

TO: iTraxx Market Participants

FROM: CME Clearing

ADVISORY #: 16-218

DATE: Wednesday, June 1, 2016

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

Please be advised that the ISDA Determinations Committee has determined the following key dates for Norske Skogindustrier ASA restructuring:

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

Please note the following operational points related to the restructuring:

Triggering Period:

- CME Clearing will create a maturity bucket contract **NSIRMB**.
- As market participants trigger positions in the Norske single name, CME Clearing will move open interest from the original NSIRME single name into the appropriate **NSIRMB** maturity bucket contract.
 - CME Clearing will reflect these adjustments in our end of day trade register, notably our CDS Position Summary and FIXML reporting.
- In addition to our 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 do 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.

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

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.