



Clearing Depository Receipts through EuroCCP

Efficiency and cost savings

EuroCCP has extended its central counterparty coverage to the clearing of Depository Receipts. Depository Receipts represent a significant segment of the international securities markets business, providing traders with the ability to invest directly in high-growth economies in an easy and cost-effective way.

EuroCCP's Depository Receipt service offering brings new standards of efficiency, cost saving and counterparty risk protection to the clearing and settlement of 130 of the most heavily-traded listed Depository Receipts. EuroCCP was the first CCP to offer buyer protection on voluntary corporate actions for Depository Receipts in Europe, thus giving participants flexibility and choice.

Our clearing service for Depository Receipts is open to any connected venue that offers trading in these issues. To view the full list of eligible Depository Receipts please visit: www.euroccp.co.uk/participant/operations.php

Europe's most competitive pricing

EuroCCP offers the same low fees for both Depository Receipts and equities transactions, with volume-based discounts applied to customers' total throughput. Depository Receipt transactions cleared through EuroCCP are priced at competitive levels; EuroCCP fees start at 3 euro cents per side (€0.030) and average daily clearing volumes above 230,000 sides are free of any clearing fees.

Extending risk protection to Depository Receipts

EuroCCP leverages its proven risk management expertise to ensure reliability, business continuity and robust risk management for its Depository Receipt customers. Our technology minimises delays and downtime, our business continuity capabilities ensure that, even during major disruptions, EuroCCP will remain operational, while our robust risk management approach means that EuroCCP calculates and collects an appropriate amount of collateral to protect firms from each others' default.

Offering the most convenient settlement locations

EuroCCP also supports Depository Receipt customers by offering the most convenient settlement locations. All transactions settle at Euroclear Bank. Some securities are eligible at both Euroclear Bank and The Depository Trust Company (DTC), and for these, the settlement is determined at the security level at the location most convenient to the majority of participants. This approach helps facilitate customers' position management, limits their need for cross-border realignments, and helps to reduce overall processing costs.

Providing Depository Receipt clients with a reliable and cost-effective service

EuroCCP launched its pan-European clearing services in August 2008. Our team of professionals brings decades of experience serving the European market and leverages the significant economies of scale that result from more than 35 years of risk management experience, extensive processing capacity, and industry-leading business continuity capabilities made available through our US parent organisation.

Supporting a seamless transition to EuroCCP

We have made it as easy as possible for trading firms to clear Depository Receipt transactions through EuroCCP. Existing EuroCCP participants wishing to extend their clearing relationship to Depository Receipts can do so with minimum documentation requirements and a fast-track process.

“With our Depository Receipt service we are offering a complete clearing solution, particularly in the key area of buyer protection for corporate actions.”

Diana Chan, CEO, EuroCCP

EuroCCP statistics

Customer-focused services	Delivered by a European user-governed organisation operating at cost.			
Transparent fee structure	Simple and transparent pricing schedules, with one flat fee for clearing, netting and risk management, to help plan post-trade costs accurately and predictably.			
Europe's low-cost clearing fees	Bringing economies of scale to provide low pricing already available in the US. Fee structure designed in partnership with our customers to match European client needs precisely.			
Proven risk management	Battle-tested risk management – leveraging more than 35 years of its parent organisation's risk management experience. Providing certainty, reliability and stability for trading firms. Risk management includes: <ul style="list-style-type: none"> – Straight-through process to settlement – Fail management – Significant processing capacity – Full business continuity Proven approach based on calculation and collection of appropriate amount of collateral to protect firms from each others' potential default.			
Pan-European capability	Enabling firms to trade the same security on any of the platforms cleared by EuroCCP and have the positions netted into a single settlement and margin obligation.			
Assured reliability with operational excellence	EuroCCP provides a world-class infrastructure, using DTCC systems that have never experienced a service disruption that prevented clearing, even during September 11, 2001 or times of extreme exposure such as the Lehman Brothers' collapse.			
European platforms	BATS Europe Burgundy – in progress* Chi-X Europe Equiduct – in progress* NASDAQ OMX (Copenhagen, Helsinki, Stockholm) – in progress* NYSE Arca Europe Omgeo CTM SIGMA X MTF SmartPool SWIFT Accord – in progress* Turquoise UBS MTF <small>*subject to regulatory approval</small>			
European and US clearing	18 European markets and the US market More than 4,000 equity issues 130 Depositary Receipts Nine currencies			
DTCC – US clearing	Average number of daily transactions 107.8 million Average value of daily transaction \$863.6 billion			
EuroCCP Fee guide	Average number of daily sides	0 to 100,000	100,001 to 230,000	Over 230,000
	Clearing and risk management processing fee per side (based on volume)	€0.03	€0.01	€0.00

About EuroCCP

European Central Counterparty Limited (EuroCCP) is a UK-incorporated, FSA-regulated Recognised Clearing House that is governed by its European users. It is the European subsidiary of the Depository Trust & Clearing Corporation (DTCC) and is headquartered in London.

EuroCCP was formed to provide clearing services for a wide range of trading venues across Europe, offering the scale economies of the US market and risk management expertise to European market participants.

We are a strong advocate of interoperability and have launched our interoperable service in July 2011, initially supporting BATS Europe and UBS MTF, and recently extending it to Turquoise and Chi-X Europe. We are actively working on the extension of this service to further trading platforms.

We may provide you with additional information about our products and services from time to time. If at any time you wish to be removed from our distribution list, please send an email to PrivacyOffice@dtcc.com.

Contact details

Mark Estaugh – Head of Sales & Relationship Management
+44 (0)20 7650 1595
mestaugh@euroccp.co.uk

Céline Dehaene – Relationship Manager
+44 (0)20 7650 1565
cdehaene@euroccp.co.uk

Lilia Tira – Relationship Manager Nordic markets
+44 (0)20 7650 1592
ltira@euroccp.co.uk

www.euroccp.co.uk
Find us on Twitter: @EuroCCP
Join us on LinkedIn

THE PAN EUROPEAN CLEARING SOLUTION