



NEWS RELEASE
For Immediate Release

ISDA to Partner with Markit to Develop Compliance Solution

NEW YORK, June 7, 2012 – The International Swaps and Derivatives Association, Inc. (ISDA) announced today that it has chosen Markit to partner with the Association to develop a technology-based solution that enables counterparties to amend their over-the-counter (OTC) derivatives documentation for the purpose of facilitating compliance with Dodd-Frank regulatory requirements. ISDA and Markit expect that the solution will also be enhanced to facilitate compliance with regulatory requirements in other jurisdictions as they are finalized.

The Dodd-Frank Act and related regulatory rulemakings impact OTC derivatives documentation by either requiring amendments to such documentation or imposing compliance requirements on market participants that must be satisfied by amending such documentation. Major dealers may have in excess of 10,000 counterparties with whom they have signed Master Agreements, and many end-users may be counterparties with multiple dealers. This creates significant levels of legal and administrative complexity and the potential for duplication of efforts as firms attempt to comply with the new rules.

ISDA is leading an industry-wide initiative to produce a series of amendments to existing documentation and provide standardized counterparty questionnaires, facilitated by an ISDA Protocol. Unlike with previous ISDA protocols where amendments were effected solely with delivery of an adherence letter, this Protocol will include additional bilateral delivery requirements as each party that signs up to the Protocol must also deliver a completed questionnaire to each relevant counterparty for the amendments and compliance to be effective. As a result of these additional bilateral delivery requirements, ISDA sought to develop a technology-based solution to automate the information-gathering process and provide sharing of submitted data and documents to permissioned counterparties.

“ISDA is very pleased to work with Markit to provide an important service to firms who are faced with significant compliance requirements within a very short timeframe,” said Robert Pickel, ISDA Chief Executive Officer. “We believe it will be an effective, efficient solution for market participants in the US and eventually in Europe and around the world.”

“Markit is proud to be part of a major initiative that will help the financial industry adapt to the changing regulatory environment. The new compliance service we are working on with ISDA will make use of the proven capabilities of our Markit Document Exchange platform to facilitate the secure sharing of numerous documents with a multitude of counterparties electronically,” said Lansing Gatrell, Director at Markit and Co-Head of Markit Document Exchange.

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Markit's selection as the service provider for this initiative was the culmination of a public Request for Proposals (RFP) process. ISDA sent RFPs to recognized firms with expertise in this area and their responses were evaluated by ISDA and a team of market professionals.

The industry is working against aggressive timelines. ISDA and Markit expect to have an electronic questionnaire and reporting structure operational by August 1, 2012 in order to facilitate compliance with Dodd-Frank External Business Conduct rule October deadlines, with successive iterations available prior to other regulatory implementation deadlines.

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About ISDA

Since 1985, ISDA has worked to make the global over-the-counter (OTC) derivatives markets safer and more efficient. Today, ISDA is one of the world's largest global financial trade associations, with over 830 member institutions from 59 countries on six continents. These members include a broad range of OTC derivatives market participants: global, international and regional banks, asset managers, energy and commodities firms, government and supranational entities, insurers and diversified financial institutions, corporations, law firms, exchanges, clearinghouses and other service providers. Information about ISDA and its activities is available on the Association's web site: www.isda.org.

About Markit

Markit is a leading, global financial information services company with over 2,500 employees. The company provides independent data, valuations and trade processing across all asset classes in order to enhance transparency, reduce risk and improve operational efficiency. Its client base includes the most significant institutional participants in the financial marketplace. For more information, see www.markit.com.

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