

part of eex group



Disciplinary Procedure of European Commodity Clearing AG

Publication Date: 17.06.2026

Date of Application: 01.07.2026

Leipzig, Germany

Release 02a

Table of Contents

1.	Introduction	3
1.1	Principles and Definitions	3
1.2	Scope	3
2.	Investigation Process	4
2.1	Initial Investigation	4
2.2	Report	5
2.3	Clearing Member's Response	5
2.4	Exploratory Meeting	5
3.	Decision Process	7
3.1	Initiation	7
3.2	Decision	7
3.3	Decision Notice	7
3.4	Sanctions	7
4.	General Provisions	9
4.1	Action	9
4.2	Disputing a Decision	9
4.3	Clearing Member's Right to terminate the Clearing Agreement	9
4.4	Reporting and Publication	9
4.5	Costs	10
4.6	Infringement of applicable Law	10
5.	Appendix	11
5.1	Referenced Documents	11
5.2	Legal References	11

1. Introduction

1.1 Principles and Definitions

- (1) This Disciplinary Procedure forms an integral part of the ECC Clearing Conditions.
- (2) Terms used and not otherwise defined in this Disciplinary Procedure shall have the meanings ascribed to them in the Clearing Conditions.
- (3) Any action under this Disciplinary Procedure beginning with the initial investigation and ending with the Decision or Final Decision are referred to as "Disciplinary Proceedings".
- (4) In this document the requirement "in writing", "written" or in "written form" means "Textform" according to section 126b of the German Civil Code (Bürgerliches Gesetzbuch - "BGB"), including, for example, e-mail.

1.2 Scope

- (1) All Clearing Member ("CM") are subject to this Disciplinary Procedure. Disciplinary Proceedings regarding Direct Clearing Participant CMs may also be dealt with in deviation with the provisions of this Disciplinary Procedure. ECC will decide on this at its sole discretion.
- (2) This Disciplinary Procedure shall apply where, in the opinion of ECC, a breach by a CM of its obligations under, or of representations made in, the Clearing Agreement or an NCM Agreement (including the Clearing Conditions of ECC) may have occurred ("Alleged Breach").

ECC shall be under no obligation to consider the Disciplinary Procedure in respect of any decision or action provided for directly by the Clearing Conditions (in particular arising out of or connected to the operation of the default rules and default procedures including any risk reasons avoiding damages to ECC, e.g. the termination of a CM).

2. Investigation Process

2.1 Initial Investigation

- (1) To open investigation ECC will
 - without undue delay send a written notice ("Disciplinary Procedures Notice") to the CM, setting out details of the Alleged Breach, including a summary of the facts relied on in sufficient detail for a reasonable person in the CM's position to properly understand and respond to the allegations made against it; and
 - identify a suitable representative of ECC ("ECC Representative") that shall lead the Disciplinary Proceedings on behalf of ECC, as well as at least one deputy, and shall inform the CM about the ECC Representative in the Disciplinary Procedures Notice.
- (2) Following receipt of the written notice, the CM shall be permitted to raise objections of any kind in writing.
- (3) The CM shall be required to provide ECC with any information, copies or records and documents that may be reasonably requested, in connection with the examination of the Alleged Breach. However, the CM shall not be compelled to disclose any information which it is prohibited from disclosing by virtue of applicable law or regulation, as a result of agreements signed with third parties or as a result of legal professional privilege (in which case the CM shall provide ECC with proof of such prohibition).
- (4) ECC may send (a) representative(s) to the CM's offices at any time during normal business hours, having provided reasonable notice (being proportionate to the seriousness of the Alleged Breach) to the CM, as part of the Investigation Proceedings. The CM shall only be entitled to refuse access to such representative(s) in the event of a substantiated conflict of interest. The CM shall make available all information, copies or records and documents described under paragraph 3 of this section.

The CM shall exercise best endeavors to procure the attendance of any of its directors, officers, employees, agents and representatives, as may be reasonably requested, at a specified time at reasonable notice (at either the offices of ECC or those of the CM) in order to answer questions or provide explanations that may be relevant for the examination of the Alleged Breach.

- (5) The CM is permitted to request that ECC provides to it copies of the documentation it relies on during the investigation, provided that ECC shall not be required to reveal any information which it deems to be confidential. Provided that one document includes information that ECC deems to be confidential, and information that ECC deems not to be confidential, ECC will still reveal the documentation, but assure, that the confidential information is not readable (via e.g. black marking).

2.2 Report

Ten (10) Business Days after the dispatch of the Disciplinary Procedures Notice, ECC shall notify the CM of the preliminary outcome of the Investigation in writing ("Report").

Where it is not reasonably possible for ECC to meet the deadline due to the nature or complexity of the matter, ECC shall inform the CM in writing of this fact and provide a further deadline.

The Report shall contain the findings of the investigation, reference the provision of the Clearing Conditions/ Clearing Agreement/ NCM Agreement (allegedly) breached by the CM and indicate ECC's intended course of action in relation to the Alleged Breach, being either:

- a) to proceed with Disciplinary Proceedings, in accordance with this Disciplinary Procedure if ECC believes there to be prima facie evidence of the Alleged Breach having been committed; or
- b) to take no further action.

2.3 Clearing Member's Response

The CM shall respond to ECC in writing, within ten (10) Business Days of receiving the Report according to section 2.2, which indicates that ECC intends to proceed with Disciplinary Proceedings, providing a statement of defense responding to the allegations. Where it is not reasonably possible for the CM to meet the deadline due to the nature or complexity of the matter, the CM shall inform ECC within the deadline in writing of this fact and request a prolongation. ECC is not obliged to grant such prolongation of the above-mentioned deadline.

If no response has been received by ECC within ten (10) Business Days or such extended period has been granted by ECC, or the response does not contradict the Report, ECC shall be relieved of its obligations to follow the remaining steps of the Investigation Process and may instead directly make a decision (according to section 3.2).

2.4 Exploratory Meeting

- (1) Once the CM has responded to the Report, either the CM or ECC can, within five (5) Business Days, request in writing a meeting with the other party to ask further questions and discuss the Alleged Breach ("Exploratory Meeting").

Unless otherwise agreed between the CM and ECC, the meeting will be held at ECC's offices in Leipzig, Germany. If appropriate, the meeting may take place at another location or online if agreed by ECC.

- (2) ECC and the relevant CM are each entitled to bring to the meeting any person relevant to the Disciplinary Proceedings which includes but is not limited to the following:
 - relevant experts;

- legal advisors;
- auditors; and
- accounting advisors.

ECC and/or the CM shall only be entitled to object to the attendance by any of the above if there is a substantiated conflict of interest.

To ensure the efficiency of the meeting, neither ECC nor the CM shall bring more than six representatives, unless otherwise agreed.

ECC shall invite the ECC Representative or its deputy to attend the meeting.

- (3) ECC shall, subject to the provisions of this Disciplinary Procedure, decide upon its own procedure for conducting the meeting and considering and determining the matters to be discussed in the course of the meeting, on the basis of the Report, the CM's response to the Report, and such other information and documentation as ECC considers appropriate. ECC will ensure that minutes of the meeting are taken.

ECC may reasonably request further or other documentation and information from the CM, save that the CM shall not be compelled to disclose any information which it is prohibited from disclosing by virtue of applicable law or regulation, as a result of agreements signed with third parties or as a result of legal professional privilege (in which case the CM shall provide ECC with proof of such prohibition).

- (4) The matters discussed at the meeting are confidential. ECC and the CM must ensure that any persons attending the meeting are subject to a confidentiality agreement.

3. Decision Process

3.1 Initiation

If ECC determines that it wishes to proceed with Disciplinary Proceedings after the Investigation Process according to section 3, it will start the Decision Process.

3.2 Decision

Having considered the Report, the CM's response to the Report, any other information and documentation provided to ECC (e.g. from the Exploratory Meeting according to section 2.4), ECC must determine whether, in its view, the Alleged Breach has been committed and decide whether or not to sanction the CM in accordance with section 3.4 ("Decision").

ECC shall make its decision within ten (10) Business Days after the Exploratory Meeting or, if no Exploratory Meeting has been requested in accordance with section 2.4 paragraph 1, after expiry of the period specified therein or, if no contradicting response has been received in accordance with section 2.3, after expiry of the period specified therein.

The Decision shall be made by two (2) representatives of the Management Board of ECC.

3.3 Decision Notice

Usually within ten (10) Business Days after its Decision ECC should notify the CM of the outcome in writing ("Decision Notice").

A Decision Notice shall include details of the reasoning on which ECC has come to its decision and the sanction(s), if any, to be imposed on the CM pursuant to this procedure or otherwise in accordance with the provisions of the Clearing Conditions.

3.4 Sanctions

(1) ECC shall be entitled to impose in its reasonable discretion any of the following sanctions against a CM provided that any such sanction is effective, proportionate and dissuasive with the seriousness of the Alleged Breach:

(a) issue a warning letter to the relevant CM, reminding such member of its obligations under the Clearing Conditions; and/or

- (b) impose a contractual penalty (*Vertragsstrafe*) in a maximum amount of EUR 500,000 (a "Fine") against a CM with respect to the relevant Alleged Breach that has been committed by the CM in violation of the applicable standard of care.
- (2) A determination either to impose or not to impose a Sanction shall, for the avoidance of doubt, be without prejudice to the right of ECC to take decisions or actions provided for directly by the Clearing Conditions, e.g. to terminate a Clearing Agreement and/or Clearing License.

4. General Provisions

4.1 Action

ECC may at any time until its Decision under section 3.2 choose to:

- a) Determine that, in light of the relevant facts and circumstances, no sanction should be imposed upon the relevant CM and discontinue the Disciplinary Proceedings. In this case ECC will inform the CM within ten (10) Business Days in writing.
- b) Amend the scope of matters being considered in the Disciplinary Proceedings. In this case ECC will inform the CM within ten (10) Business Days in writing by amending the last procedural information (the Disciplinary Procedures Notice according to section 1.1 paragraph 1 or the Report according to section 2.2). If the Disciplinary Procedures Notice or the Report is amended in this way, the according provisions of this Disciplinary Procedure will apply in respect of the amended version to avoid any doubt. Unless otherwise agreed between the CM and ECC, any timing specified with regard to the amended procedural information will restart.

4.2 Disputing a Decision

- (1) Where a CM wishes to dispute ECC's Decision to impose sanctions against him, that CM may file in writing an appeal within four (4) weeks after receiving the Decision Notice (section 3.3).
- (2) ECC will determine within four (4) weeks after receiving a dispute in compliance with paragraph 1 of this section if the Decision under section 3.2 is to be amended ("Final Decision").

The Final Decision shall be made by two (2) representatives of the Management Board of ECC.

- (3) Usually within ten (10) Business Days after the Final Decision ECC should notify the CM of the outcome in writing ("Final Decision Notice").

4.3 Clearing Member's Right to terminate the Clearing Agreement

At any time, the CM may terminate its Clearing Agreement which will end the Disciplinary Process at this time. The right to demand compensation for damages and the obligation to perform CM's duties according to the Clearing Conditions will remain unaffected.

4.4 Reporting and Publication

ECC shall have the right to:

- a) report on its monitoring procedures in respect of the Clearing Conditions, compliance and breaches of the Clearing Conditions to its competent authority¹ pursuant to applicable law and/or on the basis of any arrangements between ECC and any competent authority;
- b) immediately notify the competent authority of a decision to suspend or terminate a CM's membership rights or declare a CM to be subject to an event of default (in each case in accordance with the Clearing Conditions);
- c) publicly disclose any breaches by a CM of the criteria referred to in Article 37 paragraph 1 EMIR and the requirements laid down in paragraph 1, except where the competent authority, after consulting ESMA, considers that such disclosure would constitute a threat to financial stability or to market confidence or would seriously jeopardize the financial markets or cause disproportionate damage to the parties involved.
- d) prepare and publish a general report on the application of these Disciplinary Proceedings, from time to time but at least once a year, provided however that only the details of those CMs who have defaulted or whose membership rights have been suspended or terminated by ECC shall be disclosed.

4.5 Costs

If ECC determines in accordance with section 3.2, that an Alleged Breach has been committed by the CM, ECC's costs of the Disciplinary Proceedings, including any travel expenses and/or costs for any external advisors shall be borne by the CM. In any other case, ECC shall bear its own costs.

4.6 Infringement of applicable Law

If ECC finds, in the course of the Investigation Proceedings, or otherwise, serious indications of a possible infringement of applicable law, it shall report the matter to the relevant competent authority.

¹ Not limited to the definition in EMIR.

5. Appendix

5.1 Referenced Documents

ECC Clearing Conditions

5.2 Legal References

Art. 48 paragraph 1, Art. 37 paragraph 1, paragraph 2, paragraph 4, paragraph 5 EMIR