

REGULATION

pursuant to articles 2.2.1, 2.2.3, 3.13.3 and 3.14.1 of the Clearing Rule Book

FEES AND PENALTIES

Capitalised terms used in this Regulation, and not otherwise defined, shall have the meaning as set out in the Clearing Rule Book.

This Regulation comes into force on, ~~1 May 2019~~ 27 May 2019

Changes to this Regulation will be implemented in accordance with the Change Management Process for Clearing Rules, without prior consultation, after a notice period of 30 calendar days.

1 Pricing principles

Settlement fees are set to cover the out of pocket costs incurred from CSDs and settlement agents, together with the internal costs of EuroCCP.

Fail fees, details of which are described below in section 3 of this Regulation, are expected to generate a surplus due to the inclusion of the deterrent handling fee resulting from the obligations imposed on CCPs by the EU Short Selling Regulation.

As it is EuroCCP's policy for settlement activity, including fail management, to be levied on an "at cost" basis, any surplus generated relating to settlement activity will be rebated to a Clearing Participant (CP) within the settlement and fail management pricing. EuroCCP will be accountable for the conformity with these pricing principles through the Advisory Board.

The buy-in administration fee is based on EuroCCP's administrative costs.

Clearing fees are charged per execution, on a monthly basis.

Fees incurred due to the operation of the Interoperability Fund at Clearstream Banking S.A. will be passed on to CPs that make Deposits in the Interoperability Fund.

All fees will be charged in Euro.

2 Clearing and settlement fees

2.1 Tiered clearing fee schedule for Order Book and Off-Order Book transactions per execution.

Tiered Order Book clearing fee (based on the month's daily average Order Book volume)			Tiers	Flat Off Order Book clearing fee (based on the month's daily average Order Book volume)				
Average daily tiered Order Book volumes	Order Book (EUR)	Average daily total transaction volumes		<17:35 CET(EUR)	17:35- <18:00 CET (EUR)	>=18:00 CET (EUR)		
-	60.000	0,0300	1	-	60.000	0,0300	0,05	0,10
60.001	90.000	0,0200	2	60.001	90.000	0,0200		
90.001	125.000	0,0150	3	90.001	125.000	0,0150		
125.001	250.000	0,0100	4	125.001	250.000	0,0100		
250.001	500.000	0,0050	5	250.001	500.000	0,0050		
500.001	750.000	0,0015	6	500.001	750.000	0,0050		
750.001	5.000.000	0,0010	7	750.001	5.000.000	0,0035		

The Off Order book clearing tariff applies to transactions executed outside the order book of an Exchange and to those transactions submitted by a Platform or CPs. The tariff is a flat fee based on the daily average trading activity for the combined on and off-order book transaction volumes during the billing month. All transactions submitted between 17:35-18:00 CET, will be charged at EUR 0,05, with those transactions submitted after 18:00 CET being charged at EUR 0,10.

Euronext clearing fee supplement

For those CPs whose average monthly tiered clearing fees are in either Tier 2, 3, 4, 5, 6 or 7, a supplementary clearing fee of EUR 0,01 (EUR 1 cent) will be charged for each trade sent by Euronext to EuroCCP.

Oslo Børs clearing fee supplement

A temporary supplementary clearing fee of EUR 0,015 (EUR 1,5 cent) will be charged for each trade sent by Oslo Børs to EuroCCP, which is to cover a proportion of EuroCCP's costs to obtain access to the Oslo Børs trade feed.

Borsa Italiana clearing fee supplement

A temporary supplementary clearing fee of EUR 0,015 (EUR 1,5 cent) will be charged for each trade sent by Borsa Italiana to EuroCCP, which is to cover a proportion of EuroCCP's costs to obtain access to the Borsa Italiana trade feed.

Deutsche Börse clearing fee supplement

A temporary supplementary clearing fee of EUR 0,025 (EUR 2,5 cent) will be charged for each trade sent by Deutsche Börse to EuroCCP, which is to cover a proportion of EuroCCP's costs to obtain access to the Deutsche Börse trade feed.

Platform access connectivity fee

A platform access connectivity fee of EUR 0,001 per trade will be charged across all trades cleared by EuroCCP. This fee is implemented to cover a proportion of EuroCCP's costs to obtain access to new platforms.

The sum of On Order Book clearing fees will be capped at EUR 140.000 per CP per month.

Example of monthly fee calculation:

Example	Calculation	Tier nr	Tier From	Tier To	No. of trades	Fee (€) per trade	Fee (€)
Total volume monthly trades	6.850.000	1	0	60.000	60.000	0,030	1.800,00
Number of clearing days in the month	21	2	60.001	90.000	30.000	0,020	600,00
Average daily volume	326.190	3	90.001	125.000	35.000	0,015	525,00
		4	125.001	250.000	125.000	0,010	1.250,00
		5	250.001	500.000	76.190	0,005	380,95
Total per day							4.555,95
Total per month							95.674,95

2.2 Family treatment for clearing fee

For those CPs which belong to the same consolidating legal entity, the executions will be added together before the tiered clearing fee schedule is applied.

Those entities who wish to be considered for family pricing arrangements must (1) jointly apply to request EuroCCP for family pricing and (2) demonstrate the family relationship. EuroCCP will review any requests within 5 business days and the rebate will apply as from the first of the month following the month in which family arrangements are agreed.

2.3 Clearing fee Structured Products and Subscription Rights

A separate clearing fee per execution will apply for the clearing in Structured Products as from 18 November 2011, and tradable Subscription Rights as from 1 November 2012. The clearing fee will be EUR 0,10 per execution.

3 Settlement fee

Market Segment	Settlement fee per net settlement instruction, including funding costs (EUR)	Remarks / other fees
Austria	1,50	
Belgium	1,50	
Czech Republic	15,10	
Denmark	3,10	
Netherlands	1,50	
Finland	2,75	
France	1,50	
Germany	1,50	
Germany	4,70	Settlements via Clearstream Banking Frankfurt international
Hungary	7,95	
IDRs	7,00	
Ireland	0,91	
Italy	1,50	
Luxembourg	7,00	Settlements via Euroclear Bank
Norway	2,50	
Poland	6,50	
Portugal	1,50	
Spain	2,25	
Sweden	1,90	
Switzerland	1,05	
UK	0,91	
US	7,00	Settlements via Euroclear Bank-

= A surcharge of EUR€ 0,36 applies to each settlement in an interoperable security for those CPs that are active on interoperable markets and will be charged to all participants which make deposits in the interoperability fund.

4General

Fail management fee

Fail management fees are charged for each failing settlement, for each business day the obligation to deliver or receive Securities remains unsettled, with charges being calculated per calendar month;

A fixed fail fee of EUR 19,50* per day per late settlement together with a variable fail fee of 100bp / 365 per day on the cash amount of the settlement will be charged to each CP failing to deliver to EuroCCP.

These fees will be charged as from the Intended Settlement Date until buy-in day (see Regulation Buy In for the timetables for each market).

After deduction of third party costs due to failed settlements charged by CSDs or Settlement Agents (with the exception of the daily third party fail costs in the CSDs of Sweden (EUR 52) and Finland (EUR 40), which will be passed on to clients as of 1 February 2017), the ad valorem component – i.e. the 100bp / 365 per calendar day - will be held in a separate account within EuroCCP entitled “Settlement Efficiency Improvement Fund” (“SEIF”). Disbursements from the SEIF will only be made in consultation of the Advisory Board, consisting of EuroCCP’s CPs and main Platforms.

CPs who fail to receive securities due to a lack of funds or due to failure to instruct by the receiving CP, will be charged for the funding costs (base interest rate + 1% over the effective settlement amount / 365 per day, multiplied by the number of days of failure) for this specific failure, per market.

* Market makers registered by the LSE, SIX SIS, Euronext Dublin, Euronext main markets will pay a fixed fail fee of EUR 2,50

The base interest rates used per currency are:

CHF	=	Cost of Fund
CZK	=	Cost of Fund
DKK	=	Cost of Fund
EUR	=	Cost of Fund
GBP	=	Cost of Fund
HUF	=	Cost of Fund
NOK	=	Cost of Fund
PLZ	=	Cost of Fund
SEK	=	Cost of Fund
USD	=	Cost of Fund

4.1 Reimbursement partial settlement

For each partial settlement that is made at the request of EuroCCP in accordance with the Regulation Settlement (section 2), EuroCCP will reimburse the CP involved in the partial settlement by EUR 5.

4.2 Buy-in

4.2.1 An administration fee of EUR 50 will be charged to the CP failing to deliver from the start of each buy-in procedure one day prior to the buy-in execution date (See Regulation Buy-in Procedure).

4.2.2 A buy-in execution / cash settlement fee of EUR 150 will be charged to the failing CP in case a buy-in is executed or cash settlement is performed.

4.3 Manual pair-off requests

An administration fee of EUR 25 will be charged for each individual manual settlement pair-off that is executed at the request of the CP.

4.4 Custody fee Collateral

4.4.1 Custody fees for collateral is a matter between the collateral custodian and the CP involved.

4.4.2 Any fees or costs levied by custodians or CSDs to EuroCCP for collateral services will be passed on to the CP involved, without any surcharge.

4.5 Custody fee Clearing Fund

No custody fee will be charged for bonds that have been deposited to cover a Clearing Fund Contribution.

4.6 Collateral movements

Collateral movements will be free of charge.

4.7 Cash settlement fee

If a CP has opted for non-standard strange net handling (the standard way of strange net handling being that when a strange net occurs, all buys and sells will be aggregated and netted separately) and the netting process results in a cash settlement only (debit or credit without a securities settlement), a fee of EUR 2.50 will be charged for each cash settlement.

If the amount of the cash settlement is below EUR 10 or an equivalent in case of other securities (debit or credit), then no cash settlement will take place and no fee will be charged.

4.8 Participant fees

The following participant fees will be charged by EuroCCP:

Participant type	Annual fee (EUR)
General Clearing Participant (GCP)	20.000
Direct Clearing Participant (DCP)	20.000
Trading Participant (TP)	3.500
*Trading Participant per Exchange / Platform	3.600

The Participants fee is a fee expressed as an annual fee and charged monthly (1/12th of the annual fee) through the regular monthly invoice. The fee will be applicable irrespective of whether Participants have had any activity during the month, unless, in respect of a Participant who has been designated as inactive as referred to in article 4.2.9 of the Clearing Rule Book, such Participant has requested EuroCCP to waive the applicability of the fee for the period that the Participant is inactive. The participant fee for Trading Participants will be charged to the CP. It will be charged for each Trading Participant for which the CP has issued a Statement of Authority.

*Trading Participants applying to the Exchanges or Platforms, which submit trades after 17:35 CET, will be charged an additional Membership fee of EUR 300 per Trading Participant per month per Exchange or Platform.

4.9 Internalised trades

Internalised trades (trades where the buyer and seller are the same trading BIC) will be charged as any other executed trades and will contribute to the calculation of the overall fee band for the CP.

4.10 Invoicing

EuroCCP will invoice all fees on a monthly basis within the first ten (10) business days of the month thereafter. Due to the mandatory implementation of direct debit for invoicing, all clients will be direct debited on the final working day of the month in which the invoice is received

In accordance with article 2.2.3 of the Clearing Rule Book, a penalty may be charged when full payment of the invoiced amount is not received before the end of the month in which the invoice is received. This penalty will be € 100 per invoice that remains unpaid. This penalty will be charged on the next regular invoice to the party involved.

4.11 **Real-time confirmation feed**

EuroCCP is able to supply a CP with a real-time feed of executions, after novation of these trades. The delivery of the data is free but the following charges apply for the lines.

- BT Radianz: The CP will be charged directly by BT Radianz for this line.
- VPN: EuroCCP will charge a fee of EUR 200 per month (connectivity to both data centres).

4.12 **Individual Client Segregation Account**

EuroCCP will provide the minimum level of segregation required (separate house and client position and collateral accounts) as part of its standard membership service. However, should a CP requires individual client segregation, EuroCCP will charge EUR 500 per calendar month to cover the extra administration and monitoring required. The fee will be charged per Segregated Client Account. For the avoidance of doubt, due to the mandated requirement to maintain a segregated client account for Special Financial Intermediary (SFI) accounts in the Spanish market, these fees will be not be applicable to the CPs maintaining such accounts.

4.13 **V.A.T.**

All fees mentioned in this Regulation are excluding V.A.T.

4.14 **Participant Loyalty schemes**

Consolidation benefits

CPs wishing to consolidate their activity undertaken on EuroCCP's existing and forthcoming platforms and benefit from EuroCCP's tiered pricing will additionally benefit from a Participant Loyalty scheme for 24 months during 2018 and 2019.

Any activity consolidated with EuroCCP over and above the average clearing volumes for 2017, will enjoy a 50% clearing fee discount based on the 2018 Fee Schedule. Further details are available from the Relationship Management team.