

## PRESS RELEASE

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### *European CCPs publish Default Management Guideline*

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EACH, the European Association of Central Counterparty Clearing Houses, today publishes its Default Procedures Publication Guideline. This document is the result of work undertaken by EACH risk experts since the successful resolution of the failures of Lehman Brothers and other market participants during the financial turmoil.

The Guideline builds on the experiences of those CCPs most affected by those failures and is intended to assist EACH members in preparing their own internal procedures and Disclosure documents. It also serves as a response to calls by public authorities and market participants for greater transparency over the actions that CCPs may take in resolving participant failures.

EACH and its members will continue to work closely with the European Commission, ESCB-CESR, CPSS-IOSCO and supervisory authorities to further refine and develop international standards and contribute to legislative proposals.

The document will be available at EACH's website <http://www.eachorg.eu>.

### **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 nineteen 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



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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>.