

IMPORTANT NOTICE

The Warehouse Trust Company LLC



#: TIW # 88
Date: November 2, 2010
To: Distribution
From: Legal Department
Subject: Revision to The Warehouse Trust Company LLC Operating Procedures (“Operating Procedures”): Strategic Restructuring

The Trade Information Warehouse (“TIW”) has implemented Strategic Restructuring Event Processing on Credit Derivatives transactions. Please refer to Important Notice TIW#80; MS#64 distributed on September 28, 2010, “Trade Information Warehouse to Implement Strategic Restructuring Event Processing on October 1, 2010” for further information regarding this release.

This notice refers to updates specific to the Operating Procedures which have been revised to reflect the enhancements associated with Strategic Restructuring. Please see attached blackline of the Trade Warehouse Appendix.

Any questions or comments regarding this notice or The Warehouse Trust Company LLC in general should be directed to your Client Account representative.

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Trade Warehouse Appendix to
The Warehouse Trust Company LLC
Operating Procedures

THE WAREHOUSE TRUST COMPANY LLC TRADE INFORMATION WAREHOUSE

I. INTRODUCTION

The Warehouse Trust Company LLC Trade Information Warehouse (the “Warehouse”) is implemented and maintained by the Company for the benefit of Users and is intended as a central trade information warehouse for records of eligible transactions (“Warehouse Eligible Transactions”). All Warehouse Eligible Transactions (and related records) included or to be included in the Warehouse from time to time shall be subject to the provisions set forth in this Appendix and the Company’s Applicable Publications, each as may be amended from time to time. The Warehouse will be deemed a Service for purposes of the Operating Procedures; provided that in the event of any conflict between this Appendix and any other provision of the Operating Procedures (or the appendices thereto) in connection with a Warehouse Eligible Transaction (and related records) included or to be included in the Warehouse, this Appendix shall govern.

II. WAREHOUSE ELIGIBLE TRANSACTIONS

The initial Warehouse Eligible Transactions will be credit default swap transactions that are eligible to be confirmed under Appendices B, C, K and L of the MarkitSERV Operating Procedures (i.e., single name credit default swaps (using master confirmation agreements, default master confirmation agreements or the ISDA physical settlement matrix) and index credit default swaps (using master confirmation agreements, default master confirmation agreements or published standard terms). The elements of the record to be maintained in the Warehouse for any Warehouse Eligible Transaction shall be as set forth in the applicable Appendix of the MarkitSERV Operating Procedures for transactions of that type, the operating procedures for Other Confirmation Services (as defined below), in this Appendix or in any other template adopted by the Company for that purpose from time to time, in each case with such modifications as the Company shall determine.

The Company may from time to time designate additional categories of transactions as Warehouse Eligible Transactions by amendment to the Operating Procedures or by Important Notice or through Applicable Publications.

III. INITIAL SUBMISSION OF WAREHOUSE TRANSACTIONS

On or after the date specified by the Company through an Important Notice for each category of Warehouse Eligible Transaction (the “Warehouse Inception Date”), records of Warehouse Eligible Transactions of that category may be included in the Warehouse in any of the following manners:

- Records of New Trades in Warehouse Eligible Transactions that have been submitted on or after the Warehouse Inception Date to the MarkitSERV

Confirmation Service for confirmation will automatically be included in the Warehouse. For purposes hereof, a “New Trade” will be either a new Warehouse Eligible Transaction entered into between Users or a Warehouse Eligible Transaction between Users resulting from an assignment or novation of a Warehouse Eligible Transaction.

- The Company may from time to time enter into arrangements with other confirmation matching services or facilities (“Other Confirmation Services”) pursuant to which records of New Trades in Warehouse Eligible Transactions confirmed through those systems on or following the Warehouse Inception Date may be included in the Warehouse. The Company will designate any such Other Confirmation Services, and any applicable procedures for the inclusion in the Warehouse of records of Warehouse Eligible Transactions from those Other Confirmation Services in the Warehouse, by amendment to these Operating Procedures or by Important Notice or through Applicable Publications.
- Records of other Warehouse Eligible Transactions may be included in the Warehouse through the backloading procedures set forth in Section VI below.

New records of Warehouse Eligible Transactions may not be included in the Warehouse in any other manner. The record for each Warehouse Eligible Transaction that has been included in the Warehouse will be referred to as a “Warehouse Record” and the related transaction will be referred to as a “Warehouse Transaction” hereunder. The Warehouse Record will consist of the applicable Transaction Records (as defined in the operating procedures for the MarkitSERV Confirmation Service (the “MarkitSERV Operating Procedures”)) or other applicable Record for the relevant type of transaction as specified by the Operating Procedures, and may be modified from time to time by Modifications (as defined in Section IV below). Following the occurrence of a Modification, the Warehouse Record for purposes hereof will be the Warehouse Record as so modified. All Warehouse Records will, upon inclusion in the Warehouse, be assigned a Trade Reference Identifier (“TRI”) that will enable Users to track such Warehouse Records in the Warehouse. Without prejudice to any provisions hereof, Warehouse Records (as so defined) may for various purposes also be commonly be referred to as “gold” records. The Company may also maintain in the Warehouse records of transactions that do not constitute “gold” Warehouse Records (which may include records commonly referred to as “bronze” records or “copper” records), in each case on the terms set forth herein or in Applicable Publications.

The Warehouse will maintain the current status of each Warehouse Record as “Certain,” “Uncertain” or in certain cases, “Unconfirmed/Alleged”, as described in more detail herein. With respect to Warehouse Records for New Trades included in the Warehouse through submission to the MarkitSERV Confirmation Service, such Warehouse Records will have a status of “Certain” upon achieving a status of “Confirmed” in the MarkitSERV Confirmation Service and satisfaction of any applicable business validation rules specified by the Company in the Applicable Publications (the “Validation Rules”). Prior to achieving a status of “Certain” in the Warehouse, such Warehouse Records will have a status of “Unconfirmed/Alleged” in the Warehouse. If a Warehouse Record for a New Trade submitted to the MarkitSERV Confirmation Service that has a status of “Unconfirmed/Alleged” is cancelled in accordance with Section 3 of the MarkitSERV Operating Procedures, such Warehouse Record will be removed from the Warehouse.

Warehouse Records included in the Warehouse through backloading will initially have a status of “Certain” as provided in Section VI below. Warehouse Records for New Trades included in the Warehouse from Other Confirmation Services will have a status of “Certain” as specified in any procedures adopted by the Company with respect to such Other Confirmation Services.

IV. MODIFICATION OF WAREHOUSE RECORDS

The terms and status of a Warehouse Record in the Warehouse may be modified from time to time to reflect certain confirmable and non-confirmable post-trade events and, if applicable, credit events with respect to the related Warehouse Transaction (each, a “Modification”).

A. Confirmable Modifications

Confirmable post-trade events (“Confirmable Modifications”) will include the following actions by the parties to a Warehouse Transaction:

- Amendment
- Assignment/novation
- Increase
- Partial Termination
- Full Termination
- Any other post-trade events as may be specified by the Company in the Applicable Publications.

The Warehouse will reflect Confirmable Modifications that have been submitted to the MarkitSERV Confirmation Service as follows: If a Confirmable Modification is submitted to the MarkitSERV Confirmation Service but has not yet been confirmed through the MarkitSERV Confirmation Service (i.e., it has the status of “Unconfirmed” or “Alleged” in the MarkitSERV Confirmation Service), the status of the Warehouse Record will become “Uncertain”. Upon confirmation of the Confirmable Modification through the MarkitSERV Confirmation Service and satisfaction of any applicable Validation Rules, the Warehouse Record will be updated and will again have a status of “Certain.”

The Warehouse may also reflect Confirmable Modifications that have been confirmed through Other Confirmation Services, as may be specified by the Company. Following submission of such confirmed Confirmable Modification and satisfaction of any applicable Validation Rules, the Warehouse Record will be updated and will have a status of “Certain”.

In addition, the status of a Warehouse Record may become “Uncertain” if, as a result of Confirmable Modifications confirmed out of order or mistakenly confirmed, the relevant notional amount (or similar term thereto) set forth in a Warehouse Record becomes negative.

B. Non-Confirmable Modifications

The Company may from time to time adopt procedures for the modification of Warehouse Records (without action by Users) to reflect certain post-trade events on the basis of information provided by certain third party sources (“Non-Confirmable Modifications”), including, without limitation, (i) factor adjustments for relevant indexes provided by index sponsors or parties designated by index sponsors and (ii) rate resets based on index values or levels published by designated sources. The Company will implement any such procedures through an amendment to the Operating Procedures.

Prior to the adoption of any such applicable procedures, the parties to a Warehouse Transaction will be responsible for either amending the related Warehouse Record to reflect any relevant Non-Confirmable Modifications or submitting “exit” records with respect to such Warehouse Record following such Non-Confirmable Modification.

C. Credit Event Modifications

The Company has adopted pursuant to Section VIII and Section VIHA of this Appendix and may adopt additional procedures for the modification of certain Warehouse Records that are credit default swap transactions to reflect the occurrence of certain credit events (“Credit Event Modifications”). The Company will notify Users of additional such procedures through an amendment to the Operating Procedures or by Important Notice or through Applicable Publications.

Pending the adoption of additional procedures, if a credit event notice or similar notice is delivered and a Protocol Settlement Designation pursuant to Section VIII of this Appendix is not made (i) with respect to a Warehouse Transaction that is a “single name” credit default swap, the parties to such transaction must submit “exit” records with respect to the related Warehouse Record, as provided in Section V below; and (ii) with respect to a Warehouse Transaction that is an “index” credit default swap, the related Warehouse Record may be maintained in the Warehouse but will not reflect any such delivery or any settlement with respect to the related credit event under such Warehouse Transaction (unless the parties amend the Warehouse Record accordingly or the relevant information is provided to the Company through other means as may be designated by the Company in an amendment to the Operating Procedures).

D. Successor Event Modifications

The Company has adopted pursuant to Section X of this Appendix and may adopt additional procedures for the modification of certain Warehouse Records that are credit default swap transactions to reflect the occurrence of certain successor events with respect to the relevant reference entity (“Successor Event Modifications”). The Company will notify Users of any such additional procedures through an amendment to the Operating Procedures or by Important Notice or through Applicable Publications.

To the extent any successor or similar event occurs with respect to a Warehouse Transaction and such event is not addressed by the procedures set forth in Section X of this Appendix or otherwise adopted by the Company as described above, the parties to such transaction

will be responsible for making any necessary amendment to the related Warehouse Record to reflect such event and/or submitting “exit” records with respect to such Warehouse Record following such event.

V. LEGAL STATUS OF WAREHOUSE TRANSACTIONS AND WAREHOUSE RECORDS

Each User that is party to a Warehouse Transaction shall be deemed to agree that, notwithstanding any provisions in any applicable Master Document or other documentation relating to such transaction:

(i) as of any date, the related Warehouse Record, if it has a current status of “Certain,” represents the definitive record of the applicable Replaced Document for such Warehouse Transaction as of such date and shall supersede any other documentation or understanding, whether written, oral or electronic, between the parties with respect to such Replaced Document (except as otherwise provided below with respect to “index” credit default swaps and in Section VI below with respect to backloaded Warehouse Records);

(ii) such Warehouse Record shall constitute an acceptable method under the related Master Documents for evidencing the terms to be specified in the applicable Replaced Document;

(iii) upon the occurrence of any Modification of a Warehouse Record and establishment of a current status of “Certain” with respect thereto, the Warehouse Record shall be deemed to have been amended and restated to reflect such Modification;

(iv) a Warehouse Record with a current status of “Certain” shall have the same legal effect as a fully executed Replaced Document or amended and restated Replaced Document, as the case may be, entered into pursuant to and subject to the terms of the related Master Documents and shall evidence a transaction between the two Users whose terms and provisions will be set forth in, governed by, construed in accordance with and subject to such record itself, such Master Documents and the Operating Procedures (including the applicable appendices thereto); and

(v) without limiting the foregoing, the determination of any payments (including Informational Payment Calculations described in Section VII) or settlements by the Company with respect to a Warehouse Transaction shall be made solely on the basis of the related Warehouse Record, the Operating Procedures and certain assumptions as may be adopted from time to time by the Company and set forth by Important Notice or through Applicable Publications. For this purpose, the Company shall not be deemed to have notice of the terms of any other agreement or understanding between Users, including without limitation, Master Documents.

A Warehouse Record that has a current status of “Uncertain” or “Unconfirmed/Alleged” will not be subject to the provisions set forth above applicable to Warehouse Records with a status of “Certain”. The fact that a Warehouse Record has a current status of “Uncertain” or “Unconfirmed/Alleged” does not, however, necessarily indicate that the related Warehouse Transaction is not a binding agreement or that all of the terms of such Warehouse Record, or any particular terms, are uncertain or disputed. The legal status of a Warehouse Record with a current status of “Uncertain” or “Unconfirmed/Alleged” or of the related Warehouse Transaction (and the

terms thereof) will depend, among other things, on the provisions of the applicable Master Documents or other documentation relating to the relevant Warehouse Transaction, including the procedures for contract formation agreed to by the parties, the relevant Warehouse Record, the relationship between the parties, communications, negotiations and actions by the parties with respect to the Warehouse Transaction and any Applicable Law. For the avoidance of doubt, the fact that a Warehouse Record has a status of “Uncertain” at any time shall not be deemed to retroactively affect the status of such record as “Certain” at any prior time.

The parties to a Warehouse Transaction may, through procedures described in Applicable Publications, submit an “exit” record indicating their intent to remove (or “exit”) the related Warehouse Record from the Warehouse. If one User submits such an “exit” record to the Company with respect to a Warehouse Record, the current status of such Warehouse Record will become “Uncertain,” with the consequences described in the preceding paragraph. Upon confirmation of an “exit” record by both parties to a Warehouse Transaction, as described in Applicable Publications, the related Warehouse Record shall cease to be a Warehouse Record. In addition, an election by the parties to the Warehouse Transaction as described in “Exit of Confirmed Transactions” in Section 3 of the MarkitSERV Operating Procedures shall automatically cause the related Warehouse Record to cease to be a Warehouse Record. Without limiting the foregoing, upon confirmation of an “exit” record by both parties to a Warehouse Transaction where such “exit” record contains an additional code or identifier defined in an Important Notice or Applicable Publications as providing for the termination of such Warehouse Transaction, then such Users shall be deemed to have agreed that the related Warehouse Transaction upon such exit shall be terminated in full, without further obligation of either party to the other, and in such case such “exit” record shall be deemed a confirmation of such termination for all purposes.

Upon the termination of a User’s participation in the System in accordance with the Operating Procedures, the provisions of this Section V shall only apply to its Warehouse Records through the date of termination, and such records shall cease to be Warehouse Records thereafter and shall not be subject to any amendments or modifications to the Operating Procedures following such date of termination. In addition, any Warehouse Records of such User that have the status of “Unconfirmed/Alleged” in the Warehouse will be deemed cancelled.

Upon a record ceasing to be a Warehouse Record, such record as maintained in the Warehouse as of the date of exit shall become fixed and will not be modified by the Company for any subsequent events affecting the related Warehouse Transaction. Accordingly, such Warehouse Record will only reflect the terms of the related Warehouse Transaction as of the date of exit, and the parties will need to separately document and confirm any subsequent modifications.

Except for Warehouse Transactions that are subject to processing pursuant to Section VIII of this Appendix, in the case of delivery of a credit event notice or similar notice (i) with respect to a Warehouse Transaction that is a “single-name” credit default swap, Users must submit “exit” records; and (ii) with respect to a Warehouse Transaction that is an “index” credit default swap, the related Warehouse Record will not reflect such delivery of credit event notices or similar notices or any settlement with respect to the related credit event under such Warehouse Transaction (unless the parties amend the Warehouse Record accordingly or the relevant information is provided to the

Company through other means as may be designated by the Company in an amendment to the Operating Procedures), and as a result the Warehouse Record will not constitute the definitive record with respect to any such matters (unless reflected in an amendment to the Warehouse Record or information provided to the Company through such other means) but will otherwise remain the definitive record of the applicable Replaced Document as set forth in this Section V.

In addition, Users submitting Warehouse Transactions to a “tear-up” or similar service (such as TriOptima) must ensure that the Warehouse Record remains accurate through the submission of appropriate Records as specified in the Operating Procedures or by Important Notice or through Applicable Publications. With respect to Warehouse Transactions that are terminated early pursuant to the related Master Documents (including, without limitation, as a result of an event of default), Users must also ensure that the Warehouse Record remains accurate through the submission of appropriate Records as specified in the Operating Procedures or by Important Notice or through Applicable Publications.

In the event that the parties to a Warehouse Transaction agree that the Warehouse Record is erroneous or has an incorrect status (e.g., through a mutual mistake of fact), such parties may, upon submission to the Company of written confirmation of the error to the satisfaction of the Company, request that the Company make such adjustments to the Warehouse Record as may be necessary to correct such error. Notwithstanding the foregoing, if the underlying Transaction Records for a Warehouse Transaction submitted to the MarkitSERV Confirmation Service cease to have a status of “Confirmed” in the MarkitSERV Confirmation Service pursuant to “Transaction Records Confirmed in Error” in Section 3 of the MarkitSERV Operating Procedures, the related Warehouse Record will cease to be a Warehouse Record.

The Company shall not be responsible for a User’s failure to properly identify, in records submitted to the Warehouse in accordance with this Appendix and the Operating Procedures, the terms of any Warehouse Transaction or any Modification thereto or to submit an “exit” record with respect to a Warehouse Transaction.

VI. BACKLOADING

The Company will allow Users to submit to the Warehouse, or “backload,” records of Warehouse Eligible Transactions confirmed outside of the MarkitSERV Confirmation Service, in accordance with the following procedures:

Records of Warehouse Eligible Transactions to be backloaded must be submitted by Users to the Warehouse electronically in the form of templates adopted for this purpose by the Company, which will generally be in the same form as the templates applicable to the submission of Transaction Records in the MarkitSERV Confirmation Service, with such modifications as the Company determines to be appropriate. Notwithstanding the foregoing, backloaded records (or the validation or matching rules applicable thereto) may have certain differences from records submitted through the MarkitSERV Confirmation Service. For example, certain fields may be optional and serve informational purposes only and/or matching may not be required with respect to certain required fields. Optional information-only fields will not form part of the definitive legal record of the relevant Replaced Document or otherwise affect the legal status of the relevant Warehouse Record for purposes of Section V above. With respect to required fields that are not

required to match, if the information therein matches, it will form part of the definitive legal record of the relevant Replaced Document to the same extent as the matching fields. If the information in such fields does not match, such information will not form part of the definitive legal record of the relevant Replaced Document. The fact that information in such fields does not match shall not in itself indicate that the related Warehouse Transaction is not a binding agreement and shall not in itself affect the status of the relevant Warehouse Record as a whole or any matched terms thereof for purposes of Article V (which, for the avoidance of doubt, the parties intend as the definitive record of such matched terms). The status of any such non-matched terms of a Warehouse Transaction will depend, among other things, on the provisions of the prior documentation relating to such Warehouse Transaction, any procedures for contract formation agreed to by the parties, the relationship between the parties, communications, negotiations and actions by the parties with respect to such Warehouse Transaction and Applicable Law. Notwithstanding anything to the contrary in the Operating Procedures, if a backloaded Warehouse Transaction with any such non-matched terms is to be assigned pursuant to the MarkitSERV Confirmation Service, then (i) with respect to any non-matched information as to the first payment date under the Warehouse Transaction, the Company will use the information contained in the payor's backloaded record for purposes of populating the relevant field in the Transaction Record for the relevant Replaced Document as assigned (and such field will form part of the definitive legal record of the relevant Replaced Document of the assigned Warehouse Transaction) and (ii) the Company may permit or require the transferor and remaining party to resolve and confirm one or more of any other such non-matched terms for purposes of the Replaced Document as assigned (whereupon such resolved and confirmed terms will form part of the definitive legal record of the assigned Warehouse Transaction, and any non-matched terms not so resolved and confirmed will remain subject to the preceding provisions of this paragraph).

With respect to records submitted for backloading after February 19, 2009, in the case of a transaction that has been novated prior to the Backload Effective Date, it is expected that the date specified in the "Trade Date" field will be the Novation Trade Date, rather than the Original Trade Date. In such case, notwithstanding anything to the contrary in the Operating Procedures or the backloaded record, (i) the Original Trade Date for the backloaded Warehouse Transaction (including following any subsequent novation thereof) shall be as set forth in the Original Confirmation; (ii) in the event of any inconsistency between the backloaded Transaction Record and the Original Confirmation as to the Original Trade Date, the Original Confirmation shall govern; and (iii) the specification of the Novation Trade Date in the backloaded record shall not affect the validity of the original transaction confirmed by the Original Confirmation. With respect to any other backloaded Warehouse Transaction (including following any subsequent novation thereof), nothing in these Operating Procedures will preclude the parties from claiming that the Original Trade Date and/or Novation Trade Date, if applicable, should be determined on the basis of the Original Confirmation, notwithstanding that the backloaded records have a status of "Certain." Without limiting the foregoing, one or both parties to a backloaded Warehouse Transaction may, for reference purposes only, specify the Original Trade Date of the transaction in a non-matching free text or comment field in the backloaded record.

As used in the preceding paragraph:

The "Original Confirmation" shall mean, with respect to a backloaded Warehouse Transaction, the original confirmation thereof between the parties thereto, as amended or

supplemented from time to time (or other applicable documentation, agreements or understandings as to the terms and conditions of such transaction), including, for purposes of the determination of the Novation Trade Date, any novation confirmation or agreement with respect thereto, in any case as in effect for such Warehouse Transaction immediately prior to the Backload Effective Date.

The “Original Trade Date” shall mean, with respect to a backloaded Warehouse Transaction, the original Trade Date for the backloaded Warehouse Transaction regardless of any novation thereof.

Each backloaded record will contain a field named “Backload Effective Date”. Users submitting records of Warehouse Eligible Transactions for backloading should specify the terms of the related Warehouse Transactions that are current as of the specified Backload Effective Date, reflecting all post-trade events that occurred on or prior to the Backload Effective Date.

With respect to backloaded records for Single Entity Matrix Transactions (as defined in Appendix K of the MarkitSERV Operating Procedures), notwithstanding anything to the contrary in these Operating Procedures, if the “Master Document Date” field is blank, Users will be deemed to have incorporated the ISDA Matrix (as defined in Appendix K of the MarkitSERV Operating Procedures) most recently published as of the Backload Effective Date. Users wishing to have a different version of the ISDA Matrix apply to the backloaded transaction must specify the applicable publication date thereof in the “Master Document Date” field.

If two Users submit backloaded records for Warehouse Eligible Transactions that match (in accordance with the matching requirements for backloaded records or the Validation Rules), or a User affirms a backloaded record submitted by the other User, and in either case the record satisfies the applicable Validation Rules, such record will be compared to the records of existing transactions in the MarkitSERV Confirmation Service. If the backloaded record is not in the existing MarkitSERV Confirmation Service database, the record will be automatically loaded into the Warehouse as a Warehouse Record with a status of “Certain.”

If a record for the transaction exists in the MarkitSERV Confirmation Service database, the backloaded record will be compared to the “imputed trade state” for that transaction in the MarkitSERV Confirmation Service. If the backloaded record matches the “imputed trade state” (as more fully specified in the Applicable Publications), it will be automatically loaded into the Warehouse as a Warehouse Record with a status of “Certain.” If the backloaded record does not match the “imputed trade state,” the relevant Users will be notified. In such case, if both Users elect, the record as submitted for backloading will be manually loaded to the Warehouse as a Warehouse Record with a status of “Certain” (notwithstanding any discrepancies from its “imputed trade state” in the MarkitSERV Confirmation Service).

With respect to any Warehouse Transaction that is a credit default swap transaction, the Reference Entity as specified in the backloaded record is intended to be the correct name of the Reference Entity as at the Backload Effective Date as determined in accordance with the terms of the relevant Warehouse Transaction (including any prior documentation relating thereto) and taking into account any relevant Material Event (as defined below) that occurred prior to the Backload Effective Date.

Subject to the following paragraph, the Reference Entity specified in the backloaded record will become the Reference Entity for the purposes of the Warehouse Transaction, provided that (subject to the following paragraph) all references to the Reference Entity in any documentation relating to the Warehouse Transaction will be interpreted on the basis that the Reference Entity name was correct as at the Backload Effective Date.

In the event that a Material Event occurred with respect to a Reference Entity prior to the Backload Effective Date and the parties failed to correctly take into account such Material Event in the backloaded records for the relevant Warehouse Transaction (such that the Reference Entity and/or the Floating Rate Payer Calculation Amount specified in the Warehouse Record were not correct as of the Backload Effective Date), nothing in these Operating Procedures will preclude the parties from claiming that the Reference Entity and/or Floating Rate Payer Calculation Amount for such Warehouse Transaction should be determined on the basis of any confirmation relating to such Warehouse Transaction existing prior to the Backload Effective Date, and any associated documentation, agreements or understandings relating to the consequences of such Material Event, notwithstanding that the backloaded records have a status of “Certain.” For the avoidance of doubt, in such circumstances, Users may submit an Amendment in accordance with these Operating Procedures to correct the backloaded Warehouse Record as of the Backload Effective Date.

For the purposes of this Section VI, a “Material Event” means an event that has occurred in respect of a Reference Entity prior to a relevant Backload Effective Date, including but not limited to any name changes and/or determination of one or more Successors pursuant to the Credit Derivatives Definitions.

Each User agrees that a backloaded record of a Warehouse Eligible Transaction that has attained the status of “Certain” in the Warehouse shall constitute the amendment and restatement of the relevant Replaced Document for the related transaction as of the Backload Effective Date and in the form uploaded to the Warehouse (except as set forth above with respect to non-matching terms). Thereafter, such record shall constitute a Warehouse Record for all purposes under this Appendix (including, without limitation, in connection with Modifications that occur after the Backload Effective Date).

For the avoidance of doubt, until it is loaded into the Warehouse with a status of “Certain”, a record submitted for backloading will not constitute a Warehouse Record for purposes of this Appendix and will not be subject to the provisions of Section V above. The submission of a record of a Warehouse Eligible Transaction shall not affect the status of any payments or settlements thereunder made prior to the Backload Effective Date.

VII. INFORMATIONAL PAYMENT CALCULATIONS

NOTE: The following provisions shall be in effect for payments calculated by the Company other than pursuant to the Central Settlement Appendix to the Operating Procedures.

The Company may provide calculations (“Informational Payment Calculations”) with respect to certain payments due under Warehouse Transactions, as set forth by the Company from time to time by Important Notice or through Applicable Publications. Any Informational Payment Calculations may be made by the Company solely on the basis of the related Warehouse Record,

the Operating Procedures and certain assumptions as may be adopted from time to time by the Company by an Important Notice or through Applicable Publications. For this purpose, the Company shall not be deemed to have notice of the terms of any other agreement or understanding between Users that may affect relevant Informational Payment Calculations, including, without limitation, Master Documents.

The Informational Payment Calculations are intended merely for the convenience of Users and for informational purposes only. In providing Informational Payment Calculations, the Company will not be acting as agent or in a similar capacity for any User and will not be acting as calculation agent or in a similar capacity under the terms of any Warehouse Transaction. Without limiting any other provisions of the Operating Procedures (including, without limitation, the Important Legal Information section), the Company will have no responsibility or liability for the accuracy of any Informational Payment Calculations. Informational Payment Calculations will not create, alter or foreclose any legal obligation related to a Warehouse Transaction (including, but not limited to, any applicable payment obligation) that may exist between or among Users. Although records of Informational Payment Calculations will be maintained in the Warehouse, they will not form part of any Warehouse Record.

VIII. PROCESSING AFTER CREDIT EVENTS VIA PROTOCOL OR AUTOMATIC ADHERENCE

On or after the date determined by the Company and subject to the provisions herein and in any Applicable Publications, the Company will provide a facility for Users to submit protocol adherence notices or messages (each, a “Protocol Adherence Message”) with respect to credit events related to specified categories of Warehouse Transactions that are credit derivative transactions, with the effect set forth herein.

Unless otherwise determined by the Company, the Protocol Adherence Message function will not be available for Warehouse Transactions relating to a particular reference entity unless the Company has specifically activated the function for that entity. The Company will activate the Protocol Adherence Message function for a reference entity (a “Protocol Activation Event”) upon (i) in the case of Auction Supplement Transactions (other than where the relevant credit event is a restructuring) (“Non-Restructuring Auction Supplement Transactions”), upon receipt by the Company of a statement or notice from ISDA or the relevant Credit Derivatives Determinations Committee (as defined in the Auction Supplement) that a settlement auction will be held with respect to such reference entity; or (ii) in the case of other transactions (other than where the relevant credit event is a restructuring), (a) receipt of a written request to do so by one or more members of the Company’s senior operations working group (or any successor to such group), which request must be in accordance with procedures for that purpose established by the Company and must state that a credit event has occurred and specify in reasonable detail the facts relevant to the determination of such credit event or (b) receipt of a published statement from a widely recognized industry group or index publisher or service provider for the relevant product indicating that a credit event has occurred and specifying in reasonable detail the facts relevant to the determination of such credit event (including, by way of example and without limitation, an announcement that an auction settlement protocol will be conducted with respect to a reference entity). The Company, through Important Notice, will inform all Users that a Protocol Activation Event has occurred. Prior to the occurrence of a Protocol Activation Event, the System will not

accept any Protocol Adherence Messages for a reference entity. As used herein, an Auction Supplement Transaction is a Warehouse Transaction (i) that is subject to the 2009 ISDA Credit Derivatives Determinations Committees and Auction Settlement Supplement to the 2003 ISDA Credit Derivatives Definitions, as published by ISDA on March 12, 2009 (the “March 2009 Auction Supplement”) or the 2009 ISDA Credit Derivatives Determinations Committees, Auction Supplement and Restructuring Supplement to the 2003 ISDA Credit Derivatives Definitions, as published by ISDA on July 14, 2009 (the “July 2009 Auction Supplement, and together with the March 2009 Auction Supplement, an “Auction Supplement”), by the terms of these Operating Procedures, (ii) that had a Trade Date or Novation Date, as applicable, prior to April 8, 2009 but is a Protocol Covered Transaction (other than a Covered Non-Auction Transaction)) as defined in the 2009 ISDA Credit Derivatives Determinations Committees and Auction Settlement CDS Protocol (the “March 2009 Auction Settlement Protocol”) or would be such transaction but for the failure of a party to adhere to the March 2009 Auction Settlement Protocol or (iii) that had a Trade Date or Novation Date, as applicable, prior to July 24, 2009 but is a Protocol Covered Transaction (other than a Covered Non-Auction Transaction)) as defined in the 2009 ISDA Credit Derivatives Determinations Committees, Auction Settlement and Restructuring CDS Protocol (the “July 2009 Auction Settlement Protocol”, and together with the March 2009 Auction Settlement Protocol, an Auction Settlement Protocol) or would be such transaction but for the failure of a party to adhere to the July 2009 Auction Settlement Protocol. For the avoidance of doubt, the Company shall treat Warehouse Transactions described in clause (ii) and (iii) above as Auction Supplement Transactions, regardless of whether the parties to such transactions adhered to the Auction Settlement Protocol, and the Company will have no obligation to inquire or determine whether the parties to a Warehouse Transaction adhered to such protocol.

The occurrence of a Protocol Activation Event for a reference entity shall not be deemed to be a determination or representation by the Company that any alleged credit event has or has not occurred with respect to that reference entity under any applicable Master Document or the Credit Derivatives Definitions and shall not be deemed to affect the determination by the parties or others under the terms of any Warehouse Transaction as to whether a credit event has or has not occurred. The Company will have no responsibility or liability for the accuracy of any information set forth in any notice delivered by members of the Company’s senior operations working group (or any successor to such group) or received from an industry group, index publisher, service provider or determination committee related to such Protocol Activation Event. Without limiting the foregoing, the Company will have no responsibility for determining whether any relevant credit event occurred prior to any Credit Event Backstop Date for a Warehouse Transaction.

The Company, through Important Notice or through Applicable Publications, will specify the information that Users will be required to provide in order to submit a valid Protocol Adherence Message and the manner in which such messages are to be submitted (including whether such messages may be in electronic or other written form). Users may submit a global Protocol Adherence Message with respect to all Warehouse Transactions related to the applicable reference entity and/or may submit Protocol Adherence Messages with respect to individual Warehouse Transactions. In the case of a global Protocol Adherence Message, the Company will deem the Protocol Adherence Message to apply to each Warehouse Transaction related to the applicable reference entity as determined in accordance with the specified RED code (or similar code) for that entity. A User that has submitted a global Protocol Adherence Message may revoke such global message such that it will not apply to any relevant Warehouse Transactions added to

the Warehouse after such revocation. In addition, a User that has submitted a Protocol Adherence Message with respect to a particular Warehouse Transaction (either by a global message or individually) may revoke such message with respect to that Warehouse Transaction at any time prior to the Processing Cut-Off Time (as defined below). Notwithstanding anything to the contrary herein, unless otherwise determined by the Company, each User party to a Warehouse Transaction that is (i) a Non-Restructuring Auction Supplement Transaction or (ii) a tranching index credit default swap transaction or loan index credit default swap transaction (whether untranching or tranching) that is not a Non-Restructuring Auction Supplement Transaction, in either case related to the applicable reference entity will automatically be deemed by the Company to have submitted a Protocol Adherence Message with respect to such transaction (and references herein to “submission” of a Protocol Adherence Message shall include any such deemed submission); provided that such User may revoke such Protocol Adherence Message for such transaction at any time prior to the Processing Cut-Off Time; provided, further, that clause (i) will only apply where the Protocol Activation Event occurred on or following June 20, 2009. The Company may operate the Protocol Adherence Message function separately in connection with Auction Side Letters (as defined below) for applicable reference entity.

Submission of a valid Protocol Adherence Message by both Users party to a Warehouse Transaction, where such message has not been revoked by either User for such Warehouse Transaction as of a certain cut-off date and time established by the Company for the relevant Protocol Activation Event (the “Processing Cut-Off Time”), will serve as an instruction by such Users to the Company to calculate and process settlement payments for such transaction in accordance with any applicable ~~auction settlement terms~~Transaction Auction Settlement Terms, subject to the terms and conditions set forth herein (a “Protocol Settlement Designation”).

For these purposes, “~~auction settlement terms~~Transaction Auction Settlement Terms” will include any applicable ISDA cash settlement protocol or ~~auction settlement terms~~Transaction Auction Settlement Terms (or other similar process by which the “final price” (or similar term) with respect to qualifying credit derivative transactions is determined), including without limitation the ~~auction settlement terms~~Transaction Auction Settlement Terms under the Auction Supplement. For the avoidance of doubt, the Processing Cut-Off Time may be later than any deadline for adherence under ~~auction settlement terms~~Transaction Auction Settlement Terms, if applicable.

Notwithstanding the foregoing, the Company will only calculate and process settlement payments for a Warehouse Transaction based on the applicable ~~auction settlement terms~~Transaction Auction Settlement Terms if the following conditions are met: (i) the Warehouse Transaction shall have a status of “Certain” in the Warehouse as of the Processing Cut-Off Time, (ii) the Company is at such time calculating and processing payments for the relevant type of transaction and the Users party to the transaction have satisfied any applicable conditions to the use of those payment calculation and processing services, (iii) relevant auction settlement terms covering the credit event related to the applicable Protocol Activation Event apply to the transactions of the same type as the Warehouse Transaction, (iv) solely to the extent adherence to ~~auction settlement terms~~Transaction Auction Settlement Terms is required under the terms thereof, both Users party to the Warehouse Transaction have adhered to such ~~auction settlement terms~~Transaction Auction Settlement Terms as of the deadline for such adherence (and satisfied any conditions with respect thereto) and neither party has revoked its adherence prior to

such time, based on information made publicly available by ISDA or the other party sponsoring the auction (the “Auction Sponsor”) or both Users party to the Warehouse Transaction shall have notified or confirmed to the Company, in a manner to be specified by the Company and by a deadline to be specified by the Company, that they have entered into a side letter or other arrangement (a “Auction Side Letter”) specifying that the Warehouse Transaction (by itself or together with other transactions between them) shall be settled on the basis of the final price determined pursuant to the ~~auction settlement terms~~Transaction Auction Settlement Terms, (v) both Users party to the Warehouse Transaction have submitted a valid Protocol Adherence Message applicable to such Warehouse Transaction and neither party has revoked such message with respect to such Warehouse Transaction as of the Processing Cut-Off Time and (vi) the applicable auction or other settlement or price determination mechanism under the terms of the ~~auction settlement terms~~Transaction Auction Settlement Terms occurs and a “final price” or similar settlement price is determined and published by the Auction Sponsor. In addition, in calculating settlement payments for a Warehouse Transaction that is an index credit default swap, the Company will assume that all settlement payments due (or that would be due following delivery of any required notices) with respect to credit events occurring prior to the Protocol Activation Event have been made.

If such conditions are satisfied with respect to a Warehouse Transaction, each User shall be deemed to agree, by submission of a Protocol Adherence Message, that, notwithstanding anything to the contrary in any applicable Master Document or other documentation for such transaction, (i) the settlement of the relevant Warehouse Transaction (including the settlement method and determination of any relevant final price) shall be subject to and governed by the applicable ~~auction settlement terms~~Transaction Auction Settlement Terms and (ii) any calculations and settlement processing performed by the Company with respect to such Warehouse Transaction shall be performed on the basis of the final price determined in accordance with the applicable ~~auction settlement terms~~Transaction Auction Settlement Terms. Following the completion of any such settlement processing for a Warehouse Transaction that is a “single-name” credit default swap, the related Warehouse Record will automatically be deemed to “exit” the Warehouse, with the effect set forth in Section V of this Appendix. Following the completion of any such settlement processing for a Warehouse Transaction that is an “index” credit default swap (whether “tranching” or “untranching”), if (i) the index publisher has published a new version of the relevant index taking into account the occurrence of the relevant credit event (the “New Index Version”), (ii) the related Warehouse Record has a status of “Certain” as of the applicable cash settlement date for the ~~auction settlement terms~~Transaction Auction Settlement Terms and (iii) the Company is then providing index versioning services for such index, then the Company will automatically amend the “Index Name”, “Annex Date” (or equivalent fields) and any other relevant field in such Warehouse Record to reflect the New Index Version, effective as of such cash settlement date, and will thereafter use the latest version of the relevant settled entity matrix applicable to the New Index Version as of such cash settlement date for purposes of ongoing calculations.

Failure by Users to make a Protocol Settlement Designation in the System for a Warehouse Transaction or of the other conditions above to be satisfied shall not be deemed to affect the Users’ legal obligations with respect to that transaction or to indicate that it is not subject to any applicable ~~auction settlement terms~~Transaction Auction Settlement Terms or Auction Side Letter. Rather, the result of such failure will be that the Company will not calculate and process settlement payments for such transaction based on the applicable ~~auction settlement terms~~Transaction

Auction Settlement Terms. The Company is not responsible for the consequences of any such failure. In addition, failure to make a Protocol Settlement Designation shall not affect the validity of any credit event notice or similar notice delivered by a party or determination made by a determinations committee, where applicable.

For purposes of processing the settlement of Warehouse Transactions for which the above conditions are satisfied, the Company will use any applicable final or settlement prices published by the Auction Sponsor. The Company will have no responsibility or liability for the accuracy of such published prices or for the reasonableness or sufficiency of the process by which such prices were determined. The Company shall not, by virtue of providing the services described herein, be deemed to participate in or be involved with the administration or implementation of any auction or any other process whereby final prices are determined pursuant to ~~auction settlement terms~~ Transaction Auction Settlement Terms or otherwise to have any connection with such protocol or any Auction Side Letter. The Company shall not be responsible for reviewing the terms or otherwise determining the sufficiency or scope of any Auction Side Letter.

In the case of (i) a Warehouse Transaction that is an untranching index credit default swap transaction for which one, but not both, parties submitted (and did not revoke) a Protocol Adherence Message for a credit event, (ii) a Warehouse Transaction that is an untranching index credit default swap transaction for which both parties submitted (and did not revoke) a Protocol Adherence Message for a credit event but for which credit event processing did not occur pursuant to this section VIII because the related Warehouse Record had a status of “Uncertain” at the relevant time, or (iii) a Warehouse Transaction that is an untranching index credit default swap transaction for which one or both parties submitted (and did not revoke) a Protocol Adherence Message for a credit event but for which a “no-calc” election had been made under the Central Settlement Appendix, the Company will nonetheless update the applicable calculation factor associated with the Warehouse Record to take into account such credit event for purposes of any future fixed amount (coupon) payment calculations for that transaction. Any such factor update shall not be deemed to create, alter or foreclose any legal obligation, right or defense related to a Warehouse Transaction (including with respect to such payment) that may exist between or among the parties thereto. For the avoidance of doubt, in such cases the Company will not calculate any cash settlement amount for such transaction in respect of such credit event.

VIIIA. PROCESSING FOR RESTRUCTURING CREDIT EVENTS

As used in this Section VIIIA, references to the “Credit Derivatives Definitions” shall be to the 2003 ISDA Credit Derivatives Definitions (as published by ISDA), as supplemented by the July 2009 Auction Supplement. Capitalized terms used in this Section VIIIA but not otherwise defined in this Appendix shall have the meanings set forth in the Credit Derivatives Definitions.

A. Scope of Application

~~The~~Subject to subsections F and G below, the provisions set forth in Section VIIIA(B)-(D) below shall apply to ~~“single name”~~any Restructuring Supplement ~~Transactions~~Transaction (as defined below), relating to a single Reference Entity, and, to the extent provided in subsection E below, ~~index to any~~ Restructuring Supplement ~~Transactions~~. ~~Except as described in subsection F below, this Section VIIIA shall not apply to Restructuring Supplement Transactions for which~~

~~neither (i) Restructuring Maturity Limitation and Fully Transferable Obligation Applicable nor (ii) Modified Restructuring Maturity Limitation and Conditionally Transferable Obligation Applicable is specified (“Old R Transactions”). Transaction relating to an index of Reference Entities.~~

B. Credit Event Notice Facility

On or after a date determined by the Company and subject to the provisions herein and in any Applicable Publications, the Company will provide a facility (the “Restructuring Credit Event Notice Facility”) for the delivery through the System of credit event notices in connection with Restructuring Supplement Transactions following a public announcement by ISDA ~~or the relevant DC~~ that a ~~restructuring credit event~~ Restructuring Credit Event has occurred with respect to a particular Reference Entity (such entity, a “Restructured Entity”) ~~and that the DC has made a Potential Auction Resolution with respect to such Restructured Entity (as defined in the DC Rules).”).~~ The Company, through Important Notice, will inform all Users that the Restructuring Credit Event Notice Facility has been activated for a particular Restructured Entity ~~;~~ at the same time at which the facility is so activated. As used herein, a “Restructuring Supplement Transaction” is a Warehouse Transaction (i) that is subject to the July 2009 Auction Supplement by ~~the terms of these Operating Procedures~~ its terms (including without limitation through the terms of the applicable appendix of the MarkitSERV Operating Procedures or the operating procedures of another applicable confirmation service for the relevant product type of such Warehouse Transaction) or (ii) that had a Trade Date or Novation Date, as applicable, prior to July 24, 2009 but is a Protocol Covered Transaction (other than a Covered Non-Auction Transaction)) as defined in the July 2009 Auction Settlement Protocol or would be such transaction but for the failure of a party to adhere to the July 2009 Auction Settlement Protocol. For the avoidance of doubt, the Company shall treat Warehouse Transactions described in clause (ii) above as Restructuring Supplement Transactions, regardless of whether the parties to such transactions adhered to the July 2009 Auction Settlement Protocol, and the Company will have no obligation to inquire or determine whether the parties to a Warehouse Transaction adhered to such protocol.

~~_____ Pursuant to the Restructuring Credit Event Notice Facility, a User that is party to a Restructuring Supplement Transaction may submit a credit event notice message (the “Restructuring Credit Event Notice”). Such submission shall be irrevocable and shall may serve as a “Credit Event Notice” by such User to the counterparty User with respect to the relevant Restructuring credit event for purposes of the relevant Warehouse Transaction Credit Event for purposes of the relevant Restructuring Supplement Transaction, but without prejudice to any requirements applicable to Credit Event Notices under the Credit Derivatives Definitions other than the requirement that a Notifying Party deliver a Credit Event Notice directly to the other party to the relevant transaction. The Company, through Important Notice or through Applicable Publications, will specify the information that Users will be required to provide in order to submit a valid Restructuring Credit Event Notice and the manner in which such messages are to be submitted. The Company will only accept submission of Restructuring Credit Event Notices for a particular credit event prior to the applicable exercise deadline for such event (the “Exercise Cut-Off Date”) under the July 2009 Supplement. Such Restructuring Credit Event Notice must be submitted individually with respect to a particular Warehouse Transaction. Such Restructuring Credit Event Notice will be effective if submitted by only one User party to a Warehouse Transaction. The Company will record the date and time such submission by a User of a~~

~~Restructuring Credit Event Notice is processed in the Warehouse (the "Processing Time"). The Restructuring Credit Event Notice will be deemed effective as of the Processing Time. The Company will make available through the System to the User and its counterparty the Processing Time for any Restructuring Credit Event Notice submitted by such User. In the event that both Users party to a Warehouse Transaction submit a Restructuring Credit Event Notice prior to the relevant Exercise Cut Off Date, the notice submitted by the User that is the protection buyer or protection seller shall prevail as provided in the July 2009 Auction Supplement. Each User shall be deemed to agree that, notwithstanding anything to the contrary in any Master Documents, or the 2003 ISDA Credit Derivatives Definitions, the July 2009 Auction Supplement or the July 2009 Auction Settlement Protocol, submission by a User of a Restructuring Credit Event Notice (other than a Restructuring Credit Event Notice which is a Partial Exercise (as defined below)) shall be a permissible and legally effective means of delivering a credit event notice Credit Event Notice under the terms of such Warehouse Restructuring Supplement Transaction without prejudice to any other means of delivery of a credit event notice permitted by the terms of such Warehouse Restructuring Supplement Transaction. For the avoidance of doubt, where two such notices are given in respect of the same Warehouse both parties to a Restructuring Supplement Transaction, the first such notice to be effectively delivered shall be the irrevocable credit event notice with respect to such Restructuring Credit Event Notice (or where one party or both parties to such Warehouse Restructuring Supplement Transaction, subject to any deliver Credit Event Notice(s) outside of the System) in respect of such Restructuring Supplement Transaction (or applicable portion thereof), the provisions in the July 2009 Auction Settlement Protocol Credit Derivatives Definitions as regards priority of notices Credit Event Notices given by protection buyer or protection seller, shall apply; provided that the Company will not recognize for purposes of processing under this Section VIIIA any Credit Event Notice delivered outside of the System unless an Outside Credit Event Record (as defined below) is submitted with respect thereto and accepted by the counterparty. The Company shall not be responsible for determining whether a User party to a Warehouse Restructuring Supplement Transaction is a Notifying Party or is otherwise entitled to deliver a credit event notice Credit Event Notice under the terms thereof, and will conduct credit event Credit Event processing on the basis that a User submitting a Restructuring Credit Event Notice is so entitled. A User will not be entitled to submit through the System a Restructuring Credit Event Notice with an exercise amount that is less than the applicable floating rate payer calculation amount or notional amount (a "Partial Exercise"). Any purported submission through the System of a Restructuring Credit Event Notice that is a Partial Exercise will be invalid and of no effect (but without prejudice to the right of a party to a Warehouse Transaction to deliver a notice of Partial Exercise outside of the System). Without limiting the foregoing, submission of a Restructuring Credit Event Notice where any value is specified in the "New Participant Trade Reference Number" field will be invalid and of no effect, but without prejudice to the rights and obligations of the parties to such Restructuring Supplement Transaction in respect of any impermissible delivery.~~

The Company will make the Restructuring Credit Event Notice available to the counterparty User through the System, and the System has been designed to make such notice available to the counterparty User as soon as practicable following the time of submission. For the avoidance of doubt the recipient of any such notice need not acknowledge or accept such notice in order for it to be effective for purposes hereof. The Company, through Important Notice or through Applicable Publications, will specify the information that Users will be required to provide in order to submit

a valid Restructuring Credit Event Notice and the manner in which such messages are to be submitted. A Restructuring Credit Event Notice will be irrevocable. A User may submit a Restructuring Credit Event Notice with respect to a Restructuring Supplement Transaction whether or not such transaction has a status of “Certain” in the Warehouse. However, for the avoidance of doubt, the Company will calculate and process settlement payments for a Restructuring Supplement Transaction only if such transaction has a status of “Certain”.

The Restructuring Credit Event Notice will be deemed effective as of the Processing Time (as defined below), regardless of when such notice is submitted to the System by the submitting User or actually received or reviewed by the counterparty. The Company will only apply Restructuring Credit Event Notices for further processing with respect to a particular Restructuring Credit Event if the Processing Time is prior to the applicable exercise deadline for such event (the “Exercise Cut-Off Time”) under the Credit Derivatives Definitions. The Company will make available at the Processing Time through the System to both the submitting User and its counterparty the Processing Time for any Restructuring Credit Event Notice. A Restructuring Credit Event Notice with a Processing Time after the Exercise Cut-Off Time will be accepted and recorded by the System, but the Company will not treat it as being effectively delivered and will provide no further Credit Event processing with respect thereto, and such notice will not be effective for either party to the relevant Restructuring Supplement Transaction. As used herein, the “Processing Time” for a Restructuring Credit Event Notice or Movement Option Notice (as defined below) that has been submitted to the Company will be the time, as recorded by the Company, as of which the Company has completed those steps necessary in the System to make such notice available for viewing in the various DTCC access systems.

If a User party to a Restructuring Supplement Transaction is unable to access Restructuring Credit Event Notices sent to it through the System due to a failure of that User’s computer systems, electronic messaging systems, or other similar occurrence, the Company will make available to the User, upon request, one or more periodic reports of such notices (as so requested) in a form determined by the Company. The Company will use best efforts to provide such report promptly upon request and with such frequency as is reasonably requested by the relevant User. Except to the extent provided in the “Important Legal Information” section of these Operating Procedures, the Company shall not be responsible for any delay in providing a Restructuring Credit Event Notice to the receiving party, and in no event shall the Company be responsible for any failure of such party to monitor the System for such notices or for any inability of such party to provide credit event notices with respect to other transactions as a result of its delayed or missed receipt of a Restructuring Credit Event Notice.

For purposes of Section 3.9 of the Credit Derivatives Definitions, a User may submit through the System a Restructuring Credit Event Notice specifying an Exercise Amount that is less than the outstanding Floating Rate Payer Calculation Amount or notional amount with respect to the relevant Restructuring Supplement Transaction (a “Partial Credit Event Notification”). A Restructuring Credit Event Notice that specifies an Exercise Amount that exceeds the outstanding Floating Rate Payer Calculation Amount or notional amount will be deemed to specify such outstanding Floating Rate Payer Calculation Amount or notional amount of the applicable Restructuring Supplement Transaction. The System will track, and make available to the relevant parties, information concerning the extent of any Partial Credit Event Notification of a Restructuring Supplement Transaction by the protection buyer and/or protection seller. In

furtherance of the provisions of Section 3.9 of the Credit Derivatives Definitions, and without prejudice to the rights and obligations of the parties to a Restructuring Supplement Transaction thereunder, if an effective Partial Credit Event Notification has been submitted with respect to a Restructuring Supplement Transaction, upon the Exercise Cut-Off Time the Company will, without further action of the parties thereto, reduce the Floating Rate Payer Calculation Amount or notional amount of such Restructuring Supplement Transaction (the “Remaining Reduced Transaction”) to the extent of the relevant Exercise Amount and simultaneously establish a new Restructuring Supplement Transaction with identical terms to those of the original Restructuring Supplement Transaction but with a Floating Rate Payer Calculation Amount or notional amount equal to such Exercise Amount (a “Partial Trigger Resulting Transaction”). A Restructuring Credit Event Notice will be deemed to have been submitted with respect to a Partial Trigger Resulting Transaction without the need for further action by the parties, but no Restructuring Credit Event Notice will be deemed to have been submitted with respect to the Remaining Reduced Transaction (unless a subsequent Restructuring Credit Event Notice is effectively delivered with respect thereto). Where Partial Credit Event Notifications are submitted with respect to a Restructuring Supplement Transaction by both parties thereto, the relevant Exercise Amount will be determined in accordance with the relevant provisions of the Credit Derivatives Definitions as regards priority of notices delivered by protection buyer and protection seller. When a Partial Trigger Resulting Transaction is created, the Company will notify both of the parties thereto through the System in the manner generally applicable for notices by the Company of new Warehouse Transactions.

The Company will also provide a facility pursuant to which a record of the delivery of a ~~credit event notice~~Credit Event Notice with respect to a ~~restructuring credit event~~Restructuring Credit Event outside of the System may be submitted to the System in respect of a Restructuring Supplement Transaction (an “Outside Credit Event Record”). The Company, through Important Notice or through Applicable Publications, will specify the information that Users will be required to provide in order to submit such a record and the manner in which such a record is to be submitted. Submission of an Outside Credit Event Record ~~will not constitute a credit event notice under a Warehouse Transaction or otherwise have any legal effect~~by one party will not itself constitute a Credit Event Notice under a Restructuring Supplement Transaction or otherwise have any legal effect. However, if an Outside Credit Event Record is accepted by the recipient in the manner specified by the Company by Important Notice or Applicable Publications, the System will treat such message as if it were a Restructuring Credit Event Notice; provided that, notwithstanding any provision of the relevant Master Document(s), the Credit Derivatives Definitions or this Section VIIIA to the contrary, an Outside Credit Event Record, regardless of when submitted, that is accepted by the recipient as provided above after the relevant Exercise Cut-Off Time will be treated as if it had been received and was effective immediately prior to the Exercise Cut-Off Time, and the Users party to the relevant Restructuring Supplement Transaction will be deemed to have agreed that such Outside Credit Event Record may constitute an effective Restructuring Credit Event Notice notwithstanding the actual time of submission or acceptance of such Outside Credit Event Record.

The activation of the Restructuring Credit Event Notice Facility for a ~~reference entity~~Reference Entity shall not be deemed to be a determination or representation by the Company that any alleged ~~credit event~~Credit Event has or has not occurred with respect to that ~~reference entity~~Reference Entity under any applicable Master Document or the Credit Derivatives

Definitions and shall not be deemed to affect the determination by the parties or others under the terms of any ~~Warehouse~~Restructuring Supplement Transaction as to whether a ~~credit event~~Credit Event has or has not occurred, ~~or the rights or obligations of the parties with respect thereto, except as expressly set forth herein.~~ The Company will have no responsibility or liability for the accuracy of any information set forth in any notice received from, ~~or public announcement made by,~~ ISDA or a DC related to such ~~credit event~~Credit Event. Without limiting the foregoing, the Company will have no responsibility for determining whether any relevant ~~credit event occurred prior to any Credit Event Backstop Date for a Warehouse Transaction~~Credit Event occurred prior to any Credit Event Backstop Date for a Restructuring Supplement Transaction; provided however that any processing of the Restructuring Credit Event Notice or Outside Credit Event Record, as applicable, will be without prejudice to the rights of the parties in the event that the credit event did occur prior to the Credit Event Backstop Date for such Restructuring Supplement Transaction. For the avoidance of doubt, the Company will conduct Credit Event processing under this Section VIII A solely on the basis of Restructuring Credit Event Notices (and Outside Credit Event Records) effectively submitted (and, in the case of Outside Credit Event Records, accepted) in accordance with the terms hereof (provided, for the further avoidance of doubt, that the Company will calculate and process settlement payments for a Restructuring Supplement Transaction only if such transaction has a status of “Certain”), but without prejudice to the rights and obligations of the parties to a Restructuring Supplement Transaction in respect of any Credit Event Notice delivered outside of the System.

For the avoidance of doubt, except as expressly provided herein, no provision of this subsection B shall have the effect of amending the legal terms of the relevant Restructuring Supplement Transaction.

C. Maturity Classification and Movement Option

The Company shall classify each Restructuring Supplement Transaction for which a Restructuring Credit Event Notice has been effectively submitted (each, a “Triggered Restructured Transaction”) into the applicable maturity category for the relevant ~~restructuring credit event~~Restructuring Credit Event (each, a “Maturity Bucket”) based on ~~its scheduled termination date~~the Scheduled Termination Date of such Triggered Restructured Transaction, the applicable User that submitted the relevant ~~credit event notice~~Restructuring Credit Event Notice and the applicable terms of the ~~Warehouse Transaction~~Triggered Restructured Transaction (including without limitation under the Credit Derivatives Definitions and auction settlement termsTransaction Auction Settlement Terms (including any applicable rounding convention under the July 2009 Auction Supplement).Credit Derivatives Definitions)).

If a Movement Option is applicable to a Maturity Bucket for Triggered Restructured Transactions under ~~their terms~~the Credit Derivatives Definitions, the Company will provide a facility pursuant to which Users party to such transactions may submit a movement option adherence message (a “Movement Option Notice”). ~~Such submission by a User shall be irrevocable and shall~~ A User will not be entitled to submit through the System a Movement Option Notice other than for the outstanding Floating Rate Payer Calculation Amount or notional amount of the Triggered Restructured Transaction (provided that for the avoidance of doubt each Partial Trigger Resulting Transaction will be deemed a separate Triggered Restructured Transaction for this purpose). A Movement Option Notice that is effective as described below may serve as a

~~“Notice to Exercise Movement Option” by such User for purposes of the relevant Triggered Restructured Transaction. The Company, through Important Notice or through Applicable Publications, will specify the information that Users will be required, but without prejudice to provide in order any requirements applicable to submit a valid Notices to Exercise Movement Option Notice and under the Credit Derivatives Definitions other than the manner in which such messages are to be submitted. The Company will only accept submission of Movement Option Notices for a particular credit event prior to the deadline for requirement that a Notifying Party deliver such notice as specified by ISDA or the DC. Such Movement Option Notice will be effective if submitted by only one User directly to the other party to a Warehouse Transaction. The Company will record the date and time of the submission by a User of a Restructuring Credit Event Notice. In the event that both Users party to a Warehouse Transaction submit a Movement Option Notice, the Movement Option Notice submitted by the User that is the protection buyer will govern the relevant transaction. Each User shall be deemed to agree that, notwithstanding anything to the contrary in any Master Documents, Document(s) or the 2003 ISDA Credit Derivatives Definitions, the July 2009 Auction Supplement or the July 2009 Auction Settlement Protocol, submission by a User of a Movement Option Notice shall be a permissible and legally effective means of delivering a “Notice to Exercise Movement Option” under the terms of such Warehouse Triggered Restructured Transaction without prejudice to any other means of delivery of a “Notice to Exercise Movement Option” permitted by the terms of such Warehouse Restructuring Supplement Transaction. For the avoidance of doubt, where both parties to a Triggered Restructured Transaction submit Movement Option Notices, or Notices to Exercise Movement Options in respect of such Triggered Restructured Transaction, the provisions in the Credit Derivatives Definitions as regards priority of Notices to Exercise Movement Option delivered by protection buyer or protection seller shall apply. The Company shall not be responsible for determining whether a User party to a Restructuring Supplement Transaction is a Notifying Party or is otherwise entitled to deliver a Notice to Exercise Movement Option under the terms thereof, and will conduct Credit Event processing on the basis that a User submitting a Movement Option Notice is so entitled, but without prejudice to the rights and obligations of the parties to such Restructuring Supplement Transaction.~~

~~Following submission of an effective The Company will make the Movement Option Notice by a available to the counterparty User through the System. The System has been designed to make such notice available to the counterparty User as soon as practicable following the time of submission. The Company, through Important Notice or through Applicable Publications, will specify the information that Users will be required to provide in order to submit a valid Movement Option Notice and the manner in which such messages are to be submitted. The recipient of any such notice need not acknowledge or accept such notice in order for it to be effective for purposes hereof. For the avoidance of doubt, a Movement Option Notice will be irrevocable. A User may submit a Movement Option Notice with respect to a Restructuring Supplement Transaction whether or not such transaction has a status of “Certain” in the Warehouse. However, for the avoidance of doubt, the Company will calculate and process settlement payments for a Restructuring Supplement Transaction only if such transaction has a status of “Certain”.~~

~~Movement Option Notices will be deemed effective as of the Processing Time for such notices. The Company will make available at the Processing Time through the System to both the submitting User and its counterparty the Processing Time for any Movement Option Notice. The Company will only apply Movement Option Notices for a particular Credit Event and Triggered~~

Restructured Transaction if the Processing Time is prior to the deadline for such a notice on the Movement Option Cut-Off Date under the Credit Derivatives Definitions (the “Movement Option Cut-Off Time”). Movement Option Notices with a Processing Time after the Movement Option Cut-Off Time will be accepted and recorded by the System, but the Company will not treat such notices as being effectively delivered and will provide no further processing with respect thereto.

Following submission of one or more effective Movement Option Notices by a User with respect to a Triggered Restructured Transaction, the Company will reclassify such Warehouse Triggered Restructured Transaction into the appropriate Maturity Bucket based on the terms of such Warehouse Transaction. Triggered Restructured Transaction. For the avoidance of doubt, the Company will classify and process Triggered Restructured Transactions solely on the basis of Restructuring Credit Event Notices and Movement Option Notices effectively submitted in accordance with the terms hereof, (provided, for the further avoidance of doubt, that the Company will calculate and process settlement payments for a Triggered Restructured Transaction only if such transaction has a status of “Certain”) but without prejudice to the rights and obligations of the parties to a Triggered Restructured Transaction in respect of any Credit Event Notice or Notice to Exercise Movement Option delivered outside of the System.

For the avoidance of doubt, except as expressly provided herein, no provision of this subsection C shall have the effect of amending the legal terms of the relevant Restructuring Supplement Transaction.

D. Adherence and Auction Processing

The Company will establish a Protocol Activation Event for each applicable Maturity Bucket for which ISDA or the DC has published ~~auction settlement terms and for which an auction is to be held.~~ Transaction Auction Settlement Terms. The provisions of Section VIII of this Appendix shall apply to each such Protocol Activation Event, except as provided herein.

Unless otherwise determined by the Company, each User party to a Triggered Restructured Transaction classified in the applicable Maturity Bucket (including through the Movement Option) will automatically be deemed by the Company to have submitted a Protocol Adherence Message with respect to such transaction and Maturity Bucket (and references herein to “submission” of a Protocol Adherence Message shall include any such deemed submission); provided that such User may revoke such Protocol Adherence Message for such transaction at any time prior to the Processing Cut-Off Time-, and in the case of such revocation without prejudice, however, to any rights or obligations of the parties as set forth under the terms of the relevant Triggered Restructured Transaction. For Triggered Restructured Transactions for which the conditions set forth in Section VIII above are satisfied, the Company shall conduct settlement processing pursuant to Section VIII separately for each relevant Maturity Bucket.

For the avoidance of doubt, Triggered Restructured Transactions for which there is no Protocol Activation Event for the relevant Maturity Bucket (i.e., for which no auction is to be held) will not be subject to further processing by the Company, and the Users party thereto are responsible for arranging for the “exit” of the transaction from the Warehouse and settlement of the transaction in accordance with its terms outside of the System.

For the avoidance of doubt, except as expressly provided herein, no provision of this subsection D shall have the effect of amending the legal terms of the relevant Restructuring Supplement Transaction.

E. Certain Matters for Index Transactions

In the case of an “untranched” index credit default swap transaction with respect to which a ~~restructuring credit event~~ Restructuring Credit Event occurs for a component ~~reference entity~~ Reference Entity, the Users party thereto shall be responsible for submitting and confirming through the System ~~one or more~~ separate component ~~transaction~~ transactions with respect to such component ~~reference entity~~ Reference Entity (the “Credit Event ~~Component Transaction~~”). ~~The Credit Event Component Transaction should be confirmed as a single name credit default swap transaction (using a master confirmation agreement or Transactions”) for purposes of the ISDA physical settlement matrix) pursuant to application of the Operating Procedures, following which the other~~ Restructuring Credit Event triggering provisions and related settlement provisions of this Section VIIIA ~~shall apply to it, and for the avoidance of doubt Credit Event Component Transactions will then be subject to Credit Event processing as set forth in this Section VIIIA.~~ With respect to the remaining index transaction, if (i) the index publisher has published a new version of the relevant index taking into account the occurrence of the relevant ~~credit event~~ Credit Event (the “New Index Version”), (ii) the related Warehouse Record has a status of “Certain” as of the ~~applicable cash settlement date for the auction settlement terms~~ relevant processing date and (iii) the Company is then providing index versioning services for such index, then the Company will automatically amend the “Index Name”, “Annex Date” (or equivalent fields) and any other relevant field in such Warehouse Record to reflect the New Index Version, effective as of the date determined by the Company.

With respect to “tranched” index credit default swaps, the System will permit the delivery of a Restructuring Credit Event Notice and/or Movement Option Notice as described in Section VIIIA(B)-(C) above. As described in subsection B above, a User may ~~not~~ submit through the System a Restructuring Credit Event Notice that is a Partial ~~Exercise. Any purported~~ Credit Event Notification. For purposes of any submission ~~through the System~~ of a Restructuring Credit Event Notice ~~that is a Partial Exercise will be invalid and of no effect (but without prejudice to the right of a party to a Warehouse Transaction to send a notice of Partial Exercise outside of the System). An effective Restructuring Credit Event Notice for a “tranched” index credit default swap submitted through the System must apply to the entire reference entity transaction, the specified (or deemed) Exercise Amount will be applied with respect to the Reference Entity Notional Amount rather than the full notional amount (or similar term) for the relevant reference entity rather than the outstanding notional amount (or other amount) with respect to tranching transaction; provided that any Partial Trigger Resulting Transaction created as a result of such transaction notice will reflect the corresponding portion of the Reference Entity Notional Amount.~~

For the avoidance of doubt, except as expressly provided herein, no provision of this subsection E shall have the effect of amending the legal terms of the relevant Restructuring Supplement Transaction.

F. Old R Transactions

~~With respect to Old R Transactions,~~With respect to Restructuring Supplement Transactions for which neither (i) Restructuring Maturity Limitation and Fully Transferable Obligation Applicable nor (ii) Modified Restructuring Maturity Limitation and Conditionally Transferable Obligation Applicable is specified (“Old R Transactions”), the System will permit the delivery of a Restructuring Credit Event Notice as described in Section VIIIA(B) above; ~~provided that for the avoidance of doubt, no Partial Credit Event Notification may be submitted for an Old R Transaction.~~ With respect to such transaction for which a Restructuring Credit Event Notice is effectively submitted, the Company will establish a Protocol Activation Event and perform ~~credit event processing as set forth in Section VIII above~~Credit Event processing as set forth in Section VIII above. For the avoidance of doubt, Movement Option Notices may not be submitted in respect of an Old R Transaction and the maturity classification provisions of Section VIIIA(C) above will not apply to such transactions. The provisions of Section VIIIA(E) will apply to Old R Transactions.

~~For the avoidance of doubt, except as expressly provided herein, no provision of this subsection F shall have the effect of amending the legal terms of the relevant Restructuring Supplement Transaction.~~

G. Certain Provisions for Cleared Transactions

~~The provisions of this Section VIIIA, including VIIIA(A) through (F) above, shall apply to Restructuring Supplement Transactions that have been cleared with a clearing organization, with the modifications set forth herein. In processing Restructuring Credit Events for cleared Restructuring Supplement Transactions, the Company will rely on information provided by the relevant clearing organization that matches each cleared Restructuring Supplement Transaction with one or more offsetting cleared Restructuring Supplement Transactions (including an order of priority of matching, as appropriate) for purposes of Restructuring Credit Events (the “Matching Information”). Upon receipt of a Restructuring Credit Event Notice or Movement Option Notice from a User with respect to a cleared Restructuring Supplement Transaction (each, a “User Cleared Transaction Notice”), the Warehouse, using the Matching Information, will generate and send such Restructuring Credit Event Notice or Movement Option Notice, as the case may be, on behalf of the clearing organization to such clearing organization and the relevant User(s) under the matching cleared Restructuring Supplement Transaction(s) (each, an “Offsetting Cleared Transaction Notice”). Notwithstanding anything to the contrary herein, the Processing Time for both a User Cleared Transaction Notice and the corresponding Offsetting Cleared Transaction Notice shall be the time, as recorded by the Company, as of which the Company has completed those steps necessary in the System to make the User Cleared Transaction Notice available for viewing in the various DTCC access systems (and, for the avoidance of doubt, both the User Cleared Transaction Notice and corresponding Offsetting Cleared Transaction Notice will therefore have the same Processing Time). In the event of a System failure as a result of which the Offsetting Cleared Transaction Notice is not available for viewing in the various DTCC access systems at the Processing Time thereof, the Company will promptly notify the clearing organization and recipient User of such Offsetting Cleared Transaction Notice and its Processing Time. If a User Cleared Transaction Notice is submitted on a cleared Restructuring Supplement Transaction for which the Matching Information provided by the clearing organization is insufficient to enable the Company to match the cleared Restructuring Supplement Transactions, the submission will be rejected. The Company will notify in the manner determined by the~~

Company both the User who submitted the Restructuring Credit Event Notice and the relevant clearing organization in case of such rejection. Outside Credit Event Records will not be accepted for cleared Restructuring Supplement Transactions. The Company will have no responsibility or liability for the Matching Information (or lack thereof) provided by a clearing organization or the consequences to a User of any Offsetting Cleared Transaction Notices generated or not generated as a result thereof, provided that this provision shall not prejudice the rights and obligations of Users and clearing organizations as against each other. Without limiting the foregoing, the Company will have no liability to any person in respect of any failure to generate or provide an Offsetting Cleared Transaction Notice, except as provided in the “Important Legal Information” section of these Operating Procedures.

For the avoidance of doubt, except as expressly provided herein, no provision of this subsection G shall have the effect of amending the legal terms of the relevant Restructuring Supplement Transaction.

IX. PROCESSING FOR LOAN EARLY TERMINATION EVENTS

The following provisions shall apply to each Warehouse Transaction that is an index credit default swap (tranching or untranching) relating to a series of the LCDX index, iTraxx LevX index or other loan credit default swap index as determined to be eligible from time to time by the Company (a “Loan Index Warehouse Transaction”). On or after the date determined by the Company and subject to the provisions herein and in any Applicable Publications, the Company will make appropriate adjustments to the Warehouse Records for Loan Index Warehouse Transactions that have a status of “Certain” in the Warehouse to reflect the occurrence of a Loan Early Termination Event and calculate any related payments on the basis of such adjustments, in each case in accordance with the terms of the applicable published standard terms supplements for such transactions (the “Standard Terms Supplements”) and these Operating Procedures. In making any such adjustments and calculations, the Company will rely on information published by the Applicable Publisher as to the occurrence of a Loan Early Termination Event. The Company takes no responsibility for information published by the Applicable Publisher and will not make any independent determination or evaluation with respect thereto. Such adjustments will constitute Non-Confirmable Modifications for purposes of this Appendix. Accordingly, each User will be deemed to agree that the Company will make such adjustments and calculations with respect to its Loan Index Warehouse Transactions without any action or confirmation by such User. As used herein, (i) a “Loan Early Termination Event” means with respect to a transaction relating to a series of (a) an LCDX index, a Secured List Early Termination Event, (b) an iTraxx LevX index, the occurrence of the Scheduled Termination Date for a Component Transaction in accordance with the applicable Standard Terms Supplement as a result of a Cancellation, or (c) another loan credit default swap index, the occurrence of a similar event as designated by the Company; and (ii) “Applicable Publisher” means with respect to a transaction relating to a series of (a) an LCDX index, the Secured List Publisher, (b) an iTraxx LevX index, the Index Publisher or (c) another loan index credit default swap, the applicable publisher as determined by the Company. Capitalized terms used in this section IX but not defined in these Operating Procedures shall have the meanings set forth in the applicable Standard Terms Supplement.

X. SUCCESSOR EVENT PROCESSING

On or after the date determined by the Company and subject to the provisions herein and in any Applicable Publications, the Company will provide a facility for Users to submit adherence notices or messages (each, a “Successor Adherence Message”) with respect to Successor Events related to specified categories of Warehouse Transactions that are credit derivative transactions, with the effect set forth herein.

Unless otherwise determined by the Company, the Successor Adherence Message function will not be available with respect to a successor event for a particular reference entity unless the Company has specifically activated the function for that event. The Company will activate the Successor Adherence Message function for a successor event (a “Succession Activation Event”) (i) in the case of Auction Supplement Transactions, upon receipt by the Company of a statement or notice from ISDA or the relevant Credit Derivatives Determinations Committee (as defined in the Auction Supplement) of the determination that a successor event has occurred; or (ii) in the case of other transactions, (a) upon receipt of a written request to do so by one or more members of the Company’s senior operations working group (or any successor to such group), which request must be in accordance with procedures for that purpose established by the Company, (b) upon receipt of a published statement from a widely recognized industry group or index publisher or service provider for the relevant product indicating that a successor event has occurred or (c) as otherwise determined by the Company. Such request or statement must provide, among other requirements established by the Company, (i) that a successor event has occurred with respect to a reference entity (the “Old Reference Entity”), (ii) the nature of the successor event (i.e., whether the event constitutes the renaming of the reference entity or a reorganization or similar event with respect to the reference entity), (iii) the effective date of such successor event (or, in the case of a future event, the expected effective date), (iv) the name(s) and, where applicable, RED code(s) of the reference entity or entities resulting from such event (the “New Reference Entities”), which may include the Old Reference Entity and, where applicable, the ISIN codes for the reference obligation(s) for each New Reference Entity and (v) the applicable percentage of existing credit default swap transactions to be represented by each New Reference Entity (the “New Reference Entity Percentage”), with the sum of the New Reference Entity Percentages for all New Reference Entities equaling 100% (collectively, the “Successor Event Information”). The Company, through an Important Notice, will inform all Users that a Succession Activation Event has occurred and of the details of the Successor Event Information. Prior to such action, the System will not accept Successor Adherence Messages for a particular successor event. The Company may determine that a Succession Activation Event will apply to only certain categories of Warehouse Transactions (e.g., only single-name credit default swaps as opposed to index credit default swaps). The Company may, by subsequent Important Notice prior to the Processing Cut-Off Time (as defined below), make any necessary corrections or updates to the Successor Event Information.

The occurrence of a Succession Activation Event for a successor event for a reference entity shall not be deemed to be a determination or representation by the Company that any successor event (however named) has or has not occurred with respect to that reference entity under any applicable Master Document or the Credit Derivatives Definitions or as to the consequences thereunder of any such event and shall not be deemed to affect the determination by the parties or others under the terms of any Warehouse Transaction as to whether such an event has or has not occurred or as to the consequences of any such event. The Company will have no responsibility or liability for the accuracy of any information set forth in any notice delivered by

members of the Company's senior operations working group (or any successor to such group) related to such Succession Activation Event (including, without limitation, as to the Successor Event Information) or in any published statement from an industry group, index publisher, service provider or determinations committee. Without limiting the foregoing, the Company will have no responsibility for determining whether any relevant successor event occurred prior to any Successor Event Backstop Date for a Warehouse Transaction.

The Company, through Important Notice or through Applicable Publications, will specify the information that Users will be required to provide in order to submit a valid Successor Adherence Message and the manner in which such messages are to be submitted (including whether such messages may be in electronic or other written form). Users may submit a global Successor Adherence Messages with respect to all Warehouse Transactions of the relevant type related to the applicable reference entity and/or may submit Successor Adherence Messages with respect to individual Warehouse Transactions. In the case of a global Successor Adherence Message, the Company will deem the Successor Adherence Message to apply to each Warehouse Transaction of the relevant type related to the applicable reference entity as determined in accordance with the specified RED code (or similar code) for that entity. A User that has submitted a global Successor Adherence Message may revoke such global message such that it will not apply to any relevant Warehouse Transactions added to the Warehouse after such revocation. In addition, a User that has submitted a Successor Adherence Message with respect to a particular Warehouse Transaction (either by a global message or individually) may revoke such message with respect to that Warehouse Transaction at any time prior to the Processing Cut-Off Time. Notwithstanding anything to the contrary herein, unless otherwise determined by the Company, in the case of a Succession Activation Event occurring on or following June 20, 2009, each User party to an Auction Supplement Transaction related to the applicable reference entity will automatically be deemed by the Company to have submitted a Successor Adherence Message with respect to such transaction (and references herein to "submission" of a Successor Adherence Message shall include any such deemed submission); provided that such User may revoke such Successor Adherence Message for such transaction at any time prior to the Processing Cut-Off Time.

Submission of a valid Successor Adherence Message by both Users party to a Warehouse Transaction, where such message has not been revoked by either User for such Warehouse Transaction as of a certain cut-off date and time established by the Company for the relevant Succession Activation Event (the "Processing Cut-Off Time"), will serve as an instruction by such Users to the Company simultaneously to (i) "exit" such Warehouse Transaction (the "Old Warehouse Transaction") from the Warehouse and (ii) create in the Warehouse a number of new Warehouse Transactions ("New Warehouse Transactions") equal to the number of New Reference Entities, as follows. Each of the New Reference Entities shall be the reference entity under one of the New Warehouse Transactions, and each New Warehouse Transaction shall have a notional amount equal to the notional amount of the Old Warehouse Transaction multiplied by the New Reference Entity Percentage for the relevant New Reference Entity. In all other respects, each New Warehouse Transaction shall have terms identical to the Old Warehouse Transaction (with (i) appropriate adjustments to the first calculation period and first payment date to maintain consistency with the calculation periods under the Old Warehouse Transaction and (ii) the changes to the ISIN code for the reference obligation set forth in the Successor Event Information). The Company shall perform such actions (collectively, the "Successor Event Processing") at the time

specified by the Company following the Processing Cut-off Time. Notwithstanding the foregoing, the Company will only perform Successor Event Processing for a Warehouse Transaction if the Warehouse Transaction has a status of “Certain” in the Warehouse as of the Processing Cut-Off Time and has a positive notional amount. The Company will perform the Successor Event Processing solely on the basis of the Successor Event Information, notwithstanding anything to the contrary in any applicable Master Document or other documentation for a Warehouse Transaction.

Failure by Users to instruct that Successor Event Processing apply to a Warehouse Transaction or of the other conditions above to be satisfied shall not be deemed to affect the Users’ legal obligations with respect to that transaction or to indicate that a successor event (however defined) thereunder has or has not occurred. Rather, the result of such failure will be that the Company will not conduct Successor Event Processing for that Warehouse Transaction. The Company is not responsible for the consequences of any such failure, and the Users party to such Warehouse Transaction are responsible for “exiting” the Warehouse Transaction following any such successor event and/or making any necessary amendments to reflect such event. In addition, failure to instruct that Successor Event Processing apply shall not affect the validity of any determination by a calculation agent, determinations committee, party to such transaction or other relevant person with respect to any such event.

XI. TRADING VOLUME DATA GUIDELINES

Each User hereby agrees and consents to the Company’s performing the responsibilities and functions assigned to it under the Credit Derivatives Determinations Committees Rules set out in Annex A to the Auction Supplement (the “DC Rules”) and the Trading Volume Data Guidelines as published from time to time by ISDA (the “Guidelines”). Without limiting the foregoing, each User identified on a list of eligible institutions provided by ISDA to the Company pursuant to the DC Rules and the Guidelines agrees and consents to the Company’s determining the Global Notional Amount or Regional Notional Amount for that User and/or its affiliates and notifying ISDA of its identity, if applicable, based on its position in the Global Dealer Trading Volume List or Regional Dealer Trading Volume List and the number of institutions specified by ISDA to be selected.

In addition, with respect to Restructuring Supplement Transactions in respect of which a restructuring credit event has occurred, each User hereby agrees and consents to the Company’s providing certain additional information to ISDA or the applicable DC, including (i) an initial indication of the potential notional volume of Warehouse Transactions in each applicable Maturity Bucket that could be triggered as a result of such event and (ii) on a daily basis up to the applicable exercise deadline, the notional volume for each Maturity Bucket of Restructuring Supplement Transactions for which a Restructuring Credit Event Notice or Outside Credit Event Notice was submitted to the System on such date and the number of dealers whose trades are included in such daily notional volume.

XII. SUBMISSION OF “COPPER” TRANSACTION RECORDS

The Company will provide a facility in the Warehouse pursuant to which Users may submit records (“Copper Records”) from time to time with respect to one or more categories or types of transactions as may be specified by the Company. The Company shall specify by

Important Notice or Applicable Publications the information required or permitted to be included in Copper Records for transactions of a particular type and the manner in which Copper Records may be submitted. Copper Records will be maintained by the Company in the Warehouse, but Copper Records will not constitute Warehouse Records (that is, “gold” records), and transactions described therein will not constitute Warehouse Transactions, for any purposes under this Appendix or the Operating Procedures; provided that if a Copper Record is submitted with respect to a transaction for which there is a Warehouse Record, such Copper Record shall have no effect on such Warehouse Record or the related Warehouse Transaction. Without limiting the foregoing sentence, Copper Records are not intended to constitute confirmations or other legal documentation and accordingly will not affect the legal status (if any) in any respect of a transaction described (or purported to be described) therein. The Company will not perform matching, post-trade processing or any calculations or determinations with respect to Copper Records. In addition, the Company will not provide any notification to a party identified as the counterparty in a submitted Copper Record.

The Company will permit submission of Copper Records only in batches. Each time a User submits a batch of Copper Records, all prior Copper Records of that User will be deleted and replaced with the new batch. A User should not submit a Copper Record with respect to a transaction for which a Warehouse Record exists; provided that if such a Copper Record is submitted it will have no effect on such Warehouse Record.

The Company will prepare on a periodic basis consolidated reports with respect to all current Copper Records submitted to the Company (“Copper Record Reports”). Copper Record Reports may be prepared on an aggregate basis for all Users and/or on a submitting User basis and may have subcategories for product type, counterparty and other relevant categories.

Without limiting any other provisions of the Operating Procedures (including, without limitation, the Representation and Warranties Important Legal Information section):

(i) To the extent that a User is located within the United States, or is otherwise subject to the jurisdiction of the United States, User certifies the following in connection with Copper Records submitted by it:

User is a U.S. person as defined by applicable regulations administered and enforced by OFAC. User agrees that it is thereby subject to, and has implemented a program reasonably designed to comply with, such regulations. As part of its OFAC compliance program, User also certifies that it has screened and will continue to periodically screen against the most recent version of OFAC’s List of Blocked Persons, Specially Designated Nationals, Specially Designated Terrorists, Specially Designated Global Terrorists, Foreign Terrorist Organizations and Specially Designated Narcotics Traffickers (collectively referred to as the “SDN List”) the name and address of any counterparty to a transaction for which it submits a Copper Record;

(ii) To the extent that a User is not located in the United States, or is not otherwise subject to the jurisdiction of the United States, User certifies that it will not submit any Copper Record for a transaction that User knows, either due to its screening or through other means, to be in violation of the regulations administered and enforced by OFAC.

XIII. NOVATION CONSENT AND CONFIRMATION PROCEDURES

Notwithstanding anything to the contrary herein, the Company will accept as set forth in this Section XIII Confirmable Modifications that are novations of confirmed Warehouse Transactions that were originated by one or more novation consent services or platforms as may be authorized by the Company from time to time by Important Notice or Applicable Publications (“Novation Consent Platforms”).

The Company will, upon request of a Novation Consent Platform in a form acceptable to the Company, provide the Novation Consent Platform access to the information contained in the Warehouse Record (including its current status) for a Warehouse Transaction. A Novation Consent Platform may submit to the Company a request, in a form acceptable to the Company, that the Company reserve all or a portion of the outstanding unreserved notional amount of a Warehouse Transaction (a “Notional Amount Reservation”) pending submission of a Novation Confirmation (as defined below) with respect to such transaction.

The Company will reject a Notional Amount Reservation if there is insufficient notional available, if the Warehouse Record has a status of Uncertain because the transaction is not confirmed or is the subject of an unconfirmed amendment or exit, or for such other reason as may be specified in an Important Notice or Applicable Publications. Following receipt by the Company of a Notional Amount Reservation with respect to a specified notional amount of a Warehouse Transaction where such reservation is not rejected, (i) the Company will confirm such Notional Amount Reservation to the submitting Novation Consent Platform with a unique identifier for such reservation, (ii) while such Notional Amount Reservation is in effect the Company will not accept a further Notional Amount Reservation with respect to such specified notional amount or a Novation Confirmation with respect to such specified notional amount that does not contain the Notional Amount Reservation identifier; and (iii) while such Notional Amount Reservation is in effect, the relevant Warehouse Record will have a status of Uncertain in the Warehouse. The Company will notify the Novation Consent Platform of any rejection of a Notional Amount Reservation, in a manner to be specified by the Company.

A submitting Novation Consent Platform may cancel a Notional Amount Reservation in the manner designated by the Company. A Notional Amount Reservation will automatically expire, if not previously cancelled or followed by a Novation Confirmation submission using its identifier, as of the applicable cutoff time adopted by the Company. In submitting or canceling a Notional Amount Reservation, a Novation Consent Platform will be deemed to be acting on behalf of the User that is the transferor of the relevant novation consent request for purposes of the Operating Procedures.

Notwithstanding anything to the contrary herein, upon the confirmation by the MarkitSERV Confirmation Service of an agreed novation of a confirmed Warehouse Transaction that was affirmed and/or consented to by all relevant parties through a Novation Consent Platform (a “Novation Confirmation”) and acceptance of such Novation Confirmation by the Warehouse as described herein, the Company shall treat such novation for all purposes as having been confirmed by all parties to such novation, update the applicable Warehouse Records to reflect such novation, without the need for further confirmation or action by any party to such novation and release the related Notional Amount Reservation.

Each User that uses a Novation Consent Platform for purposes of the novation of a Warehouse Transaction will notify the Company, in the manner to be specified by the Company, of the identity of each Novation Consent Platform it uses. Each User hereby authorizes the Company to accept a Notional Amount Reservation with respect to its Warehouse Transactions from each Novation Consent Platform so identified, until the Company is notified to the contrary by such User in a manner to be specified by the Company.

