action as it deems necessary to ensure that such circumstances are given effect with respect to such Trade, including, without limitation, declining to accept such Trade for clearance or specifying an alternate Trade Date for purposes of Section 2.1 of

the Applicable Credit Derivatives Definitions with respect to the relevant portion of the related Open CDS Position.

26H-315. Terms of the Cleared STEFC Contract.

- (a) Any capitalized term used in this Subchapter 26H but not defined in these STEFC Rules shall have the meaning provided in the Credit Derivatives Definitions.
- (b) For purposes of the CDS Committee Rules, the CDS Region for each STEFC Contract is the European Region.
- (c) The definitions and provisions contained in the Applicable Credit Derivatives Definitions (for the purposes of the STEFC Rules only, the “**Credit Derivatives Definitions**”), are incorporated into the STEFC Rules. In the event of any inconsistency between the Credit Derivatives Definitions or the Confirmation (including in electronic form) for a STEFC Contract and these STEFC Rules, these STEFC Rules will govern.
- (e) The following provisions shall apply:
 - (i) Section 8.10(a) of the 2014 Definitions is hereby amended by replacing the "." at the end of subparagraph (B) thereof with "; and" and adding the following as a new subparagraph (C):

"(C) the tenth calendar day after the date of the actual decision by the relevant Regional CDS Committee (or Dispute Resolver) to Resolve (i.e., determined without regard to any Effectiveness Convention or any time of effectiveness specified in a Presented Position) that a Credit Event has occurred for which there is Publicly Available Information, as described in CDS Committee Rule 2101-02(a)(iii), with respect to such STEFC Contracts."
 - (ii) Except for purposes of Section 1.39 of the 2014 Definitions, a Credit Event Notice and Notice of Publicly Available Information with respect to a STEFC Contract for a Credit Event other than M(M)R Restructuring will be deemed to have been effectively delivered by the Notifying Party on the relevant Event Determination Date determined under the CDS Committee Rules only when the Resolution is effective, under the CDS Committee Rules, that a Credit Event other than M(M)R Restructuring has occurred for which there is Publicly Available Information, as described in CDS Committee Rule 2101-02(a)(iii), with respect to such STEFC Contract. Notwithstanding anything to the contrary in the 2014 Definitions, any delivery of a Credit Event Notice and/or Notice of Publicly Available Information by a CDS Participant (other than (i) the deemed delivery as

provided in this Rule 26H-315(e)(ii) or (ii) notices with respect to a Relevant Restructuring Credit Event as provided in the CDS Restructuring Rules) shall not be valid.

- (iii) For the purposes only of Section 1.16(a)(ii)(A)(II) of the 2014 Definitions, Section 1.17 of the 2014 Definitions is hereby modified by replacing the term “Auction Final Price Determination Date” with the phrase “date that is one Relevant City Business Day prior to the Auction Settlement Date”.
- (iv) With respect to STEFC Contracts for which it is Resolved by the Regional CDS Committee (or applicable Dispute Resolver) or Credit Derivatives Determinations Committee that a Credit Event has occurred for which there is Publicly Available Information, as described in CDS Committee Rule 2101-02(a)(iii) or the DC Rules, as applicable, Buyer may not deliver a Notice of Physical Settlement until after it is determined that the method of settlement for a particular Credit Event is the Fallback Settlement Method due to the occurrence of one of the events in Section 6.1 of the 2014 Definitions, and as further provided in the CDS Physical Settlement Rules. For the avoidance of doubt, the effectiveness of any Notice of Physical Settlement and obligations relating thereto are subject to the suspension and finality provisions of Sections 10.1 and 10.2 of the 2014 Definitions.
- (v) Section 11.4 of the 2014 Definitions shall not apply.
- (f) The Settlement Method for particular STEFC Contracts will be Auction Settlement and the Fallback Settlement Method will be Physical Settlement in accordance with the CDS Physical Settlement Rules.
- (g) The following terms will apply to each STEFC Contract:
 - (i) The “Agreement” is the Participant Agreement between the relevant CDS Participant and ICE Clear Credit.
 - (ii) The “Calculation Agent” is ICE Clear Credit, except as provided in the CDS Committee Rules.
 - (iii) The “Transaction Type” is Standard European Financial Corporate.
 - (iv) The “Fixed Rate Payer Payment Dates” will be March 20, June 20, September 20 and December 20.
 - (v) The Financial Reference Entity Terms will apply.
 - (vi) The “Initial Payment Date” will be the date that is the first Business Day immediately following the Trade Date; provided that with respect to a

STEFC Contract that is accepted for clearing pursuant to Rule 309 after the Trade Date thereof, the “Initial Payment Date” will be the date that is the first Business Day following the date as of which such STEFC Contract is accepted for clearing pursuant to Rule 309.

- (h) For each STEFC Contract, the following terms will be determined according to the particular STEFC Contract submitted for clearing, subject to Rule 26H-303:
- (i) Which of the Eligible STEFC Reference Entities is the “Reference Entity”.
 - (ii) Which of the STEFC Contract Reference Obligations specified for the Reference Entity in the List of Eligible STEFC Reference Entities is the “Reference Obligation”.
 - (iii) The “Trade Date”.
 - (iv) The “Effective Date”.
 - (v) Which of the eligible Scheduled Termination Dates specified for the “Reference Entity” in the List of Eligible STEFC Reference Entities is the “Scheduled Termination Date”.
 - (vi) The “Floating Rate Payer Calculation Amount”.
 - (vii) The “Floating Rate Payer”.
 - (viii) The “Fixed Rate Payer”.
 - (ix) The “Fixed Rate”.
 - (x) If applicable, the Matrix Publication Date for the Relevant Physical Settlement Matrix.
 - (xi) The “Initial Payment Payer”.
 - (xii) The “Initial Payment Amount”.
 - (xiii) The “Initial Payment Amount”.
 - (xiv) Which of the eligible Seniority Levels applies.

26H-316. Relevant Physical Settlement Matrix Updates.

- (a) Where ISDA publishes a version of the Credit Derivatives Physical Settlement Matrix (a “**New Matrix**”) that is subsequent to the version that is specified as the Relevant Physical Settlement Matrix for any STEFC Contract(s) (the “**Existing Matrix**”), and the Board or its designee determines that updating such STEFC Contract(s) to reference the New Matrix would not constitute a Contract Modification as provided in Rule 616 (the date of such determination, the “**Matrix Update Date**” and each prior Credit Derivatives Physical Settlement Matrix subject to such determination, a “**Superseded Matrix**”) and so notifies CDS Participants, such STEFC Contracts shall, as of the close of business on the Matrix Update Date, become STEFC Contracts referencing the New Matrix as the Relevant Physical Settlement Matrix and the List of Eligible STEFC Reference Entities shall be updated accordingly. Any Trade referencing a Superseded Matrix submitted for clearing as a STEFC Contract shall, upon acceptance for clearing, become a STEFC Contract referencing the New Matrix.
- (b) The Board or its designee may determine a different Matrix Update Date applicable to individual STEFC Contracts or groups of STEFC Contracts or may determine a Matrix Update Date applicable to all STEFC Contracts referencing a Superseded Matrix, as it deems appropriate.

26H-502. Specified Actions.

Notwithstanding anything to the contrary in Rule 502(a) but without limiting the application of Rule 616 to any Modification (including the requirement of consultation with the Risk Committee, as provided in Rule 502(a), prior to determining that a Modification is not a Contract Modification), none of the following shall constitute a Specified Action: (a) adding and/or Modifying Permitted STEFC Fixed Rates, (b) adding new Eligible STEFC Reference Entities, and adding and/or Modifying any other entries in any of the fields in the List of Eligible STEFC Reference Entities or (c) an update to the List of Eligible STEFC Reference Entities, as described in Rules 26H-316 and 26H-616.

26H-616. Contract Modification.

It shall not constitute a Contract Modification if the Board or its designee updates the List of Eligible STEFC Reference Entities (and modifies the terms and conditions of related STEFC Contracts) to give effect to determinations by the Regional CDS Committee (or applicable Dispute Resolver) or a Credit Derivatives Determinations Committee, including, without limitation, determinations of Succession Events or circumstances giving rise to Successors and Succession Dates or Substitute Reference Obligations or implementation of Standard Reference Obligations (or changes thereto). In addition, the determination that “Standard Reference Obligation” will be applicable to an Eligible STEFC Reference Entity shall not constitute a Contract Modification.