USER’S GUIDE TO
REVISED ARS NDF DOCUMENTATION
EFFECTIVE AS OF JANUARY 2, 2003

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I. INTRODUCTION

Prevailing economic conditions in Argentina in December 2001 and early January 2002 resulted in the closing of its foreign exchange market for a period longer than the eight-day valuation deferral period then reflected in most ARS/USD non-deliverable forward confirmations. In response, EMTA, believing that the period of continued closure would be short, encouraged both dealers and customers to postpone the valuation of their ARS/USD NDF contracts until the market re-opened. This market recommendation brought some measure of stability to the ARS NDF market, but the need to craft a comprehensive revision to the documentation to address the risk of a long-term market disruption and eliminate a reliance on the ARS Official Rate became apparent. To this end, effective as of April 23, 2002, EMTA recommended to the market an interim step of including in both new and existing ARS NDF confirmations a thirty-day deferral period (instead of eight) upon the occurrence of an Unscheduled Holiday. Many market participants chose to accept this recommendation. In due course, EMTA developed a more comprehensive proposal to address the longer-term situation, reflected in the revised documentation that is discussed herein.

The revised EMTA Template Terms for ARS Non-Deliverable FX Transactions provides suggested contract terms that reflect current market practices, the use of which may serve to reduce documentation risk and settlement backlog among market participants, thus contributing to the overall efficiency of the NDF marketplace. However, EMTA recognizes each market participant’s need to develop standards for contractual relationships that reflect its own policies, procedures and tolerance for risk, and encourage market participants to use the Template in its entirety or in part, as is appropriate to reflect these individual considerations.

II. EMTA TEMPLATE TERMS FOR ARS NON-DELIVERABLE FX TRANSACTIONS

The EMTA Template Terms for ARS Non-Deliverable FX Transactions was originally published by EMTA in July 2001 (the “2001 Template”) and was intended to work in conjunction with the 1998 Currency and Option Definitions (the “1998 Definitions”) (including Annex A, amended as of September, 2000). Subsequent market events in Argentina brought to light certain scenarios not previously contemplated, and consequently not addressed in the Argentina, or indeed in any, NDF documentation. EMTA’s intent, in developing revisions to this documentation, was to develop a stable, market-oriented methodology for obtaining an exchange rate for settlement of contracts even in the event of a lengthy market closure.

To provide a methodology for obtaining a settlement rate even under significantly adverse market circumstances, EMTA proposed a new “waterfall” of Disruption Fallbacks. Most of the changes to the 2001 Template relate to this fundamental change and are reflected in the new version of the template (the “2003 Template”) as explained below.
A. Replacing the Argentine Official Rate as the First Settlement Rate Option. The Argentine Official Rate (ARS02), contemplated to be the first Settlement Rate Option in the 2001 Template, has been replaced with the EMTA ARS Industry Survey Rate (formerly, the “CME/EMTA ARS Industry Survey Rate”)(ARS03) (hereinafter, the “Industry Rate”), as the first Settlement Rate Option. This change reflects what became prevailing market practice following the unavailability of the Argentine Official Rate. The Argentine Official Rate has been deleted in its entirety from the 1998 Definitions leaving “ARS02” open for future developments, if any, in this area.

B. Deleting Price Materiality as a Disruption Event. A logical consequence of the elimination of reliance on the Argentine Official Rate as the First Settlement Option in the Template is the deletion of Price Materiality as a Disruption Event. The 2003 Template now reflects Price Source Disruption as the only Disruption Event.

C. Adopting Valuation Postponement as the new first Disruption Fallback. Valuation Postponement is now set forth as the first Disruption Fallback following a Price Source Disruption (contemplated to be, in the most likely circumstance, a failure to obtain sufficient responses to the EMTA ARS Industry Survey (hereinafter, the “Industry Survey”) to determine a rate as described by the EMTA ARS Industry Survey Methodology) (hereinafter, the “Industry Methodology”). “Valuation Postponement for Price Source Disruption” is a new term currently adopted at the Template level (i.e., not found in the 1998 Definitions). Pursuant to this term, valuation of contracts will be deferred daily until the Maximum Days of Postponement set forth in the Template is reached. The Maximum Days of Postponement for Argentina is 30 consecutive calendar days, reflecting a consensus of the market. (This consensus was first introduced in April 2002 as an interim measure and then subsequently affirmed by the market through the adoption of the 2003 Template and related documentation). Upon reaching the Maximum Days of Postponement, the next Business Day will be deemed to be the Valuation Date, and a Spot Rate may be determined for the contract based upon the next applicable Disruption Fallback, which is intended to be the EMTA ARS Indicative Survey Rate (see below), unless this rate is otherwise unavailable for any reason.

D. Adopting Fallback Reference Price (the new EMTA ARS Indicative Survey Rate) as the next succeeding Disruption Fallback. The EMTA ARS Indicative Survey Rate (ARS04) (hereinafter, the “Indicative Rate”) was adopted as the Disruption Fallback following Valuation Postponement specifically to provide the market with a rate quotation that conceivably could function for long periods of time even in times of significant market dislocation, illiquidity or otherwise. This new rate was specifically designed to be market-based, obtained from active market participants both onshore and offshore, and with longevity in mind.

E. Retaining Calculation Agent Determination as the final Disruption Fallback. Under the 2001 Template, Calculation Agent Determination had been the final Disruption Fallback. Concern surfaced that a market-wide reliance on a Calculation Agent Determination could lead to significant systemic basis risk for market participants,
possibly necessitating market intervention by the regulators. The re-ordering of the Disruption Fallbacks in the 2003 Template is intended to address this concern by including first, the Industry Survey and then the EMTA ARS Indicative Rate Survey (hereinafter, the “Indicative Survey”), which, as noted above, is designed to continue to operate for long periods of time even under adverse market circumstances. This makes remote the likelihood that a Calculation Agent Determination will actually be needed for other than, presumably, a very few contracts remaining open after all other Fallbacks have been exhausted. With the problem of a possible systemic pressure on the use of Calculation Agent Determination largely resolved, it was determined that an “end-game” reliance on Calculation Agent Determination would be appropriate and constructive to close out the few contracts remaining open after the Indicative Survey ceased to function.

F. **Deferral Period for Unscheduled Holiday.** The 2001 Template included a definition of “Drop Dead Date”. This has been deleted and a new term, “Deferral Period for Unscheduled Holiday”, is included in the 2003 Template. This is a term adopted at the Template level and is also not found in the 1998 Definitions. This change facilitates some of the underlying architecture of the 2003 Template and also reflects the evolving unofficial lexicon of the market. Upon the occurrence of an Unscheduled Holiday and the consequent unavailability of a rate quotation pursuant to the Industry Survey (polling for which takes place only on Business Days in both Buenos Aires and NYC), valuation of the contract (and consequently, the Valuation Date therefor) may be deferred for not more than 30 consecutive days (such 30 day period being a “Deferral Period”). The calendar day after the lapse of the Deferral Period will be deemed to be the Valuation Date, and a Spot Rate may be determined for the contract based upon a rate quotation determined pursuant to the Indicative Survey.

G. **Cumulative Events.** The 2003 Template incorporates the distinct, but parallel, concepts of a “Deferral Period” in the context of an Unscheduled Holiday AND “Maximum Days of Postponement” relative to a Price Source Disruption. In order to eliminate the possibility that valuation could be deferred or postponed for unreasonably long periods of time by the interaction or overlapping of these two time periods, the 2003 Template incorporates a new concept of “Cumulative Events” (a term also not found in the 1998 Definitions). This new term implements a “no tacking” rule for deferral or postponement, thus ensuring that in no event will valuations be deferred or postponed for more than 30 calendar days.

H. **Maximum Days of Postponement.** As noted above, the 2003 Template incorporates a new term, “Maximum Days of Postponement”. This is intended to be the same number of calendar days as a Deferral Period (i.e. 30 calendar days) specifically to achieve parallel treatment in the time periods for deferral or postponement of valuation of an NDF contract following the occurrence of either an Unscheduled Holiday or a Price Source Disruption.
I. **NYC as a Relevant City for Business Day for Valuation Date purposes.** In an effort to reflect the prevailing market practice for Latin American currencies, the 2003 Template reflects both New York and Buenos Aires as Business Days for Valuation Date purposes to eliminate any ambiguity as to whether both New York and Buenos Aires must be open for a Valuation Date to occur (they do).

J. **ENDNOTE CHANGES.** A new endnote number 4 was adopted in the 2003 Template as an optional provision that may be included by dealers, at their discretion, who may also participate in one or both of the EMTA surveys and who wish to alert counterparties to the possibility that their rate quotation as a survey participant for any given Valuation Day may affect the calculation of the settlement value for the specific contract.

II. **EMTA ARS INDUSTRY SURVEY RATE DEFINITION**

The Industry Rate definition has been revised to delete reference specifically to the CME in the rate (reserving flexibility to EMTA to manage the production or sponsorship of the rate quotation) and to refer to a rate that is “published” by EMTA rather than the rate that is “calculated” by EMTA. This change was made to permit EMTA the opportunity to correct calculation or computational errors before publication and as a result, to minimize adverse market impact, if and to the extent a correction is necessary.

The survey question itself remains unchanged from its original version, and as previously, each survey participant will be asked to provide “the current prevailing Argentine Peso bid and offer rates for a standard size Argentine Peso/U.S. Dollar financial transaction for same-day settlement in the Buenos Aires marketplace on the Valuation Date.” If more than one category of ARS/USD exchange rate is available contemporaneously in the Buenos Aires marketplace at the time of a survey, each survey participant will be asked to provide the rate such participant regards as applicable to foreign exchange related financial contracts for settlement (both Peso and Dollar) in the domestic banking system in Argentina. In January of 2002, in response to requests from the marketplace, EMTA issued a Methodology Reminder clarifying that the survey rate question is intended to elicit rate quotations that reflect the prevailing free market for wholesale financial contacts for Argentine Peso/US Dollar transactions. This clarification continues to apply.

III. **EMTA ARS INDICATIVE SURVEY RATE DEFINITION**

The new Annex A definition for the Indicative Rate describes an EMTA-sponsored survey of market participants based upon an agreed-upon and published methodology (the EMTA ARS Indicative Rate Methodology; hereinafter, the “Indicative Methodology”). The structure of this definition is very similar to the definition for the (amended) Industry Rate with two important distinctions.

First, the rate that is the product of the survey, by virtue of the question that is asked of survey participants (what “would…. the rate be?”), and also of the time that it will be determined (only during an Unscheduled Holiday or during a Price Source Disruption...
when an Industry Rate cannot be obtained), is intentionally designed to be derived from indicative quotations received from dealers in both the onshore and the offshore markets, rather than quotations for an actual spot or market rate.

Specifically, dealers will be asked the following:

“Taking the foregoing into account, based upon your knowledge of, and experience in, the Argentine Peso/U.S. Dollar spot market generally, what, in your reasonable judgment is or (in the case of an Unscheduled Holiday, would be) the current prevailing free market spot rate for a standard size Argentine Peso/U.S. Dollar wholesale financial transaction for same-day settlement in the Buenos Aires marketplace?

In arriving at this “indicative” quotation, all relevant available rates, whether expressed or implied, should be considered, as well as the historical relationships between such rates and the free market ARS/USD wholesale financial spot rate. Listed below are some (but not all) of the types of rates that may be taken into consideration in the determination of this “indicative rate”:

The spot rate(s) implied in the offshore NDF market for Argentine Peso/U.S. Dollar transactions;
The spot rate implied by any other financial market transactions (to the extent that such other financial markets are open for business);
The spot rate used in connection with any commercial transactions for goods or services from offshore suppliers or providers;
Any existing rate for trade finance transactions; and
Any other, existing unofficial rate for Argentine Peso/U.S. Dollar transactions (commercial or otherwise). “

These factors are intended to be non-exclusive factors that could, in the dealer’s discretion under the prevailing circumstances, be taken into consideration in arriving at its rate quotations.

A second significant difference is that the Indicative Survey contemplates a survey of financial institutions that are “active participants in the Argentine Peso/US Dollar market.” (cf. the Industry Rate definition.) This language is intended to describe a survey of institutions both in Argentina and in the offshore markets. The choice of a “hybrid” survey was intended to achieve a balance among several goals: to ensure the greatest participation possible by active market participants in the survey, to ensure its longevity and to establish as useful a rate as possible with the greatest possible integrity.

IV. EMTA ARS INDUSTRY SURVEY RATE METHODOLOGY

Several accommodating changes were made to the former CME/EMTA Industry Survey Methodology that are now reflected in the Industry Methodology. As with the definition of the Industry Rate (and for the same reason), the Industry Methodology was revised to
delete specific reference to the CME in favor of a more general reference to a service provider. Additionally, the Industry Methodology does not now incorporate a mechanism for market participants to request that the survey be taken because the Industry Survey is now contemplated to operate continuously while the market is open. Finally, given the determination made with the Indicative Survey regarding a minimum of 8 required quotes (see below), the Industry Survey minimum number was revised upward from 3 to 5 to enhance the integrity of the rate generally, given the high concentration in the onshore market. This consideration was weighed carefully against the significant competing consideration and risk that a higher required minimum number would likely mean that the Industry Survey will be discontinued (i.e., a Price Source Disruption will have occurred because of insufficient responses to the Industry Survey) at an earlier point in time than it would otherwise be if the minimum number were 3.

More specifically, upon the occurrence of a Price Source Disruption, the Industry Methodology provides that EMTA will make a daily attempt, within the parameters of the Methodology, to obtain an Industry Rate. The failure to discover a rate indicates that the Price Source Disruption is continuing. If the Price Source Disruption continues for 30 consecutive calendar days and valuations are consequently postponed for this time period, then on the Business Day following the Maximum Days of Postponement (30 calendar days), EMTA will once again try to discover a rate under the Industry Methodology and if it is unsuccessful, it will commence an Indicative Survey that same day. EMTA will continue to make daily attempts to discover an Industry Rate through an Industry Survey defaulting to an Indicative Survey until either the surveys are abandoned completely or it is successful in obtaining an Industry Rate quotation, indicating that the Price Source Disruption has been resolved.

In addition, under the Industry Methodology, EMTA now has discretion to make appropriate changes to the Methodology to ensure the continued operation and integrity of the Industry Survey.

V. EMTA ARS INDICATIVE SURVEY RATE METHODOLOGY

The new Indicative Methodology was developed based upon the model provided by the Industry Methodology, with several important changes. The Indicative Survey will comprise up to 30 financial institutions that may be located in either the onshore or offshore Argentine ARS/US Dollar market (as opposed to the Industry Survey participants, which are all located onshore). The calculation methodology for quotations received from the survey participants is similar to the calculation methodology for the Industry Methodology in that high and low quotes are discarded with the remaining quotes being averaged. If and to the extent less than 8 quotes are received from survey participants on any given day, no rate will be published by EMTA for that day.

Given the indicative nature of the quotation and the adverse market circumstances that will necessarily exist at the time an Indicative Survey is conducted, a minimum number of 8 (representing approximately one-quarter of the maximum number of survey participants) was deemed prudent to ensure the integrity of the resulting rate. The need
to ensure the integrity of the process by which the Indicative Rate is obtained was weighed carefully against the backdrop of a high market concentration, illiquidity and volatility of the Argentine market. To further ensure the integrity of the Survey (as with the Industry Survey) and to increase transparency in the market, following the publication of the resulting averaged rate, EMTA will publish the individual rate quotations comprising the survey responses. Individual rate quotations (with attribution to the quoting dealers) that are subsequently published will be stale information and not representative of an actual dealing rate by the time they are published, nonetheless the experience with publication in the context of the Industry Survey has indicated this practice confers a significant benefit on the market place by directly promoting transparency.

The Indicative Survey will be discontinued (a) when the Industry Survey is once again viable upon the reopening of the market and/or sufficient responses are obtained to an attempted Industry Survey, or (b) when, for two consecutive polling days, no rate is obtained (due to insufficient responses). The mechanics of the Indicative Survey are structured to ensure that polling can continue and a rate can be quoted for long periods of time during market disruption (and theoretically indefinitely) if the parameters of the Methodology can be observed. Abandonment of the Indicative Survey is envisioned when there are insufficient responses to the Survey. It is envisioned that insufficient responses by the survey participants would signal a lack of need by such institutions for a continuing rate quotation representing natural attrition in the market place as contracts mature or are settled bilaterally by market participants.

As with the Industry Methodology, EMTA now has discretion to make appropriate changes to the Indicative Methodology to ensure its continued operation and integrity.

VI. MISCELLANEOUS

A significant issue for some market participants had been the issue of whether, given valuation deferrals and postponement of a certain length, compensation should be paid by one party to the contract to the other. A substantial majority of participants felt that compensation (based on the interest rate differential between the USD and ARS) should not accompany deferral of contract settlement. However, a few market participants felt that compensation was appropriate, particularly in cases of extended deferrals. Accordingly, EMTA is taking no position on this issue and encourages market participants to make individual determinations on this point directly with their counterparties.
## General Terms:

| Trade Date: | [Date of Annex A]¹: |
| Reference Currency: | Argentine Peso (ARS) |
| [Notional Amount]²: | |
| [Forward Rate]²: | |
| [Reference Currency Notional Amount]²: | |
| Reference Currency Buyer: | |
| Reference Currency Seller: | |
| Settlement Currency: | U.S. Dollars |
| Settlement Date: | [DATE CERTAIN], provided, however, that if the Scheduled Valuation Date is adjusted in accordance with the Following Business Day Convention, then the Settlement Date shall be as soon as practicable after the Valuation Date, but in no event later than two Business Days after determination of a rate. |
| Settlement: | Non-Deliverable |
| Settlement Rate Option: | EMTA ARS Industry Survey Rate (ARS03)³,⁴ |
| Valuation Date: | [DATE CERTAIN] ("Scheduled Valuation Date"), subject to adjustment in accordance with the Preceding Business Day Convention; provided however, that, in the event of an Unscheduled Holiday, subject to adjustment in accordance with the Following Business Day Convention. |

## Disruption Event:

| Price Source Disruption: | Applicable |

## Disruption Fallbacks:

1. Valuation Postponement:

2. Fallback Reference Price:

3. Calculation Agent Determination of Settlement Rate:

EMTA ARS Indicative Survey Rate (ARS04)⁴
<table>
<thead>
<tr>
<th>Other Terms:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unscheduled Holiday:</td>
</tr>
<tr>
<td>“Unscheduled Holiday” means that a day is not a Business Day and the market was not aware of such fact (by means of a public announcement or by reference to other publicly available information) until a time later than 9:00 a.m. local time in the Principal Financial Center(s) of the Reference Currency two Business Days prior to the Scheduled Valuation Date.</td>
</tr>
<tr>
<td>Deferral Period for Unscheduled Holiday:</td>
</tr>
<tr>
<td>In the event the Scheduled Valuation Date becomes subject to the Following Business Day Convention after the occurrence of an Unscheduled Holiday, and if the Valuation Date has not occurred on or before the 30th consecutive day after the Scheduled Valuation Date (any such period being a “Deferral Period”), then the next day after the Deferral Period that would have been a Business Day but for the Unscheduled Holiday, shall be deemed to be the Valuation Date.</td>
</tr>
<tr>
<td>“Valuation Postponement” for Price Source Disruption:</td>
</tr>
<tr>
<td>“Valuation Postponement” means, for purposes of obtaining a Settlement Rate, that the Spot Rate will be determined on the Business Day first succeeding the day on which the Price Source Disruption ceases to exist, unless the Price Source Disruption continues to exist (measured from the date, that, but for the occurrence of the Price Source Disruption, would have been the Valuation Date) for a consecutive number of calendar days equal to the Maximum Days of Postponement. In such event, the Spot Rate will be determined on the next Business Day after the Maximum Days of Postponement in accordance with the next applicable Disruption Fallback.</td>
</tr>
<tr>
<td>Cumulative Events:</td>
</tr>
<tr>
<td>Maximum Days of Postponement:</td>
</tr>
<tr>
<td>Relevant Cities for Business Day(s) for Valuation Date:</td>
</tr>
<tr>
<td>Relevant City for Business Day(s) for Settlement Date:</td>
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<tr>
<td>Calculation Agent:</td>
</tr>
</tbody>
</table>
ENDNOTES

1 Only include if parties wish to modify the presumption that Annex A is incorporated as amended through the Trade Date.

2 Parties must specify either (a) a Notional Amount and a Reference Currency Notional Amount or (b) a Forward Rate and either a Notional Amount or a Reference Currency Notional Amount.

3 The EMTA ARS Industry Survey Rate resulting from the EMTA ARS Industry Survey Rate Methodology dated as of January 2, 2003, is available only on a Business Day in both Buenos Aires and New York City.

4 A party may wish to include the following additional provision if such party is or may be a participant in either the EMTA ARS Industry Survey or the EMTA ARS Indicative Survey, or both:

[Quoting Dealer Disclaimer:] The parties acknowledge that one or both parties to this Transaction acting directly or through a branch or an affiliate may be requested to provide a quotation or quotations from time to time for the purpose of determining the EMTA ARS Industry Survey Rate or the EMTA ARS Indicative Survey Rate and such quotation may affect, materially or otherwise, the settlement of the Transaction.

5 The following may be applicable for inter-dealer trades where parties agree to be Joint Calculation Agents:

Calculation Agents: Party A and Party B

If the parties are unable to agree on a determination within one Business Day, each party agrees to be bound by the determination of an independent leading dealer in Reference Currency/Settlement Currency Transactions not located in the Reference Currency jurisdiction (“independent leading dealer”), mutually selected by the parties, who shall act as the substitute Calculation Agent, with the fees and expenses of such substitute Calculation Agent (if any) to be met equally by the parties. If the parties are unable to agree on an independent leading dealer to act as substitute Calculation Agent, each party shall select an independent leading dealer and such independent dealers shall agree on an independent third party who shall be deemed to be the substitute Calculation Agent.
Revised EMTA ARS Industry Survey Rate Definition

"EMTA ARS INDUSTRY SURVEY RATE" or "ARS03" each means that the Spot Rate for a Rate Calculation Date will be the Argentine Peso/U.S. Dollar Specified Rate for U.S. Dollars, expressed as the amount of Argentine Pesos per one U.S. Dollar, for settlement on the same day, as published on EMTA’s web site (www.emta.org) at approximately 1:00 p.m. (Buenos Aires 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 ARS Industry Survey Methodology (which means a methodology, dated as of January 2, 2003, as amended from time to time, for a centralized industry-wide survey of financial institutions in Buenos Aires that are active participants in the Argentine Peso/U.S. Dollar spot markets for the purpose of determining the EMTA ARS Industry Survey Rate).

Practitioner’s Note:

- Parties that specify in confirmations that a particular version of Annex A applies to their trades should reference Annex A effective as of January 2, 2003 if they desire to incorporate the revised EMTA ARS Industry Survey Rate definition into their trades. If parties do not specify in their confirmations a particular version of Annex A, the above Argentine Peso rate source definition will apply to trades that incorporate the 1998 FX and Currency Option Definitions and have a trade date on or after January 2, 2003.
EMTA ARS Indicative Survey Rate Definition

"EMTA ARS INDICATIVE SURVEY RATE" or "ARS04" each means that the Spot Rate for a Rate Calculation Date will be the Argentine Peso/U.S. Dollar Specified Rate for U.S. Dollars, expressed as the amount of Argentine Pesos per one U.S. Dollar, for settlement on the same day, as published on EMTA’s web site (www.emta.org) at approximately 1:00 p.m. (Buenos Aires 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 ARS Indicative Survey Methodology (which means a methodology, dated as of January 2, 2003, as amended from time to time, for a centralized industry-wide survey of financial institutions that are active participants in the Argentine Peso/U.S. Dollar markets for the purpose of determining the EMTA ARS Indicative Survey Rate).

Practitioner’s Note:

- Parties that specify in confirmations that a particular version of Annex A applies to their trades should reference Annex A effective as of January 2, 2003 if they desire to incorporate the new EMTA ARS Indicative Survey Rate definition into their trades. If parties do not specify in their confirmations a particular version of Annex A, the above Argentine Peso rate source definition will apply to trades that incorporate the 1998 FX and Currency Option Definitions and have a trade date on or after January 2, 2003.
EMTA ARS Industry Survey Rate Methodology
Dated as of January 2, 2003

Capitalized terms not defined below are defined in the 1998 FX and Currency Option Definitions as published by the International Swaps and Derivatives Association, Inc., EMTA, Inc. and the Foreign Exchange Committee.

I. The EMTA ARS Industry Survey

For purposes of determining the EMTA ARS Industry Survey Rate (an “ARS Industry Survey Rate”) on any Valuation Date, EMTA (through a service provider EMTA may select in its sole discretion) shall conduct a survey of financial institutions (an “ARS Industry Survey”) on the Valuation Date.

- **Pollled Banks:** On each day that is a Business Day in both New York and Buenos Aires, EMTA shall survey no more than 14 randomly selected financial institutions that are active participants in the local Argentine Peso/U.S. Dollar spot (same-day) market, beginning at approximately 12:00 noon (Buenos Aires time)\(^1\) on that Business Date.

- **Survey Question:** Each survey participant will be asked to provide the current prevailing Argentine Peso bid and offer rates for a standard size Argentine Peso/U.S. Dollar financial transaction for same-day settlement in the Buenos Aires marketplace on the Valuation Date. If more than one category of ARS/USD exchange rate is available contemporaneously in the Buenos Aires marketplace at the time of a survey, each survey participant will be asked to provide the rate such participant regards as applicable to foreign exchange related financial contracts for settlement (both Peso and Dollar) in the domestic banking system in Argentina.

- **Follow-up Survey:** If fewer than five quotes are available at 12:00 noon (Buenos Aires time), EMTA shall conduct a follow-up survey at a random time later in the afternoon on the Valuation Date. At such time, each survey participant will again be asked the Survey Question.

In the event a Follow-up Survey is to be conducted, a notice to that effect will be posted as described in IV below, “EMTA Industry Survey Rate Publication”.

- **No Follow-Up Survey shall be conducted on any Business Day after any 30 consecutive calendar day period consisting of a Deferral Period or Valuation Dates on which a Price Source Disruption has occurred, or both. The Follow-up Survey shall be resumed on the Business Day following a day on which no Price Source Disruption has occurred.**

\(^1\) 12:00 PM Buenos Aires time is 10:00 AM NYC Standard Time or 11:00 NYC Daylight Saving Time.
• **Quotes**: Quotes shall be provided to the fourth decimal point (e.g., 1.0000).

II. **Use of Survey Results**

• EMTA will determine the mid-point of each bid-offer pair. The arithmetic mean of the mid-points will be used to determine the EMTA ARS Industry Survey Rate rounded to the fourth decimal point, as described below.

• If either survey for a Valuation Date results in 8 or more responses, then the 2 highest and 2 lowest mid-points will be eliminated, and the arithmetic mean of the remaining 10, 9, 8, 7, 6, 5 or 4 mid-points, as appropriate, shall be computed and will constitute the ARS Industry Survey Rate for such Valuation Date. For purposes of eliminating the 2 highest and 2 lowest mid-points, if more than 2 mid-points have the same highest value or lowest value, then only 2 such mid-points shall be eliminated.

• If either survey for a Valuation Date results in less than 8, but at least 5, responses, then the lowest and highest of such mid-points will be eliminated, and the arithmetic mean of the remaining 3, 4 or 5 mid-points, as appropriate, shall be computed and will constitute the ARS Industry Survey Rate for such Valuation Date. For purposes of eliminating the highest and lowest mid-points, if more than 1 mid-point has the same highest value or lowest value, then only 1 such mid-point shall be eliminated.

III. **Insufficient Responses**

• If a Follow-up Survey is necessary and such survey results in less than 5 responses, no ARS Industry Survey Rate will be available for the relevant Valuation Date.

IV. **EMTA Industry Survey Rate Publication**

• The EMTA ARS Industry Survey Rate will be published on EMTA’s website ([www.emta.org](http://www.emta.org)) (the “Publication Site”) by approximately 1:00 PM (Buenos Aires time)\(^2\), or as soon thereafter on the Valuation Date as practicable, unless a Follow-up Survey is required.

• If an Industry Survey has been conducted at 12:00 noon (Buenos Aires time), but more time is needed to determine the ARS Industry Survey Rate, a progress report, which may include an estimated re-scheduled publication time, will be published on the Publication Site at approximately 1:00 PM (Buenos Aires time)\(^3\), or as soon thereafter as practicable.

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\(^2\) 1:00 PM Buenos Aires time is 11:00 AM NYC Standard Time or 12:00 noon NYC Daylight Saving Time.

\(^3\) 5:00 PM Buenos Aires time is 3:00 PM NYC Standard time or 4:00 PM NYC Daylight Saving Time.
• If a Follow-up Survey is required, a notice announcing that a Follow-up Survey is to be conducted will be published on the Publication Site at approximately 1:00 PM (Buenos Aires time), or as soon thereafter as practicable.

• The EMTA ARS Industry Survey Rate obtained pursuant to a Follow-up Survey shall be published at 5:00 PM (Buenos Aires time) on the Publication Site.

• As soon as it is determined that the Follow-up Survey will result in Insufficient Responses, a notice that no EMTA ARS Industry Survey Rate is available for the Valuation Date shall be published on the Publication Site.

V. Discontinuing the ARS Industry Survey

The ARS Industry Survey will be conducted on each day that is a Business Day in both New York and Buenos Aires, notwithstanding the occurrence of any Price Source Disruption, until it has been affirmatively discontinued by EMTA (following discontinuation of the EMTA ARS Indicative Survey or otherwise) and a notice to this effect has been published on the Publication Site. Notwithstanding the foregoing, nothing herein shall be construed to prevent EMTA from re-initiating the ARS Industry Survey at an appropriate time in the future.

VI. Amendments to the Methodology

EMTA may, in its discretion, from time to time, make such administrative, procedural or other modifications to this Methodology as are appropriate to ensure the continued operation and integrity of the ARS Industry Survey.

VII. Disclaimer

EMTA (and any service provider EMTA may select) disclaim liability for the ARS Industry Survey Rate, and no representation or warranty, express or implied, is made concerning the ARS Industry Survey Rate (including, without limitation, the methodology for determining the ARS Industry Survey Rate and its suitability for any particular use).
EMTA ARS Indicative Survey Rate Methodology
Dated as of January 2, 2003

Capitalized terms not defined below are defined in the 1998 FX and Currency Option Definitions as published by the International Swaps and Derivatives Association, Inc. EMTA, Inc. and the Foreign Exchange Committee.

I. The EMTA ARS Indicative Survey

For purposes of determining the EMTA ARS Indicative Survey Rate (an “ARS Indicative Survey Rate”) for any Valuation Date, EMTA (or a service provider EMTA may select in its sole discretion) shall conduct a survey of financial institutions (an “ARS Indicative Survey”) for such date.

- **Polled Banks**: On each day that an ARS Indicative Survey is to be conducted, EMTA shall survey no more than 30 randomly selected financial institutions that are active participants in the Argentine Peso/U.S. Dollar market.

- **Survey Question**: Each survey participant will be asked to provide its reasonable judgment of what is (or, in the case of an Unscheduled Holiday, would be) the current prevailing free market Argentine Peso spot rate for a standard size Argentine Peso/U.S. Dollar wholesale financial transaction for same-day settlement in the Buenos Aires marketplace on the Valuation Date. In arriving at this indicative quotation, survey participants will be directed to take such factors into consideration as they deem appropriate, which factors may (but need not) include any or all of the following: the spot rate(s) implied in the offshore non-deliverable foreign exchange market for Argentine Peso/U.S. Dollar transactions; the spot rate implied by any other financial market transactions (to the extent that such other financial markets are open for business); the spot rate used in connection with any commercial transactions for goods or services from offshore suppliers or providers; any existing rate for trade finance transactions; and any other existing unofficial rate for Argentine Peso/U.S. Dollar transactions (commercial or otherwise).

- **Quotes**: Quotes shall be provided to the fourth decimal point (e.g., 1.0000).

- **Valuation Postponement due to Price Source Disruption**: On any Business Day on which a Price Source Disruption has occurred or is continuing following the lapse of a 30 day period during which valuation is either deferred or postponed (or both) EMTA shall poll the survey participants beginning at approximately 1:00 p.m. (Buenos Aires time)\(^1\) after any ARS Industry Survey polling that morning which has resulted in no ARS Industry Survey Rate being available for that day.

- **Unscheduled Holiday and Lapse of 30 Calendar Days**: On any Valuation Date that is not a Business Day following the lapse of a 30 day period during

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\(^1\) 1:00 PM Buenos Aires time is 11:00 AM NYC Standard Time or 12:00 noon NYC Daylight Saving Time.
which valuation is either deferred or postponed (or both), EMTA shall commence polling of the survey participants beginning at approximately 12:00p.m. (Buenos Aires time)\(^2\).

II. Use of Survey Results

- EMTA will determine the mid-point of each bid-offer pair. The arithmetic mean of the mid-points will be used to determine the ARS Indicative Survey Rate, rounded to the fourth decimal point as described below.

- If the ARS Indicative Survey results in 21 or more responses, then the 4 highest and 4 lowest mid-points will be eliminated, and the arithmetic mean of the remaining responses shall be computed and will constitute the ARS Indicative Survey Rate for such Valuation Date. For purposes of eliminating the 4 highest and 4 lowest mid-points, if more than 4 mid-points have the same highest value or lowest value, then only 4 such mid-points shall be eliminated.

- If the ARS Indicative Survey results in less than 21 but 12 or more responses, then the 2 highest and 2 lowest mid-points will be eliminated, and the arithmetic mean of the remaining responses shall be computed and will constitute the ARS Indicative Survey Rate for such Valuation Date. For purposes of eliminating the 2 highest and 2 lowest mid-points, if more than 2 mid-points have the same highest value or lowest value, then only 2 such mid-points shall be eliminated.

- If the ARS Indicative Survey results in less than 12 but 10 or more responses, then the highest and the lowest rate will be eliminated and the arithmetic mean of the remaining responses shall be computed and will constitute the ARS Indicative Survey Rate for such Valuation Date. For purposes of eliminating the highest and lowest mid-points, if more than 1 mid-point has the same highest value or lowest value, then only 1 such mid-point shall be eliminated.

- If the ARS Indicative Survey results in less than 10 but 8 or more responses, then no rate will be eliminated and the arithmetic mean of all rates obtained shall be computed and will constitute the ARS Indicative Survey Rate for such Valuation Date.

III. Insufficient Responses

- If the ARS Indicative Survey results in less than 8 responses, no ARS Indicative Survey Rate will be available for the relevant Valuation Date.

- There will be no follow-up survey for an ARS Indicative Survey.

\(^2\) 12:00PM Buenos Aires time is 10:00 AM NYC Standard Time or 11:00 AM NYC Daylight Saving Time.
IV. **ARS Indicative Survey Rate Publication**

- The ARS Indicative Survey Rate will be published on EMTA’s web site ([www.emta.org](http://www.emta.org)) (the “Publication Site”) by approximately 5:00 PM (Buenos Aires time)\(^3\), or as soon thereafter as practicable, on the Valuation Date.

- As soon as it is determined that the ARS Indicative Survey will result in Insufficient Responses, a notice that no ARS Indicative Survey is available for the Valuation Date shall be published on the Publication Site.

V. **Discontinuing the ARS Indicative Survey**

- The ARS Indicative Survey will be discontinued (a) immediately, upon polling of financial institutions pursuant to the ARS Industry Survey Methodology that results in 5 or more valid responses or (b) on the third day following polling for the ARS Indicative Survey that results in less than 8 responses for more than two consecutive polling days. Notwithstanding the foregoing, nothing herein shall be construed to prevent EMTA from re-initiating the ARS Indicative Survey at an appropriate time in the future.

- A notice that the ARS Indicative Survey has been discontinued will be published on the Publication Site.

VI. **Amendments to the Methodology**

EMTA may, in its discretion, from time to time, make such administrative, procedural or other modifications to this Methodology as are appropriate to ensure the continued operation and integrity of the ARS Indicative Survey.

VII. **Disclaimer**

EMTA (and any service provider EMTA may select) disclaim liability for the ARS Indicative Survey Rate, and no representation or warranty, express or implied, is made concerning the ARS Indicative Survey Rate (including, without limitation, the methodology for determining the ARS Indicative Survey Rate and its suitability for any particular use).

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\(^3\) 5:00 PM Buenos Aires time is 3:00 PM NYC Standard Time or 4:00 PM NYC Daylight Saving Time.
APPENDIX F

FLOW CHART OF DISRUPTION EVENTS AND FALLBACKS FOR ARS NDF TEMPLATE (p. 1)

Price Source Disruption

Valuation Postponement

Lapse of Maximum Days of Postponement

ARS Indicative Survey Commences the Next Business Day

ARS Indicative Survey Abandoned Due to Insufficient Responses (less than 8)

Calculation Agent Determination

ARS Indicative Survey Discontinued Due to Resolution of Price Source Disruption

Resolution of Price Source Disruption Prior to Lapse of Maximum Days of Postponement

Resumption of Industry Survey
APPENDIX F

FLOW CHART OF DISRUPTION EVENTS AND FALLBACKS
FOR ARS NDF TEMPLATE
(p. 2)

Unscheduled Holiday

Deferral of Valuation

Lapse of Deferral Period
(30 Days)

Market Re-opens
Prior to Lapse of Deferral Period

ARS Indicative Survey Commences
The Next Calendar Day

ARS Indicative Survey Abandoned Due
to Insufficient Responses (less than 8)

ARS Indicative Survey Discontinued when
Market Re-opens

Calculation Agent Determination

ARS Industry Survey Resumes