

# Mandatory Over-the-counter Derivatives Clearing Services

## Introduction

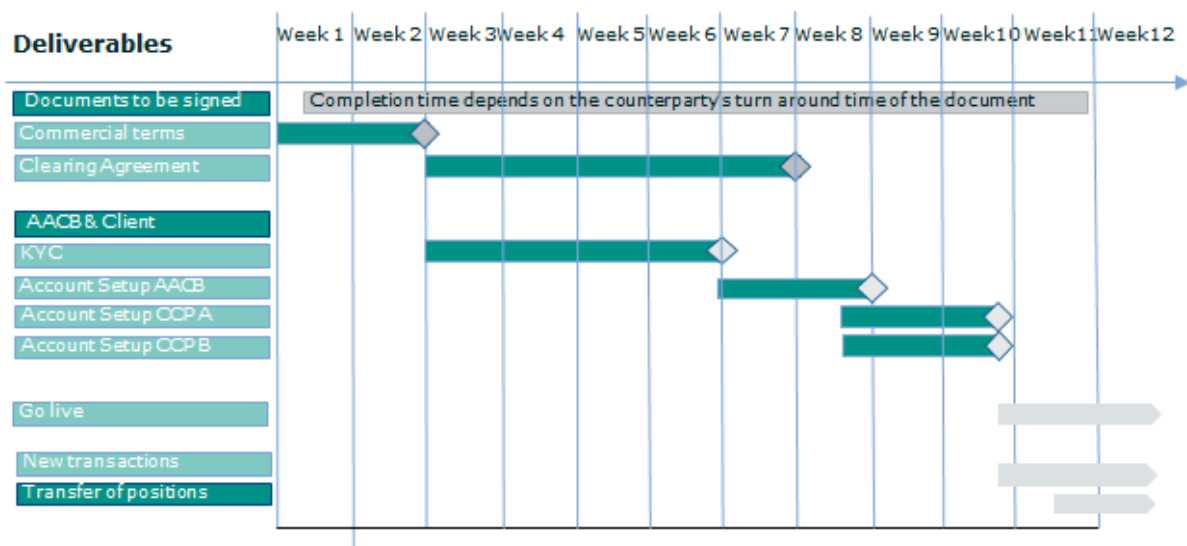
ABN AMRO Clearing Bank N.V. is required to inform you of the different steps of the onboarding process, the estimated timelines and the form with which to request a proposal regarding over-the-counter derivatives (“OTC”) clearing of interest rate swap (“IRS”) contracts in accordance with Delegated Regulation (EU) 2021/1456 (EMIR FRANDT).

This section contains the following information:

1. Client onboarding and estimated timelines
  - Documents to be signed:
    - Commercial terms (fee schedule), and
    - Clearing Agreement
  - ABN AMRO Clearing Bank N.V. and client:
    - Know Your Customer (including due diligence),
    - Account set-up with exchange platforms, central clearing parties (“CCPs”) and vendors;
    - Account set-up with ABN AMRO Clearing Bank N.V.
2. Request for proposal

## 1. Client onboarding and estimated timelines

ABN AMRO Clearing Bank N.V. provides IRS clearing services in the European Union for standardised products in mainstream currencies, subject to mandatory clearing obligations (the “OTC Clearing Services”). These specific services are open to professional and eligible counterparty clients.



### Documents to be signed

#### **Commercial terms (fee schedule)**

The commercial terms are the terms that govern the fee flow between the client and ABN AMRO Clearing Bank N.V..

For cleared IRS contracts, ABN AMRO Clearing Bank N.V. can charge fees for transactions (“PV01”<sup>1</sup>), account maintenance, margin handling, back-loading, compression and account set-up.

The actual fees and charges will depend on the specific client situation and are confirmed in writing by ABN AMRO Clearing Bank N.V. to the client prior to setting up the account. A non-exhaustive list of parameters that determine the fee levels include:

- Transaction volume;
- Availability of straight-through-processing (“STP”) and/or level of automation;
- Level of operational support required;
- Exchange membership;
- Credit and risk profile.

Please also see the [EMIR disclosure](#) on the website of ABN AMRO Bank N.V. for more information regarding fees.

### **Clearing Agreement**

The contract underlying the relationship between ABN AMRO Clearing Bank N.V. and its clients is the Master Clearing Agreement (“MCA”) which is governed under the laws of the Netherlands. In addition to the MCA, at a minimum the following documents need to be signed:

- ABN AMRO Clearing Bank N.V. account opening form and exchange annex;
- Various on-boarding forms required by each CCP, i.e. LCH Clearnet Ltd or Eurex GmbH.

The duration for agreeing and signing the MCA will depend on the length of negotiations with the client.

### **ABN AMRO Clearing Bank N.V. and client Know Your Customer (including due diligence)**

Before ABN AMRO Clearing Bank N.V. can on-board a client, a thorough investigation needs to be carried out in compliance with laws and regulations. The purpose is to obtain insight, not only into the client’s operational set-up and business and trading strategy, but also into the client’s ‘source of funds’ and ‘source of wealth’. The duration of this part of the on-boarding process will depend on the availability and quality of client information received, and on obtaining internal approval.

### **Account set up with exchange platforms, CCPs and vendors**

Prior to commencing OTC Clearing Services, a number of accounts will need to be set up with third parties in the clearing value chain. In addition to the CCP accounts, clients may need to set up accounts with certain trading platforms and electronic confirmation providers. The duration of this process will depend on the availability of various application forms signed by the client, the complexity of the account set-up and the availability of the third parties involved.

### **Account set-up with ABN AMRO Clearing Bank N.V.**

Client to whom OTC Clearing Services are provided, may choose for an Individually Segregated Account (“ISA”) in the name of the client with each selected CCP. In parallel, a number of internal clearing accounts will be opened in the books of ABN AMRO Clearing Bank N.V..

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<sup>1</sup> PV01 represents the Present Value for a 1 basis point change in yield

## **2. Request for proposal**

In order to obtain OTC Clearing Services from ABN AMRO Clearing Bank N.V., a request for proposal needs to be made by means of one of the following channels:

- Return the completed application template (As displayed on the website)
- Complete the [website contact form](#)
- Send an email to [contact.clearingwebsite@abnamroclearing.com](mailto:contact.clearingwebsite@abnamroclearing.com)