

PRESS RELEASE

Contacts:

Rory Cunningham – Tel: +44 (0) 20 7426 7093

Marcus Zickwolff – Tel: +49 (69) 211 1 5847

EACH welcomes European Commission’s Communication on OTC Derivatives; agrees Information-sharing Principles; re-elects Rory Cunningham as Chairman, and new Executive Committee

November 2009

At its meeting on October 30th in Oporto, EACH, the European Association of Central Counterparty Clearing Houses, welcomed the European Commission’s Communication “Ensuring efficient, safe and sound derivatives markets: Future policy actions”.

EACH supports measures to improve the safety and efficiency of derivatives markets and encouragement of the use of standard products where these meet the needs of market users. Its members have already delivered a number of OTC derivatives clearing services and further developments are planned. Its members look forward to working closely with the Commission and supervisory authorities to devise appropriate legislative proposals as outlined in the Communication

EACH also agreed Principles for the dissemination of relevant information between its members concerning the declaration of default of a participant, and set up a specific information-sharing mechanism for this purpose.

It re-elected Rory Cunningham of LCH.Clearnet as Chairman for a further two-year term. Marcus Zickwolff of Eurex Clearing, EACH Secretary, Urs Wieland of SIX x-clear, and Henrik Paulsson of NasdaqOMX were re-elected to the Executive Committee, and Bhagwant Singh of EuroCCP was elected as a new member of the Committee.

Rory Cunningham said, “I am greatly honoured that EACH has decided to elect me as Chairman for a further two years. CCPs are, as never before, at the centre of Europe’s and the world’s focus as public authorities and the private sector work together to improve the stability of the financial system. EACH will play a full part in this work.”

Editors Notes

EACH was established in 1991. Membership is open to all entities incorporated in Europe and supervised as a central counterparty. It currently has fifteen members.

Its aims are to discuss and analyse techniques and developments in central counterparty clearing operations, systems, position-keeping, risk management tools (initial margining, re-valuation, membership requirements, default procedures and resources, money settlement arrangements, etc.) and legal and regulatory issues related to central counterparty clearing; to develop, as appropriate, frames of references of central counterparty clearing and risk management, and to publish those standards; to develop, with appropriate co-ordination (for example, with other associations such as ECSDA and FESE, positions on proposed European and global regulatory initiatives relative to central counterparty clearing; to provide a forum for the development of the personal contacts necessary to ensure the exchange of risk-related information in times of potential difficulty; to monitor developments in payments, settlement and custody, as they have a bearing on central counterparty clearing, ensuring as appropriate a constructive working relationship with other infrastructure and user associations; and to influence policymakers and be the central counterparties' voice in Europe, and the voice of European central counterparties globally ensuring as appropriate a constructive working relationship with supra-national European and global public authorities and global associations of central counterparty clearing houses.

For further information, visit <http://www.eachorg.eu>.