Emission Delivery Process
at ECC

Leipzig, 31 July 2019

ECC Delivery | Quick Overview (1/2)

> ECC's Union Registry account number: **EU-100-5016813-0-69**

- Delivery-versus-Payment methodology; all **payments** are done with your Clearing Bank on delivery day.

- Spot is paid in full and Futures are processed via Initial & Variation Margin until delivery.
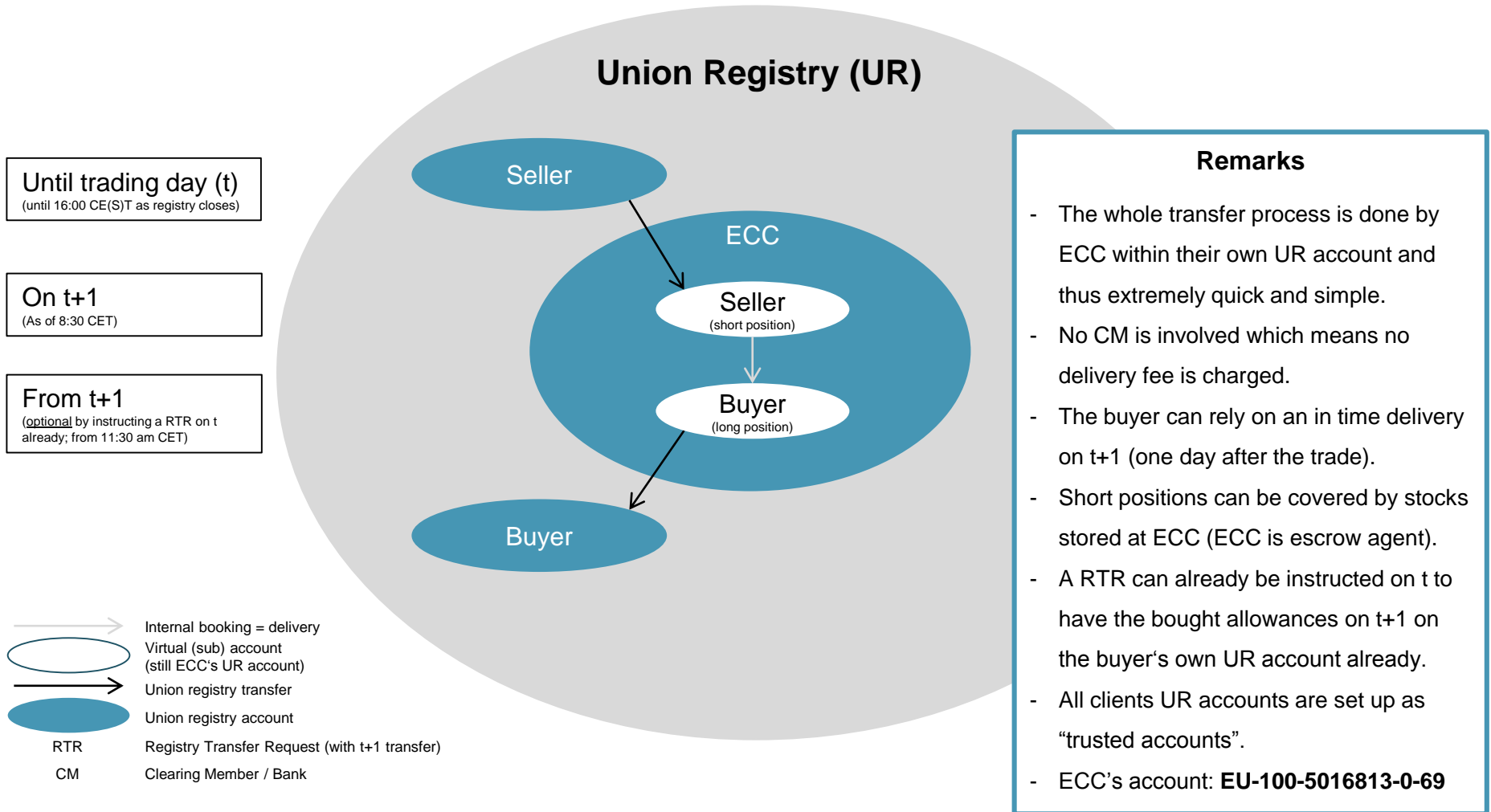
a. **Delivery process buy side:**

  = **Internal delivery** to the buyer, not to the buyer's EU registry account.

  – Certificates are delivered to the buyer's internal account inside ECC's Delivery Management System (more details follow):

  – **Delivery day**:   **Spot:**   1st ECC business day following the trading day

  Future: 2nd day following the expiry day

  – Clearing Banks are not involved.

  – View the **balance** of your internal account or instruct a transfer to own registry account through the Member Area of ECC.
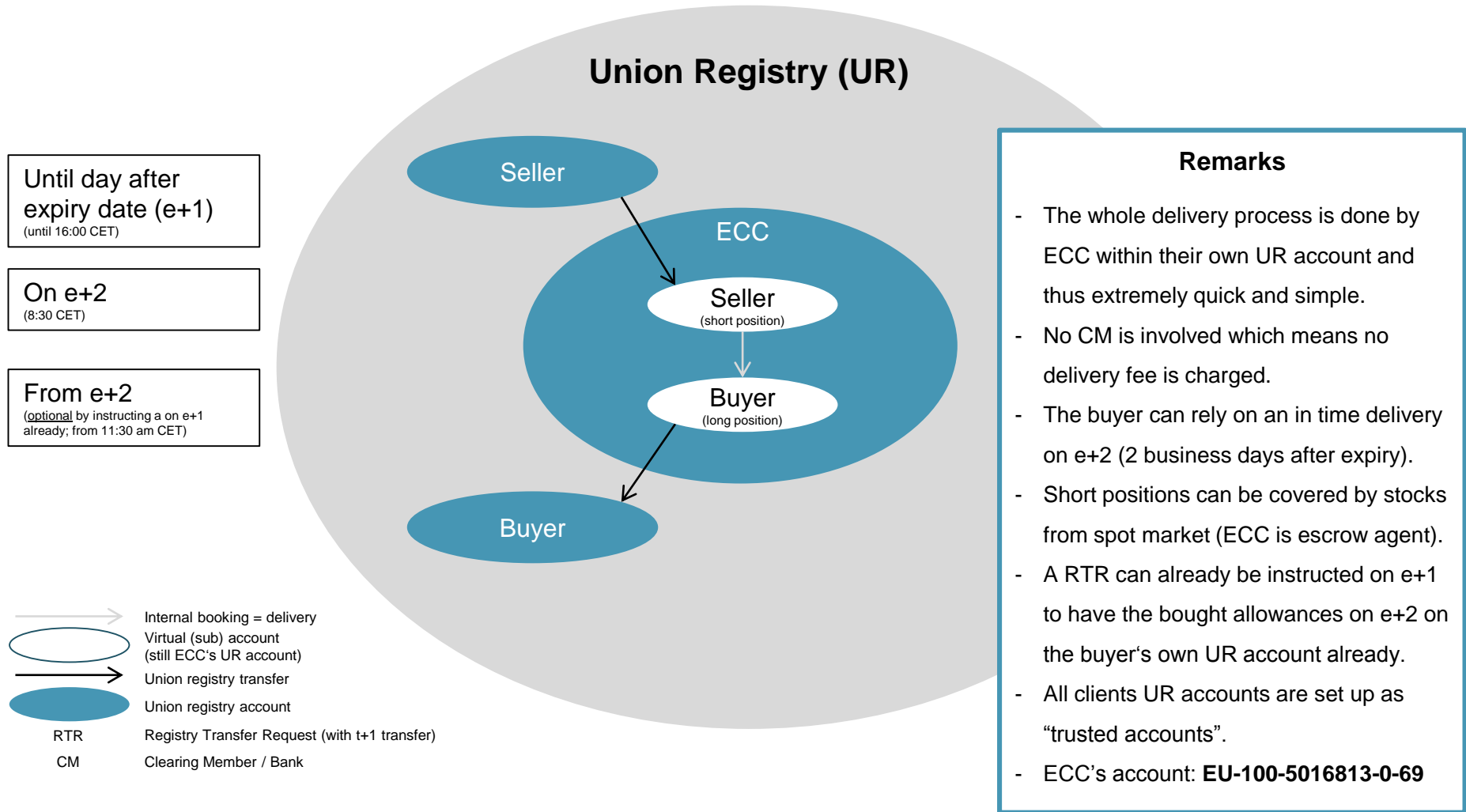
ECC Delivery | Quick Overview (2/2)

b. **Delivery process sell side:**

– **Seller need to transfer** certificates to ECC's Union Registry account before…

Future: … the 1st ECC working day following the expiry day at 16:00 CET.

Spot: … 16:00 CE(S)T on trading date.

… and only if there is an insufficient balance on the seller's internal account in SMSS.

– **Transfer of bought certificates** to the own registry account via Registry Transfer Requests (RTR), which is taking 1 business day. Instruction is however already possible on the business day before the delivery (e.g. in expectation of delivery of bought certificates).

– Make sure your account is on the **Trusted account** list of ECC (check with clearing@ecc.de) and setup ECC's registry account on your Trusted accounts list.

ECC Delivery Process (Spot)

Union Registry (UR)

Seller

ECC

Seller
(short position)

Buyer
(long position)

Buyer

Until trading day (t)
(until 16:00 CE(S)T as registry closes)

On t+1
(As of 8:30 CET)

From t+1
(optional by instructing a RTR on t already; from 11:30 am CET)

Internal booking = delivery
Virtual (sub) account
(still ECC's UR account)
Union registry transfer
Union registry account

RTR   Registry Transfer Request (with t+1 transfer)
CM   Clearing Member / Bank

Remarks

- The whole transfer process is done by ECC within their own UR account and thus extremely quick and simple.
- No CM is involved which means no delivery fee is charged.
- The buyer can rely on an in time delivery on t+1 (one day after the trade).
- Short positions can be covered by stocks stored at ECC (ECC is escrow agent).
- A RTR can already be instructed on t to have the bought allowances on t+1 on the buyer's own UR account already.
- All clients UR accounts are set up as "trusted accounts".
- ECC's account: **EU-100-5016813-0-69**

ECC Delivery Process (Futures)

Union Registry (UR)

Seller

ECC

Seller
(short position)

Buyer
(long position)

Buyer

Until day after
expiry date (e+1)
(until 16:00 CET)

On e+2
(8:30 CET)

From e+2
(optional by instructing a on e+1
already; from 11:30 am CET)

→ Internal booking = delivery
⬭ Virtual (sub) account
(still ECC's UR account)
→ Union registry transfer
⬬ Union registry account
RTR — Registry Transfer Request (with t+1 transfer)
CM — Clearing Member / Bank

Remarks

- The whole delivery process is done by ECC within their own UR account and thus extremely quick and simple.
- No CM is involved which means no delivery fee is charged.
- The buyer can rely on an in time delivery on e+2 (2 business days after expiry).
- Short positions can be covered by stocks from spot market (ECC is escrow agent).
- A RTR can already be instructed on e+1 to have the bought allowances on e+2 on the buyer's own UR account already.
- All clients UR accounts are set up as "trusted accounts".
- ECC's account: **EU-100-5016813-0-69**

ECC Delivery Process Details

Trusted Accounts (TA)

- Client's registry accounts will be automatically setup as TA at ECC in order to speed up the (RTR) delivery.
- Accounts specified in the admission process (T10 form) are setup as TA.
- Every new target account (of your own company), where you transfer certificates to, is setup as TA.

Member Area

- It is mandatory to have at least 2 users for the ECC member area to enable the 4-eyes-principle in registry transfers. This is due to the security standard of ECC and shall ensure a regular transfer of certificates from your internal account.
- You can add up to as many users as you want at no costs. We recommend to have more than 2 users to maintain the capacity to act.
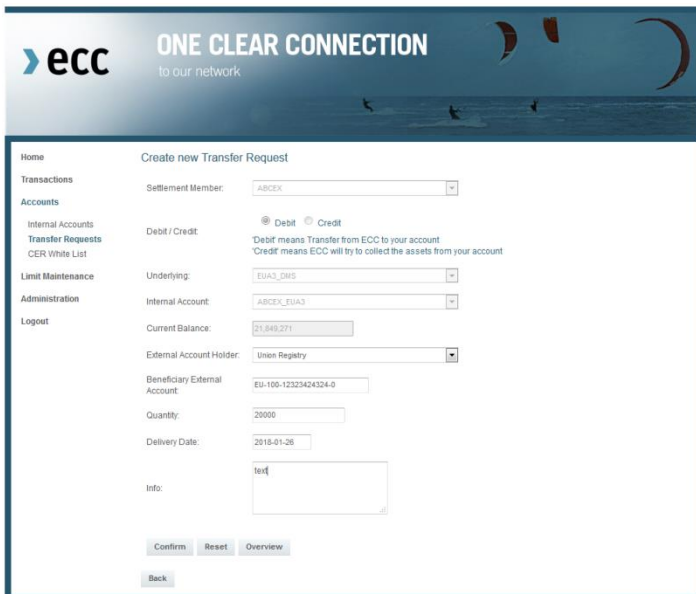
ECC Member Area: Overview

> The **login** to the Member Area can be found in the Member Section of www.ecc.de.

> Log into the production environment for regular usage. We also offer a simulation environment for testing purposes.

> Logins will be provided by ECC's Member Readiness team.
> (memberreadiness@ecc.de)

> Within the Member Area you have various **options** to track transactions, subscribe reports or see your balance.
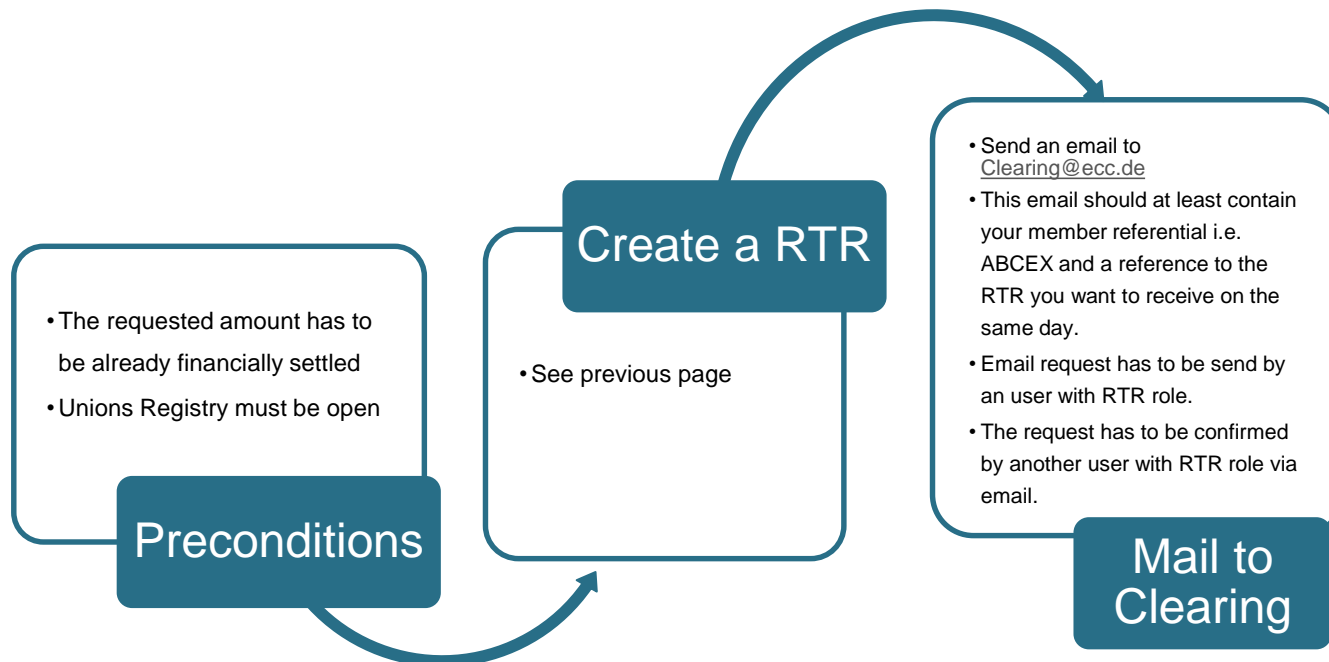
ECC Member Area: How to create a RTR?

> With a Registry Transfer Request (RTR) you can transfer bought certificates to your or any registry account. Just select "Transfer Request" in the menu and click „Create New".
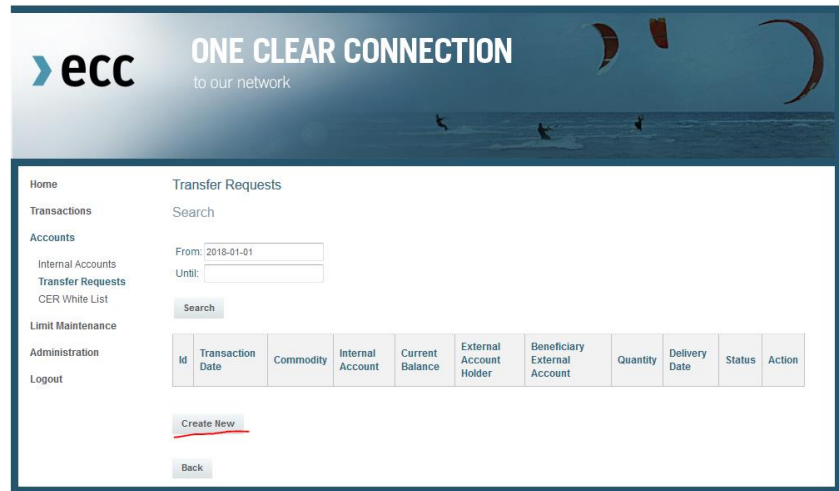
> Specify the Underlying, e.g. "EUA3_DMS" for EUAs of the 3rd trading period. Select the Registry, enter the target account number, the date and the amount of certificates.
> For you own documentation you can also add an info text.
> Finally a second user has to confirm this transaction.

How to create a "Same day Delivery"?

Preconditions
- The requested amount has to be already financially settled
- Unions Registry must be open

Create a RTR
- See previous page

Mail to Clearing
- Send an email to Clearing@ecc.de
- This email should at least contain your member referential i.e. ABCEX and a reference to the RTR you want to receive on the same day.
- Email request has to be send by an user with RTR role.
- The request has to be confirmed by another user with RTR role via email.

› **Same Day Deliveries** are charged with a 500,00 € fee each.

› **Same Day Deliveries** are processed only after 11:30 am.

Contacts

> **EEX**

Christian Fleischer
Senior Sales Manager
Leipzig
T: +49 341 2156-240

Steffen Löbner
Senior Project Manager
Leipzig
T: +49 341 2156-310

André Tzschoppe
Project Manager
Leipzig
T: +49 341 2156-527

> **ECC**

Physical Settlement Team

E-Mail: Physical-Settlement@ecc.de

Phone: +49 341 24680-345