

Senior Supervisors Group Issues Report on Management of Recent Credit Default Swap Credit Events

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Senior financial supervisors from seven countries (collectively, the “Senior Supervisors Group”) today issued a report that assesses how firms manage their credit default swap activities related to the settlement of credit derivatives transactions terminated by the occurrence of a credit event.

This report – **Observations on Management of Recent Credit Default Swap Credit Events** – summarizes a review that the Senior Supervisors Group initiated in December 2008. The observations in the report are based on discussions with senior members of selected institutions, comprising major dealers, buy-side firms, service providers, and an industry association.

Surveyed participants reported that recent credit events were managed in an orderly manner, with high participation rates and no major operational disruptions or liquidity problems.

This review was conducted to support the priorities established by the [Financial Stability Forum](#), including enhancing the infrastructure for over-the-counter derivatives markets and encouraging market participants to act promptly to ensure that the settlement, legal, and operational infrastructure underlying these markets is sound.

The key observations are summarized in the report that is attached below.