

Clearing Circular 45/2017

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Amendment of Clearing Conditions – Release 39a

Summary

The Clearing Conditions of ECC have been amended to implement changes required for the implementation of MiFID2 (Indirect Clearing and OTF) and a number of operational issues.

A brief overview of the changes is provided below.

The new release 39a will take effect on **January, 3rd 2018**.

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Overview of the Changes in the new Release of the Clearing Conditions

1. Introduction of Indirect Clearing (MiFID II)

Introduction of a new definition of indirect clients and of a separate section 2.4 on indirect clients. As the indirect clearing mainly impacts the account keeping at ECC further amendments can be found in section 3.6 in respect of position accounts, client position accounts and collateral clearing accounts.

2. Clearing of OTF Transactions

Adjustments had to be made in section 4.2.2.2 in respect of the daily settlement and a new section 4.2.2.4 has been introduced dealing with the delivery of physically settled OTF-Futures.

3. Guarantee replacing Equity Capital for DCPs

DCP Clearing Members will be given the opportunity to cover a shortfall in equity capital with a bank guarantee or a guarantee by the mother company (see section 2.1.3 para 3).

4. FCY-Settlement

System Clearing Members will be able to use a correspondent bank for foreign currency settlement besides Clearstream. Various amendments in the Clearing Conditions had to be made to implement the enhanced FCY process including the introduction of new definitions and an amendment of the definition of settlement account. Further changes can be found in sections 2.1.2 para. 5 lit. b, 2.1.4, 3.3.8, 3.5.4 and 3.6.6.

5. Delivery of Capacity Guarantees

An adaption of section 5.5.5 para 5 became necessary in order to implement changes required to the introduction of single side nominations for the delivery of capacity guarantees.

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