

## Information regarding the German COVID-19 mitigation law (Gesetz zur Abmilderung der Folgen der COVID-19-Pandemie)

Last week, the German legislator passed a law to mitigate the consequences of the COVID-19 pandemic (Gesetz zur Abmilderung der Folgen der COVID-19-Pandemie). The law covers a wide range of measures in the area of civil law, insolvency law and criminal law to support the German economy in the COVID-19 crisis. The package also includes a so-called moratorium for certain payment obligations which also entails a right of consumers and microenterprises (Kleinstunternehmen) to refuse performance (Leistungsverweigerungsrecht). A microenterprise is qualified as an enterprise which employs fewer than 10 persons and whose annual turnover and/or annual balance sheet total does not exceed EUR 2 million (see art. 2 (3) 2003/361/EC). The new law enters into force on 1<sup>st</sup> April 2020.

DCP Clearing Members and Non-Clearing Members being microenterprises might consider the applicability of the said right to refuse performance in relation to obligations towards ECC or ECC Lux. Based on legal analysis, it is ECC's understanding as a licensed central counterparty that the right to refuse performance relying on the COVID-19 Pandemic Law does not cover any obligations arising from or relating to transactions concluded on a market place cleared by ECC. This includes both, spot and derivatives markets transactions where ECC or ECC Lux is the contractual counterparty.

We therefore remind you that any refusal to perform obligations resulting from the Clearing Conditions especially non-payments or failure to perform delivery obligations will result in measures being taken by ECC in accordance with the Clearing Conditions, such as but not limited to a suspension of further trading activities.

### Contact

European Commodity Clearing AG  
Clearing & Settlement  
Phone: +49 341 24680-444  
E-mail: [clearing@ecc.de](mailto:clearing@ecc.de)