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**NEWS RELEASE**

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**ISDA Announces Successful Implementation of ‘Big Bang’ CDS Protocol;**

**Determinations Committees and Auction Settlement Changes Take Effect**

**New York, Wednesday, April 8, 2009 –**The International Swaps and Derivatives Association, Inc. (ISDA) today announced the successful implementation of its 2009 ISDA Credit Derivatives Determinations Committees and Auction Settlement CDS Protocol (‘Big Bang’ Protocol). Over 2,000 parties adhered to the Protocol, which closed on Tuesday, April 7.

The Protocol represents the final step in the process known as “hardwiring”, or the incorporation of auction settlement terms into standard CDS documentation.

“The successful implementation of our Big Bang Protocol constitutes a major achievement for ISDA and for the industry,” said Robert Pickel, Executive Director and Chief Executive Officer, ISDA. “Hardwiring is central to the many improvements ISDA and the industry are making in the ongoing refinement of practices for the efficient, liquid and transparent conduct of the CDS business. In adapting a tactical solution, ISDA has helped develop a strategic direction for the industry.”

"This is an excellent example of the entire industry pulling together with the regulatory community to benefit the soundness and integrity of the product," said David Geen, General Counsel, ISDA. "ISDA extends its thanks to all industry participants, from buy-side and sell-side, who have worked hard to implement these changes to a strict timetable.”

ISDA also attracted commendation for its hardwiring process from the Senior Supervisors Group in its report, Observations on Management of Recent Credit Default Swap Credit Events and separately from the Federal Reserve Bank of New York.

The new terms, which are contained in ISDA’s 2009 March Supplement and incorporated into existing CDS documentation by the Big Bang Protocol, come into effect from April 8, 2009 onwards and include the following:

First, the Supplement adds the concept of Auction Settlement as a Settlement Method that will eliminate the need for credit event protocols to cash settle CDS transactions.

Second, it incorporates the resolutions of the Determinations Committees into the terms of standard CDS contracts, which will make binding determinations for issues such as whether a Credit Event has occurred; whether an auction will be held; and whether a particular obligation is deliverable. ISDA announced the final composition of the Credit Derivatives Determinations Committees on April 3. Information related to the Determinations Committees is available at [www.isda.org/credit](http://www.isda.org/credit).

And third, the Supplement adds credit event and succession event “look back” provisions (or backstop dates) into the CDS documentation that institute a common standard effective date for CDS transactions. Under the Big Bang Protocol, these “look back” provisions will come into effect for legacy transactions on June 20, 2009.

In combination with the changes in market practice that support standard coupons for CDS, these developments will introduce greater certainty to transactional, operational and risk considerations for treatment of CDS.

To listen to ISDA's recent webcast presentation addressing these changes, please follow this link: <http://secure.webex.com/g2.asp?id=YWM03NZS>

**About ISDA**

ISDA, which represents participants in the privately negotiated derivatives industry, is among the world’s largest global financial trade associations as measured by number of member firms. ISDA was chartered in 1985, and today has over 820 member institutions from 57 countries on six continents. These members include most of the world’s major institutions that deal in privately negotiated derivatives, as well as many of the businesses, governmental entities and other end users that rely on over-the-counter derivatives to manage efficiently the financial market risks inherent in their core economic activities.  Information about ISDA and its activities is available on the Association's web site: [www.isda.org](http://www.isda.org/).

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