

LPN REFERENCE OBLIGATION LISTS - PROCEDURES

Background

- 1) The Additional Provisions for LPN Reference Entities as published by ISDA may be incorporated into a Confirmation if parties wish to specify certain Reference Obligations in relation to certain Reference Entities that issue debt via Loan Participation Note (LPN) programs.
- 2) The provisions allow parties to either refer to the LPN Reference Obligation Lists published by IHS Markit or to attach their own list of Reference Obligations.
- 3) The LPN Reference Obligation Lists contain Reference Obligations related to Reference Entities, and these Reference Obligations will, amongst other types of issuance contain debt securities issued via LPN programs. The Reference Obligations defined within the LPN Reference Obligation Lists are additional Deliverable Obligations with respect to contracts that incorporate them.
- 4) The LPN Reference Obligation Lists are published by Markit and the lists are available at <https://ihsmarkit.com/products/red-cds.html>
- 5) Each LPN Reference Obligation List shall contain all Reference Obligations that pertain to the specified Reference Entity, as agreed by the Markit RED European Emerging Markets Trading/LPN Group. The following information shall also be included within the LPN Reference Obligation Lists:
 - a) Reference Entity
 - b) Region
 - c) Issuer
 - d) Coupon
 - e) Maturity
 - f) RED Code
 - g) Date Added
 - h) Date removed

The universe of Reference Entities has been determined by the Markit RED European Emerging Markets Trading/LPN Group and 32 entities were submitted to Markit for review (see below for details). Please note however that the current market convention is to trade all Russian and Ukrainian based Reference Entities on Emerging European Corporate LPN terms.

- 1) "Gazprombank" (Joint-stock Company)
- 2) B&N Bank (Public Joint-Stock Company)
- 3) City of Moscow
- 4) Evraz Group S.A.
- 5) GAZPROM PUBLIC JOINT STOCK COMPANY
- 6) JOINT-STOCK COMPANY "UKRSOTSBANK"
- 7) JOINT-STOCK COMPANY COMMERCIAL BANK "PRIVATBANK"
- 8) Joint Stock Company "ALFA-BANK"
- 9) Joint Stock Company "Russian Railways"
- 10) Joint Stock Company "Russian Standard Bank"
- 11) Joint Stock Company The State Export-Import Bank of Ukraine

- 12) Joint stock commercial bank - Bank of Moscow (open joint stock company)
- 13) Joint stock company Russian Agricultural Bank
- 14) National Joint Stock Company "Naftogaz of Ukraine"
- 15) PUBLIC JOINT STOCK COMPANY "TRANSNEFT"
- 16) Public Joint Stock Company "ALROSA"
- 17) Public Joint Stock Company "MegaFon"
- 18) Public Joint Stock Company "Mining and Metallurgical Company "NORILSK NICKEL"
- 19) Public Joint Stock Company "Oil company "LUKOIL"
- 20) Public Joint Stock Company "Severstal"
- 21) Public Joint Stock Company "UkrSibbank"
- 22) Public Joint Stock Company "Vimpel-Communications"
- 23) Public Joint Stock Company Gazprom Neft
- 24) Public Joint Stock Company Rosneft Oil Company
- 25) Public Joint-Stock Company "ALFA-BANK"
- 26) Public Joint-Stock Company "Bank Otkritie Financial Corporation"
- 27) Rosneft International Holdings Limited
- 28) Sberbank
- 29) Sistema Public Joint Stock Financial Corporation
- 30) State Development Corporation "VEB.RF"
- 31) VTB Bank (public joint-stock company)
- 32) Yapi ve Kredi Bankasi A.S.

Expired LPN Reference Entities Lists

- 1) state corporation "Bank for Development and Foreign Economic Affairs (Vnesheconombank)"

High-Level Procedures

- 1) Markit will publish an LPN Reference Obligation List for each of the Reference Entities selected by the Markit RED Emerging Markets Trading/LPN Group.
 - a. The LPN Reference Obligation Lists will be subject to an annual review by the Markit RED Emerging Markets Trading/LPN Group. This annual review will also be communicated to the ISDA Operations Working Group, in order to ensure wide and transparent communication of any potential amendments to the LPN Reference Obligation Lists.
- 2) Markit RED Emerging Markets Trading/LPN Group members can propose changes to the existing lists or the creation of a new list (to include a newly traded Reference Entity) at any time.
- 3) The Markit RED Emerging Markets Trading/LPN Group members will have the ability to reject, prior to the publication of an LPN Reference Obligation List, the inclusion of a Reference Entity or Reference Obligation on the basis that it does not satisfy the conditions of the Additional Provisions for LPN Reference Entities as published by ISDA.
- 4) Until a consensus is reached within the Markit RED Emerging Markets Trading/LPN Group, the Reference Entity or Reference Obligation will not be updated or added to a new or existing list.
- 5) Following the review of an LPN Reference Obligation List by the Markit RED Emerging Markets Trading/LPN Group, Markit, where possible, will arrange for the Reference Entity name to be legally verified and a 9-digit RED Code will be assigned to the list.

- 6) If the Entity or Obligation documents for a Reference Entity or Obligation are not available, Markit will inform the Markit RED Emerging Markets Trading/LPN Group that it is not possible to legally verify the Reference Entity or Obligation.
- 7) All Reference Obligations for each of the Reference Entities will be determined by the Markit RED Emerging Markets Trading/LPN Group, and a consensus will be sought to determine the entire list of Reference Obligations to be contained within the relevant LPN Reference Obligation Lists.
- 8) Markit will list those institutions that have actively participated in the formulation and composition of each LPN Reference Obligation List. The name of each firm only will be included at the bottom of the updated annex.

Amendments to the LPN Reference Obligation Lists to detail additional Reference Entities and Reference Obligations

- 1) Any firm that participates in the Markit RED Emerging Markets Trading/LPN Group is able to propose the creation of a new LPN Reference Obligation List or the amendment of an existing one, to cater for the inclusion of additional Reference Entities or Obligations. Markit will then seek consensus within the Markit RED Emerging Markets Trading/LPN Group as to the inclusion of these.
- 2) Any additional Reference Entity, where possible, will be legally verified and assigned a 6-digit RED Code.
- 3) Reference Obligations for any additional Reference Entities will be agreed by the Markit RED Emerging Markets Trading/LPN Group; until a consensus is reached the Reference Obligation(s) will not be updated or added to the list.
- 4) Markit shall monitor the legally verified Reference Entities and Reference Obligations for corporate events resulting in name change or bond redemption.
- 5) Markit will bring any discrepancies or changes to the Markit RED Emerging Markets Trading/LPN Group and the ISDA Operations Working Groups attention, who will decide on the best course of action.

Any queries relating to the LPN Reference Obligation Lists should be addressed to red@ihsmarkit.com



ISDA[®]
International Swaps and Derivatives Association, Inc.

The data contained herein is subject to the attached IHS Markit Ltd disclaimer.

The data displayed here is the proprietary property of IHS Markit Ltd and may be used for informational and analytical purposes only. Unless you are in possession of a valid license, you may not (i) use the data for executing or processing trades in any way, including but not limited to, trade execution, trade matching, trade confirmation and trade settlement, (ii) copy, share, sell, distribute, redistribute, or otherwise make the data available to any other party or (iii) use the data contained herein in any other manner, or for other internal or external business purposes. To obtain a license, please contact IHS Markit Ltd on +44 (0)20 7260 2345 or info@ihsmarkit.com.

The senders and recipients of this data acknowledge and agree that no duty of care is owed to them or to any other users by any Data Provider, and that use of the data creates no lawyer-client relationship between the user and/or any other user, and any Data Provider.

"Data Provider" means those persons who developed, compiled, prepared, revised, selected and arranged the Services (including without limitation certain information sources, professional advisors and other persons or entities that have participated in any respect in the development or collection of the Services or any data or information contained therein).

NEITHER MARKIT GROUP LIMITED, ITS AFFILIATES NOR ANY DATA PROVIDER OR OTHER PERSON OR ENTITY MAKES ANY WARRANTY, EXPRESS OR IMPLIED, AS TO RESULTS TO BE ATTAINED BY SUBSCRIBER OR OTHERS FROM THE USE OF THIS DOCUMENT, AND THERE ARE NO EXPRESS OR IMPLIED WARRANTIES OF CONDITION OF QUALITY OR ANY EXPRESS OR IMPLIED WARRANTY OF TITLE, NON-INFRINGEMENT, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE. BY USE OF THIS DOCUMENT, YOU ACKNOWLEDGE THAT YOU HAVE NOT RELIED UPON ANY WARRANTY, GUARANTY OR REPRESENTATION MADE BY MARKIT GROUP LIMITED OR ANY OTHER PERSON OR ENTITY.

NEITHER IHS MARKIT LTD, ITS AFFILIATES NOR ANY OTHER PERSON OR ENTITY SHALL IN ANY WAY BE LIABLE TO THE USER OF THIS DOCUMENT OR ANY CLIENT OF SUCH USER FOR ANY INACCURACIES, ERRORS OR OMISSIONS, REGARDLESS OF CAUSE, IN THE INFORMATION AVAILABLE ON THIS DOCUMENT OR FOR ANY DAMAGES (WHETHER DIRECT OR INDIRECT) RESULTING THEREFROM. UNDER NO CIRCUMSTANCES WILL MARKIT GROUP LIMITED BE LIABLE FOR ANY INDIRECT, INCIDENTAL, SPECIAL, CONSEQUENTIAL OR LOST PROFITS DAMAGES WITH RESPECT TO THE USE OF THIS DOCUMENT OR THE INFORMATION AVAILABLE HEREIN, REGARDLESS OF WHETHER SUCH DAMAGES COULD HAVE BEEN FORESEEN OR PREVENTED.

Copyright © 2019, IHS Markit Ltd.