

Figure 5.1 Transaction compression and position creation

| TIME = T | | | | |
|----------|-------|-------------|------------|-------|
| trade_id | value | action_type | event_type | level |
| AAAA | 100 | NEW | TRAD | TCTN |
| BBBB | 50 | NEW | TRAD | TCTN |
| CCCC | 200 | NEW | TRAD | TCTN |



| TIME = T+1 | | | | |
|------------|-------|-------------|------------|-------|
| trade_id | value | action_type | event_type | level |
| AAAA | 100 | TERM | INCP | TCTN |
| BBBB | 50 | TERM | INCP | TCTN |
| CCCC | 200 | TERM | INCP | TCTN |
| DDDD | 350 | NEW | INCP | PSTN |



| TIME = T+2 | | | | |
|------------|-------|-------------|------------|-------|
| trade_id | value | action_type | event_type | level |
| BBBB | 100 | CORR | | TCTN |
| DDDD | 400 | CORR | | PSTN |

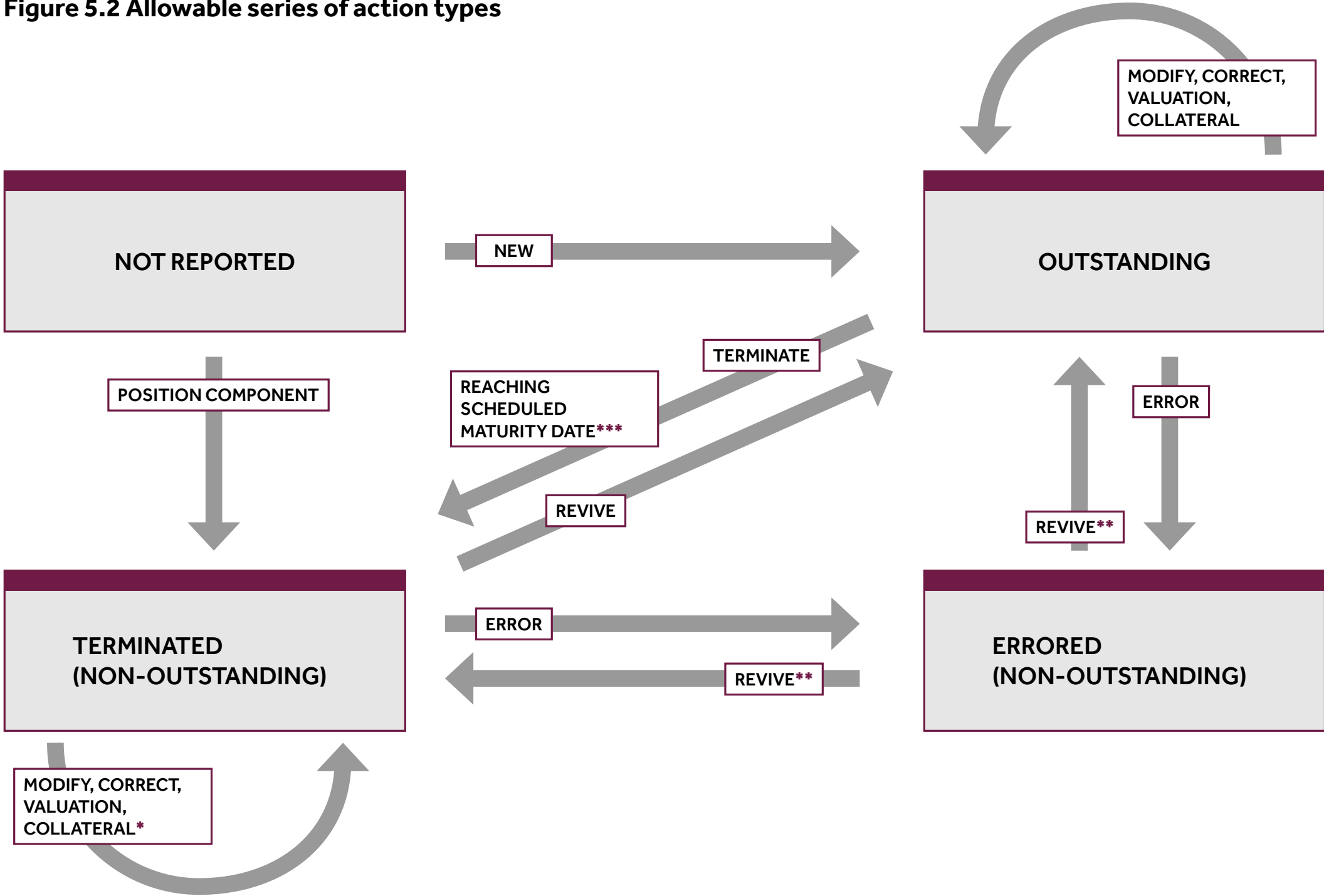
Three transactions begin

Three transactions compressed into a new position. This is reflected by terminating the original three trades, and creating a new position with trade ID DDDD.

Reporter realises it submitted BBBB incorrectly. It sends a correction for BBBB. As this means it also submitted DDDD (the position made from BBBB) incorrectly, it also sends a correction for DDDD

BBBB is no longer "alive" because it has been compressed into DDDD, but still needs correction. DDDD needs to be corrected given that BBBB needs correction

Figure 5.2 Allowable series of action types



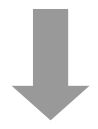
*Counterparties can also submit historical modifications, corrections, valuations and collateral information for the terminated trades

**The status of the derivative after revival depends on the maturity date and termination date.

***No report is required when derivative reaches scheduled maturity date. If counterparty subsequently realised that the maturity date was incorrect, it can send action type 'Revive' to bring the derivative to status 'outstanding'

Figure 5.3 Illustration of early termination and revive

| TIME = T | | | | |
|----------|-------|-------------|------------|-------|
| trade_id | value | action_type | event_type | level |
| EEEE | 100 | NEW | TRAD | TCTN |



| TIME = T+1 | | | | |
|------------|-------|-------------|------------|-------|
| trade_id | value | action_type | event_type | level |
| EEEE | 100 | TERM | ETRM | TCTN |



| TIME = T+2 | | | | |
|------------|-------|-------------|------------|-------|
| trade_id | value | action_type | event_type | level |
| EEEE | 100 | REVI | | TCTN |

OR

| TIME = T+2 | | | | |
|------------|------------|-------------|------------|-------|
| trade_id | value | action_type | event_type | level |
| EEEE | 100 | REVI | | TCTN |
| EEEE | 200 | CORR | | TCTN |

A new transaction EEEE begins

Transaction EEEE is terminated early

Reporter realises that it should not have terminated EEEE and revives EEEE

EEEE has been erroneously terminated at time T + 1

Reporter realises that it should not have terminated EEEE and revives EEEE. Reporter puts in the correct value for EEEE

EEEE has been erroneously terminated at time T + 1, but had also been erroneously reported at time T

Figure 5.4 Illustration of error and revive

| TIME = T | | | | |
|----------|-------|-------------|------------|-------|
| trade_id | value | action_type | event_type | level |
| FFFF | 300 | NEW | TRAD | TCTN |



| TIME = T+1 | | | | |
|------------|-------|-------------|------------|-------|
| trade_id | value | action_type | event_type | level |
| FFFF | 300 | EROR | | TCTN |



| TIME = T+2 | | | | |
|------------|-------|-------------|------------|-------|
| trade_id | value | action_type | event_type | level |
| FFFF | 300 | REVI | | TCTN |

A new transaction FFFF begins

Reporter realises it should not have submitted information for FFFF

Reporter realises it should submit information for FFFF so revives FFFF