

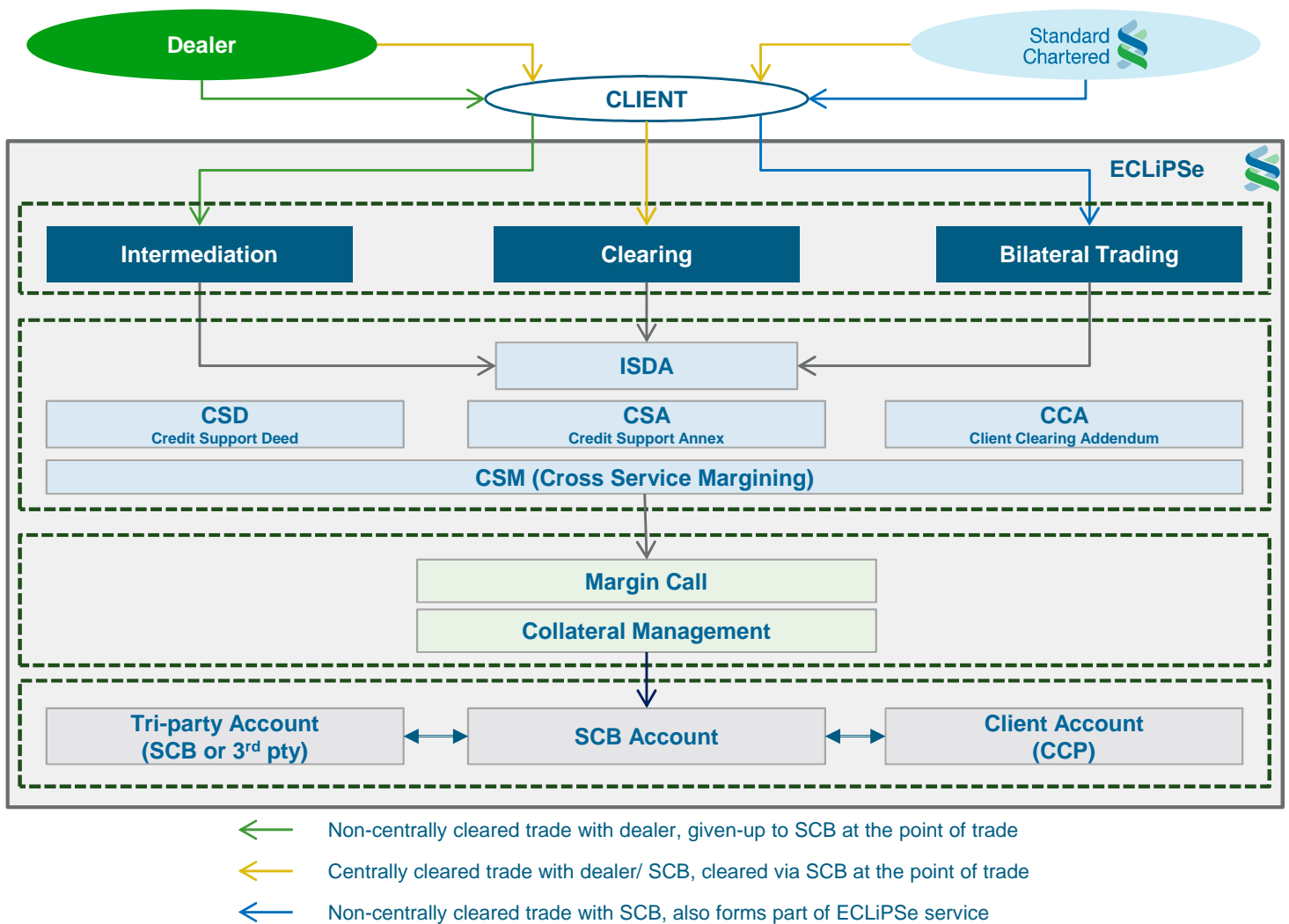


ECLiPSe

Client Clearing & Intermediation

2016

ECLiPSe: Client clearing and intermediation



Service Types:

The client can execute with dealers and give up these trades to SCB for intermediation and clearing. The client can also trade with SCB and maintain the trade as bilateral or cleared.

Documentation:

The trades that are originated through intermediation, clearing and bilateral fall under the ISDA documentation. The credit terms and additional provisions governing cleared trades are specified in the CCA. Credit terms for bilateral and intermediated trades can be specified in the CSA and/ or CSD. The right to offset the net SCB exposure to the client across these trades against the collateral posted by the client under the terms in the CSD, CSA and CCA is provided for by the CSM.

Operations Services:

Daily variation and initial margin calls for the trade set are calculated and sent to the client. The VM and IM required for cleared trades is calculated by the CCP. The VM and IM of the bilateral and intermediated trades is determined by SCB, taking into account the right to net exposures where a CSM is in place.

Account Types:

For cleared trades, SCB will maintain an account for the client at the CCP. The minimum balance must be equal to the CCP requirement for initial margin.

For bilateral and intermediated trades, the client can post initial margin direct to SCB, this is governed by the CSA, or maintain the required balance with a tri-party account and provide SCB with a pledge over the asset of that account via the CSD. The client can provide ECLiPSe.

Client Services with PoA (Power of Attorney) over their account with TB to facilitate the posting of cash and securities to satisfy the margin calls.

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