



Clearing Rules

Table of Contents

PREAMBLE.....	2
1. INTERPRETATION	3
2. MEMBERSHIP	12
3. CLEARING OF CONTRACTS.....	24
4. MARGIN	34
5. RISK COMMITTEE.....	52
6. MISCELLANEOUS.....	64
7. DISCIPLINARY RULES.....	78
8. GENERAL GUARANTY FUND	89
9. ARBITRATION RULES	104
10-19. [RESERVED].....	114
20. CREDIT DEFAULT SWAPS.....	115
20A. CDS PORTABILITY RULES.....	132
21. REGIONAL CDS COMMITTEES AND DISPUTE RESOLUTION PROCEDURES.....	136
22. CDS PHYSICAL SETTLEMENT	155
23-25. [RESERVED].....	171
26. CLEARED CDS PRODUCTS.....	172
Schedule 401: Eligible Collateral & Thresholds.....	<u>301284</u>
Schedule 503: Form of Risk Committee Confidentiality Agreement.....	<u>302282</u>
Schedule 511: Form of Risk Management Subcommittee Confidentiality Agreement	<u>307287</u>
Schedule 702: Schedule of Assessments for Missed Price Submissions	<u>310290</u>

26M. Standard Australian Corporate (“STAC”) Single Name.

The rules in this Subchapter 26M apply to the clearance of STAC Contracts.

26M-102. Definitions.

Eligible STAC Reference Entities

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

Eligible STAC Reference Obligations

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

Eligible STAC Sector

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

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

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

List of Eligible STAC Reference Entities

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

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

Permitted STAC Fixed Rates

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

Relevant Physical Settlement Matrix

With respect to a STAC Contract, the “Credit Derivatives Physical Settlement Matrix” applicable to such STAC Contract, as specified in the combination of

characteristics listed as eligible for the relevant Eligible STAC Reference Entity in, and permitted by, the List of Eligible STAC Reference Entities.

STAC Contract

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

STAC Contract Reference Obligations

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

STAC Rules

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

26M-203. Restriction on Activity.

- (a) In addition to the other rights granted to ICE Clear Credit in Rule 203, in the event a CDS Participant (or a Non-Participant Party for whom such Participant is acting) is subject to an event or agreement described in Rule 26M-206 or in the event such CDS Participant submits a Trade of the type described in Rule 26M-309(c) that is not a Conforming Trade and such Trade is cleared pursuant to these Rules (in each case, an “SR CDS Participant”), ICE Clear Credit may conduct an auction process to replace all of the SR CDS Participant’s Open CDS Positions in the affected CDS Contracts (including, if applicable, those on behalf of any such Non-Participant Party) (each auction in such process, an “SR Auction”). ICE Clear Credit shall have the authority to determine the timing and other particular characteristics of each SR Auction in consultation with the CDS Default Committee and as provided in the ICE Clear Credit Procedures, including determining the size of the bid/offer spread and/or of the CDS Contracts to be auctioned, whether one or more SR Auctions are to be held and the timing and structure of such auctions and whether CDS Participants other than the SR CDS Participant will be required to submit actionable quotations in an SR Auction.

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

26M-206. Notices Required of Participants with respect to STAC Contracts.

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

26M-303. STAC Contract Adjustments.

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

- (a) specifies an Eligible STAC Reference Obligation as the “Reference Obligation”, such Trade shall become an Open CDS Position in the STAC Contract with the STAC Contract Reference Obligation specified for such Eligible STAC Reference Obligation in the List of Eligible STAC Reference Entities;
- (b) an Event Determination Date has occurred with respect to a Restructuring, such Trade shall become an Open CDS Position in the STAC Contract for which no such Event Determination Date has occurred; and/or

(c) specifies a Transaction Type other than Standard Australian Corporate, such Trade shall become an Open CDS Position in the STAC Contract otherwise equivalent to such Trade but specifying Standard Australian Corporate as the Transaction Type.

26M-309. Acceptance of STAC Contracts by ICE Clear Credit.

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

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

(i) at a time when the Fallback Settlement Method is applicable to such STAC Contract;

(ii) at or after the close of business on the calendar day following the Auction Final Price Determination Date for such STAC Contract; or

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

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

(c) A CDS Participant may not submit a Trade for clearance as a STAC Contract, and any such Trade shall not be a Conforming Trade, if the time of submission of the Trade or the Novation Time would be at a time when the CDS Participant (or any Non-Participant Party for whom such Participant is acting) is, or is an Affiliate of, the Eligible STAC Reference Entity for such STAC Contract or is subject to an agreement under which it is reasonably likely that the CDS Participant (or any such Non-Participant Party) will become, or will become an Affiliate of, the Eligible STAC Reference Entity for such STAC Contract.

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

26M-315. Terms of the Cleared STAC Contract.

- (a) Any capitalized term used in this Subchapter 26M but not defined in these STAC Rules shall have the meaning provided in the Credit Derivatives Definitions.
- (b) For purposes of the CDS Committee Rules, the CDS Region for each STAC Contract is the Asian Region.
- (c) The definitions and provisions contained in the Applicable Credit Derivatives Definitions (for the purposes of the STAC Rules only, the “**Credit Derivatives Definitions**”), are incorporated into the STAC Rules. In the event of any inconsistency between the Credit Derivatives Definitions or the Confirmation (including in electronic form) for a STAC Contract and these STAC Rules, these STAC Rules will govern.
- (d) The following provisions shall apply if the Applicable Credit Derivatives Definitions are the 2003 Definitions:
- (i) If a Convened DC (as defined in the DC Rules) resolves, pursuant to the DC Rules, (i) a question of interpretation regarding the provisions of the July 2009 Protocol (as defined in the DC Rules) or (ii) to make any amendments to Schedule 1 of the July 2009 Protocol, in each case that affect a STAC Contract, ICE Clear Credit shall, as promptly as practicable, make conforming changes to these Rules in order to implement such resolutions. Notwithstanding anything to the contrary in Rule 616, any change made to the Rules in accordance with this paragraph (d) shall not constitute a Contract Modification.

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

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

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

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

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

(v) With respect to STAC Contracts for which it is Resolved by the Regional CDS Committee (or applicable Dispute Resolver) or Credit Derivatives Determinations Committee that a Credit Event has occurred for which there is Publicly Available Information, as described in CDS Committee Rule 2101-02(a)(iii) or the DC Rules, as applicable, Buyer may not deliver a Notice of Physical Settlement until after it is determined that the method of settlement for a particular Credit Event is the Fallback Settlement Method due to the occurrence of one of the events in Section 12.1 of the

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

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

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

- (e) The following provisions shall apply if the Applicable Credit Derivatives Definitions are the 2014 Definitions:

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

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

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

- (iii) For the purposes only of Section 1.16(a)(ii)(A)(II) of the 2014 Definitions, Section 1.17 of the 2014 Definitions is hereby modified by replacing the term “Auction Final Price Determination Date” with the phrase “date that is one Relevant City Business Day prior to the Auction Settlement Date”.
- (iv) With respect to STAC Contracts for which it is Resolved by the Regional CDS Committee (or applicable Dispute Resolver) or Credit Derivatives Determinations Committee that a Credit Event has occurred for which there is Publicly Available Information, as described in CDS Committee Rule 2101-02(a)(iii) or the DC Rules, as applicable, Buyer may not deliver a Notice of Physical Settlement until after it is determined that the method of settlement for a particular Credit Event is the Fallback Settlement Method due to the occurrence of one of the events in Section 6.1 of the 2014 Definitions, and as further provided in the CDS Physical Settlement Rules. For the avoidance of doubt, the effectiveness of any Notice of Physical Settlement and obligations relating thereto are subject to the suspension and finality provisions of Sections 10.1 and 10.2 of the 2014 Definitions.
- (v) Section 11.4 of the 2014 Definitions shall not apply.
- (f) The Settlement Method for particular STAC Contracts will be Auction Settlement and the Fallback Settlement Method will be Physical Settlement in accordance with the CDS Physical Settlement Rules.
- (g) The following terms will apply to each STAC Contract:
 - (i) The “Agreement” is the Participant Agreement between the relevant CDS Participant and ICE Clear Credit.
 - (ii) The “Calculation Agent” is ICE Clear Credit, except as provided in the CDS Committee Rules.
 - (iii) The “Transaction Type” is Standard Australian Corporate.
 - (iv) The “Fixed Rate Payer Payment Dates” will be March 20, June 20, September 20 and December 20.
 - (v) The “Initial Payment Date” will be the date that is the first Business Day immediately following the Trade Date; provided that with respect to a STAC Contract that is accepted for clearing pursuant to Rule 309 after the Trade Date thereof, the “Initial Payment Date” will be the date that is the first Business Day following the date as of which such STAC Contract is accepted for clearing pursuant to Rule 309.

- (h) For each STAC Contract, the following terms will be determined according to the particular STAC Contract submitted for clearing, subject to Rule 26M-303:
- (i) Which of the Eligible STAC Reference Entities is the “Reference Entity”.
 - (ii) Which of the STAC Contract Reference Obligations specified for the Reference Entity in the List of Eligible STAC Reference Entities is the “Reference Obligation”.
 - (iii) The “Trade Date”.
 - (iv) The “Effective Date”.
 - (v) Which of the eligible Scheduled Termination Dates specified for the “Reference Entity” in the List of Eligible STAC Reference Entities is the “Scheduled Termination Date”.
 - (vi) The “Floating Rate Payer Calculation Amount”.
 - (vii) The “Floating Rate Payer”.
 - (viii) The “Fixed Rate Payer”.
 - (ix) The “Fixed Rate”.
 - (x) If applicable, the Matrix Publication Date for the Relevant Physical Settlement Matrix.
 - (xi) The “Initial Payment Payer”.
 - (xii) The “Initial Payment Amount”.
 - (xiii) Which of the eligible Applicable Credit Derivatives Definitions applies.
 - (xiv) In the case of a 2014-Type CDS Contract, which of the eligible Seniority Levels applies.

26M-316. Relevant Physical Settlement Matrix Updates.

- (a) Where ISDA publishes a version of the Credit Derivatives Physical Settlement Matrix (a “**New Matrix**”) that is subsequent to the version that is specified as the Relevant Physical Settlement Matrix for any STAC Contract(s) (the “**Existing Matrix**”), and the Board or its designee determines that updating such STAC Contract(s) to reference the New Matrix would not constitute a Contract Modification as provided in Rule 616 (the date of such determination, the “**Matrix Update Date**” and each prior Credit Derivatives Physical Settlement Matrix subject to such determination, a “**Superseded Matrix**”) and so notifies CDS

Participants, such STAC Contracts shall, as of the close of business on the Matrix Update Date, become STAC Contracts referencing the New Matrix as the Relevant Physical Settlement Matrix and the List of Eligible STAC Reference Entities shall be updated accordingly. Any Trade referencing a Superseded Matrix submitted for clearing as a STAC Contract shall, upon acceptance for clearing, become a STAC Contract referencing the New Matrix.

- (b) The Board or its designee may determine a different Matrix Update Date applicable to individual STAC Contracts or groups of STAC Contracts or may determine a Matrix Update Date applicable to all STAC Contracts referencing a Superseded Matrix, as it deems appropriate.

26M-502. Specified Actions.

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

26M-616. Contract Modification.

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

26N. Standard Australian Financial Corporate (“ST AFC”) Single Name.

The rules in this Subchapter 26N apply to the clearance of ST AFC Contracts.

26N-102. Definitions.

Eligible ST AFC Reference Entities

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

Eligible ST AFC Reference Obligations

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

List of Eligible ST AFC Reference Entities

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

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

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

Permitted STAFC Fixed Rates

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

Relevant Physical Settlement Matrix

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

STAFC Contract

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

STAFC Contract Reference Obligations

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

STAFC Rules

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

26N-203. Restriction on Activity.

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

26N-206. Notices Required of Participants with respect to STAFC Contracts.

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

26N-303. ST AFC Contract Adjustments.

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

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

26N-309. Acceptance of ST AFC Contracts by ICE Clear Credit.

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

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

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

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

26N-315. Terms of the Cleared STAFIC Contract.

- (a) Any capitalized term used in this Subchapter 26N but not defined in these STAFIC Rules shall have the meaning provided in the Credit Derivatives Definitions.
- (b) For purposes of the CDS Committee Rules, the CDS Region for each STAFIC Contract is the Asian Region.
- (c) The definitions and provisions contained in the Applicable Credit Derivatives Definitions (for the purposes of the STAFIC Rules only, the “**Credit Derivatives Definitions**”), are incorporated into the STAFIC Rules. In the event of any inconsistency between the Credit Derivatives Definitions or the Confirmation (including in electronic form) for a STAFIC Contract and these STAFIC Rules, these STAFIC Rules will govern.
- (d) The following provisions shall apply:
- (i) Section 8.10(a) of the 2014 Definitions is hereby amended by replacing the “.” at the end of subparagraph (B) thereof with “; and” and adding the following as a new subparagraph (C):
- “(C) the tenth calendar day after the date of the actual decision by the relevant Regional CDS Committee (or Dispute Resolver) to Resolve (i.e., determined without regard to any Effectiveness Convention or any time of effectiveness specified in a Presented Position) that a Credit Event has occurred for which there is Publicly Available Information, as described in CDS Committee Rule 2101-02(a)(iii), with respect to such STAFIC Contracts.”.
- (ii) Except for purposes of Section 1.39 of the 2014 Definitions, a Credit Event Notice and Notice of Publicly Available Information with respect to a STAFIC Contract for a Credit Event other than M(M)R Restructuring will be deemed to have been effectively delivered by the Notifying Party on the relevant Event Determination Date determined under the CDS Committee Rules only when the Resolution is effective, under the CDS Committee Rules, that a Credit Event other than M(M)R Restructuring has occurred for which there is Publicly Available Information, as described in CDS Committee Rule 2101-02(a)(iii), with respect to such STAFIC Contract. Notwithstanding anything to the contrary in the 2014 Definitions, any delivery of a Credit Event Notice and/or Notice of Publicly Available Information by a CDS Participant (other than (i) the deemed delivery as provided in this Rule 26N-315(e)(ii) or (ii) notices with respect to a Relevant Restructuring Credit Event as provided in the CDS Restructuring Rules) shall not be valid.

- (iii) For the purposes only of Section 1.16(a)(ii)(A)(II) of the 2014 Definitions, Section 1.17 of the 2014 Definitions is hereby modified by replacing the term “Auction Final Price Determination Date” with the phrase “date that is one Relevant City Business Day prior to the Auction Settlement Date”.
- (iv) With respect to STAFC Contracts for which it is Resolved by the Regional CDS Committee (or applicable Dispute Resolver) or Credit Derivatives Determinations Committee that a Credit Event has occurred for which there is Publicly Available Information, as described in CDS Committee Rule 2101-02(a)(iii) or the DC Rules, as applicable, Buyer may not deliver a Notice of Physical Settlement until after it is determined that the method of settlement for a particular Credit Event is the Fallback Settlement Method due to the occurrence of one of the events in Section 6.1 of the 2014 Definitions, and as further provided in the CDS Physical Settlement Rules. For the avoidance of doubt, the effectiveness of any Notice of Physical Settlement and obligations relating thereto are subject to the suspension and finality provisions of Sections 10.1 and 10.2 of the 2014 Definitions.
- (v) Section 11.4 of the 2014 Definitions shall not apply.
- (e) The Settlement Method for particular STAFC Contracts will be Auction Settlement and the Fallback Settlement Method will be Physical Settlement in accordance with the CDS Physical Settlement Rules.
- (f) The following terms will apply to each STAFC Contract:
 - (i) The “Agreement” is the Participant Agreement between the relevant CDS Participant and ICE Clear Credit.
 - (ii) The “Calculation Agent” is ICE Clear Credit, except as provided in the CDS Committee Rules.
 - (iii) The “Transaction Type” is Standard Australian Financial Corporate.
 - (iv) The “Fixed Rate Payer Payment Dates” will be March 20, June 20, September 20 and December 20.
 - (v) The Financial Reference Entity Terms will apply.
 - (vi) The “Initial Payment Date” will be the date that is the first Business Day immediately following the Trade Date; *provided* that with respect to a STAFC Contract that is accepted for clearing pursuant to Rule 309 after the Trade Date thereof, the “Initial Payment Date” will be the date that is the first Business Day following the date as of which such STAFC Contract is accepted for clearing pursuant to Rule 309.

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

26N-316. Relevant Physical Settlement Matrix Updates.

- (a) Where ISDA publishes a version of the Credit Derivatives Physical Settlement Matrix (a “**New Matrix**”) that is subsequent to the version that is specified as the Relevant Physical Settlement Matrix for any STAFC Contract(s) (the “**Existing Matrix**”), and the Board or its designee determines that updating such STAFC Contract(s) to reference the New Matrix would not constitute a Contract Modification as provided in Rule 616 (the date of such determination, the “**Matrix Update Date**” and each prior Credit Derivatives Physical Settlement Matrix subject to such determination, a “**Superseded Matrix**”) and so notifies CDS Participants, such STAFC Contracts shall, as of the close of business on the Matrix Update Date, become STAFC Contracts referencing the New Matrix as the Relevant Physical Settlement Matrix and the List of Eligible STAFC

Reference Entities shall be updated accordingly. Any Trade referencing a Superseded Matrix submitted for clearing as a STAF C Contract shall, upon acceptance for clearing, become a STAF C Contract referencing the New Matrix.

(b) The Board or its designee may determine a different Matrix Update Date applicable to individual STAF C Contracts or groups of STAF C Contracts or may determine a Matrix Update Date applicable to all STAF C Contracts referencing a Superseded Matrix, as it deems appropriate.

26N-502. Specified Actions.

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

26N-616. Contract Modification.

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