

**Continuity Procedures for Bullet LCDS**  
(published on April 5, 2010)

All capitalized terms not defined herein have the meanings assigned to them in the version of the Bullet Syndicated Secured Loan Credit Default Swap Standard Terms Supplement referencing these Continuity Procedures (a “Bullet LCDS Standard Terms”) most recently published by the International Swaps and Derivatives Association, Inc. (“ISDA”). These Continuity Procedures shall be administered by Markit Group Limited, the Secured List Publisher as of the date of the initial publication of these Continuity Procedures, or any successor thereto appointed by an absolute majority of the Specified Dealers (the “Administrator”). References to Business Days herein refer to days that are Business Days in New York and London.

**1.1. Procedures and Timeframes for Determination of Successors**

In respect of Reference Entities contained within the Bullet LCDS Database (as of the date of the initial publication of these Continuity Procedures, the Markit RED LCDS™ for North America database) and transactions referencing such Reference Entities and incorporating a Bullet LCDS Standard Terms or incorporating a Bullet Markit LCDX Untranchured Transactions Standard Terms Supplement or any other documentation published by ISDA that references these Continuity Procedures (collectively, “Covered Transactions”), the following process will apply to all occurrences of an event potentially constituting a Succession Event or Refinancing Event:

- I. Specified Dealers who are in possession of information about an event potentially constituting a Succession Event or Refinancing Event may, by notice to the Administrator (a “Succession Deliberation Request Notice”) on or prior to the 90<sup>th</sup> calendar day after the legally effective date of such event (the “Latest Permissible Commencement Date”), request that the Designated Law Firm (as defined in Section 1.4.II below) determine whether a Succession Event or Refinancing Event has occurred with respect to the relevant Reference Entity and Designated Priority, and, if the Designated Law Firm determines such an event has occurred, the legally effective date of such event (the “Event Effective Date”). The Succession Deliberation Request Notice shall identify the relevant Reference Entity and Designated Priority and shall describe (in reasonable detail, but without disclosing Syndicate Information or other non-public information) the potential Succession Event or Refinancing Event.
- II. The Specified Dealer providing the Succession Deliberation Request Notice shall provide Relevant Information to the Administrator and/or the Designated Law Firm, as applicable, pursuant to Section 1.1.IV below at or promptly following the time it provides the Succession Deliberation Request Notice to the Administrator. For the avoidance of doubt, Specified Dealer(s) may provide a Succession Deliberation Request Notice to the Administrator only on or after the effective date (in the reasonable judgment of such Specified Dealer(s)) of the potential Succession Event or Refinancing Event and not before such event has taken effect.
- III. Within one Business Day of receipt of a Succession Deliberation Request Notice, the Administrator will circulate a notification to the Specified Dealers and may, in its discretion, circulate a notification to any other entities party to one or more Covered Transactions (the Specified Dealers and such other entities, collectively, “Bullet LCDS Market Participants”) (a) informing them of the potential occurrence of the Succession Event or Refinancing Event and the Succession Event Resolution Request Date, which

shall be the effective date of the related Succession Deliberation Request Notice, as determined in accordance with Section 1.10 of the Credit Derivatives Definitions, (b) specifying any publicly available information it has received under Section 1.1.IV below with respect to the potential Succession Event or Refinancing Event and including the affected Markit LCDX series numbers, if applicable, (c) confirming that such potential Succession Event or Refinancing Event is under investigation and (d) asking Bullet LCDS Market Participants to submit any Relevant Information regarding such potential Succession Event or Refinancing Event in their possession pursuant to Section 1.1.IV below. The same notice will be published on the Administrator's publicly available webpage, currently [www.markit.com](http://www.markit.com) (such webpage, or any alternate publicly available webpage designated by the Administrator by notice to Bullet LCDS Market Participants generally, the "Webpage").

- IV. Relevant supporting documentation and other information relating to a potential Succession Event or Refinancing Event that constitutes publicly available information or Syndicate Information (the "Relevant Information") should be sent by Specified Dealers (a) to the Administrator, if such Relevant Information is publicly available or (b) directly to the Designated Law Firm instructed to confirm the occurrence of the Succession Event or Refinancing Event and identify any Successor(s) in relation thereto, if such Relevant Information is Syndicate Information. If any Bullet LCDS Market Participant that is not a Specified Dealer is in possession of any publicly available Relevant Information relating to a potential Succession Event or Refinancing Event, such Bullet LCDS Market Participant may send such Relevant Information to a Specified Dealer for submission to the Administrator. If any Bullet LCDS Market Participant that is not a Specified Dealer is in possession of any Syndicate Information relating to a potential Succession Event or Refinancing Event, such Bullet LCDS Market Participant may send such Syndicate Information (x) to a Specified Dealer already in possession of such Syndicate Information, (y) to a Specified Dealer that is not already in possession of such Syndicate Information but is ready, willing and able to enter into the necessary undertakings to receive such Syndicate Information or (z) if, despite the Bullet LCDS Market Participant's reasonable efforts, it is not able to locate a Specified Dealer of the type described in clauses (x) or (y) above to submit such information to the Designated Law Firm, directly to the Designated Law Firm, after such Bullet LCDS Market Participant executes any engagement and conflict waiver documentation requested by the Designated Law Firm. Each Specified Dealer shall, subject to Section 1.4.V below, submit to the Administrator or the Designated Law Firm, as applicable, the Relevant Information in its possession. The Administrator shall promptly forward any Relevant Information it receives from Specified Dealers to the Designated Law Firm.
- V. Relevant Information may include, without limitation, credit agreements for any Relevant Obligation or Refinancing Loan and agreements relating to any Refinancing Bond. A Specified Dealer may also provide to the Designated Law Firm in writing its analysis with respect to a Succession Event or Refinancing Event, including the proposed Successor(s), Refinancing Loans, Refinancing Bonds and Event Effective Date; provided that any such analysis shall be limited to publicly available information and Syndicate Information previously supplied to the Administrator or the Designated Law Firm, as applicable.
- VI. To be considered for the Interim Summary (as defined in Section 1.2.A.II below), Relevant Information should be submitted to the Administrator or the Designated Law Firm, as applicable, on or prior to the later of (a) the 65<sup>th</sup> calendar day after the Event

Effective Date and (b) the fifth Business Day after the Succession Event Resolution Request Date (such later date, the “Interim Summary Information Cut-off Date”).

**1.2. Publication of Information Upon Occurrence of Succession Event or Refinancing Event**

**A. Interim Determinations**

- I. The Designated Law Firm will provisionally review the Relevant Information it receives from the Specified Dealer(s), Bullet LCDS Market Participant(s) or the Administrator on or prior to the Interim Summary Information Cut-off Date (and may, at its election, take into account in its Interim Summary any Relevant Information it so receives prior to its issuance of its Interim Summary and prior to the Relevant Information Cut-off Date (as defined in Section 1.2.A.V below)). The Designated Law Firm shall notify the Secured List Publisher of the Event Effective Date so the Secured List Publisher can run Polls under the Bullet Polling Rules with respect to potential Relevant Obligations. Prior to issuance of the Interim Summary, the Designated Law Firm shall request the Secured List Publisher to run Polls under the Bullet Polling Rules with respect to any Refinancing Loan it identifies as of a date specified by the Designated Law Firm to determine if such Refinancing Loan is a Syndicated Secured Refinancing Loan. To the extent the Secured List Publisher requires any descriptive information to run a Poll with respect to any potential Relevant Obligation or Refinancing Loan, any Specified Dealer who provided Relevant Information in relation to such potential Relevant Obligation or Refinancing Loan shall, unless such Specified Dealer notifies the Designated Law Firm to the contrary in writing at the time it provides such Relevant Information, be deemed to have authorized the Designated Law Firm to provide, and the Designated Law Firm shall provide, such information to the Secured List Publisher upon request.
- II. On the tenth Business Day after the Interim Summary Information Cut-off Date, which date the Designated Law Firm may extend by up to five additional Business Days by prior notice to the Administrator (such tenth Business Day, as so extended, the “Interim Summary Date” and the number of Business Days notified by the Designated Law Firm to the Administrator (not to exceed five), the “Interim Summary Extension Period”), the Designated Law Firm will provide an interim summary containing (with no reasoning) the information specified below (the “Interim Summary”) (i) where Syndicate Information was used to prepare the Interim Summary, to each Specified Dealer that sent to the Designated Law Firm all of the Syndicate Information used to prepare the Interim Summary and to each Specified Dealer that sent to the Designated Law Firm any Syndicate Information used to prepare the Interim Summary and that satisfies the requirement of Section 1.4.IV below and (ii) where only publicly available information was used to prepare the Interim Summary, to each Specified Dealer that provided publicly available information to the Administrator used to prepare the Interim Summary:
- (a) Whether a Succession Event or Refinancing Event occurred; and, if so,
  - (b) The identity of the Successor(s), if any;
  - (c) The Event Effective Date; and
  - (d) Whether (x) there were any Relevant Obligations and (y) if not, whether the Reference Entity ceases to exist as a result of the relevant Succession Event or Refinancing Event.

Notwithstanding the foregoing, if the Designated Law Firm determines that the Event Effective Date of the potential Succession Event or Refinancing Event was prior to the Succession Event Backstop Date, it will so indicate in the Interim Summary.

- III. Within one Business Day of receipt, such deadline to be extended for up to three additional Business Days by notification of any Specified Dealer to the Administrator of the need for additional time to review and raise with the Designated Law Firm any comments thereon (the maximum (not to exceed three) number of Business Days requested, the “Interim Summary Review Period”), the Interim Summary (revised, if necessary, by the Designated Law Firm based on comments received) will be forwarded by the Specified Dealer(s) to the Administrator for publication on the Webpage and circulation to the other Specified Dealers and, in the Administrator’s discretion, circulation to other Bullet LCDS Market Participants. Such publication and circulation will be effected by the Administrator within one Business Day of receipt from the relevant Specified Dealer(s), but in no event earlier than the end of the Interim Summary Review Period.
- IV. The Administrator will clearly indicate that such publication is effected on a provisional basis and will state the number of Business Days of each of any Interim Summary Extension Period and any Interim Summary Review Period. The Administrator will include in the circulation to Specified Dealers and any other Bullet LCDS Market Participants notice advising them of the same.
- V. In either case, all Specified Dealer(s) will then have an opportunity to provide further Relevant Information to the Administrator or the Designated Law Firm, as applicable, until the earlier of (a) the 35<sup>th</sup> calendar day following the Interim Summary Information Cut-off Date and (b) the 125<sup>th</sup> calendar day following the Event Effective Date, in each case as extended by the aggregate number of Business Days in any Interim Summary Extension Period or Interim Summary Review Period (such earlier date, as so extended, the “Relevant Information Cut-off Date”). Again, if any Bullet LCDS Market Participant that is not a Specified Dealer is in possession of any publicly available Relevant Information relating to a potential Succession Event or Refinancing Event, such Bullet LCDS Market Participant may send such Relevant Information to a Specified Dealer for submission to the Administrator. If any Bullet LCDS Market Participant that is not a Specified Dealer is in possession of any Syndicate Information relating to a potential Succession Event or Refinancing Event, such Bullet LCDS Market Participant may send such Syndicate Information (x) to a Specified Dealer already in possession of such Syndicate Information, (y) to a Specified Dealer that is not already in possession of such Syndicate Information but is ready, willing and able to enter into the necessary undertakings to receive such Syndicate Information or (z) if, despite the Bullet LCDS Market Participant’s reasonable efforts, it is not able to locate a Specified Dealer of the type described in clauses (x) or (y) above to submit such information to the Designated Law Firm, directly to the Designated Law Firm, after such Bullet LCDS Market Participant executes the necessary engagement and conflict waiver documentation requested by the Designated Law Firm. Each Specified Dealer shall, subject to Section 1.4.V below, submit to the Administrator or the Designated Law Firm, as applicable, the appropriate Relevant Information in its possession. The Administrator shall promptly forward any Relevant Information it receives from Specified Dealers to the Designated Law Firm.

- VI. If one or more Specified Dealer(s) submit to the Designated Law Firm prior to the Relevant Information Cut-off Date further Relevant Information that is inconsistent with the conclusions reached in the Interim Summary, the Designated Law Firm will inform the Administrator of any such subsequently provided Relevant Information and upon becoming aware of such fact, the Administrator will promptly publish on its Webpage notice of such fact and notify Specified Dealers informing them of the same and may, in its discretion, notify other Bullet LCDS Market Participants informing them of the same. The Designated Law Firm will then have a further period (starting from the Relevant Information Cut-off Date) to examine such Relevant Information and make a final determination, which will be provided five Business Days prior to the Final Summary Cut-off Date. “Final Summary Cut-off Date” means the earlier of (a) the 55<sup>th</sup> calendar day following the Interim Summary Information Cut-off Date and (b) the 145<sup>th</sup> calendar day following the Event Effective Date, in each case as extended by (x) the aggregate number of Business Days in any Interim Summary Extension Period or Interim Summary Review Period, and (y) up to five additional Business Days by prior notice from notice the Designated Law Firm to the Administrator (the number of Business Days notified by the Designated Law Firm to the Administrator (not to exceed five), the “Final Summary Extension Period”). The Administrator will promptly publish on the Webpage and circulate to the Specified Dealers notice of the number of Business Days of any Final Summary Extension Period and, in the Administrator’s discretion, may circulate notice to other Bullet LCDS Market Participants advising them of the same.

B. Final Determinations

- I. On the day falling five Business Days prior to the Final Summary Cut-off Date, the Designated Law Firm will provide a statement containing (with no reasoning) the final information specified below (the “Final Summary”) (i) where Syndicate Information was used to prepare the Final Summary, to each Specified Dealer that sent to the Designated Law Firm all of the Syndicate Information used to prepare the Final Summary and to each Specified Dealer that sent to the Designated Law Firm any Syndicate Information used to prepare the Final Summary and that satisfies the requirement of Section 1.4.IV below and (ii) where only publicly available information was used to prepare the Final Summary, to each Specified Dealer that provided publicly available information to the Administrator used to prepare the Final Summary:
- (a) Whether a Succession Event or Refinancing Event occurred; and, if so,
  - (b) The identity of the Successor(s), if any;
  - (c) The Event Effective Date; and
  - (d) Whether (x) there were any Relevant Obligations and (y) if not, whether the Reference Entity ceases to exist as a result of the relevant Succession Event or Refinancing Event.

Notwithstanding the foregoing, if the Designated Law Firm determines that the Event Effective Date of the potential Succession Event or Refinancing Event was prior to the Succession Event Backstop Date, it will so indicate in the Final Summary.

The requirement to issue a Final Summary may be satisfied by the Designated Law Firm by way of confirming that the Interim Summary constitutes a Final Summary.

- II. Within one Business Day of receipt, such deadline to be extended for up to three additional Business Days by notification of any Specified Dealer to the Administrator of

the need for additional time to review and raise with the Designated Law Firm any comments thereon (the maximum (not to exceed three) number of Business Days requested, the “Final Summary Review Period”), the Final Summary (revised, if necessary, by the Designated Law Firm based on comments received) will be forwarded by the relevant Specified Dealer(s) to the Administrator for publication on the Webpage and circulation to Specified Dealers and, in the Administrator’s discretion, circulation to other Bullet LCDS Market Participants. Such publication and circulation will be effected by the Administrator within one Business Day of receipt from the relevant Specified Dealer(s), but in no event earlier than the end of the Final Summary Review Period.

**1.3. Publication of Information When Occurrence of Succession Event or Refinancing Event and/or Identification of Successor(s) is unclear**

If the occurrence of a Succession Event or a Refinancing Event and/or the identification of the Successor(s) in respect of a Covered Transaction is unclear, the process will run as follows:

- I. If for any reason by the Interim Summary Date (a) the Designated Law Firm is not able to determine clearly whether there has been a Succession Event or Refinancing Event, (b) the Designated Law Firm is not able to determine clearly the identity of any Successor(s), and/or (c) no Relevant Information has been provided by or through the Specified Dealer(s) to the Administrator or the Designated Law Firm, as applicable, in respect of a potential Succession Event or Refinancing Event, the Designated Law Firm will provide to the Administrator an Interim Summary stating (with no reasoning) that it has not been able to determine clearly whether there has been a Succession Event or Refinancing Event and/or the identity of any Successor(s). The Administrator will publish such Interim Summary on the Webpage and notify the Specified Dealers advising them of the same as soon as reasonably practicable and no later than one Business Day following the date of provision of the Interim Summary and, in its discretion, may notify other Bullet LCDS Market Participants advising them of the same. Any such Interim Summary shall be subject to further review based on Relevant Information provided by or through the Specified Dealers within the time frame set forth in, and in accordance with the provisions of, Section 1.2 above.
- II. On the day falling five Business Days prior to the Final Summary Cut-off Date, the Designated Law Firm will, if applicable, provide to the Administrator a Final Summary stating (with no reasoning) that it has not been able to determine clearly whether there has been a Succession Event or Refinancing Event and/or the identity of any Successor(s). The Administrator will publish such Final Summary on the Webpage as soon as reasonably practicable and no later than one Business Day following the date of provision of the Final Summary and will notify the Specified Dealers advising them of the same and, in its discretion, may notify other Bullet LCDS Market Participants advising them of the same.

**1.4. General**

- I. This document is intended to provide a description of the procedures the Administrator and Specified Dealers intend to follow in connection with events potentially constituting a Succession Event or Refinancing Event and the identification of any Successor(s) for Covered Transactions. Neither the Administrator nor any Specified Dealer makes any representation or warranty whatsoever with respect to such procedures and/or any conclusions reached as a result of such procedures.

- II. The Administrator, after consultation with the Specified Dealers, will select (a) a law firm of preference (the “Primary Firm”) to be appointed as the “Designated Law Firm” and (b) an alternate law firm of preference (the “Alternate Firm”) that shall act as the Designated Law Firm in circumstances where the Primary Firm is not ready, willing or able to act as the Designated Law Firm hereunder. The Designated Law Firm shall be used to confirm all occurrences of any potential Succession Event or Refinancing Event and identify any Successor(s) as a result of either such event and shall be deemed to be instructed on an on-going basis unless Specified Dealers agree otherwise. From time to time, including in circumstances where neither the Primary Firm nor the Alternate Firm is ready, willing and able to act as the Designated Law Firm hereunder for a particular potential Succession Event or Refinancing Event, the Specified Dealers may by majority vote agree to change either the Primary Firm or the Alternate Firm; provided that at least three Specified Dealers participate in the relevant vote. Such a vote shall be initiated by notification of any Specified Dealer to the Administrator, within one Business Day of receipt of which the Administrator shall notify all the Specified Dealers of the proposed change and request a response within three Business Days.
- III. Determinations by the Designated Law Firm will be made in accordance with the most recently published version of the Bullet LCDS Standard Terms.
- IV. A Specified Dealer that has not submitted all of the Syndicate Information used to prepare the Interim Summary and/or Final Summary will not receive such Interim Summary and/or Final Summary from the Designated Law Firm. If, however, one or more Specified Dealers each submitted some but not all of the Syndicate Information used to prepare the Interim Summary and/or the Final Summary, each such Specified Dealer shall, after consultation with each other and the Designated Law Firm, take reasonable steps (such as entering into undertakings in accordance with the terms of any relevant credit agreements if necessary) to allow disclosure of such Interim Summary and/or Final Summary by the Designated Law Firm to each of them.
- V. In all cases, Specified Dealers shall provide information to the Administrator and the Designated Law Firm to the extent they are able to do so without breaching any applicable duties of confidentiality, contractual restrictions or law.
- VI. Except as expressly contemplated hereunder or as may be required by applicable law or court order or requested by a regulatory, self-regulatory or supervising authority having appropriate jurisdiction, each Specified Dealer (and any outside legal counsel or other third party professional hired by such Specified Dealer in connection with such Specified Dealer’s activities in respect of these Continuity Procedures) agrees to maintain confidentiality as to each Interim Summary and Final Summary and any other deliberations or determinations of, or interactions with, the Administrator, the Designated Law Firm or any other Specified Dealer with respect thereto related to these Continuity Procedures (the “Confidential Material”). In the event a Specified Dealer is served with or otherwise subject to legal process (including subpoena or discovery notice) requiring it to testify about, to produce, or otherwise to divulge Confidential Material), to the extent permitted by law, the Specified Dealer subject to such process shall, as soon as practicable, inform the Administrator, who will in turn notify each Specified Dealer so that any Specified Dealer may seek a protective order or other remedy if desired. In the event that such protective order or other remedy has not been obtained and the Specified Dealer is advised, in the opinion of counsel, that it is legally compelled to disclose any of the Confidential Material, the Specified Dealer may disclose only such Confidential

Material so advised to be disclosed. If a Specified Dealer is requested by a regulatory, self-regulatory or supervising authority having appropriate jurisdiction to disclose any Confidential Material, to the extent permitted by law, the Specified Dealer subject to such request may comply with such request but shall, as soon as practicable, inform the Administrator, who will in turn notify each Specified Dealer so that any Specified Dealer may seek a protective order or other remedy if desired. Following publication by the Administrator of the Interim Summary or Final Summary on the Webpage, as applicable, a Specified Dealer shall have no duty of confidentiality with respect to Confidential Material relating to such Interim Summary or Final Summary.

- VII. In accordance with their governing documentation, Covered Transactions will all be deemed to follow the conclusion set out in the Final Summary, irrespective of whether the parties to each transaction have access to information that would lead to a different conclusion.
- VIII. Specified Dealers shall provide to the Administrator at least one Front Office, one Middle Office and one Legal contact for the purpose of receiving notices in relation to the procedures described herein and shall indicate, with respect to each such contact, whether such person may receive Syndicate Information or Interim or Final Summaries derived therefrom.
- IX. Notices and other materials to be circulated hereunder from the Administrator to a Bullet LCDS Market Participant shall be sent electronically via email and any other method as determined by the Administrator.
- X. These Continuity Procedures and the procedures contemplated hereunder shall be governed by and interpreted in accordance with the laws of the State of New York (without reference to choice of law doctrine). These Continuity Procedures may be amended with the approval of at least 75% of Specified Dealers voting with respect to such amendment in a vote conducted by the Administrator; provided, however, that no such vote will be effective unless at least 75% of the then-current Specified Dealers vote.
- XI. Any queries regarding the Bullet LCDS Database and these Continuity Procedures should be sent to [lcds@markit.com](mailto:lcds@markit.com) or any other email address designated and notified by the Administrator.