

part of eex group



Application form bank guarantee on first demand as margin credit on spot margin

13.07.2018

Leipzig

O08

Release 002

Preliminary remark

This form is required if you want to use a bank guarantee on first demand (henceforth referred to as “Guarantee”) as Margin Credit for initial margin spot market (IMSM) as described in ECCs Clearing Conditions. The form needs to be filled in before any Guarantee is used as collateral.

Please fill in the application form and sign it in a legally binding manner, then send this application to:

<p>European Commodity Clearing AG Clearing & Settlement Augustusplatz 9 D-04109 Leipzig</p>
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<p>Telefon +49/341/24680 - 444 Fax +49/341/24680 - 409</p>

ECC shall decide in its sole discretion on the application regarding both, the acceptance of the Guarantee and the calculation of a collateral value of the Guarantee as margin credit. As a precondition for the acceptance by ECC, the cooperating Clearing Member needs to agree to take the Guarantee into account when determining its margin-requirement towards the Non-Clearing Member. As a result, the Clearing Member shall pass on a reduction or an increase in the ECC margin requirement derived by ECC from the collateral value of the Guarantee to the Non-Clearing Member.

Application

We, the

Clearing Member

Company name:	Member-ID:
	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text" value="E"/> <input type="text" value="X"/>

Contact Person
Contact person
Telephone number
Fax
E-Mail

herby consent to the consideration of Guarantees as margin credit for initial margin spot market (IMSM) by ECC and respective consideration of this Guarantee by the us when determining our margin requirement towards the Non Clearing Member

Non-Clearing Member

Company name:	Member-ID:
	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text" value="E"/> <input type="text" value="X"/>

Contact Person (Optional)
Contact person
Telephone number
Fax
E-Mail

Guarantor

We confirm that the guarantor is accepted to provide the Guarantee in order to reduce our margin requirements towards the Non-Clearing Member by a legally binding signature at the end of this document.

Please fill in the legal name of the guarantor:

Limits (optional)

If required, please provide limits for the consideration of the Guarantee as margin credit by ECC. Multiple limits can be specified; the lowest of all specified limits is applied. The limit covers only the Guarantee for the Non-Clearing Member. The Clearing Member has the possibility to change the limits set in this form per request via E-Mail. Limit changes are activated after confirmation by ECC via E-Mail.

- ☐ Margin credit derived from the collateral value of a Guarantee to be capped by an **Absolute Limit** of:

EUR.

Example: With a value of 500.000€ the margin credit of the guarantee will not exceed 500.000€.

- ☐ Margin credit derived from the collateral value of a Guarantee to be capped by a **Relative Limit** of:

% of the current **Total Initial Margin for Spot Market**

Example: With a value of 20% and a current Initial Margin Spot Market (IMSM) requirement of 1.000.000 € the margin credit will not exceed 200.000 €.

Declarations

1. The legal basis for this application is established in this application form, the Clearing Conditions of ECC, the Clearing Agreement (Clearing Member) or respectively the NCM Agreement (Non-Clearing Member) and the Guarantee.
2. This application and the options contained herein relate to the calculation of the margin-collateral to be provided to ECC by the Clearing-Member.
3. ECC will calculate the collateral value of the Guarantee and a resulting margin credit granted in its free discretion but in accordance with the limits expressed herein. The margin-credit will be booked as a premium towards the Initial Margin Spot Market.
4. The Clearing Member will pass on a resulting reduction or increase of the margin requirement to the Non-Clearing Member. According to ECC Clearing Conditions, Clearing Members are under the obligation to request collateral at least to the amount established on the basis of the calculation method of ECC from the Non-Clearing Member.
5. ECC may suspend or terminate the acceptance of the Guarantee, the consideration of a collateral value of the Guarantee as margin credit and a granted margin credit at any time in its sole discretion.
6. If the Guarantee is used to fulfil the recourse claim of a Clearing Member due to be a default of the Non-Clearing Member according to section 1 of the Guarantee, the Clearing Member informs ECC in a binding manner about the outstanding amount of the recourse claim. ECC is under no obligation to verify such amount and the Clearing Member is liable for any incorrect statements.
7. This document shall be subject to and construed in accordance with the principles of German law and shall be governed by the laws of Germany.

DATA PROTECTION DECLARATION

The undersigned assures that he has fully informed the contact persons named in connection with the contract, the exchange membership relationship or other legal relationships about the transfer of their personal data and that he has brought to their attention the DATA PROTECTION DECLARATION which can be found on our company websites.

On behalf of the Clearing Member:

Place	Date	Company stamp and legally binding signature(s)