

## **Chapter 3**

# **Commission Delegated Regulation (EU) 2017/2154**

## Article 2 Requirements for the provision of indirect clearing services by clients

(1) A client may only provide indirect clearing services to indirect clients provided that all of the following conditions are fulfilled:

- (a) the client is an authorised credit institution or investment firm or an entity established in a third country that would be considered to be a credit institution or investment firm if that entity were established in the United Kingdom;
- (b) the client provides indirect clearing services on reasonable commercial terms and publicly discloses the general terms and conditions under which it provides those services;
- (c) the clearing member has agreed to the general terms and conditions referred to in point (b) of this paragraph.

(2) The client referred to in paragraph 1 and the indirect client shall conclude, in writing, an indirect clearing arrangement. The indirect clearing arrangement shall include at least the following contractual terms:

- (a) the general terms and conditions referred to in paragraph 1(b);
- (b) the client's commitment to honour all obligations of the indirect client towards the clearing member with regard to the transactions covered by the indirect clearing arrangement.

All aspects of the indirect clearing arrangement shall be clearly documented.

(3) A CCP shall not prevent the conclusion of indirect clearing arrangements that are entered into on reasonable commercial terms.