

# The Foreign Exchange Committee

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## **NEW AND AMENDED ARGENTINE PESO RATE SOURCE DEFINITIONS ANNOUNCED BY EMTA, ISDA AND THE FXC**

December 20, 2002. EMTA, the International Swaps and Derivatives Association and the Foreign Exchange Committee today jointly announced amendments to Annex A of the 1998 FX and Currency Option Definitions to (i) revise the definition for the CME/EMTA ARS Industry Survey Rate, (ii) add the EMTA ARS Indicative Survey Rate as a new rate source definition, and (iii) delete from Annex A the definition of the ARS Official Rate (“ARS02”). Accordingly, effective as of January 2, 2003, Section 4.5(c)(i) of Annex A will be amended to delete Section 4.5(c)(i)(B) in its entirety and to replace the provisions of Sections 4.5(c) (i) (C) and (D) with the following:

- (C) “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](http://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).
- (D) “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](http://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 Notes:

- 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 and/or 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 definitions will apply to trades that incorporate the 1998 FX and Currency Option Definitions and have a trade date on or after January 2, 2003.
- Section 4.5(c)(i)(B) will be intentionally left blank.