

ISDA

INTERNATIONAL SWAPS AND DERIVATIVES ASSOCIATION

NEWS RELEASE

600 Fifth Avenue, 27th Floor
Rockefeller Center
New York, NY 10020-2302
(212) 332-1200; Fax (212) 332-1212
e-mail: rainslie@isda.org
website: <http://www.isda.org>

- o -

One New Change, London EC4M 9QQ
0171-330-3550; Fax 0171-330-3555
e-mail: isda@isda-eur.org

For Immediate Release Thursday, October 5, 2000

Contact: Nick Collier, Tel: 44-207-330-3550, Fax: 44-207-330-3555, Email: ncollier@isda-eur.org

ISDA TO PUBLISH EMU PROTOCOL (GREECE)

LONDON, Thursday, October 5, 2000. The International Swaps and Derivatives Association (ISDA) announced today that it intends to open its EMU Protocol (Greece) for signature next week on Tuesday 10 October 2000, the date that the Protocol will appear on the EMU Protocol (Greece) section of ISDA's www.isda.org web site.

The EMU Protocol (Greece) is closely modelled on the successful EMU Protocol published by ISDA in May 1998 in advance of the first wave of eleven European Union member states adopting the euro on 1 January 1999. The original EMU Protocol was signed by over 1100 market participants, both dealer and end-user, and was hailed as an innovative means of amending the terms of outstanding OTC derivatives transactions to address issues raised by the introduction of the euro.

As in 1998, the Protocol facilitates multilateral modification of contracts based on master agreements published by ISDA. The Protocol allows adherents to clarify a range of issues involved in OTC derivative transactions through selection of optional annexes covering price sources, payment netting, continuity of contract, EMU related definitions, bond options, and stock indices.

By signing up to the Protocol, individual firms agree to amend their contracts with all other signatories in accordance with the particular provisions they elect to apply. To the extent that other signatories elect the same provisions to apply, the contracts between those signatories will be amended accordingly. The ISDA website will again be a critical part of the Protocol process, with ISDA serving as agent for receipt and posting of letters submitted by parties who wish to adhere to the Protocol. Adherents will access the list of other signatories in order to ascertain with whom they have in fact mutually amended outstanding contracts.

A number of the world's major swap dealers are expected to adhere to the multilateral Protocol once it is launched. "The protocol approach is a proven, efficient means of amending existing contracts," said Nick Collier, head of

ISDA's European Office. "ISDA has responded to the wishes of its members by again adopting that approach for the introduction of the euro as the currency of Greece."

ISDA is an international organization and its more than 500 members include the world's leading dealers in OTC derivatives transactions. ISDA's members also include many of the banks and other financial institutions, government entities, corporations and professional service providers that rely on OTC derivatives to manage their financial market risks with a degree of efficiency and effectiveness that would not otherwise be possible. Information about ISDA and its activities is available on the association's web site, www.isda.org.

#