

# Membership and administration

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## Steps towards PXE

- New simplified contract with PXE
- Download the trading and clearing history from PXE Monitor
- Some changes in the back office systems might be needed
- **No impact on trading systems**

## Steps towards ECC

- Admission to ECC as a non-clearing member
  - PXE will provide to its participants maximum assistance
  - Different admission measures apply to different companies (*described further*)
- Negotiations with new ECC clearing bank (*unless one already used*)

All involved parties must sign a multilateral Deed of Novation

## Deed of Novation

- Multilateral agreement between PXE Participant, PXE, ECC, CSD, Current PXE Clearing bank, new ECC clearing bank and all three central clearing counterparties involved in the deals

- **Must be signed by ALL PXE PARTICIPANTS**

- Why?

*Because the document is signed weeks before the transfer date. On the date of signature there might be no existing open position but before the transfer itself the a position may be opened and, therefore, transferred.*

## Deed of Novation - content

- Transfer of the PXE Participants' open positions from the books of CSD into the books of ECC
- Procedures of PXE Clearing member (old bank) towards ECC clearing member (new bank) as well as what procedures shall be applied in case the Clearing member is the same for PXE and ECC
- Legal consequences of the transfer as well as definition of liabilities and obligations of all involved counterparties

## Admission to ECC

- For current PXE participants admission to ECC for clearing will not be a nightmare
- **Fast Track Admission** will be applicable to most of the current PXE participants
- Fast Track admission means admission without detailed scoring and KYC procedure
- New PXE participants joining after the ECC switch will have to go through the standard admission process - KYC inclusive unless they fulfil conditions for fast track admission

**PXE will collect all documents and assist to each participant on individual basis**

## Procedure for PXE participant already being admitted ECC member

- Fast Track procedure will apply for:
  - PXE Participants already being members of ECC or partner exchanges being cleared by ECC;
- The complete application will **NOT** be required, only few documents to be submitted:
  - Amendment of the current trilateral clearing agreement (ECC-CM-NCM) in connection to PXE **OR** signing new trilateral agreement in case the clearing bank is changed
  - Submitting of the PXE Trading participant form (*TPxx*)  
=> not applicable on participants trading financial futures exclusively (and updating the VAT form if needed (*TP07*))

## Procedure for PXE participant NOT being a ECC member

- In most cases standard admission process including detailed KYC scoring will be applicable
- The complete application will be required, this means :
  - Find a new ECC clearing member or use current PXE clearing bank if this bank acts simultaneously as a ECC Clearing member
  - Signature of the trilateral agreement (NCM – CM – ECC)
  - submission of all forms and documents summarized in the NCM Check list prepared by ECC
- PXE will assist with the submission; prefill the forms and use its best effort to make to process as simple as possible

## Interaction with clearing banks

- We encourage PXE Participants to start discussion with their current PXE clearing banks as well as the ECC clearing members

### WHY?

- Negotiation of the clearing services may take weeks, especially with new clearing members that don't have your credit history
- There are few clearing banks providing services for PXE as well as for ECC => discuss the clearing services under ECC
- Clearing banks acting as clearers currently for PXE only might consider becoming a clearing member at ECC => discuss it and ask for the timeframe
- Some current PXE clearers might have in mind some other structure of cooperation with ECC Clearing member



# Clearing banks overview



**Citibank Europe Plc,  
organizační složka  
Česká spořitelna, a.s.  
Československá obchodní  
banka, a.s  
Komerční banka a.s.  
Raiffeisenbank a.s.**

**Deutsche  
Bank AG  
  
UniCredit  
Bank Czech  
Republic,  
a.s.**

**ABN AMRO Clearing Bank N.V.  
Banco Santander, S.A.  
Barclays Bank PLC Bayerische  
Landesbank  
BNP Paribas Commodity Futures Ltd.  
Citigroup Global Markets  
European Investment Bank  
Goldman Sachs International  
J.P. Morgan Securities plc.  
KELER CCP Ltd.  
KfW Bankengruppe  
Merrill Lynch International  
Newedge UK Financial Limited  
Nordea Bank Finland PLC  
Niederlassung Deutschland  
Oesterreichische Kontrollbank AG  
UBS AG**

## Time schedule - Critical Points

- PXE asks its participants to confirm during February their readiness for the transfer
- According to the feedback from PXE participants and legal readiness of ECC and PXE, PXE will confirm the go live date being 2nd of May or set a new go live date on the break of February and March
- PXE will hold another informative meeting in the first half of March
  - Where the final timeschedule will be confirmed
  - Deeper detail of the project will be introduced
  - The ECC application and other documents will be introduced and explained

## Tentative timeline proposal

