



INTERNATIONAL INSTITUTE FOR THE UNIFICATION OF PRIVATE LAW  
INSTITUT INTERNATIONAL POUR L'UNIFICATION DU DROIT PRIVE

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**UNIDROIT Study Group on principles and  
rules on the netting of financial  
instruments**

***Third Meeting***  
**Rome, 7 – 9 February 2012**

UNIDROIT 2012  
Study LXXVIII C - Doc. 10  
Original: English  
January 2012

**ANNOTATED DRAFT AGENDA**

1. Opening of the meeting
2. Adoption of the agenda and organisation of the meeting
3. Reports on the proceedings of relevant institutions
  - (a) Financial Stability Board
  - (b) EU Commission
4. Preliminary discussion
5. Consideration of the Third Preliminary Draft of the Principles on Close-out Netting of Financial Instruments (UNIDROIT 2012 – Study LXXVIII C – Doc. 11)
6. Summary of the findings; planning of further work
7. Any other business
8. Closing of the meeting

## **ANNOTATIONS TO THE DRAFT AGENDA**

### **Item No. 1 Opening of the meeting**

1. The meeting will be held at the seat of UNIDROIT (Via Panisperna 28, 00184 Rome) and will be opened on Tuesday, 7 February 2012 at 10:00 hours.

### **Item No. 2 Adoption of the agenda and organisation of the meeting**

2. Meeting hours will be from 10:00 to 13:00 and 14:30 to 18:00 hours.

### **Item No. 3 Reports on the proceedings of relevant institutions**

3. Mr Devos (Bank for International Settlements) will give a brief status update on recent regulatory developments, in particular on the findings of the Financial Stability Board of November 2011. Mr Wezenbeek (European Commission) will report on netting-related EU developments.

### **Item No. 4 - Preliminary discussion**

4. At its second meeting in September 2011, the Study Group postponed a decision on certain fundamental issues. In particular, it agreed to await clarifications of the Financial Stability Board before deliberating on the interplay between close-out netting and crisis management powers (Doc. 9, p. 17 [52-53]). The Study Group has further not taken a decision as to whether the draft Principles should extend to the underlying contracts and obligations, to certain netting-related provisions of master agreements and/or to statutory netting provisions (Doc. 9, p. 14-17 [36-51]). Last, it decided to review the Principles with view to their application in multilateral structures and in particular in CCPs (Doc. 9, p. 18-20 [57-63]). The Study Group may wish to address these issues at its third meeting.

### **Item No. 5 - Consideration of the Third Preliminary Draft of Principles on Close-out Netting of Financial Instruments**

5. The Secretariat invites the members of the Study Group to analyse the Third Preliminary Draft of Principles on Close-out Netting (Doc. 11). Pursuant to the decisions taken at the second meeting of the Study Group, the Draft was amended by extensive explanatory material and by a definition of eligible contracts and parties.

6. The Study Group further agreed in its second meeting to review whether payment, clearing and settlement systems (Doc. 9, p. 18 [54-56]) and collateral arrangements (Doc. 9, p. 20 [64-66]) were sufficiently covered by the Draft Principles or whether the draft needed to be amended to address the particularities of those arrangements.

7. The Study Group may also wish to consider the implications of any possible decision to enlarge the scope of the instrument on the structure of the Principles.