

Supplement number [] to the 2006 ISDA Definitions
(published [], 2019)

Section 7.1 Rate Options.

- a) Section 7.1(f) is amended by adding a new Section 7.1(f)(lv) as follows:

“EUR-EuroSTR-COMPOUND” means that the rate for a Reset Date, calculated in accordance with the formula set forth below in this subparagraph, will be the rate of return of a daily compound interest investment (it being understood that the reference rate for the calculation of interest is the euro short term rate (€STR)).

Upon the occurrence of a EuroSTR Index Cessation Event, the rate for each day in a Calculation Period occurring on or after the EuroSTR Index Cessation Effective Date will be determined as if references to EuroSTR_i were references to the ECB Recommended Rate_i.

If:

- (a) no such rate is recommended before the end of the first TARGET Settlement Day following the day on which the EuroSTR Index Cessation Event occurs, then the rate for each day in a Calculation Period occurring on or after the EuroSTR Index Cessation Effective Date will be determined as if references to EuroSTR_i were references to Modified EDFR (EuroSTR)_i; or
- (b) an ECB Recommended Rate Index Cessation Event subsequently occurs, then the rate for each day in a Calculation Period occurring on or after the ECB Recommended Rate Index Cessation Effective Date will be determined as if references to EuroSTR_i were references to Modified EDFR (EuroSTR)_i.

“EUR-EuroSTR-COMPOUND” will be calculated as follows, and the resulting percentage will be rounded, if necessary, in accordance with the method set forth in Section 8.1(a), but to the nearest one ten-thousandth of a percentage point (0.0001%):

$$\left[\prod_{i=1}^{d_0} \left(1 + \frac{\text{EuroSTR}_i \times n_i}{360} \right) - 1 \right] \times \frac{360}{d}$$

where:

“d₀”, for any Calculation Period, is the number of TARGET Settlement Days in the relevant Calculation Period;

“i” is a series of whole numbers from one to d₀, each representing the relevant TARGET Settlement Day in chronological order from, and including, the first TARGET Settlement Day in the relevant Calculation Period;

“EuroSTR_i”, for any day “i” in the relevant Calculation Period, is a reference rate equal to EuroSTR in respect of that day as published on the ECB’s Website;

“EuroSTR” is the euro short term rate (€STR) provided by the European Central Bank as administrator of the benchmark (or a successor administrator) on the ECB’s Website;

“n_i” is the number of calendar days in the relevant Calculation Period on which the rate is EuroSTR_i;¹

“d” is the number of calendar days in the relevant Calculation Period;

“EuroSTR Index Cessation Event” means the occurrence of one or more of the following events:

- (a) a public statement or publication of information by or on behalf of the European Central Bank (or a successor administrator of EuroSTR) announcing that it has ceased or will cease to provide EuroSTR permanently or indefinitely, provided that, at the time of the statement or publication, there is no successor administrator that will continue to provide EuroSTR; or
- (b) a public statement or publication of information by the regulatory supervisor for the administrator of EuroSTR, the central bank for the currency of EuroSTR, an insolvency official with jurisdiction over the administrator of EuroSTR, a resolution authority with jurisdiction over the administrator of EuroSTR or a court or an entity with similar insolvency or resolution authority over the administrator of EuroSTR, which states that the administrator of EuroSTR has ceased or will cease to provide EuroSTR permanently or indefinitely, provided that, at the time of the statement or publication, there is no successor administrator that will continue to provide EuroSTR;

“EuroSTR Index Cessation Effective Date” means, in respect of a EuroSTR Index Cessation Event, the first date on which EuroSTR is no longer provided;

“ECB Recommended Rate_i”, for any day “i” in the relevant Calculation Period, is a reference rate equal to the ECB Recommended Rate in respect of that day, as published or provided by the administrator thereof;

“ECB Recommended Rate” means the rate (inclusive of any spreads or adjustments) recommended as the replacement for EuroSTR by the European Central Bank (or any successor administrator of EuroSTR) and/or by a committee officially endorsed or convened by the European Central Bank (or any successor administrator of EuroSTR) for the purpose of recommending a replacement for EuroSTR (which rate may be produced by the European Central Bank or another administrator);

“ECB Recommended Rate Index Cessation Event” means the occurrence of one or more of the following events:

¹ Period End Dates should be made subject to adjustment in accordance with an appropriate Business Day Convention to ensure interest accrues in respect of all calendar days in a Calculation Period. Note that interest will accrue but not compound on non-TARGET Settlement Days.

- (a) a public statement or publication of information by or on behalf of the administrator of the ECB Recommended Rate announcing that it has ceased or will cease to provide the ECB Recommended Rate permanently or indefinitely, provided that, at the time of the statement or publication, there is no successor administrator that will continue to provide the ECB Recommended Rate; or
- (b) a public statement or publication of information by the regulatory supervisor for the administrator of the ECB Recommended Rate, the central bank for the currency of the ECB Recommended Rate, an insolvency official with jurisdiction over the administrator of the ECB Recommended Rate, a resolution authority with jurisdiction over the administrator of the ECB Recommended Rate or a court or an entity with similar insolvency or resolution authority over the administrator of the ECB Recommended Rate, which states that the administrator of the ECB Recommended Rate has ceased or will cease to provide the ECB Recommended Rate permanently or indefinitely, provided that, at the time of the statement or publication, there is no successor administrator that will continue to provide the ECB Recommended Rate; and

“ECB Recommended Rate Index Cessation Effective Date” means, in respect of an ECB Recommended Rate Index Cessation Event, the first date on which the ECB Recommended Rate is no longer provided.

“Modified EDFR (EuroSTR)_i”, for any day “i” in the relevant Calculation Period, is a reference rate equal to the Eurosystem Deposit Facility Rate in respect of that day plus the EDFR Spread;

“Eurosystem Deposit Facility Rate” means the rate on the deposit facility, which banks may use to make overnight deposits with the Eurosystem and which is published on the ECB’s Website;

“EDFR Spread” means:

- (a) if no ECB Recommended Rate is recommended before the end of the first TARGET Settlement Day following the day on which the EuroSTR Index Cessation Event occurs, the arithmetic mean of the daily difference between EuroSTR and the Eurosystem Deposit Facility Rate over an observation period of 30 TARGET Settlement Days starting 30 TARGET Settlement Days prior to the day on which the EuroSTR Index Cessation Event occurs and ending on the TARGET Settlement Day immediately preceding the day on which the EuroSTR Index Cessation Event occurs; or
- (b) if an ECB Recommended Rate Index Cessation Event occurs, the arithmetic mean of the daily difference between the ECB Recommended Rate and the Eurosystem Deposit Facility Rate over an observation period of 30 TARGET Settlement Days starting 30 TARGET Settlement Days prior to the day on which the ECB Recommended Rate Index Cessation Event occurs and ending on the TARGET Settlement Day immediately preceding the day on which the ECB Recommended Rate Index Cessation Event occurs.

- b) Section 7.2(a) is amended by adding a new Section 7.2(a)(xxiii) as follows:

““ECB’s Website” means the website of the European Central Bank at <https://www.ecb.europa.eu/home/html/index.en.html>, or any Successor Source.”

- c) Section 7.6(a) is amended by inserting the words “ECB’s Website,” after the words “is based on information obtained from the”.