



**IMPORTANT NOTICE**

**DTCC DERIV/SERV LLC**

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|-----------------|--|
| <b>TIW#:</b>    | TIW#732  |
| <b>Date:</b>    | December 24, 2020                                    |
| <b>To:</b>      | Distribution   |
| <b>From:</b>    | Legal Department                                     |
| <b>Subject:</b> | DTCC Deriv/SERV LLC Revised TIW Operating Procedures |

DTCC Deriv/SERV LLC (“Deriv/SERV”) will be amending the Trade Information Warehouse (“TIW”) operating procedures effective January 1, 2021. The proposed changes are primarily clarification/clean up changes, such as updates to the involuntary termination provisions, updates to system descriptions and updates to reflect the re-platforming of the TIW, including language to reflect the addition of a distributed ledger platform. In addition, Derv/SERV will be amending the TIW pricing schedule to effect certain fee changes.

Descriptions of the proposed changes to update the operating procedures are set forth in more detail below:

- revise the general description of the database/access methods to include a description of distributed and electronic ledgers
- update language relating to “submission services” that may send data to the TIW
- update the operating procedures to provide for involuntary termination of a user (i) if the Company is unable to reach the user for 30 days, (ii) for material breach of the user agreement/operating procedures, (iii) if the user’s IT system causes or may cause material harm to the TIW system or (iv) under such other termination procedures as adopted by the Company from time to time
- update copyright descriptions
- remove provision stating that TIW operating procedures constitute part of each record and each user may enforce the operating procedures as a third-party beneficiary
- update the notice provisions
- revise confidentiality provisions for readability (non-substantive changes)
- update descriptions of certain terms to match the Credit Derivatives Definitions
- remove reference to obsolete “senior operations working group”
- update language regarding establishing Company specifications for submitting and processing records to the TIW system, including that the Company may rely on record specifications provided by a submission service (such as MarkitSERV)
- update description of bulk-updates and processing by the Company on the basis of actions by ISDA, the DC Secretary a Credit Derivatives Determinations Committee, user groups or governmental authorities

- clean-up use of defined terms and incorrect section references to make consistent throughout operating procedures
- remove the Global Client Service Appendix and the MiFIR Trade Reporting Service Connectivity Appendix as those services are no longer provided.

A marked copy of the TIW operating procedures reflecting the changes above is attached. The changes will be effective on January 1, 2021.

In addition to the above changes, Deriv/SERV will be amending the TIW Pricing Schedule in the Deriv/SERV operating procedures effective January 1, 2021. The changes include certain fee changes. Those Users that will be affected by the fee changes have been contacted directly regarding the changes.

The current effective version of the TIW Operating Procedures can be found on the DTCC website at:

<https://www.dtcc.com/repository-and-derivatives-services/derivatives-services/trade-information-warehouse>

Any questions or comments regarding this notice or Deriv/SERV in general should be directed to your relationship manager.

**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://dtcc.com/rss-feeds.aspx>.

**INDEX OF DERIV/SERV OPERATING PROCEDURES,  
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| <b><del>B. DS GLOBAL CLIENT SERVICE</del></b>                     |  |
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## DTCC ~~Deriv~~DERIV/SERV OPERATING PROCEDURES

### 1. Introduction

DTCC Deriv/SERV LLC (the “Company”), a limited liability company organized under the laws of the State of New York, has entered into User Agreements with various institutions that are potential users (each, a “User”) of one or more services (each, a “Service”) to be provided by the Company. The automated systems, ledgers or other mechanisms through which the Company provides the Services are referred to herein as the “System”.

### 2. User Information; Non-Repudiation

The Company will maintain for the benefit of Users a database that (a) assigns to each User a unique alpha-numeric identifier and (b) groups Users into families (each, a “Family”) as directed by the Users (through User Agreements or in such other manner as designated by the Company from time to time) that desire to be so grouped. Users may access or use the System through one or more electronic means or methods (“Access Methods”) made available by the Company from time to time, which may include computer-to-computer links that are supported by or on behalf of the Company ~~for the purpose, among possible others, of effecting electronic confirmation of Eligible Transactions (“Computer-to-Computer Links”), or through~~ a secure Web front end (the “Web Front End”), approved nodes or other access points to distributed or other electronic ledgers maintained by or for the Company (“Ledgers”), and/or other means determined by the Company, all in the manner and subject to the security arrangements established by the Company from time to time, as set forth in the Company’s Applicable Publications and Important Notices (described below). The security arrangements established by the Company will include ~~(a) means of determining whether particular records were submitted~~ access to the System was through Computer-an Access Method, including any applicable secure identifier, made available to Computer Links established with a particular User or its Family or (b) access to the Web Front End by means of digital certificate(s) and password(s), or other secure identifiers, assigned to that User or its Family. Records submitted to the System (as described below) indicating a particular User as the submitting party (including through an identifier referred to above) shall be conclusively presumed to have been duly authorized by the User whenever such records are so determined to have been submitted through ~~Computer to Computer Links established with that User or its Family, or through access of the Web Front End by means of the digital certificate(s) and password(s), or other secure identifiers, assigned~~ an Access Method made available to that User or its Family. If a User submits a record for another User that is a member of the same Family, the record shall be conclusively presumed to have been made on behalf of such other Family member and to have been duly authorized by such other Family member.

The Company may ~~designate~~ publish or otherwise identify certain documents as ~~“Applicable Publications,”~~ which may include publications of message formats,

specifications and messaging processes for Access Methods, including Computer-to-Computer Links and ~~of procedures for use of~~ the Web Front End, publications of security arrangements, publications of further specifications for Services or the System and any other publications, interpretations, forms or notices that the Company deems to be an (“Applicable ~~Publication~~.Publications”). Such Applicable Publications, as well as modifications to these Operating Procedures and other notices from time to time, will be announced to Users through the issuance of important notices (each, an “Important Notice”) which will be made available to Users in accordance with the “Notices” section set forth under “Important Legal Information” below.

### 3. How the System Works

The System is intended to provide Users with certain Services, in each case as set forth in more detail in an appendix or supplement to these Operating Procedures.

- *Transmission of Records from Users to the System.* Services may entail submission of one or more records or messages (“Records”) by or on behalf of Users to the System, for storage, processing, transmission to other Users, generation of reports or for other purposes and/or submission of Records on behalf of or with respect to Users for such purposes or other purposes set forth in the Operating Procedures or Applicable Publications by other services, (“Submission Services”), including ~~the MarkitSERV Confirmation~~confirmation and ~~Matching service~~ (matching services designated as such by the “MarkitSERV Confirmation Service”).Company from time to time in the Operating Procedures or Applicable Publications or by Important Notice. The Company may establish record descriptions (“Record Descriptions”), message formats, messaging processes and other specifications from time to time for use in submitting Records to the System. ~~Records improperly formatted or containing data elements not conforming to such descriptions, formats, processes or specifications and processing such~~ Records by the System (“Company Specifications”), and/or may rely on record descriptions, message formats, messaging processes and specifications used by Submission Services (“Submitter Specifications”). Except to the extent the Company has adopted its own Company Specifications applicable to a Record (in which case the Company Specifications shall prevail over any contrary or inconsistent Submitter Specifications), the Submitter Specifications of the Submission Service will be deemed to apply to the relevant Record, and the Company may rely on such specifications for purposes of any processing of such Record. Each Submission Service will be required to provide the Company with 30 days’ advance written notice of any change or modification to any Submitter Specifications (and the Company will not be obligated to apply any such change or modification for purposes of processing of Records prior to the end of such period, although it may choose to do so in its discretion). Records improperly formatted or containing data elements not conforming to Company Specifications or Submitter Specifications, as applicable, may be rejected by the Company in its discretion.

Publications of Record Descriptions, message formats and messaging processes and specifications will be announced to Users through an Important Notice or Applicable Publications. Each User agrees with the Company to use the System in accordance with the most up-to-date version of such procedures and publications made available by the Company from time to time. ~~Capitalized terms used but not defined in these Operating~~

~~Procedures shall have the meaning specified in any applicable operating procedures for the MarkitSERV Confirmation Service or other relevant confirmation or matching service (the "Confirmation Service Operating Procedures").~~

Termination of Use of Services.

- Termination of Use of Services. A User's ability to use the System from and after its User Agreement Effective Date shall continue until terminated (such a User, a "Terminating User") by either Voluntary Termination or Involuntary Termination as described below.
  - Voluntary Termination. Subject to any specific termination procedures set forth in an appendix or supplement for a particular Service, each User may terminate its use of the Services upon at least two New York business days' notice to the Company. (Such termination may or may not be made in connection with any notice of a prospective modification to these Operating Procedures pursuant to paragraph 3 under Important Legal Information below.)
  - Involuntary Termination. The Company may terminate a User's use of the System (1) with respect to any Service requiring the transmission of Records by a User, if the Company is unable to establish communications with the User using the last known contact information in the Company's records for a period of 30 days and after consultation with the General Counsel's Office of The Depository Trust & Clearing Corporation, (2) if the User has materially breached its User Agreement and/or these Operating Procedures (including applicable Appendixes) and/or any executed Schedule, (3) the User's account or User's IT system is causing or may cause material harm, as determined in the Company's reasonable discretion, to the normal operation of the System or (4) under such other circumstances as may be set forth in such procedures for termination of Users as may be adopted by the Company from time to time.

Upon termination, all attempted submissions of one or more Records designating the ~~terminating~~Terminating User as a party to the related transaction shall not be permitted by the System and the Records of the ~~terminating~~Terminating User shall not be subject to change in status as the result of any such attempted submission of Records. In addition, the ~~terminating~~Terminating User shall be afforded the opportunity to use ~~the Web Front End~~such Access Methods as may be specified by the Company to search all transactions and, to the extent then permitted by the ~~Web Front End~~Access Methods, to "download" all Records found, with accompanying System assigned statuses. (All such Records will also have previously been transmitted to Users having Computer-to-Computer Links.) The ~~terminating~~Terminating User shall not accrue fee obligations from the effective date of the termination onwards, but all other obligations and rights of the ~~terminating~~Terminating User under these Operating Procedures shall survive termination of use of the Services. The Company may continue to maintain~~and~~, disclose ~~and process~~ Records relating to the User as provided in these Operating Procedures after termination of use of the Services.

- **Important Legal Information**

1. **Copyright**

These DTCC Deriv/SERV Operating Procedures (as amended, modified or supplemented from time to time, including any appendix, annex or supplement hereto) (these “Operating Procedures”) are copyright © 20172020 by DTCC Deriv/SERV LLC.

This publication (including, without limitation, any text, image, logo compilation code and/or design) is proprietary and protected by copyright, and is exclusive for use by the Company and Users. Each User is granted, only for so long as it is a User, a personal limited, non-exclusive, non-transferable, non-sublicensable and freely revocable license to use ~~this publication~~the Operating Procedures, any Applicable Publications and Company Specifications solely for its own internal business purposes in connection with access to and use of the System, with the right to make copies as reasonably necessary for such use and the right to download and store this publication on a computer of such User, in each case subject to the terms and conditions set forth herein. ~~When such User ceases being a User, such User shall use its reasonable efforts to promptly return to the Company, or destroy, all copies of this publication then in its possession, including any copies held in any format in any electronic media; provided that such User shall not be obligated to take such action if doing so would be inconsistent with applicable law or such User’s internal record retention policies. Except as authorized by the foregoing, no part of this publication~~Except as authorized by the foregoing, no part of the Operating Procedures, any Applicable Publications or Company Specifications may be printed, stored, reproduced, copied, altered, modified, posted, distributed, transmitted, displayed, published, sold, licensed or used in any form or by any means (other than for the User’s own internal purposes in connection with the User’s use of the System), without the Company’s prior written approval.

2. **Terms of Use**

Users must satisfy themselves that the use of the System and the Services, including the submission, processing, maintenance and use of Records, will meet the requirements of any law, rule or regulation (“Applicable Law”) to which they are subject. The Company is not making, and hereby expressly disclaims, any representations or warranties as to the status of Records submitted to the System by or on behalf of Users or by any Submission Services under Applicable Law or under any contractual arrangements involving Users. Without limiting the foregoing, enforceability of contracts described in Records will depend not only on Users’ precise and error-free adherence to these ~~DTCC Deriv/SERV Operating Procedures (as amended, supplemented or modified from time to time, and together with any appendix, annex or supplement hereto, these “Operating Procedures”)~~and the applicable ~~Confirmation Service Operating Procedures~~Company Specifications and/or Submitter Specifications but also on

many other factors outside of the Company's control or the System's capabilities, including, without limitation, the prior existence, adequacy and terms of any ~~Master Document~~master or other agreements between Users, the prior relationship and negotiations between Users and Applicable Law. No User shall have waived the right to assert a claim of mistake or other defense merely as result of submitting a Record or because a Record has been confirmed.

~~Each User agrees that these Operating Procedures (other than the provisions of paragraphs 1, 3, 4, 5, 7, 8, 9, 10(b), 10(c) and 11 of this Important Legal Information section) constitute a part of each Record that it submits to the same extent as if these Operating Procedures had been expressly included as part of such Record and further agrees that each other User shall be entitled to rely on and enforce the terms of these Operating Procedures (other than the provisions of paragraphs 1, 3, 4, 5, 7, 8, 9, 10(b), 10(c) and 11 of this Important Legal Information section) against any other User as an intended third party beneficiary of such Operating Procedures, and without the need for a User to join with the Company in order to enforce such Operating Procedures against any such other User. Each User also intends and agrees that the provisions of these Operating Procedures (other than paragraphs 1, 3, 4, 5, 7, 8, 9, 10(b), 10(c) and 11 of this Important Legal Information Section) relating to the authority of Users form a binding contract between Users inter se.~~ Each User agrees that it will not (i) claim, solely on the basis of the electronic nature of the System or the manner in which Records are maintained by the System, that any Record is inadmissible in a court of law or other proceeding or (ii) object, solely on the basis of the electronic nature of the System or the manner in which Records are maintained by the System, to the admission of any Record in a court of law or other proceeding.

Each User agrees that it will not assign or otherwise transfer its rights or obligations hereunder or under its User Agreement to any third party without the Company's express written consent, which consent shall not be unreasonably withheld, and any such assignment or transfer without consent shall be null, void and without effect. Each User agrees that the Company may from time to time assign or transfer its rights and/or obligations hereunder or under a User Agreement, in whole or in part, in each case without the consent of any User. The Company will notify Users of any such action pursuant to Section 3 below.

Any notice that is to be given directly from one User to another User hereunder shall be provided in accordance with the relevant notice provisions contained in the relevant ~~Master Document~~master or other agreements between such Users or specific procedures set forth in an appendix or supplement for a particular Service.

The contents of these Operating Procedures may be updated periodically, possibly in different formats. The most current version of these Operating Procedures, as well as Important Notices that address the contents of these Operating Procedures and Applicable Publications, will be made available by the Company to Users from time to time in accordance with "Notices" below. The Company will not be



responsible for losses, costs or expenses arising from any failure of Users to follow the Company's most current Operating Procedures and/or Applicable Publications. Users may direct inquiries about these Operating Procedures, as well as requests for additional copies, to ~~55 Water Street, New York, New York 10041, Attention: General Counsel~~ or to [dsnotices@dtcc.com](mailto:dsnotices@dtcc.com) or to such other ~~email~~ address as the Company shall notify Users from time to time.

Each User waives any claim that it may have against any other User or person or the Company with respect to a business decision by such other User or person not to commence using the System or to terminate use of the System.

### 3. Notices

The Company will provide 10 New York business days' prior notice to each User of any material modification, amendment or supplement to these Operating Procedures and any Applicable Publication. Any such modification, amendment or supplement shall have been approved by the ~~DTCC Deriv/SERV~~ Board of Directors of the Company, any successor oversight body, or, in either case, its designee(s) (the "Deriv/SERV Board"). Any such notice, together with any Important Notice and any other notice from the Company to a User under these Operating Procedures or under any agreement between the Company and a User, shall be sufficiently served on such User if the notice is electronically made available or transmitted to such User by any means normally employed by the Company for the delivery of electronic communications to such User.

Alternatively, any such notice shall be sufficiently served on such User if it is in writing and delivered or mailed to the address most recently provided by such User to the Company in writing as being applicable for such purpose. Any such notice to a User, if made available or transmitted electronically, shall be deemed to have been given, respectively, at the time of availability or transmission. Any such notice to a User, if delivered or mailed in writing, shall be deemed to have been given at the time of receipt. Any notice from a User to the Company, including any notice under any agreement between the Company and the User, shall be sufficiently served on the Company if the notice is in writing and delivered to the Company at 55 Water Street, New York, New York, 10041, Attention: General Counsel, or to such other address as the Company shall notify Users from time to time. Any notice to the Company shall be deemed to have been given when received by the Company at the address specified above. Copies of such notices may be provided for information purposes to ~~dsnotices@dtcc.com~~. [dsnotices@dtcc.com](mailto:dsnotices@dtcc.com).

### 4. Provision and Use of the Services

The Company shall retain exclusive control over the Services and the System through which they are provided. ~~The Company shall adopt procedures for the expulsion of Users through the Deriv/SERV Board, or any successor oversight body.~~ Each User is solely responsible for any equipment and software necessary for such User to access and use the System. Each User agrees that the System

may not be used by any person in any jurisdiction where the Operating Procedures or use of the System would be contrary to any Applicable Law. Each User agrees that its access to and use of the Services and the System, and any activity that such User undertakes in connection therewith will at all times comply with Applicable Law. Each User ~~that is a regulated entity~~ agrees with the Company that such User will be solely responsible for complying with all requirements under Applicable Law with respect to record keeping and the maintenance of its books and records, and the Company makes no representation that the System will satisfy such requirements.

Each User agrees with the Company that such User will pay to the Company such fees and charges for use of the Services as shall be specified from time to time in an appendix to these Operating Procedures.

Each User that has, or has an affiliate that has, a daily money settlement account at The Depository Trust Company (“DTC”) hereby agrees on behalf of itself or such affiliate that all such fees and charges shall be paid on a monthly basis through such a daily money settlement account in such manner as determined by the Company from time to time. The Company may from time to time make alternate forms of payment available to each such User. If a User does not have, or does not have an affiliate that has, a daily money settlement account at DTC, the Company shall specify alternate forms of payment to such User. Such an alternate form of payment may include, for a User that has, or has an affiliate that has, a money settlement account at another subsidiary of The Depository Trust & Clearing Corporation, a payment through such money settlement account.

## 5. Access to the System and Security

Each User agrees with the Company to abide by all security procedures specified by the Company ~~to the User in the Applicable Publications~~ from time to time and will take reasonable steps to maintain the confidentiality and integrity of such security procedures. Each User will not knowingly or negligently introduce or permit the introduction of any computer viruses, worms, Trojan horses or other harmful codes into the System. Each User agrees with the Company that such User is responsible for preventing unauthorized access to, submission of any data to or removal of any data from the System, whether by its own personnel and by third parties. The Company shall comply with its security procedures ~~specified by it~~ in the Applicable Publications ~~effect from time to time~~.

## 6. Representation and Warranties

By using the System and the Services, each User represents and warrants on a continuing basis that (a) it has the power and authority to enter into and perform its obligations under these Operating Procedures and its User Agreement, (b) these Operating Procedures and its User Agreement constitute valid, binding and enforceable obligations of such User, (c) such User’s access to and use of the

System and the Services does not and will not violate any Applicable Law and (d) access to the System will be limited to authorized personnel who will be using the System within the scope of their employment and solely for such User's or its Family's business purposes. The Company represents and warrants on a continuing basis that (a) it has the power and authority to enter into and perform its obligations under these Operating Procedures and (b) these Operating Procedures constitute valid, binding and enforceable obligations of the Company.

## 7. **Compliance with Applicable Law**

Each User agrees with the Company that the Company and its affiliates may take or refrain from taking any action (including, without limitation, the disclosure of any information, including Confidential Information (as defined below), relating to such User or such User's use of the System and the Services) that the Company or its affiliates consider necessary or appropriate to comply with Applicable Law or with any subpoena, order or request of any court, governmental, regulatory, self-regulatory, market or other relevant authority, agency or organization, or to enable the Company and its affiliates to continue to provide the Services and the System to the Users. Neither the Company nor its affiliates, nor any of their respective officers, directors, employees or other representatives, will be liable to any User or any other person as a result of taking or refraining from taking any such action.

## 8. **Confidential Information and Use of Data**

(a) The Company and each User agrees that each will treat as confidential (both during and after the termination of a User's access to the System) all Confidential Information. "Confidential Information" shall mean (a) with respect to the Company, transaction data specified in Records received by the Company and any data, reports, summaries or payment amounts which may be produced as a result of processing such transaction data, and the identity of any entity a User uses to settle obligations, and (b) with respect to any User, the technical specifications of the System. ~~Except as otherwise expressly provided herein, neither the Company nor a User will transfer or disclose Confidential Information to any third party (other than any member of the User's Family) or use such Confidential Information except as expressly contemplated under these Operating Procedures and the Applicable Publications or, in the case of the Company, as reasonably deemed necessary by the Company to provide the Services or the System or to disclose to any confirmation or matching service used to submit Records to the System in connection with the operation of such service. In addition, the Company shall consent to the disclosure of confidential information to vendors or agents of the User as needed to permit such vendors or agents to assist the User in its use of the System or the Services, provided that such vendors or agents execute a non-disclosure agreement satisfactory to the Company.~~ Confidential Information will not include (1) in the case of Confidential Information maintained by the Company, Confidential Information relating to a User that such

User has requested in writing that the Company release, and that the Company has agreed, on conditions determined by the Company in its discretion (including, without limitation, obtaining consent from other affected Users), to release, (2) information that is, or becomes, known to the public other than through a breach by a User or the Company of these Operating Procedures, (3) information that is rightfully received by a User or the Company from a third party entitled to disclose it, or (4) information that is independently developed by a User or the Company without reference to such party's Confidential Information. ~~In addition,~~  
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(b) Except as otherwise expressly provided herein, neither the Company nor a User will transfer or disclose Confidential Information to any third party (other than any member of the User's Family) or use such Confidential Information except as expressly contemplated under these Operating Procedures and the Applicable Publications or, in the case of the Company, as reasonably deemed necessary by the Company or its affiliate to provide the Services or the System or to disclose to any Submission Service used to submit Records to the System in connection with the operation of such service. Nothing in these Operating Procedures shall prevent the Company from disclosing Confidential Information, as reasonably deemed necessary by the Company, to one or more of the Company's affiliates or a Submission Service, to provide the Services or the System or in connection with the operation of any trade repository or warehouse (or similar service).

(c) In addition to disclosures permitted under subsection (b), the Company shall consent to the disclosure of Confidential Information to vendors or agents of the User as needed to permit such vendors or agents to assist the User in its use of the System or the Services, provided that such vendors or agents execute a non-disclosure agreement satisfactory to the Company. A User may disclose Confidential Information to the extent required by Applicable Law, including, without limitation, as required by subpoena, order or request of any court, governmental, regulatory, self-regulatory, market or other relevant authority, agency or organization, but such disclosure shall be only to the extent and only for so long as necessary to comply with such Applicable Law. ~~Notwithstanding the foregoing, nothing herein~~

(d) (i) Nothing in these Operating Procedures shall prevent the Company or its affiliates from releasing or disclosing data to others, including by selling such data, provided that such data shall be in a form that does not reveal, directly or indirectly, proprietary or confidential, financial, operational or trading data of a particular User or inappropriately arranged groups of Users (including, but not limited to, Users or groups of Users designated by size, market share, degree of use of the Service, or other similar indicator that may indicate the identity of the User or User group) or shall consist of a compilation of aggregated anonymous historical data.

(ii) Notwithstanding anything else contained in ~~this Section 8~~ these Operating Procedures, the Company may (1) publicly disclose, and/or disclose to regulators, information relating to aggregate positions and transaction activity and other aggregate data, including information relating to position and transaction activity and other data of broad categories of Users, so long as such categories of Users are sufficiently populous so that individual Users' positions and transaction activity and other data cannot be determined; (2) provide to regulators individual Users' position and transaction activity information and other data, so long as such information is provided on an anonymous basis with a request for confidential treatment; and (3) publicly disclose, and/or disclose to regulators, anonymous data based on aggregates, such as averages, means, etc.

(e) Subject to Applicable Law, each User will supply the Company with all information that reasonably is requested by the Company concerning such User and related to such User's use of the System or the Services or that is reasonably and in good faith deemed by the Company to be necessary in connection with the Company's obligations under Applicable Law.

(f) Each User acknowledges and agrees that the Company and its affiliates on behalf of the Company may monitor and record (x) such User's use of the System or the Services and (y) telephone conversations or other communications with such User concerning the System or the Services. ~~Nothing in these Operating Procedures shall prevent the Company from disclosing Confidential Information, as reasonably deemed necessary by the Company, to one or more of the Company's wholly owned subsidiaries, to provide the System or in connection with the operation of any trade repository (or similar service).~~

## 9. **Limitation of Liability and Disclaimer**

The Company will have no responsibility or liability for a Record submitted by any User that is improperly formatted or contains data elements not conforming to the applicable Company Specifications and/or Submitter Specifications (including any Record Description-). While the Company may inform a User of such improper formatted or nonconforming data elements, the Company shall have no obligation to inform any User of such problems and the Company's failure to so inform a User shall in no way signify that the Record was properly formatted and is conforming. The Company shall have no responsibility for ensuring that any Record submitted conforms in form and substance to the applicable ~~Record Description~~ Company Specifications and/or Submitter Specifications. The Company will engage in processing of Records on the basis of the terms contained in Company Specifications and/or Submitter Specifications, and shall not be responsible for any failure of such specifications to be consistent with a User's intended use or understanding of the meaning or import of any data element in a Record or related specification.

The Company will have no responsibility or liability for the completeness or accuracy of any transaction data it receives from any User or for the successful

completion of any transaction covered by any Record. The Company in no event guarantees that any party to a transaction covered by any Record will fulfill its obligations to the other party or parties to such transaction.

The Services and the System are provided “as is.” ~~The~~Except as expressly provided in paragraph 6 above, the Company and its affiliates do not make any representation or warranty, express or implied, as to the Services, the System or any other matter. Each User hereby waives any implied warranty or similar protection under any Applicable Law that may be claimed to apply to the Services or the System. The Company does not warrant that any method of accessing the System is secure and will have no liability in connection with a User’s method of accessing the System. The Company makes no representation or warranty, and shall have no liability, with respect to any ~~confirmation or matching service~~Submission Service used to submit Records to the System.

The Company will not be liable to any User for any loss or damage of any kind directly or indirectly arising out of or related to such User’s use of or participation in the Services or the System, including, without limitation, any loss or damage arising out of or related to any failure of information available on or through the System to be free of error and up-to-date, cyberattack or other intrusion with respect to the System or the Services, theft or loss of data in the System, failure of the System to be free of viruses or failure of the Company to maintain uninterrupted service or access or to adhere to its security procedures ~~set forth in the Applicable Publications,~~ except, in each case, to the extent that such loss or damage results from the Company’s negligence or willful misconduct; provided, however, that if such loss or damage does not arise from the Company’s gross negligence or willful misconduct (i.e., arises from simple negligence), the liability of the Company to any User shall be limited to an amount equal to the highest fees paid by the User during any one complete calendar month in the immediately preceding 12-calendar month period (the “Fee Limit”). Each User agrees to, and shall, defend and indemnify each of the Company and each of its employees, officers, directors, shareholders, agents and professional advisors (each, an “Indemnified Person”) from and against all reasonable losses, liabilities, damages, judgments, settlements, fines, costs and expenses (including, without limitation, court costs, reasonable attorneys’ fees and disbursements and the expenses of enforcing this provision) (collectively, “Losses”) that such Indemnified Person may incur directly arising out of or directly relating to the acts or omissions of such User’s participation or failure to participate (for itself or on behalf of others) in the Services or the System, any unauthorized access to the System through such User’s interface with the System or any other matter directly relating to such User that is not the responsibility of the Company hereunder, except in each case to the extent that such Losses arise out of or relate to the Company’s ~~negligence or willful misconduct;~~ provided, however, that to the extent such Losses result from the Company’s simple negligence (as opposed to gross negligence or willful misconduct), such limitation on the User’s indemnity obligation shall be no greater than the amount of the Fee Limit.

In no event shall the Company be liable for any indirect, consequential, special, exemplary, incidental, or punitive damages.

**10. Governing Law; Submission to Jurisdiction; Waiver of Jury Trial**

(a) These Operating Procedures shall be governed by and construed in accordance with the law of the State of New York without giving effect to the conflict of law principles thereof (other than Section 5-1401 of the New York General Obligations Law).

(b) EACH OF THE COMPANY AND EACH USER IRREVOCABLY AND UNCONDITIONALLY (A) SUBMITS TO THE NON-EXCLUSIVE JURISDICTION OF ANY UNITED STATES FEDERAL OR NEW YORK STATE COURT SITTING IN NEW YORK CITY, AND ANY APPELLATE COURT FROM ANY SUCH COURT, FOR THE PURPOSE OF ANY ACTION, SUIT OR PROCEEDING BROUGHT TO ENFORCE ITS OBLIGATIONS HEREUNDER OR ARISING OUT OF OR RELATING IN ANY WAY TO THESE OPERATING PROCEDURES AND (B) WAIVES ANY OBJECTION WHICH IT MAY HAVE AT ANY TIME TO THE LAYING OF VENUE OF ANY ACTION, SUIT OR PROCEEDING BROUGHT IN ANY SUCH COURT, WAIVES ANY CLAIM THAT SUCH ACTION, SUIT OR PROCEEDING HAS BEEN BROUGHT IN AN INCONVENIENT FORUM AND FURTHER WAIVES THE RIGHT TO OBJECT, WITH RESPECT TO SUCH ACTION, SUIT OR PROCEEDING, THAT SUCH COURT DOES NOT HAVE ANY JURISDICTION OVER SUCH PARTY.

(c) EACH OF THE COMPANY AND EACH USER HEREBY IRREVOCABLY WAIVES ANY RIGHT THAT IT MAY HAVE TO TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM ARISING OUT OF OR RELATING TO THESE OPERATING PROCEDURES.

**11. Signatures**

The Company may, at its option, in lieu of relying on an original signature, rely on a signature as if it were (and the signature shall be considered and have the same effect as) a valid and binding original signature in the following circumstances:

If such signature is transmitted, recorded or stored by any electronic, optical, or similar means (including but not limited to telecopy, imaging, xeroxing, electronic mail, electronic data interchange, telegram, or telex).

(Release Date ~~June 14, 2017~~ January 1, 2021)

ABS CDS PAYMENT AND CALCULATION SUPPLEMENT  
DTCC DERIV/SERV LLC  
OPERATING PROCEDURES

This supplement (this “Supplement”) is a part of the DTCC Deriv/SERV LLC Operating Procedures (the “Operating Procedures”) and governs certain determinations and calculations with respect to Warehouse Transactions that are credit default swaps on asset-backed securities, as described herein. Capitalized terms used in this Supplement and not defined herein are used as defined elsewhere in the Operating Procedures.

This Supplement will apply to Warehouse Transactions between ABS Calculation Participants (as defined below) that are (i) single name credit default swaps on mortgage-backed securities as described in Appendix L to the MarkitSERV Operating Procedures the Company Specifications or the Submitter Specifications (collectively, “Covered ABS Single Name Warehouse Transactions”) or (ii) index credit default swaps as described in Appendix C to the MarkitSERV Operating Procedures Company Specifications or the Submitter Specifications referencing an “ABX” or “CMBX” index (“Covered ABS Index Warehouse Transactions”, and together with Covered ABX Single Name Warehouse Transactions, “Covered ABS Warehouse Transactions”).- As used herein, “ABS Calculation Participants” will be those Settlement Users that have elected, in a manner and on terms and criteria specified by the Company, to have the Company perform certain calculations with respect to their Covered ABS Warehouse Transactions and submit related payments for such transactions to the CLS System for settlement.

With respect to the determination and calculation of Eligible Payments (as defined in the Central Settlement Appendix to the Operating Procedures) under Covered ABS Warehouse Transactions, (i) the Company will rely on determinations by Markit Group Limited or its successor (or another service provider selected by the Company) (the “Calculation Service Provider”) as to whether a Floating Amount Event or Additional Fixed Payment Event (or any similar event under the terms of such transaction) (a “PAYG Event”) has occurred; (ii) the Company will calculate Eligible Payments arising as a result of a PAYG Event (“PAYG Event Payments”) based on the Calculation Service Provider’s applicable published calculation methodology or protocols; (iii) in the event the Calculation Service Provider publishes a correction applicable to a previously made Eligible Payment (other than a correction resulting in a final amortization date), the Company will calculate the applicable correction payment (a “Correction Payment”) based on the Calculation Service Provider’s applicable published calculation methodology or protocols; (iv) the Company will provide or make available to the relevant ABS Calculation Participants, in a manner to be determined by the Company, information concerning PAYG Event Payments and Correction Payments (“Payment Details”); and (v) Payment Details so provided or made available by the Company will constitute notice to the relevant party or parties under a Covered ABS Warehouse Transaction of the occurrence of the relevant PAYG Event or correction, as the case may be, and the related payment amount for purposes of the relevant Covered ABS Warehouse Transaction and will be deemed to satisfy any conditions or obligations of the parties to a Covered ABS Warehouse Transaction in respect of such notice, without the need for action by any party to the transaction. In addition, with respect



to the determination and calculation of Eligible Payments under Covered ABS Single Name Warehouse Transactions, (i) with respect to any Correction Payment (other than a correction resulting in a final amortization date), such payment shall be paid on the scheduled Fixed Rate Payer Payment Date under the Covered ABS Warehouse Transaction next following the date the Calculation Service Provider publishes a “locked” notice of correction (and the Company shall calculate and submit the applicable correction payment to be paid on such date); (ii) with respect to an implied writedown, the effective date of the implied writedown for purposes of calculating Fixed Amounts will be deemed to be the related Fixed Rate Payer Period End Date, regardless of whether notice of such writedown is published by the Calculation Service Provider after such date; (iii) in the case of an implied writedown in full, PAYG Event Payment Details need not be delivered or made available within five business days of the Effective Maturity Date; (iv) with respect to a Covered ABS Single Name Warehouse Transaction relating to a residential mortgage-backed security, the Company will determine the effective initial Reference Obligation Notional Amount for purposes of calculating Eligible Payments based on the applicable implied writedown factor, if any, most recently published by the Calculation Service Provider as of the Effective Date for such transaction; and (v) the Company will overwrite any Initial Factor specified in a Transaction Record for a Covered ABS Single Name Warehouse Transaction to be blank, with the effect that any such specified Initial Factor will not be taken into account for purposes of determining any Eligible Payments. The Company will adjust the Warehouse Record for Covered ABS Warehouse Transaction as appropriate to reflect any such determinations or calculations.

With respect to a Covered ABS Single Name Warehouse Transaction, the Company will rely on determinations by the Calculation Service Provider as to the occurrence of the Effective Maturity Date and the duration of the period thereafter (the “Expiry Grace Period”) until the termination of such transaction in accordance with its terms, taking into account the period (if any) in which any Additional Fixed Amounts may be payable. Following the end of such Expiry Grace Period, the Covered ABS Single Name Transaction will be automatically “exited” from the Warehouse, without further action of either party thereto, and with the effect set forth in the TIW Post-Trade Services Appendix with respect to the “exit” of Warehouse Transactions. Notwithstanding the foregoing, the Company may provide from time to time, by Important Notice or in Applicable Publications, that such automatic “exit” of transactions shall not apply to one or more categories of Covered ABS Single Name Warehouse Transactions.

Each ABS Calculation Participant will be deemed to have agreed to and accepted the foregoing provisions, notwithstanding anything to the contrary in the documentation for any Covered ABS Warehouse Transaction.

Notwithstanding anything to the contrary herein, the Company will have no responsibility or liability for the accuracy of any determination or calculation made by the Calculation Service Provider or made in accordance with its methodologies or protocols or for the conformity of any such determination or calculation with the underlying documentation of a Covered ABS Warehouse Transaction.

Other than as expressly set forth herein, the applicable provisions of the TIW Post-Trade Services Appendix and Central Settlement Appendix will apply to Covered ABS Warehouse Transactions. For the avoidance of doubt, either User party to a Covered ABS Warehouse

Transaction may make a “no-calc” election with respect to that transaction for purposes of the Central Settlement Appendix.

## Annex—Markit RCD License Agreement

The following section of the ABS Payment Calculation Supplement to the Operating Procedures (the “Markit RCD License Agreement”) applies to each User that receives any Data through the DTCC Deriv/SERV LLC System and that does not have any other license with Markit Group Limited or its affiliates (“**Markit**”) relating to the Data (such Users, either “Non-Common Dealer Customers” or “Subscriber Customers”). Markit is an intended third party beneficiary of the Markit RCD License Agreement. The Markit RCD License Agreement is included in the Operating Procedures as a convenience to Users. The Company is not a party to the Markit License Agreement, other than with respect to Section 4 (Termination) below.

“**Data**” means any data or information provided to the Company by Markit under the Markit Single Name RCD™ service, limited to information and data relating to Commercial Mortgage Backed Securities (“**CMBS Securities**”) or Residential Mortgage Backed Securities (“**RMBS Securities**”) (all of the foregoing securities, collectively, “**Asset Backed Securities**” or “**ABS Securities**”).

“**Data Provider**” means those persons who developed, compiled, prepared, revised, selected and arranged the Data (including without limitation certain information sources, professional advisors and other person or entities that have participated in any respect in the development or collection of the Services or any data or information contained therein.

Now, therefore, in consideration of the foregoing, the parties mutually agree as follows:

1. License. To the extent a Non-Common Dealer Customer or Subscriber Customer receives any Data through the DTCC Deriv/SERV LLC System, Markit grants the Non-Common Dealer Customer or Subscriber Customer a personal, non-exclusive, revocable, non-transferable, non sub-licensable, license to use the Data only for internal use in connection with managing the fixed and floating payments on CDS of ABS trades.
2. Restrictions. Non-Common Dealer Customer or Subscriber Customer, to the extent it received any Data as described above, is prohibited from:
  - i. generating any advice, recommendations, guidance, publications or alerts made available to Non-Common Dealer Customer’s or Subscriber Customer’s clients or other third parties;
  - ii. distributing, transferring, sub-licensing, renting, lending, transmitting, selling, re-circulating, repackaging, assigning, leasing, reselling, publishing or otherwise re-distributing, transferring, disclosing or making available all or any portion of the Data; and
  - iii. using the Data to develop, create or directly price any index (e.g., any composite financial index) or for any database, product or service.
3. Disclaimer. The Non-Common Dealer Customer or Subscriber Customer is bound to any legends, disclaimers, and notices appearing from time to time in the Data.
4. Termination. The Company will have the sole discretion to terminate any agreement between the Company and Non-Common Dealer Customer or Subscriber Customer with regards to the Data, in the event of the termination of the Company’s right to sublicense the Data and for any material breach by Non-Common Dealer Customer or Subscriber Customer of any term of the agreement between it and the Company.
5. NEITHER MARKIT GROUP LIMITED, ITS AFFILIATES NOR ANY DATA PROVIDER MAKES ANY WARRANTY, EXPRESS OR IMPLIED, AS TO THE ACCURACY, TIMELINESS OR COMPLETENESS OF THE DATA OR SERVICES OR AS TO RESULTS TO BE ATTAINED BY CUSTOMER OR OTHERS FROM THE USE OF THE DATA OR SERVICES, AND THERE ARE NO EXPRESS OR IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE. MARKIT GROUP LIMITED, ITS AFFILIATES AND DATA PROVIDERS EXPRESSLY DISCLAIMS ANY CONDITION OF QUALITY AND ANY EXPRESS OR IMPLIED WARRANTY OF TITLE, NON-INFRINGEMENT, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. NON-COMMON DEALER CUSTOMER OR SUBSCRIBER CUSTOMER HEREBY ACKNOWLEDGES THAT

IT HAS NOT RELIED UPON ANY WARRANTY, GUARANTY OR REPRESENTATION MADE BY MARKIT GROUP LIMITED, ITS AFFILIATES OR ANY DATA PROVIDER.

6. NEITHER MARKIT GROUP LIMITED, ITS AFFILIATES NOR ANY OTHER PERSON OR ENTITY SHALL IN ANY WAY BE LIABLE TO THE USER OF THIS DATA OR ANY CLIENT OF SUCH USER FOR ANY INACCURACIES, ERRORS OR OMISSIONS, REGARDLESS OF CAUSE, IN THE DATA OR FOR ANY DAMAGES (WHETHER DIRECT OR INDIRECT) RESULTING THEREFROM, EXCEPT TO THE EXTENT THAT SUCH LIABILITY, OR DAMAGES RESULTING THEREFROM, RESULTS FROM MARKIT'S NEGLIGENCE OR WILLFUL MISCONDUCT. UNDER NO CIRCUMSTANCES WILL MARKIT GROUP LIMITED, ITS AFFILIATES AND DATA PROVIDERS BE LIABLE FOR ANY INDIRECT, INCIDENTAL, SPECIAL, CONSEQUENTIAL OR LOST PROFITS DAMAGES WITH RESPECT TO THE USE OF THIS DATA REGARDLESS OF WHETHER SUCH DAMAGES COULD HAVE BEEN FORESEEN OR PREVENTED.
7. Miscellaneous. The terms and conditions herein, solely in connection with the Data and only with regard to the Non-Common Dealer Customer or Subscriber Customer and Markit:
  - a. Shall supersede any other terms between the Non-Common Dealer Customer or Subscriber Customer and the Company that are inconsistent with the terms and conditions herein as relates to the Data
  - b. Shall be for the benefit of Markit, its Data Providers and their respective affiliates
  - c. May not be amended unless agreed to in writing by Markit
  - d. Shall be governed by and construed under the laws of New York and each party submits to the exclusive jurisdiction of the courts of the State of New York.

TIW Post-Trade Services  
Appendix to  
DTCC Deriv/SERV LLC  
Operating Procedures

**DTCC DERIV/SERV LLC  
TRADE INFORMATION WAREHOUSE POST-TRADE SERVICES**

**I. INTRODUCTION**

The Trade Information Warehouse (“TIW”) is a service offering operated by DTCC Deriv/SERV LLC (the “Company”) and DTCC Derivatives Repository Plc (the “DDRL”). The Company implements and maintains for the benefit of Users post-trade services described herein (the “Warehouse Post-Trade Services”) and is intended as a central technology infrastructure that automates and standardizes trade processing, life cycle event processing, notional adjustments, payment calculations and other calculations and other ancillary services with respect to eligible transactions (“Warehouse Transactions”). The record for each Warehouse Transaction is maintained in the TIW by DDRL and will be referred to herein as a “Warehouse Record”. The Warehouse Post-Trade Services 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 Transaction (and related records) for which Warehouse Post-Trade Services are to be provided hereunder, this Appendix shall govern.

**II. INTERACTION WITH TIW**

In providing Warehouse Post-Trade Services hereunder, the Company will use the Warehouse Records of Warehouse Transactions to which Users are party, may modify such Warehouse Records and/or create new Warehouse Records as part of the Warehouse Post-Trade Services and will provide such modifications (including, as applicable, related “exit” instructions generated as part of the Warehouse Post-Trade Services) or new records to the TIW to be maintained therein. For the avoidance of doubt, the terms, conditions and procedures under which Warehouse Records are maintained are governed by the applicable operating procedures of DDRL. The Company will rely on the contents and status of Warehouse Records maintained in TIW and will not (and will not be required to) independently verify any such information. The Company ~~will not be deemed to have notice of~~ may rely on any applicable ~~terms~~ Company Specifications and ~~conditions of any service used to submit a transaction to the TIW/or~~ Submitter Specifications in its discretion. The Company may provide different Warehouse Post-Trade Services for different types of Warehouse Transactions, as set forth from time to time in an Important Notice or Applicable Publications. By its use of Warehouse Post-Trade Services, each User hereby agrees to the foregoing. The Company may obtain Warehouse Records from DDRL or from the ~~submission service~~ Submission Service that submitted the record to TIW in DDRL.

### III. 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, any relevant master agreement, master confirmation agreement, master confirmation annex and/or standard terms document, however described (each, a “Master Document<sup>22</sup>”), but may rely on any applicable Company Specifications and/or Submitter Specifications.

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 provided to and maintained in the TIW, they will not form part of any Warehouse Record.

### IV. PROCESSING ~~AFTERFOR~~ CREDIT EVENTS ~~VIA PROTOCOL OR AUTOMATIC ADHERENCE~~

~~On or after the date determined by the Company and subject~~ 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~~ Restructuring Transactions) (“Non-Restructuring Auction Supplement Transactions”), upon receipt by the Company of a statement or notice from ISDA, the DC

~~Secretary~~ 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) Restructuring Transactions~~), 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) ~~); or~~ (iii) ~~in the case of Restructuring Transactions, as provided in Section V.~~ 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 2014 ISDA Credit Derivatives Definitions (directly or by way of the ISDA 2014 Credit Derivatives Definitions Protocol) as supplemented by the 2019 Narrowly Tailored Credit Event Supplement to the 2014 ISDA Credit Derivatives Definitions ("~~2019 NTCE Supplement~~") or, to the extent clause (i) does not apply, (ii) 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, (iii) that is subject to the 2012 ISDA U.S. Municipal Reference Entity Supplement to the 2003 ISDA Credit Derivatives Definitions, as published by ISDA on March 5, 2012 (the "~~March 2012 Supplement~~"), (iv) 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, (v) 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~~"), or would be such transaction but for the failure of a party to adhere to the July 2009 Auction Settlement Protocol, or (vi) that had a Trade Date or Novation Date, as applicable, prior to April 3, 2012 but is a Protocol Covered Transaction (other than a Covered Non-Auction Transaction) as defined in the 2012 ISDA U.S. Municipal Reference Entity CDS Protocol (the "~~March 2012 Auction Settlement Protocol~~", and together with the March 2009 Auction Settlement Protocol and the July 2009 Auction Settlement Protocol, an "~~Auction Settlement Protocol~~"), or would be such transaction but for the failure of a party to adhere to the March 2012 Auction Settlement Protocol. For the avoidance of doubt, the Company shall treat Warehouse Transactions described in clause (iv), (v) and (vi) above as

Auction ~~Supplement~~ Transactions, regardless of whether the parties to such transactions adhered to the relevant 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.

As used herein, “Credit Derivatives Definitions” shall mean the (i) 2014 ISDA Credit Derivatives Definitions (as published by ISDA), as supplemented by the 2019 NTCE Supplement (“2014 Definitions”) or (ii) 2003 ISDA Credit Derivatives Definitions (as published by ISDA), as supplemented by the March 2012 Supplement and an Auction ~~Supplement~~ Supplement (“2003 Definitions”), as applicable to a particular Warehouse Transaction. Capitalized terms used herein but not otherwise defined in this Appendix shall have the meanings set forth in the Credit Derivatives Definitions.

The occurrence of a ~~Protocol~~ 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, any Credit Derivatives Determinations Committee 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 ISDA, the DC Secretary, a Credit Derivatives Determinations Committee, an industry group, index publisher, service provider or ~~determination committee~~ other person related to such ~~Protocol~~ 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 TIW after such revocation. In addition, a User that has submitted a ~~Protocol~~ 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~~ 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 Transaction Auction Settlement Terms, subject to the terms and conditions set forth herein (a “Protocol Settlement Designation”).

For these purposes, “Transaction Auction Settlement Terms” will include any applicable ~~ISDA cash settlement protocol or~~ Transaction Auction Settlement Terms adopted by the Credit Derivatives Determinations Committee (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 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 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 Transaction Auction Settlement Terms if the following conditions are met: (i) the Warehouse Transaction shall have a status of “Certain” in the TIW 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~~ Transaction 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 Transaction Auction Settlement Terms is required under the terms thereof, both Users party to the Warehouse Transaction have adhered to such 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, the DC Secretary, a Credit Derivatives Determinations Committee 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 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 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 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 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 TIW, with the effect set forth in Section V of this Appendix, the Trade Information Warehouse Record Appendix to the DDRL Operating Procedures. 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 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 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 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 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 ~~Protocool~~ 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 ~~Protocool~~ Adherence Message for a credit event but for which credit event processing did not occur pursuant to this ~~section V~~ Section IV 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 ~~Protocool~~ 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.

A Warehouse Transaction that is a fixed recovery credit default swap shall be subject to processing pursuant to this Section IV and Section V as otherwise provided herein and therein for credit default swaps relating to a single reference entity; provided that for purposes of the processing of the settlement of any such Warehouse Transaction, the Company will use the applicable final price set forth in the related Warehouse Record.

A Warehouse Transaction that is a recovery lock credit default swap shall be subject to processing pursuant to this Section IV and Section V as otherwise provided herein and therein for credit default swaps relating to a single reference entity; provided that for purposes of the processing of the settlement of any such Warehouse Transaction, the Company will calculate the applicable cash settlement amount in accordance with the Additional Provisions for Recovery Lock Credit Derivative Transactions, if applicable, using the applicable reference price or recovery price, as the case may be, set forth in the related Warehouse Record.

A Warehouse Transaction that is a credit default swaption related to a single reference entity shall be subject to processing pursuant to this Section IV and Section V as otherwise provided herein and therein for credit default swaps relating to a single reference entity; provided that notwithstanding anything to the contrary herein, a ~~Protocool~~ Settlement Designation with respect to any such Warehouse Transaction shall serve as a direction by both Users to the Company to process the “exit” of such transaction from the TIW (and for the avoidance of doubt the Company shall not calculate or process any settlement in connection therewith).

## V. PROCESSING FOR RESTRUCTURING CREDIT EVENTS

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A. Scope of Application

Subject to subsections F and G below, the provisions set forth in Section V (B)-(D) below shall apply to any Restructuring ~~Supplement~~-Transaction (as defined below) relating to a single Reference Entity, and, to the extent provided in subsection E below, to any Restructuring ~~Supplement~~-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, the DC Secretary or the relevant Credit Derivatives Determinations Committee that a Restructuring ~~Credit Event~~Transaction has occurred with respect to a particular Reference Entity (such entity, a “Restructured Entity”). 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 2014 Definitions, where the relevant credit event is an M(M)R Restructuring, or if clause (i) does not apply, (ii) that is subject to the July 2009 Auction Supplement by its terms (including without limitation through the terms of the applicable ~~submission-service~~Submission Service that submitted the record to the TIW 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 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 (iii) 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 may serve as a “Credit Event Notice” by such User to the counterparty User with respect to the relevant Restructuring ~~Credit Event~~Transaction 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. Each User shall be deemed to agree that, notwithstanding anything to the contrary in any Master Documents or the Credit Derivatives Definitions, submission by a User of a Restructuring Credit Event Notice shall be a permissible and legally effective means of delivering a Credit Event Notice under the terms of such Restructuring ~~Supplement~~-Transaction without prejudice to any other means of delivery of a credit event notice permitted by the terms of such Restructuring ~~Supplement~~-Transaction. For the avoidance of doubt, where both parties to a Restructuring ~~Supplement~~-Transaction submit

Restructuring Credit Event Notice (or where one party or both parties to such Restructuring ~~Supplement~~ Transaction deliver Credit Event Notice(s) outside of the System) in respect of such Restructuring ~~Supplement~~ Transaction (or applicable portion thereof), the provisions in the Credit Derivatives Definitions as regards priority of 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 V 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 Restructuring ~~Supplement~~ Transaction is a Notifying Party or is otherwise entitled to deliver a Credit Event Notice under the terms thereof, and will conduct Credit Event processing on the basis that a User submitting a Restructuring Credit Event Notice is so entitled, 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 TIW. 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~~ Transaction 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 1.33 of the 2014 Definitions or Section 3.9 of the 2003 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 1.33 of the 2014 Definitions or Section 3.9 of the 2003 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 with respect to a Restructuring ~~Credit Event Transaction~~ 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 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 V 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 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 a Credit Derivatives Determinations Committee, the parties or others under the terms of any Restructuring ~~Supplement~~ Transaction as to whether a 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~~, the DC Secretary or a Credit Derivatives Determinations Committee related to such 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 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 V 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~~Transaction (each, a “Maturity Bucket”) based on the Scheduled Termination Date of such Triggered Restructured Transaction, the applicable User that submitted the relevant Restructuring Credit Event Notice and the applicable terms of the Triggered Restructured Transaction (including without limitation under the Credit Derivatives Definitions and Transaction Auction Settlement Terms (including any applicable rounding convention under the Credit Derivatives Definitions)).

If a Movement Option is applicable to a Maturity Bucket for Triggered Restructured Transactions under 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”). 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, but without prejudice to any requirements applicable to Notices to Exercise Movement Option under the Credit Derivatives Definitions other than the requirement that a Notifying Party deliver such notice directly to the other party to the relevant transaction. Each User shall be deemed to agree that , notwithstanding anything to the contrary in any Master Document(s) or the Credit Derivatives Definitions, 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 a Triggered Restructured Transaction without prejudice to any other means of delivery of a “Notice to Exercise Movement Option” permitted by the terms of such 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.

The Company will make the Movement Option Notice 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 TIW. 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 Triggered Restructured Transaction into the appropriate Maturity Bucket based on the terms of such 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, ~~the DC Secretary~~ or the ~~DC~~ Credit Derivatives Determinations Committee has published Transaction Auction Settlement Terms. The provisions of ~~Section~~ Sections IV and V 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 V above are satisfied, the Company shall conduct settlement processing pursuant to Section V separately for each relevant Maturity Bucket.

For the avoidance of doubt, except as otherwise provided in Section XI, 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 TIW 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 “untranching” index credit default swap transaction with respect to which a Restructuring ~~Credit Event~~ Transaction occurs for a component Reference Entity, the Users party thereto shall be responsible for submitting and confirming through the System one or more separate component transactions with respect to such component Reference Entity (the “Credit Event Component Transactions”) for purposes of the application of the Restructuring ~~Credit Event~~ Transaction triggering provisions and related settlement provisions of this Section V, and for the avoidance of doubt Credit Event Component Transactions will then be subject to Credit Event processing as set forth in this Section V. 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 (the “New Index Version”), (ii) the related Warehouse Record has a status of “Certain” as of the 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 “tranching” 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 V(B)-(C) above. As described in subsection B above, a User may submit through the System a Restructuring Credit Event Notice that is a Partial Credit Event Notification. For purposes of any submission of a Restructuring Credit Event Notice for a tranching transaction, the specified (or deemed) Exercise Amount will be applied with respect to the Reference Entity Notional Amount rather than the full notional amount for the tranching transaction; provided that any Partial Trigger Resulting Transaction created as a result of such 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 Restructuring ~~Supplement~~ Transactions (other than those subject to the 2014 Definitions) 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 V(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 V 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 V(C) above will not apply to such transactions. The provisions of Section V(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 V, including V(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~~ Transactions 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~~ Transactions (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 TIW, 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.

## **VI. 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 TIW 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~~Section VI but not defined in these Operating Procedures shall have the meanings set forth in the applicable Standard Terms Supplement.

## **VII. 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 Succession Events (for purposes of the 2003 Definitions) or events giving rise to a Successor and a Succession Date (for purposes of the 2014 Definitions) (collectively, “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, the DC Secretary 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 (eb) 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 a Credit Derivatives Determinations Committee or an industry group, index publisher, service provider or determinations committee other person. 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~~Message 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 TIW 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 TIW and (ii) create in the TIW 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 TIW 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.

## VIII. 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~~ Committees’ Rules (the “DC Rules”) and the Trading Volume Data Guidelines as published from time to time by ISDA or the DC Secretary (the “Guidelines”). Without limiting the foregoing, each User identified on a list of eligible institutions provided by ISDA or the DC Secretary 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 or the DC Secretary 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 or the DC Secretary 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, the DC Secretary or the applicable ~~DC~~ Credit Derivatives Determinations Committee, 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.

## IX. NOVATION CONSENT AND CONFIRMATION PROCEDURES

Notwithstanding anything to the contrary herein, the Company will process 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 TIW. 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 a submission service that submitted a record to the TIW in DDRL 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 TIW pursuant to the operating procedures thereof, 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.

## **X. BULK UPDATES TO IMPLEMENT THE ISDA 2014 CREDIT DERIVATIVES DEFINITIONS**

Effective as of a date or dates specified by the Company by ~~Importance~~Important Notice, the Company ~~will~~may from time to time run a bulk update process to modify each Warehouse Transaction ~~between Adhering Users (as defined below) in accordance with terms to be specified by Important Notice~~ that is in effect as of ~~September 12, 2014~~a specified date and is a ~~Protocol Covered Transaction (a “Covered 2014 Warehouse Transaction”)~~ to reflect that it is to be governed by the ISDA 2014 Credit Derivatives Definitions (~~“Protocol Modifications”~~). ~~The Company will effect such modifications of Covered 2014 Warehouse Transactions covered by a bulk update (a “Bulk Update Event”). For purposes hereof, an “Adhering User” will be a User that has adhered to the 2014 ISDA Credit Derivatives Definitions Protocol (the “Protocol”), as set forth in the list published by ISDA as of 12 p.m., New York time on September 12, 2014 (the “Warehouse Protocol Adherence Deadline”).~~

~~— The Company or eligible for the bulk update process. Where applicable, the Company may provide for adherence to such bulk update events, or that it will rely, without further investigation, on the list of parties adhering to the Protocol a protocol or similar published process as published by ISDA as of the Warehouse Protocol Adherence Deadline. If a User’s DTCC Participant ID is not correctly specified on such list at such time or is not valid, the Company will not process any Protocol Modifications for that User using the Bulk Update Event processing, the DC Secretary, a Credit Derivatives Determinations Committee or another party, in either case with a specified deadline. The Company is not responsible for the consequences of any such failure to adhere to a bulk update event or related protocol or similar process, and the Users party to Covered 2014 Warehouse Transactions impacted by the Bulk Update Event bulk update event are responsible for reviewing the results of the Bulk Update Event bulk update event or otherwise determining the scope of the Bulk Update Event. Users are advised to review the preliminary adherence list published by ISDA prior to the Warehouse Protocol Adherence Deadline to confirm that they are listed correctly, or not listed, as appropriate. bulk update event.~~

~~— Accordingly and for the avoidance of doubt, if a User that has adhered to the Protocol subsequently revokes such adherence at any time prior to the Warehouse Protocol Adherence Deadline, the Company will not process Protocol Modifications for such User’s Covered 2014 Warehouse Transactions in the Bulk Update Event. If a User revokes its adherence to the Protocol after the Warehouse Protocol Adherence Deadline, the Company will nonetheless treat such User as an Adhering User. The Company will not process Protocol Modifications for Users that adhere to the Protocol after the Warehouse Protocol Adherence Deadline.~~

The Company may cancel or postpone any planned ~~Bulk Update Event~~bulk update event if, in its judgment, it deems it advisable to do so.