

# New and Amended Rate Source Definitions for the Chilean Peso, Colombian Peso, and Peruvian Sol

Effective as of August 1, 2006, EMTA, Inc., the International Swaps and Derivatives Association, Inc., and the Foreign Exchange Committee jointly announce amendments to Annex A to the *1998 FX and Currency Option Definitions* to amend certain rate source definitions for the Colombian peso and to add new rate source definitions for the Chilean peso, the Colombian peso, and the Peruvian sol. Effective as of August 1, 2006, Annex A is amended to add new Sections 4.5(c)(iii)(G) and (H), to amend Section 4.5(c)(iv)(B) and add new Section 4.5(c)(iv)(C), and to add new Sections 4.5(c)(vii)(C) and (D), as follows:

## (iii) Chilean Peso.

(G) "CLP DÓLAR OBS" or "CLP10" each means that the Spot Rate for a Rate Calculation Date will be the Chilean Peso/U.S. Dollar "observado" rate, expressed as the amount of Chilean Pesos per one U.S. Dollar, for settlement in one Business Day reported by the Banco Central de Chile ([www.bcentral.cl](http://www.bcentral.cl)) as the "Dólar Observado" (Dollar Observado) rate by not later than 10:30 a.m., Santiago time, on the first Business Day following that Rate Calculation Date.

(H) "EMTA CLP INDICATIVE SURVEY RATE" or "CLP11" each means that the Spot Rate for a Rate Calculation Date will be the Chilean Peso/U.S. Dollar Specified Rate for U.S. Dollars, expressed as the amount of Chilean Pesos per one U.S. Dollar, for settlement on the same day, as published on EMTA's web site ([www.emta.org](http://www.emta.org)) at approximately 11:00 a.m., Santiago time, or as soon thereafter as practicable, on such Rate Calculation Date. The Spot Rate shall be calculated by EMTA (or a service provider EMTA may select in its sole discretion) pursuant to the EMTA CLP Indicative Survey Methodology (which means a methodology, dated as of August 1, 2006, as amended from time to time, for a centralized industry-wide survey of financial institutions that are active participants in the Chilean Peso/U.S. Dollar markets for the purpose of determining the EMTA CLP Indicative Survey Rate).

## (iv) Colombian Peso.

(B) "COP TRM" or "COP02" each means that the Spot Rate for a Rate Calculation Date will be the Colombian Peso/U.S. Dollar fixing rate, expressed as the amount of Colombian Pesos per one U.S. Dollar, for settlement on the same day reported by the Colombian Financial Superintendency ([www.banrep.gov.co](http://www.banrep.gov.co))

as the "Tasa Representativa del Mercado (TRM)" (also referred to as the "Tasa de Cambio Representativa del Mercado" (TCRM)) by not later than 10:30 a.m., Bogotá time, on the first Business Day following that Rate Calculation Date.

(C) "EMTA COP INDICATIVE SURVEY RATE" or "COP03" each means that the Spot Rate for a Rate Calculation Date will be the Colombian Peso/U.S. Dollar Specified Rate for U.S. Dollars, expressed as the amount of Colombian Pesos per one U.S. Dollar, for settlement on the same day, as published on EMTA's web site ([www.emta.org](http://www.emta.org)) at approximately 11:30 a.m., Bogotá time, or as soon thereafter as practicable, on such Rate Calculation Date. The Spot Rate shall be calculated by EMTA (or a service provider EMTA may select in its sole discretion) pursuant to the EMTA COP Indicative Survey Methodology (which means a methodology, dated as of August 1, 2006, as amended from time to time, for a centralized industry-wide survey of financial institutions that are active participants in the Colombian Peso/U.S. Dollar markets for the purpose of determining the EMTA COP Indicative Survey Rate).

## (vii) Peruvian Sol.

(C) "PEN WT AVE" or "PEN03" each means that the Spot Rate for a Rate Calculation Date will be the midpoint of the Peruvian Sol/U.S. Dollar closing weighted average bid and offer ("compra y venta") exchange rates expressed as the amount of Peruvian New Soles per one U.S. Dollar for settlement on the same day, reported by the Superintendencia de Banca, Seguros y AFP ([www.sbs.gob.pe](http://www.sbs.gob.pe)) of the Republic of Peru at approximately 5:00 p.m., Lima time, on that Rate Calculation Date.

(D) "EMTA PEN INDICATIVE SURVEY RATE" or "PEN04" each means that the Spot Rate for a Rate Calculation Date will be the Peruvian Sol/U.S. Dollar Specified Rate for U.S. Dollars, expressed as the amount of Peruvian Soles per one U.S. Dollar, for settlement on the same day, as published on EMTA's web site ([www.emta.org](http://www.emta.org)) at approximately 11:00 a.m., Lima time, or as soon thereafter as practicable, on such Rate Calculation Date. The Spot Rate shall be calculated by EMTA (or a service provider EMTA may select in its sole discretion) pursuant to the EMTA PEN Indicative Survey Methodology (which means a methodology, dated as of August 1, 2006, as amended from time to time, for a centralized industry-wide survey of financial

institutions that are active participants in the Peruvian Sol/U.S. Dollar markets for the purpose of determining the EMTA PEN Indicative Survey Rate).

### Practitioner's Notes:

- Each of the CLP10, COP02, and PEN03 rate source definitions refers to an authoritative source for the rate source quote for purposes of clarity in the event of a dispute. A reference to the website of the quoting or sponsoring entity is included as additional information but may not be the exclusive place of publication for the rate quote, which may also be published or hosted by one or more information vendors.
- PEN03 describes a midpoint rate, to be calculated by market participants based upon the compra y venta (bid and offer) rates published by the Superintendencia de Banca, Seguros y AFP, rounded to the fourth decimal point (for example, 1.0000).
- The CLP DÓLAR OBS (CLP10) rate is also currently published on Reuters Page CLPOB= and Bloomberg Page PCRCDOOB.
- The COP TRM (COP02) rate is also currently published on Reuters Page CO/COLO3 and Bloomberg Page TRM.
- The PEN WT AVE (PEN03) rate is also currently published on Reuters Page PDSB and Bloomberg Page PSSO.
- Parties that specify in confirmations that a particular version of Annex A applies to their trades should reference Annex A effective as of August 1, 2006, if they desire to incorporate the new Chilean peso, Colombian peso, or Peruvian sol rate source definitions into their trades. If parties do not specify in their confirmations a particular version of Annex A, the above rate source definitions will apply to trades that incorporate the *1998 FX and Currency Option Definitions* and have a trade date on or after August 1, 2006.