



## UBS AG and UBS Europe SE

### Terms and Conditions

#### Indirect Clearing Arrangements for Intermediaries

These terms and conditions apply to indirect clearing services which either UBS AG or the Investment Banking division of UBS Europe SE ("**UBS**", "**we**" or "**us**") may offer to you in your capacity as an intermediary or clearing broker for your own clients. If you are also acting as principal for your own account please refer to our **Terms and Conditions relating to Indirect Clearing Arrangements for Non-Intermediaries** available on our [website](#).

In accordance with the provisions of the Commission Delegated Regulation (EU) No 2017/2154 on Indirect Clearing Arrangements under MiFIR<sup>1</sup> and art. 27.1 of Commission Delegated Regulation (EU) 2017/589, we are required to disclose the general terms and conditions pursuant to which we provide our clients **indirect clearing services** with respect to exchange-traded derivatives contracts that are cleared by a central counterparty authorised in the European Union ("**EU CCP**"). Such terms and conditions are set out in detail in the agreement, including all schedules and appendices thereto, that we enter into with you (the "**Agreement**").

The term "**indirect clearing services**"<sup>2</sup> refers to the circumstances where we are a clearing member of an EU CCP and you are an intermediary with clients of your own (your "**indirect client**"), in which case:

- we will provide you with sufficient information regarding our clearing membership at EU CCPs.
- your clients' positions and collateral will be held by us in a basic omnibus account (alternatively also referred to as a net omnibus account) unless you request for us to hold them on a gross omnibus account.

A general description of the principal terms and conditions governing our relationship with our clients is set out below. The actual provisions of the Agreement are more detailed. Moreover, please note that the specific terms and conditions of the Agreement that we enter into with any client may differ depending on our analysis of the risks that such client's trading activities may present.

Before providing indirect client services to you, we will generally require that you:

- provide us with such information that we may request in order to verify your identity as required by law.
- confirm to our satisfaction that you meet our minimum financial requirements appropriate for your business, experience and the nature of the trading in which you intend to engage. You must agree to provide us with such financial information, including a current financial statement, as we may request from time to time and to notify us promptly of any material change in your financial condition.
- confirm to our satisfaction that you have full power and authority to enter into the Agreement, the intermediary indirect clearing terms and replication agreement and the indirect client transactions contemplated thereby.
- confirm to our satisfaction that you have obtained all registrations or licenses, if any, that you may require to conduct business and that you remain in good standing with all relevant regulatory and self-regulatory authorities.

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<sup>1</sup> Regulation (EU) No 600/2014 of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Regulation (EU) No 648/2012.

<sup>2</sup> Where our affiliate is acting as an intermediary the term indirect clearing services may also include circumstances where we are not a direct clearing member of an EU CCP.

- comply with requirements and obligations that apply to you under MiFIR as a direct client providing indirect clearing services.
- acknowledge that you have read and understood all disclosure statements with respect to your trading activities that we have provided you, including the appropriate Disclosure Statement on Direct and Indirect Clearing which are publicly available on our [website](#)
- acknowledge that all indirect clients' exchange-traded derivatives transactions are subject to the rules, regulations, procedures, guidance and customs of any relevant regulatory authority, of the relevant market and all other applicable laws, rules, procedures, guidance and regulations ("**Applicable Regulations**") and agree that you will conduct all activities subject to the Agreement in accordance with such Applicable Regulations.
- agree that we may, in our sole discretion, limit the size of your positions, refuse to accept any order or transaction, or require you to transfer your account to another firm.
- agree to meet all margin calls with respect to exchange-traded derivatives contracts that we clear for you and your indirect clients in such form and amounts and within such time as we may determine, consistent with Applicable Regulations.
- agree to additional terms as set out in the intermediary indirect clearing terms and replication agreement which will replicate your Agreement resulting in:
  - (1) an existing Agreement that will apply to your house business; and
  - (2) a new agreement that will apply to your client business ("**Client Agreement**");
 each of which will produce a separate close-out netting amount and will contain cross default provisions.
- agree to additional contractual terms if your indirect clients request a gross omnibus segregated account.
- grant us a right to set-off any amount owed by you to us against any amount owed by us to you.
- acknowledge that, upon an event of default, as that term is defined in the Agreement, we will have certain rights as set out in the Agreement, including the right, in addition to any remedy otherwise available in law or equity, to liquidate any or all indirect client exchange-traded derivatives contracts held in your name on behalf of your clients or on your behalf by any lawful means and to apply any collateral that we may hold to meet any amounts you owe us.
- acknowledge that we will not be liable to you for any losses that may be incurred and that in no event will we be liable for any consequential, indirect or punitive damages.
- agree that the Agreement and the Client Agreement will be interpreted in accordance with the relevant governing law and submit to the relevant jurisdiction as detailed below:

<b>UBS contracting entity</b>	<b>Governing law</b>	<b>Jurisdiction</b>
UBS AG, London branch	English	English courts
UBS AG (head office) in Zurich	Swiss	Swiss courts
UBS Europe SE (head office) in Frankfurt	English	English courts