

## Appendix A

### APPLICATION OF THE PROPOSED RULE <sup>1 2 3</sup>

CSE	Counterparty	Proposed Approach
<p><b>U.S. CSE</b> or <b>Non-U.S. CSE (including U.S. branch of a non-U.S. CSE and a Foreign Consolidated Subsidiary (“FCS”)) whose obligations under the relevant swap are guaranteed by a U.S. person</b></p>	<ul style="list-style-type: none"> <li>U.S. person (including U.S. CSE)</li> <li>Non-U.S. person (including non-U.S. CSE, FCS, and U.S. branch of a non-U.S. CSE) whose obligations under the relevant swap <b>are</b> guaranteed by a U.S. person</li> </ul>	U.S. (All)
	<ul style="list-style-type: none"> <li>Non-U.S. person (including non-U.S. CSE, FCS and U.S. branch of a non-U.S. CSE) whose obligations under the relevant swap <b>are not</b> guaranteed by a U.S. person</li> </ul>	<p>U.S. (Initial Margin collected by CSE in column 1)</p> <p>Substituted Compliance (Initial Margin posted by CSE in column 1)</p> <p>U.S. (Variation Margin)</p>
	<p><b>FCS whose obligations under the relevant swap are not guaranteed by a U.S. person</b> or <b>U.S. branch of a non-U.S. CSE whose obligations under the relevant swap are not guaranteed by a U.S. person</b></p>	<ul style="list-style-type: none"> <li>U.S. CSE</li> <li>Non-U.S. CSE (including U.S. branch of a non-U.S. CSE and FCS) whose obligations under the relevant swap <b>are</b> guaranteed by a U.S. person</li> </ul>
<ul style="list-style-type: none"> <li>U.S. person (except as noted above for a CSE)</li> <li>Non-U.S. person whose obligations under the swap are guaranteed by a U.S. person (except a non-U.S. CSE, U.S. branch of a non-U.S. CSE, and FCS whose obligations <b>are</b> guaranteed, as noted above)</li> <li>Non-U.S. person (including non-U.S. CSE, U.S. branch of a non-U.S. CSE, and a FCS) whose obligations under the relevant swap <b>are not</b> guaranteed by a U.S. person</li> </ul>		Substituted Compliance (All)
<p><b>Non-U.S. CSE (that is not a FCS or a U.S. branch of a non-U.S. CSE) whose obligations under the relevant swap are not guaranteed by a U.S. person</b></p>	<ul style="list-style-type: none"> <li>U.S. CSE</li> <li>Non-U.S. CSE (including U.S. branch of a non-U.S. CSE and FCS) whose obligations under the swap <b>are</b> guaranteed by a U.S. person</li> </ul>	<p>U.S. (Initial Margin posted by CSE in column 1)</p> <p>Substituted Compliance (Initial Margin collected by CSE in column 1)</p> <p>U.S. (Variation Margin)</p>
	<ul style="list-style-type: none"> <li>U.S. person (except as noted above for a CSE)</li> <li>Non-U.S. person whose obligations under the swap <b>are</b> guaranteed by a U.S. person (except a non-U.S. CSE whose obligations are guaranteed, as noted above)</li> <li>U.S. branch of a Non-U.S. CSE or FCS, in each case whose obligations under the relevant swap <b>are not</b> guaranteed by a U.S. person</li> </ul>	Substituted Compliance (All)
	<ul style="list-style-type: none"> <li>Non-U.S. person (including a non-U.S. CSE, but not a FCS or a U.S. branch of a non-U.S. CSE) whose obligations under the relevant swap <b>are not</b> guaranteed by a U.S. person</li> </ul>	Excluded

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<sup>1</sup> This table should be read in conjunction with the rest of the preamble and the text of the Proposed Rule.

<sup>2</sup> The term “U.S. person” is defined in section 23.160(a)(10) of the Proposed Rule. A “non-U.S. person” is any person that is not a “U.S. person.” The term swap means an uncleared swap and is defined in section 151 of the Proposed Margin Rules. See Margin Requirements for Uncleared Swaps for Swap Dealers and Major Swap Participants, 79 FR 59898 (Oct. 3, 2014).

<sup>3</sup> As used in this table, the term “Foreign Consolidated Subsidiary” or “FCS” refers to a non-U.S. CSE in which an ultimate parent entity that is a U.S. person has a controlling financial interest, in accordance with U.S. GAAP, such that the U.S. ultimate parent entity includes the non-U.S. CSE’s operating results, financial position and statement of cash flows in the U.S. ultimate parent entity’s consolidated financial statements, in accordance with U.S. GAAP. The term “ultimate parent entity” means the parent entity in a consolidated group in which none of the other entities in the consolidated group has a controlling interest, in accordance with U.S. GAAP.

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