

UPDATE 19

16 November 2007

2006 ISDA® DEFINITIONS

At the request of AFMA, Mallesons Stephen Jaques has updated the AFMA "*Guide to Australian OTC Transactions*" so that it now references the 2006 ISDA Definitions.

The 2006 ISDA Definitions, published at the beginning of 2007, are intended to supersede the 2000 Definitions and AFMA recommends that participants reference the 2006 Definitions rather than the 2000 Definitions.

Amendments to the *Guide* include a new section 2.1.5.20, which sets out the differences between 2000 Definitions and 2006 Definitions, and amendments to section 2.1.4.60.3 which address FRA Yield Discounting.

The *Guide* has retained the suggested clauses relating to FRA Yield Discounting in Section 2.1.4.60.3.3. for use where Transactions are referencing the 2000 Definitions "
