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CDXT <GO> User Guide.

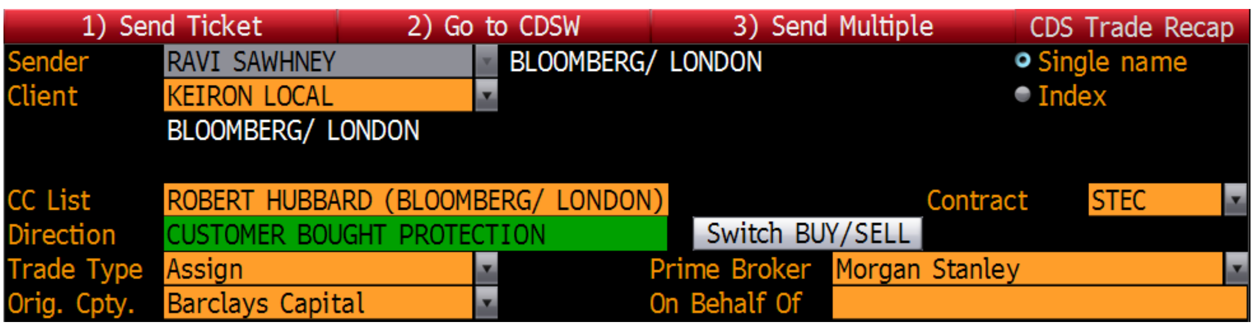
The ***fastest*** way to ticket CDS trades on Bloomberg.

CDXT is used by CDS Dealers globally to electronically recap Single Name and Index deals to Clients including Standard CDS Contracts. **CDXT also now supports the ticketing of trades that are designated for Clearing to CME via its ClearPort® Clearing Service.**

CDXT supports all trade types: New, Unwinds and Assignments. The ticket supports pricing on Spread and Upfront basis and is fully integrated into Bloomberg's Voice Confirmation platform (VCON).

Dealers are also able to electronically generate a 'drop copy' of CDXT to their internal booking and risk systems eliminating the need for re-keying.

1. Counterparty Information (Bilateral Trades).

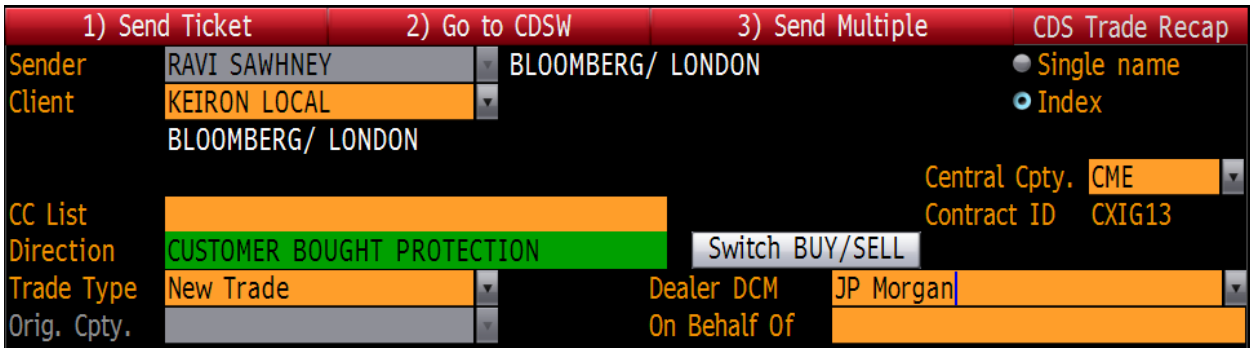


1. Client Name: Enter your Clients name as they appear on Bloomberg, this field can take your SPDL <GO> names and also remembers your top 20 Clients via a Drop Down.
2. CC List: Delivers an email recap to your recipient(s) this can be Bloomberg User, Group or even a non-Bloomberg internet email address. The individuals in CC will also get a PDF of the CDSW grab generated by CDXT.
3. Direction: Taken from your Clients perspective – just hit the "Switch BUY/SELL" button to change the side.
4. Trade Type: New, Unwind or Assign. Depending on this Type other fields (such as Original Counterparty) open on the ticket.
5. Original Counterparty: For an "Assign", specify the Original

Counterparty for the Deal.

6. Prime Broker: Where specified by Client, it is possible to designate the PB via drop-down

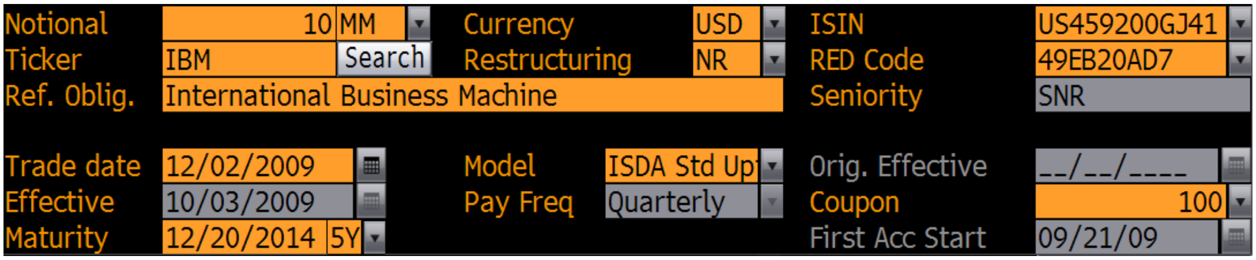
2. Counterparty Information (Clearable Trades through CME).



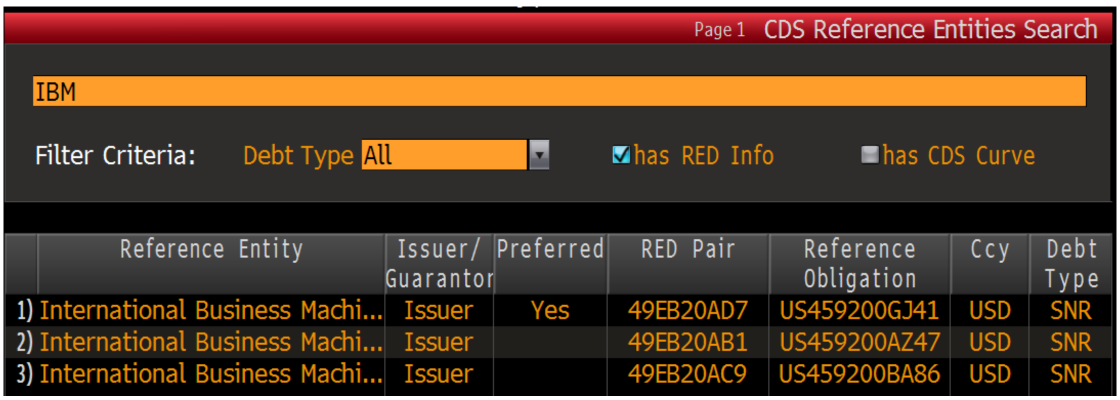
When a security is loaded that is eligible for clearing through one of the supported clearing venues CDXT recognises this fact and changes the ticket accordingly. Most of the fields are the same with the following exceptions:

1. Central Cpty: A drop-down to select the CCP as agreed with your Counterparty. Only CCPs where the security is clearable will be visible.
2. Contract ID: Automatically populated with the CCP identifier of the contract being traded.
3. Dealer DCM (replaces Prime Broker): Defaults automatically to the Dealer firm generating the ticket but is changeable if Dealer is not self-clearing.

3. Security Information.



1. Ticker / Ref Entity: CDXT incorporates a powerful CDS Search Engine which is linked to Markit's RED Database (REDL<GO> on Bloomberg). Simply type in the first few characters of the Reference Obligation Name (e.g. IBM) and hit "Search" to bring up the screen.



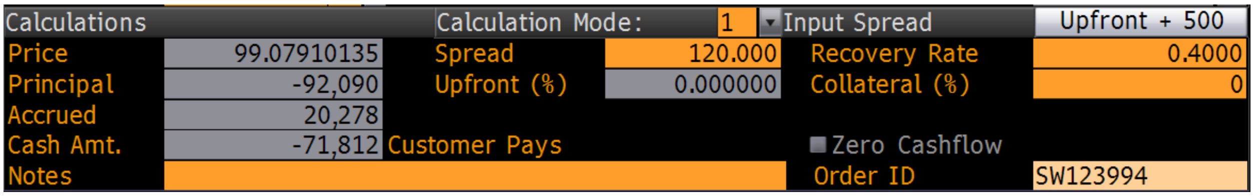
	Reference Entity	Issuer/ Guarantor	Preferred	RED Pair	Reference Obligation	Ccy	Debt Type
1)	International Business Machi...	Issuer	Yes	49EB20AD7	US459200GJ41	USD	SNR
2)	International Business Machi...	Issuer		49EB20AB1	US459200AZ47	USD	SNR
3)	International Business Machi...	Issuer		49EB20AC9	US459200BA86	USD	SNR

From this you can click and select the corresponding Name/Reference Obligation for the deal being done. CDXT then auto-populates this information on the ticket.

2. Restructuring: Specify restructuring type using ISDA recognized values. CDXT will automatically set EUR names to MMR and US names to MR.
3. Trade Date: Today (default).
4. Effective Date: Displays the legal effective date in the case of a Standard CDS trade i.e. T-60.
5. Maturity Date: Use the term drop-down e.g. "5Y" to toggle the desired maturity date for the deal in question. Non-IMM dates accepted.
6. Coupon: This field is presented as a drop-down for Standard CDS deals showing relevant levels depending on the Standard contract type i.e. 100,500 for SNAC. In the case of a novation of unwind for non-Standard deals any bps value is acceptable.
7. First Acc Start: Date from which Accrual begins on the trade.

8. Model: Defaults to the standard ISDA model used by the industry but alternatives such as “Bloomberg Fair Value” are available.
9. Orig Effective: For Unwinds and Assigns, specify the Original Effective date of the deal.

4. Calculations.

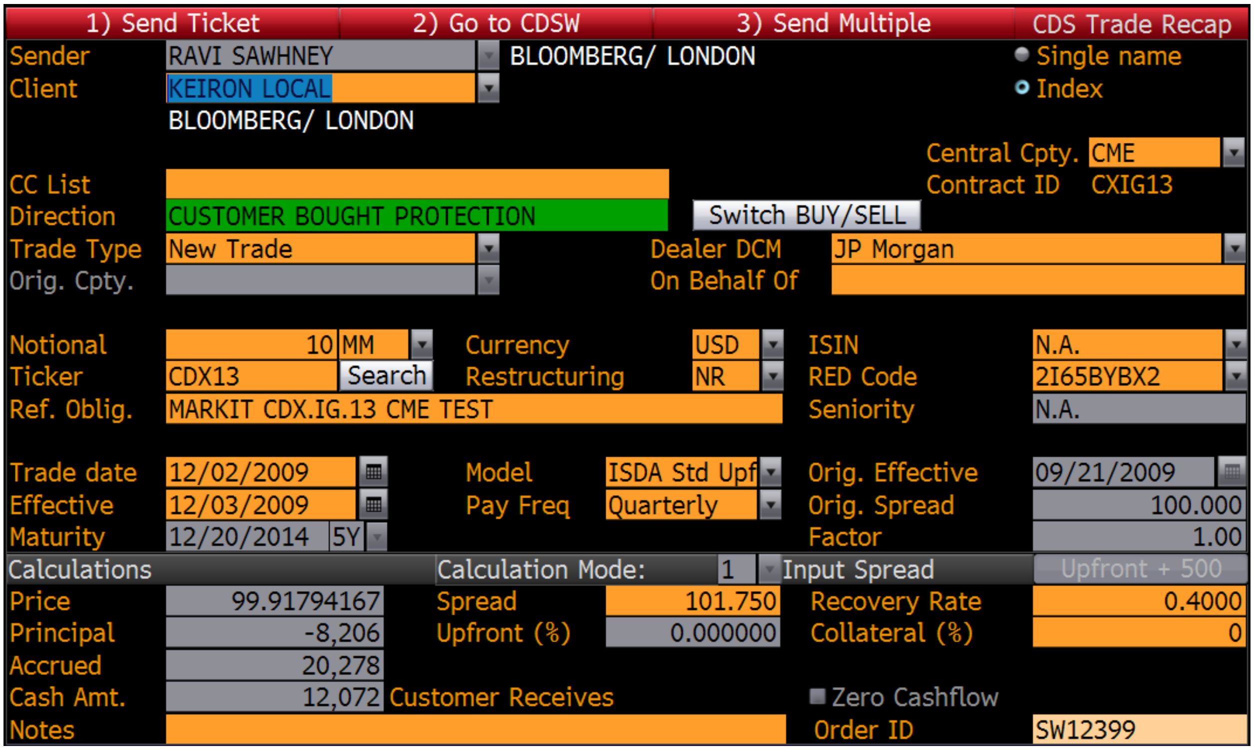


Note: CDXT uses CDSW<GO> to value the Deal. Benchmark curve settings are taking from users CDSD<GO> settings. A CDSW frozen-view is generated behind the scenes when using CDXT. This frozen-view is sent to the Client in the MSG and is available via VCON.

1. Calculation Mode: CDXT supports pricing on Spread and also an Upfront basis. By toggling the Calculation Mode to [2], you can specify and Upfront% along with a running spread to generate the Market Value.
2. Spread: Par Spread for the deal.
3. Upfront%: e.g. 10% to specify that 10% of notional is required Upfront.
4. Upftront+500 Button: Clicking on this button instantly converts the deal (taking the inputted spread) to an Upfront% with 500bps running.
5. Recovery Rate: Defaults to 40% (i.e. 0.4) but can be overridden.
6. Collateral%: Optional field, populated where collateral requirements are part of the deal.
7. Notes: Space to provide any comments you wish your Client to receive.
8. Order ID: A custom identifier that the Dealer can optionally provide which is fed into the Trade blotter and is available electronically via ‘drop copy’.

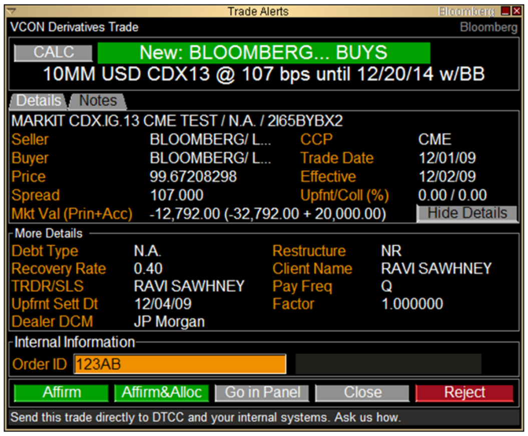
5. Example – Client Buys 10MM CDX IG 13

designated for Clearing through CME.



1. Load up the CDX IG 13 Ticker (i.e. CDXIG513 Corp <GO>).
2. Type CDXT <GO>.
3. Type in the Client name (as it exists on your SPDL).
4. Select CME as the Central Cpty (the Contract ID will automatically be displayed below.
5. The Dealer DCM will default to your legal firm entity but you can change this if applicable.
6. The rest of the security information is automatically populated (i.e. Maturity, Orig.Effective Date, Coupon).
7. Type in the agreed Spread and CDXT will calculate the upfront payment (Cash Amnt) via CDSW.
8. If relevant you can also provide an Order ID.
9. Hit 1 <GO> to Send the Ticket to your Client.
10. If for some reason you need to withdraw the recap and it has not been affirmed or matched in VCON you can Cancel it from within the VCON function.

6. What the Client gets.



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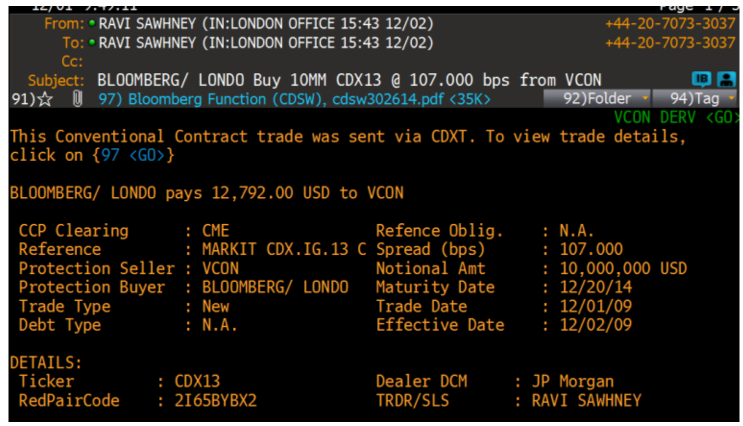

VCON Recap **MSG with CDSW Attached**

1. **CDXT is fully integrated into VCON** – Bloomberg's widely adopted Voice Confirmation network. By sending a CDXT, the Client will get a pop-up on their Bloomberg clearly showing the economics of the transaction. Clients can click on **[CALC]** button on the pop-up to view the underlying CDSW for the Deal and if OK hit **[Affirm]** to positively acknowledge the transaction. Alternatively VCON could be used in a matching capacity if the Client is using Bloomberg AIM or has integrated their own OMS into VCON.

2. **CDXT automatically generates and sends a Bloomberg email recap to the Client.** Email also includes a CDSW grab of the Deal.

7. Monitoring the Clearing Workflow

Both the Dealer and Client can monitor the status of the Trade Recaps in VCON. When the Trade is matched it will move into the "Matched/Affirm Trades" Panel.

In the scenario above the trade has been designated for Clearing through CME's ClearPort® Clearing Service. The Client will allocate the trade specifying its Clearing Member(s) and VCON will route to CME leveraging its connectivity to ClearPort®.

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Clearing status is monitor-able on VCON to both sides of the Trade at the Allocation level with a Block summary status provided in the main VCON blotter as shown below.

	TKT	CALC	MSG	CCP	Dealer DCM	Clearing Status	Sender/Receive	Tk	Cpty
14.	TKT	CALC	MSG	CME	Goldman,Sachs & Co.	Cleared	KANG-WEI TANG	CDX13	BB
15.	TKT	CALC	MSG	CME	JP Morgan	Cleared	KANG-WEI TANG	CDX13	BB
16.	TKT	CALC	MSG	CME	JP Morgan	Cleared	KANG-WEI TANG	CDX13	BB
17.	TKT	CALC	MSG	CME	Goldman,Sachs & Co.	Rejected	KANG-WEI TANG	CDX13	BB
18.	TKT	CALC	MSG	CME	JP Morgan		KANG-WEI TANG	CDX13	BB
19.	TKT	CALC	MSG	CME	JP Morgan	Partially Rejected	KANG-WEI TANG	CDX13	BB
20.	TKT	CALC	MSG	CME	JP Morgan		KANG-WEI TANG	CDX13	BB
21.	TKT	CALC	MSG	CME	JP Morgan	Cleared	KANG-WEI TANG	CDX13	BB
22.	TKT	CALC	MSG	CME	JP Morgan	Cleared	KANG-WEI TANG	CDX13	BB
23.	TKT	CALC	MSG	CME	JP Morgan	Cleared	TOM BARNWELL/	CDX13	BB
24.	TKT	CALC	MSG	CME	Goldman,Sachs & Co.	Cleared	KANG-WEI TANG	CDX13	BB
25.	TKT	CALC	MSG	CME	Goldman,Sachs & Co.	Cleared	KANG-WEI TANG	CDX13	BB
26.	TKT	CALC	MSG	CME	JP Morgan	Cleared	KANG-WEI TANG	CDX13	BB
27.	TKT	CALC	MSG	CME	JP Morgan	Rejected	KANG-WEI TANG	CDX13	BB
28.	TKT	CALC	MSG	CME	JP Morgan	Rejected	KANG-WEI TANG	CDX13	BB
29.	TKT	CALC	MSG	CME	JP Morgan	Rejected	KANG-WEI TANG	CDX13	BB
30.	TKT	CALC	MSG	CME	JP Morgan	Cleared	KANG-WEI TANG	CDX13	BB
31.	TKT	CALC	MSG	CME	JP Morgan	Cleared	KANG-WEI TANG	CDX13	BB
32.	TKT	CALC	MSG	CME	JP Morgan	Cleared	KANG-WEI TANG	CDX13	BB