

INTRODUCTION TO THE 2006 ISDA DEFINITIONS

The 2006 ISDA Definitions (the “2006 Definitions”) are intended for use in confirmations of individual transactions (“Confirmations”) governed by agreements such as the 1992 ISDA Master Agreements and the 2002 ISDA Master Agreement (the “ISDA Master Agreements”) published by the International Swaps and Derivatives Association, Inc. (“ISDA”). Copies of the ISDA Master Agreements are available from the executive offices of ISDA and on the ISDA website, www.isda.org. A sample form of document constituting a Confirmation is attached as Exhibit I. Exhibits II-A to II-H set out sample forms of specific provisions for inclusion in a Confirmation to document particular types of transactions.

The 2006 Definitions are an update of the 2000 ISDA Definitions (the “2000 Definitions”), which many parties to privately negotiated derivative transactions have incorporated into existing Confirmations or other documents. The 2006 Definitions can be incorporated into future Confirmations or other documents. Existing Confirmations or other documents that incorporate the 2000 Definitions will not, without further action by the parties, be affected by the use of the 2006 Definitions for subsequent transactions.

The purpose of the 2006 Definitions is to provide the basic framework for the documentation of privately negotiated interest rate and currency derivative transactions. Although the 2006 Definitions were drafted with this purpose in mind, ISDA recognizes that parties documenting other types of privately negotiated derivative transactions might find it helpful to incorporate the 2006 Definitions into Confirmations for those transactions. For example, when documenting an equity swap transaction using the 2002 ISDA Equity Derivatives Definitions or a commodity swap using the 2005 ISDA Commodity Derivatives Definitions, parties may wish to incorporate the 2006 Definitions into the relevant Confirmation in order to document more easily floating or fixed payments arising under those transactions.

As in the case of other product-specific sets of definitions published by ISDA, parties using the 2006 Definitions to document a transaction may adapt or supplement the standard provisions set out in the 2006 Definitions in accordance with the specific economic terms agreed between them.

The 2006 Definitions may be updated in the future to include additional definitions and provisions, and it is anticipated that currency and floating rate option definitions (and related definitions and provisions) will be added or changed from time to time as transactions involving rates and currencies not included in the 2006 Definitions become more prevalent or as necessary to reflect market practice. ISDA anticipates that it will publish amendments and supplements to the 2006 Definitions from time to time (including on its website, www.isda.org). At any time a copy of the then-current version of the 2006 Definitions can be obtained from the executive offices of ISDA and also from the ISDA website.

Unless otherwise agreed, where parties incorporate the 2006 Definitions into a Confirmation, they will incorporate the 2006 Definitions as amended and supplemented through the date on which they enter into the relevant transaction. Amendments and supplements to the 2006 Definitions will be deemed to have been made when published by ISDA. If parties want to exclude one or more amendments or supplements made to the 2006 Definitions, they should, in the relevant Confirmation, specify the amendment(s) or supplement(s) that they want to exclude or specify an “as amended and supplemented through” date (*e.g.*, “as amended and supplemented through January 1, 2008”).