

## **Disclaimer**

This document has been discussed at the 24<sup>th</sup> meeting of the National Working Group on CHF Reference Rates (NWG). The NWG is the key forum to foster the transition to SARON and to discuss the latest international developments. The NWG will cease to exist once the transition to SARON is materially completed. The NWG is co-chaired by a representative of the private sector and a representative of the Swiss National Bank (SNB). The SNB supports the NWG by co-chairing the working group alongside a representative from the private sector. The NWG publishes recommendations based on consensus. Recommendations are not legally binding. The SNB acts as a moderator. Furthermore, the SNB runs the NWG's technical secretariat and facilitates the organisation of the meetings. In this capacity, the SNB also publishes on its webpage documents discussed by the NWG such as this document. The items published do not necessarily reflect the views of the SNB.

This document represents a draft-template prepared by NWG for a SARON / SOFR Cross Currency Basis Swap confirmation. As such, it shall only be utilized after the Parties have thoroughly considered their individual circumstances and contractual agreements, which shall not conflict with the use of this document. The Parties may need to amend certain sections of the document in order to meet their specific needs.

## Letterhead Party A

Name and address of Party B

## CONFIRMATION

The purpose of this letter (“Confirmation”) is to confirm the terms and conditions of the Cross Currency Swap transaction entered into between Party A and B on the Trade Date specified below (the “Transaction”). This confirmation constitutes a “Confirmation” as referred to in the Agreement specified below.

1. The definitions and provisions contained in the 2006 ISDA Definitions (the “Definitions”) as published by the International Swaps and Derivatives Association, Inc. (“ISDA”), are incorporated by reference into this Confirmation and the Transaction is subject to the Agreement specified below. In the event of any inconsistency among or between the Agreement, the Definitions and this Confirmation, this Confirmation will govern.

*Option 1: if Parties have a 1992/2002 ISDA Master Agreement in place (delete as applicable):*

This document constitutes a “Confirmation” as referred to in and supplements, forms part of, and is subject to the 1992/2002 ISDA Master Agreement dated as of [DDMMYY], as amended and supplemented from time to time (the “Agreement”) between Party A and Party B. All provisions contained in the Agreement govern this Confirmation except as expressly modified as follows.

*Option 2: if Parties do not have a 1992/2002 ISDA Master Agreement in place (delete as applicable):*

This Confirmation evidences a complete binding agreement between the Parties (Party A and Party B) as to the terms of the Cross Currency Swap Transaction to which this Confirmation relates. In addition, Party A and Party B agree to use all reasonable efforts promptly to negotiate, execute and deliver an agreement in the form of the ISDA Master Agreement (Multicurrency-Cross Border) (the “ISDA Form”), with such modifications Party A and Party B will in good faith agree. Upon the execution by Party A and Party B of such agreement, this Confirmation will supplement, form a part of and be subject to that agreement. All provisions contained in or incorporated by reference in that agreement upon its execution will govern this Confirmation except as expressly modified below. Until Party A and Party B execute and deliver that agreement, this Confirmation, together with all other documents referring to the ISDA Form (each a “Confirmation”) confirming transactions (each a “Transaction”) entered into between Party A and Party B (notwithstanding anything to the contrary in a confirmation), shall supplement, form a part of, and be subject to, an agreement in the form of the ISDA Form as if Party A and Party B had executed an agreement in such form (but without any Schedule except for the election of English law as the governing law).

2. The terms of this particular Transaction to which this Confirmation relates are as follows:

**General Terms**

Transaction	Cross Currency Swap
Trade Date	[DDMMYY]
Effective Date	[DDMMYY + 2, subject to adjustment in accordance with the Modified Following Business Day Convention.]
Termination Date	[DDMMYY + 2 + Tenor of the trade, subject to adjustment in accordance with the Modified Following Business Day Convention.]
Business Days	New York and Zurich for payments, New York for resets
Calculation Agent	[Party A]

FX reset for MTM Two (2) New York Business Days prior to start of calculation period

Notional Exchange Quarterly on roll dates

**Initial Exchange**

Initial Exchange Date Effective Date

Party A Initial Exchange Amount CHF [ ]

Party B Initial Exchange Amount USD [ ] (to be set at Trade Date)

**Final Exchange**

Final Exchange Date Termination Date

Party A Final Exchange Amount USD [ ]

Party B Final Exchange Amount CHF [ ]

**Floating Amounts payable by Party A**

Floating Rate Payer Currency Amount USD

Floating Rate Payer Calculation Period End Date(s) [Quarterly, commencing on Effective Date and ending on the Termination Date, inclusive, subject to adjustment in accordance with the Modified Following Business Day Convention.]

Delayed Payment [Two (2) Business Days following each Floating Rate Payer Period End Date]

Floating Rate Option (FRO) USD-SOFR-COMPOUND as defined in Supplement 57 to the 2006 ISDA Definitions (published May 16, 2018)

Floating Rate Day Count Fraction (FRDCF) Actual/360

Reset Dates [The last day of each Calculation Period]

Compounding Inapplicable (see FRO)

**Floating Amounts payable by Party B**

Floating Rate Payer Currency Amount CHF

Floating Rate Payer Calculation Period End Date(s) [Quarterly, commencing on Effective Date and ending on the Termination Date, inclusive, subject to adjustment in accordance with the Modified Following Business Day Convention.]

Delayed Payment [Two (2) Business Days following each Floating Rate Payer Period End Date]

Floating Rate Option (FRO) CHF-SARON-OIS-COMPOUND as defined in Supplement 51 to the 2006 ISDA Definitions (published April 3, 2017)

Spread [Plus] [Minus] [ ]% p.a.

Floating Rate Day Count Fraction (FRDCF) Actual/360

Reset Dates [The last day of each Calculation Period]

Compounding Inapplicable (see FRO)

**Account Details**

Payments to Party A [ ]

Account for payments in CHF [As advised separately in writing]

Payments to Party B [ ]

Account for payments in CHF [As advised separately in writing]

**Offices**

(a) The office of Party A for the Swap Transaction is: [address]; and

(b) The office of Party B for the Swap Transaction is: [address].