

▼ KEY CONCEPTS	▼ ISDA MASTER AGREEMENT	▼ SWISS MASTER AGREEMENT
Structure	A pre-printed body of standard provisions, with a negotiated Schedule. Provisions for different types of transactions are typically incorporated into the relevant confirmation evidencing individual transactions.	A pre-printed body of standard provisions, with a negotiated Annex 1, and Annex 2 containing definitions (Part A) and provisions for different types of transactions: (i) options on shares, share baskets, indices and fixed-income instruments (Part B); (ii) interest rate transactions (Part C); (iii) FX, currency options and bullion transactions (Part D); and (iv) commodity transactions (Part E).
Single Agreement	The ISDA MA and each confirmation relating to transactions entered into thereunder form a single agreement (Section 1(c))a. This prevents “cherry picking” in the context of bankruptcy.	The Swiss MA and each confirmation relating to transactions entered into thereunder form a single agreement (Section 1.2). This prevents “cherry-picking” in the context of bankruptcy.
Payment Netting	The ISDA MA provides for payments due in respect of the same transaction, on the same day and in the same currency to be satisfied on a net basis (Section 2(c)).	The Swiss MA provides for payments due in respect of the same transaction, on the same day and in the same currency to be satisfied on a net basis (Section 5.4).
Close-Out Netting	Upon early termination, the ISDA MA provides for the relevant transactions to be terminated and consolidated, such that a single net early termination amount is payable by one party to the other party (Section 6).	Upon early termination, the Swiss MA provides for the relevant transactions to be terminated and consolidated such that a single net early termination amount is payable by one party to the other party (Section 8).
Events of Default/ Termination Events	The standard Events of Default/Termination Events relate to a failure to pay or deliver, breach of agreement, default under specified transaction, bankruptcy, cross default, credit event upon merger, tax event, tax event upon merger, force majeure, illegality and merger without assumption. The Schedule includes elections allowing the parties to disapply certain Events of Default/Termination Events (such as cross default and credit event upon merger).	The Swiss MA contains similar standard Events of Default/Termination Events, with similar grace periods. Certain Events of Default are expressed in more general and broader terms (for example, “any legal or economic restructuring of a party... which results in a material deterioration in its creditworthiness”), and there are certain additions (for example, Events of Default relating to counterparties licensed under applicable Swiss regulation and natural persons) with no equivalent in the ISDA MA. There are no corresponding elections in Annex 1 allowing the parties to disapply certain Events of Default/Termination Events.
Automatic Early Termination	The automatic early termination provisions do not apply by default in the context of bankruptcy – these must be expressly switched on in the Schedule if recommended for a counterparty’s jurisdiction (in the relevant ISDA netting legal opinion).	The automatic early termination provisions apply by default in the context of bankruptcy, to ensure the enforceability of close-out netting as a matter of Swiss insolvency law.
Collateral	Collateral provisions can be applied by entering into an ISDA credit support document, for example, the English law 1994 ISDA Credit Support Annex or 2016 VM Credit Support Annex. Unless amended, these generally allow the parties to exchange collateral on a bilateral basis.	Collateral provisions can be applied by entering into the Swiss Credit Support Appendix (26 March 2009 version). Unless amended, this generally allows the parties to exchange collateral on a bilateral basis.
Specified Entities/ Specified Transactions	The Schedule includes elections for parties to designate “Specified Entities” and amend the definition of “Specified Transaction”. In general, these elections broaden/narrow the scope of certain Events of Default/Termination Events to which these concepts apply (i.e., default under specified transaction, cross default, bankruptcy and credit event upon merger).	There are no corresponding elections in Annex 1 and no equivalent concepts of “Specified Entities” or “Specified Transaction” in the Events of Default/Termination Events set out in the Swiss MA.
Governing Law	The parties may select for the ISDA MA to be governed by either English law or New York law.	Swiss law.
Termination Currency	The Schedule allows the parties to select the applicable Termination Currency. If no selection is made, the fallback is euro (for an English law ISDA MA) and US dollars (for a New York law ISDA MA).	Swiss francs.

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