

SUBMISSION COVER SHEET

IMPORTANT: Check box if Confidential Treatment is requested

Registered Entity Identifier Code (optional): 14-307

Organization: Chicago Mercantile Exchange Inc.

Filing as a: DCM SEF DCO SDR **Please note - only ONE choice allowed.**

Filing Date (mm/dd/yy): 09/05/2014 **Filing Description:** Changes to CDS Product Definitions to Incorporate the ISDA 2014 Credit Derivatives Definitions.

SPECIFY FILING TYPE **Please note only ONE choice allowed per Submission.**

Organization Rules and Rule Amendments

- | | | |
|-------------------------------------|-------------------------------------|------------|
| <input checked="" type="checkbox"/> | Certification | § 40.6(a) |
| <input type="checkbox"/> | Approval | § 40.5(a) |
| <input type="checkbox"/> | Notification | § 40.6(d) |
| <input type="checkbox"/> | Advance Notice of SIDCO Rule Change | § 40.10(a) |
| <input type="checkbox"/> | SIDCO Emergency Rule Change | § 40.10(h) |

Rule Numbers: _____

New Product

Please note only ONE product per Submission.

- | | | |
|--------------------------|---------------------------------------|------------|
| <input type="checkbox"/> | Certification | § 40.2(a) |
| <input type="checkbox"/> | Certification Security Futures | § 41.23(a) |
| <input type="checkbox"/> | Certification Swap Class | § 40.2(d) |
| <input type="checkbox"/> | Approval | § 40.3(a) |
| <input type="checkbox"/> | Approval Security Futures | § 41.23(b) |
| <input type="checkbox"/> | Novel Derivative Product Notification | § 40.12(a) |
| <input type="checkbox"/> | Swap Submission | § 39.5 |

Official Product Name: _____

Product Terms and Conditions (product related Rules and Rule Amendments)

- | | | |
|--------------------------|---|----------------------|
| <input type="checkbox"/> | Certification | § 40.6(a) |
| <input type="checkbox"/> | Certification Made Available to Trade Determination | § 40.6(a) |
| <input type="checkbox"/> | Certification Security Futures | § 41.24(a) |
| <input type="checkbox"/> | Delisting (No Open Interest) | § 40.6(a) |
| <input type="checkbox"/> | Approval | § 40.5(a) |
| <input type="checkbox"/> | Approval Made Available to Trade Determination | § 40.5(a) |
| <input type="checkbox"/> | Approval Security Futures | § 41.24(c) |
| <input type="checkbox"/> | Approval Amendments to enumerated agricultural products | § 40.4(a), § 40.5(a) |
| <input type="checkbox"/> | “Non-Material Agricultural Rule Change” | § 40.4(b)(5) |
| <input type="checkbox"/> | Notification | § 40.6(d) |

Official Name(s) of Product(s) Affected: _____

Rule Numbers: _____

September 5, 2014

VIA ELECTRONIC PORTAL

Christopher J. Kirkpatrick
Office of the Secretariat
Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, N.W.
Washington, DC 20581

**RE: CFTC Regulation 40.6(a) Certification. 2014 ISDA Credit Derivatives Definitions.
CME Submission No. 14-307**

Dear Mr. Kirkpatrick:

Chicago Mercantile Exchange Inc. ("CME"), pursuant to Commodity Futures Trading Commission ("Commission" or "CFTC") Regulation 40.6(a), submits the attached amendments to its CDS product rules (the "CDS Product Rules"). The effectiveness of the proposed amendments is intended to coincide with the date on which the credit derivatives market is expected to transition to the revised Credit Derivatives Definitions, as published by the International Swaps and Derivatives Association, Inc. ("ISDA") on February 21, 2014 (the "2014 ISDA Definitions"), which is currently anticipated to be September 22, 2014. As such, the proposed effective date for these amendments is September 22, 2014 or on such later date that CME otherwise determines. To the extent that the credit derivatives market does not transition to the 2014 ISDA Definitions, the proposed amendments to the 2014 Chapters (as defined below) will not become effective.

CME is proposing to amend the CDS Product Rules to (i) incorporate references to the 2014 ISDA Definitions, which are the successor definitions to the 2003 Credit Derivatives Definitions published by ISDA and as supplemented in 2009 (together, the "2003 ISDA Definitions") and (ii) provide greater clarity with respect to the operation of certain provisions in the CDS Product Rules. All capitalized terms not defined herein shall have the meaning given to them in the CDS Product Rules.

It is CME's intention that, following the date on which the 2014 ISDA Definitions are implemented, the 2014 ISDA Definitions will apply to both (i) open positions cleared by CME (the "Converting Contracts") and (ii) new CDS contracts cleared by CME consistent with market practice. In furtherance of this, CME proposes to make conforming changes throughout the CDS Product Rules to refer to and/or conform to the 2014 ISDA Definitions. Additionally, CME proposes to add provisions to the CDS Product Rules to provide for the deemed amendment of all Converting Contracts on the date on which the 2014 ISDA Definitions are implemented.

I. Key 2014 ISDA Definition Changes

The 2014 ISDA Definitions make changes to a number of the standard terms with respect to CDS contracts when compared to the 2003 ISDA Definitions. Key changes include the introduction of new provisions relating to:

- (i) the settlement of credit events relating to financial and sovereign reference entities by delivery of assets other than bonds or loans that constitute deliverable obligations,
- (ii) transactions that would be impacted by a government bail-in of certain financial reference entities,
- (iii) standard reference obligations for certain more frequently traded reference entities, and
- (iv) other technical amendments and improvements.¹

¹ See ISDA Press Release describing the 2014 Definitions at <http://www2.isda.org/news/isda-publishes-isda-2014-credit-derivatives-definitions>.

Of particular note in relation to the CME's proposed changes to the CDS Product Rules are the impact of the modifications to the 2014 ISDA Definitions relating to (i) the Successor provisions and (ii) the inclusion of Asset Package provisions. Notwithstanding the proposed changes to the CDS Product Rules relating to Asset Package provisions, none of the CDS products that CME currently clears are anticipated to be subject to and/or impacted by such changes.

II. Description of Proposed CME Rule Changes

The proposed changes will primarily provide for the conversion of existing contracts which are currently based on the 2003 ISDA Definitions into contracts based on the 2014 ISDA Definitions in conformance with the recently finalized 2014 ISDA Credit Derivatives Definitions Protocol (the "2014 Protocol") which it is anticipated will be used by the market to update certain existing bilateral CDS Contracts to the 2014 ISDA Definitions and allow for new cleared CDS products to incorporate the 2014 ISDA Definitions. Accordingly, CME is proposing to amend the following currently published chapters: Chapters 800, 801, 802, 804 and 805 (collectively, the "2014 Chapters") of its current CDS Product Rules to align them with the 2014 ISDA Definitions. A concise description of the changes is set out below. Several provisions are being revised to include references to the 2014 ISDA Definitions and the DC Secretary, as appropriate. Non-substantive conforming changes and numbering changes have also been made.

It is anticipated that certain entities referenced in CDX indices will be excluded from the Protocol, and that not all CDX Component Transactions that CME clears will be Converting Contracts. Accordingly, certain CDX Component Transactions will continue to reference the 2003 ISDA Definitions (such transactions, "2003 Definitions Transactions"), and certain other CDX Component Transactions will reference the 2014 ISDA Definitions (such transactions "2014 Definitions Transactions"). As a result of the abovementioned bifurcation, CME proposes to add the following sub-parts to its current CDS Product Rules: Chapters 800: Part: C, 802: Part B, 804: Part C and 805: Part D (collectively, the "2003 Chapters") to allow for the separate treatment of CDX Component Transactions depending on whether such transactions are 2014 Definitions Transactions or 2003 Definitions Transactions.

A. Chapter 800 (Credit Default Swaps: Part A)

Introductory language has been added to CME Rule 80001.A (*Definitions*) to consolidate provisions relating to which definitions will govern Chapters 800: Part A, 801, 802: Part A, 804: Part A and 805: Part A. Corresponding deletions have been made to CME Rule 80101 (*Scope of Chapter*) and CME Rule 80501.A (*Scope of Chapter*). Other than the reference to the new 2014 ISDA Definitions, the CDS Product Rules are substantively unchanged by this modification. The "Part A" distinction has been added to Chapter 800 in anticipation of the need to bifurcate Chapter 800 to allow for the separate treatment of CDS products that may be cleared by CME to which the 2003 ISDA Definitions may apply.

CME Rule 80001.A (*Definitions*), has been amended to include new definitions for, among other things, "2003 ISDA Credit Derivatives Definitions", "2014 Credit Derivatives Definitions", "2014 Definitions Transaction", "Asset Package Cash Settlement Amount", "Asset Package Notice", "CME Successor Resolution Request Date", "Converting Contract", "Declaration of Successor" and "Implementation Date" to conform and adapt the CDS Product Rules to the 2014 ISDA Definitions. In addition, the definition of "DC Rules" and "Credit Derivatives Definitions" have been deleted as they will no longer be relevant following the implementation of the 2014 ISDA Definitions, and the definition of "Tax" has been amended and updated in accordance with certain changes to the 2014 ISDA Definitions. The definition of "Contract Elections" has been revised to correct a typo and correctly reference the "Initial Payment Payer" and the definition of "Eligible Contract Participant ("ECP")" has been revised to include a specific reference to the relevant Commodity Exchange Act provision referred to therein. Chapter 800 (*Credit Default Swaps: Part A*) has also been revised to include certain other clarifying and conforming changes related to the incorporation of the 2014 ISDA Definitions.

B. Chapter 800 (Credit Default Swaps: Part C)

CME proposes to add a sub-part to Chapter 800 entitled "Credit Default Swaps: Part C". Chapter 800: Part C provides the meanings of capitalized terms that are used but not defined within the 2003 Chapters and the location of the meanings of any terms used in the 2003 Chapters but not defined within Chapter 800: Part C. In addition, CME has included CME Rule 80002.C (*Interpretation*) which provides for the interpretation of certain contractual terms used within the 2003 Chapters and CME Rule 80003.C (*Notices and Clearing House System Failures*) which provides for how notices are to be provided by, or

to, CME and also for the extension of applicable deadlines for the delivery of notices if CME, or any of its clearing members, is unable to deliver or receive notices due to a failure of the relevant CME internal system. CME notes that CME Rule 80002.C and CME Rule 80003.C (each as described in the aforementioned sentence) are substantially similar to CME Rule 80002 and CME Rule 80003, respectively, that are provided in the currently published Chapter 800 of the CDS Product Rules.

C. Chapter 801 (CDS Contracts)

A clarifying change has been made to CME Rule 80102 (*Eligible Contract Participant*) to make clear the requirement that a CDS Participant be an ECP pursuant to at least one of the applicable limbs of the definition provided in Section 1a(18) of the Commodity Exchange Act. In addition, a clarifying change has been made to CME Rule 80103.B (*Acceptance of CDS by the Clearing House and Creation of CDS Contracts*) to state that the potential for a separate agreement referred to in the second paragraph is subject to applicable law.

CME Rule 80104 (*Clearing Self-Referencing CDS Contracts*) has been revised to correctly reference the “North American Single Name CDS Contract”.

D. Chapter 802 (CDX Index Untranching CDS Contracts: Part A)

CME Chapter 802 (*CDX Index Untranching CDS Contracts: Part A*) has been revised to update the definition of “CDX Untranching Terms” to include a reference to the new “2014 Supplement”, the standard documentation for use in documenting standard CDX transactions incorporating the 2014 ISDA Definitions, anticipated to be published by Markit North America, Inc. on or about September 22, 2014 to incorporate the 2014 ISDA Definitions. The “Part A” distinction has been added to Chapter 802 in anticipation of the need to bifurcate Chapter 800 to allow for the separate treatment of CDS products that may be cleared by CME to which the 2003 ISDA Definitions may apply.

Additionally, provisions have been added to CME Rule 80201.A (*Scope of Chapter*) to effect the amendment of all Converting Contracts on the date on which the 2014 ISDA Definitions are implemented, and authorizing the Clearing House to make such additional amendments or modifications to the 2014 Supplement as it deems reasonably necessary in order to give effect to the incorporation of the 2014 ISDA Definitions as this document has yet to be published and may require certain amendments in the clearing context. Within CME Rule 80201.A (*Scope of Chapter*), provisions relating to CDS Component Transactions have also been updated to clarify the already existing position that, notwithstanding that CDX Component Transactions will not be fungible with North American Single Name CDS Contracts, there may still be margin offsets between them, pursuant to the CDS Product Rules.

CME Rule 80202.A.F (*Credit Event Backstop Date*) has been revised to update the original amending provision relating to the definition of “Credit Event Backstop Date” in order to conform it to the changes in the 2014 ISDA Definitions relating to the definition of “Credit Event Backstop Date”. Additionally, changes have been made to remove provisions relating to Credit Events and/or Credit Event Resolution Request Dates occurring prior to June 20, 2009 as these are historic provisions within the definition that are no longer relevant.

CME Rule 80202.A.I (*Declaration of Credit Events*) has been revised to conform provisions relating to a Declaration of Credit Event to the updates in the 2014 ISDA Definitions given that concepts contained in CME Rule 80202.A.I (*Declaration of Credit Events*) are now captured by the newly defined terms of “Notice Delivery Period” and “Post Dismissal Additional Period” in the 2014 ISDA Definitions. Therefore these changes are entirely non-substantive.

CME Rule 80202.A.J (*Event Determination Date*) has been revised to update the original amending provision relating to the definition of “Event Determination Date” in order to conform it to the changes in the 2014 ISDA Definitions relating to the definition of “Event Determination Date”.

CME Rule 80202.A.K (*Succession Event Backstop Date*), CME Rule 80202.A.L (*Declaration of Successor*) and CME Rule 80202.A.M (*CDX Index Versions*) have been revised to conform the Successor provisions contained therein (including, in particular, the definition of “Succession Event Backstop Date” and “Declaration of Succession Event”) to the 2014 ISDA Definitions as they relate to Successor determinations (as more fully described above). “Succession Event Backstop Date”

has been renamed "Successor Backstop Date" and "Declaration of Succession Event" has been renamed "Declaration of Successor" in accordance with the 2014 ISDA Definitions. Additionally, changes have been made to remove provisions relating to Succession Events and/or Succession Event Resolution Request Dates occurring prior to June 20, 2009 as these are historic provisions within the definition of Succession Event Backstop Date that are no longer relevant. Additionally, CME Rule 80202.A.M (*CDX Index Versions*) has also been updated to make reference to the determination of a Substitute Reference Obligation in respect of a Non-Standard Reference Obligation or publication of a revised SRO List in accordance with the 2014 ISDA Definitions.

A new CME Rule 80202.A.N (*Standard Reference Obligation*) has been added to conform the CDS Product Rules to the additions made in the 2014 ISDA Definitions relating to Standard Reference Obligations by providing that documentation evidencing any CDX Component Transaction which is a Converting Contract will be automatically deemed to be amended by insertion of "Standard Reference Obligation: Applicable" (to the extent that such provision is not already applicable) and modifications relating to the introduction of "Standard Reference Obligation" have also been made to CME Rule 80203.A.A (*Rules*).

A new CME Rule 80202.A.O (*Not Contingent Deliverable Obligation Characteristic*) has been added to provide that CDX Untranching Terms will be amended by deleting the words "Not Contingent" to address the removal of this concept in the 2014 ISDA Definitions.

A new CME Rule 80202.A.P (*NOPS Cut-off Date*) has been added to modify Section 8.10(b) of the 2014 ISDA Credit Derivatives Definitions to add a new proviso relating to decisions by the CDS RC to resolve that a Credit Event has occurred with respect to a CDX Index Untranching CDS Contract for which there is Publicly Available Information. This change is necessary in order to conform the application of the 2014 ISDA Definitions with respect to CDS contracts cleared by CME with the existence of the CDS RC.

CME Rule 80203.A.C (*Industry Protocol*) has been amended to remove outdated references to the March 2009 Protocol and the July 2009 Protocol.

CME also proposes various other clarifying and conforming changes throughout Chapter 802 (*CDX Index Untranching CDS Contracts: Part A*) related to the incorporation of the 2014 ISDA Definitions.

E. Chapter 802 (CDX Index Untranching CDS Contracts: Part B)

CME proposes to add a sub-part to Chapter 802 entitled "CDX Index Untranching CDS Contracts: Part B". Chapter 802: Part B is substantially the same as the currently published Chapter 802, with the exception that certain clarifications have been added to make it clear that Chapter 802 has been bifurcated and that Chapter 802: Part B will only apply to 2003 Definitions Transactions. In addition, changes have been made to remove provisions relating to Succession Events and/or Succession Event Resolution Request Dates occurring prior to June 20, 2009 as these are historic provisions within the definition of Succession Event Backstop Date that are no longer relevant and the Appendix to Chapter 802 has been updated to delete expired CDX Contracts.

F. Chapter 804 (CME CDS Risk Committee: Part A)

Chapter 804 (*CME CDS Risk Committee: Part A*) has been revised to (i) apply only in connection with 2014 Definitions Transactions and (ii) update the scope of the chapter generally to conform more accurately to the 2014 ISDA Definitions. The "Part A" distinction has been added to Chapter 802 in anticipation of the need to bifurcate Chapter 800 to allow for the separate treatment of CDS products that may be cleared by CME to which the 2003 ISDA Definitions may apply.

CME Rule 80401.A (*Certain Functions and Authorities of the CDS Risk Committee ("CDS RC")*) has been revised to update the scope of the definition of "Issue" in accordance with changes to the 2014 ISDA Definitions by (i) amending references and provisions relating to succession events and or determinations (as more fully described above), (ii) including reference to Non-Standard Reference Obligations and Eligible Information, (iii) removing references to Accreted Amount and Accreting Obligation, (iv) adding provisions relating to Asset Package Credit Events (as more fully described above) and (v) adding provisions relating to the determination of Reference Entity mergers with a Seller and other matters of contractual

determination. In addition, modifications have been made in order to ensure alignment of the CDS Product Rules with the current market practices (as mandated by ISDA) to clarify the circumstances under which the CDS RC may make such determinations to avoid determinations that are inconsistent with DC determinations.

CME Rule 80402.A.A (*Publicly Available Information*) has been revised to align with the changes to the definition of "Publicly Available Information" in the 2014 ISDA Definitions.

Cross references in CME Rule 80404.A.E (*Limitation of Liability and Waivers*) have been updated to reflect changes in section numbering in the 2014 ISDA Definitions.

G. Chapter 804 (CME CDS Risk Committee: Part C)

CME proposes to add a sub-part to Chapter 804 entitled "CME CDS Risk Committee: Part C" to apply only in connection with 2003 Definitions Transactions. Chapter 804: Part C is substantially similar to the currently published Chapter 804 with the exception that Chapter 804: Part C grants an additional authority to the CDS RC to determine matters of contractual interpretation relevant to market standard documentation incorporated into the terms of a CDS Contract. In addition, modifications have been made in order to ensure alignment of the CDS Product Rules with the current market practices (as proposed by ISDA) to clarify the circumstances under which the CDS RC may make such determinations to avoid determinations that are inconsistent with DC determinations, and other conforming, clarification changes and drafting improvements.

H. Chapter 805 (CME CDS Physical Settlement: Part A)

Chapter 805 (*CME CDS Physical Settlement: Part A*) has been revised to (i) apply only in connection with 2014 Definitions Transactions and (ii) update the scope of the chapter generally to conform more accurately to the 2014 ISDA Definitions. Specifically, amendments have been made in relation CME Rule 80502.A.C (*Notices*), and CME Rule 80503.A (*Physical Settlement of Non DVP Obligations*) to include provisions relating to Asset Package Delivery (as more fully described above). While CME does not currently clear any CDS products to which the 2003 ISDA Definitions will apply following the implementation of the 2014 ISDA Definitions, a "Part A" distinction has been added to Chapter 805 in anticipation of the potential need to bifurcate Chapter 805 to allow for separate treatment of CDS products that may be cleared by CME in the future and to which the 2003 ISDA Definitions will apply.

CME Rule 80502.A (*Matched Pairs*) has been updated to provide additional detail in relation to the matching process. The additions do not substantively alter the CDS Product Rules but rather, seek to provide greater clarity with respect to the current matching process.

Changes have been made to CME Rule 80507.A (*Clearing House Guarantee of Matched Pair CDS Contracts*) and CME Rule 80508.A (*Failure to Perform Under Matched Pair CDS Contracts*) to align the matching process with the general physical settlement provisions of CME as set out in Chapter 7 (*Delivery Facilities and Procedures*).

Additionally, Chapter 805 (*CME CDS Physical Settlement: Part A*) has been revised to include references, where appropriate, to the 2014 ISDA Definitions, Asset Package Delivery and the DC Secretary, and corresponding changes to provision numbering have been made.

I. Chapter 805 (CME CDS Physical Settlement: Part D)

CME proposes to add a sub-part to Chapter 805 entitled "CME CDS Physical Settlement: Part D" Chapter 805: Part D provides for the physical settlement process that will apply as the fallback settlement method with respect to 2003 Definitions Transactions in circumstances where auction settlement does not apply. The substance of the new provisions is based on the currently published Chapter 805 of the CDS Product Rules, with some additional features as described in further detail below.

CME Rule 80502.D.A (*Matched Pair Notice*) provides additional detail in relation to the matching process. The additions do not substantively alter the CDS Product Rules but rather, seek to provide greater clarity with respect to the current matching process and how such process will work in respect of CDS Contracts.

CME Rule 80507.D (*Clearing House Guarantee of Matched Pair CDS Contracts*) and CME Rule 80508.D (*Failure to Perform Under Matched Pair CDS Contracts*) have been updated to align the matching process with the general physical settlement provisions of CME as set out in Chapter 7 (*Delivery Facilities and Procedures*).

III. Core Principle Review

CME reviewed the derivatives clearing organization core principles (“Core Principles”) as set forth in the Act. During the review, CME identified the following Core Principles as potentially being impacted:

- Core Principle C - Participant and Product Eligibility: The revisions to the CDS Product Rules are consistent with the participant and product eligibility requirements of Core Principle C. The changes will adapt CME cleared CDS products to CDS market trading practices which should maximize liquidity by using market standard trading conventions. Additionally, the changes will assist in CME’s and CDS clearing member access to the relevant CDS markets for the purposes of creating, liquidating, transferring and/or auctioning positions.
- Core Principle D – Settlement Procedures: The revisions to the CDS Product Rules are consistent with the settlement procedure requirements of Core Principle D. The current CDS Product Rules clearly state each obligation of CME with respect to physical deliveries and will continue to meet these requirements following the incorporation into the CDS Product Rules of the proposed revisions.

Exhibit 1 sets forth the applicable rule amendments with additions underscored and deletions ~~overstruck~~.

CME certifies these changes comply with the Act and regulations thereunder. There were no substantive opposing views to this action.

If you require any additional information regarding this submission, please contact Sasha Rozenberg at 212-299-2106 or via e-mail at Sasha.Rozenberg@cmegroup.com, or contact me at 212-299-2228 or via e-mail at Jason.Silverstein@cmegroup.com. Please reference our CME Submission No. 14-307 in any related correspondence.

Sincerely,

/s/ Jason Silverstein
Executive Director & Associate General Counsel

Attachment: Exhibit 1 – Amendments to CME Rulebook Chapter 800

EXHIBIT 1

Chapter 800 Over-The-Counter-Derivatives

Credit Default Swaps: Part A

CHAPTER 80180001.A DEFINITIONS

Capitalized terms used in Chapters 800 (Part A), 801, 802 (Part A), 804 (Part A) and 805 (Part A) and not otherwise defined in this Chapter 800 (Part A) shall have the meaning given pursuant to the CDX Untranching Terms, the 2014 ISDA Credit Derivatives Definitions, the CME Rulebook, the CDS Manual or the DC Rules, as applicable.

In the event of any inconsistency between the aforementioned documents and provisions and the provisions of these Rules, such documents and provisions shall prevail in the following order: first, these Rules; second the CME Rulebook, third, the CDS Manual, fourth, the 2014 ISDA Credit Derivatives Definitions, fifth, the DC Rules; and sixth, the CDX Untranching Terms.

For purposes of Chapters 800 (Part A), 801, 802 (Part A), 804 (Part A) and 805 (Part A) of the CME Rulebook, the following capitalized terms shall, unless otherwise specified, have the meanings set forth below:

~~In Chapters 800-805 the capitalized terms listed below shall have the meaning ascribed to them below. All other capitalized terms used in this Chapter 800 which are not otherwise defined in these Rules shall have the meaning ascribed to them in the 2003 ISDA Credit Derivatives Definitions and the DC Rules.~~

The 2003 ISDA Credit Derivatives Definitions as supplemented by the 2009 ISDA Credit Derivatives Determinations Committees, Auction Settlement and Restructuring Supplement to the 2003 ISDA Credit Derivatives Definitions (published on July 14, 2009) and the 2005 Matrix Supplement to the 2003 ISDA Credit Derivatives Definitions, each as published by ISDA. © 2003 International Swaps and Derivatives Association, Inc.

2014 ISDA Credit Derivatives Definitions

The 2014 ISDA Credit Derivatives Definitions published by ISDA. © 2014 International Swaps and Derivatives Association, Inc.

2014 Definitions Transaction

An CDX Index Untranching CDS Contract or CDX Component Transaction to the extent that it references a clearing product code from the Product Reference File which determines that such CDX Index Untranching CDS Contract or CDX Component Transaction is subject to the 2014 Credit Derivatives Definitions.

2014 Supplement

Has the meaning given to such term in Rule 80201.A.

8011.A.Acceptance Date

In respect of a CDS Contract, the date on which the Acceptance Time occurs.

8011.B.Acceptance Time

In respect of a CDS Contract, the time at which the Clearing House notifies the relevant CDS Clearing Member that such CDS Contract has been matched.

Additional Amount

Has the meaning given to such term in Rule 80105.B.

Adjusted CDX Index Untranched CDS Contract

Has the meaning given to such term in Rule 80203.A.B.

Adjusted Index Payment Amount

Has the meaning given to such term in Rule 80203.A.B.

Adjusted Index Payment Amount Date

Has the meaning given to such term in Rule 80203.A.B.

Adjusted Index Payment Amount Payer

Has the meaning given to such term in Rule 80203.A.B.

Adjusted Single Name Contract

Has the meaning given to such term in Rule 80303.B.

Adjusted Single Name Payment Amount

Has the meaning given to such term in Rule 80303.B.

Adjusted Single Name Payment Amount Date

Has the meaning given to such term in Rule 80303.B.

Adjusted Single Name Payment Amount Payer

Has the meaning given to such term in Rule 80303.B.

Adjustment Amount

Has the meaning given to such term in Rule 80202.A.D or 80302.C as applicable.

Adjustment Amount Payer

Has the meaning given to such term in Rule 80202.A.D or 80302.C as applicable.

Adjustment Payment Date

Has the meaning given to such term in Rule 80202.A.D or 80302.C as applicable.

Affected CDS Contract

Has the meaning given to such term in Rule 80104.A.

Affected CDS Clearing Member

Has the meaning given to such term in Rule 80104.A.

Affected Customer

Has the meaning given to such term in Rule 80104.B.

Affected Customer CDS Contract

Has the meaning given to such term in Rule 80104.B.

Asset Package Cash Settlement Amount

In respect of an Asset Package, an amount in the Settlement Currency of the 2014 Definitions Transaction to which such Asset Package relates equal to the total amount of cash in such Settlement Currency (whether actual or deemed) in accordance with Section 6.19(e) of the 2014 ISDA Credit Derivatives Definitions comprising such Asset Package.

Asset Package Notice

A notification from the Buyer to the Seller of the detailed description of the Asset Package, if any, that it intends to Deliver to the Seller in lieu of the Prior Deliverable Obligation or Package Observable Bond, if any, specified in the Notice of Physical Settlement or NOPS Amendment Notice, as applicable.

8011.C.Buyer

In respect of a CDS Contract, the Fixed Rate Payer.

8011.D.CDS Clearing Member

A Clearing Member of the Clearing House that is authorized to enter into CDS Contracts pursuant to these Rules.

8011.E.CDS Contract

Any CDX Index Untranchetted CDS Contract (including any CDX Component Transaction thereof) or North American Single Name CDS Contract.

CDS Manual

The Clearing House Manual of Operations for CME Cleared Credit Default Swaps which may be amended from time to time.

8011.F.CDS Participant

A market participant on whose behalf a CDS Clearing Member holds a position in a CDS Contract, including an Affiliate of such CDS Clearing Member.

8011.G.CDS Product

A Credit Default Swap that the Clearing House has designated as eligible for clearing.

8011.H.CDS RC

Has the meaning given to such term in Rule 80401.A.

8011.I.CDS RC Party

Any member of the CDS RC and any CDS Participant or CDS Clearing Member (or any Affiliate of such CDS Participant or CDS Clearing Member) that designated or is the employer of any member of the CDS RC.

8011.J.CDX Component Transaction

Has the meaning given to such term in Rule 80201.A.

8044.K.CDX Index Untranching CDS Contract

Has the meaning given to such term in Rule 80201.A.

CDX Indices

Has the meaning given to such term in Rule 80202.A.B.

8044.L.CDX Untranching Terms

Has the meaning given to such term in Rule 80201.A.

8044.M.Change in Law

Has the meaning given to such term in Rule 80203.A.B.

8044.N.Clearing Business Day

Any day on which the Clearing House is open to process and settle CDS Contracts.

8044.O.Clearing Effective Date

In respect of a CDS Contract:

1. where the Acceptance Time for such CDS Contract is prior to 8:00 p.m. (New York time) on a Clearing Business Day, the Clearing Business Day immediately following the Acceptance Date for such CDS Contract; and
2. where the Acceptance Time for such CDS Contract is at or after 8:00 p.m. (New York time) on a Clearing Business Day or occurs on a day other than a Clearing Business Day, the second Clearing Business Day immediately following the Acceptance Date for such CDS Contract.

Clearing House

The CME Clearing House, also referred to as CME Clearing, a division of CME.

CME CDS Physical Settlement

Has the meaning given to such term in Rule 80501.A.

8044.P.CME Credit Event Resolution Request Date

With respect to a Determination pursuant to Chapter 804 that an event which constitutes a Credit Event for the purposes of a CDS Contract has occurred, the day that the CDS RC determines to be the first day on which the relevant Issue was raised with the CDS RC in accordance with Rule 80402.A and on which the Chairman of the CDS RC was in possession of Publicly Available Information.

~~8044.Q.CME Succession Event~~ Successor Resolution Request Date

With respect to a Determination pursuant to Chapter 804 ~~that an event which constitutes a Succession Event~~ regarding one or more Successors to a Reference Entity for the purposes of a CDS Contract ~~has occurred~~, the day that the CDS RC determines to be the first day on which the relevant Issue was raised with the CDS RC in accordance with Rule 80402.A.

8044.R.Contract Elections

In respect of a CDS Contract, the elections made by the relevant CDS Clearing Members when the relevant bilateral CDS transaction is submitted to the Clearing House for clearing by them in accordance with the provisions of the Clearing House CDS Manual from time to time. Such elections will be made by selection of a clearing product code from the Product Reference File, selection of a scheduled termination date and selection of a fixed rate and specification of whether the CDS Clearing Member is acting as Buyer or Seller,

the Original Notional Amount or Floating Rate Payer Calculation Amount, the Trade Date, the Initial Amount Payment Payer (if any), the Initial Payment Amount (if any) and any other specification required at the time when such bilateral CDS transaction is submitted to the Clearing House. In respect of a North American Single Name CDS Contract, selection of a clearing product code uniquely determines the Reference Entity, the Reference Obligation and certain additional provisions applicable to such North American Single Name CDS Contract. In respect of a CDX Index Untranchured CDS Contract, selection of a clearing product code uniquely determines the specific Index, Index series, Index version and Annex Date.

Converting Contract

A CDS Contract that incorporates the 2003 ISDA Credit Derivatives Definitions, in respect of which:

(a) the Acceptance Time, is on or prior to the Implementation Date and the Scheduled Termination Date, is on or after the Implementation Date ("Legacy Transactions"), or

(b) the Acceptance Time is after the Implementation Date but on or before September 18, 2015 ("New Transactions"),

that without need for further action or determination by the Clearing House will be deemed amended as of the Implementation Date to incorporate the 2014 ISDA Credit Derivative Definitions.

8044.S.Credit Default Swap ("CDS")

A transaction in which one party pays either a single fixed amount and/or periodic fixed amounts determined by reference to a specified notional amount, and the other party may pay a single fixed amount and assumes settlement obligations contingent upon the occurrence of certain defined credit events with respect to one or more reference entities (or obligations thereof) and the satisfaction of certain conditions to settlement. Following the occurrence of a credit event the transaction may be cash settled, auction settled or physically settled.

~~8044.T. Credit Derivatives Definitions~~

~~Chapter 800The 2003 ISDA Credit Derivatives Definitions as supplemented by the 2009 ISDA Credit Derivatives Determinations Committees, Auction Settlement and Restructuring Supplement to the 2003 ISDA Credit Derivatives Definitions (published on July 14, 2009), each as published by ISDA.~~

~~8044.U. DC Rules~~

~~Chapter 801The Credit Derivatives Determinations Committees Rules, defined as the "Rules" in Section 1.22 of the Credit Derivatives Definitions.~~

DC

Has the meaning given to such term in Rule 80401.A.

8044.V.Declaration of Credit Event

Has the meaning given to such term in Rule 80202.A.I or 80302.K._ as applicable.

~~8044.W.Declaration of Succession Event~~Successor

Has the meaning given to such term in Rule 80202.A.L_ or 80302.N._ as applicable.

Declaration of Universal Successor

Has the meaning given to such term in Rule 80202.A.L.

Delivered Percentage

Has the meaning given to such term in Rule 80503.A.(f).

8011.X.Determination

A decision by the CDS RC related to an Issue.

Disputed DO

Has the meaning given to such term in Rule 80504.A.

Disputed DO Resolution Date

Has the meaning given to such term in Rule 80504.A.

DO Question Notice Date

Has the meaning given to such term in Rule 80504.A.

DTCC

The Depository Trust and Clearing Corporation or its successor.

DS

DTCC's system for storing and processing trade information with respect to CDS Contracts.

8011.Y.Eligible Contract Participant (“ECP”)

An Eligible Contract Participant as defined in section 1(a)(18) of the Commodity Exchange Act, as amended.

Existing Matrix

Has the meaning given to such term in Rule 80302.P.

FEC System

Has the meaning given to such term in Rule 80103.A.

8011.ZZ.Fungibility Date

Has the meaning given to such term in Rule 80202.A.M.

8011.AA.Governmental Authority

Any supra national body, the United States of America or any other nation, any state or other political subdivision thereof, or any entity exercising executive, legislative, judicial, regulatory or administrative functions of government. For the avoidance of doubt, neither the Clearing House nor any Affiliate thereof shall be deemed a Governmental Authority.

Implementation Date

September 22, 2014.

Index Contract Modification

Has the meaning given to such term in Rule 80203.A.A.

Index Contract Modification Effective Date

Has the meaning given to such term in Rule 80203.A.A.

Initial Payment Date

In respect of a CDS Contract, the Clearing Effective Date.

8011.BB.ISDA

The International Swaps and Derivatives Association, Inc. or its successor.

~~8011.CC. Initial Payment Date~~

~~Chapter 802~~In respect of a CDS Contract, the Clearing Effective Date.

~~8011.DD. Initial Processing Date~~

~~Chapter 803~~Either, as determined by the Clearing House, (i) the date of determination of an Event Determination Date or (ii) the Clearing Business Day following the date of determination of such Event Determination Date.

8011.EE.Issue

Has the meaning given to such term in Rule 80401.A.

Matched Notional Amount

Has the meaning given to such term in Rule 80502.A.A.

Matched Pair

Has the meaning given to such term in Rule 80502.A.A.

Matched Pair Buyer

Has the meaning given to such term in Rule 80502.A.A.

Matched Pair Seller

Has the meaning given to such term in Rule 80502.A.A.

Matched Pair CDS Contract

Has the meaning given to such term in Rule 80502.A.A.

Matched Pair CDS Contract Pair

Has the meaning given to such term in Rule 80502.A.A.

Matched Pair Notice

Has the meaning given to such term in Rule 80502.A.A.

Matched Pair Notice Date

Has the meaning given to such term in Rule 80502.A.A.

Matched Pair Notice Deadline

Has the meaning given to such term in Rule 80502.A.A.

Matrix Supplement

Has the meaning given to such term in Rule 80301.

Matrix Update Date

Has the meaning given to such term in Rule 80302.P.

MTM Change

Has the meaning given to such term in Rule 80203.A.B.

New Matrix

Has the meaning given to such term in Rule 80302.P.

8011.FF.New York Business Day

Any day on which commercial banks are open for business in New York.

Non-Deliverable Obligations

Has the meaning given to such term in Rule 80505.A.B.

Non-DVP Asset Package Settlement Amount

Has the meaning given to such term in Rule 80503.A.(b).

Non DVP Obligations

Has the meaning given to such term in Rule 80503.A.

8011.GG.North American Single Name CDS Contract

Has the meaning given to such term in Rule 80301.

Physical Settlement Amount Portion

Has the meaning given to such term in Rule 80503.A.

Physical Settlement Contract

Has the meaning given to such term in Rule 80502.A.A.

8011.HH.Product Reference File

On any day, a comprehensive list published by the Clearing House on or immediately prior to such day, that provides the complete specifications for the CDS Contracts available for clearing by the Clearing House on such day, including the corresponding clearing product code for each such CDS Contract.

8011.II.Proposal

A proposal submitted by a member of the CDS RC or submitted in writing by another CDS Clearing Member to address and resolve an Issue being considered by the CDS RC, pursuant to the Determination process set forth in Rule 80404.A.B.

8011.JJ.Protocol Cut-off Time

Has the meaning given to such term in Rule ~~80203.C~~ 80203.A.C.

Quoting Dealer**8011.KK. ~~Recovery Trade Date~~**

~~Chapter 804~~ The Clearing Business Day following the Initial Processing Date.

Has the meaning given to such term in Rule 80505.A.C.

Relevant Buyer

Has the meaning given to such term in Rule 80505.A.C.

Relevant Reference Entity

Has the meaning given to such term in Rule 80104.A.

Remaining Affected CDS Contract

Has the meaning given to such term in Rule 80104.A.

Remaining Affected Customer CDS Contract

Has the meaning given to such term in Rule 80104.B.

Rule Change Effective Date

Has the meaning given to such term in Rule 80203.A.B.

8011.LL.Seller

In respect of a CDS Contract, the Floating Rate Payer.

Single Name Auction

Has the meaning given to such term in Rule 80104.A.

Single Name Contract Modification

Has the meaning given to such term in Rule 80303.A.

Single Name Contract Modification Effective Date

Has the meaning given to such term in Rule 80303.A.

8011.MM.Submission Date

In respect of a CDS Contract:

- (a) except as provided in (c) below, where the Submission Time for such CDS Contract is prior to 7:00 p.m.(New York time) on a Clearing Business Day, the date on which such Submission Time occurs;
3. except as provided in (c) below, where the Submission Time for such CDS Contract is (i) after or at 7:00 p.m.(New York time) on a Clearing Business Day or (ii) on a day that is not a Clearing Business Day, the Clearing Business Day immediately following the day on which such Submission Time occurs; and
4. for the purposes of Rule 80802.K., Rule 80302.M. and the first paragraph of Rule 80103.C., where the Submission Time for such CDS Contract is during the period beginning at 12:00 a.m. (New York time) on a Clearing Business Day and ending at, but excluding, 12:00 a.m. (New York time) on the next day, the date on which such Submission Time occurs.

8011.NN.Submission Time

In respect of a CDS Contract, the time at which the bilateral CDS transaction and all required elections have been received by the Clearing House in accordance with the rules governing such CDS Contract and the Clearing House CDS Manual.

Credit Default Swaps: Part B

[Reserved]

Chapter 800 Credit Default Swaps: Part C

8001.C DEFINITIONS

Capitalized terms used in Chapters 800 (Part C), 802 (Part B), 804 (Part C) and 805 (Part D) and not otherwise defined in this Chapter 800 (Part A) shall have the meaning given pursuant to the CDX Untranching Terms, the 2003 ISDA Credit Derivatives Definitions, the CME Rulebook, the CDS Manual or the DC Rules, as applicable.

In the event of any inconsistency between the aforementioned documents and provisions and the provisions of these Rules, such documents and provisions shall prevail in the following order: first, these Rules; second the CME Rulebook, third, the CDS Manual, fourth, the 2003 ISDA Credit Derivatives Definitions, fifth, the DC Rules; and sixth, the CDX Untranching Terms.

For purposes of Chapters 800 (Part C), 802 (Part B), 804 (Part C) and 805 (Part D) of the CME Rulebook, the following capitalized terms shall, unless otherwise specified, have the meanings set forth below:

2003 ISDA Credit Derivatives Definitions

The 2003 ISDA Credit Derivatives Definitions as supplemented by the 2009 ISDA Credit Derivatives Determinations Committees, Auction Settlement and Restructuring Supplement to the 2003 ISDA Credit Derivatives Definitions (published on July 14, 2009) and the 2005 Matrix Supplement to the 2003 ISDA Credit Derivatives Definitions, each as published by ISDA. © 2003 International Swaps and Derivatives Association, Inc.

2003 Definitions Transactions

[An CDX Index Untranching CDS Contract or CDX Component Transaction to the extent that it references a clearing product code from the Product Reference File which determines that such CDX Index Untranching CDS Contract or CDX Component Transaction is subject to the 2003 ISDA Credit Derivatives Definitions.]²

2003 CDX Untranching Terms

Has the meaning given to such term in Rule 80201.B.

July 2009 Protocol

Has the meaning given to such term in Rule 80203.B.C.

March 2009 Protocol

Has the meaning given to such term in Rule 80203.B.C.

Acceptance Date

In respect of a CDS Contract, the date on which the Acceptance Time occurs.

Acceptance Time

In respect of a CDS Contract, the time at which the Clearing House notifies the relevant CDS Clearing Member that such CDS Contract has been matched.

² CME to confirm.

Adjusted CDX Index Untranching CDS Contract

Has the meaning given to such term in Rule 80203.B.B.

Adjusted Index Payment Amount

Has the meaning given to such term in Rule 80203.B.B.

Adjusted Index Payment Amount Date

Has the meaning given to such term in Rule 80203.B.B.

Adjusted Index Payment Amount Payer

Has the meaning given to such term in Rule 80203.B.B.

Adjustment Amount

Has the meaning given to such term in Rule 80202.B.D.

Adjustment Amount Payer

Has the meaning given to such term in Rule 80202.B.D.

Adjustment Payment Date

Has the meaning given to such term in Rule 80202.B.D.

Buyer

In respect of a CDS Contract, the Fixed Rate Payer.

CDS Clearing Member

A Clearing Member of the Clearing House that is authorized to enter into CDS Contracts pursuant to these Rules.

CDS Contract

Any CDX Index Untranching CDS Contract (including any CDX Component Transaction thereof) or North American Single Name CDS Contract.

CDS Manual

The Clearing House Manual of Operations for CME Cleared Credit Default Swaps which may be amended from time to time.

CDS Participant

A market participant on whose behalf a CDS Clearing Member holds a position in a CDS Contract, including an Affiliate of such CDS Clearing Member.

CDS Product

A Credit Default Swap that the Clearing House has designated as eligible for clearing.

CDS RC

Has the meaning given to such term in Rule 80401.C.

CDX Component Transaction

Has the meaning given to such term in Rule 80201.B.

CDX Index Untranched CDS Contract

Has the meaning given to such term in Rule 80201.B.

CDX Indices

Has the meaning given to such term in Rule 80202.B.B.

Change in Law

Has the meaning given to such term in Rule 80203.B.B.

Clearing Business Day

Any day on which the Clearing House is open to process and settle CDS Contracts.

Clearing Effective Date

In respect of a CDS Contract:

5. where the Acceptance Time for such CDS Contract is prior to 8:00 p.m. (New York time) on a Clearing Business Day, the Clearing Business Day immediately following the Acceptance Date for such CDS Contract; and
6. where the Acceptance Time for such CDS Contract is at or after 8:00 p.m. (New York time) on a Clearing Business Day or occurs on a day other than a Clearing Business Day, the second Clearing Business Day immediately following the Acceptance Date for such CDS Contract.

Clearing House

The CME Clearing House, also referred to as CME Clearing, a division of CME.

CME CDS Physical Settlement

Has the meaning given to such term in Rule 80501.D.

CME Credit Event Resolution Request Date

With respect to a Determination pursuant to Chapter 804 that an event which constitutes a Credit Event for the purposes of a CDS Contract has occurred, the day that the CDS RC determines to be the first day on which the relevant Issue was raised with the CDS RC in accordance with Rule 80402.C and on which the Chairman of the CDS RC was in possession of Publicly Available Information.

CME Successor Resolution Request Date

With respect to a Determination pursuant to Chapter 804 regarding one or more Successors to a Reference Entity for the purposes of a CDS Contract, the day that the CDS RC determines to be the first day on which the relevant Issue was raised with the CDS RC in accordance with Rule 80402.C.

Contract Elections

In respect of a CDS Contract, the elections made by the relevant CDS Clearing Members when the relevant bilateral CDS transaction is submitted to the Clearing House for clearing by them in accordance with the provisions of the Clearing House CDS Manual from time to time. Such elections will be made by selection of a clearing product code from the Product Reference File, selection of a scheduled termination date and selection of a fixed rate and specification of whether the CDS Clearing Member is acting as Buyer or Seller, the Original Notional Amount or Floating Rate Payer Calculation Amount, the Trade Date, the Initial

Payment Payer (if any), the Initial Payment Amount (if any) and any other specification required at the time when such bilateral CDS transaction is submitted to the Clearing House. In respect of a North American Single Name CDS Contract, selection of a clearing product code uniquely determines the Reference Entity, the Reference Obligation and certain additional provisions applicable to such North American Single Name CDS Contract. In respect of a CDX Index Untranchured CDS Contract, selection of a clearing product code uniquely determines the specific Index, Index series, Index version and Annex Date.

Credit Default Swap (“CDS”)

A transaction in which one party pays either a single fixed amount and/or periodic fixed amounts determined by reference to a specified notional amount, and the other party may pay a single fixed amount and assumes settlement obligations contingent upon the occurrence of certain defined credit events with respect to one or more reference entities (or obligations thereof) and the satisfaction of certain conditions to settlement. Following the occurrence of a credit event the transaction may be cash settled, auction settled or physically settled.

DC

Has the meaning given to such term in Rule 80401.C.

Declaration of Credit Event

Has the meaning given to such term in Rule 80202.B.I.

Declaration of Successor

Has the meaning given to such term in Rule 80202.B.L.

Delivered Percentage

Has the meaning given to such term in Rule 80503.D.(f).

Determination

A decision by the CDS RC related to an Issue.

Disputed DO

Has the meaning given to such term in Rule 80504.D.

Disputed DO Resolution Date

Has the meaning given to such term in Rule 80504.D.

DO Question Notice Date

Has the meaning given to such term in Rule 80504.D.

Eligible Contract Participant (“ECP”)

An Eligible Contract Participant as defined in section 1(a)(18) of the Commodity Exchange Act, as amended.

Fungibility Date

Has the meaning given to such term in Rule 80202.B.M.

Governmental Authority

Any supra national body, the United States of America or any other nation, any state or other political subdivision thereof, or any entity exercising executive, legislative, judicial, regulatory or administrative

functions of government. For the avoidance of doubt, neither the Clearing House nor any Affiliate thereof shall be deemed a Governmental Authority.

Index Contract Modification

Has the meaning given to such term in Rule 80203.B.A.

Index Contract Modification Effective Date

Has the meaning given to such term in Rule 80203.B.A.

Initial Payment Date

In respect of a CDS Contract, the Clearing Effective Date.

ISDA

The International Swaps and Derivatives Association, Inc. or its successor.

Issue

Has the meaning given to such term in Rule 80401.C.

Matched Notional Amount

Has the meaning given to such term in Rule 80502.D.A.

Matched Pair

Has the meaning given to such term in Rule 80502.D.A.

Matched Pair Buyer

Has the meaning given to such term in Rule 80502.D.A.

Matched Pair Seller

Has the meaning given to such term in Rule 80502.D.A.

Matched Pair CDS Contract

Has the meaning given to such term in Rule 80502.D.A.

Matched Pair CDS Contract Pair

Has the meaning given to such term in Rule 80502.D.A.

Matched Pair Notice

Has the meaning given to such term in Rule 80502.D.A.

Matched Pair Notice Date

Has the meaning given to such term in Rule 80502.D.A.

Matched Pair Notice Deadline

Has the meaning given to such term in Rule 80502.D.A.

Matrix Supplement

Has the meaning given to such term in Rule 80301.

MTM Change

Has the meaning given to such term in Rule 80203.B.B.

New York Business Day

Any day on which commercial banks are open for business in New York.

Non-Deliverable Obligations

Has the meaning given to such term in Rule 80505.D.B.

Non DVP Obligations

Has the meaning given to such term in Rule 80503.D.

North American Single Name CDS Contract

Has the meaning given to such term in Rule 80301.

Physical Settlement Amount Portion

Has the meaning given to such term in Rule 80503.D.

Physical Settlement Contract

Has the meaning given to such term in Rule 80502.D.A.

Product Reference File

On any day, a comprehensive list published by the Clearing House on or immediately prior to such day, that provides the complete specifications for the CDS Contracts available for clearing by the Clearing House on such day, including the corresponding clearing product code for each such CDS Contract.

Proposal

A proposal submitted by a member of the CDS RC or submitted in writing by another CDS Clearing Member to address and resolve an Issue being considered by the CDS RC, pursuant to the Determination process set forth in Rule 80404.C.B.

Protocol Cut-off Time

Has the meaning given to such term in Rule 80203.B.C.

Quoting Dealer

Has the meaning given to such term in Rule 80505.D.C.

Relevant Buyer

Has the meaning given to such term in Rule 80505.D.C.

Rule Change Effective Date

Has the meaning given to such term in Rule 80203.B.B.

Seller

In respect of a CDS Contract, the Floating Rate Payer.

Submission Date

In respect of a CDS Contract:

- (f) except as provided in (c) below, where the Submission Time for such CDS Contract is prior to 7:00 p.m.(New York time) on a Clearing Business Day, the date on which such Submission Time occurs;
- 7. except as provided in (c) below, where the Submission Time for such CDS Contract is (i) after or at 7:00 p.m.(New York time) on a Clearing Business Day or (ii) on a day that is not a Clearing Business Day, the Clearing Business Day immediately following the day on which such Submission Time occurs; and
- 8. for the purposes of Rule 80802.K., Rule 80302.M. and the first paragraph of Rule 80103.C., where the Submission Time for such CDS Contract is during the period beginning at 12:00 a.m. (New York time) on a Clearing Business Day and ending at, but excluding, 12:00 a.m. (New York time) on the next day, the date on which such Submission Time occurs.

Submission Time

In respect of a CDS Contract, the time at which the bilateral CDS transaction and all required elections have been received by the Clearing House in accordance with the rules governing such CDS Contract and the Clearing House CDS Manual.

Tax

Any present or future tax, levy, impost, duty, charge, assessment, transaction tax or fee of any nature (including interest, penalties, and additions thereto) that is imposed by any government or other taxing authority.

Unpaid Amount

Has the meaning given to such term in Rule 80505.D.A.

80002.C INTERPRETATION

For the purposes of any CDS Contract, references in the 2003 ISDA Credit Derivatives Definitions or the CDX Untranching Terms to:

- (a) a “Confirmation” shall be deemed to be references to the terms of the relevant CDS Contract as set out in these Rules;
- 9. “Physical Settlement” shall be deemed to be references to CME CDS Physical Settlement pursuant to Chapter 805 of these Rules;
- 10. a “Credit Derivative Transaction” shall be deemed to be references to a CDS Contract; and
- 11. “Trade Date” shall be deemed to be references to the date identified in the relevant Contract Election.

80003.C NOTICES AND CLEARING HOUSE SYSTEM FAILURES

Any notice, document, communication, filing or form to be served on, filed with, or made or provided by the Clearing House to a CDS Clearing Member pursuant to these Rules or in relation to any CDS Contract shall be served, filed, made or provided in accordance with these Rules and the relevant procedures set forth in the Clearing House CDS Manual from time to time.

Any notice, document, communication, filing or form to be served on, filed with, or made or provided to the Clearing House pursuant to these Rules or in relation to any CDS Contract shall be served, filed, made or provided in accordance with these Rules and the relevant procedures set forth in the Clearing House CDS Manual from time to time.

Notwithstanding any other provision of these Rules, for so long as the Clearing House is unable to receive or deliver, or a CDS Clearing Member is unable to receive or deliver, any notice, payment or delivery as a result of a failure, malfunction, fault in delivery, delay, omission, suspension, inaccuracy, interruption, termination or any other failure of all or any part of any of the relevant Clearing House systems, the time periods for delivery by such CDS Clearing Member of any such notice, payment or delivery will be tolled and any applicable deadlines shall be extended accordingly.

80004.C ISDA DISCLAIMER

ISDA® bears no responsibility or liability arising from the reproduction, public display, incorporation, dissemination or reference to all or any of the 2003 ISDA Credit Derivatives Definitions or the 2014 ISDA Credit Derivatives Definitions. © 2003 – 2014 International Swaps and Derivatives Association, Inc.

Chapter 801 CDS Contracts

80101. SCOPE OF CHAPTER

Chapter 805The scope of this Chapter is limited in application to CDS Contracts. The procedures for trading, clearing and settlement of CDS Contracts and any other matters not specifically covered herein shall be governed by the other Chapters of these Rules, including, but not limited to, Chapter 8-F (Over-the-Counter Derivatives Clearing) and Chapter 8-H (Credit Default Swaps Clearing), to the extent applicable. ~~Capitalized terms in this Chapter not otherwise defined in this Chapter shall have the meaning given to such terms in the other Chapters of these Rules, the Credit Derivatives Definitions or the DC Rules.~~

80102. ELIGIBLE CONTRACT PARTICIPANT

Chapter 806In order to transact in CDS Contracts, a CDS Participant must be an ECP pursuant to at least one of the applicable limbs of the definition provided in Section 1a(18) of the Commodity Exchange Act. A CDS Clearing Member must obtain a representation from each CDS Participant for which it provides clearing services that such CDS Participant is an ECP on each day on which a Credit Default Swap or CDS Contract is entered into. If any person responsible for CDS clearing at a CDS Clearing Member becomes aware that a CDS Participant for which it provides clearing services no longer qualifies as an ECP, the CDS Clearing Member must notify the Clearing House; ~~provided that violations~~. Violations of this Rule may subject the relevant CDS Clearing Member to fines and other disciplinary action.

Chapter 807CDS Clearing Members and CDS Participants must register with the Clearing House in order to participate in the clearing of CDS Contracts through the Clearing House. CDS Clearing Members and CDS Participants must complete all applicable on-boarding agreements required by the Clearing House to satisfy the registration process.

80103. SUBMISSION OF CDS CONTRACTS TO THE CLEARING HOUSE

80103.A. CDS Submission Methods

Chapter 808Bilateral CDS transactions may be submitted to the Clearing House for clearing through (a) the Clearing House Migration Utility, (b) the Clearing House ClearPort GUI and API and (c) any other facility or trade platform approved by the Clearing House from time to time, as subsequently captured in the Clearing House Front End Clearing System (the "**FEC System**"). To the extent not specified elsewhere in these Rules, the Clearing House will specify the terms and conditions under which bilateral CDS transactions may be submitted to the Clearing House for clearing through procedures defined in the Clearing House CDS Manual.

80103.B. Acceptance of CDS by the Clearing House and creation of CDS Contracts

Chapter 809Any bilateral CDS transaction (i) that is submitted to the Clearing House in accordance with the Rules and with all required elections, (ii) that satisfies the conditions in Rule 8H05, (iii) that is eligible for clearing pursuant to Rules 80103.C. and 80104 and (iv) where both CDS Clearing Members have accepted the resulting CDS Contracts, will be accepted for clearing and will result in two CDS Contracts in accordance with Rule 8H05. From the relevant Acceptance Time, a CDS Clearing Member will be deemed to have entered into a CDS Contract with the Clearing House.

Chapter 810Notwithstanding any provision to the contrary in the Rules or in the Exchange User License Agreement (as may be amended from time to time), the parties to a bilateral CDS transaction submitted for clearing and which has not been accepted for clearing by the Clearing House pursuant to these Rules or which has been rejected by the Clearing House pursuant to these Rules may separately agree- subject to applicable law, that such trade is a valid, binding agreement between the parties which is un-cleared and which has no affiliation with the Clearing House.

80103.C. Eligible CDS

Chapter 811 On any day a bilateral CDS transaction submitted to the Clearing House for clearing shall be eligible to be accepted for clearing by the Clearing House only if it would give rise to CDS Contracts identified by a clearing product code in the Product Reference File on the Submission Date in respect of such bilateral CDS transaction.

Chapter 812 Any bilateral single name CDS transaction that would otherwise be eligible for clearing by the Clearing House shall cease to be eligible if it would give rise to North American Single Name CDS Contracts on clearing in respect of which, (a) on the Submission Date in respect of such bilateral single name CDS transaction, the Fallback Settlement Method is applicable or (b) the Submission Time in respect of such bilateral single name CDS transaction occurs on or after 7:00 p.m. (New York time) on the Auction Final Price Determination Date; provided that, the Clearing House may, by written notice to all CDS Clearing Members following consultation with the CDS RC, designate an acceptance cut-off time later than the time determined pursuant to the foregoing clauses (a) and (b).

Chapter 813 Any bilateral index CDS transaction that would otherwise be eligible for clearing by the Clearing House shall cease to be eligible if it would give rise to CDX Index Untranchured CDS Contracts on clearing which references a version of the relevant CDX Index including a Reference Entity in respect of which (a) on the Submission Date in respect of such bilateral index CDS transaction, the Fallback Settlement Method is applicable or (b) the Submission Time in respect of such bilateral index CDS transaction occurs on or after 7:00 p.m. (New York time) on the Auction Final Price Determination Date; provided that the Clearing House may, by written notice to all CDS Clearing Members following consultation with the CDS RC, designate an acceptance cut-off time later than the time determined pursuant to the foregoing clauses (a) and (b).

Chapter 814 CDS Contracts may only be for accounts registered with the Clearing House by the relevant CDS Clearing Members.

80104. CLEARING SELF-REFERENCING CDS CONTRACTS**80104.A. Clearing Through Clearing Member's House (or Proprietary) Account****Chapter 815 North American Single Name CDS Contracts**

Chapter 816 A CDS Clearing Member is prohibited from clearing through its house (or proprietary) account a bilateral transaction in respect of a proposed North American Single Name CDS Contract where the Reference Entity in respect of such North American Single Name CDS Contract is such CDS Clearing Member or an Affiliate of such CDS Clearing Member (any such CDS Contract whether such circumstances exist at the time of submission or arise thereafter, an "**Affected CDS Contract**" and the relevant CDS Clearing Member, an "**Affected CDS Clearing Member**"). Any breach solely of the first paragraph of this Rule 80104.A. by a CDS Clearing Member shall not be considered a default but may subject the relevant CDS Clearing Member to Clearing House disciplinary action, including the imposition of fines or, for continuing or serious violations of this Rule, review by the CDS RC of the CDS Clearing Member's compliance with clearing member eligibility criteria for CDS Clearing.

Chapter 817 A CDS Clearing Member shall notify the Clearing House as soon as reasonably practicable if any bilateral single name CDS transaction submitted by it for clearing is, or prior to the relevant Acceptance Time becomes, ineligible for clearing pursuant to this paragraph. Any bilateral single name CDS transaction which is submitted for clearing but which is, or becomes before the relevant Acceptance Time, ineligible for clearing may be rejected by the Clearing House.

Chapter 818 Any Affected CDS Contract which arises from a ~~bilateral single name CDS transaction~~ North American Single Name CDS Contract submitted by a CDS Clearing Member which was or becomes ineligible for clearing pursuant to these Rules at the Acceptance Time must be closed out within five Clearing Business Days from the date on which any person responsible for CDS clearing at such CDS Clearing Member becomes aware of the fact of such ineligible North American Single Name CDS Contract. At the discretion of the Clearing House, a breach of this provision may result in the Clearing House imposing a daily fine on such Clearing Member for so long as such breach is continuing.

Chapter 819A CDS Clearing Member shall, subject to any restrictions on such disclosure imposed by applicable laws or regulations, notify the Clearing House as soon as reasonably practicable if such CDS Clearing Member or a Reference Entity in respect of a CDS Contract (a “**Relevant Reference Entity**”) consolidates or amalgamates with, or merges into, or transfers all or substantially all of its assets to, a Relevant Reference Entity or such CDS Clearing Member, as applicable, or such CDS Clearing Member and a Relevant Reference Entity are or become the same entity or are or become Affiliates, or such CDS Clearing Member is subject to an agreement that has been publicly disclosed and pursuant to which any of the foregoing is reasonably likely to occur.

Chapter 820 After becoming aware of any Affected CDS Contracts, the Clearing House will (i) notify the Affected CDS Clearing Member thereof (unless the Affected CDS Clearing Member had notified the Clearing House of the Affected CDS Contracts) and (ii) give the Affected CDS Clearing Member a specified period of time to close out such Affected CDS Contracts before the auction process described below may commence, which will be a minimum of 5 Clearing Business Days from the date of notice of such specified period and will be determined in consultation with the CDS Default Management Committee taking into account the size and nature of the Affected CDS Contracts in question, market conditions prevailing at the time, the potential market effects of closing-out such Affected CDS Contracts and such other circumstances as it deems relevant.

Chapter 821 If after such specified period, any such Affected CDS Contract has not been closed out, the Clearing House will, to the extent permitted in accordance with these Rules, net positions in the Affected CDS Contracts within the Affected Clearing Member. In order to transfer or liquidate the remaining positions in the Affected CDS Contracts after such netting process (the “**Remaining Affected CDS Contracts**”), the Clearing House shall conduct an auction by requesting firm bid and offer quotations from all CDS Clearing Members (each auction in such process, a “**Single Name Auction**”). The Clearing House shall determine the timing and other particular characteristics of each Single Name Auction in consultation with the CDS Default Management Committee, including determining the size of the bid/offer spread of the CDS Contracts to be auctioned, whether one or more Single Name Auctions are to be held and the timing and structure of such auctions (including the frequency at which firm bid and firm offer quotations will be requested), the transaction size (i.e. the Floating Rate Payer Calculation Amount) and whether CDS Clearing Members (excluding the Affected CDS Clearing Member) will be required (as opposed to requested) to submit actionable quotations in a Single Name Auction, provided that CDS Clearing Members will not be notified of whether the open position of the Affected CDS Clearing Member in such Remaining Affected CDS Contracts is as buyer or seller.

Chapter 822 The Remaining Affected CDS Contracts shall be transferred to eligible CDS Clearing Members or liquidated through transactions between the Clearing House and eligible CDS Clearing Members in the notional sizes and at the prices determined by the Clearing House pursuant to the Single Name Auction(s). Any initial payments, margin or other payments or deliveries owed (including the dates of settlement with respect thereto) relating to the North American Single Name CDS Contracts increased, created, reduced or terminated pursuant to this paragraph shall be as determined by the Clearing House with reference to the Single Name Auction(s).

Chapter 823 In the event that the Single Name Auction(s) fail or the Clearing House is unable to effect the transfer or liquidation of some or all of the Remaining Affected CDS Contracts in accordance with the Single Name Auction(s), the Clearing House, in consultation with the CDS Default Management Committee, will have the right to determine the appropriate fallback method pursuant to which the relevant Remaining Affected CDS Contracts will be terminated, transferred or liquidated.

Chapter 824A CDS Clearing Member must, following notice by the Clearing House of the amount, fully collateralize its exposure to the Clearing House in respect of any Affected CDS Contracts. For this purpose exposure shall be deemed to be either (a) if the CDS Clearing Member is a Seller under such Affected CDS Contracts, the Floating Rate Payer Calculation Amount of such Affected CDS Contracts and (b) if the CDS Clearing Member is a Buyer under such Affected CDS Contracts, the aggregate of all future Fixed Amounts which may become due under such Affected CDS Contracts.

Chapter 825 CDS Contracts Referencing Indices

Chapter 826 If, as a consequence of CDX Index Untranching CDS Contracts, a CDS Clearing Member holds a net exposure in its house (or proprietary) account to itself or any of its Affiliates, with such exposure calculated on a

cross-index and cross-maturity basis and across the net positions held by such CDS Clearing Member and its Affiliates, in excess of the lesser of either:

Chapter 827 \$50 million notional; or

Chapter 828 1% of its adjusted net capital (as defined in accordance with regulation applicable to such entity or, in the absence of any such regulation, as calculated under CFTC Rule 1.17 as though such entity were a Futures Commission Merchant, including the requirement to prepare and provide to the Clearing House a Form 1-FR-FCM or FOCUS Report as of the times required for Futures Commission Merchants);

Chapter 829 then, in addition to any existing collateral requirements (other than in relation to the CDX Component Transaction referencing the relevant Reference Entity), the CDS Clearing Member must, following notice by the Clearing House of the amount, fully collateralize its exposure in excess of this amount in accordance with the Rules. For this purpose exposure shall be deemed to be either (a) if the CDS Clearing Member is a Seller under such CDX Index Untranching CDS Contracts, the portion of the Floating Rate Payer Calculation Amount of such CDX Index Untranching CDS Contracts attributable to the relevant Reference Entity and (b) if the CDS Clearing Member is a Buyer under such CDX Index Untranching CDS Contracts, the aggregate of the portion of all future Fixed Amounts which may become due under such CDX Index Untranching CDS Contracts and which are attributable to the relevant Reference Entity.

80104.B. Clearing Through Clearing Member's Customer Account

Chapter 830 North American Single Name CDS Contracts

Chapter 831A CDS Clearing Member shall use reasonable efforts not to submit for clearing for a CDS Participant through such CDS Clearing Member's customer account, and a CDS Participant must not request that a CDS Clearing Member submit for clearing on its behalf through such account, a bilateral CDS transaction in respect of a proposed North American Single Name CDS Contract where the Reference Entity in respect of such North American Single Name CDS Contract is such CDS Participant, such CDS Clearing Member, an Affiliate of such CDS Participant or an Affiliate of such CDS Clearing Member (any such CDS Contract whether such circumstances exist at the time of submission or arise thereafter, an "**Affected Customer CDS Contract**" and the relevant CDS Participant, an "**Affected Customer**"). Any breach solely of the first paragraph of this Rule 80104.B. by a CDS Clearing Member shall not, without more, be considered a default but may subject the relevant CDS Clearing Member to Clearing House disciplinary action, including the imposition of fines as described below or, for continuing or serious violations of this Rule, review by the CDS RC of the CDS Clearing Member's compliance with clearing member eligibility criteria for CDS clearing.

Chapter 832 Following notice by the Clearing House to the relevant CDS Clearing Member of the amount of margin with respect to an Affected Customer CDS Contract, such CDS Clearing Member must fully collateralize the Clearing House's exposure in respect of any Affected Customer CDS Contracts and such requirement to provide full collateralization shall constitute a performance bond requirement applicable to the Affected Customer. For this purpose exposure shall be deemed to be either (a) if the CDS Clearing Member is agent for a Seller under such Affected Customer CDS Contracts, the Floating Rate Payer Calculation Amount of such Affected Customer CDS Contracts and (b) if the CDS Clearing Member is agent for a Buyer under such Affected Customer CDS Contracts, the aggregate of all future Fixed Amounts which may become due under such Affected Customer CDS Contracts.

Chapter 833A CDS Clearing Member may require any CDS Contract which was an Affected Customer CDS Contract at the Acceptance Time or later becomes an Affected Customer CDS Contract to be closed out by the Affected Customer within five Clearing Business Days from the date on which any person responsible for CDS clearing at such Affected Customer becomes aware of such an Affected Customer CDS Contract. Upon becoming aware of an Affected Customer CDS Contract, the CDS Clearing Member must notify the Clearing House and the Affected Customer and work with the Affected Customer to close out such Affected Customer CDS Contract, in each case, as soon as practicable; provided that, if the Affected Customer does not complete the close out of all such Affected Customer CDS Contracts within five Clearing Business Days of the CDS Clearing Member's notice to the Affected Customer thereof, the CDS Clearing Member shall, within three Clearing Business Days, terminate and/or liquidate any such remaining open Affected Customer CDS Contracts of the Affected Customer either (a) in the open market, if such Affected Customer CDS Contract is listed for electronic trading on an exchange or execution facility for which

the Clearing House provides clearing services or (b) at a commercially reasonable price reflecting the CDS Clearing Member's side of the market, if such Affected Customer CDS Contract is not listed for electronic trading on an exchange or execution facility for which the Clearing House provides clearing services.

Chapter 834If after such specified period, any such Affected Customer CDS Contract has not been closed out, the Clearing House will, to the extent permitted in accordance with these Rules, net positions in the Affected Customer CDS Contracts within the Affected Customer's CDS Clearing Member. In order to transfer or liquidate the remaining positions in the Affected Customer CDS Contract after such netting process (the "**Remaining Affected Customer CDS Contract**"), the Clearing House shall conduct a Single Name Auction and shall determine the timing and other particular characteristics of each Single Name Auction in consultation with the CDS Default Management Committee, including determining the size of the bid/offer spread of the Remaining Affected Customer CDS Contracts to be auctioned, whether one or more Single Name Auctions are to be held and the timing and structure of such auctions (including the frequency at which firm bid and firm offer quotations will be requested), the transaction size (i.e. the Floating Rate Payer Calculation Amount) and whether CDS Clearing Members (excluding the CDS Clearing Member for the Affected Customer) will be required (as opposed to requested) to submit actionable quotations in a Single Name Auction, provided that CDS Clearing Members will not be notified of whether the open position of the Affected Customer in such Remaining Affected Customer CDS Contracts is as buyer or seller.

Chapter 835The Remaining Affected Customer CDS Contracts shall be transferred to eligible CDS Clearing Members or liquidated through transactions between the Clearing House and eligible CDS Clearing Members in the notional sizes and at the prices determined by the Clearing House pursuant to the Single Name Auction(s). Any initial payments, margin or other payments or deliveries owed (including the dates of settlement with respect thereto) relating to the North American Single Name CDS Contracts increased, created, reduced or terminated pursuant to this paragraph shall be as determined by the Clearing House with reference to the Single Name Auction(s).

Chapter 836In the event that the Single Name Auction(s) fail or the Clearing House is unable to effect the transfer or liquidation of some or all of the Remaining Affected Customer CDS Contracts in accordance with the Single Name Auction(s), the Clearing House, in consultation with the CDS Default Management Committee, will have the right to determine the appropriate fallback method pursuant to which the relevant Remaining Affected Customer CDS Contracts will be terminated, transferred or liquidated.

Chapter 837CDS Contracts Referencing Indices

Chapter 838If a CDS Clearing Member clears positions in CDX Index Untranching CDS Contracts for a customer through such CDS Clearing Member's customer account and such positions result in a net exposure on the part of its customer to such customer or any of such customer's Affiliates, with such exposure calculated on a cross-index and cross-maturity basis and across the net positions held by such customer and its Affiliates, in excess of the lesser of either:

- (i) \$25 million notional; or
Chapter 8390.5% of such CDS Clearing Member's adjusted net capital (as defined in accordance with regulation applicable to such entity or, in the absence of any such regulation, as calculated under CFTC Rule 1.17 as though such entity were a Futures Commission Merchant, including the requirement to prepare and provide to the Clearing House a Form 1-FR-FCM or FOCUS Report as of the times required for Futures Commission Merchants),

Chapter 840then, in addition to any existing collateral requirements (other than in relation to the CDX Component Transaction referencing the relevant Reference Entity), the CDS Clearing Member must fully collateralize such customer's exposure in excess of this amount in accordance with these Rules and such requirement to provide full collateralization shall constitute a performance bond requirement applicable to the customer or its affiliates, as applicable. For this purpose exposure shall be deemed to be either (a) if the CDS Clearing Member is agent for a Seller under such CDX Index Untranching CDS Contracts, the portion of the Floating Rate Payer Calculation Amount of such CDX Index Untranching CDS Contracts attributable to the relevant Reference Entity and (b) if the CDS Clearing Member is agent for a Buyer under such CDX Index Untranching CDS Contracts, the aggregate of the portion of all future Fixed Amounts which may become due under such CDX Index Untranching CDS Contracts and which are attributable to the relevant Reference Entity.

80105. TAXES

- A. All payments on any CDS Contract will be made without any deduction or withholding for or on account of any Tax unless such deduction or withholding is required by any applicable law. If the Clearing House or a CDS Clearing Member is required to deduct or withhold, then the Clearing House or the CDS Clearing Member (each, a “payor”) will: (i) promptly notify the recipient of such requirement; (ii) pay to the relevant authorities the full amount required to be deducted or withheld (in the case of a CDS Clearing Member as payor, including the full amount required to be deducted or withheld from any amount paid by the CDS Clearing Member to the Clearing House under Rule 80105.B, 80105.C or 80105.D) promptly upon the earlier of determining that such deduction or withholding is required or receiving notice that such amount has been assessed against the recipient; and (iii) promptly forward to the recipient an official receipt (or a certified copy), or other documentation reasonably acceptable to the recipient, evidencing such payment to such authorities.
- B. In the event that any payment made by a CDS Clearing Member to the Clearing House under any CDS Contract is subject to deduction or withholding (including the full amount required to be deducted or withheld from any amount paid by the CDS Clearing Member to the Clearing House under Rule 80105.B, 80105.C or 80105.D), either at the time of such payment or in the future, for or on account of any Tax (other than a Tax that would not have been imposed in respect of such payment but for a present or former connection between the jurisdiction of the government or taxation authority imposing such Tax and the Clearing House), then the CDS Clearing Member shall pay to the Clearing House an amount (such amount, together with any additional amount paid pursuant to Rule 80105.G, the “**Additional Amount**”), in addition to the payment to which the Clearing House is otherwise entitled under these Rules on any CDS Contract, necessary to ensure that the net amount actually received by the Clearing House (free and clear of any such deduction or withholding for or on account of any such Tax, whether assessed against the CDS Clearing Member or the Clearing House), will equal the full amount the Clearing House would have received in the absence of any such deduction or withholding.

Chapter 841 However, a CDS Clearing Member will not be required to pay any Additional Amount to the Clearing House under this Rule 80105.B to the extent that it would not be required to be paid but for the failure by the Clearing House to provide to the CDS Clearing Member such forms and documents as required under Rule 80105.E, provided that (A) the relevant CDS Clearing Member has notified the Clearing House in writing of such failure and (B) the Clearing House has failed to provide such forms or documents within five Clearing Business Days after the receipt of such notice.

- C. If (i) a CDS Clearing Member is required by any applicable law to make any deduction or withholding from any payment made to the Clearing House under any CDS Contract for or on account of any Tax, in respect of which the CDS Clearing Member would be required to pay an Additional Amount to the Clearing House under Rule 80105.B; (ii) the CDS Clearing Member does not so deduct or withhold; and (iii) a liability resulting from such Tax is assessed directly against the Clearing House, then, except to the extent the CDS Clearing Member has satisfied or then satisfies the liability resulting from such Tax, the CDS Clearing Member will promptly pay to the Clearing House the amount of such liability (including any related liability for interest, penalties and costs) and any tax imposed on the Clearing House with respect to the indemnity payments under this Rule 80105.C such that the amount actually received by the Clearing House will equal the full amount the Clearing House would have received in the absence of any such tax imposed on the indemnity payments made under this Rule 80105.C.
- D. If (i) the Clearing House is required by any applicable law to make any deduction or withholding from any payment made to a CDS Clearing Member under any CDS Contract for or on account of any Tax; (ii) the Clearing House does not so deduct or withhold; and (iii) a liability resulting from such Tax is assessed directly against the Clearing House, then, except to the extent the CDS Clearing Member has satisfied or then satisfies the liability resulting from such Tax, the CDS Clearing Member will promptly pay to the Clearing House the amount of such liability (including any

related liability for interest, penalties and cost, provided that such related liability would not have been imposed but for the failure of the CDS Clearing Member to comply with any of its obligations under Rule 80105) and any tax imposed on the Clearing House with respect to the indemnity payments under this Rule 80105.D such that the amount actually received by the Clearing House will equal the full amount the Clearing House would have received in the absence of any such tax imposed on the indemnity payments made under this Rule 80105.D.

- E. The Clearing House shall provide to each CDS Clearing Member (i) the tax forms and documents specified in Rule 80105.J.(i) and (ii) any other form or document reasonably requested in writing by the CDS Clearing Member in order to allow the CDS Clearing Member to make a payment under these Rules or any CDS Contract without deduction or withholding for or on account of any Tax or with such deduction or withholding at a reduced rate (so long as the completion, execution or submission of such form or document as described in this clause (ii) would not, in the Clearing House's judgment, materially prejudice the legal or commercial position of the Clearing House).
- F. Each CDS Clearing Member shall provide to the Clearing House (i) the tax forms and documents specified in Rule 80105.J.(ii) and (ii) any other form or document reasonably requested in writing by the Clearing House in order to allow the Clearing House to make a payment under any CDS Contract without deduction or withholding for or on account of any Tax or with such deduction or withholding at a reduced rate (so long as the completion, execution or submission of such form or document would not, in the CDS Clearing Member's judgment, materially prejudice the legal or commercial position of such CDS Clearing Member). For the avoidance of doubt, in the event that any payment made by the Clearing House to a CDS Clearing Member under any CDS Contract is subject to deduction or withholding (either at the time of such payment or in the future) for or on account of any Tax, the Clearing House is not required to pay any additional amount in respect of such deduction or withholding. The Clearing House will, at the CDS Clearing Member's expense, use commercially reasonable efforts to cooperate with a CDS Clearing Member to seek any credit or remission or other relief available with respect to any such Tax so deducted or withheld (so long as such cooperation would not, in the Clearing House's judgment, materially prejudice the legal or commercial position of the Clearing House).
- G. Each CDS Clearing Member will pay any stamp, registration, documentation, excise, sales or value added Tax or any other similar Tax levied or imposed upon it or in respect of its execution or performance of any agreement, contract or transaction in connection with any CDS Contract and will indemnify the Clearing House against any such stamp, registration, documentation, excise, sales or value added Tax (to the extent that the Clearing House is not able, in the Clearing House's commercially reasonable judgment, to reclaim or recover such value added Tax) or any other similar Tax levied or imposed upon the Clearing House or in respect of the Clearing House's execution or performance of any agreement, contract or transaction in connection with any CDS Contract. Any payment required to be made by a CDS Clearing Member to the Clearing House under this Rule 80105.G shall include an additional amount equal to any Tax levied or imposed on the Clearing House as a result of the receipt of any payment under this Rule 80105.G (including this sentence).
- H. Each CDS Clearing Member shall promptly notify the Clearing House in writing upon learning that any payment made by the Clearing House to the CDS Clearing Member or by the CDS Clearing Member to the Clearing House under any CDS Contract is subject to any Tax, other than any Tax imposed or levied based on the net income of the CDS Clearing Member or the Clearing House, as applicable.
- I. CDS Clearing Members shall not have any termination or other special rights in respect of CDS Contracts as a result of the occurrence of adverse Tax consequences, it being understood that CDS Clearing Members may, in accordance with these Rules, submit for clearing CDS Contracts with other CDS Clearing Members (including with any Affiliate that is a CDS Clearing Member) that, if accepted, would fully offset its existing open CDS Contracts, which offset would cause a full termination of such CDS Contract (in each case in accordance with the process set forth in the CDS Manual) for all legal and tax purposes. If so requested by a CDS Clearing Member for the

purpose of reducing adverse Tax consequences to such CDS Clearing Member, the Clearing House shall use reasonable efforts to expeditiously review an application for status as a CDS Clearing Member submitted by an Affiliate of such requesting CDS Clearing Member.

- J. (i) The Clearing House agrees to complete and deliver to each CDS Clearing Member an Internal Revenue Service Form W-9 (or any successor form) on or prior to the date on which such CDS Clearing Member joins and (so long as the Clearing House remains eligible to do so) thereafter prior to the date on which such Form would become invalid, and (ii) the CDS Clearing Members agree to complete and deliver to the Clearing House on or prior to the date on which the Clearing Member joins and (so long as each remains eligible to do so) thereafter prior to the date on which such Form would become invalid, an Internal Revenue Service Form W-9 or any successor form (in the case of a CDS Clearing Member that is a U.S. person) or an Internal Revenue Service Form W-8BEN or W-8IMY or any successor form (in the case of a CDS Clearing Member that is a non-U.S. person), as applicable.

Chapter 802

CDX Index Untranching CDS Contracts: Part A

This Part A shall only be used in connection with 2014 Definitions Transactions

~~80201~~80201.A SCOPE OF CHAPTER

Chapter 842This Chapter 802: Part A sets forth the terms and conditions of CDX Index untranching CDS Contracts (“**CDX Index Untranching CDS Contracts**”).

Chapter 843The terms and conditions of each CDX Index Untranching CDS Contract that is also a 2014 Definitions Transaction (the “CDX Untranching Terms”), will be the CDX Untranching Transactions Standard Terms Supplement, as published by Markit North American, Inc. on January 31 or about September 20, 2014 (the “**CDX Untranching Terms 2014 Supplement**”), as supplemented pursuant to the relevant Contract Elections and as supplemented and amended by the provisions of these Rules.

Chapter 844With effect from the Implementation Date, each CDX Index Untranching CDS Contract which is a Converting Contract shall be deemed amended such that it incorporates the 2014 ISDA Credit Derivatives Definitions. To the extent that the Clearing House determines that the 2014 Supplement requires amendments in the context of CDX Index Untranching CDS Contracts, the Clearing House, acting in a commercially reasonable manner, may make such amendments or modifications to the 2014 Supplement as it deems reasonably necessary in order to give effect to the incorporation of the 2014 ISDA Credit Derivatives Definitions in the context of CDX Index Untranching CDS Contracts. Each such amendment shall be deemed to take effect in the manner prescribed by the Clearing House in consultation with the CDS RC.

Chapter 845In the event of any inconsistency between the CDX Untranching Terms and the provisions of these Rules, such documents and provisions shall prevail for the purposes of CDX Index Untranching CDS Contracts in the following order: first, these Rules; and second, the CDX Untranching Terms.

Chapter 846Any reference in the CDX Untranching Terms to a Component Transaction shall be deemed to be a reference to a “**CDX Component Transaction**”. For the avoidance of doubt and without prejudice to any provisions of these Rules relating to the performance bond requirement, no CDX Component Transaction will be fungible with a North American Single Name CDS Contract.

Chapter 847CDX™ and the CDX Indices are service marks of Markit North American, Inc. and have been licensed for use by the Clearing House. Each Index specified as applicable to a CDX Index Untranching CDS Contract is the property of Markit North American, Inc. and has been licensed for use in connection with CDX Index Untranching CDS Contracts. Without limiting the disclaimers in the CDX Untranching Terms, the following shall apply to CDX Index Untranching CDS Contracts.

Chapter 848Each CDS Participant or CDS Clearing Member acknowledges and agrees that CDX Index Untranching CDS Contracts are not sponsored, endorsed or promoted by the Index Sponsor. The Index Sponsor make no representation whatsoever, whether express or implied, and hereby expressly disclaims, all warranties (including, without limitation, those of merchantability or fitness for a particular purpose or use), with respect to the Index or any data included therein or relating thereto, and in particular disclaims any warranty either as to the quality, accuracy and/or completeness of the Index or any data included therein, the results obtained from the use of the Index and/or the composition of the Index at any particular time on any particular date or otherwise and/or the creditworthiness of any entity, or the likelihood of the occurrence of a credit event or similar event (however defined) with respect to an obligation, in the Index at any particular time on any particular date or otherwise. The Index Sponsor shall not be liable (whether in negligence or otherwise) to the parties or any other person for any error in the Index, and the Index Sponsor is under no obligation to advise the parties or any person of any error therein.

Chapter 849The Index Sponsor makes no representation whatsoever, whether express or implied, as to the advisability of entering into CDX Index Untranching CDS Contracts, the ability of the Index to track relevant markets' performances, or otherwise relating to the Index or any transaction or product with respect thereto, or of assuming any risks in connection therewith. The Index Sponsor has no obligation to take the needs of any party into consideration in determining, composing or calculating the Index. No party entering into CDX Index Untranching CDS

Contracts, nor the Index Sponsor, shall have any liability to any party for any act or failure to act by the Index Sponsor in connection with the determination, adjustment, calculation or maintenance of the Index. Each party acknowledges that the other party or one of its affiliates may be, or may be affiliated with, an Index Sponsor and, as such, may be able to affect or influence the determination, adjustment or maintenance of the Index. The Index Sponsor and its affiliates may deal in any obligations that compose the Index, and may, where permitted, accept deposits from, make loans or otherwise extend credit to, and generally engage in any kind of commercial or investment banking or other business with the issuers of such obligations or their affiliates, and may act with respect to such business as if the Index did not exist, regardless of whether such action might adversely affect the Index or any CDX Index Untranching CDS Contract. The Index Sponsor and its affiliates may be in possession of information in relating to components of the Index that may or may not be publicly available or known to any other party, and each party entering into CDX Index Untranching CDS Contracts agrees that such CDX Index Untranching CDS Contract does not create any obligation on the part of the Index Sponsor or its affiliates to disclose any such information.

80202.80202.A CONTRACT TERMS

80202.A.A. Currency

Chapter 850The settlement currency in respect of CDX Index Untranching CDS Contracts shall be USD and the Original Notional Amount in respect of CDX Index Untranching CDS Contracts will be specified in USD.

80202.A.B. CDX Indices

Chapter 851Each CDX Index Untranching CDS Contract will reference one of the indices (the “**CDX Indices**”) listed in Appendix 1 hereto. The “Source of Relevant Annex” for each CDX Index Untranching CDS Contract will be “Publisher”.

80202.A.C. Initial Payment

Chapter 852The Initial Payment Amount will be paid to or by the Clearing House on the Initial Payment Date.

80202.A.D. Calculation Agent

Chapter 853The Clearing House will be the sole Calculation Agent for all purposes in relation to CDX Index Untranching CDS Contracts and the Calculation Agent City will be New York. References in the 2014 ISDA Credit Derivatives Definitions to the Calculation Agent acting “after consultation with the parties” shall be deemed to be replaced with “after consultation with the parties and/or the CDS RC”. The Calculation Agent may (where it is not otherwise required) consult with the CDS RC in accordance with Chapter 804 in respect of any action it is required to take in connection with a CDX Index Untranching CDS Contract.

Chapter 854Any determination made or other action taken by the Clearing House in its capacity as Calculation Agent in respect of a CDX Index Untranching CDS Contract may be disputed by any CDS Clearing Member by referring the determination or other action to the CDS RC no later than the fifth Clearing Business Day following notification of the relevant determination made or action taken. Any disputed Calculation Agent determination or other action is binding on the applicable parties pending a Determination in respect of such disputed determination or other action. If any such disputed Calculation Agent determination or other action results in a payment being owed by the Clearing House to a CDS Clearing Member for its own account or for the account of a CDS Participant, as applicable, under a CDX Index Untranching CDS Contract pending a Determination, the performance bond requirement with respect to such CDX Index Untranching CDS Contract will be increased by an amount equivalent to the disputed portion of the payment for so long as such Determination is pending, and the Clearing House, in lieu of paying any such disputed payment to the CDS Clearing Member, may retain such payment in satisfaction of such increased performance bond requirement.

Chapter 855Promptly following a Determination in respect of a disputed Calculation Agent determination or other action, the Clearing House shall, in its capacity as Calculation Agent, make such adjustments and payments as it determines necessary to give effect to the relevant Determination. The Calculation Agent will determine, and notify each affected CDS Clearing Member of, (i) the adjustment payment, if any, that is payable to reflect any change to the amount payable under the relevant CDX Index Untranching CDS Contract, whether or not the relevant CDX Index

Untranching CDS Contract is still outstanding (the “**Adjustment Amount**”), (ii) the date on which any such Adjustment Amount is payable, which shall be as soon as reasonably practicable following such notification (the “**Adjustment Payment Date**”) and (iii) the party to the relevant CDX Index Untranching CDS Contract that is obliged to pay any such Adjustment Amount (the “**Adjustment Amount Payer**”). The Adjustment Amount Payer shall pay the Adjustment Amount on the relevant Adjustment Payment Date. For the avoidance of doubt, no accruals of interest shall be taken into account when calculating any such adjustment payment.

80202.A.E. Fixed Rate

Chapter 856The Fixed Rate in respect of a CDX Index Untranching CDS Contract will be the fixed rate for the relevant CDX Index and series as specified by the Index Sponsor on its website or otherwise at the time the relevant CDX Index series is established and identified for the relevant CDX Index Untranching CDS Contract pursuant to the relevant Contract Elections.

80202.A.F. Credit Event Backstop Date

Chapter 857Section 1.239 of the 2014 ISDA Credit Derivatives Definitions shall be restated as follows:

Chapter 858“Credit Event Backstop Date” means (a) for purposes of any event that constitutes a Credit Event for purposes of the relevant CDX Component Transaction, as determined by DC Resolution, the date that is 60 calendar days prior to the Credit Event Resolution Request Date or (b) otherwise, the date that is 60 calendar days prior to the earlier of (i) the CME Credit Event Resolution Request Date, if it occurs prior to or on the date that is fourteen calendar days after the Extension Date and (ii) in circumstances where (A) the conditions to convening a Credit Derivatives Determinations Committee to Resolve the matters described in Sections 1.24(a) and (b) are satisfied in accordance with the DC Rules, (B) the relevant Credit Derivatives Determinations Committee has Resolved not to determine such matters and (C) the CME Credit Event Resolution Request Date occurs not more than fourteen calendar days after the day on which ISDA publicly announces that the relevant Credit Derivatives Determinations Committee has Resolved not to determine such matters, the Credit Event Resolution Request Date. The Credit Event Backstop Date shall not be subject to adjustment in accordance with any Business Day Convention.

Chapter 859For the purposes of any determination as to whether a Credit Event has occurred in respect of a CDX Component Transaction and the relevant Reference Entity (or an Obligation thereof):

- (i) ~~at any time up to but excluding June 20, 2009; or~~
- (ii) ~~if a Credit Event Resolution Request Date occurs before June 20, 2009;~~

Chapter 860the Credit Event Backstop Date with respect to such determination shall be deemed to be the effective date of the Index, as specified in the Relevant Annex applicable to the relevant CDX Index Untranching CDS Contracts.

80202.G-80202.A.G. Method for Determining Obligations

Chapter 861Section 2.49-3.13 of the 2014 ISDA Credit Derivatives Definitions shall be amended by inserting the words “or the Issue submitted to the CDS RC resulting in the occurrence of the CME Credit Event Resolution Request Date” after the reference to “Credit Event Resolution Request Date”.

80202.A.H. Settlement Method

Chapter 862The Settlement Method with respect to a CDX Component Transaction will be Auction Settlement, with clauses (c), (d) and (e) of Section 4.2-4.6.1 of the 2014 ISDA Credit Derivatives Definitions being deemed deleted and replaced with or “(c) an Event Determination Date was determined as a result of a Declaration of Credit Event and no Credit Event Resolution Request Date has occurred on or prior to the date falling three Business Days after the date of such Declaration of Credit Event”. For the avoidance of doubt, the Fallback Settlement Method will be CME CDS Physical Settlement pursuant to Chapter 805.

80202.A.I. Declaration of Credit Events

Chapter 863The Clearing House shall issue a declaration of a Credit Event (each, a “**Declaration of Credit Event**”) with respect to a CDX Component Transaction if the CDS RC determines pursuant to Chapter 804 that an event which constitutes a Credit Event for the purposes of such CDX Component Transaction has occurred with respect to the Reference Entity applicable to such CDX Component Transaction (or Obligation thereof) on or after the Credit Event Backstop Date (determined by reference to Greenwich Mean Time) and ~~on or prior to the Extension Date during the Notice Delivery Period~~ (determined by reference to Greenwich Mean Time). The relevant Declaration of Credit Event will be issued as soon as reasonably practicable—but no later than the Clearing Business Day immediately following the date that the CDS RC makes the relevant Determination. A Declaration of Credit Event will be deemed not to have been issued with respect to a CDX Component Transaction unless (i) the CME Credit Event Resolution Request Date with respect to the relevant Credit Event occurred on or prior to the end of the last day described in Section 1.23(b)(i) or 1.23(b)(ii)(C) of the Credit Derivatives Definitions (as amended above), as applicable, before the end of the Post Dismissal Additional Period including prior to the Acceptance Date and (ii) the Submission Date, or such date as is notified by the Clearing House in consultation with the CDS RC in accordance with Rule 80103.C., occurs on or prior to the Auction Final Price Determination Date, the Auction Cancellation Date, or the date that is 21-14 calendar days following the No Auction Announcement Date, if any, as applicable.

80202.A.J. Event Determination Date

Chapter 864Section 1.816 of the 2014 ISDA Credit Derivatives Definitions shall be amended by:

- (a) the deletion of Section 1.816(a)(i); and
- (b ~~————~~)the insertion of the words “or a Declaration of Credit Event has been issued” in the first sentence of Section 1.8(a)(ii) after the words “has occurred”; and
- ~~(c)the insertion of the words “(b) Section 1.16(a)(ii) shall be deemed to be replaced with “the Credit Event Resolution Request Date, if (a) a DC Credit Event Announcement has occurred or a Declaration of Credit Event has been issued and (b) the Credit Event Resolution Request Date or, where the Credit Event Backstop Date is determined by reference to the CME Credit Event Resolution Request Date, the CME Credit Event Resolution Request Date” in the line of Section 1.8(a)(ii)(A) after the words “Credit Event Resolution Request Date”, has occurred on or prior to the last day of the Notice Delivery Period (including prior to the Clearing Effective Date) and either:”~~

~~80202.K.Succession Event~~ 80202.A.K. Successor Backstop Date

Chapter 865Section 2.1 and Section 2.2(i) of the 2014 ISDA Credit Derivatives Definitions shall be restated as follows:

Chapter 866“Reference Entity” means the entity or entities identified as such in the Index and listed in the Relevant Annex for the purposes of the CDX Index Untranchéd CDS Contract. Any Successor to a Reference Entity either (a) specified in a Declaration of ~~Succession Event~~Successor effective on or following the Submission Date in respect of such CDX Index Untranchéd CDS Contract or (b) unless the Relevant Annex already reflects the applicable ~~Succession Event~~Successor or Successors, in respect of which ~~ISDA the DC Secretary~~ publicly announces on or following the Submission Date in respect of such CDX Index Untranchéd CDS Contract that the relevant Credit Derivatives Determinations Committee has Resolved, in respect of a ~~Succession Event~~Successor Resolution Request Date, a Successor ~~in accordance with the DC Rules~~ shall, in each case, with effect from the Successor Date, be the Reference Entity for the relevant CDX Component Transaction or a new CDX Component Transaction as determined pursuant to such Section 2.2 of the 2014 ISDA Credit Derivatives Definitions. If the Clearing House determines that a bilateral CDS transaction in respect of a CDX Index Untranchéd CDS Contract submitted for clearing would have been subject to a ~~Succession Event~~Successor determination but that such ~~Succession Event~~Successor determination is not given appropriate effect because of the timing of applicable Product Reference File updates, the Clearing House shall take such action, if any, as it deems necessary and reasonably practicable, to ensure that such ~~Succession Event~~Successor determination is given the effect which the Clearing House determines is appropriate with respect to such CDX Index Untranchéd CDS Contract.

~~Chapter 867~~“~~Succession Event Successor Backstop Date~~” means (A) ~~for the purposes of any event that constitutes a Succession Event Successor determination other than in respect of Section 2.2(a)(vii) or in relation to a Declaration of Universal Successor, (A) for purposes of the relevant CDX Component Transaction, as determined by DC Resolution, the date that is 90 calendar days prior to the Succession Event Successor Resolution Request Date (determined by reference to Greenwich Mean Time) or (B) otherwise, the date that is 90 calendar days prior to the earlier of (I) the CME Succession Event Successor Resolution Request Date and (II) in circumstances where (1) the conditions to convening a Credit Derivatives Determinations Committee to Resolve the matters described in Sections 2.2(j)(i) and (j)(ii) are satisfied in accordance with the DC Rules a Successor Resolution Request Date has occurred, (2) the relevant Credit Derivatives Determinations Committee has Resolved not to make a determine such matters and Successor determination (3) the CME Succession Event Successor Resolution Request Date occurs not more than fourteen calendar days after the day on which ISDA the DC Secretary publicly announces that the relevant Credit Derivatives Determinations Committee has Resolved not to determine such matters make a Successor determination~~, the ~~Succession Event Successor~~ Resolution Request Date. The ~~Succession Event Successor~~ Backstop Date shall not be subject to adjustment in accordance with any Business Day Convention.

~~Chapter 868~~For the purposes of any determination as to whether a Succession Event has occurred in respect of a CDX Component Transaction and the relevant Reference Entity:

- ~~(i) — at any time up to but excluding June 20, 2009; or~~
- ~~(ii) — if a Succession Event Resolution Request Date occurs before June 20, 2009,~~

~~Chapter 869~~the ~~Succession Event Backstop Date~~ with respect to such Reference Entity shall be deemed to be the effective date of the Index, as specified in the Relevant Annex applicable to the relevant CDX Index Untranching CDS Contracts.

80202.L.80202.A.L. Declaration of Succession Events Successor

~~Chapter 870~~The Clearing House shall issue a ~~Successor~~ declaration of a ~~Succession Event~~ (each, a “**Declaration of Succession Event Successor**”) or a Universal Successor declaration (each, a “**Declaration of Universal Successor**”) with respect to a CDX Component Transaction if the CDS RC ~~determines~~ makes a determination pursuant to Chapter 804 that a Succession Event has occurred in relation to one or more Successors or a Universal Successor with respect to the relevant Reference Entity. The relevant Declaration of ~~Succession Event Successor~~ will be issued as soon as reasonably practicable but no later than the Clearing Business Day immediately following the date that the CDS RC makes the relevant Determination.

80202.A.M. CDX Index Versions

~~Chapter 871~~Where, in respect of a CDX Index Untranching CDS Contract, (a) the Index Sponsor publishes one or more subsequent versions or annexes of the relevant CDX Index series following a Credit Event ~~or a Succession Event~~, ~~Successor determination~~ with respect to a Reference Entity included in such CDX Index series, the determination of a Substitute Reference Obligation in respect of a Non-Standard Reference Obligation or publication of a revised SRO List and (b)(i) in the case of publication of one or more subsequent versions or annexes of the relevant CDX Index series following a Credit Event, the Clearing House determines that an Auction Settlement Date has occurred in respect of the relevant CDX Component Transaction or the relevant CDX Component Transaction has otherwise settled in accordance with the applicable Settlement Method and (ii) in all cases, the Clearing House determines that CDX Index Untranching CDS Contracts referencing the earlier version or annex of such CDX index series are fungible with CDX Index Untranching CDS Contracts referencing a later version or annex of such CDX Index series and so notifies the CDS Clearing Members, CDX Index Untranching CDS Contracts referencing the earlier version or annex of such CDX Index series shall become CDX Index Untranching CDS Contracts referencing such later version or annex of such CDX Index series on the date determined by the Clearing House (the “**Fungibility Date**”).

Chapter 87280202.A.N. Standard Reference Obligation

Chapter 873The documentation evidencing any CDX Component Transaction which is a Converting Contract shall be amended by inserting the following: "Standard Reference Obligation: Applicable" to the extent that such provision is not already applicable.

Chapter 874~~80202.A.O.~~ **Not Contingent Deliverable Obligation Characteristic**

Chapter 875The CDX Untranching Terms shall be amended by deleting the words "Not Contingent" and any provisions relating to such definition.

Chapter 876~~80202.A.P.~~ **NOPS Cut-off Date**

Chapter 877Section 8.10(b) of the 2014 ISDA Credit Derivatives 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):

Chapter 878"(C) the tenth calendar day after the date of the actual decision by the CDS RC to resolve that a Credit Event has occurred for which there is Publicly Available Information with respect to such CDX Index Untranching CDS Contract."

~~80202.N~~~~80202.A.Q.~~ **De Minimis Cash Settlement**

Chapter 879Paragraph 6.6 of "De Minimis Cash Settlement" under the CDX Untranching Terms shall be deemed not to apply to CDX Index Untranching CDS Contracts.

80203-80203.A **CONTRACT MODIFICATIONS**

80203.A.A. **Rules**

Chapter 880Except as provided in Rules ~~802021.MA~~, ~~802032.A.M~~, ~~and 80203.C~~~~80203.A.A~~, and 80203.A.C, the Clearing House may not amend, modify or make any change to the terms and conditions of a CDX Index Untranching CDS Contract if such amendment, modification or change would, in the CDS RC's determination, (i) reasonably be expected to have a material effect on the mark-to-market price of such CDX Index Untranching CDS Contract or (ii) materially increase the basis risk of such CDX Index Untranching CDS Contract relative to the over-the-counter agreement equivalent to such CDX Index Untranching CDS Contract (any such amendment, modification or change that satisfies (i) or (ii) above, an "**Index Contract Modification**") unless the Clearing House provides all CDS Clearing Members at least ten Clearing Business Days' notice prior to the effective date of such Index Contract Modification (an "**Index Contract Modification Effective Date**"), provided that, nothing herein shall affect the Clearing House's ability to add new CDS Products from time to time. In addition, the determination that "Standard Reference Obligation" will be applicable to any CDX Component Transaction shall not constitute an Index Contract Modification.

Chapter 881An Index Contract Modification shall not apply to CDX Index Untranching CDS Contracts that have an Acceptance Date on or prior to the relevant Index Contract Modification Effective Date and such CDX Index Untranching CDS Contracts may not be offset against other Index Untranching CDS Contracts with an Acceptance Date after such Index Contract Modification Effective Date.

80203.A.B. **Change in Law or Regulation**

Chapter 882If any Governmental Authority issues an order, ruling, directive or law that conflicts with the requirements of these Rules (any such order, ruling, directive or law, a "**Change in Law**"), the Clearing House shall propose such changes to these Rules as are necessary to reflect the application of such Change in Law, while minimizing to the extent reasonably practicable the economic effect of such Rule changes on existing CDX Index Untranching CDS Contracts. The CDS RC shall promptly review such proposal and, if adopted by majority vote, (i) the Clearing House shall, to the extent practicable taking into account the nature of such Change in Law, provide all CDS Clearing Members with at least 5 Clearing Business Days' notice prior to the effective date of such changes to these Rules ("**Rule Change Effective Date**") and (ii) such changes to these Rules shall be applicable to all CDX Index Untranching CDS Contracts that are open as of, or entered into subsequent to, the Rule Change Effective Date. If the Clearing House determines, in consultation with the CDS RC, that any such Rule change has a material effect on the

mark to market price (a "**MTM Change**") of such CDX Index Untranching CDS Contract (such CDX Index Untranching CDS Contract, an "**Adjusted CDX Index Untranching CDS Contract**"), the Clearing House will determine the payment, if any, that is payable to reflect the MTM Change in respect of open positions in such Adjusted CDX Index Untranching CDS Contract (the "**Adjusted Index Payment Amount**") by reference to a poll of CDS Clearing Members on such terms as it deems appropriate in consultation with the CDS RC. The Clearing House will notify each affected CDS Clearing Member of (i) the Adjusted Index Payment Amount, (ii) the date on which such Adjusted Index Payment Amount is due (the "**Adjusted Index Payment Amount Date**") and (iii) the party to the relevant CDX Index Untranching CDS Contract that is obliged to pay any such Adjusted Index Payment Amount (the "**Adjusted Index Payment Amount Payer**"). The Adjusted Index Payment Amount Payer shall pay the Adjusted Index Payment Amount on the Adjusted Index Payment Amount Date.

80203.A.C. Industry Protocol

~~Chapter 883~~The terms of any CDX Index Untranching CDS Contract shall be modified by the Clearing House in accordance with ~~(i)~~ any relevant CDS industry-sponsored protocol (or other multilateral agreement process) (a) to which CDS Clearing Members holding (in their respective proprietary or customer account) at least 80% of the Clearing House's total open interest in the relevant CDX Index Untranching CDS Contracts covered by such protocol or other multilateral agreement process as at 5:00 p.m. (New York time) on the originally scheduled closing date of such protocol or other multilateral agreement process (such time "**Protocol Cut-off Time**"), or their designated Affiliated CDS Participants, agree to adhere or (b) which is adopted by the CDS RC by majority vote or ~~(ii) any Resolution of a Convened DC relating to the matters described in Section 3.8(a) of the DC Rules (March 29, 2011 Version or any equivalent provision relating to questions of interpretation and amendments relating to the 2009 ISDA Credit Derivatives Determinations Committees and Auction Settlement CDS Protocol (the "**March 2009 Protocol**") or the 2009 ISDA Credit Derivatives Determinations Committees, Auction Settlement and Restructuring CDS Protocol (the "**July 2009 Protocol**"))~~, with such modification to become part of these Rules and be applicable to such existing or future CDX Index Untranching CDS Contracts as set forth in such protocol or other multilateral agreement process or Resolution.

Chapter 884APPENDIX 1
Chapter 885CDX Indices
Chapter 886

CDX Index	Series	Termination Date (Scheduled Termination Date)
CDX North American Investment Grade (CDX.NA.IG)	8	20 Jun 2014 20 Jun 2017
CDX North American Investment Grade (CDX.NA.IG)	9	20 Dec 2014 20 Dec 2017
CDX North American Investment Grade (CDX.NA.IG)	10	20 Jun 2015 20 Jun 2018
CDX North American Investment Grade (CDX.NA.IG)	11	20 Dec 2013 20 Dec 2015 20 Dec 2018
CDX North American Investment Grade (CDX.NA.IG)	12	20 Jun 2014 20 Jun 2016 20 Jun 2019
CDX North American Investment Grade (CDX.NA.IG)	13	20 Dec 2014 20 Dec 2016 20 Dec 2019
CDX North American Investment Grade (CDX.NA.IG)	14	20 Jun 2015 20 Jun 2017 20 Jun 2020
CDX North American Investment Grade (CDX.NA.IG)	15	20 Dec 2013 20 Dec 2015 20 Dec 2017 20 Dec 2020
CDX North American Investment Grade (CDX.NA.IG)	16	20 Jun 2014 20 Jun 2016 20 Jun 2018 20 Jun 2021
CDX North American Investment Grade (CDX.NA.IG)	17	20 Dec 2014 20 Dec 2016 20 Dec 2018 20 Dec 2021
CDX North American Investment Grade (CDX.NA.IG)	18	20 Jun 2015 20 Jun 2017 20 Jun 2019 20 Jun 2022
CDX North American Investment Grade (CDX.NA.IG)	19	20 Dec 2015 20 Dec 2017 20 Dec 2019 20 Dec 2022
CDX North American Investment Grade (CDX.NA.IG)	20	20 Jun 2016 20 Jun 2018 20 Jun 2020 20 Jun 2023

CDX North American Investment Grade (CDX.NA.IG)	21	20 Dec 2016 20 Dec 2018 20 Dec 2020 20 Dec 2023
CDX North American Investment Grade (CDX.NA.IG)	22	20 Jun 2017 20 Jun 2019 20 Jun 2021 20 Jun 2024
CDX North American High Yield (CDX.NA.HY)	11 13	20 Dec 2013 2014
CDX North American High Yield (CDX.NA.HY)	12	20 Jun 2014
CDX North American High Yield (CDX.NA.HY)	13	20 Dec 2014
CDX North American High Yield (CDX.NA.HY)	14	20 Jun 2015
CDX North American High Yield (CDX.NA.HY)	15	20 Dec 2015
CDX North American High Yield (CDX.NA.HY)	16	20 Jun 2016
CDX North American High Yield (CDX.NA.HY)	17	20 Dec 2016
CDX North American High Yield (CDX.NA.HY)	18	20 Jun 2017
CDX North American High Yield (CDX.NA.HY)	19	20 Dec 2017
CDX North American High Yield (CDX.NA.HY)	20	20 Jun 2018
CDX North American High Yield (CDX.NA.HY)	21	20 Dec 2018
CDX North American High Yield (CDX.NA.HY)	22	20 Jun 2019

Chapter 802

CDX Index Untranchred CDS Contracts: Part B

This Part B shall only be used in connection with 2003 Definitions Transactions

80201.B SCOPE OF CHAPTER

Chapter 887 This Chapter 802: Part B sets forth the terms and conditions of CDX Index untranchred CDS Contracts (“CDX Index Untranchred CDS Contracts”). The terms and conditions of each CDX Index Untranchred CDS Contract that is also a 2003 Definitions Transaction will be the CDX Untranchred Transactions Standard Terms Supplement, as published by Markit North American, Inc. on January 31, 2011 (the “2003 CDX Untranchred Terms”), as supplemented pursuant to the relevant Contract Elections and as supplemented and amended by the provisions of these Rules.

Chapter 888 In the event of any inconsistency between the 2003 ISDA Credit Derivatives Definitions, the 2003 CDX Untranchred Terms and the provisions of these Rules, such documents and provisions shall prevail for the purposes of CDX Index Untranchred CDS Contracts in the following order: first, these Rules; second, the 2003 CDX Untranchred Terms; and third the 2003 ISDA Credit Derivatives Definitions.

Chapter 889 Any reference in the 2003 CDX Untranchred Terms to a Component Transaction shall be deemed to be a reference to a “CDX Component Transaction”. For the avoidance of doubt and without prejudice to any provisions of these Rules relating to the performance bond requirement, no CDX Component Transaction will be fungible with a North American Single Name CDS Contract.

Chapter 890 CDX™ and the CDX Indices are service marks of Markit North American, Inc. and have been licensed for use by the Clearing House. Each Index specified as applicable to a CDX Index Untranchred CDS Contract is the property of Markit North American, Inc. and has been licensed for use in connection with CDX Index Untranchred CDS Contracts. Without limiting the disclaimers in the 2003 CDX Untranchred Terms, the following shall apply to CDX Index Untranchred CDS Contracts.

Chapter 891 Each CDS Participant or CDS Clearing Member acknowledges and agrees that CDX Index Untranchred CDS Contracts are not sponsored, endorsed or promoted by the Index Sponsor. The Index Sponsor make no representation whatsoever, whether express or implied, and hereby expressly disclaims, all warranties (including, without limitation, those of merchantability or fitness for a particular purpose or use), with respect to the Index or any data included therein or relating thereto, and in particular disclaims any warranty either as to the quality, accuracy and/or completeness of the Index or any data included therein, the results obtained from the use of the Index and/or the composition of the Index at any particular time on any particular date or otherwise and/or the creditworthiness of any entity, or the likelihood of the occurrence of a credit event or similar event (however defined) with respect to an obligation, in the Index at any particular time on any particular date or otherwise. The Index Sponsor shall not be liable (whether in negligence or otherwise) to the parties or any other person for any error in the Index, and the Index Sponsor is under no obligation to advise the parties or any person of any error therein.

Chapter 892 The Index Sponsor makes no representation whatsoever, whether express or implied, as to the advisability of entering into CDX Index Untranchred CDS Contracts, the ability of the Index to track relevant markets' performances, or otherwise relating to the Index or any transaction or product with respect thereto, or of assuming any risks in connection therewith. The Index Sponsor has no obligation to take the needs of any party into consideration in determining, composing or calculating the Index. No party entering into CDX Index Untranchred CDS Contracts, nor the Index Sponsor, shall have any liability to any party for any act or failure to act by the Index Sponsor in connection with the determination, adjustment, calculation or maintenance of the Index. Each party acknowledges that the other party or one of its affiliates may be, or may be affiliated with, an Index Sponsor and, as such, may be able to affect or influence the determination, adjustment or maintenance of the Index. The Index Sponsor and its affiliates may deal in any obligations that compose the Index, and may, where permitted, accept deposits from, make loans or otherwise extend credit to, and generally engage in any kind of commercial or investment banking or other business with the issuers of such obligations or their affiliates, and may act with respect to such business as if the Index did not exist, regardless of whether such action might adversely affect the Index or any CDX Index Untranchred CDS Contract. The Index Sponsor and its affiliates may be in possession of information in relating to components of

the Index that may or may not be publicly available or known to any other party, and each party entering into CDX Index Untranchéd CDS Contracts agrees that such CDX Index Untranchéd CDS Contract does not create any obligation on the part of the Index Sponsor or its affiliates to disclose any such information.

80202.B CONTRACT TERMS

80202.B.A. Currency

Chapter 893The settlement currency in respect of CDX Index Untranchéd CDS Contracts shall be USD and the Original Notional Amount in respect of CDX Index Untranchéd CDS Contracts will be specified in USD.

80202.B.B. CDX Indices

Chapter 894Each CDX Index Untranchéd CDS Contract will reference one of the indices (the “CDX Indices”) listed in Appendix 1 hereto. The “Source of Relevant Annex” for each CDX Index Untranchéd CDS Contract will be “Publisher”.

80202.B.C. Initial Payment

Chapter 895The Initial Payment Amount will be paid to or by the Clearing House on the Initial Payment Date.

80202.B.D. Calculation Agent

Chapter 896The Clearing House will be the sole Calculation Agent for all purposes in relation to CDX Index Untranchéd CDS Contracts and the Calculation Agent City will be New York. References in the 2003 ISDA Credit Derivatives Definitions to the Calculation Agent acting “after consultation with the parties” shall be deemed to be replaced with “after consultation with the parties and/or the CDS RC”. The Calculation Agent may (where it is not otherwise required) consult with the CDS RC in accordance with Chapter 804 in respect of any action it is required to take in connection with a CDX Index Untranchéd CDS Contract.

Chapter 897Any determination made or other action taken by the Clearing House in its capacity as Calculation Agent in respect of a CDX Index Untranchéd CDS Contract may be disputed by any CDS Clearing Member by referring the determination or other action to the CDS RC no later than the fifth Clearing Business Day following notification of the relevant determination made or action taken. Any disputed Calculation Agent determination or other action is binding on the applicable parties pending a Determination in respect of such disputed determination or other action. If any such disputed Calculation Agent determination or other action results in a payment being owed by the Clearing House to a CDS Clearing Member for its own account or for the account of a CDS Participant, as applicable, under a CDX Index Untranchéd CDS Contract pending a Determination, the performance bond requirement with respect to such CDX Index Untranchéd CDS Contract will be increased by an amount equivalent to the disputed portion of the payment for so long as such Determination is pending, and the Clearing House, in lieu of paying any such disputed payment to the CDS Clearing Member, may retain such payment in satisfaction of such increased performance bond requirement.

Chapter 898Promptly following a Determination in respect of a disputed Calculation Agent determination or other action, the Clearing House shall, in its capacity as Calculation Agent, make such adjustments and payments as it determines necessary to give effect to the relevant Determination. The Calculation Agent will determine, and notify each affected CDS Clearing Member of, (i) the adjustment payment, if any, that is payable to reflect any change to the amount payable under the relevant CDX Index Untranchéd CDS Contract, whether or not the relevant CDX Index Untranchéd CDS Contract is still outstanding (the “Adjustment Amount”), (ii) the date on which any such Adjustment Amount is payable, which shall be as soon as reasonably practicable following such notification (the “Adjustment Payment Date”) and (iii) the party to the relevant CDX Index Untranchéd CDS Contract that is obliged to pay any such Adjustment Amount (the “Adjustment Amount Payer”). The Adjustment Amount Payer shall pay the Adjustment Amount on the relevant Adjustment Payment Date. For the avoidance of doubt, no accruals of interest shall be taken into account when calculating any such adjustment payment.

80202.B.E. Fixed Rate

Chapter 899The Fixed Rate in respect of a CDX Index Untranching CDS Contract will be the fixed rate for the relevant CDX Index and series as specified by the Index Sponsor on its website or otherwise at the time the relevant CDX Index series is established and identified for the relevant CDX Index Untranching CDS Contract pursuant to the relevant Contract Elections.

80202.B.F. Credit Event Backstop Date

Chapter 900Section 1.23 of the 2003 ISDA Credit Derivatives Definitions shall be restated as follows:

Chapter 901“Credit Event Backstop Date” means (a) for purposes of any event that constitutes a Credit Event for purposes of the relevant CDX Component Transaction, as determined by DC Resolution, the date that is 60 calendar days prior to the Credit Event Resolution Request Date or (b) otherwise, the date that is 60 calendar days prior to the earlier of (i) the CME Credit Event Resolution Request Date, if it occurs prior to or on the date that is fourteen calendar days after the Extension Date and (ii) in circumstances where (A) the conditions to convening a Credit Derivatives Determinations Committee to Resolve the matters described in Sections 1.24(a) and (b) are satisfied in accordance with the DC Rules, (B) the relevant Credit Derivatives Determinations Committee has Resolved not to determine such matters and (C) the CME Credit Event Resolution Request Date occurs not more than fourteen calendar days after the day on which ISDA publicly announces that the relevant Credit Derivatives Determinations Committee has Resolved not to determine such matters, the Credit Event Resolution Request Date. The Credit Event Backstop Date shall not be subject to adjustment in accordance with any Business Day Convention.

80202.B.G. Method for Determining Obligations

Chapter 902Section 2.19 of the 2003 ISDA Credit Derivatives Definitions shall be amended by inserting the words “or the Issue submitted to the CDS RC resulting in the occurrence of the CME Credit Event Resolution Request Date” after the reference to “Credit Event Resolution Request Date”.

80202.B.H. Settlement Method

Chapter 903The Settlement Method with respect to a CDX Component Transaction will be Auction Settlement, with clauses (c), (d) and (e) of Section 12.1 of the 2003 ISDA Credit Derivatives Definitions being deemed deleted and replaced with “(c) an Event Determination Date was determined as a result of a Declaration of Credit Event and no Credit Event Resolution Request Date has occurred on or prior to the date falling three Business Days after the date of such Declaration of Credit Event”. For the avoidance of doubt, the Fallback Settlement Method will be CME CDS Physical Settlement pursuant to Chapter 805.

80202.B.I. Declaration of Credit Events

Chapter 904The Clearing House shall issue a declaration of a Credit Event (each, a “**Declaration of Credit Event**”) with respect to a CDX Component Transaction if the CDS RC determines pursuant to Chapter 804 that an event which constitutes a Credit Event for the purposes of such CDX Component Transaction has occurred with respect to the Reference Entity applicable to such CDX Component Transaction (or Obligation thereof) 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). The relevant Declaration of Credit Event will be issued as soon as reasonably practicable but no later than the Clearing Business Day immediately following the date that the CDS RC makes the relevant Determination. A Declaration of Credit Event will be deemed not to have been issued with respect to a CDX Component Transaction unless (i) the CME Credit Event Resolution Request Date with respect to the relevant Credit Event occurred on or prior to the end of the last day described in Section 1.23(b)(i) or 1.23(b)(ii)(C) of the 2003 ISDA Credit Derivatives Definitions (as amended above), as applicable, including prior to the Acceptance Date and (ii) the Submission Date, or such date as is notified by the Clearing House in consultation with the CDS RC in accordance with Rule 80103.C., occurs on or prior to the Auction Final Price Determination Date, the Auction Cancellation Date, or the date that is 21 calendar days following the No Auction Announcement Date, if any, as applicable.

80202.B.J. Event Determination Date

Chapter 905 Section 1.8 of the 2003 ISDA Credit Derivatives Definitions shall be amended by:

- (a) the deletion of Section 1.8(a)(i);
- (b) the insertion of the words “or a Declaration of Credit Event has been issued” in the first sentence of Section 1.8(a)(ii) after the words “has occurred”; and
- (c) the insertion of the words “or, where the Credit Event Backstop Date is determined by reference to the CME Credit Event Resolution Request Date, the CME Credit Event Resolution Request Date” in the line of Section 1.8(a)(ii)(A) after the words “Credit Event Resolution Request Date”.

80202.B.K. Succession Event Backstop Date

Chapter 906 Section 2.1 and Section 2.2(i) of the 2003 ISDA Credit Derivatives Definitions shall be restated as follows:

Chapter 907 “Reference Entity” means the entity or entities identified as such in the Index and listed in the Relevant Annex for the purposes of the CDX Index Untranching CDS Contract. Any Successor to a Reference Entity either (a) specified in a Declaration of Succession Event effective on or following the Submission Date in respect of such CDX Index Untranching CDS Contract or (b) unless the Relevant Annex already reflects the applicable Succession Event, in respect of which ISDA publicly announces on or following the Submission Date in respect of such CDX Index Untranching CDS Contract that the relevant Credit Derivatives Determinations Committee has Resolved, in respect of a Succession Event Resolution Request Date, a Successor in accordance with the DC Rules shall, in each case, be the Reference Entity for the relevant CDX Component Transaction or a new CDX Component Transaction as determined pursuant to such Section 2.2 of the 2003 ISDA Credit Derivatives Definitions. If the Clearing House determines that a bilateral CDS transaction in respect of a CDX Index Untranching CDS Contract submitted for clearing would have been subject to a Succession Event but that such Succession Event is not given appropriate effect because of the timing of applicable Product Reference File updates, the Clearing House shall take such action, if any, as it deems necessary and reasonably practicable, to ensure that such Succession Event is given the effect which the Clearing House determines is appropriate with respect to such CDX Index Untranching CDS Contract.

Chapter 908 “Succession Event Backstop Date” means (A) for purposes of any event that constitutes a Succession Event for purposes of the relevant CDX Component Transaction, as determined by DC Resolution, the date that is 90 calendar days prior to the Succession Event Resolution Request Date (determined by reference to Greenwich Mean Time) or (B) otherwise, the date that is 90 calendar days prior to the earlier of (I) the CME Succession Event Resolution Request Date and (II) in circumstances where (1) the conditions to convening a Credit Derivatives Determinations Committee to Resolve the matters described in Sections 2.2(j)(i) and (j)(ii) are satisfied in accordance with the DC Rules, (2) the relevant Credit Derivatives Determinations Committee has Resolved not to determine such matters and (3) the CME Succession Event Resolution Request Date occurs not more than fourteen calendar days after the day on which ISDA publicly announces that the relevant Credit Derivatives Determinations Committee has Resolved not to determine such matters, the Succession Event Resolution Request Date. The Succession Event Backstop Date shall not be subject to adjustment in accordance with any Business Day Convention.

80202.B.L. Declaration of Succession Events

Chapter 909 The Clearing House shall issue a declaration of a Succession Event (each, a “**Declaration of Succession Event**”) with respect to a CDX Component Transaction if the CDS RC determines pursuant to Chapter 804 that a Succession Event has occurred with respect to the relevant Reference Entity. The relevant Declaration of Succession Event will be issued as soon as reasonably practicable but no later than the Clearing Business Day immediately following the date that the CDS RC makes the relevant Determination.

80202.B.M. CDX Index Versions

Chapter 910 Where, in respect of a CDX Index Untranching CDS Contract, (a) the Index Sponsor publishes one or more subsequent versions or annexes of the relevant CDX Index series following a Credit Event or a Succession

Event with respect to a Reference Entity included in such CDX Index series, and (b)(i) in the case of publication of one or more subsequent versions or annexes of the relevant CDX Index series following a Credit Event, the Clearing House determines that an Auction Settlement Date has occurred in respect of the relevant CDX Component Transaction or the relevant CDX Component Transaction has otherwise settled in accordance with the applicable Settlement Method and (ii) in all cases, the Clearing House determines that CDX Index Untranching CDS Contracts referencing the earlier version or annex of such CDX index series are fungible with CDX Index Untranching CDS Contracts referencing a later version or annex of such CDX Index series and so notifies the CDS Clearing Members, CDX Index Untranching CDS Contracts referencing the earlier version or annex of such CDX Index series shall become CDX Index Untranching CDS Contracts referencing such later version or annex of such CDX Index series on the date determined by the Clearing House (the "**Fungibility Date**").

80202.B.N. De Minimis Cash Settlement

Chapter 911 Paragraph 6.6 of the 2003 CDX Untranching Terms shall be deemed not to apply to CDX Index Untranching CDS Contracts.

80203.B CONTRACT MODIFICATIONS

80203.B.A. Rules

Chapter 912 Except as provided in Rules 80202.B.M, 80203.B.A, and 80203.B.C, the Clearing House may not amend, modify or make any change to the terms and conditions of a CDX Index Untranching CDS Contract if such amendment, modification or change would, in the CDS RC's determination, (i) reasonably be expected to have a material effect on the mark-to-market price of such CDX Index Untranching CDS Contract or (ii) materially increase the basis risk of such CDX Index Untranching CDS Contract relative to the over-the-counter agreement equivalent to such CDX Index Untranching CDS Contract (any such amendment, modification or change that satisfies (i) or (ii) above, an "**Index Contract Modification**") unless the Clearing House provides all CDS Clearing Members at least ten Clearing Business Days' notice prior to the effective date of such Contract Modification (an "**Index Contract Modification Effective Date**"), provided that, nothing herein shall affect the Clearing House's ability to add new CDS Products from time to time.

Chapter 913 An Index Contract Modification shall not apply to CDX Index Untranching CDS Contracts that have an Acceptance Date on or prior to the relevant Index Contract Modification Effective Date and such CDX Index Untranching CDS Contracts may not be offset against other Index Untranching CDS Contracts with an Acceptance Date after such Index Contract Modification Effective Date.

80203.B.B. Change in Law or Regulation

Chapter 914 If any Governmental Authority issues an order, ruling, directive or law that conflicts with the requirements of these Rules (any such order, ruling, directive or law, a "**Change in Law**"), the Clearing House shall propose such changes to these Rules as are necessary to reflect the application of such Change in Law, while minimizing to the extent reasonably practicable the economic effect of such Rule changes on existing CDX Index Untranching CDS Contracts. The CDS RC shall promptly review such proposal and, if adopted by majority vote, (i) the Clearing House shall, to the extent practicable taking into account the nature of such Change in Law, provide all CDS Clearing Members with at least 5 Clearing Business Days' notice prior to the effective date of such changes to these Rules ("**Rule Change Effective Date**") and (ii) such changes to these Rules shall be applicable to all CDX Index Untranching CDS Contracts that are open as of, or entered into subsequent to, the Rule Change Effective Date. If the Clearing House determines, in consultation with the CDS RC, that any such Rule change has a material effect on the mark to market price (a "**MTM Change**") of such CDX Index Untranching CDS Contract (such CDX Index Untranching CDS Contract, an "**Adjusted CDX Index Untranching CDS Contract**"), the Clearing House will determine the payment, if any, that is payable to reflect the MTM Change in respect of open positions in such Adjusted CDX Index Untranching CDS Contract (the "**Adjusted Index Payment Amount**") by reference to a poll of CDS Clearing Members on such terms as it deems appropriate in consultation with the CDS RC. The Clearing House will notify each affected CDS Clearing Member of (i) the Adjusted Index Payment Amount, (ii) the date on which such Adjusted Index Payment Amount is due (the "**Adjusted Index Payment Amount Date**") and (iii) the party to the relevant CDX Index Untranching CDS Contract that is obliged to pay any such Adjusted Index Payment Amount (the "**Adjusted**

Index Payment Amount Payer"). The Adjusted Index Payment Amount Payer shall pay the Adjusted Index Payment Amount on the Adjusted Index Payment Amount Date.

80203.B.C. Industry Protocol

Chapter 915 The terms of any CDX Index Untranching CDS Contract shall be modified by the Clearing House in accordance with (i) any relevant CDS industry-sponsored protocol (or other multilateral agreement process) (a) to which CDS Clearing Members holding (in their respective proprietary or customer account) at least 80% of the Clearing House's total open interest in the relevant CDX Index Untranching CDS Contracts covered by such protocol or other multilateral agreement process as at 5:00 p.m. (New York time) on the originally scheduled closing date of such protocol or other multilateral agreement process (such time "**Protocol Cut-off Time**"), or their designated Affiliated CDS Participants, agree to adhere or (b) which is adopted by the CDS RC by majority vote or (ii) any Resolution of a Convened DC relating to the matters described in Section 3.8(a) of the DC Rules (March 29, 2011 Version or any equivalent provision relating to questions of interpretation and amendments relating to the 2009 ISDA Credit Derivatives Determinations Committees and Auction Settlement CDS Protocol (the "**March 2009 Protocol**") or the 2009 ISDA Credit Derivatives Determinations Committees, Auction Settlement and Restructuring CDS Protocol (the "**July 2009 Protocol**")), with such modification to become part of these Rules and be applicable to such existing or future CDX Index Untranching CDS Contracts as set forth in such protocol or other multilateral agreement process or Resolution.

Chapter 916

Chapter 804

CME CDS Risk Committee: Part A

This Part A shall only be used in connection with 2014 Definitions Transactions

80401-80401.A CERTAIN FUNCTIONS AND AUTHORITIES OF THE CDS RISK COMMITTEE (“CDS RC”)

Chapter 917In addition to the authority granted to the CDS RC in the Rules and its Charter, the CDS RC is generally responsible for making Determinations in respect of the following, subject as provided below (each an “**Issue**”):

- (a) determining whether a Reference Entity under a CDS Contract has been the subject of a ~~Succession Event~~ succession or circumstances giving rise to a Successor and, if so, determining the CME ~~Succession Event~~ Successor Resolution Request Date in respect of such, ~~the Succession Event, the legally effective date of the Succession Event, Date and~~ the identity of the Reference Entity's Successor(s), if any, provided that such determination will only be made where sufficient information is made available to the CDS RC to make such determination;
- (b) where necessary in respect of a CDS Contract, determining whether a Reference Obligation no longer satisfies the applicable requirements under a CDS Contract and, if so, identifying any Substitute Reference Obligation in respect of a Non-Standard Reference Obligation, provided that such determination will only be made where sufficient ~~information~~ Eligible Information is made available to the CDS RC to make such determination;
- (c) determining (i) 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) and, if so, (ii) the CME Credit Event Resolution Request Date in respect of such Credit Event;
- (d) if a Credit Event occurred with respect to a Reference Entity (or Obligation thereof) referenced in a CDS Contract and the CDS Contract is to be settled in accordance with the Fallback Settlement Method, resolving any questions of (i) whether a particular obligation is a Deliverable Obligation; (ii) 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 a Matched Pair 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 any Deliverable Obligation that is a Loan at that time; (iii) the number of days in a Physical Settlement Period; ~~or~~ (iv) the Accreted Amount of any Accreting Obligation; and/or Outstanding Principal Balance of any relevant Deliverable Obligation; or (v) whether an Asset Package Credit Event has occurred, 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;
- (e) determining whether there has been a merger of the Reference Entity and the Seller pursuant to Section 11.4 of the 2014 ISDA Credit Derivatives Definitions;
- (f) with respect to a CDS Contract, determining matters of contractual interpretation relevant to market standard documentation incorporated into the terms of a CDS Contract (which for the avoidance of doubt, excludes matters related to margin requirements, default management processes, Clearing Member and CDS Participant portability, clearing house disciplinary procedures and financial safeguards); and/or
- (g) ~~(e) with respect to a CDS Contract,~~ making any other determination requested of it by the Calculation Agent or a CDS Clearing Member or resolving any dispute in respect of a Calculation Agent determination.

~~Chapter 918~~ Except in the case of either ~~For so long as~~ (a) a unanimous vote to the contrary by the CDS RC or the relevant ISDA Credit Derivatives Determinations Committee (the “DC”) is recognized as the standard body for determining Issues, (b) an Issue of the type described only in paragraph (e) above of this Rule 80401, ~~the DC Rules provide that the DC may not defer the first meeting to deliberate a question on an Issue by the Clearing House for more than three Relevant City Business Days and~~ (c) the DC Rules provide that the DC may only dismiss a question on such Issues where the DC resolves by Supermajority that such dismissal is due to (1) a lack of available information necessary to answer the relevant question or (2) the premature nature of the question (in both circumstances as indicated by the DC and published by the DC Secretary), ~~then~~, the CDS RC shall not have authority to consider, or make a Determination in respect of, any Issue of the type described in paragraphs (a) through (g) of this Rule 80401.A (including where new information, relevant to the Issue to be considered, has become available) unless a request has previously been submitted to ISDA, ~~as the DC Secretary~~, to convene the relevant ~~Credit Derivatives Determinations Committee DC~~ to resolve the answer to such Issue 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 a request) and ~~ISDA the DC Secretary~~ has publicly announced that the relevant ~~Credit Derivatives Determinations Committee DC~~ has resolved not to determine the answer to such question (other than because it has dismissed a question due to a lack of available information necessary to answer the relevant question or the premature nature of the question (such as a hypothetical question)) or the relevant ~~Credit Derivatives Determinations Committee DC~~ is deemed to have rejected such question because the DC Secretary has not effectively received agreement from a Convened DC Voting Member to deliberate such question in accordance with Section 2.2(a) of the DC Rules (and amendments dated September 9, 2012).

~~Chapter 919~~ In the event that the DC Secretary publishes on its Website notice of a ~~Committee DC~~ being convened within a reasonable amount of time to deliberate a question which is substantially the same as a question which has previously been presented to the CDS RC as an Issue and is being considered by the CDS RC at such time, the CDS RC shall cease considering such question. Any such question may only be raised again to the CDS RC as a new Issue.

~~Chapter 920~~ Except in the case of a unanimous vote to the contrary of the CDS RC, in accordance with Section 9.1(c)(iii) of the Credit Derivatives Definitions, ~~any Any DC Resolution applicable to a CDS Contract an Issue of the type described in paragraphs (a) through (g) above shall be binding on the parties to such CDS Contract and shall supersede any Determination with respect to the same matters (except as expressly stated otherwise in Section 9.1(c)(iii)(B)-10.2 of the 2014 ISDA Credit Derivatives Definitions as if such Determination were being made by the Calculation Agent).~~

80402-80402.A ISSUE SUBMISSION

~~Chapter 921~~ CDS Participants, CDS Clearing Members and the Clearing House may, subject to Rule 80401.A, submit a request to the Chairman of the CDS RC to convene a meeting of the CDS RC to consider a particular Issue. All requests to the Chairman of the CDS RC should be in writing and include a reasonably detailed description of the Issue that the relevant party believes the CDS RC should deliberate and, if applicable, information consistent with the definition of Publicly Available Information. For the avoidance of doubt, an Issue regarding the potential occurrence of a Credit Event may relate to a potential Credit Event that is not continuing at the time of the request to convene the CDS RC.

80402.A.A Publicly Available Information

~~Chapter 922~~ For each Issue relating to whether a Credit Event has occurred, the CDS RC shall not be required to deliberate the Issue until the CDS RC determines that Publicly Available Information has been provided to the Chairman of the CDS RC; provided that (i) the references to “a party” or “the parties” in Section 3.5(a) 1.35(a) of the 2014 ISDA Credit Derivatives Definitions shall be deemed to refer to the party submitting the information, (ii) the references to “Credit Event Notice” in Section 3.5(a) 1.35(a) of the 2014 ISDA Credit Derivatives Definitions shall be deemed to refer to requests in respect of Issues submitted to the Chairman of the CDS RC, and (iii) for purposes of Section 3.5(a) 1.35(a)(i) of the 2014 ISDA Credit Derivatives Definitions, the Specified Number is two ~~and (iv) the reference to Buyer and Seller in Section 3.5(b) of the Credit Derivatives Definitions shall be deemed to refer to the party submitting the information and the Chairman of the CDS RC, respectively.~~ The entity submitting information to the CDS RC shall be deemed to represent and warrant that such information can be disclosed and made public

without violating any law, agreement or understanding regarding the confidentiality of such information and the Chairman of the CDS RC and each member of the CDS RC may rely on such representation in addition to the assumption of Section ~~3.5~~(e)1.35(b) of the 2014 ISDA Credit Derivatives Definitions.

80403-80403.A RIGHTS AND RESPONSIBILITIES RELATED TO DETERMINATIONS OF THE CDS RC

Chapter 923A Determination by the CDS RC pursuant to this Chapter 804 shall be made public and be deemed conclusive with regard to the related Issue for the purposes of affected CDS Contracts. Any Determination by the CDS RC in accordance with this Chapter 804 shall, subject to the provisions of these Rules, be binding on the parties to a CDS Contract.

80404-80404.A DETERMINATION PROCESS

80404.A.A. Initial Meeting

Chapter 924 Upon identification or submission of an Issue requiring a Determination by the CDS RC, the Chairman of the CDS RC shall convene a meeting of the CDS RC. The Chairman of the CDS RC shall make reasonable efforts to allow for the attendance of all members of the CDS RC (such as through video or telephone conference), provided, however, that the meeting must occur promptly after the Chairman of the CDS RC determines that the requirements for convening a meeting have been satisfied. At the initial meeting, the CDS RC shall review and discuss the Issue, but shall not make a Determination absent exigent circumstances (as determined by the Chairman of the CDS RC).

80404.A.B. Proposals

Chapter 925 Prior to or simultaneously with the initial meeting, the Chairman of the CDS RC shall issue a request for Proposals. The Chairman of the CDS RC shall promptly communicate Proposals to all members of the CDS RC. Members of the CDS RC may solicit outside counsel and expert opinions to help them in deliberations and forming opinions. Members of the CDS RC may discuss the Issue and Proposals with other members of the CDS RC, CDS Participants and CDS Clearing Members and their respective Affiliates. Members of the CDS RC may also submit additional or refined Proposals and related information.

80404.A.C. Voting; Final Meeting

Chapter 926 A majority of the CDS RC may call a vote at any time after the initial meeting and may call for multiple votes on a Proposal; provided that, if no Determination has been made by the fifth New York Business Day after the initial meeting, the Chairman of the CDS RC shall convene a final meeting of the CDS RC, at which a final vote shall be called. Subject to Rule 80404.A.C., a majority of the CDS RC is required to make a Determination for any matters under this Chapter 804. Notwithstanding the foregoing, the CDS RC may amend, extend or modify any deadline or time period established by this Rule 80404.A.C. by majority vote.

80404.A.D. Required Abstention

- (ii) If an Issue requiring a Determination relates to any Dealer CDS Participant or CDS Clearing Member (or any Affiliate of such Dealer CDS Participant or CDS Clearing Member) that has an employee or director on the CDS RC, then the relevant member must abstain from voting on any Determination related to such Issue.
- (iii) Subject to paragraph (i) above, a Determination shall be valid and binding on CDS Participants and CDS Clearing Members notwithstanding any actual or perceived conflict of interest on the part of a member of the CDS RC, legal counsel or other third-party professional hired by such member of the CDS RC in connection with such member's performance of his or her duties under these Rules.

80404.A.E. Limitation of Liability and Waivers

Chapter 927 The provisions of Sections ~~9.1-11.1~~ 11.1 (c)(i), (c)(ii), ~~(c)(iii) and~~ (c)(iv) ~~and (e)(v)~~ of the 2014 ISDA Credit Derivatives Definitions shall be incorporated by reference herein, with (i) references therein to a DC Party deemed to refer to a CDS RC ~~p~~Party, and (ii) references therein to the Rules, the Credit Derivatives Determinations Committee, and DC Resolutions deemed to refer to these Rules, the CDS RC, and Determinations by the CDS RC, respectively.

Chapter 804
CME CDS Risk Committee: Part C

This Part C shall only be used in connection with 2003 Definitions Transactions

80401.C CERTAIN FUNCTIONS AND AUTHORITIES OF THE CDS RISK COMMITTEE
("CDS RC")

Chapter 928 In addition to the authority granted to the CDS RC in the Rules and its Charter, the CDS RC is generally responsible for making Determinations in respect of the following, subject as provided below (each an "Issue"):

- (a) determining whether a Reference Entity under a CDS Contract has been the subject of a Succession Event and, if so, determining the CME Succession Event Resolution Request Date in respect of such Succession Event, the legally effective date of the Succession Event, the identity of the Reference Entity's Successor(s), if any, provided that such determination will only be made where sufficient information is made available to the CDS RC to make such determination;
- (b) where necessary in respect of a CDS Contract, determining whether a Reference Obligation no longer satisfies the applicable requirements under a CDS Contract and, if so, identifying any Substitute Reference Obligation, provided that such determination will only be made where sufficient information is made available to the CDS RC to make such determination;
- (c) determining (i) 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) and, if so, (ii) the CME Credit Event Resolution Request Date in respect of such Credit Event;
- (d) if a Credit Event occurred with respect to a Reference Entity (or Obligation thereof) referenced in a CDS Contract and the CDS Contract is to be settled in accordance with the Fallback Settlement Method, resolving any questions of (i) whether a particular obligation is a Deliverable Obligation; (ii) 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 a Matched Pair 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 any Deliverable Obligation that is a Loan at that time; (iii) the number of days in a Physical Settlement Period; or (iv) the Accreted Amount of any Accreting Obligation;
- (e) with respect to a CDS Contract, determining matters of contractual interpretation relevant to market standard documentation incorporated into the terms of a CDS Contract (which for the avoidance of doubt, excludes matters related to margin requirements, default management processes, Clearing Member and CDS Participant portability, clearing house disciplinary procedures and financial safeguards); and/or
- (f) with respect to a CDS Contract, making any other determination requested of it by the Calculation Agent or a CDS Clearing Member or resolving any dispute in respect of a Calculation Agent determination.

Chapter 929 For so long as (a) the relevant ISDA Credit Derivatives Determinations Committee (the "DC") is recognized as the standard body for determining Issues, (b) the DC Rules provide that the DC may not defer the first meeting to deliberate a question on an Issue by the Clearing House for more than three Relevant City Business Days and (c) the DC Rules provide that the DC may only dismiss a question on such Issues where the DC resolves by Supermajority that such dismissal is due to (1) a lack of available information necessary to answer the relevant question or (2) the premature nature of the question (in both circumstances as indicated by the DC and published by the DC Secretary), then, the CDS RC shall not have authority to consider, or make a Determination in respect of, any

Issue of the type described in paragraphs (a) through (f) of this Rule 80401.C (including where new information, relevant to the Issue to be considered, has become available) unless a request has previously been submitted to ISDA, as DC Secretary, to convene the relevant DC to resolve the answer to such Issue 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 a request) and ISDA has publicly announced that the relevant DC has resolved not to determine the answer to such question (other than because it has dismissed a question due to a lack of available information necessary to answer the relevant question or the premature nature of the question (such as a hypothetical question)) or the relevant DC is deemed to have rejected such question because the DC Secretary has not effectively received agreement from a Convened DC Voting Member to deliberate such question in accordance with Section 2.2(a) of the DC Rules (and amendments dated September 9, 2012).

Chapter 930In the event that the DC Secretary publishes on its Website notice of a DC being convened within a reasonable amount of time to deliberate a question which is substantially the same as a question which has previously been presented to the CDS RC as an Issue and is being considered by the CDS RC at such time, the CDS RC shall cease considering such question. Any such question may only be raised again to the CDS RC as a new Issue.

Chapter 931Except in the case of a unanimous vote to the contrary of the CDS RC, in accordance with Section 9.1(c)(iii) of the 2003 ISDA Credit Derivatives Definitions, any DC Resolution applicable to a CDS Contract shall be binding on the parties to such CDS Contract and shall supersede any Determination with respect to the same matters (except as expressly stated otherwise in Section 9.1(c)(iii)(B) of the 2003 ISDA Credit Derivatives Definitions as if such Determination were being made by the Calculation Agent).

80402.C ISSUE SUBMISSION

Chapter 932CDS Participants, CDS Clearing Members and the Clearing House may, subject to Rule 80401.C, submit a request to the Chairman of the CDS RC to convene a meeting of the CDS RC to consider a particular Issue. All requests to the Chairman of the CDS RC should be in writing and include a reasonably detailed description of the Issue that the relevant party believes the CDS RC should deliberate and, if applicable, information consistent with the definition of Publicly Available Information. For the avoidance of doubt, an Issue regarding the potential occurrence of a Credit Event may relate to a potential Credit Event that is not continuing at the time of the request to convene the CDS RC.

80402.C.A. Publicly Available Information

Chapter 933For each Issue relating to whether a Credit Event has occurred, the CDS RC shall not be required to deliberate the Issue until the CDS RC determines that Publicly Available Information has been provided to the Chairman of the CDS RC; provided that (i) the references to “a party” or “the parties” in Section 3.5(a) of the 2003 ISDA Credit Derivatives Definitions shall be deemed to refer to the party submitting the information, (ii) the references to “Credit Event Notice” in Section 3.5(a) of the 2003 ISDA Credit Derivatives Definitions shall be deemed to refer to requests in respect of Issues submitted to the Chairman of the CDS RC, (iii) for purposes of Section 3.5(a)(i) of the 2003 ISDA Credit Derivatives Definitions, the Specified Number is two and (iv) the reference to Buyer and Seller in Section 3.5(b) of the 2003 ISDA Credit Derivatives Definitions shall be deemed to refer to the party submitting the information and the Chairman of the CDS RC, respectively. The entity submitting information to the CDS RC shall be deemed to represent and warrant that such information can be disclosed and made public without violating any law, agreement or understanding regarding the confidentiality of such information and the Chairman of the CDS RC and each member of the CDS RC may rely on such representation in addition to the assumption of Section 3.5(c) of the 2003 ISDA Credit Derivatives Definitions.

80403.C RIGHTS AND RESPONSIBILITIES RELATED TO DETERMINATIONS OF THE CDS RC

Chapter 934A Determination by the CDS RC pursuant to this Chapter 804 shall be made public and be deemed conclusive with regard to the related Issue for the purposes of affected CDS Contracts. Any Determination by the CDS RC in accordance with this Chapter 804 shall, subject to the provisions of these Rules, be binding on the parties to a CDS Contract.

80404.C DETERMINATION PROCESS**80404.C.A. Initial Meeting**

Chapter 935 Upon identification or submission of an Issue requiring a Determination by the CDS RC, the Chairman of the CDS RC shall convene a meeting of the CDS RC. The Chairman of the CDS RC shall make reasonable efforts to allow for the attendance of all members of the CDS RC (such as through video or telephone conference), provided, however, that the meeting must occur promptly after the Chairman of the CDS RC determines that the requirements for convening a meeting have been satisfied. At the initial meeting, the CDS RC shall review and discuss the Issue, but shall not make a Determination absent exigent circumstances (as determined by the Chairman of the CDS RC).

80404.C.B. Proposals

Chapter 936 Prior to or simultaneously with the initial meeting, the Chairman of the CDS RC shall issue a request for Proposals. The Chairman of the CDS RC shall promptly communicate Proposals to all members of the CDS RC. Members of the CDS RC may solicit outside counsel and expert opinions to help them in deliberations and forming opinions. Members of the CDS RC may discuss the Issue and Proposals with other members of the CDS RC, CDS Participants and CDS Clearing Members and their respective Affiliates. Members of the CDS RC may also submit additional or refined Proposals and related information.

80404.C.C. Voting: Final Meeting

Chapter 937 A majority of the CDS RC may call a vote at any time after the initial meeting and may call for multiple votes on a Proposal; provided that, if no Determination has been made by the fifth New York Business Day after the initial meeting, the Chairman of the CDS RC shall convene a final meeting of the CDS RC, at which a final vote shall be called. Subject to Rule 80404.C.C., a majority of the CDS RC is required to make a Determination for any matters under this Chapter 804. Notwithstanding the foregoing, the CDS RC may amend, extend or modify any deadline or time period established by this Rule 80404.C.C. by majority vote.

80404.C.D. Required Abstention

- (i) If an Issue requiring a Determination relates to any Dealer CDS Participant or CDS Clearing Member (or any Affiliate of such Dealer CDS Participant or CDS Clearing Member) that has an employee or director on the CDS RC, then the relevant member must abstain from voting on any Determination related to such Issue.
- (ii) Subject to paragraph (i) above, a Determination shall be valid and binding on CDS Participants and CDS Clearing Members notwithstanding any actual or perceived conflict of interest on the part of a member of the CDS RC, legal counsel or other third-party professional hired by such member of the CDS RC in connection with such member's performance of his or her duties under these Rules.

80404.C.E. Limitation of Liability and Waivers

Chapter 938 The provisions of Sections 9.1 (c)(i), (c)(ii), (c)(iv) and (c)(v) of the 2003 ISDA Credit Derivatives Definitions shall be incorporated by reference herein, with (i) references therein to a DC Party deemed to refer to a CDS RC party, and (ii) references therein to the Rules, the Credit Derivatives Determinations Committee, and DC Resolutions deemed to refer to these Rules, the CDS RC, and Determinations by the CDS RC, respectively.

Chapter 805

CME CDS Physical Settlement: Part A

This Part A shall only be used in connection with 2014 Definitions Transactions

80501-80501.A SCOPE OF CHAPTER

~~Chapter 939~~ These Rules in this Chapter 805-: Part A set out the terms of “**CME CDS Physical Settlement**”. CME CDS Physical Settlement shall apply to each ~~CDS Contract~~ 2014 Definitions Transaction for which the Fallback Settlement Method is applicable pursuant to Section ~~42.1-6.1 or 6.15~~ of the 2014 ISDA Credit Derivatives Definitions, as amended by Rule 80202.A.H. and Rule 80302.J. ~~Capitalized terms in this Chapter not otherwise defined in this Chapter shall have the meaning given to such terms in the other Chapters of these Rules.~~

80502-80502.A MATCHED PAIRS

80502.A.A. Matched Pair Notice

~~Chapter 940~~ If CME CDS Physical Settlement is applicable to a ~~CDS Contract~~ 2014 Definitions Transaction (a “**Physical Settlement Contract**”) following a ~~Failure to Pay or Bankruptcy~~ Credit Event, ~~then~~ the Clearing House shall match (with respect to each relevant Scheduled Termination Date) each Buyer under a Physical Settlement Contract with one or more Sellers under a fungible Physical Settlement Contract in a manner such that the Floating Rate Payer Calculation Amount related to each Buyer under a Physical Settlement Contract is fully allocated to one or more Sellers under a fungible Physical Settlement Contract (or, if unequal, allocated to the Clearing House, as Buyer or Seller).

~~Chapter 941~~ A matched Buyer and Seller pursuant to the preceding paragraph is a “**Matched Pair**” where the Buyer is the “**Matched Pair Buyer**”, the Seller is the “**Matched Pair Seller**”, and the portion of the Floating Rate Payer Calculation Amount allocated to such Matched Pair is the “**Matched Notional Amount**”.

~~Chapter 942~~ Prior to 10:00 a.m. (Chicago time) on the Clearing Business Day immediately following the date on which CME CDS ~~Fallback Physical Settlement~~ becomes applicable to a ~~CDS Contract~~ 2014 Definitions Transaction (the “**Matched Pair Notice Deadline**”), the Clearing House will issue a notice to the Matched Pair (the “**Matched Pair Notice**”) indicating the relevant Physical Settlement Contract, Matched Pair Buyer, Matched Pair Seller, Matched Notional Amount and Credit Event ~~(together with the address, fax number, telephone number, email address and other applicable notice details)~~ (the “**Matched Pair Notice**”). With respect to a Physical Settlement Contract, the date as of which the Clearing House first issues a Matched Pair Notice in respect of a Credit Event applicable to any Physical Settlement Contract shall be the “**Matched Pair Notice Date**”.

~~Chapter 943~~ If the Clearing House has delivered multiple Matched Pair Notices that each specifies a Matched Notional Amount that is less than the then outstanding Floating Rate Payer Calculation Amount applicable to a Physical Settlement Contract to which such Matched Pair Notices relate, the rights and obligations of the parties to such Physical Settlement Contract shall, with effect from the date such Matched Pair Notices are effective, be construed as if the parties had entered into two or more ~~CDS Contracts~~ 2014 Definitions Transactions, each of which has a Floating Rate Payer Calculation Amount specified in a related Matched Pair Notice. ~~Each CDS Contract between the Clearing House and each of the Matched Pair Buyer and Matched Pair Seller respectively, shall be a “Matched Pair CDS Contract”, and such Matched Pair CDS Contracts collectively, a “Matched Pair CDS Contract Pair”).~~

~~Chapter 944~~ The methodology used by the Clearing House for purposes of allocating Matched Pairs under this Rule shall minimize, to the extent reasonably practicable, each of the following:

- (a) the number of Matched Pairs in respect of which the Matched Notional Amount is less than USD 1,000,000 (in the currency of denomination of the relevant Physical Settlement Contract) or not an integral multiple of such amount;

- (b) the number of Matched Pairs into which an individual CDS Clearing Member is matched; and
- (c) the overall number of Matched Pairs.

Chapter 945~~80502-B~~ Following the actual or deemed creation of such Matched Pairs, the relevant 2014 Definitions Transactions will be construed as if they had been terminated and new cleared 2014 Definitions Transactions will be deemed to have been entered into between each such CDS Clearing Member and the Clearing House (each such transaction shall be a “Matched Pair CDS Contract”, and such Matched Pair CDS Contracts collectively, a “Matched Pair CDS Contract Pair”).

Chapter 946Notwithstanding the above, if CME CDS Physical Settlement becomes applicable in relation to a Physical Settlement Contract pursuant to which a Matched Pair has previously been created by the Clearing House following the occurrence of a Credit Event to which such CME CDS Physical Settlement relates, such previously created Matched Pairs shall be deemed to be Matched Pairs created in accordance with this Rule 80502.A.A. and the Clearing House shall have no obligation to create new Matched Pairs in respect of such Physical Settlement Contract.

Each such Matched Pair CDS Contract shall have a Floating Rate Payer Calculation Amount corresponding to the Physical Settlement Amount of a Matched Pair in which the relevant CDS Clearing Member is comprised of a Matched Pair Buyer or a Matched Pair Seller, as applicable.

80502.A.B. Appointment of designee by the Clearing House

Chapter 947With respect to a Matched Pair CDS Contract and the Clearing House only, the reference to “any of its Affiliates” in the first line of Section ~~9.2(e)(iv)~~11.2(c)(iv) of the 2014 ISDA Credit Derivatives Definitions shall be construed as a reference to “any third party”.

Chapter 948With respect to a Matched Pair CDS Contract Pair and each related Matched Pair CDS Contract the Clearing House shall be deemed to have designated, pursuant to Section ~~9.2(e)(iv)~~11.2(c)(iv) of the 2014 ISDA Credit Derivatives Definitions:

- (a) the Matched Pair Seller as its designee:
 - (i) to receive on its behalf from the relevant Matched Pair Buyer ~~in the Matched Pair Notices of Physical Settlement (and any NOPS Amendment Notices)~~ or Asset Package Notices in relation to such Matched Pair CDS Contract;
 - (ii) other than in respect of the Physical Settlement Amount relating to the settlement of Non DVP Obligations as referred to in Rule 80503-A below, to pay, on behalf of the Clearing House, the applicable Physical Settlement Amount in respect of such Matched Pair CDS Contract;
 - (iii) to take Delivery, on behalf of the Clearing House, of Deliverable Obligations from the Matched Pair Buyer; and
 - (iv) to receive from, or deliver to, the relevant Matched Pair Buyer, on behalf of the Clearing House, any notices and/or payments in accordance with Sections ~~9.38.2, 9.81, 9.6, 9.7, 9.8, 9.9~~ or 9.10 of the 2014 ISDA Credit Derivatives Definitions;
- (b) the Matched Pair Buyer as its designee:
 - (i) to deliver on its behalf to the relevant Matched Pair Seller ~~in the Matched Pair Notices of Physical Settlement (and any NOPS Amendment Notices)~~ or Asset Package Notices in relation to such Matched Pair CDS Contract;
 - (ii) other than in respect of the Physical Settlement Amount relating to the settlement of Non DVP Obligations as referred to in Rule 80503-A below, to receive, on behalf of the

Clearing House, the applicable Physical Settlement Amount in respect of such Matched Pair CDS Contract;

- (iii) to Deliver, on behalf of the Clearing House, Deliverable Obligations to the Matched Pair Seller; and
- (iv) to receive from, or deliver to, the relevant Matched Pair Seller, on behalf of the Clearing House, any notices and/or payments in accordance with Sections ~~9.38.2, 9.81, 9.6, 9.7, 9.8, 9.9~~ or 9.10 of the 2014 ISDA Credit Derivatives Definitions.

Chapter 949 Upon receipt of a Matched Pair Notice, the Matched Pair Buyer and Matched Pair Seller shall be deemed to have been notified of the above designation and shall assume the obligations specified above as designee. Furthermore, the final sentence of Section ~~9.2(c)(iv)~~ 11.2(c)(iv) of the 2014 ISDA Credit Derivatives Definitions shall not apply to any Matched Pair CDS Contract.

Chapter 950 References to “Buyer” and “Seller” in Sections ~~9.2(c)(i), 9.38.2, 9.81, 9.6, 9.7~~ or 9.9 and ~~9.10~~ 11.2(c)(i) of the 2014 ISDA Credit Derivatives Definitions shall be construed as being references to the Matched Pair Buyer or the Matched Pair Seller, as applicable and the relevant ~~CDS Contracts~~ 2014 Definitions Transactions shall be construed accordingly.

Chapter 951 Where the Clearing House is the Buyer in respect of a Matched Pair CDS Contract, references in Section ~~9.2-11.2~~ of the 2014 ISDA Credit Derivatives Definitions to “-Buyer shall be deemed to represent to Seller” shall be deemed to be references to “Buyer shall be deemed to covenant to Seller”.

~~80502.C.~~ Conditions to Settlement

Chapter 952 Notwithstanding anything in Section 3.2 of the Credit Derivatives Definitions to the contrary, all of the ~~Conditions to Settlement~~ in respect of a Matched Pair CDS Contract Pair shall be deemed to be satisfied by the delivery by Matched Pair Buyer of a Notice of Physical Settlement to the Matched Pair Seller under the Matched Pair CDS Contract Pair that is effective, subject, where applicable, to the Physical Settlement process being tolled pursuant to Rule 0, on or before the thirtieth calendar day (or, if such day is not a Clearing Business Day, the next following Clearing Business Day) following the applicable Matched Pair Notice Date. For purposes of determining whether the Notice of Physical Settlement Condition to Settlement has been satisfied, the effective date of delivery of the Notice of Physical Settlement (whether or not subsequently changed) shall be used.

~~80502.D.~~ Notices

80502.A.C. Notices

Chapter 953(a) Neither the Clearing House nor any CDS Clearing Member will be entitled to deliver a Notice of Physical Settlement ~~or a NOPS Amendment Notice or Asset Package Notice~~ in respect of a ~~CDS Contract~~ 2014 Definitions Transaction prior to the relevant Matched Pair Notice Date. Furthermore, the Clearing House shall incur no liability with respect to the delivery, or lack thereof, of any Notice of Physical Settlement or any NOPS Amendment Notice in respect of a CDS Contract.

Chapter 954 If Asset Package Delivery is applicable in respect of a Matched Pair CDS Contract, the Matched Pair Buyer shall on the effective date of the Notice of Physical Settlement, or as soon as reasonably practicable thereafter, deliver (as designee of the Clearing House) an Asset Package Notice to the Matched Pair Seller containing a detailed description of the Asset Package that the Matched Pair Buyer intends to deliver to Matched Pair Seller in lieu of the Prior Deliverable Obligation or Package Observable Bond that is specified in the Notice of Physical Settlement or NOPS Amendment Notice, as applicable.

Chapter 955(b) Any Notice of Physical Settlement, NOPS Amendment Notice, Asset Package Notice and any notice delivered pursuant to Sections ~~9.38.2, 9.81, 9.6, 9.7~~ or 9.9 and ~~9.10~~ of the 2014 ISDA Credit Derivatives Definitions shall be delivered to both the Clearing House (either by email to

css@cmegroup.com or by fax to 312 930 3187) and the Matched Pair Seller. For the avoidance of doubt, Section 1.4038 of the 2014 ISDA Credit Derivatives Definitions will apply to any notices delivered by Matched Pair Buyer and Matched Pair Seller in respect of a Matched Pair CDS Contract, provided that notwithstanding Section 1.4038 of the 2014 ISDA Credit Derivatives Definitions, any notice to the Clearing House (a) shall be given as provided in Rule 80003-A and (b) shall be effective on a on a Calculation Agent City Business Day if delivered on or prior to 6:00 p.m. (Calculation Agent City time) on such Calculation Agent City Business Day.

~~**Chapter 956** Any dispute relating to Notices of Physical Settlement shall be subject to the jurisdiction of the sub-committee of the CDS-RC responsible for the arbitration of matters relating to CDS Contracts.~~

- (c) If Asset Package Delivery is applicable in respect of a Matched Pair CDS Contract and an Asset to be delivered is a Non-Transferable Instrument or Non-Financial Instrument, then the Asset shall be deemed to be an amount of cash equal to the value determined by the Calculation Agent pursuant to Section 8.15 of the 2014 ISDA Credit Derivatives Definitions.

80503-80503.A PHYSICAL SETTLEMENT OF NON DVP OBLIGATIONS

~~**Chapter 957** In respect of any Matched Pair CDS Contract Pair, if (i) any Deliverable Obligations to be Delivered by the Matched Pair Buyer to the Matched Pair Seller are reasonably believed by the Matched Pair Buyer not to settle on a delivery-versus-payment basis (such Deliverable Obligations, “Non DVP Obligations”) (as notified by the Matched Pair Buyer to the Matched Pair Seller and to the Clearing House upon delivering any Notice of Physical Settlement or NOPS Amendment Notice); or (ii) any Asset Package to be Delivered by the Matched Pair Buyer to the Matched Pair Seller which is validly specified in an Asset Package Notice given in accordance with the final paragraph of Section 8.2 of the 2014 ISDA Credit Derivatives Definitions and these Rules contains Assets which are reasonably believed by the Matched Pair Buyer not to settle on a delivery-versus-payment basis (such Deliverable Obligations or Asset Package, “Non DVP Obligations”), Delivery of such Non DVP Obligations and payment of the related portion of the Physical Settlement Amount (the “Physical Settlement Amount Portion”) shall take place as follows:~~

- (a) the Matched Pair Buyer shall notify the Clearing House that it is ready to Deliver to the Matched Pair Seller the Non DVP Obligations (or if Asset Package Delivery is applicable, the Assets that are to be delivered);
- (b) following receipt of the notification referred to in paragraph (a) above, the Clearing House shall request that the Matched Pair Seller pay to the Clearing House the full Physical Settlement Amount Portion corresponding to the Outstanding Amount of such Non DVP Obligation or, if Asset Package Delivery is applicable in respect of such Matched Pair, the amount of such Physical Settlement Amount Portion which corresponds to the Outstanding Amount of the Deliverable Obligation(s) in lieu of which the Asset Package is being Delivered less an amount equal to the Asset Package Cash Settlement Amount determined in respect of such Asset Package (the “Non-DVP Asset Package Settlement Amount”) and any amounts in respect of expenses notified by the relevant Matched Pair Buyer on the following Clearing Business Day;
- (c) following receipt of the request referred to in paragraph (b) above the Matched Pair Seller shall transfer to the Clearing House the full Physical Settlement Amount Portion;
- (d) following receipt by the Clearing House of the full Physical Settlement Amount Portion in cleared funds, the Clearing House shall notify the Matched Pair Buyer that it is holding the relevant Physical Settlement Amount Portion from the Matched Pair Seller;
- (e) following receipt of the notification referred to in paragraph (d) above, the Matched Pair Buyer shall ~~deliver~~ the relevant Non DVP Obligations ~~to the Matched Pair Seller~~ with an outstanding principal balance (or equivalent Currency Amount) at least equal to the relevant Physical Settlement Amount Portion to the relevant Matched Pair Seller, or if Asset Package Delivery is applicable the Matched Pair Buyer shall deliver the Assets that are to be delivered to the relevant Matched Pair Seller, provided that,

the relevant Matched Pair Buyer's obligation to deliver any Assets in the form of cash in the settlement currency forming part of the relevant Asset Package will be automatically satisfied and discharged;

- (f) following its receipt of Delivery of the relevant Deliverable Non DVP Obligations (or if Asset Package Delivery is applicable, the relevant Assets that are to be delivered), the Matched Pair Seller shall promptly deliver a notice to the Clearing House in the form required by the Clearing House from time to time specifying that the Delivery has occurred, in full or, if in part, the percentage of the Physical Settlement Amount Portion (the "Delivered Percentage") in respect of which Delivery has occurred;
- (g) if and to the extent that the Clearing Member has received payment from the relevant Matched Pair Seller of the Physical Settlement Amount Portion (or the Non-DVP Asset Package Settlement Amount, as applicable in full on a timely basis as set out above, then following its receipt of the notification referred to in paragraph (f) above the Clearing House shall pay to the Matched Pair Buyer an amount equal to the Physical Settlement Amount Portion or the Non DVP Asset Package Settlement Amount, as applicable (or, where the Matched Pair Seller notified the Clearing House of Delivery in part only, an amount equal to the product of the Delivered Percentage of the Physical Settlement Amount Portion) received from the Matched Pair Seller; and
- (h) if the Matched Pair Buyer does not Deliver the Non DVP Obligations with an outstanding principal balance (or equivalent Currency Amount) at least equal to the Physical Settlement Amount Portion or the Non DVP Asset Package Settlement Amount, as applicable to the Matched Pair Seller within ~~3~~three Clearing Business Days of receipt by the Matched Pair Buyer of the notice referred to in paragraph (d) above, the Matched Pair Seller may request that the Clearing House repay to the Matched Pair Seller the Physical Settlement Amount in respect of the Physical Settlement Amount Portion or the Non DVP Asset Package Settlement Amount, as applicable, less the product of the Delivered Percentage and the Physical Settlement Amount Portion, if any.

Chapter 958The process set out above may be repeated in relation to any Non DVP Obligations not in fact delivered as specified above.

Chapter 959If Asset Package Delivery is applicable and the Asset Package is zero, the Outstanding Amount of the Prior Deliverable Obligation or Package Observable Bond shall be deemed to have been Delivered in full in three Clearing Business Days following the date on which the Matched Pair Buyer has notified the Matched Pair Seller of the detailed description of the Asset Package that it intends to Deliver in accordance with Section 8.2 of the 2014 ISDA Credit Derivative Definitions.

80504.80504.A DELIVERABLE OBLIGATIONS

Chapter 960Prior to accepting Delivery of a particular obligation pursuant to a Notice of Physical Settlement or NOPS Amendment Notice, a Matched Pair Seller may challenge whether the obligation is a Deliverable Obligation under the terms of a Matched Pair CDS Contract, unless (i) the CDS RC has previously issued a Declaration confirming that such obligation is a Deliverable Obligation applicable to that Matched Pair CDS Contract as of the applicable Delivery Date for such Deliverable Obligation or (ii) ~~ISDA~~the DC Secretary has previously publicly announced that the Credit Derivatives Determinations Committee has Resolved that such obligation constitutes a Deliverable Obligation. Such challenge may only be made by submission of (a) a request to ~~ISDA~~the DC Secretary, as DC Secretary, to convene the relevant Credit Derivatives Determinations Committee to resolve whether such obligation is a Deliverable Obligation or (b) subject to Rule 80401, submission of an Issue to the CDS RC regarding whether such obligation is a Deliverable Obligation. Any Matched Pair Seller proposing to refuse to accept Delivery and who has submitted a request to ~~ISDA~~the DC Secretary or an Issue to the CDS RC as described above must give notice forthwith to the Clearing House and to the Matched CDS Buyer in the relevant Matched Pair, specifying the Matched Pair CDS Contracts Pair and obligation to which the refusal relates and details of the request to ISDA or Issue submitted to the CDS RC, as applicable (the date of delivery of such notice being the "**DO Question Notice Date**" and the relevant obligation to which such notice relates a "**Disputed DO**").

Chapter 961With respect to a Matched Pair CDS Contract Pair, to the extent an effective Notice of Physical Settlement or NOPS Amendment Notice is delivered referencing a Disputed DO, all time periods and related rights and remedies relating to settlement, for example, under Sections 9.7, 9.8 and 9.9 ~~and 9.10~~ of the 2014 ISDA Credit

Derivatives Definitions and any applicable cap on settlement, in respect of such Matched Pair CDS Contract Pair shall be tolled for the time period from the DO Question Notice Date until the earlier of (a) the date that the CDS RC makes a Determination related to the relevant Disputed DO or (b) the date on which ~~ISDA~~ the DC Secretary publicly announces that the Credit Derivatives Determinations Committee has Resolved whether or not the relevant Disputed DO constitutes a Deliverable Obligation (such date the “**Disputed DO Resolution Date**”). An obligation shall cease to constitute a Disputed DO from, and including, the relevant Disputed DO Resolution Date. Any Matched Pair Seller of a Matched Pair CDS Contract Pair shall be entitled to refuse Delivery of any obligation for so long as it constitutes a Disputed DO. Notwithstanding anything else herein or the 2014 ISDA Credit Derivatives Definitions to the contrary, if the CDS RC makes a Determination, or ~~ISDA~~ the DC Secretary publicly announces the relevant Credit Derivatives Determinations Committee has Resolved, that the Disputed DO does not constitute a Deliverable Obligation, then each Matched Pair Buyer with respect to each affected Matched CDS Contract Pair may, prior to the end of the Physical Settlement Period or, if later, the third Clearing Business Day after notice of such Determination or public announcement, deliver a NOPS Amendment Notice replacing such Disputed DO with another Deliverable Obligation.

80505.80505.A FALLBACK CASH SETTLEMENT

80505.A.A. Failure to Pay Physical Settlement Amount

Chapter 962If a Matched Pair Seller fails to pay all or part of a Physical Settlement Amount to a Matched Pair Buyer or the Clearing House, as applicable (such amount the “**Unpaid Amount**”) then without prejudice to the obligations, if any, of the Matched Pair Seller to the Clearing House and all rights of the Clearing House associated with any such obligations and any failure to comply with any such obligations:

- (a) the relevant Matched Pair Buyer may give notice in writing to the Clearing House, giving all material details of the Matched Pair CDS Contract Pair involved, the failure to pay and the Unpaid Amount and any material details of the amount of any Physical Settlement Amount paid in part;
- (b) such failure to pay:
 - (i) shall not constitute or be deemed to constitute a default or breach by the Clearing House under the relevant Matched Pair CDS Contract, the Rules or otherwise, and
 - (ii) except in the case of a Non-DVP Obligation, will be deemed to occur only if the Matched Pair Buyer tenders such Deliverable Obligation for delivery on each of the three Business Days following notice to the Matched Pair Seller of such failure and the Matched Pair Seller does not make such payment of the Unpaid Amount against such delivery;
- (c) the Matched Pair CDS Contract between the relevant Matched Pair Buyer and the Clearing House shall be settled as though the partial cash settlement provisions set out in Section 9.86 of the 2014 ISDA Credit Derivatives Definitions applied to the relevant Matched Pair CDS Contract with respect to the Deliverable Obligations corresponding to the Unpaid Amount as though:
 - (i) the Deliverable Obligations not Delivered were Undeliverable Obligations;
 - (ii) the Latest Permissible Physical Settlement Date, notwithstanding Section 9.75 of the 2014 ISDA Credit Derivatives Definitions, will be deemed to be the date on which the Matched Pair Buyer gave the relevant notice to the Clearing House as referred to in paragraph (a) above;
 - (iii) Indicative Quotations were not applicable; and
 - (iv) the Matched Pair Buyer will be deemed to be the Calculation Agent.

80505.A.B. Non-Deliverable Obligations

Chapter 963If a Matched Pair Buyer is not able to (or elects not to) ~~to~~ Deliver one or more Deliverable Obligations except for any Deliverable Obligation which (i) is a Prior Deliverable Obligation or a Package Observable Bond which Buyer has notified Seller it intends to Deliver an Asset Package in lieu thereof, or (ii) forms part of an Asset Package

which Buyer has notified Seller it intends to Deliver) (such Deliverable Obligations, the “**Non-Deliverable Obligations**”) specified in the relevant Notice of Physical Settlement or NOPS Amendment Notice to its Matched Pair Seller in the relevant Matched Pair because:

- (a) the amount of such Deliverable Obligation is less than the relevant minimum denomination of such Deliverable Obligation;
- (b) such Matched Pair Seller is not a permitted transferee under such Deliverable Obligation or the Matched Pair Buyer does not obtain any requisite consent with respect to delivery of Deliverable Obligations, or
- (c) an event described in Section ~~9.2(e)(iv)~~~~(B)~~11.2(c)(iv)(B) of the 2014 ISDA Credit Derivatives Definitions has occurred,

Chapter 964 such occurrence (in the case of Rule 80505.A.B.(c), only at the election of either the Matched Pair Buyer or the Matched Pair Seller) shall be treated, in relation to the Matched Pair CDS Contract Pair, as an illegality or impossibility outside the parties’ control for the purpose of Section 9.31 of the 2014 ISDA Credit Derivatives Definitions. The Matched Pair Buyer shall deliver a notice describing in reasonable detail the facts giving rise to such deemed illegality or impossibility to its Matched Pair Seller and the Clearing House. Upon such notice being given to the Clearing House the partial cash settlement provisions set out in Section 9.86 of the 2014 ISDA Credit Derivatives Definitions shall be deemed to apply to the relevant Matched Pair CDS Contract Pair with respect to the Non-Deliverable Obligations as though:

- (a) the Non-Deliverable Obligations not Delivered were Undeliverable Obligations;
- (b) the Latest Permissible Physical Settlement Date were the date on which the Matched Pair Buyer gave the relevant notice to the Clearing House as referred to above;
- (c) Indicative Quotations were not applicable; and
- (d) the Matched Pair Buyer were the Calculation Agent.

80505.A.C. Quotations

Chapter 965 For the purposes of Rules 80505.A.A and 80505.A.B, in addition to the requirements of Section 7.10 of the 2014 ISDA Credit Derivatives Definitions and notwithstanding Section 9.86(k) of the 2014 ISDA Credit Derivatives Definitions, each firm Quotation shall:

Chapter 966 be for a transaction with the Matched Pair Buyer (or its designee) (the “**Relevant Buyer**”) in which, the Relevant Buyer agrees to Deliver the Deliverable Obligations to the Dealer submitting the firm quotation (the “**Quoting Dealer**”), (which transaction shall be governed by documentation that is consistent with market practice applicable to the sale and purchase of Deliverable Obligations on the Valuation Date, including without limitation a representation that the Quoting Dealer has completed all “know your customer” or similar requirements under all applicable laws, regulations and internal compliance procedures relating to a transaction with the Relevant Buyer and on the Reference Entity) and such Quoting Dealer agrees to pay the settlement amount (calculated and payable for this purpose in accordance with the relevant market standard documentation and based on the price so quoted) that would be payable for such Deliverable Obligations to the Relevant Buyer; and

Chapter 967 be capable of acceptance by the Relevant Buyer (for such purposes, each firm Quotation must, *inter alia*, be obtained from a Dealer with whom the Relevant Buyer in its sole and absolute discretion determines that it is able in accordance with all its internal compliance and policy requirements to transact and to whom it is able to Deliver the Deliverable Obligations) and be open for acceptance to the Relevant Buyer for at least 30 minutes.

80506-80506.A ALTERNATIVE BILATERAL SETTLEMENT

Chapter 968A Matched Pair Buyer and Matched Pair Seller may, subject to applicable law, in respect of the relevant Matched Pair CDS Contract Pair, elect to settle their rights and obligations in relation to such Matched Pair CDS Contract Pair between each other outside of the Clearing House by providing notice to the Clearing House specifying the relevant Matched Pair CDS Contract Pair and confirming their intent to settle such Matched Pair CDS Contract Pair outside of the Clearing House. If the Clearing House consents to such settlement (such consent not be unreasonably withheld or delayed), then, with effect from the date of the Clearing House consent, such Matched Pair CDS Contract Pair will be deemed to be terminated and the Clearing House will have no further obligations with respect to such Matched Pair CDS Contract Pair and, accordingly, the Clearing House guarantee shall cease to apply.

80507-80507.A CLEARING HOUSE GUARANTEE OF MATCHED PAIR CDS CONTRACTS

Chapter 969F For the avoidance of doubt, except as provided in Rule 80506-~~.A.~~, in relation to any Matched Pair CDS Contracts shall be guaranteed by the Clearing House pursuant to Rule 80505.A.A.(c). ~~will ensure the financial performance of the Matched Pair Buyer in accordance with Rule 80505.A.A.(c).~~

80508-80508.A FAILURE TO PERFORM UNDER MATCHED PAIR CDS CONTRACTS

If at any time after the creation of a Matched Pair CDS Contract the Matched Pair Buyer or the Matched Pair Seller, as applicable, fails to perform its obligations in respect of such Matched Pair CDS Contract in accordance with these Rules, then, in addition to any obligations or liabilities under this Chapter 805, ~~such~~: Part A, such failure may be deemed a default pursuant to Chapter 8, Rule 802 and may subject the Matched Pair Buyer or Matched Pair Seller, as applicable, may be subject to disciplinary action by the Clearing House pursuant to these Rules, which shall include without limitation, potential suspension of the clearing privileges of such Matched Pair Buyer or Matched Pair Seller.

Chapter 805

CME CDS Physical Settlement: Part D

This Part D shall only be used in connection with 2003 Definitions Transactions

80501.D SCOPE OF CHAPTER

Chapter 970The Rules in this Chapter 805: Part D set out the terms of “CME CDS Physical Settlement”. CME CDS Physical Settlement shall apply to each 2003 Definitions Transaction for which the Fallback Settlement Method is applicable pursuant to Section 12.1 or 12.17 of the 2003 ISDA Credit Derivatives Definitions, as amended by Rule 80202.B.H. and Rule 80302.J.

80502.D MATCHED PAIRS

80502.D.A. Matched Pair Notice

Chapter 971If CME CDS Physical Settlement is applicable to a 2003 Definitions Transaction (a “Physical Settlement Contract”) following a Credit Event, the Clearing House shall match (with respect to each relevant Scheduled Termination Date) each Buyer under a Physical Settlement Contract with one or more Sellers under a fungible Physical Settlement Contract in a manner such that the Floating Rate Payer Calculation Amount related to each Buyer under a Physical Settlement Contract is fully allocated to one or more Sellers under a fungible Physical Settlement Contract (or, if unequal, allocated to the Clearing House, as Buyer or Seller).

Chapter 972A matched Buyer and Seller pursuant to the preceding paragraph is a “Matched Pair” where the Buyer is the “Matched Pair Buyer”, the Seller is the “Matched Pair Seller”, and the portion of the Floating Rate Payer Calculation Amount allocated to such Matched Pair is the “Matched Notional Amount”.

Chapter 973Prior to 10:00 a.m. (Chicago time) on the Clearing Business Day immediately following the date on which CME CDS Physical Settlement becomes applicable to a 2003 Definitions Transaction (the “Matched Pair Notice Deadline”), the Clearing House will issue a notice to the Matched Pair indicating the relevant Physical Settlement Contract, Matched Pair Buyer, Matched Pair Seller, Matched Notional Amount and Credit Event (together with the address, fax number, telephone number, email address and other applicable notice details) (the “Matched Pair Notice”). With respect to a Physical Settlement Contract, the date as of which the Clearing House first issues a Matched Pair Notice in respect of a Credit Event applicable to any Physical Settlement Contract shall be the “Matched Pair Notice Date”.

Chapter 974If the Clearing House has delivered multiple Matched Pair Notices that each specifies a Matched Notional Amount that is less than the then outstanding Floating Rate Payer Calculation Amount applicable to a Physical Settlement Contract to which such Matched Pair Notices relate, the rights and obligations of the parties to such Physical Settlement Contract shall, with effect from the date such Matched Pair Notices are effective, be construed as if the parties had entered into two or more 2003 Definitions Transactions, each of which has a Floating Rate Payer Calculation Amount specified in a related Matched Pair Notice.

Chapter 975The methodology used by the Clearing House for purposes of allocating Matched Pairs under this Rule shall minimize, to the extent reasonably practicable, each of the following:

- (a) the number of Matched Pairs in respect of which the Matched Notional Amount is less than 1,000,000 (in the currency of denomination of the relevant Physical Settlement Contract) or not an integral multiple of such amount;
- (b) the number of Matched Pairs into which an individual CDS Clearing Member is matched; and
- (c) the overall number of Matched Pairs.

Chapter 976 Following the actual or deemed creation of such Matched Pairs, the relevant 2003 Definitions Transactions will be construed as if they had been terminated and new cleared 2003 Definitions Transactions will be deemed to have been entered into between each such CDS Clearing Member and the Clearing House (each such transaction shall be a **“Matched Pair CDS Contract”**, and such Matched Pair CDS Contracts collectively, a **“Matched Pair CDS Contract Pair”**).

Chapter 977 Notwithstanding the above, if CME CDS Physical Settlement becomes applicable in relation to a Physical Settlement Contract pursuant to which a Matched Pair has previously been created by the Clearing House following the occurrence of a Credit Event to which such CME CDS Physical Settlement relates, such previously created Matched Pairs shall be deemed to be Matched Pairs created in accordance with this Rule 80502.D.A. and the Clearing House shall have no obligation to create new Matched Pairs in respect of such Physical Settlement Contract.

Each such Matched Pair CDS Contract shall have a Floating Rate Payer Calculation Amount corresponding to the Physical Settlement Amount of a Matched Pair in which the relevant CDS Clearing Member is comprised of a Matched Pair Buyer or a Matched Pair Seller, as applicable.

80502.D.B. Appointment of designee by the Clearing House

Chapter 978 With respect to a Matched Pair CDS Contract and the Clearing House only, the reference to “any of its Affiliates” in the first line of Section 9.2(c)(iv) of the 2003 ISDA Credit Derivatives Definitions shall be construed as a reference to “any third party”.

Chapter 979 With respect to a Matched Pair CDS Contract Pair and each related Matched Pair CDS Contract the Clearing House shall be deemed to have designated, pursuant to Section 9.2(c)(iv) of the 2003 ISDA Credit Derivatives Definitions:

(a) the Matched Pair Seller as its designee:

- (i) to receive on its behalf from the relevant Matched Pair Buyer the Matched Pair Notices of Physical Settlement (and any NOPS Amendment Notices) in relation to such Matched Pair CDS Contract;
- (ii) other than in respect of the Physical Settlement Amount relating to the settlement of Non DVP Obligations as referred to in Rule 80503.D below, to pay, on behalf of the Clearing House, the applicable Physical Settlement Amount in respect of such Matched Pair CDS Contract;
- (iii) to take Delivery, on behalf of the Clearing House, of Deliverable Obligations from the Matched Pair Buyer; and
- (iv) to receive from, or deliver to, the relevant Matched Pair Buyer, on behalf of the Clearing House, any notices and/or payments in accordance with Sections 9.3, 9.8, 9.9 or 9.10 of the 2003 ISDA Credit Derivatives Definitions;

(b) the Matched Pair Buyer as its designee:

- (ii) to deliver on its behalf to the relevant Matched Pair Seller the Matched Pair Notices of Physical Settlement (and any NOPS Amendment Notices) in relation to such Matched Pair CDS Contract;
- (iii) other than in respect of the Physical Settlement Amount relating to the settlement of Non DVP Obligations as referred to in Rule 80503.D below, to receive, on behalf of the Clearing House, the applicable Physical Settlement Amount in respect of such Matched Pair CDS Contract;

- (iv) to Deliver, on behalf of the Clearing House, Deliverable Obligations to the Matched Pair Seller; and
- (v) to receive from, or deliver to, the relevant Matched Pair Seller, on behalf of the Clearing House, any notices and/or payments in accordance with Sections 9.3, 9.8, 9.9 or 9.10 of the 2003 ISDA Credit Derivatives Definitions.

Chapter 980 Upon receipt of a Matched Pair Notice, the Matched Pair Buyer and Matched Pair Seller shall be deemed to have been notified of the above designation and shall assume the obligations specified above as designee. Furthermore, the final sentence of Section 9.2(c)(iv) of the 2003 ISDA Credit Derivatives Definitions shall not apply to any Matched Pair CDS Contract.

Chapter 981 References to “Buyer” and “Seller” in Sections 9.2(c)(i), 9.3, 9.8, 9.9 and 9.10 of the 2003 ISDA Credit Derivatives Definitions shall be construed as being references to the Matched Pair Buyer or the Matched Pair Seller, as applicable and the relevant 2003 Definitions Transactions shall be construed accordingly.

Chapter 982 Where the Clearing House is the Buyer in respect of a Matched Pair CDS Contract, references in Section 9.2 of the 2003 ISDA Credit Derivatives Definitions to “Buyer shall be deemed to represent to Seller” shall be deemed to be references to “Buyer shall be deemed to covenant to Seller”.

80502.D.C. Conditions to Settlement

Chapter 983 Notwithstanding anything in Section 3.2 of the 2003 ISDA Credit Derivatives Definitions to the contrary, all of the Conditions to Settlement in respect of a Matched Pair CDS Contract Pair shall be deemed to be satisfied by the delivery by Matched Pair Buyer of a Notice of Physical Settlement to the Matched Pair Seller under the Matched Pair CDS Contract Pair that is effective, subject, where applicable, to the Physical Settlement process being tolled pursuant to Rule 80502.D.A, on or before the thirtieth calendar day (or, if such day is not a Clearing Business Day, the next following Clearing Business Day) following the applicable Matched Pair Notice Date. For purposes of determining whether the Notice of Physical Settlement Condition to Settlement has been satisfied, the effective date of delivery of the Notice of Physical Settlement (whether or not subsequently changed) shall be used.

80502.D.D. Notices

- (a) Neither the Clearing House nor any CDS Clearing Member will be entitled to deliver a Notice of Physical Settlement or a NOPS Amendment Notice in respect of a 2003 Definitions Transaction prior to the relevant Matched Pair Notice Date. Furthermore, the Clearing House shall incur no liability with respect to the delivery, or lack thereof, of any Notice of Physical Settlement or any NOPS Amendment Notice in respect of a CDS Contract.
- (b) Any Notice of Physical Settlement, NOPS Amendment Notice and any notice delivered pursuant to Sections 9.3, 9.8, 9.9 and 9.10 of the 2003 ISDA Credit Derivatives Definitions shall be delivered to both the Clearing House (either by email to css@cmegroup.com or by fax to 312 930 3187) and the Matched Pair Seller. For the avoidance of doubt, Section 1.10 of the 2003 ISDA Credit Derivatives Definitions will apply to any notices delivered by Matched Pair Buyer and Matched Pair Seller in respect of a Matched Pair CDS Contract, provided that notwithstanding Section 1.10 of the 2003 ISDA Credit Derivatives Definitions, any notice to the Clearing House (a) shall be given as provided in Rule 80003.B and (b) shall be effective on a on a Calculation Agent City Business Day if delivered on or prior to 6:00 p.m. (Calculation Agent City time) on such Calculation Agent City Business Day.

80503.D PHYSICAL SETTLEMENT OF NON DVP OBLIGATIONS

Chapter 984 In respect of any Matched Pair CDS Contract Pair, if any Deliverable Obligations to be Delivered by the Matched Pair Buyer to the Matched Pair Seller are reasonably believed by the Matched Pair Buyer not to settle on a delivery-versus-payment basis (such Deliverable Obligations, “Non DVP Obligations”) (as notified by the Matched Pair Buyer to the Matched Pair Seller and to the Clearing House upon delivering any Notice of Physical Settlement or NOPS Amendment Notice), Delivery of such Non DVP Obligations and payment of the related portion of the Physical Settlement Amount (the “Physical Settlement Amount Portion”) shall take place as follows:

- (a) the Matched Pair Buyer shall notify the Clearing House that it is ready to Deliver to the Matched Pair Seller the Non DVP Obligations;
- (b) following receipt of the notification referred to in paragraph (a) above, the Clearing House shall request that the Matched Pair Seller pay to the Clearing House the full Physical Settlement Amount Portion;
- (c) following receipt of the request referred to in paragraph (b) above the Matched Pair Seller shall transfer to the Clearing House the full Physical Settlement Amount Portion;
- (d) following receipt by the Clearing House of the full Physical Settlement Amount Portion in cleared funds, the Clearing House shall notify the Matched Pair Buyer that it is holding the relevant Physical Settlement Amount Portion from the Matched Pair Seller;
- (e) following receipt of the notification referred to in paragraph (d) above, the Matched Pair Buyer shall Deliver the relevant Non DVP Obligations with an outstanding principal balance (or equivalent Currency Amount) at least equal to the relevant Physical Settlement Amount Portion;
- (f) following its receipt of Delivery of the relevant Non DVP Obligations, the Matched Pair Seller shall promptly deliver a notice to the Clearing House in the form required by the Clearing House from time to time specifying that the Delivery has occurred, in full or, if in part, the percentage of the Physical Settlement Amount Portion (the “Delivered Percentage”) in respect of which Delivery has occurred;
- (g) following its receipt of the notification referred to in paragraph (f) above the Clearing House shall pay to the Matched Pair Buyer an amount equal to the Physical Settlement Amount Portion (or, where the Matched Pair Seller notified the Clearing House of Delivery in part only, an amount equal to the product of the Delivered Percentage of the Physical Settlement Amount Portion) received from the Matched Pair Seller; and
- (h) if the Matched Pair Buyer does not Deliver the Non DVP Obligations with an outstanding principal balance (or equivalent Currency Amount) at least equal to the Physical Settlement Amount Portion to the Matched Pair Seller within three Clearing Business Days of receipt by the Matched Pair Buyer of the notice referred to in paragraph (d) above, the Matched Pair Seller may request that the Clearing House repay to the Matched Pair Seller the Physical Settlement Amount in respect of the Physical Settlement Amount Portion, less the product of the Delivered Percentage and the Physical Settlement Amount Portion, if any.

Chapter 985The process set out above may be repeated in relation to any Non DVP Obligations not in fact delivered as specified above.

80504.D DELIVERABLE OBLIGATIONS

Chapter 986Prior to accepting Delivery of a particular obligation pursuant to a Notice of Physical Settlement or NOPS Amendment Notice, a Matched Pair Seller may challenge whether the obligation is a Deliverable Obligation under the terms of a Matched Pair CDS Contract, unless (i) the CDS RC has previously issued a Declaration confirming that such obligation is a Deliverable Obligation applicable to that Matched Pair CDS Contract as of the applicable Delivery Date for such Deliverable Obligation or (ii) ISDA has previously publicly announced that the Credit Derivatives Determinations Committee has Resolved that such obligation constitutes a Deliverable Obligation. Such challenge may only be made by submission of (a) a request to ISDA, as DC Secretary, to convene the relevant Credit Derivatives Determinations Committee to resolve whether such obligation is a Deliverable Obligation or (b) subject to Rule 80401.C, submission of an Issue to the CDS RC regarding whether such obligation is a Deliverable Obligation. Any Matched Pair Seller proposing to refuse to accept Delivery and who has submitted a request to ISDA or an Issue to the CDS RC as described above must give notice forthwith to the Clearing House and to the Matched CDS Buyer in the relevant Matched Pair, specifying the Matched Pair CDS Contracts Pair and obligation to which the refusal relates and details of the request to ISDA or Issue submitted to the CDS RC, as applicable (the date of delivery of such notice being the “DO Question Notice Date” and the relevant obligation to which such notice relates a “Disputed DO”).

Chapter 987With respect to a Matched Pair CDS Contract Pair, to the extent an effective Notice of Physical Settlement or NOPS Amendment Notice is delivered referencing a Disputed DO, all time periods and related rights and remedies relating to settlement, for example, under Sections 9.9 and 9.10 of the 2003 ISDA Credit Derivatives Definitions and any applicable cap on settlement, in respect of such Matched Pair CDS Contract Pair shall be tolled for the time period from the DO Question Notice Date until the earlier of (a) the date that the CDS RC makes a Determination related to the relevant Disputed DO or (b) the date on which ISDA publicly announces that the Credit Derivatives Determinations Committee has Resolved whether or not the relevant Disputed DO constitutes a Deliverable Obligation (such date the “**Disputed DO Resolution Date**”). An obligation shall cease to constitute a Disputed DO from, and including, the relevant Disputed DO Resolution Date. Any Matched Pair Seller of a Matched Pair CDS Contract Pair shall be entitled to refuse Delivery of any obligation for so long as it constitutes a Disputed DO. Notwithstanding anything else herein or the 2003 ISDA Credit Derivatives Definitions to the contrary, if the CDS RC makes a Determination, or ISDA publicly announces the relevant Credit Derivatives Determinations Committee has Resolved, that the Disputed DO does not constitute a Deliverable Obligation, then each Matched Pair Buyer with respect to each affected Matched CDS Contract Pair may, prior to the end of the Physical Settlement Period or, if later, the third Clearing Business Day after notice of such Determination or public announcement, deliver a NOPS Amendment Notice replacing such Disputed DO with another Deliverable Obligation.

80505.D **FALLBACK CASH SETTLEMENT**

80505.D.A **Failure to Pay Physical Settlement Amount**

Chapter 988If a Matched Pair Seller fails to pay all or part of a Physical Settlement Amount to a Matched Pair Buyer or the Clearing House, as applicable (such amount the “**Unpaid Amount**”) then without prejudice to the obligations, if any, of the Matched Pair Seller to the Clearing House and all rights of the Clearing House associated with any such obligations and any failure to comply with any such obligations:

- (a) the relevant Matched Pair Buyer may give notice in writing to the Clearing House, giving all material details of the Matched Pair CDS Contract Pair involved, the failure to pay and the Unpaid Amount and any material details of the amount of any Physical Settlement Amount paid in part;
- (b) such failure to pay:
 - (i) shall not constitute or be deemed to constitute a default or breach by the Clearing House under the relevant Matched Pair CDS Contract, the Rules or otherwise, and
 - (ii) except in the case of a Non-DVP Obligation, will be deemed to occur only if the Matched Pair Buyer tenders such Deliverable Obligation for delivery on each of the three Business Days following notice to the Matched Pair Seller of such failure and the Matched Pair Seller does not make such payment of the Unpaid Amount against such delivery;
- (c) the Matched Pair CDS Contract between the relevant Matched Pair Buyer and the Clearing House shall be settled as though the partial cash settlement provisions set out in Section 9.8 of the 2003 ISDA Credit Derivatives Definitions applied to the relevant Matched Pair CDS Contract with respect to the Deliverable Obligations corresponding to the Unpaid Amount as though:
 - (i) the Deliverable Obligations not Delivered were Undeliverable Obligations;
 - (ii) the Latest Permissible Physical Settlement Date, notwithstanding Section 9.7 of the 2003 ISDA Credit Derivatives Definitions, will be deemed to be the date on which the Matched Pair Buyer gave the relevant notice to the Clearing House as referred to in paragraph (a) above;
 - (iii) Indicative Quotations were not applicable; and
 - (iv) the Matched Pair Buyer will be deemed to be the Calculation Agent.

80505.D.B. Non-Deliverable Obligations

Chapter 989 If a Matched Pair Buyer is not able to (or elects not to) Deliver one or more Deliverable Obligations (such Deliverable Obligations, the "Non-Deliverable Obligations") specified in the relevant Notice of Physical Settlement or NOPS Amendment Notice to its Matched Pair Seller in the relevant Matched Pair because:

- (a) the amount of such Deliverable Obligation is less than the relevant minimum denomination of such Deliverable Obligation;
- (b) such Matched Pair Seller is not a permitted transferee under such Deliverable Obligation or the Matched Pair Buyer does not obtain any requisite consent with respect to delivery of Deliverable Obligations, or
- (c) an event described in Section 9.2(c)(iv)(B) of the 2003 ISDA Credit Derivatives Definitions has occurred.

Chapter 990 such occurrence (in the case of Rule 80505.D.B.(c), only at the election of either the Matched Pair Buyer or the Matched Pair Seller) shall be treated, in relation to the Matched Pair CDS Contract Pair, as an illegality or impossibility outside the parties' control for the purpose of Section 9.3 of the 2003 ISDA Credit Derivatives Definitions. The Matched Pair Buyer shall deliver a notice describing in reasonable detail the facts giving rise to such deemed illegality or impossibility to its Matched Pair Seller and the Clearing House. Upon such notice being given to the Clearing House the partial cash settlement provisions set out in Section 9.8 of the 2003 ISDA Credit Derivatives Definitions shall be deemed to apply to the relevant Matched Pair CDS Contract Pair with respect to the Non-Deliverable Obligations as though:

- (a) the Non-Deliverable Obligations not Delivered were Undeliverable Obligations;
- (b) the Latest Permissible Physical Settlement Date were the date on which the Matched Pair Buyer gave the relevant notice to the Clearing House as referred to above;
- (c) Indicative Quotations were not applicable; and
- (d) the Matched Pair Buyer were the Calculation Agent.

80505.D.C. Quotations

Chapter 991 For the purposes of Rules 80505.D.A. and 80505.D.B., in addition to the requirements of Section 7.10 of the 2003 ISDA Credit Derivatives Definitions and notwithstanding Section 9.8(k) of the 2003 ISDA Credit Derivatives Definitions, each firm Quotation shall:

- (A) be for a transaction with the Matched Pair Buyer (or its designee) (the "Relevant Buyer") in which, the Relevant Buyer agrees to Deliver the Deliverable Obligations to the Dealer submitting the firm quotation (the "Quoting Dealer"), (which transaction shall be governed by documentation that is consistent with market practice applicable to the sale and purchase of Deliverable Obligations on the Valuation Date, including without limitation a representation that the Quoting Dealer has completed all "know your customer" or similar requirements under all applicable laws, regulations and internal compliance procedures relating to a transaction with the Relevant Buyer and on the Reference Entity) and such Quoting Dealer agrees to pay the settlement amount (calculated and payable for this purpose in accordance with the relevant market standard documentation and based on the price so quoted) that would be payable for such Deliverable Obligations to the Relevant Buyer; and
- (B) be capable of acceptance by the Relevant Buyer (for such purposes, each firm Quotation must, inter alia, be obtained from a Dealer with whom the Relevant Buyer in its sole and absolute discretion determines that it is able in accordance with all its internal compliance and policy requirements to transact and to whom it is able to Deliver the Deliverable Obligations) and be open for acceptance to the Relevant Buyer for at least 30 minutes.

80506.D ALTERNATIVE BILATERAL SETTLEMENT

Chapter 992A Matched Pair Buyer and Matched Pair Seller may, subject to applicable law, in respect of the relevant Matched Pair CDS Contract Pair, elect to settle their rights and obligations in relation to such Matched Pair CDS Contract Pair between each other outside of the Clearing House by providing notice to the Clearing House specifying the relevant Matched Pair CDS Contract Pair and confirming their intent to settle such Matched Pair CDS Contract Pair outside of the Clearing House. If the Clearing House consents to such settlement (such consent not be unreasonably withheld or delayed), then, with effect from the date of the Clearing House consent, such Matched Pair CDS Contract Pair will be deemed to be terminated and the Clearing House will have no further obligations with respect to such Matched Pair CDS Contract Pair and, accordingly, the Clearing House guarantee shall cease to apply.

80507.D CLEARING HOUSE GUARANTEE OF MATCHED PAIR CDS CONTRACTS

Chapter 993For the avoidance of doubt, except as provided in Rule 80506.D, in relation to any Matched Pair CDS Contract the Clearing House will ensure the financial performance of the Matched Pair Buyer in accordance with Rule 80505.D.A.(c).

80508.D FAILURE TO PERFORM UNDER MATCHED PAIR CDS CONTRACTS

If at any time after the creation of a Matched Pair CDS Contract the Matched Pair Buyer or the Matched Pair Seller, as applicable, fails to perform its obligations in respect of such Matched Pair CDS Contract in accordance with these Rules, then, in addition to any obligations or liabilities under this Chapter 805: Part D, such failure may be deemed a default pursuant to Chapter 8, Rule 802 and may subject the Matched Pair Buyer or Matched Pair Seller, as applicable, to disciplinary action by the Clearing House pursuant to these Rules, which shall include without limitation, potential suspension of the clearing privileges of such Matched Pair Buyer or Matched Pair Seller.