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**ICE** CLEAR CREDIT<sup>SM</sup>

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Kevin R. McClear  
General Counsel

OFFICE OF THE  
SECRETARY

October 3, 2011

**Re: Standard Emerging Sovereign Single  
Names Rule Certification Pursuant to Section  
5c(c)(1) of the Commodity Exchange Act and  
Commission Regulation 40.6**

**VIA E-MAIL**

Mr. David Stawick  
Secretary  
Commodity Futures Trading Commission  
Three Lafayette Centre  
1155 21<sup>st</sup> Street, NW  
Washington, D.C. 20581

Dear Mr. Stawick:

ICE Clear Credit hereby submits, pursuant to Section 5c(c)(1) of the Commodity Exchange Act and Commodity Futures Trading Commission ("Commission") Regulation 40.6, a self-certification of the amended Rules of ICE Clear Credit for the addition of Standard Emerging Sovereign Single names (security-based swaps) for clearing. ICE Clear Credit is registered with the Commission as a derivatives clearing organization. As detailed below, ICE Clear Credit intends to make the Amended Rules effective on the tenth business day following the filing of this submission with the Commission at its Washington, D.C. headquarters and with its Chicago regional office.

This submission includes the Amended Rules. A description of the principal changes contained in the Amended Rules follows. Certification of the Amended Rules pursuant to Section 5c(c)(1) of the Act and Commission Regulation 40.6 is also provided below.

**Amended Rules:**

The proposed rule change consists of modifications to the Rules of ICE Clear Credit to provide for the clearance of Standard Emerging Sovereign Single Names.

Annexed as Exhibits hereto are the following:

- A. New Rule 26D, new Rule 26E and addition to Schedule 502 to be added to the ICE Clear Credit Rules.

**Certification:**

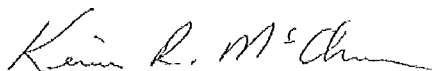
ICE Clear Credit hereby certifies that the Amended Rules comply with the Act and the regulations thereunder. There were no substantive opposing views to the Rules.

IntercontinentalExchange  
353 North Clark, Suite 3100  
Chicago, IL 60654

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ICE Clear Credit would be pleased to respond to any questions the Commission or the staff may have regarding this submission. Please direct any questions or requests for information to the attention of the undersigned at (312) 836-6833.

Sincerely,



Kevin R. McClear  
General Counsel

Enclosures

cc: John C. Lawton (w/encl. by email)  
Erik F. Remmler (w/encl. by email)  
Heidi M. Rauh (w/encl. by email)

## **26D. Standard Emerging Sovereign Single Name.**

The rules in this Subchapter 26D apply to the clearance of SES Contracts.

### **26D-102. Definitions.**

#### **Eligible SES Reference Entities**

Each particular Reference Entity included from time to time in the List of Eligible SES Reference Entities as set forth on Schedule 502. For the avoidance of doubt, if there are multiple Reference Entity Database codes (as published by Markit Group Limited or any successor thereto, such codes "RED Codes") for a particular Reference Entity listed in the List of Eligible SES Reference Entities, each such RED Code shall be treated as a separate Eligible SES Reference Entity.

#### **Eligible SES Reference Obligations**

With respect to any SES Contract Reference Obligation for any Eligible SES Reference Entity, the Reference Obligations listed under the heading "Eligible Reference Obligations" for such SES Contract Reference Obligation and Eligible SES Reference Entity in the List of Eligible SES Reference Entities.

#### **List of Eligible SES Reference Entities**

The list of Eligible SES Reference Entities, maintained, updated and published from time to time by the Board or its designee, specifying the following information with respect to each Eligible SES Reference Entity:

- (a) the name of such Eligible SES Reference Entity and the RED Code(s) for such Eligible SES Reference Entity;
- (b) each Relevant Physical Settlement Matrix and relevant Transaction Type;
- (c) each SES Contract Reference Obligation and each Eligible SES Reference Obligation for each such SES Contract Reference Obligation; and
- (d) each eligible "Scheduled Termination Date".

#### **Permitted SES Fixed Rates**

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

#### **Relevant Physical Settlement Matrix**

With respect to a SES Contract, the "Credit Derivatives Physical Settlement Matrix" applicable to such SES Contract, as specified in the combination of

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

### **SES Contract**

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

### **SES Contract Reference Obligations**

With respect to any Eligible SES Reference Entity, the Reference Obligation(s) listed under the heading "SES Contract Reference Obligations" for such Eligible SES Reference Entity in the List of Eligible SES Reference Entities.

### **SES Rules**

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

#### **26D-203. Restriction on Activity.**

- (a) In addition to the other rights granted to ICE Clear Credit in Rule 203, in the event a CDS Participant is subject to an event or agreement described in Rule 26D-206 or in the event such CDS Participant submits a Trade of the type described in Rule 26D-309(c) that is not a Conforming Trade and such Trade is cleared pursuant to these Rules (in each case, an "**SR CDS Participant**"), ICE Clear Credit may conduct an auction process to replace all of the SR CDS Participant's Open CDS Positions in the affected CDS Contracts (each auction in such process, an "**SR Auction**"). ICE Clear Credit shall have the authority to determine the timing and other particular characteristics of each SR Auction in consultation with the CDS Default Committee, including determining the size of the bid/offer spread and/or of the CDS Contracts to be auctioned, whether one or more SR Auctions are to be held and the timing and structure of such auctions and whether CDS Participants other than the SR CDS Participant will be required to submit actionable quotations in an SR Auction.
- (b) ICE Clear Credit shall enter into Trades in one or more CDS Contracts with the CDS Participant(s) and in the amount determined pursuant to the SR Auction, at which time the corresponding Open CDS Positions of the SR CDS Participant shall be reduced or terminated, as applicable. The SR CDS Participant and the other CDS Participants shall be obligated to submit to Deriv/SERV or another service specified by ICE Clear Credit the terms of such reduction, termination or Trade, as applicable. Amounts owed by the SR CDS Participant to (or receivable by the SR CDS Participant from) ICE Clear Credit in connection with any such reduction or termination shall be determined by ICE Clear Credit using the prices determined pursuant to the SR Auctions. In addition, any Initial Payments,

Margin, or other payments or deliveries owed (including the dates of settlement with respect thereto) relating to the Open CDS Positions increased, created, reduced or terminated pursuant to this Rule 26D-203(b) shall be as determined by ICE Clear Credit with reference to the SR Auction and, notwithstanding Rules 301 or 303, Initial Payments may be owed in respect to CDS Contracts entered into by ICE Clear Credit pursuant to an SR Auction.

**26D-206. Notices Required of Participants with respect to SES Contracts.**

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

**26D-303. SES Contract Adjustments.**

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

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

**26D-309. Acceptance of SES Contracts by ICE Clear Credit.**

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

- (b) A CDS Participant shall make all reasonable efforts to not submit a Trade for clearance as a SES Contract, and any such Trade shall not be a Conforming Trade, if the Novation Time would be:
- (i) at a time when the Fallback Settlement Method is applicable to such SES Contract;
  - (ii) at or after the close of business on the calendar day following the Auction Final Price Determination Date for such SES Contract; or
  - (iii) on or after the calendar day following the day on which the Final List (as defined in the DC Rules) is published for a Restructuring CDS Contract and at or before the close of business on the calendar day following the CDS Regional Business Day following the latest possible Exercise Cut-off Date for the related Restructuring Credit Event under such Restructuring CDS Contract;

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

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

**26D-315. Terms of the Cleared SES Contract.**

- (a) Any capitalized term used in this Subchapter 26D but not defined in these SES Rules shall have the meaning provided in the Credit Derivatives Definitions.
- (b) For purposes of the CDS Committee Rules, the CDS Region for each SES Contract is the North American Region, where the Transaction Type is Standard Latin America Sovereign.
- (c) The definitions and provisions contained in the 2003 ISDA Credit Derivatives Definitions as supplemented by each of the 2005 Matrix Supplement and the July 2009 Supplement and any other supplement specified as applicable in the Relevant Physical Settlement Matrix, each as published by ISDA (as so supplemented, for the purposes of the SES Rules only, the “**Credit Derivatives Definitions**”), are incorporated into the SES Rules. In the event of any inconsistency between the terms of the July 2009 Supplement and the terms of any other portion of the Credit Derivatives Definitions, the terms of the July 2009 Supplement shall prevail for purposes of the relevant SES Contract. In the event of any inconsistency between the Credit Derivatives Definitions or the Confirmation (including in electronic form) for a SES Contract and these SES Rules, these SES Rules will govern.
- (d) If a Convened DC (as defined in the DC Rules) resolves, pursuant to Section 3.8(a) of the DC Rules, (i) a question of interpretation regarding the provisions of the July 2009 Protocol (as defined in the DC Rules) or (ii) to make any amendments to Schedule 1 of the July 2009 Protocol, in each case that affect a SES Contract, ICE Clear Credit shall, as promptly as practicable, make conforming changes to these Rules in order to implement such resolutions. Notwithstanding anything to the contrary in Rule 616, any change made to the Rules in accordance with this paragraph (d) shall not constitute a Contract Modification.
- (e) Section 3.2(c)(i) of the Credit Derivatives Definitions is hereby amended by replacing the “or” at the end of subparagraph (B) thereof with an “and” and adding the following as a new subparagraph (C):
  - “(C) the tenth calendar day after the date of the actual decision by the relevant Regional CDS Committee (or Dispute Resolver) to Resolve (i.e., determined without regard to any Effectiveness Convention or any time of effectiveness specified in a Presented Position) that a Credit Event has occurred for which there is Publicly Available Information, as described in CDS Committee Rule 2101-02(a)(iii), with respect to such SES Contracts; or”.
- (f) Except for purposes of Section 1.23 of the Credit Derivatives Definitions, a Credit Event Notice and Notice of Publicly Available Information with respect to a SES Contract will be deemed to have been effectively delivered by the Notifying Party

for a Credit Event other than Restructuring on the relevant Event Determination Date determined under the CDS Committee Rules only when the Resolution is effective, under the CDS Committee Rules, that a Credit Event other than Restructuring has occurred for which there is Publicly Available Information, as described in CDS Committee Rule 2101-02(a)(iii), with respect to such SES Contract. Notwithstanding anything to the contrary in the Credit Derivatives Definitions, any delivery of a Credit Event Notice and/or Notice of Publicly Available Information by a CDS Participant (other than (i) the deemed delivery as provided in this Rule 26D-315(f) or (ii) notices with respect to a Restructuring Credit Event as provided in the CDS Restructuring Rules) shall not be valid.

- (g)
  - (i) Section 1.8(a)(ii)(A)(l)(3)(y) of the Credit Derivatives Definitions is hereby modified by replacing the term "Auction Final Price Determination Date" with the phrase "date that is one Relevant City Business Day prior to the Auction Settlement Date".
  - (ii) Section 1.30 of the Credit Derivatives Definitions is hereby modified by replacing the term "Auction Final Price Determination Date" in clause (ii) of the last sentence thereof with the phrase "date that is one Relevant City Business Day prior to the Auction Settlement Date".
- (h) The Settlement Method for particular SES Contracts will be Auction Settlement and the Fallback Settlement Method will be Physical Settlement in accordance with the CDS Physical Settlement Rules.
- (i) With respect to SES Contracts for which it is Resolved by the applicable Regional CDS Committee (or applicable Dispute Resolver) or Credit Derivatives Determinations Committee that a Credit Event has occurred for which there is Publicly Available Information, as described in CDS Committee Rule 2101-02(a)(iii) or the DC Rules, as applicable, Buyer may not deliver a Notice of Physical Settlement until after it is determined that the method of settlement for a particular Credit Event is the Fallback Settlement Method due to the occurrence of one of the events in Section 12.1 of the Credit Derivatives Definitions and as further provided in the CDS Physical Settlement Rules. For the avoidance of doubt, the effectiveness of any Notice of Physical Settlement and obligations relating thereto are subject to the suspension and finality provisions of Sections 6.5 and 9.1(c)(iii) of the Credit Derivatives Definitions.
- (j) Notwithstanding Section 2.9 of the Credit Derivatives Definitions, the initial Fixed Rate Payer Calculation Period shall commence on, and include, the Fixed Rate Payer Payment Date falling on or immediately prior to the calendar day immediately following the Trade Date.

For purposes of this provision, Section 2.10 of the Credit Derivatives Definitions shall be deemed amended by deleting the words "during the term of the transaction".



- (k) The following terms will apply to each SES Contract:
- (i) The "Agreement" is the CDS Master Agreement between the relevant CDS Participant and ICE Clear Credit.
  - (ii) The "Calculation Agent" is ICE Clear Credit, except as provided in the CDS Committee Rules.
  - (iii) The "Fixed Rate Payer Payment Dates" will be March 20, June 20, September 20 and December 20.
- (l) For each SES Contract, the following terms will be determined according to the particular SES Contract submitted for clearing, subject to Rule 26D-303:
- (i) Which of the Eligible SES Reference Entities is the "Reference Entity".
  - (ii) Which of the SES Contract Reference Obligations specified for the Reference Entity in the List of Eligible SES Reference Entities is the "Reference Obligation".
  - (iii) The "Trade Date".
  - (iv) The "Effective Date".
  - (v) Which of the eligible Scheduled Termination Dates specified for the "Reference Entity" in the List of Eligible SES Reference Entities is the "Scheduled Termination Date".
  - (vi) The "Floating Rate Payer Calculation Amount".
  - (vii) The "Floating Rate Payer".
  - (viii) The "Fixed Rate Payer".
  - (ix) The "Fixed Rate".
  - (x) The "Transaction Type", which must be Standard Latin America Sovereign.
  - (xi) If applicable, the Matrix Publication Date for the Relevant Physical Settlement Matrix.

**26D-316. Relevant Physical Settlement Matrix Updates.**

- (a) Where ISDA publishes a version of the Credit Derivatives Physical Settlement Matrix (a "New SES Matrix") that is subsequent to the version that is specified as the Relevant Physical Settlement Matrix for any SES Contract(s), and the Board or its designee determines that updating such SES Contract(s) to reference the New SES Matrix would not constitute a Contract Modification as provided in Rule 616 (the date of such determination, the "SES Matrix Update Date" and each prior Credit Derivatives Physical Settlement Matrix subject to such determination, a "Superseded SES Matrix") and so notifies CDS Participants, such SES Contracts shall, as of the close of business on the SES Matrix Update Date, become SES Contracts referencing the New SES Matrix as the Relevant Physical Settlement Matrix and the List of Eligible SES Reference Entities shall be updated accordingly. Any Trade referencing a Superseded SES Matrix submitted for clearing as a SES Contract shall, upon acceptance for clearing, become a SES Contract referencing the New SES Matrix.
- (b) The Board or its designee may determine a different SES Matrix Update Date applicable to individual SES Contracts or groups of SES Contracts or may determine a SES Matrix Update Date applicable to all SES Contracts referencing a Superseded SES Matrix, as it deems appropriate.

**26D-502. Specified Actions.**

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

**26D-616. Contract Modification.**

It shall not constitute a Contract Modification if the Board or its designee updates the List of Eligible SES Reference Entities (and modifies the terms and conditions of related SES Contracts) to give effect to determinations by the applicable Regional CDS Committee (or applicable Dispute Resolver) or a Credit Derivatives Determinations Committee, including, without limitation, determinations of Succession Events or Substitute Reference Obligations.

## **26E. CDS Restructuring Rules.**

The rules in this Subchapter 26E apply to the clearance of Contracts for which Restructuring is a Credit Event.

### **26E-102 Definitions**

#### **Matched CDS Buyer**

The Buyer in a Matched Restructuring Pair.

#### **Matched CDS Buyer Contract**

A CDS Contract (or part thereof) between a Matched CDS Buyer for a Matched Restructuring Pair and ICE Clear Credit having a Floating Rate Payer Calculation Amount equal to the MP Amount relating to that Matched Restructuring Pair.

#### **Matched CDS Contract**

A Matched CDS Seller Contract or a Matched CDS Buyer Contract.

#### **Matched CDS Seller**

The Seller in a Matched Restructuring Pair.

#### **Matched CDS Seller Contract**

A CDS Contract (or part thereof) between a Matched CDS Seller for a Matched Restructuring Pair and ICE Clear Credit having a Floating Rate Payer Calculation Amount equal to the MP Amount relating to that Matched Restructuring Pair.

#### **Matched Restructuring Pair**

Following a CDS Contract becoming a Restructuring CDS Contract pursuant to these Rules, a matched pair of a Buyer and a Seller under such Restructuring CDS Contract with an allocated Floating Rate Payer Calculation Amount, as determined by ICE Clear Credit in accordance with the CDS Restructuring Rules.

#### **MP Amount**

An amount equal to the portion of a Floating Rate Payer Calculation Amount in respect of which ICE Clear Credit matches a Matched Restructuring Pair.

#### **Regional CDS Committee Restructuring Announcement**

The announcement by ICE Clear Credit that a Regional CDS Committee (or Dispute Resolver) has Resolved that an event that constitutes a Restructuring has occurred with respect to one or more CDS Contracts.

### **Restructuring CDS Contract**

A CDS Contract that is subject to a Restructuring Credit Event Announcement; provided that if, after such announcement has been made, a further DC Credit Event Announcement or Regional CDS Committee Announcement is made of the occurrence of a Credit Event other than Restructuring in relation to the Reference Entity, such CDS Contract, to the extent that it has not become a Triggered Restructuring CDS Contract, will cease to be a Restructuring CDS Contract and provided further that any Restructuring CDS Contract, to the extent that it is not a Triggered Restructuring CDS Contract, in respect of which an effective Restructuring Credit Event Notice can no longer be delivered will cease to be a Restructuring CDS Contract and will thereafter be a CDS Contract subject to the provisions of these Rules.

### **Restructuring Credit Event Announcement**

A DC Credit Event Announcement in respect of Restructuring Credit Event or a Regional CDS Committee Restructuring Announcement.

### **Restructuring Reference Entity**

The Reference Entity in respect of which a DC Credit Event Announcement or Regional CDS Committee Restructuring Announcement has been made in respect of a Restructuring Credit Event.

### **Triggered Restructuring CDS Contract**

An Open CDS Position (or portion thereof) in a Restructuring CDS Contract that is the subject of an effective Restructuring Credit Event Notice pursuant to the CDS Restructuring Rules.

### **26E-103 Allocation of Matched Restructuring Pairs**

- (a) With respect to a Restructuring CDS Contract, following the occurrence of the DC Credit Event Announcement or Regional CDS Committee Restructuring Announcement:
- (i) ICE Clear Credit will match each Seller with one or more Buyers each of which is party to a Restructuring CDS Contract of the same type (such Restructuring CDS Contracts thereby becoming Matched CDS Contracts and each matched CDS Seller and CDS Buyer becoming a Matched Restructuring Pair), such that the Floating Rate Payer Calculation Amount related to each Matched CDS Seller under each Matched CDS Contract is fully allocated to one or more CDS Buyers under Matched CDS Contracts of the same type as the Matched CDS Seller Contract; and
  - (ii) ICE Clear Credit will notify each relevant CDS Buyer and CDS Seller of the Matched CDS Contracts, Matched CDS Buyer and Matched CDS Seller

(such notice, for purposes of this Rule, the "**Matched Restructuring Pair Notice**") and the associated MP Amount.

- (b) If ICE Clear Credit has delivered a Matched Restructuring Pair Notice that specifies a MP Amount that is less than the outstanding Floating Rate Payer Calculation Amount applicable to a Matched CDS Contract to which such Matched Restructuring Pair Notice relates, the relevant rights and obligations of ICE Clear Credit and the relevant CDS Participant pursuant to the Matched CDS Contract shall, with effect from the date such Matched Restructuring Pair Notice is effective, be construed as if ICE Clear Credit and the relevant CDS Participant have entered into two Restructuring CDS Contracts, one of which has a Floating Rate Payer Calculation Amount equal to the MP Amount and the other of which has a Floating Rate Payer Calculation Amount equal to the Floating Rate Payer Calculation Amount outstanding immediately prior to delivery of such Matched Restructuring Pair Notice minus the MP Amount.
- (c) With respect to a Triggered Restructuring CDS contract to which Physical Settlement applies (including as a result of a fallback settlement) under Chapter 22 of the Rules, the related Matched Restructuring Pair will also constitute a Matched Delivery Pair for purposes of Chapter 22 of the Rules.

#### **26E-104 Matched Restructuring Pairs: Designations and Notices**

- (a) In respect of each Matched CDS Buyer Contract which is the subject of a Matched Restructuring Pair, ICE Clear Credit, pursuant to Section 9.2(c)(iv) of the Credit Derivatives Definitions (as may be modified in the ICE Clear Credit Procedures), as designator, shall be deemed to have designated the Matched CDS Seller in such Matched Restructuring Pair as its designee:
  - (i) to receive on its behalf from the Matched CDS Buyer in the Matched Restructuring Pair, Credit Event Notices in relation to any Restructuring CDS Contract in respect of which a Restructuring Credit Event Announcement has been made;
  - (ii) to deliver on its behalf to the Matched CDS Buyer in the Matched Restructuring Pair Credit Event Notices in respect of which a Restructuring Credit Event Announcement has been made.
- (b) In respect of each Matched CDS Seller Contract which is the subject of a Matched Restructuring Pair, ICE Clear Credit, pursuant to Section 9.2(c)(iv) of the Credit Derivatives Definitions (as may be modified in the ICE Clear Credit Procedures), as designator, shall be deemed to have designated the Matched CDS Buyer in such Matched Restructuring Pair as its designee:
  - (i) to deliver on its behalf to the Matched CDS Seller in the Matched Restructuring Pair, Credit Event Notices in relation to any Restructuring CDS Contract in respect of which a Restructuring Credit Event Announcement has been made;

(ii) to receive on its behalf from the Matched CDS Seller in the Matched Restructuring Pair Credit Event Notices in relation to any Restructuring CDS Contract in respect of which a Restructuring Credit Event Announcement has been made;

(c) In relation to each Matched Restructuring Pair:

(i) the exercise of any rights by the Matched CDS Buyer against ICE Clear Credit under a Matched CDS Buyer Contract shall be deemed to constitute the exercise of equal and simultaneous rights by ICE Clear Credit against the Matched CDS Seller under the Matched CDS Seller Contract in the relevant Matched Restructuring Pair;

(ii) the exercise of any rights of the Matched CDS Seller against ICE Clear Credit under a Matched CDS Seller Contract shall be deemed to constitute the exercise of equal and simultaneous rights by ICE Clear Credit against the Matched CDS Buyer under the Matched CDS Buyer Contract in the relevant Matched Restructuring Pair;

(iii) where the Matched CDS Buyer validly delivers or serves any notice to the Matched CDS Seller in accordance with the Rules, such notice shall be effective with respect to both the Matched CDS Buyer Contract and the Matched CDS Seller Contract; and

(iv) where the Matched CDS Seller validly delivers or serves any notice to the Matched CDS Buyer in accordance with the Rules, such notice shall be effective with respect to both the Matched CDS Buyer Contract and the Matched CDS Seller Contract.

(d) Following delivery by a Matched CDS Buyer or Matched CDS Seller of any notice of a nature referred to in subsection (a) or (b) (any such notice, a "MP Notice"), the CDS Participant that delivered such MP Notice shall, at the times and in the circumstances specified by ICE Clear Credit, deliver a written copy of such MP Notice to ICE Clear Credit. ICE Clear Credit will provide a copy of the copy of each MP Notice received by it to both CDS Participants in each Matched Restructuring Pair under which an MP Notice has been served or appears to have been served. Any CDS Participant in a Matched Restructuring Pair which disputes any MP Notice, or which considers that an MP Notice additional to those copied to it by ICE Clear Credit has been served, must inform ICE Clear Credit. Unless ICE Clear Credit receives any notice disputing an MP Notice, ICE Clear Credit will update its and Deriv/SERV's records and will require the relevant CDS Participants to update Deriv/SERV's records on the basis of the MP Notices (or on the basis of equivalent information) notified by ICE Clear Credit to the Matched CDS Buyer and Matched CDS Seller in the Matched Restructuring Pair. ICE Clear Credit shall not be obliged to act upon any disputed MP Notice until the relevant dispute has been resolved.

- (e) The Matched CDS Buyer and Matched CDS Seller in each Matched Restructuring Pair shall each make such payments and deliveries and deliver such notices in relation to settlement to one another and to ICE Clear Credit as are required pursuant to a Matched CDS Contract, these Rules or Applicable Laws.

**26E-105 Separation of Matched Restructuring Pairs**

(a) If:-

- (i) a Restructuring Credit Event Announcement has been made; and
- (ii) a subsequent announcement by the relevant decision body has been made that the relevant Restructuring Credit Event did not in fact occur,

then:

(I) to the extent that ICE Clear Credit has not by then matched Sellers with Buyers to form Matched Restructuring Pairs in relation to the relevant CDS Contracts, pursuant to Rule 26E-103, it shall not do so; and

(II) to the extent that ICE Clear Credit has by then matched Sellers with Buyers to form Matched Restructuring Pairs in relation to the relevant CDS Contracts pursuant to Rule 26E-103, ICE Clear Credit shall:

(A) with respect to relevant CDS Contracts to which Auction Settlement is applicable and where the subsequent resolution of the relevant decision body in (ii) above occurs prior to the Auction Final Price Determination Date, reverse such matching; and

(B) with respect to relevant CDS Contracts to which the Fallback Settlement Method is applicable, to the extent that ICE Clear Credit has by then matched CDS Sellers with CDS Buyers to form Matched Restructuring Pairs in relation to the relevant CDS Contracts pursuant to Rule 26E-103, ICE Clear Credit shall, as soon as reasonably practicable, give a Matching Reversal Notice to the Seller and Buyer forming each affected Matched Restructuring Pair of the proposal to reverse such matching and shall thereafter reverse such matching, provided that ICE Clear Credit will not reverse any matching to the extent that the Matched CDS Buyer or Matched CDS Seller has, not later than one Business Day after the Matching Reversal Notice, given notice to ICE Clear Credit that the relevant Matched Restructuring Pair have settled the relevant Matched CDS Contracts (or part thereof).

(b) In relation to any Matched CDS Contract for which the matching of the related Matched Restructuring Pair is reversed pursuant to subsection (a) of this Rule, ICE Clear Credit will recalculate Margin on the basis that such CDS Contract is no longer a Matched CDS Contract and will adjust the Margin required by it accordingly.

- (c) In relation to any Matched CDS Contract for which the matching of the related Matched Restructuring Pair is reversed pursuant to subsection (a) of this Rule, any notices sent by the Matched CDS Buyer or the Matched CDS Seller to the other for the purposes or in connection with the settlement of the relevant Matched CDS Contracts will be deemed not to have been delivered and will be ineffective.
- (d) For the avoidance of doubt, reversal of a Matched CDS Contract means that the relevant CDS Participants together with ICE Clear Credit will restore the CDS Contracts that existed before the initial Credit Event determination occurred including by amending records in Deriv/SERV.



Addition to Schedule 502 of the ICE Clear Credit Rules

Standard Emerging Sovereign ("SES") Single Name Credit Default Swaps \*\*:

ENTITY NAME	Preferred ISIN
Federative Republic of Brazil	US105756AL40
United Mexican States	US91086QAN88
Bolivian Republic of Venezuela	US922646AS37
Argentine Republic	US040114GL81

\*\* New contracts are added quarterly during March, June, September and December. Contracts have the standard IMM maturity dates from zero month to ten year terms.