

## **ACCELERATION**

### **Definition of "Obligation Acceleration" from ISDA Credit Event Definitions**

Obligation Acceleration covers the situation, other than Failure to Pay, where the relevant obligation becomes a default by the reference entity before the time when such obligation would otherwise have been due and builds in a minimum threshold which the relevant sum being accelerated must exceed before the Credit Event forms a subset of that of Obligation Default. Thus if Obligation Default is specified as a Credit Event in a transaction, this Credit Event will only be of relevance if the Default Requirement is lower than that in resp

es due and payable as a result of  
d payable. The Default Requirement  
ent occurs. The scope of this Credit  
n the relevant credit derivatives  
ect of the Obligation Default.