



DERIVATIVES DOCUMENTATION LIMITED

Paragraph 12 Definitions

The following is a simplified glossary of all terms in the 2016 New York Law Annex.

GLOSSARY OF TERMS IN PARAGRAPH 12

Base Currency	The currency into which risk exposure and collateral is converted to calculate if a collateral call needs to be made.
Base Currency Equivalent	If collateral is denominated in another currency, the amount in the Base Currency needed to buy the other currency at the spot rate of exchange so as to convert it into the Base Currency.
Cash	Cash in the Base Currency and any other Eligible Currency.
Covered Transaction	The OTC derivative trades covered in Paragraph 13(b) of the 2016 New York Law Annex.
Credit Support Eligibility Condition (VM)	Any restrictions or conditions applied to collateral that must be considered when assessing whether collateral is eligible or not under the New York Law Annex.
Custodian (VM)	A third party appointed by each party to care for cash and securities collateral.
Delivery Amount (VM)	The amount of collateral the collateral giver (the Pledgor) needs to deliver if he agrees a collateral call from the collateral taker (the Secured Party).
Delivery Amount Reduction (VM)	The amount by which a Delivery Amount (VM) is reduced by an offsetting interest payment where the parties have agreed that Interest Transfer and Interest Payment Netting apply.
Disputing Party	A party who disputes the other party's calculation of Transaction values in determining risk exposure and/or the value of any collateral held or to be returned.
Distributions	Distributions include any transfers of principal, interest or any other distributions made with respect to Posted Collateral (VM) except cash collateral.



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Eligible Collateral (VM)	The types of collateral and their maturities that can be pledged by the Pledgor under Paragraph 13(c)(ii) of the 2016 New York Law Annex.
Eligible Credit Support (VM)	The aggregate of Eligible Collateral (VM) and any other credit support agreed by the parties.
Eligible Currency	The agreed currency or currencies for cash collateral transferred under the 2016 New York Law Annex and which are freely available.
Eligible Return Amount (VM)	The amount of cash collateral held which is taken into consideration when calculating whether an interest payment can be offset and if so, how much can be offset.
Exposure	The estimated termination value of all Covered Transactions so as to calculate risk exposure. The calculation is made as if the Transactions were being closed out as of the Valuation Time.
Fungible Credit Support Type	Collateral of the same type (e.g. (a) cash or (b) bonds issued by the same issuer, of the same issue and the same nominal value).
FX Haircut Percentage	An additional haircut (typically 8%) which may be applied to collateral if certain conditions apply under the relevant uncleared margin regulation applicable to the party concerned.
Interest Adjustment Reduction Amount (VM)	The amount by which cash collateral held is reduced by offsetting interest (which may be at a negative rate) where the parties have agreed that Interest Adjustment applies.
Interest Amount (VM)	The aggregate sum of interest due on Cash collateral.
Interest Payee (VM)	The party due to receive an interest payment.
Interest Payer (VM)	The party required to make an interest payment.
Interest Payment (VM)	The amount of interest that has accrued during an Interest Period.
Interest Period	The period from the date when interest on Cash collateral was last paid or adjusted to the date on which it is next due to be paid or adjusted.



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Interest Rate (VM)	The particular benchmark interest rate (e.g. Federal Funds (Effective)) stated in Paragraph 13(i) of the 2016 New York Law Annex. In agreements involving U.S. parties, it is typically based on Federal Funds (Effective). It may also include a spread.
Legal Eligibility Requirements	The minimum eligibility requirements under the regulations applicable to the Secured Party that must be applied to collateral.
Legal Ineligibility Notice	A written notice from the Secured Party to the Pledgor providing details of why one or more types of Eligible Credit Support (VM) are no longer eligible.
Local Business Day	A normal business day for commercial banks in the location required for the valuation of Transactions and collateral under the 2016 New York Law Annex. With securities transfers it is a normal business day when securities clearance systems are open.
Minimum Transfer Amount	The minimum amount that the Delivery Amount (VM) or Return Amount (VM) must reach before a party can be called to deliver or return collateral.
Notification Time	The agreed deadline for making a collateral call in order to receive a Transfer by the deadline specified in the 2016 New York Law Annex.
Obligations	The present and future obligations of a party under the ISDA Master Agreement. The extent of these obligations may be expanded in Paragraph 13.
Other CSA	Any other credit support annex or credit support deed linked to the same ISDA Master Agreement.
Other CSA Excluded Credit Support	Any amounts of collateral posted under an Other CSA which must be kept segregated or which cannot be offset.
Other Eligible Support (VM)	This constitutes other credit support that the parties may agree to such as surety bonds.
Other Posted Support (VM)	Other Eligible Support (VM) that is actually provided by the Pledgor to the Secured Party.



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Pledgor	The party that receives a demand requiring it to post collateral or the party who currently has pledged collateral i.e. the collateral giver.
Posted Collateral (VM)	All collateral that has been pledged to, and is currently held by, the Secured Party.
Posted Credit Support (VM)	The aggregate of Posted Collateral (VM) and any Other Posted Support (VM).
Recalculation Date	The Valuation Date that gave rise to a dispute.
Regular Settlement Day	The day on which collateral must be provided following a collateral call. This is the same Local Business Day as the demand unless amended in Paragraph 13.
Resolution Time	The deadline for resolving disputes i.e. one Local Business Day after the date on which the party receives a notice that it disputes.
Return Amount (VM)	The collateral amount to be returned by the collateral taker to the collateral giver because it is surplus to the collateral taker's risk exposure on the collateral giver.
Return Amount Reduction (VM)	The amount by which a Return Amount (VM) is reduced by an offsetting interest payment where the parties have agreed that Interest Transfer and Interest Payment Netting apply.
Secured Party	The party making a demand to receive collateral or the party holding Posted Collateral (VM).
Set-off	The right to offset amounts due to each party under different contractual agreements between them.
Specified Condition	A Termination Event such as Illegality or Credit Event Upon Merger designated by the parties in Paragraph 13(e)(ii) as a Specified Condition.
Substitute Credit Support (VM)	Collateral transferred to the Secured Party in substitution for previously pledged collateral.
Substitution Date	The date the Secured Party transfers back part or all of the original Posted Credit Support (VM) to the Pledgor after receiving the Substitute Credit Support (VM).



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Total Ineligibility Date	Following the delivery of a Legal Ineligibility Notice, the date upon which collateral that is held will be deemed ineligible and of zero value.
Transfer	A Transfer occurs when collateral delivered to a Secured Party is deemed to be received by it or its custodian. For example, a Transfer of Cash occurs when the Cash is delivered to the Secured Party's bank account.
Transfer Ineligibility Date	The date upon which collateral in the form specified in a Legal Ineligibility Notice will no longer be accepted. Collateral of this type that is already held will still be considered eligible and will continue to be valued until the Total Ineligibility Date.
Valuation Agent	The Valuation Agent is the party calculating Exposure and the value of Posted Collateral (VM). It is also the party that makes a request for collateral to be transferred.
Valuation Date	The date upon which risk exposure calculations and collateral valuations are made (based upon those amounts as of the Valuation Time) to determine if a collateral delivery or return is needed. This is each day on which commercial banks are open for business in at least one Valuation Date Location for each party.
Valuation Date Location	The location(s) specified in Paragraph 13 for each party which must be open in order for a Valuation Date to be valid.
Valuation Percentage	The remaining value of collateral expressed in percentage terms after the agreed haircut has been deducted.
Valuation Time	The reference time at which calculations for collateral calls are made. This is the time when the Valuation Agent normally calculates its end of day valuations for OTC derivative trades.
Value	The agreed valuation bases for Cash and securities collateral in Paragraph 13(g)(ii) taking into consideration the FX Haircut Percentage.

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