

New Clearing Structure

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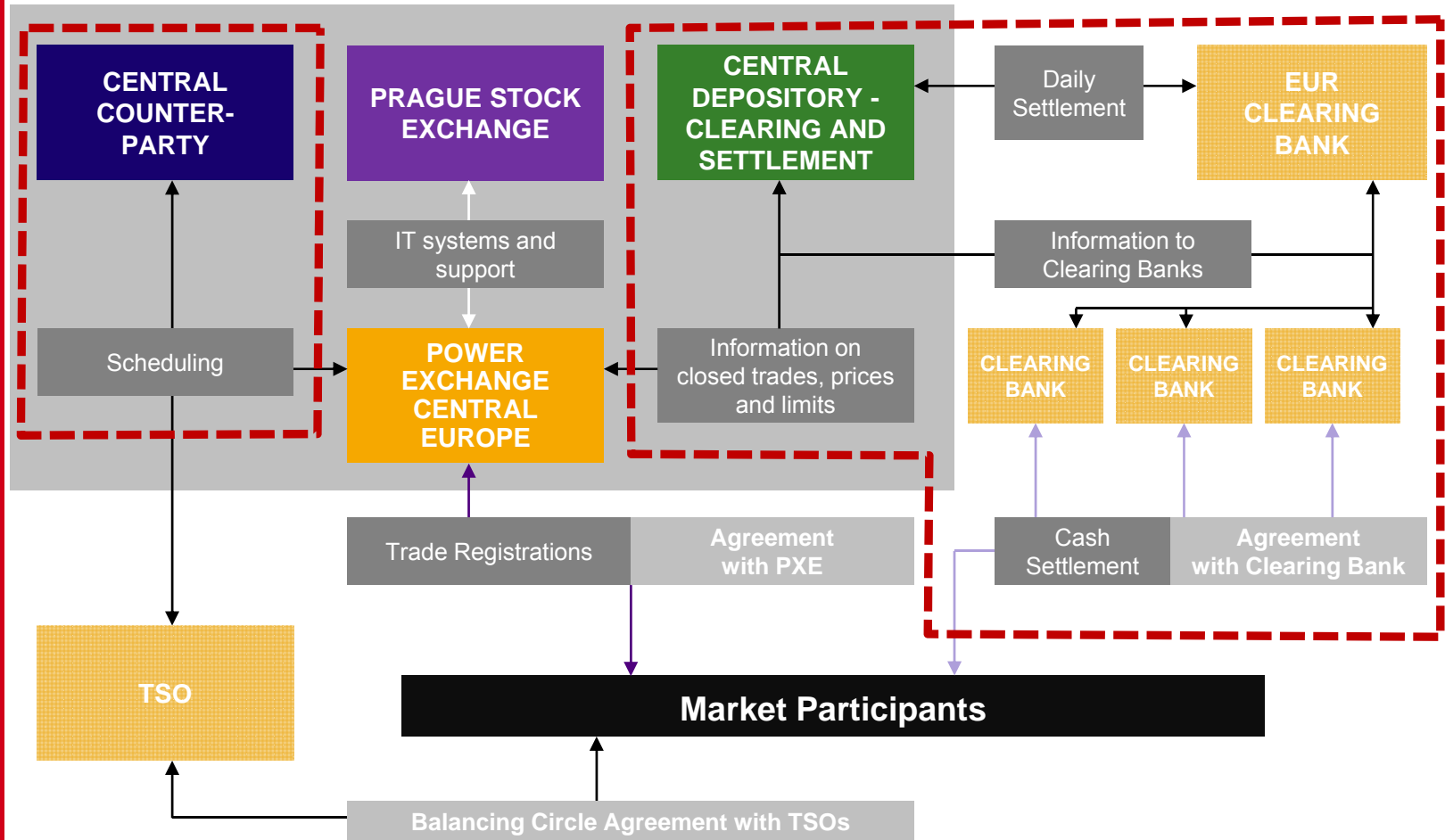
Agenda

- Introduction 11:00 – 11:30
- Overview of Main Changes 11:30 – 12:15
- Tax and Accounting Aspects 12:15 – 12:45
- Lunch Break 12:45 – 13:30
- ECC Presentation 13:30 – 14:30
- Membership Issues 14:30 – 15:00
- Czech Session for ECC non-members *after 15:00*

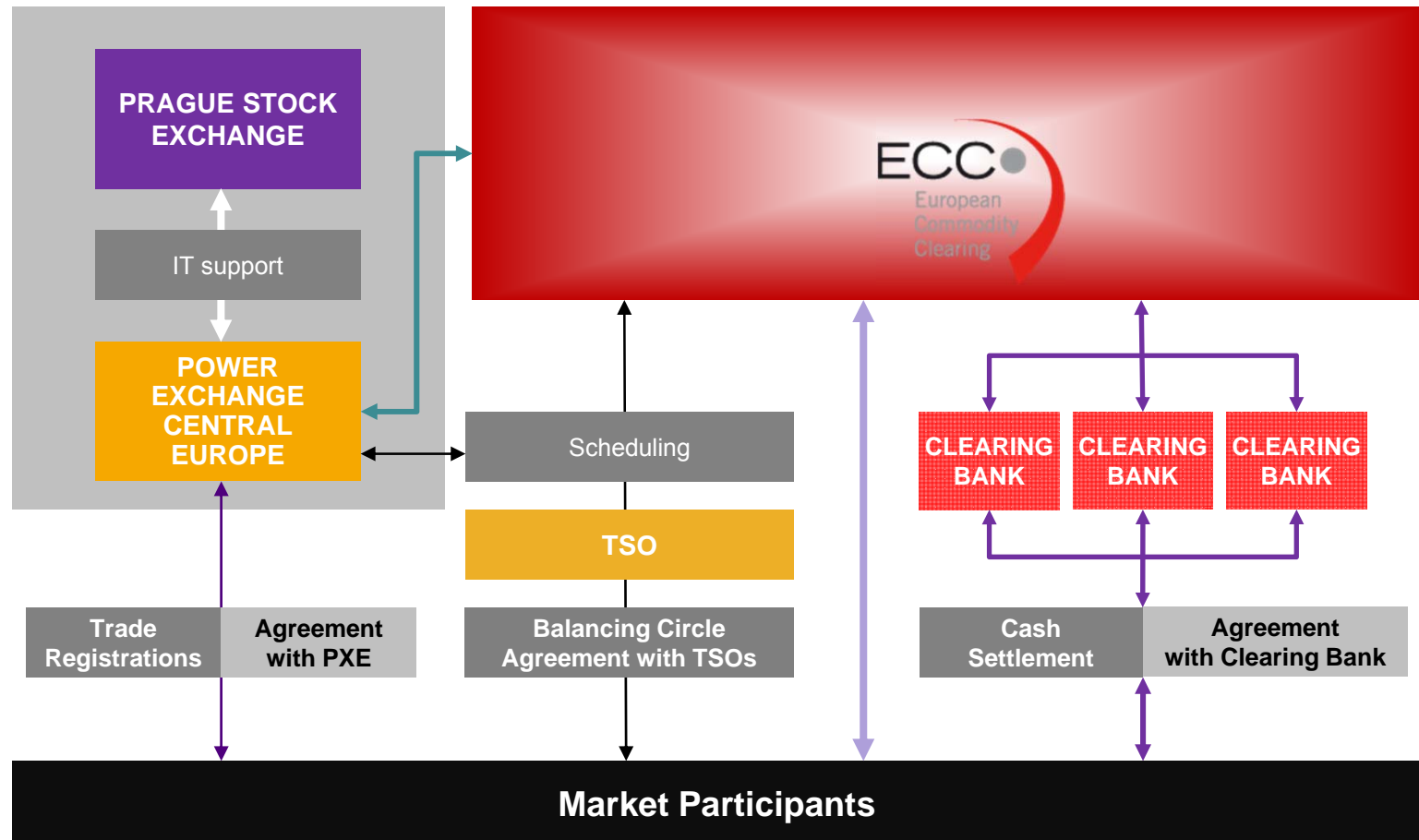
PXE will introduce new clearing & settlement procedures

- European Commodity Clearing AG (ECC) and PXE signed a cooperation agreement and PXE agreed to replace the existing clearing & settlement with the ECC clearing
- ECC will take over all clearing & settlement functions from PXE with some specifics with regards to the spot market
- This is a cooperation and not sale of business – PXE will act as a supplier of certain services to ECC in connection with clearing of certain products

Current clearing & settlement structure



New clearing & settlement structure





POWER EXCHANGE
CENTRAL EUROPE

The reasons for changes

- PXE traders asked for it
- Provide Clearing & Settlement solution standardized in many European countries
- Simplify PXE structure – make it more user friendly

Austria
Belgium
Czech Republic
France
Germany
Hungary
Italy*
Netherlands
Norway*
Poland*
Portugal*
Romania*
Serbia*
Slovakia
Spain*
Sweden*
Switzerland
United Kingdom

* - under development



cee stock exchange group

Advantages for members

- One solution for many countries – new opportunity for non-ECC members
- Cross margining – more transactions with the same capital
 - Location cross margining
 - Commodity cross margining
- Higher operational and cost effectiveness
 - IT savings – one system for many locations
 - Personnel – the same rules, no need for specialists for each market

The impacts for market participants

- Current clearing procedures will be terminated and replaced by ECC clearing & settlement
- At the day of transfer PXE will:
 - Interrupt trading
 - Transfer all open positions to ECC
 - Restore trading after transfer is completed
- Direct impact for market participant will depend on whether:
 - Market participant already clears via ECC
 - Market participant uses a bank that is a member of ECC
 - No ECC clearing, no ECC clearing bank

■ Other
■ Uses ECC clearing bank
■ Uses ECC



Impacts for ECC members

- New agreement with PXE

- PXE might be cleared via existing ECC relationship
 - Market participant changes in internal back office system/arrangements may apply

- No additional costs/actions needed

Impacts for non ECC members, current clearing bank clears at ECC

- New agreement with PXE
- PXE will be cleared via existing clearing bank
 - Changes in market participant back office system are likely
- New tri-lateral agreement with ECC and respective clearing bank
- No additional costs/actions needed

Member with no relationship with ECC

- New agreement with PXE
- Market participant must find a new clearing bank
- New tri-lateral agreement with new clearing bank and ECC
- Market participant changes in internal back office system will be very likely
- No additional costs/actions needed

Tentative timeline proposal

ECC & PXE

February 27th, 2013

Technical readiness

March 11th, 2013

Legal readiness

April 4th, 2013

Last testing date

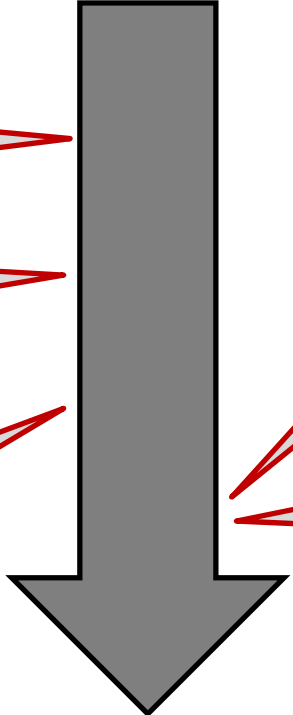
Members

April 17th, 2013

Member readiness

April 4-25th, 2013

Member simulation



Tentative Go Live
May 2nd, 2013