

## Proposed Term Sheet for BBSW/SOFR Cross Currency Basis Swaps

The following term sheet for BBSW/SOFR cross currency basis swaps has been proposed by interdealer broking group, ICAP, following extensive consultation with market participants in Australia's interest rate swaps market.

AFMA's Swaps Committee has agreed that the proposed term sheet is appropriate for the commencement of trading of BBSW/SOFR cross currency basis swaps.

### TERM SHEET- BBSW/SOFR XCCY BASIS SWAP

Notional Amount in AUD	AUD10m
Notional amount in USD	to be set at time of trade using prevailing spot FX
Trade Date	29 <sup>th</sup> November 2021
Start Date	1 <sup>st</sup> December 2021
Maturity Date	2 <sup>nd</sup> December 2024
Initial/Final Notional Exchange Dates	Start Date/Maturity Date
FX reset for MTM	2 good Syd & NY business days prior to roll dates
Notional Exchange	Quarterly on roll dates
<u>Counterparty A pays to Counterparty B</u>	
Reset Frequency	Daily
Reset Reference Rate	SOFR
Interest Calculation Method	Daily Compounding without spread
Interest Calculation Period	Quarterly, EOM rolls
Interest Payment Frequency	Quarterly in arrears
Interest Payment Lag	+2 business days
Day Count Convention	Act/360
Business Day Convention	Modified Following
Holiday Calendars	Sydney, NY for payments, USGS for resets
<u>Counterparty A receives from Counterparty B</u>	
Reset Frequency	Quarterly
Reset Reference Rate	BBSW
Spread	x bps
Interest Calculation Period	Quarterly
Interest Payment Frequency	Quarterly in arrears
Interest Payment Lag	+2 business days
Day Count Convention	Act/365F
Business Day Convention	Modified Following
Holiday Calendars	Sydney for resets. Sydney, NY for payments
Discounting Reference Rate	Defined by collateral return rate in the underlying CSA. SOFR discounting used for purposes of quote.