



## IMPORTANT NOTICE

Warehouse Trust Co LLC

<b>#:</b>	TIW#651
<b>Date:</b>	April 24 <sup>th</sup> , 2019
<b>To:</b>	Distribution
<b>From:</b>	Legal Department and Product Management
<b>Subject:</b>	<b>Revised:</b> Trade Information Warehouse (“TIW”) to Implement ISDA 2019 German Bank CDS Protocol allowing German banks to issue two types of senior unsecured debt obligations.

On November 22, 2018, ISDA’s Credit Steering Committee (“CSC”) issued a statement (<https://www.isda.org/2018/11/26/csc-statement-on-german-bank-cds/>) regarding changes in German law allowing German banks to issue two types of senior unsecured debt obligations. Pursuant to that statement, ISDA is implementing the CSC’s recommendations to allow market participants to amend legacy trades through the ISDA 2019 German Bank CDS Protocol (<https://www.isda.org/a/PCgME/20190206-ISDA-2019-German-Bank-CDS-Protocol-Publication.pdf>) (the “Protocol”). The Protocol is relevant for parties that have entered into credit derivatives transactions referencing certain German banks specified in Schedule 3 of the Protocol and various Series of iTraxx index transactions. It has been designed to allow parties to amend those transactions to change the Transaction Type to “Standard European Senior Non Preferred Financial Corporate”, thus incorporating the Additional Provisions for Senior Non-Preferred Reference Obligations to such legacy trades and allow trading of the three levels of seniority for such Reference Entities that are now provided for by German law. For further information please visit the ISDA website <https://www.isda.org/protocols/>

**Market participants have requested additional time to adhere to the ISDA 2019 German Bank CDS Protocol. ISDA has decided that it is in the best interest of the market to extend the adherence period until 5pm on Friday, April 26, 2019. Therefore, the TIW will suspend processing until after the Protocol closes. Participants will be informed via an important notice as the dates are finalized.**

DTCC will set up a BULK UPDATE EVENT on February 22<sup>nd</sup>, 2019 with all affected Single Name/ Swaptions positions as well as the affected Indices confirmed under the 2014 ISDA Credit Derivatives Definitions (“2014 Definitions”), which will be provided by Markit/ISDA. Once the bulk update is created, DTCC will be making the following changes starting **May 11<sup>th</sup>, 2019 to May 12<sup>th</sup>, 2019.**

Non-Confidential

DTCC is now offering enhanced access to all important notices via a new, Web-based subscription service. The new notification system leverages RSS Newsfeeds, providing significant benefits including real-time updates and customizable delivery. To learn more and to set up your own DTCC RSS alerts, visit <http://www.dtcc.com/rss-feeds.aspx>

Event Name: **GERMAN BANK PRO**

- For Single Name/Swaption trades under the 2014 Definitions where the Transaction Type specified for such Reference Entity is “Standard European Financial Corporate”, TIW will amend to be “Standard European Senior Non Preferred Financial Corporate”.
- For single name trades under the 2014 Definitions where the Transaction Type specified for such Reference Entity is “European Financial Corporate”, TIW will amend to be “European Senior Non Preferred Financial Corporate”
- CDS Positions confirmed under XSSNRREFOBL0 will also be updated with the new Reference Obligation (ISIN) XSLACREFOBL0 / New RED ID. For remaining ISINs across all affected Reference Entity, Markit will update the Tier to SNRLAC.
- TIW will Reversion all impacted Indices/Swaptions (Tranche and Non-Tranche) with the new RED ID provided by Markit. A new Annex Date will also be incorporated.

Firms may use the Bulk Update Events Reports during the week of February 22nd – **May 12<sup>th</sup>, 2019** for their own reconciliation purposes.

Firms have the ability to remove the event adherence tag at a trade level if they do not want to participate. We recommend firms to consult with their counterparty on the trade and discuss whether the trade should not be included in the Bulk Update Event. Please also note that if a credit event occurs and a firm maintains an index position on the old version of the index, the position will not be picked up for credit event processing. The index position must be on the latest version to qualify for credit event processing. This will affect only indices and not single names.

For further information, please refer to the DTCC USER GUIDE ISDA 2019 GERMAN BANK CDS PROTOCOL located on our website: <http://www.dtcc.com/derivatives-services/trade-information-warehouse/lifecycle-event-processing/support/client-center?gated=derivserv-members>

Any questions or comments regarding this event described in this Notice should be directed to Lucia Preda at ([lpreda@dtcc.com](mailto:lpreda@dtcc.com))