

TO: iTraxx Market Participants

FROM: CME Clearing

ADVISORY #: 16-228

DATE: Friday, June 10, 2016

SUBJECT: **REMINDER: Credit Event Advisory - Norske Skogindustrier ASA Movement Period**

Please be advised that the triggering period for the Norske Skogindustrier ASA restructuring event has come to a close.

The movement period will begin on June 13<sup>th</sup> and last through June 16<sup>th</sup>.

- ~~Triggering period: June 6-10~~
  - ~~Seller Trigger deadline June 7~~
  - ~~Buyer Trigger deadline June 10~~
- On June 13, ISDA DC will determine the maturity buckets that will hold auction
- Movement dates: June 13 – June 16th
- Auction date: June 22

Please note the following operational points related to the restructuring:

**Movement Period:**

- The movement period will allow buyers and sellers the optionality of moving their triggered positions from maturity buckets that have no auction to a maturity bucket that will have an auction
- As market participants move triggered positions in the Norske single name, CME Clearing will reflect the accompanying open interest moves
  - CME Clearing will reflect these adjustments in the end of day trade register, notably the CDS Position Summary and FIXML reporting.
- In addition to normal end of day reporting, we will also produce a daily iTraxx Restructuring report, which will follow the naming convention below. This file will detail the day's activities.
  - **File naming convention:** ITRX001\_20141028\_CME\_EOD\_###.csv where ### represents the 3 digit firm ID.
  - The CME iTraxx Restructuring report will contain the same columns as the DTCC's iTraxx Trigger Status report, but will also contain 7 additional fields for reconciliation: Clearing Org, Clearing Firm ID, Client Account, Segregation, Untriggered Contract Alias, Seller Triggered Contract Alias and Buyer Triggered Contract Alias

**Please note that since CME Clearing does not currently offer single name clearing, market participants who did not trigger their Norske trades will be unable to offset them at CME. This means that the positions will remain cleared at CME until contract maturity.**

**Final Processing Date:**

- On June 23 following a successful auction, CME Clearing will complete final processing for the relevant single name positions, which means that we will calculate and settle a final compensation and coupon accrual amount.
- All compensation and coupon amounts will display as normal on regular end of day reporting.
- After the auction price is declared, CME Clearing plans to issue additional advisories containing the auction price and any additional details relevant to processing.

If you have questions, please contact the CME Client Services Team at [onboarding@cmegroup.com](mailto:onboarding@cmegroup.com).