

**Dear all,**

This is to inform you of upcoming amendments to the Exchange Rules and Clearing Rules of NASDAQ OMX Derivatives Markets (the “**Clearing Rules**”) relating to personal data processing and Trade Repository reporting in respect of IDP Customers. The information is primarily relevant for clearing members that have Indirect Pledging Customers (or ‘IDP Customers’), i.e. customers that have signed Customer Agreement A (appendix 8 to the Clearing Rules).

The amendments presented herein will come into effect as further set out below.

Please note that the amendments are subject to change following discussions with relevant regulatory authorities and consultation with clearing members.

## **Background**

### *Termination of CCAB*

Today, any personal data relating to IDP Customers is held by Clearing Control CC AB (“CCAB”), a company owned by *Svenska Fondhandlareföreningen* (the Swedish Securities Dealers Association, “SSDA”) and NASDAQ OMX Clearing. The purpose of CCAB is to act as an independent administrator, registrar and supervisory entity for customers that have opened accounts with NASDAQ OMX Clearing. NASDAQ OMX Clearing normally only has access to account numbers, which can only be linked to an individual customer through CCAB’s register.

NASDAQ OMX Clearing and the SSDA have now jointly decided to terminate CCAB and transfer its tasks and responsibilities, including the administration of the customer register, to NASDAQ OMX Clearing. NASDAQ OMX Clearing will subsequently be the sole controller of personal data in accordance with the Swedish Personal Data Act (*Personuppgiftslagen*) as regards the customer register in question. NASDAQ OMX will make changes to its Rules and the Customer Agreement to reflect the termination of CCAB and the related changes to the processing of personal data.

Changes related to the termination of CCAB will come into effect on **14 November 2014**.

### *Trade Repository reporting*

NASDAQ OMX Clearing has agreed with the SSDA and clearing members who have IDP Customers to transition from the current model where IDP Customers’ transactions are reported with such clearing members as counterparties of the Clearing House, to a model where the IDP customers are reported as direct counterparties to the Clearing House. The transition means that the Clearing House needs to collect special ID codes, so called Legal Entity Identifiers (LEIs), for each IDP Customer that is legally required to report trades to a Trade Repository. NASDAQ OMX will make certain changes to its Clearing Rules and the Customer Agreement to facilitate the collection of LEIs and to set out the responsibilities of clearing members in respect of its IDP Customers’ Trade Repository reporting.

Changes related to the Trade Repository reporting for IDP Customers will come into effect on **24 November 2014**.

More information, including full text versions of the amended Clearing Rules and Customer Agreement A, is available at <http://www.nasdaqomx.com/europeanclearing/ccab>.

Below follows a summary section-by-section of the changes that are being made to the Rules.

***Termination of CCAB (changes in force from 14 November 2014):***

**Chapter 1 of the Clearing Rules**

Section 1.3.3 has been amended to reflect that the identity of IDP Customers will be known to the Clearing House.

Section 1.3.5 has been amended to reflect the administration of Customer Agreements following the termination of CCAB.

Section 1.5 has been deleted, reflecting the termination of CCAB.

Section 1.6 has been amended to reflect the processing of information relating to IDP Customers:

- Headings have been amended to better describe the provisions in this section.
- 1.6.1.1 has been amended to clarify how the customer register may be used to disseminate information to IDP Customers. A reference to the possibility to consent, in the Customer Agreement, to such use has been removed as it is deemed unnecessary.
- 1.6.1.2; a reference to CCAB has been removed.
- 1.6.2.1 has been clarified to reflect that the Clearing House's statutory clearing confidentiality also covers Clients (as defined in the Clearing Rules).

Section 1.7.5 has been removed as it refers to CCAB. The powers conferred on the Clearing House under this section are covered by sections 1.7.7 and 1.7.8 following the proposed amendments, see below.

Sections 1.7.7 and 1.7.8 are amended to reflect that Customers are subject to the Clearing House's powers under these sections.

**Appendix 7 – Clearing Member Agreement (form)**

All references to CCAB and all provisions only relevant to CCAB have been removed.

Note that the changes to the template clearing member agreement are not material and members are not required to re-execute their agreement.

**Appendix 8 - Customer Agreement A**

- All references to CCAB have been removed.
- The information about processing of personal data (see last page of the Customer Agreement A) has been amended to reflect the termination of CCAB and the related changes in the processing of customers' personal data.

**Other documents**

References to CCAB will also be removed in the following documents.

- Exchange Rules, chapter 1
- Template agreement regarding direct market access (Appendix 7A to Exchange Rules)
- Clearing Rules, section 2.6.9
- Template Designated sub-accounts discount agreement (Appendix 15 to Clearing Rules)
- Definitions

Note that the changes to the template agreements above are not material and members are not required to re-execute any agreements.

***Trade Repository (TR) reporting (changes in force from 24 November 2014):***

**Chapter 1 of the Clearing Rules**

1.3.5a. This is a new section that sets out the obligations of clearing members acting as Clearing Account Administrators in respect of Customers that are required to report trades to a trade repository.

Section 1.23.3 is a new provision in the Trade reporting section referring back to section 1.3 regarding the clearing member's responsibilities.

**Appendix 8 - Customer Agreement A**

A field for collection of ID code for trade reporting or *Legal Entity Identifier (LEI)* has been added. This new field will be added as soon as possible to facilitate collection of LEI from new IDP Customers.