

ICE CLEAR CREDIT RESTRUCTURING PROCEDURES

These ICE Clear Credit Restructuring Procedures (these "**Procedures**") supplement the provisions of Subchapter 26E of the ICE Clear Credit Rules with respect to Relevant Restructuring Contracts.

1. DEFINITIONS

(a) Capitalized terms used but not defined herein will have the meanings specified in the Rules or, if not specified therein, will have the meanings specified in the 2003 Definitions or 2014 Definitions (each as defined in the Rules), as applicable.

(b) The following terms shall have the meanings indicated:

The term "**CDS Buyer**" means, in relation to a CDS Contract, the CDS Participant that is the Buyer thereunder.

The term "**CDS Seller**" means, in relation to a CDS Contract, the CDS Participant that is the Seller thereunder.

The term "**CDS Sub-Account**" means, in relation to a CDS Participant, each sub-account at ICE Clear Credit with a unique identification number used by that CDS Participant for the recording of details of CDS Contracts with ICE Clear Credit, which account is linked to an identification code at Deriv/SERV for the recording of details of trades relating to such CDS Contracts and which account is further linked to the CDS Participant's House Positions or Client-Related Positions.

The term "**CEN Triggering Period**" means, in relation to any Relevant Restructuring Contract in respect of which a Relevant Restructuring Credit Event has occurred, the period during which a CDS Buyer or CDS Seller may deliver a Restructuring Credit Event Notice in relation to all or part of such CDS Contract in accordance with the Contract Terms. Such period will start in accordance with the relevant published settlement timeline and will end on the relevant Exercise Cut-off Date.

The term "**CH Reversioning Date**" means, if the reversioning as referred to in the definition of the term "DTCC Reversioning Date" has not been completed, and notified by ICE Clear Credit to CDS Participants, prior to the opening of business on the second Business Day following the Restructuring Announcement Date, the later of:

(a) such second Business Day; or

(b) the Business Day after the Business Day on which the relevant index publisher provides a new version of the relevant index.

The term “**Circular**” means a publication issued by ICE Clear Credit for the attention of all CDS Participants and posted on ICE Clear Credit’s website.

The term “**Contract Terms**” means the contract terms applicable to a CDS Contract as specified pursuant to the applicable Rules.

The term “**DTCC**” means The Depository Trust and Clearing Corporation or any relevant subsidiary thereof or any successor thereto.

The term “**DTCC Accounts**” means the accounts in Deriv/SERV for the recording of transaction data in relation to CDS Contracts.

The term “**DTCC Failure**” means any circumstances in which DTCC is unable to process all or substantially all Restructuring Credit Event Notices or Notices to Exercise Movement Option, if any, relating to a particular Relevant Restructuring Credit Event in the DTCC Accounts in a timely manner, where such failure affects all or substantially all CDS Participants or ICE Clear Credit.

The term “**DTCC Process**” means the process (if any) provided or to be provided by DTCC permitting ICE Clear Credit alone to input to Deriv/SERV all relevant information in relation to a CDS Contract in order to establish, match and make “certain” the record of such CDS Contract in the relevant DTCC Account(s).

The term “**DTCC Reversioning Date**” means the date on which ICE Clear Credit notifies CDS Participants that it has completed the reversioning process and updated records in Deriv/SERV in respect of all Old Index CDS transactions to record them as excluding the component transaction relating to a Reference Entity in respect of which a Relevant Restructuring Credit Event has occurred.

The term “**Electronic Notice**” is a kind of MP Notice and means a Restructuring Credit Event Notice or Notice to Exercise Movement Option delivered pursuant to the Electronic Notice Process.

The term “**Electronic Notice Process**” means the process for the delivery and receipt of Restructuring Credit Event Notices and Notices to Exercise Movement Option pursuant to paragraph 3.3(f).

The term “**Manual MP Notice**” is a kind of MP Notice and means any notice delivered pursuant to the terms of a CDS Contract under the Manual Notice Process.

The term “**Manual Notice Process**” means the process for the delivery, receipt and copying to ICE Clear Credit of notices pursuant to paragraph 3.3(g).

The term "**Matched Restructuring Pair**" or "**MRP**" means a Matched Restructuring Pair created pursuant to Subchapter 26E in respect of a Relevant Restructuring Credit Event.

The term "**Matched Restructuring Pair Notice**" has the meaning specified in the Rules.

The term "**MP Notice**" has the meaning specified in the Rules.

The term "**MRP Deadline Time**" means:

(a) subject to (b) below, 11.59 p.m. on the Business Day prior to the start of the relevant Triggering Period; or

(b) either:

(i) with respect to:

(A) 2003-Type CDS Contracts for which either "Restructuring Maturity Limitation and Fully Transferable Obligation Applicable" or "Modified Restructuring Maturity Limitation and Conditionally Transferable Obligation Applicable" is applicable, if a No Auction Announcement Date has been announced pursuant to Section 12.12(a) of the 2003 Definitions; or

(B) 2014-Type CDS Contracts for which the relevant Credit Event is an M(M)R Restructuring, if a No Auction Announcement Date has been announced pursuant to Section 6.11(a) of the 2014 Definitions,

(ii) with respect to 2003-Type CDS Contracts for which neither "Restructuring Maturity Limitation and Fully Transferable Obligation Applicable" nor "Modified Restructuring Maturity Limitation and Conditionally Transferable Obligation Applicable" is applicable, if a No Auction Announcement Date has been announced pursuant to section 12.12 of the 2003 Definitions,

the later of:

(A) 11.59 p.m. on the ninth calendar day following the No Auction Announcement Date; and

(B) the second Business Day following the DTCC Reversioning Date, if any, or, if earlier, the first Business Day following the CH Reversioning Date, if any.

The term "**MRP Matched Table**" means the data file, in computer-readable format, containing details of all MRPs and MP Amounts and the CDS Contracts and CDS Participants to which they relate and reflecting the MRP Matching Reports, all in relation to the allocation of Matched Restructuring Pairs pursuant to Subchapter 26E following a Relevant Restructuring Credit Event.

The term "**MRP Matching Report**" means the report given by ICE Clear Credit, as referred to in paragraph 3.3(e), to each CDS Participant identifying the allocations of Matched Restructuring Pairs and the associated MP Amounts affecting the Open Position of that CDS Participant, which report comprises Matched Restructuring Pair Notices for purposes of Subchapter 26E in respect of each Matched Restructuring Pair.

The term "**NEMO Triggering Period**" means

(a) in relation to any 2003-Type CDS Contracts in respect of which a Relevant Restructuring Credit Event has occurred and for which either "Restructuring Maturity Limitation and Fully Transferable Obligation Applicable" or "Modified Restructuring Maturity Limitation and Conditionally Transferable Obligation Applicable" is applicable, the period starting as follows:

(i) where, in relation to the related CEN Triggering Period, a Restructuring Credit Event Notice was given pursuant to the Manual Notice Process at a time before the "Notify" function to be provided by the DTCC Process has been made generally available to CDS Participants, at 9 a.m. on the day falling one Business Day prior to the relevant Movement Option Cut-off Date for the related CDS Contracts; and

(ii) otherwise at 9 a.m. on the Business Day immediately following the Exercise Cut-off Date applicable to the Buyer in relation to the related CEN Triggering Period,

and ending on the Movement Option Cut-off Date; and

(b) in relation to any 2014-Type CDS Contracts in respect of which an M(M)R Restructuring has occurred, the period starting at the close of business on the Exercise Cut-off Date and ending on the Movement Option Cut-off Date.

The term "**Notification Cut-Off Time**" means

(a) with respect to delivery of a Restructuring Credit Event Notice in relation to CDS Contracts, 5:00 p.m. on the Exercise Cut-off Date applicable to the Buyer;

- (b) with respect to raising a dispute in respect of a Restructuring Credit Event Notice in relation to CDS Contracts, the later of (A) one hour after ICE Clear Credit notifies the Participants of the Restructuring Credit Event Notices they have served or had served on them; or (B) 7:00 p.m. on the Exercise Cut-off Date applicable to the Buyer;
- (c) with respect to delivery of a Notice to Exercise Movement Option, 5:00 p.m. on the Movement Option Cut-off Date; and
- (d) with respect to raising a dispute in respect of a Notice to Exercise Movement Option, the later of (A) one hour after ICE Clear Credit notifies the Participants of the Notices to Exercise Movement Option they have served or had served on them; or (B) 7:00 p.m. on the Movement Option Cut-off Date.

The term "**Old Index CDS**" means a CDS transaction based on an index where an applicable Credit Event has occurred in relation to a component transaction.

The term "**Restructuring Announcement Date**" means the date on which the Restructuring Credit Event Announcement is made, provided that where such Restructuring Credit Event Announcement is made after 6.30 p.m. on a Business Day or on a day which is not a Business Day, the Restructuring Announcement Date (only) will, for the purposes of the Rules, be the first following Business Day.

The term "**Triggering Period**" means the CEN Triggering Period ending on the Exercise Cut-Off Date applicable to a Buyer or NEMO Triggering Period, as applicable.

2. INTENTIONALLY OMITTED.

3. CREDIT EVENTS

3.1 Old Index CDS and Restructuring

In relation to each CDS Contract which is an Old Index CDS where a Relevant Restructuring Credit Event has occurred in relation to a component transaction, ICE Clear Credit (for itself and on behalf of each relevant CDS Clearing Member and each relevant Non-Participant Party) will submit relevant data to Deriv/SERV as soon as practicable after the DTCC Reversioning Date in order to record the relevant New Trades.

3.2 Notices

- (a) MP Notices delivered between a Matched CDS Buyer, ICE Clear Credit and a Matched CDS Seller shall be delivered in accordance with the terms of the relevant CDS Contract, the Rules and these

Restructuring Procedures. Subject to paragraphs 3.2 and 3.3 of these Restructuring Procedures and Subchapter 26E, Section 1.10 of the 2003 Definitions (in the case of a 2003-Type CDS Contract) or Section 1.38 of the 2014 Definitions (in the case of a 2014-Type CDS Contract), as applicable, will apply to MP Notices delivered under a CDS Contract (and for purposes of MP Notices, the provisions of Section 1.10 of 2003 Definitions or Section 1.38 of the 2014 Definitions, as the case may be, shall prevail over the general timing and process for notices set out in the Rules). Any Manual MP Notices (including memoranda of telephone notices) under a CDS Contract shall be copied or sent to the following e-mail address of ICE Clear Credit: cdsцен@theice.com. ICE Clear Credit shall have no responsibility to any CDS Participant to verify in any manner the contents of any MP Notice received by it.

- (b) ICE Clear Credit will circulate, by e-mail to all relevant CDS Participants prior to the start of the CEN Triggering Period:
 - (i) such details as it has received of CDS Participants' address, fax number, telephone number, e-mail address and any other applicable notice details for the delivery of notices through the Manual Notice Process; and
 - (ii) the e-mail address of ICE Clear Credit for the delivery of notices or copies or memoranda of notices through the Manual Notice Process or otherwise in connection with the Credit Event in question (if different from those specified in paragraph 3.2(a) above).

Manual MP Notices delivered by CDS Participants to other CDS Participants or copied to ICE Clear Credit must be made to the contact details specified in paragraph 3.2(a) or otherwise in such manner as is specified by ICE Clear Credit in the e-mail circulated pursuant to this paragraph 3.2(b).

3.3 Matched Restructuring Pairs

- (a) For the avoidance of doubt, Matched Restructuring Pairs will not be allocated in respect of any CDS Contracts for which the applicable Settlement Method is "Auction Settlement" following the occurrence of any applicable Credit Event other than a Relevant Restructuring Credit Event.
- (b)
 - (i) For any CDS Sub-Account where CDS Contracts are recorded on a "trade by trade" basis or a "gross" basis, CDS Contracts will be netted and/or aggregated (as if the CDS

Sub-Account were recorded on a "net" basis) prior to the processing of any Relevant Restructuring Credit Event so as to reflect the equivalent of an Open Position in such CDS Contract in respect of such CDS Sub-Account.

- (ii) ICE Clear Credit will, as soon as reasonably practicable following the completion of the process in subparagraph 3.3(b)(i), use an algorithm for purposes of allocating Matched Restructuring Pairs under Subchapter 26E. This algorithm shall minimize, to the extent reasonably practicable, each of the following:
 - (A) the number of Matched Restructuring Pairs in respect of which the MP Amount is less than EUR 1,000,000 (for iTraxx, STEC or STEFC Contracts) or USD1,000,000 (for sovereign Contracts), as applicable (or such other amount as may be notified by ICE Clear Credit by Circular, after consultation with the Risk Committee) or not an integral multiple of such amount;
 - (B) the number of Matched Restructuring Pairs into which an individual CDS Participant is matched, provided that the MP Amount for any Matched Restructuring Pair shall not exceed EUR 50,000,000 (for iTraxx, SNEC or STEFC Contracts) or USD10,000,000 (for sovereign Contracts), as applicable (or such other amount as may be notified by ICE Clear Credit by Circular, after consultation with the CDS Risk Committee) and further provided that this shall not preclude the same CDS Seller and CDS Buyer being matched with each other in respect of more than one Matched Restructuring Pair;
 - (C) the overall number of Matched Restructuring Pairs; and
 - (D) the number of, and notional amounts in Matched Restructuring Pairs with two different CDS Participants.
- (c) For purposes of Subchapter 26E, ICE Clear Credit will allocate to each Matched Restructuring Pair an MP Amount such that: (i) the sum of all MP Amounts of each CDS Buyer is equal to the aggregate Floating Rate Payer Calculation Amounts of such CDS Buyer in respect of all its CDS Contracts of the relevant type; and (ii) the sum of all MP Amounts of each CDS Seller is equal to the

aggregate of the Floating Rate Payer Calculation Amounts of such CDS Seller in respect of all its CDS Contracts of the relevant type.

- (d) In the case of the allocation of Matched Restructuring Pairs under Subchapter 26E, ICE Clear Credit will, as soon as reasonably practicable, provide each CDS Participant an MRP Matching Report. Each CDS Participant to whom an MRP Matching Report is delivered shall check that the MRP Matching Report reflects its netted Contracts for each CDS Sub-Account with ICE Clear Credit in respect of each CDS Contract that is subject to the Relevant Restructuring Credit Event. Any CDS Participant which believes that the MRP Matching Report does not so reflect its net Open Position shall notify ICE Clear Credit of the same as soon as possible. If an error is notified to or noticed by ICE Clear Credit, ICE Clear Credit will, (i) provided that it has the time to do so, issue a replacement MRP Matching Report to any affected CDS Participant or (ii) take any other such steps as may be required to correct the error.
- (e) Matched Restructuring Pair Notices.
 - (i) If ICE Clear Credit is obliged to issue Matched Restructuring Pair Notices in respect of a CDS Contract pursuant to Subchapter 26E, it will endeavor to do so as soon as reasonably practicable after the Clearance Cut-off Time for such contract.
 - (ii) Matched Restructuring Pair Notices may be delivered by ICE Clear Credit by e-mail or fax or by posting to a secure section of ICE Clear Credit's website which only ICE Clear Credit and the relevant CDS Participant may view, such that confidentiality (to the extent required under the Rules) is maintained. ICE Clear Credit will give each CDS Participant reasonable notice of any method of delivery to be used other than ICE Clear Credit's secure website, unless a particular CDS Participant and ICE Clear Credit mutually agree upon an alternative form of notice being used. The Matched Restructuring Pair Notice will be effective when received by, or available on the secure section of ICE Clear Credit's website for inspection by, the relevant CDS Participant, as applicable.
 - (iii) Intentionally Omitted.
 - (iv) ICE Clear Credit shall issue Matched Restructuring Pair Notices to the CDS Participants pursuant to Subchapter 26E following a Relevant Restructuring Credit Event prior to the

MRP Deadline Time, in the form of the MRP Matching Report for each CDS Participant. Where there is a CH Reversioning Date, ICE Clear Credit will, in its own systems, reversion Old Index CDS to exclude the relevant component transaction in respect of which a Relevant Restructuring Credit Event has occurred and record such Component Transaction in the form of a New Trade, in each case on the CH Reversioning Date.

- (v) As soon as practicable after the issue of the MRP Matching Reports, ICE Clear Credit will, for itself, for CDS Participants and for any Non-Participant Party, terminate the records in the DTCC Accounts of all CDS Contracts which are the subject of the relevant MRP Matching Report and, using the DTCC Process, input matching records of CDS Contracts in the DTCC Accounts to reflect the creation of the MRPs shown by the MRP Matching Reports. Each relevant CDS Participant and each Non-Participant Party shall cease to take any action which would result in any of the records of relevant CDS Contracts in the DTCC Accounts being amended after 12 noon on the day of the MRP Deadline Time, unless otherwise agreed with ICE Clear Credit. ICE Clear Credit and each relevant CDS Participant shall use their best endeavours to rename trade identifiers in the DTCC Accounts appropriately and to ensure that the records of each affected CDS Contract to which it is party are "confirmed and certain" within the DTCC Accounts prior to that time. If the records of CDS Contracts which are so input into the DTCC Accounts by ICE Clear Credit using the DTCC Process do not reflect the MRPs shown by the MRP Matching Reports, ICE Clear Credit will amend (and thereby correct) such records in the DTCC Accounts and may require the affected CDS Participants or Non-Participant Parties to make or confirm matching amendments to such records. CDS Participants and Non-Participant Parties will be bound by the records originally so input unless and until they are so amended.
- (vi) ICE Clear Credit shall, in the case of the allocation of Matched Restructuring Pairs pursuant to Subchapter 26E, upload the MRP Matched Table to Deriv/SERV and issue confirmed MRP Matching Reports to CDS Participants, setting out the details of the Matched Restructuring Pairs that have been recorded in the DTCC Accounts, as soon as reasonably practicable but in any event not later than the MRP Deadline Time (provided that ICE Clear Credit shall not be treated as being in breach of any obligation to any

Participant if it is not able to do so as a result of a failure of DTCC). ICE Clear Credit, CDS Participants and Non-Participant Parties recognise and acknowledge that in certain circumstances outside the control of ICE Clear Credit, the CEN Triggering Period applicable to the Seller and the Buyer may be a period of fewer than two and five Business Days, respectively.

- (vii) In accordance with and to the extent permitted under Subchapter 26E, if ICE Clear Credit fails to issue Matched Restructuring Pair Notices or the MRP Matching Report and to upload the MRP Matched Table by the MRP Deadline Time, CDS Participants may deliver Restructuring Credit Event Notices and Notices to Exercise Movement Option, as applicable, directly to ICE Clear Credit until such time as the Matched Restructuring Pair Notices or MRP Matching Reports, as applicable, have been issued or the MRP Matched Table, as applicable, has been uploaded. Such notices must be made by fax or e-mail to the contact details specified in accordance with paragraph 3.2(b).
- (f) Electronic Notice Process for Matched Restructuring Pairs.
 - (i) Subject to paragraphs 3.3(e)(vii), 3.3(f)(v), 3.3(f)(vi) and Subchapter 26E:
 - (A) a CDS Participant and Non-Participant Party (if any) may deliver Restructuring Credit Event Notices and Notices to Exercise Movement Option, but only in the form of an Electronic Notice through Deriv/SERV in accordance with the specific procedures of DTCC which are provided for the delivery of such notices through the DTCC Accounts; and
 - (B) any Restructuring Credit Event Notice or Notice to Exercise Movement Option delivered otherwise than in accordance with such procedures as an Electronic Notice will be invalid and ineffective.
 - (ii) ICE Clear Credit, each CDS Participant and Non-Participant Party (if any) acknowledges that, subject to paragraph 3.3(f)(vi), an Electronic Notice delivered to ICE Clear Credit in relation to a Matched CDS Buyer Contract or a Matched CDS Seller Contract recorded in such CDS Participant's DTCC Account, provided that it is delivered within the time limits set for such delivery by the Contract Terms and otherwise satisfies the requirements of the Contract Terms

and is submitted properly in accordance with the applicable regulations, rules and procedures of Deriv/SERV, is intended to result in a corresponding Electronic Notice being created by Deriv/SERV and delivered (or if such corresponding Electronic Notice is not created and delivered, it shall be deemed to have been created and delivered) on behalf of ICE Clear Credit to the other CDS Participant in respect of the Matched CDS Seller Contract or Matched CDS Buyer Contract, as applicable, in the same Matched Restructuring Pair for all purposes under Subchapter 26E (and, for the avoidance of doubt, without need for delivery of a notice directly between Matched CDS Buyer and Matched CDS Seller). Where a CDS Participant receives (or has been deemed to receive) such an Electronic Notice from ICE Clear Credit in respect of a CDS Contract that is a Client-Related Position, the relevant Non-Participant Party will be deemed to have received the same Electronic Notice in respect of the relevant CDS Contract.

The time of delivery of both such Electronic Notices in respect of both the Matched CDS Buyer Contract and Matched CDS Seller Contract which are subject of the same Matched Restructuring Pair shall be deemed to be the same and shall be the time that DTCC records as being the time at which the first Electronic Notice was processed. An Electronic Notice which is or is deemed to be validly delivered in accordance with these CDS Procedures shall be treated as valid delivery of a Restructuring Credit Event Notice or Notice to Exercise Movement Option for purposes of the Applicable Credit Definitions and Contract Terms of the relevant CDS Contract.

- (iii) If, but only if, ICE Clear Credit has received, before the end of the relevant Triggering Period, either (A) the notice required under Paragraph 3.3(f)(v)(B)(2) from any CDS Participant or (B) a notification of a DTCC Failure, as referred to in paragraph 3.3(f)(vi), then, by 6:00 p.m. on the day of such notice or notification and each subsequent day of the relevant Triggering Period, ICE Clear Credit will provide CDS Participants with a report containing details of Electronic Notices that have been delivered by or to it, with a separate report or combined report also including details of any Manual MP Notices that have been delivered by it or to it and notified to ICE Clear Credit. Without prejudice to the generality of paragraphs 3.3(f)(x), if the contents of any such report are disputed, paragraph 3.3(g)(iv) applies.

- (iv) At the end of each Triggering Period, ICE Clear Credit will, where such records have not already been adjusted to the following effect by DTCC, adjust the records in the DTCC Accounts of the Matched CDS Contracts to which the MRPs relate to reflect any Restructuring Credit Event Notices and Notices to Exercise Movement Option (and the consequences of such notices) delivered during the relevant Triggering Period, including (A) where appropriate, subdividing such Matched CDS Contracts to reflect Triggered Restructuring CDS Contracts; and (B) taking such steps as are necessary for Triggered Restructuring CDS Contracts for which the relevant Restructuring Credit Event Notices and Notices to Exercise Movement Option (if any) that were delivered through the Manual Notice Process or Electronic Notice Process settle through the same processes. To the extent that ICE Clear Credit adjusts any records in the DTCC Accounts at the end of the CEN Triggering Period applicable to Buyer, ICE Clear Credit will update the MRP Matched Table to reflect such adjustments.

- (v) Rights and obligations to use the Manual Notice Process.
 - (A) In addition to the circumstances set out in paragraph 3.3(f)(vi), a CDS Participant (a "**Manual CDS Participant**") (but not, for the avoidance of doubt, any Non-Participant Party) shall be entitled to deliver Restructuring Credit Event Notices and Notices to Exercise Movement Option pursuant to the Manual Notice Process only if it is affected by a significant communications or information technology failure resulting in it being impossible or impractical for such CDS Participant to deliver all or substantially all Restructuring Credit Event Notices or Notices to Exercise Movement Option (as applicable) in accordance with the Electronic Notice Process on the last day of the relevant NEMO Triggering Period or CEN Triggering Period applicable to it as protection buyer or protection seller.

As between a CDS Participant and a Non-Participant Party (if any), the delivery or receipt by that CDS Participant to or from ICE Clear Credit of a Restructuring Credit Event Notice or a Notice to Exercise Movement Option in respect of a CDS Contract recorded in its CDS Sub-Account shall have the same effect as though such CDS Participant had delivered or received, to or from ICE Clear Credit, an

Electronic Notice of the same under paragraph 3.3(f)(ii).

- (B) If a CDS Participant delivers any Restructuring Credit Event Notice or Notice to Exercise Movement Option (as applicable) in accordance with the Manual Notice Process then:
- (1) it will be deemed to represent to ICE Clear Credit that it is affected by a significant communications or information technology failure resulting in it being impossible or impractical for such CDS Participant to deliver all or substantially all Restructuring Credit Event Notices or Notices to Exercise Movement Option (as applicable) in accordance with the Electronic Notice Process;
 - (2) it must deliver a notice, in or substantially in the form provided by ICE Clear Credit on the Clearing Participant-accessible section of its website for such purpose, signed by a senior officer (such as managing director or equivalent) of such CDS Participant to ICE Clear Credit, certifying only that it is affected by a significant communications or information technology failure resulting in it being impossible or impractical for it to deliver all or substantially all Restructuring Credit Event Notices or Notices to Exercise Movement Option (as applicable) in accordance with the Electronic Notice Process and that it has delivered one or more Restructuring Credit Event Notices or Notices to Exercise Movement Option (as applicable) in accordance with the Manual Notice Process, such notice to be delivered promptly and, in any event, within 1 hour of such CDS Participant's first so delivering a Restructuring Credit Event Notice or Notice to Exercise Movement Option in respect of any Relevant Restructuring Credit Event (but the CDS Participant shall not be required to provide a copy of any Restructuring Credit Event Notices or Notices to Exercise Movement Option (as applicable) until the time specified in paragraph 3.3(g);

- (3) ICE Clear Credit will (x) publish a Circular as soon as reasonably practicable after receiving a notice pursuant to paragraph 3.3(f)(v)(B)(2) which will name the CDS Participant involved, refer to such CDS Participant as having been subject to a significant communications or information technology failure and specify any amended timelines applicable for the processing of the Relevant Restructuring Credit Event in question and (y) notify all CDS Participants of the name of the Manual CDS Participant by fax or e-mail within 1 hour;
 - (4) the CDS Participant must use reasonable endeavors to mitigate the effects on other CDS Participants and ICE Clear Credit of it using the Manual Notice Process, with reference to the principle that it is operationally simpler for all CDS Participants to use the Electronic Notice Process and shall use reasonable endeavors to minimize the number of notices it delivers pursuant to the Manual Notice Process;
 - (5) the CDS Participant must revert to using the Electronic Notice Process (and cease using the Manual Notice Process) as soon as reasonably practicable;
 - (6) the CDS Participant must take reasonable endeavors to ensure that the communications or information technology issue does not recur; and
 - (7) if a separate significant communications or information technology failure occurs affecting the same or another CDS Participant in respect of the same Relevant Restructuring Credit Event, this paragraph 3.3(f)(v) shall apply in full in respect of that separate failure.
- (C) Where, as a consequence of a Restructuring Credit Event Notice being delivered pursuant to the Manual Notice Process, the records of the relevant Triggered Restructuring CDS Contract(s) in the DTCC Accounts are not the same as the records thereof held by ICE Clear Credit: (1) ICE Clear Credit, the two relevant CDS Participants in the Matched Restructuring Pair

will use all reasonable endeavours to reconcile the records as soon as possible; and (2) if agreement as to such reconciliation has not been reached within two Business Days of ICE Clear Credit first notifying the two CDS Participants involved of the inconsistency between the two sets of records, the matters will be resolved as disputes between ICE Clear Credit and each of the two affected CDS Participants in accordance with Paragraph 3.3(g)(x) to (xii).

- (D) Any CDS Participant (and any Non-Participant Party) in a Matched Restructuring Pair with a Manual CDS Participant must continue to use the Electronic Notice Process unless this paragraph 3.3(f)(v) separately applies to it. For the avoidance of doubt, and without prejudice to ICE Clear Credit's rights under the Rules or otherwise for breach of contract or misrepresentation, any breach by a CDS Participant of the provisions of this paragraph 3.3(f)(v) shall not cause any Restructuring Credit Event Notice or Notice to Exercise Movement Option (as applicable) delivered otherwise in accordance with the Contract Terms to be invalid or ineffective.

- (vi) If DTCC notifies ICE Clear Credit that there has been a DTCC Failure:
 - (A) ICE Clear Credit will (1) publish a Circular as soon as reasonably practicable after receiving such notice stating that a DTCC Failure has occurred, specifying a time (the "**DTCC Failure Time**") at which such DTCC Failure occurred and which may specify any amended timelines applicable for the processing of the Relevant Restructuring Credit Event in question and (2) notify all CDS Participants of the DTCC Failure by fax or e-mail within 1 hour;

 - (B) from and including the DTCC Failure Time to but excluding the DTCC Resolution Time (as defined below), the Electronic Notice Process shall cease to be applicable and CDS Participants (but not, for the avoidance of doubt, any Non-Participant Party) may only deliver and receive Restructuring Credit Event Notices and Notices to Exercise Movement Option (as applicable) in respect of a Matched CDS Contract in accordance with the Manual Notice Process;

- (C) the validity of any Restructuring Credit Event Notices and Notices to Exercise Movement Option (as applicable) delivered in accordance with the Electronic Notice Process prior to the DTCC Failure Time will not be affected by the DTCC Failure; and
- (D) all Restructuring Credit Event Notices and Notices to Exercise Movement Option (as applicable) delivered or purported to be delivered in accordance with the Electronic Notice Process at or after the DTCC Failure Time to but excluding the DTCC Resolution Time will not be valid.

If, subsequent to a DTCC Failure, DTCC notifies ICE Clear Credit that the DTCC Failure is no longer in effect:

- (1) ICE Clear Credit will (x) publish a Circular as soon as reasonably practicable after receiving such notice stating the DTCC Failure is no longer in effect and specifying the time at which the Electronic Notice Process is to become available (the “**DTCC Resolution Time**”) which time must be at least 30 minutes following the time of publication of the Circular but may be as late as 9 a.m. on a ICE Clear Credit Business Day following the date of the Circular and (y) notify all CDS Participants of the same by fax or e-mail within 1 hour; and
 - (2) subject to paragraph 3.3(f)(v), as from the DTCC Resolution Time, CDS Participants must cease delivering Restructuring Credit Event Notices and Notices to Exercise Movement Option (as applicable) pursuant to the Manual Notice Process and must instead deliver Restructuring Credit Event Notices and Notices to Exercise Movement Option (as applicable) in accordance with the Electronic Notice Process.
- (vii) If a Restructuring Credit Event Notice or Notice to Exercise Movement Option is delivered between a Matched Restructuring Pair in accordance with the Electronic Notice Process and a separate Restructuring Credit Event Notice or Notice to Exercise Movement Option is delivered as between the same Matched Restructuring Pair in accordance with the Manual Notice Process, then, subject to paragraph 3.3(f)(viii), the validity or priority of any such Restructuring

Credit Event Notice or Notice to Exercise Movement Option in the event of any conflict will be determined in accordance with the Contract Terms.

- (viii) If the Manual Notice Process is applicable, and a CDS Participant is uncertain as to whether or not a Restructuring Credit Event Notice or Notice to Exercise Movement Option (as applicable) it or a Non-Participant Party (if any) attempted to deliver under the Electronic Notice Process has actually been delivered, or was delivered prior to the DTCC Failure Time, that CDS Participant shall be entitled to deliver a Restructuring Credit Event Notice or Notice to Exercise Movement Option (as applicable) pursuant to the Manual Notice Process to its Matched Restructuring Pair (copied to ICE Clear Credit) specifying that such Restructuring Credit Event Notice or Notice to Exercise Movement Option (as applicable) is only to be effective to the extent that the other purported notice was not effective, provided that sufficient details are included of the notice attempted to be made under the Electronic Notice Process to allow the other party to the Matched Restructuring Pair and ICE Clear Credit to identify the communications concerned. If the first Restructuring Credit Event Notice or Notice to Exercise Movement Option (as applicable) to which the attempted delivery related was actually delivered, then any subsequent Restructuring Credit Event Notice or Notice to Exercise Movement Option delivered in accordance with the requirements of this paragraph 3.3(f)(viii) shall be treated as not having been delivered.
- (ix) If any Restructuring Credit Event Notice or Notice to Exercise Movement Option (as applicable) is delivered pursuant to the Manual Notice Process, neither CDS Participants nor Non-Participant Parties shall re-enter details of that Restructuring Credit Event Notice or Notice to Exercise Movement Option pursuant to the Electronic Notice Process (without prejudice to the obligation of CDS Participants to reflect such notices pursuant to the "Notify" function made available by Deriv/SERV). Any delivery of a second Restructuring Credit Event Notice in such a manner shall be treated as delivery of an additional and separate Restructuring Credit Event Notice pursuant to the Electronic Notice Process. Any deliver of a second Notice to Exercise Movement Option for the same Triggered Restructuring DS Contract in such a manner shall be disregarded.

- (x) Paragraphs 3.3(g)(iv), (x), (xi), (xii) and (xiii) (in the latter case in relation to disputes falling under paragraph 3.3(g)(xiii)(B) only) shall apply to notices delivered pursuant to the Electronic Notice Process in the same way as such paragraphs apply to notices under the Manual Notice Process.
 - (xi) For the avoidance of doubt, the Electronic Notice Process does not apply to Notices of Physical Settlement or NOPS Amendment Notices.
- (g) Manual Notice Process.

CDS Participants in a Matched Restructuring Pair must only use the Manual Notice Process to deliver (1) MP Notices that are Restructuring Credit Event Notices or Notices to Exercise Movement Option where permitted by paragraphs 3.3(f)(v) or 3.3(f)(vi); and (2) Notices to Exercise Movement Option where permitted by paragraph 3.3(g)(xi). A Restructuring Credit Event Notice or Notice to Exercise Movement Option delivered other than by the Electronic Notice Process will only be valid and effective if (x) it is in or substantially in the form (or in the case of a telephone notice, contains the information required by the form) provided by ICE Clear Credit on the section of its website accessible to Participants for such purpose and (y) it is delivered by fax, e-mail or telephone to the relevant contact address or number specified in accordance with paragraph 3.2(b). Notwithstanding any provision of the terms of the CDS Contract, any notice under a Matched CDS Contract which is required to be copied or given to ICE Clear Credit in accordance with the Rules must be copied or given to ICE Clear Credit in writing or in any other manner permitted by ICE Clear Credit. Only a CDS Participant may deliver a Manual MP Notice to ICE Clear Credit.

On each day on which a Manual MP Notice is served:

- (i) Each Manual MP Notice shall be effective, subject to this paragraph 3.3(g) and, in respect of a 2003-Type CDS Contract, Section 1.10 of the 2003 Definitions or, in respect of a 2014-Type CDS Contract, Section 1.38 of the 2014 Definitions. Subchapter 26E applies in full in respect of each Manual MP Notice.
- (ii) Each CDS Participant in receipt of a Manual MP Notice or which has served a Manual MP Notice shall deliver a copy of such Manual MP Notice (if it was a written notice) or a written memorandum of such Manual MP Notice (if it was

oral) to ICE Clear Credit at or prior to 5:00 p.m. on the day on which the Manual MP Notice was served or purported to be served. Any memorandum of a notice given by telephone must be in the same form as a written notice.

- (iii) ICE Clear Credit shall deliver copies of each copy or memorandum of a Manual MP Notice received by it under and in accordance with paragraph 3.3(g)(ii) to both CDS Participants in each relevant Matched Restructuring Pair at or prior to 6:00 p.m. on the day on which the copy or memorandum was delivered to it.
- (iv) If a CDS Participant wishes to dispute any Manual MP Notice of which a copy or a memorandum was delivered to it by ICE Clear Credit under paragraph 3.3(g)(iii) (or, to the extent that this paragraph 3.3(g)(iv) is applicable pursuant to paragraph 3.3(f)(x), wishes to dispute a Restructuring Credit Event Notice or Notice to Exercise Movement Option referred to in a report under paragraph 3.3(f)(ii)), that CDS Participant must inform ICE Clear Credit of the existence of the dispute prior to the Notification Cut-off Time, and will use reasonable endeavors to inform ICE Clear Credit within 1 hour of the time at which the report, copy or memorandum (in which the disputed notice is referred to) is first delivered to it by ICE Clear Credit.
- (v) Subject to paragraph 3.3(g)(x)-(xii) below, neither the failure of any CDS Participant to deliver a copy or memorandum of a Manual MP Notice to ICE Clear Credit nor the failure of ICE Clear Credit to deliver a copy or memorandum of a Manual MP Notice to any CDS Participant of itself shall result in any notice under a CDS Contract being invalid.
- (vi) Notwithstanding any breach of paragraph 3.3(g)(ii) and without prejudice to any liabilities resulting from such breach, a CDS Participant shall inform ICE Clear Credit as soon as practicable upon becoming aware that a copy or memorandum of any Manual MP Notice was not delivered to ICE Clear Credit on time, providing a copy or memorandum of such Manual MP Notice.
- (vii) To the extent that they are able to do so, the CDS Participants in a Matched Restructuring Pair where one has delivered to the other a Restructuring Credit Event Notice or Notice to Exercise Movement Option pursuant to the Manual Notice Process shall reflect the delivery and receipt of such notices using the "Notify" function provided by Deriv/SERV.

- (viii) Where neither CDS Participant in a Matched Restructuring Pair deliver a copy or memorandum of a Manual MP Notice to ICE Clear Credit until after the Notification Cut-off Time;
 - (A) If such CDS Participants do not dispute that such notice was delivered between themselves correctly in accordance with the Contract Terms (excluding this paragraph 3.3(g)), ICE Clear Credit will permit the parties to settle the relevant CDS Contracts through the clearing system as if the notice had been copied to ICE Clear Credit before the Notification Cut-off Time, provided that ICE Clear Credit is notified of the notice prior to 4:30 p.m. on the ICE Clear Credit Business Day prior to the DTCC event processing end date (as determined by DTCC for the Credit Event in question). With respect to Restructuring Credit Event Notices, ICE Clear Credit shall only permit such settlement in relation to 3 CDS Contracts per CDS Participant per Relevant Restructuring Credit Event; and
 - (B) If such CDS Participants do dispute that such notice was delivered between themselves correctly in accordance with the Contract Terms (excluding this paragraph 3.3(g)), paragraph 3.3(g)(x) to 3.3(g)(xiii) shall apply.
- (ix) Intentionally omitted.
- (x) Until such time as any dispute concerning an MP Notice is resolved, ICE Clear Credit shall be entitled to calculate Margin requirements for each of the CDS Participants in a Matched Restructuring Pair based on the maximum Margin requirement for each of the CDS Participants that could result, in the opinion of ICE Clear Credit, from any reasonably foreseeable outcome of any such dispute.
- (xi) Unless and until such time as any dispute concerning an MP Notice is resolved, ICE Clear Credit shall not be obliged to take any step that would have been required of it were the MP Notice to have been validly served. If any matter relating to a Restructuring Credit Event Notice (or alleged Restructuring Credit Event Notice) is disputed, then any Notice to Exercise Movement Option or purported Notice to Exercise Movement Option in relation to the CDS Contract under dispute may only be delivered pursuant to the Manual Notice Process. In such instances, the preconditions to

using the Manual Notice Process (other than those set out in this paragraph 3.3(g)(xi)) and other requirements set out in paragraph 3.3(f)(v) shall not apply.

- (xii) Upon final resolution of any such dispute, ICE Clear Credit and the relevant CDS Participants shall take such actions with respect to the disputed CDS Contract as ICE Clear Credit determines appropriate to give effect to such resolution, which may include, without limitation, effecting settlement pursuant to the Transaction Auction Settlement Terms or relevant Parallel Auction Settlement Terms (if any) and termination of the related CDS Contract, creating or increasing the parties' Open Positions, paying any accrued but unpaid Fixed Amounts and/or recalculating the parties' Margin requirements, and the CDS Participants shall perform their respective obligations in accordance with ICE Clear Credit's determinations. Notwithstanding anything to the contrary herein or in any arbitral or other decision resolving such dispute, ICE Clear Credit shall not be obligated to take any other action nor shall ICE Clear Credit be liable for any other damages, including, without limitation, punitive damages, consequential damages, incidental damages, lost profits, attorney's fees or other costs or pre- or post-judgment interest. Any other action or damages required by any such resolution shall be the direct obligation of the relevant CDS Participants to each other, and such CDS Participants shall be entitled to pursue directly against each other whatever legal remedies may be available. For the avoidance of doubt, ICE Clear Credit shall have no liability with respect to any such legal remedies between such CDS Participants and ICE Clear Credit shall have no obligation to participate in any related proceeding.

- (xiii) If ICE Clear Credit receives notice, from either the CDS Seller or the CDS Buyer in a Matched Restructuring Pair, after the Notification Cut-Off Time, in respect of an MP Notice that:
 - (A) Such MP Notice, being a Manual MP Notice, was allegedly timely delivered between the parties in such Matched Restructuring Pair but a copy or memorandum thereof was not delivered to ICE Clear Credit before the Notification Cut-Off Time; or

 - (B) Such MP Notice is under dispute as to whether it was timely delivered between CDS Participants in such Matched Restructuring Pair,

then ICE Clear Credit will notify the other party in such Matched Restructuring Pair as soon as reasonably practicable. Upon such notification by ICE Clear Credit, unless paragraph 3.3(g)(viii)(A) applies, the CDS Buyer and CDS Seller in such Matched Restructuring Pair shall be directly liable to each other, and shall be entitled to pursue directly against each other whatever legal remedies may be available, for the difference between (x) their respective Open Positions (or proceeds thereof) in the relevant CDS Contract at ICE Clear Credit by virtue of such notice being invalid against ICE Clear Credit (in the case of (A) above) or by virtue of ICE Clear Credit acting based on its interpretation of the notice it received that was not timely delivered (in the case of (B) above) and (y) what such Open Positions (or proceeds thereof) would have been if a copy of such allegedly valid MP Notice was validly provided to and given effect by ICE Clear Credit at the time, if any, such MP Notice was validly delivered between the parties to the Matched Restructuring Pair. For the purpose only of pursuing any such legal remedies for the difference between (x) and (y), the CDS Buyer and the CDS Seller in such Matched Restructuring Pair shall be entitled to enforce the terms of their respective CDS Contracts against each other as if each of them were the counterparty to the other in place of ICE Clear Credit, including the right to have the dispute settled pursuant to arbitration under the Rules. With respect to the determination of such legal remedies, the validity of any allegedly valid MP Notice as between the relevant CDS Buyer and CDS Seller in the Matched Restructuring Pair shall be unaffected by whether or not such notice is valid against ICE Clear Credit. For the avoidance of doubt, but without prejudice to any liability or obligation of ICE Clear Credit, ICE Clear Credit shall have no liability with respect to any such MP Notice a copy of which was not timely and properly delivered to ICE Clear Credit or a dispute with respect to which was not timely and properly notified to ICE Clear Credit, including, without limitation, with respect to any such legal remedies between the CDS Buyer and CDS Seller in such Matched Restructuring Pair, and ICE Clear Credit shall have no obligation to participate in any related proceeding.