



▶ ECC Clearing Circular 03/2016

Amendment of Clearing Conditions – Release 30a

Summary

The new release 30a of the ECC Clearing Conditions will take effect as of **02 February 2016**. A brief overview of the changes is provided below.

Please do not hesitate to contact us if you should require any further information.

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Overview of Changes

The new release 30a of the Clearing Conditions will take effect on **02 February 2016**. The upcoming release contains the following changes:

- **Guarantees as collateral:** the new Clearing Conditions stipulate a legal framework which will allow ECC to accept guarantees as collateral and cash collateral directly from Trading Participants in the near future. A Clearing Circular detailing the setup and process of guarantees as collateral will follow soon:
- **Section 2.1.2** has been amended as ECC will now also accept Clearing Members from Norway.
- **Section 2.1.6** gives ECC the right to terminate a clearing license in case of a default of a Clearing Member, which provides ECC with more flexibility to react in case of a default of a Clearing Member.
- **Simplification of communication** between ECC and the Clearing Members: Where specifically allowed by the Clearing Conditions it is now possible to communicate via telex, in electronic form or via swift message in addition to the already known written communication.
- **Improved regulation on emergency member stop:** in order to allow ECC to react fast in case a revocation of the approval of a Trading Participant is necessary, section 2.5.2 para 1 will now allow ECC to provide the reasoning for such decision at a later stage.
- **Compensation mechanism:** the provisions regarding curtailment, force majeure and nomination errors have been bundled and concretised in a new section 3.4. Additionally, the rules have been extended and now provide for a compensation mechanism in case of curtailments of nominated gas or power amounts by transmission system or hub operators or in case of nomination errors by Trading Participants or ECC.
- In **section 5.1** the terms „Initial Margin Spot Market“ and „Current Exposure Spot Market“ have been further detailed.
- **Section 3.9.1** clarifies that a default can occur also without a notification given to the respective Clearing Member.
- **Section 5.3.5.2 para 4** introduces an obligation for Trading Participants to setup a so called Trusted Account for the benefit of ECC to allow a faster transfer of emission rights to the registry accounts of the Trading Participants.

The new version of the Clearing Conditions including a track-changes version is available on ECC's website at <http://www.ecc.de/ecc-en/about-ecc/rules>.