

CLEARING MEMBERSHIP REQUIREMENTS

1 Introduction

- 1.1 This supplement is Appendix 2 of the Clearing Rules, and forms an integral part of the Clearing Rules.
- 1.2 The appendix includes further requirements on applications for Clearing Membership with Oslo Clearing.

2 Information requirements

- 2.1 The applicant shall provide the following documents:
 - 2.1.1 The application form duly signed and completed with all relevant information.
 - 2.1.2 Documentary evidence that it is legally incorporated and meets the requirements in the Clearing Rules section 2.2.
 - 2.1.3 Documentary evidence that it meets the financial requirements in the Clearing Rules section 5.1.
 - 2.1.4 Non-EEA applicants shall upon request provide a legal opinion satisfactory to Oslo Clearing on the validity and enforceability of the Clearing Rules and Clearing Transactions under the laws of the Clearing Member's Home State. Oslo Clearing reserves the right to impose further requirements as to the content of such a legal opinion, and to request similar opinions from EEA applicants. The applicant shall carry the cost of obtaining the legal opinion.
 - 2.1.5 Oslo Clearing reserves the right to require further information and documentation from the applicant.

3 Actions before the Clearing Member commences Clearing

- 3.1 When an applicant has been accepted as a Clearing Member, before it can commence Clearing it must:
 - 3.1.1 Enter into a Clearing Membership Agreement with Oslo Clearing.
 - 3.1.2 Establish an electronic connection with the Clearing System and be allocated accounts in the Clearing System as provided for in the Clearing Rules.
 - 3.1.3 Enter into a Financial Collateral Agreement and establish one or several Collateral Account(s) and/or provide a bank guarantee.

- 3.1.4 Provide Collateral for the Clearing Fund Contribution as described in Appendix 3.
- 3.1.5 Provide relevant information to be used for Oslo Clearing's receipt of Trades from the Marketplaces.
- 3.1.6 Sign the Registration Mandate as set out in Schedule A to Appendix 7, or, if the Clearing Member is not a participant in the relevant settlement system, provide a Settlement and Registration Mandate as set out in Schedule B to Appendix 7 signed by the Settlement Agent. The Clearing Member must also provide the information required to prepare for settlement.
- 3.1.7 Ensure that it has the necessary arrangements in place to meet its obligations under the Clearing Rules from the date of commencement.

3.2 At such point in time when Oslo Clearing confirms that all of the above requirements are met, the Clearing Member may commence clearing.

4 Deactivation of Clearing Membership

4.1 A Clearing Member may apply to Oslo Clearing to have its membership temporarily deactivated. Oslo Clearing may accept or deny such request at its own discretion, and may set conditions for the deactivation. Normally Oslo Clearing will deny a request to deactivate a Clearing Membership if the intended period of deactivation is less than 6 months.

4.2 A Clearing Membership is deactivated as from such date as Oslo Clearing decides.

4.3 Upon and during the time of deactivation of the Clearing Membership, the Clearing Member may not perform any Clearing activities with Oslo Clearing. As from the same point in time, the Clearing Member's liability as set out in the Clearing Rules Section 8 and Appendix 3 and its obligation to provide Collateral to the Clearing Fund shall not apply. Otherwise the Clearing Rules shall apply.

4.4 The Clearing Member must apply to Oslo Clearing for reactivation of the Clearing Membership. Oslo Clearing shall accept such application if the conditions set out in the Clearing Rules and this Appendix 2 are fulfilled. The Clearing Membership is reactivated as from such date as Oslo Clearing decides. Upon reactivation of the Clearing Membership all rights and obligations set out in the Clearing Rules shall apply as from the date of reactivation.

4.5 Oslo Clearing may decide to terminate the Clearing Membership Agreement with immediate effect if a Clearing Member's Clearing Membership is deactivated for a period exceeding 12 months.

