



INTERNATIONAL SWAPS AND DERIVATIVES ASSOCIATION, INC.

## NEWS RELEASE

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**For More Information, Please Contact:**

Louise Marshall, ISDA New York, +1 212-901-6014, [lmarshall@isda.org](mailto:lmarshall@isda.org)

Cesaltine Gregorio, ISDA New York, +1 212-901-6019, [cgregorio@isda.org](mailto:cgregorio@isda.org)

Donna Chan, ISDA Hong Kong, +852 2200 5906, [dchan@isda.org](mailto:dchan@isda.org)

### ISDA TO PUBLISH PROTOCOL FOR ECUADOR

**NEW YORK, Wednesday, December 17, 2008** – The International Swaps and Derivatives Association, Inc. (ISDA) today announced that it will launch a CDS auction protocol to facilitate the settlement of credit derivatives trades referencing Ecuador, the South American country that is in default for the second time this decade. The 2008 Ecuador CDS Protocol will be the first protocol published by ISDA in regards to the settlement of a sovereign credit event.

Ecuador's government did not make a \$30.6 million interest payment within the 30 day grace period that started after the country failed to make its payment for the original due date which was November 15. Ecuador, which also defaulted in 1999, owes approximately \$10 billion to bondholders, multilateral lenders and other countries.

The Protocol will be open to ISDA members and non-members alike. ISDA will publish further details in due course and these will be available at [www.isda.org](http://www.isda.org).

#### **About ISDA**

ISDA, which represents participants in the privately negotiated derivatives industry, is among the world's largest global financial trade associations as measured by number of member firms. ISDA was chartered in 1985, and today has approximately 850 member institutions from 57 countries on six continents. These members include most of the world's major institutions that deal in privately negotiated derivatives, as well as many of the businesses, governmental entities and other end users that rely on over-the-counter derivatives to manage efficiently the financial market risks inherent in their core economic activities. Information about ISDA and its activities is available on the Association's web site: [www.isda.org](http://www.isda.org).

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