2. March 13, 2009

**Recommended EMTA-ISDA Market Practice on “Relevant Cities for Business Days for Payment Dates” in Non-Deliverable Interest Rate/Cross Currency Swap Transactions**

In documenting non-deliverable interest rate/cross currency swap transactions, significant disagreement among market participants has arisen over the appropriate designation for business days for settlement or payment date purposes. Certain market participants have expressed a desire to limit basis risk between the non-deliverable swap and its likely hedge (the non-deliverable forward) that could result from a business day adjustment to either the swap or the forward. Certain other market participants have expressed a desire to recognize and accommodate existing market practices and conventions for swaps. A compromise proposal was reached by market participants after many months of discussion and debate and is the subject of this joint EMTA and ISDA market practice.

EMTA and ISDA jointly recommend that, commencing the date set forth above, for non-deliverable interest rate/cross-currency swap transactions for Latin American currencies, the “Relevant Cities for Business Days for Payment Dates” include both New York and the Principal Financial Center for the Reference Currency but, if an Unscheduled Holiday occurs, the Relevant City for this provisions defaults to New York only. The following language is suggested for inclusion in transaction confirmations:

Relevant Cities for Business Day(s) for [Settlement] [Payment]
Dates: [LOCAL] and New York, provided however, that in the event of an Unscheduled Holiday following the Trade Date, then New York only.

Defined terms used in the preceding paragraphs have the meanings set forth in the 2006 ISDA Definitions as published by the International Swaps and Derivatives Association, Inc. (“ISDA”) and the 1998 FX and Currency Option Definitions published by ISDA, EMTA, Inc. and The Foreign Exchange Committee.

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