

Request for Proposal (RFP)

[Name or Group if applicable]

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This standard request for proposal (RFP) has been completed by:

| | |
|---|----------------|
| Name of the clearing firm (the Clearing Firm) | J.P. Morgan SE |
| Date this RFP was completed | |

The Prospective Client has completed section 1 of this RFP. The Clearing Firm has completed sections 2 to 10 of this RFP. To the extent a client has further questions for the Clearing Firm which have not been covered by sections 2 to 10, section 11 allows for additional questions to be asked of the Clearing Firm. Equally, section 11 can also be used by the Clearing Firm to provide any additional clarifications, information, assumptions or disclaimers not provided for in sections 2 to 10 where required.

INFORMATION ON THE PROSPECTIVE CLIENT

1. GENERAL PROSPECTIVE CLIENT

1.1 General information

| | | |
|--------|---|--|
| 1.1.1 | Name (legal and other business names used, if applicable) | |
| 1.1.2 | Principal address | |
| 1.1.3 | Registered address (if different from 1.1.2) | |
| 1.1.4 | Telephone number | |
| 1.1.5 | Email address | |
| 1.1.6 | Link to website | |
| 1.1.7 | Jurisdiction of incorporation | |
| 1.1.8 | Legal entity identifier (LEI) | |
| 1.1.9 | Financial counterparty (FC) or non-financial counterparty (NFC) under Regulation (EU) No 648/2012? | |
| 1.1.10 | Subject to the clearing obligation in accordance with Articles 4a or 10 of Regulation (EU) No 648/2012? | |
| 1.1.11 | Sector of activity | |

INFORMATION ON THE CLEARING FIRM

2. GENERAL CLEARING FIRM

2.1 General information

| | | |
|-------|---|--|
| 2.1.1 | Name (legal and other business names used, if applicable) | |
| 2.1.2 | Principal address | |
| 2.1.3 | Registered address (if different from 2.1.2) | |
| 2.1.4 | Telephone number ¹ | |

¹ The telephone number on the cover page is intended to be that of the individual responsible for the RFP, whereas Clearing Firms may prefer to include a more generic telephone number (i.e. the telephone number for the clearing services team more generally) by way of response to 2.1.4.

| | | |
|---|---|--|
| 2.1.5 | Email address ² | |
| 2.1.6 | Link to website ³ | |
| 2.1.7 | Jurisdiction of incorporation | |
| 2.1.8 | Jurisdiction of incorporation of your parent entity (if relevant) | |
| 2.1.9 | Legal form of the Clearing Firm ⁴ | |
| 2.2 Entity and group profile⁵ | | |
| 2.2.1 | Please provide your current group structure chart or a high level description of the corporate structure (including legal relationships) for relevant group companies | |
| 2.2.2 | Please provide your current credit rating(s) from S&P, Fitch and Moody's, if applicable | |
| 2.2.3 | Please provide copies of your latest audited financial statements or annual report | |
| 2.3 Regulatory information⁶ | | |
| 2.3.1 | Please provide details of relevant regulatory regime(s) under which you operate which are relevant to your provision of OTC clearing services and your classification under these regime(s), as applicable ⁷ | |
| 2.3.2 | Please provide details of any current regulatory licence(s) that you hold ⁸ | |
| 2.3.3 | Please provide the name(s) of the regulator(s) relevant to 2.3.1 and 2.3.2 above ⁹ | |
| 2.4 Client communications | | |
| | Please provide details as to how you support relationship management and client communication on an ongoing basis | |

² The email address on the cover page is intended to be that of the individual responsible for the RFP, whereas Clearing Firms may prefer to include an email list (i.e. for a department) by way of response to 2.1.5.

³ This is intended to be a link to the standard corporate website / relevant clearing page (as opposed to a link to the EMIR/MiFIR disclosure website).

⁴ This question is intended to capture the general legal form of the Clearing Firm.

⁵ It is open to Clearing Firms to respond to any of the questions in section 2.2 by way of a link to a website.

⁶ It is open to Clearing Firms to respond to any of the questions in section 2.3 by way of a link to a website.

⁷ This question is intended to capture a selection of the relevant legislation / regulations (i.e. EMIR, MiFID II.) that the Clearing Firm is subject to.

⁸ This question is intended to cover the licences held by the Clearing Firm, to enable the client to verify that the Clearing Firm holds the correct licences to be able to provide relevant OTC clearing services to the client.

⁹ Different information is required in response to 2.3.3 and 2.3.1/2.3.2. For example, whilst the relevant regime under 2.3.1 could be EMIR, the regulator under 2.3.3 could differ depending on the jurisdiction(s) in which the Clearing Firm operates (i.e. the FCA, BaFin, AMF).

| | | |
|--|--|--|
| 3. SCOPE OF OTC CLEARING SERVICES | | |
| 3.1 General | | |
| 3.1.1 | Please explain how your OTC clearing business is structured | |
| 3.1.2 | Please describe the structure of your OTC clearing team and client service model ¹⁰ | |
| 4. ACCESS TO CCPs AND OTC CLEARING SERVICES | | |
| 4.1.1 | Please provide: (i) a list of CCPs which you have access to as a direct clearing member for OTC clearing purposes; and (ii) for each CCP listed in (i), a list of OTC clearing services that you subscribe to and offer to clients | |
| 4.1.2 | For each CCP and OTC clearing service listed in 4.1.1 above, please provide a list of account structures supported and key features of those account structures | |
| 5. ONBOARDING | | |
| 5.1.1 | Please provide an outline of the onboarding process (including key milestones and an indicative timeline of the key elements of the process) | |
| 5.1.2 | Please list any assumptions or dependencies on prospective clients in relation to 5.1.1 above which could affect the indicative timeline provided ¹¹ | |
| 5.1.3 | Please confirm what requirements and information you expect from clients as part of the onboarding process ¹² | |
| 5.1.4 | Please provide an explanation of how the outline detailed in 5.1.1 above may differ by: (i) CCP; (ii) OTC clearing service; (iii) product type; or (iv) account structure | |

¹⁰ Clearing Firms may wish to respond to this question by providing any of the following information: whether they provide a single point of contact for clients, the location of their client services, key staff, coverage times, staff language capabilities and/or escalation contacts in case of dispute or delay to normal operations.

¹¹ This question is intended to capture the assumptions inherent in the timeline at 5.1.1 (i.e. whether the timing will be affected if client is located in certain jurisdictions, if the client requires a bespoke structure, depending on which products are being cleared etc).

¹² Clearing Firms may wish to include information on technology or IT related requirements, minimum trading requirements and/or KYC and due diligence requirements by way of response to this question.

| 6. CONTRACTUAL DOCUMENTATION | | |
|---|--|--|
| 6.1 Overview | | |
| 6.1.1 | In respect of your OTC clearing offering, please list the key contractual agreements (including annexes, modules etc.) required to enable OTC clearing | |
| 6.1.2 | Please confirm to what extent the documents listed in 6.1.1 above are based on industry standard templates (i.e. those published by FIA and ISDA) as opposed to in-house templates | |
| 6.2 Key contractual terms ¹³ | | |
| 6.2.1 | Key contractual terms in the agreements listed in 6.1.1 above will include: ¹⁴ | |
| | events of default (including failure to pay and bankruptcy) in respect of the client; | |
| | a termination provision in respect of Clearing Firm default; ¹⁵ | |
| | a termination provision in respect of CCP default; | |
| | voluntary termination provisions; | |
| | other events allowing parties to terminate the OTC clearing arrangements; | |
| | provisions entitling the client to request the Clearing Firm to transfer transactions to another clearing firm; ¹⁶ | |
| | consent required amendments; | |
| | unilateral amendments by the Clearing Firm; | |
| | a limitation of liability provision; | |
| | an indemnity provision; and | |
| disclosure of confidential information | | |
| 6.2.2 | For each document listed in 6.1.1 above, please specify the relevant governing law | |

¹³ Any key contractual term captured by 6.2 will be the minimum contractual provision required by the Clearing Firm. For the avoidance of doubt, further terms may be required as any negotiation progresses between the client and Clearing Firm.

¹⁴ To the extent it would be helpful for Clearing Firms to include more information by way of response to 6.2.1 than “yes/no”, this information can be provided in the “free text” category.

¹⁵ This question is intended to capture a Clearing Firm default at a CCP.

¹⁶ This question is intended to capture pre-default porting. Information on post default porting is covered in 6.3.1 below.

| | | |
|-------------------------------|--|--|
| 6.2.3 | For each document listed in 6.1.1 above, please specify the relevant jurisdiction clause | |
| 6.3 Default management | | |
| 6.3.1 | Please provide details on the portability of positions and margin in the event of a Clearing Firm default ¹⁷ | |
| 6.3.2 | Please provide details on the liquidation of positions and margin in the event of: (i) a CCP default; and (ii) a Clearing Firm default ¹⁸ | |
| 7. MARGIN | | |
| 7.1 General | | |
| 7.1.1 | Please confirm the standard legal basis on which the client posts margin to the Clearing Firm (i.e. title transfer or security interest) | |
| 7.1.2 | Please confirm the current legal basis on which the Clearing Firm posts margin to the CCP in respect of each OTC clearing service listed in 4.1.1 above (i.e. title transfer or security interest) | |
| 7.1.3 | Please confirm whether you pass through the CCP's call for variation margin and initial margin in respect of each OTC clearing service listed in 4.1.1 above | |
| 7.2 Margin calls | | |
| 7.2.1 | Please describe the process for calling margin (including the timings involved) and please confirm whether this is the same for each OTC clearing service listed in 4.1.1 above | |
| 7.2.2 | Please confirm whether you will make one call or separate calls between variation margin and initial margin and whether this is the same for each OTC clearing service listed in 4.1.1 above | |

¹⁷ To the extent Clearing Firms consider that this question can be answered exhaustively by reference to the CCP rulebooks (i.e. that their approach does not differentiate in any way to that taken in the relevant CCP rulebook), this question may be answered by way of link to the relevant CCP rulebook webpage. Clearing Firms may also answer this question by way of a link to their existing EMIR disclosures.

¹⁸ Clearing Firms may also answer this question by way of a link to their existing EMIR disclosures.

| 8. RISK MANAGEMENT ¹⁹ | | |
|--|---|---|
| 8.1.1 | Please provide a high level summary of your business continuity and/or disaster recovery policies as relevant to OTC clearing | |
| 8.1.2 | Please provide a high level summary of your cyber security and information security policies as relevant to OTC clearing | |
| 8.1.3 | Please provide a high level summary of your data protection policy as relevant to OTC clearing | |
| 8.1.4 | Please provide a high level summary of your conflict of interest policy as relevant to OTC clearing | |
| 9. FEES | | |
| 9.1.1 | Please describe the fees you charge for providing OTC clearing services | |
| 10. SUPPORT PROVIDED | | |
| 10.1 Technology | | |
| 10.1.1 | Please provide details of any technology platform provided in respect of your OTC clearing offering | |
| 10.1.2 | Please confirm whether clients are able to track transactions via a report or a system as they pass through clearing. If this is done by way of a report, please confirm: (i) whether this is available in real time or provided at a specific time / the end of the day; (ii) what format this is provided in; and (iii) whether this is tailored to the client | |
| 11. ADDITIONAL INFORMATION ²⁰ | | |
| 11.1.1 | <i>[To be completed by the client or Clearing Firm as required]</i> | <i>[To be completed by the Clearing Firm as required]</i> |

¹⁹ It is open to Clearing Firms to respond to the questions in this section 8 by providing a high level summary or a link to a website.

²⁰ This space has been provided for Clearing Firms or clients to provide or request additional information on the Clearing Firm's OTC clearing service. The Clearing Firm, or the client, should include their further question in the second column, with the Clearing Firm's response being provided in the third column.