

ISDA Credit Steering Committee Statement

June 2nd, 2016

The ISDA Credit Steering Committee (the "CSC") notes that the DC recently determined a Restructuring Credit Event in respect of Norske Skogindustrier ASA (the "Restructured Entity"). The Restructured Entity is a component of several series of the itraxx indices and in accordance with the documentation of such indices, following the determination of a Restructuring Credit Event, the relevant component is "spun off" into a separate CDS contract with the Restructured Entity as the Reference Entity. The CSC is aware of certain operational issues and constraints that the industry has faced during the processing of the Restructured Entity "spin off". Consensus of opinion among members of the CSC is that these issues are administrative in nature and do not impact the Restructured Entity remaining the actual Reference Entity of the "spun off" transactions. The CSC is also assisting the discussions of market participants aimed at addressing these operational constraints for future occurrences.