

INTRODUCTION

The 2003 ISDA Credit Derivatives Definitions (the "Definitions") are intended for use in confirmations of individual credit derivative transactions ("Confirmations") governed by agreements such as the 1992 ISDA Master Agreements or the 2002 ISDA Master Agreement published by the International Swaps and Derivatives Association, Inc. ("ISDA"). Copies of the ISDA Master Agreements are available from the executive offices of ISDA or from the ISDA website (www.isda.org). A sample form of Confirmation for use with the Definitions is attached as Exhibit A to these Definitions.

The Definitions primarily expand and revise the 1999 ISDA Credit Derivatives Definitions and the Supplements to them. The Definitions provide the basic framework for the documentation of certain privately negotiated credit derivative transactions. For ease of use, certain sections of the Definitions provide fallback provisions that will apply to a transaction if the parties do not specify otherwise in the Confirmation.

As in the case of other product-specific definitions published by ISDA, parties using the Definitions to document privately negotiated credit derivative transactions may adapt or supplement the standard provisions set out in these Definitions in accordance with the specific economic terms agreed between the parties to the relevant transaction.

The Definitions are intended to operate on a free-standing basis and therefore, for most transactions, there is no need to incorporate any other ISDA definitions booklets (such as the 2000 ISDA Definitions) into the Confirmation of a Credit Derivative Transaction.

ISDA has provided these Definitions to assist the smooth and efficient functioning of the credit derivatives market by providing a common set of terms for parties to use in preparing Confirmations for privately negotiated credit derivative transactions. *However, the precise documentation of each individual transaction remains the responsibility of the parties concerned. ISDA assumes no responsibility for any use to which these Definitions may be put, including, without limitation, any use of these Definitions in connection with any privately negotiated credit derivative transaction. Each party to a transaction evidenced by a Confirmation referring to or incorporating these Definitions must satisfy itself that the Definitions are appropriate for the transaction, have been properly used and/or adapted in the Confirmation for the transaction and that the Confirmation has generally been properly drafted, in each case, to reflect the commercial intentions of the parties. It should be noted that Confirmations that incorporate the 1999 ISDA Credit Derivatives Definitions shall continue to be governed by the 1999 ISDA Credit Derivatives Definitions. By using these Definitions to document a Credit Derivative Transaction, no inference shall be made as to the meaning of any provision in the 1999 ISDA Credit Derivatives Definitions.*

This Introduction is not part of the Definitions and is not offered as an interpretation of the Definitions. The Notices referred to in the Definitions are not required to be in the form set forth in the Exhibits.