

REGISTERED

by Resolution of the National Securities and
Stock Market Commission

No. 34/21/1513/K01 dated December 4, 2024.

Chairman of the
Commission

R. Magomedov

APPROVED

by Resolution of the Supervisory Board
UKRAINIAN CLEARING HOUSE LLC
Minutes of the Supervisory Board meeting

No. 3 dated November 28, 2024.

Chairman of the
Supervisory Board

O. Dubovskyi

RULES
of conducting clearing activities
of UKRAINIAN CLEARING HOUSE
Limited Liability Company

Kyiv
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1. GENERAL PROVISIONS

1.1. The rules for conducting clearing activities of the UKRAINIAN CLEARING HOUSE Limited Liability Company (hereinafter referred to as the Clearing Rules) have been developed and approved in accordance with the Commercial Code of Ukraine, the Law of Ukraine “On Commodity Exchanges”, the Law of Ukraine “On Capital Markets and Organized Commodity Markets” (hereinafter referred to as the Law), the Law of Ukraine “On State Regulation of Capital Markets and Organized Commodity Markets”, regulatory legal acts of the National Securities and Stock Market Commission (hereinafter referred to as the NSSMC) regulating the conduct of professional activities on the capital markets – clearing activities, the Charter of the UKRAINIAN CLEARING HOUSE Limited Liability Company (hereinafter referred to as the Charter of the UCH) and are the main document regulating the procedure for providing by the UKRAINIAN CLEARING HOUSE Limited Liability Company (hereinafter referred to as the UCH) to clearing participants (clients of participants clearing) clearing services.

1.2. The Clearing Rules, as well as amendments and additions thereto, shall be approved by the Resolution of the Supervisory Board of the UCH and registered by the NSSMC in accordance with the procedure established by the legislation of Ukraine.

UCH shall inform clearing participants/clients of clearing participants and other interested parties of the Clearing Rules, amendments and additions thereto, and other information about its activities (clients of clearing participants) by posting such documents and information on the official website of UCH on the Internet at: <https://www.uaclearing.com.ua>. UCH may additionally use other methods of informing clearing participants/clients of clearing participants and other interested parties in accordance with these Clearing Rules and concluded agreements.

1.3. In the event of amendments to the legislation of Ukraine, until these Clearing Rules are brought into line with the legislation of Ukraine, these Clearing Rules shall apply in the part that does not contradict the legislation of Ukraine.

1.4. UCH is a clearing institution and conducts clearing activities to determine liabilities on the basis of a license issued by the NSSMC.

1.5. In accordance with these Clearing Rules, UCH carries out clearing activities to determine obligations under contracts/transactions/operations, namely: commodity transactions, as well as derivative contracts that are not financial instruments, provided that they meet the following requirements:

- the underlying asset of a derivative contract is an asset that is admitted to trading on a commodity exchange;
- the derivative contract is deliverable.

1.6. Clearing rules determine the general procedure for conducting UCH clearing activities for determining obligations.

1.7. To conduct clearing activities to determine liabilities, the UCH enters into the following agreements:

- agreement on clearing services – with a clearing participant;
- a clearing agreement – with an operator of an organized commodity market (commodity exchange) for clearing contracts / transactions / operations concluded / carried out on an organized commodity market managed by such an operator (commodity exchange);
- other contracts, including contracts with settlement banks, delivery operators, information agents, database administrators and other persons, if the conclusion of the contract is necessary for the conduct of professional activities.

1.8. In these Clearing Rules, the following terms are used with the following meanings:

warranty coverage – guarantee contributions (margin) and contributions to guarantee funds, which may include funds, products and other assets, instruments (including letters of credit), as well as means of ensuring the fulfillment of obligations (including bank guarantees), provided to the clearing house to ensure the fulfillment of obligations arising from clearing participants (clients of the clearing member) in connection with its participation in exchange trading, and obligations under contracts/transactions/operations, the clearing of rights and obligations under which the clearing house carries out;

guarantee fee (margin) – a type of guarantee consisting of highly liquid assets (funds, products and/or other assets defined by the regulatory legal acts of the NSSMC for these purposes and/or internal documents of the UCH) that are credited/reserved/blocked/provided to the UCH, including through interaction with the delivery operator or another person, for the purpose of securing the obligations of clearing members and clients of clearing members, including for the purpose of making settlements, ensuring settlements and/or deliveries or organizing settlements and/or deliveries, and which are recorded in the clearing accounts of clearing members and clients of clearing members;

default - failure by a clearing participant to fulfill obligations regarding payment (transfer/credit), delivery, deposit, reservation (blocking) and/or taking other actions regarding funds, products, derivative contracts, other assets and instruments in accordance with the terms and conditions specified in the agreement between the clearing participant and the UCH, and the internal documents of the UCH;

registered persons – clearing members and clients of clearing members;

clearing session – operating hours of the UCH for clearing and performing procedures to ensure settlement and delivery for contracts/deeds/transactions, including by exchanging information and documents with third parties (in particular, authorized settlement banks, clearing members, delivery operators and other persons with whom a relevant agreement has been concluded);

clearing account of a clearing member (clearing account) - an account opened for a clearing participant in the UCH clearing accounting system, in accordance with its internal documents for accounting of the rights and obligations of the clearing participant (clients of the clearing participant) for contracts/deeds/transactions, as well as information on the availability and movement of guarantee contributions (margin) of the clearing participant (clients of the clearing participant);

contracts/transactions/operations - derivative contracts, transactions regarding derivative contracts, commodity transactions concluded (carried out) on and outside the organized commodity market;

delivery operator – a legal entity that carries out accounting, storage, transportation, and transfer of exchange-traded goods;

escrow account - an account opened by the Clearing Member in the Settlement Bank on the basis of the comprehensive banking services agreement or the escrow account agreement that meets the requirements of the internal documents of the UCH in order to prevent the risk of default;

settlement bank – the servicing bank of the UCH/clearing participant, in which an account is opened for the UCH/clearing participant as a participant in non-cash settlements and/or which performs for such participant on contractual terms any of the operations or services provided for by the Law of Ukraine “On Banks and Banking Activities”;

clearing accounting system – internal accounting system of the UCH, which is used to keep records of rights and obligations under contracts/transactions/operations carried out in the interests of clearing participants and/or their clients, record information on collateral of registered persons, including funds and other assets credited/reserved/blocked/transferred to secure the obligations of

clearing participants, make settlements and/or deliveries and/or organize settlements and/or deliveries under concluded contracts/transactions/operations;

clearing member– a business entity that has concluded a clearing service agreement with UCH.

1.7. Other terms used in these Clearing Rules are used in accordance with the current legislation of Ukraine, including the Law of Ukraine "On Capital Markets and Organized Commodity Markets", the Law of Ukraine "On Commodity Exchanges".

2. PROCEDURE FOR ACQUIRING, SUSPENSION, TERMINATION OF CLEARING PARTICIPANT STATUS. REQUIREMENTS FOR CLEARING PARTICIPANTS

2.1. Clearing participants may be legal entities and individual entrepreneurs who have acquired the status of a participant in exchange trading on a commodity exchange with which the Clearing Agency has concluded a clearing agreement.

2.2. UCH provides clearing services to the clearing participant on the basis of the agreement on clearing services concluded with it, provided that it is registered in accordance with the procedure established by these Clearing Rules, internal documents of UCH and the legislation of Ukraine.

2.3. UCH, prior to the conclusion of a clearing service agreement, provides the person intending to become a clearing participant with the information specified in part five of Article 7 of the Law of Ukraine "On Financial Services and Financial Companies" by posting it in free access on the official website of UCH on the Internet at the address: <https://www.uaclearing.com.ua/>.

2.4. A person who intends conclude a clearing service agreement with UCH and become a clearing participant, must, in particular, meet the following requirements:

2.4.1. have an open bank (current) account that can be used to perform non-cash settlements with the UCH and other counterparties, and/or an escrow account opened in the settlement bank to secure the obligations of the clearing participant, make settlements in the clearing accounting system (regarding exchange commodities, securing obligations under commodity transactions for which funds are blocked/reserved as a one hundred percent or partial guarantee deposit for settlements using escrow accounts), if this is provided for by the relevant internal document of the UCH, which regulates the procedure for conducting clearing activities for a separate commodity market (direction / section) or for a specific exchange commodity (group of exchange commodities));

2.4.2. have a valid contract with the relevant delivery operator / accounting system administrator / other person who ensures the organization of delivery (if the presence of such a contract is a mandatory condition for the performance of a commodity transaction);

2.4.3. enter into other agreements, if provided for by the internal documents of the UCH, which regulate the procedure for conducting clearing activities for a separate commodity market (direction / section) or for a specific exchange product (group of exchange products);

2.4.4. have software and hardware, communication channels to maintain proper interaction with the UCH and other clearing participants and UCH that meet the requirements of internal UCH documents;

2.4.6. not have any prohibitions on establishing business relations with them, as defined by the internal documents of the UCH and/or the current legislation of Ukraine.

2.5. The person intending to become a clearing participant and the clearing participant must appoint a clearing account manager (s).

2.6. UCH may register a person as a clearing participant (client of a clearing participant), using, among other things, information (documents) provided to UCH by the commodity exchange as a result of the procedures for admitting such a person to exchange trading. The requirements for

such information (documents), their list, and the method of provision are determined by the agreement on clearing concluded between UCH and the commodity exchange.

UCH has the right to request additional documents and/or information in order to verify the compliance of the person intending to become a clearing participant with the requirements of the legislation and these Rules.

2.7. When registering persons who intend to become a clearing participant and/or a client of a clearing participant, the UCH assigns these persons a unique identification code (hereinafter referred to as the code) and enters information about such a registered person into the register of registered persons. The register of registered persons contains the following information:

- full or abbreviated (if available) name of the clearing member / client of the clearing member;
- identification code of the clearing participant in the Unified State Register of Legal Entities, Individual Entrepreneurs and Public Organizations;
- clearing member/clearing member client code;
- date of registration of the clearing member/client of the clearing member;
- location of the clearing participant;
- surname, first name, patronymic (if any) and position of the individual who, according to the constituent documents, has the right to act on behalf of the clearing participant without a power of attorney;
- contact information of the clearing participant;
- date of registration of the clearing participant;
- information about the exclusion of a clearing participant from the register of registered persons.

2.8. UCH has the right to establish separate procedures for admitting clearing participants to individual clearing operations, which are determined by internal documents of UCH.

2.9. UCH has the right to divide clearing participants into types/categories of clearing participants depending on the assessment of their credit risk level and/or on other grounds in accordance with the methodology approved by the Supervisory Board of UCH, which contains clear and transparent criteria for assigning a clearing participant to one of the types/categories of clearing participants. UCH has the right to apply different requirements to each type/categories of clearing participants, including with regard to collateral for the obligations of such clearing participants. The criteria for assigning clearing participants to certain types/categories and the requirements (including with regard to the amount of collateral) applied to each type/categories must be determined by an internal document regulating the specified issues for the relevant direction/section of UCH or for a specific exchange product (group of exchange products).

2.10. In the event of a significant change in the financial or technical condition of a clearing participant that casts doubt on its ability to fulfill its obligations as a clearing participant, the clearing participant's non-compliance with the requirements for clearing participants specified in these Clearing Rules, the clearing participant's debt for services provided, as well as in other cases specified by the internal document of the UCH, which regulates the procedure for conducting clearing activities for a separate commodity market (direction / section) or for a certain exchange product (group of exchange products), the UCH has the right to suspend the provision of services to such participant.

2.11. Temporary suspension (in whole or in part) of the provision of clearing services to a clearing participant/clearing participant's client, about which the clearing participant/clearing participant's client is notified by the UCH by receiving an information message to the e-mail address, may occur on the following grounds:

- suspension/termination of admission (access) to exchange trading in general or in the relevant direction/section of the commodity exchange or in a specific exchange product (group of exchange products);

- violation of these Clearing Rules and/or internal documents of the UCH and/or the current legislation of Ukraine, which regulates the provision of clearing services, including legislation on combating the legalization (laundering) of proceeds from crime, the financing of terrorism and the financing of the proliferation of weapons of mass destruction, and/or the terms of the agreement on clearing services, upon the occurrence of which the internal documents of the UCH provide for the suspension/suspension of the provision of clearing services to such a participant for a certain period of time, including in accordance with the internal document of the UCH on the application of sanctions to clearing participants;

- in the event of a failure by a clearing participant/client of a clearing participant to fulfill its obligations (default) that are admitted to UCH clearing, in accordance with the internal documents of the UCH, including those that regulate the specified issues for the relevant market / direction / section of the commodity exchange or for a specific exchange product (group of exchange products).

- in the event of termination of the agreement of the clearing participant with the delivery operator/banking institution or other person, if the presence of a relevant valid agreement is a condition for admission to clearing.

2.12. The Supervisory Board of the UCH may decide to terminate the provision of services to a clearing member/client of a clearing member for the following reasons:

- receipt of an application from a clearing participant to terminate the status of a clearing participant;

- violation or non-compliance with the requirements that a clearing participant must meet, as defined in these Clearing Rules, and/or the requirements for certain types/categories of clearing participants, as defined in these Clearing Rules and other internal documents of the UCH;

- termination of membership on a commodity exchange and/or termination of admission (access) to exchange trading in general;

- violation of the terms of the clearing service agreement and/or internal documents of the UCH, which was not eliminated within 3 (three) months from the date of the decision to temporarily suspend the provision of clearing services;

- to execute a decision of a court or other authorized body of state power of Ukraine;

- in the event of a clearing participant losing the status of a participant (entity) of the relevant commodity market;

2.13. Resumption of the provision of clearing services to a clearing participant/client of a clearing participant after temporary suspension/termination of the provision of clearing services occurs subject to the elimination of the reasons that were the reason for the temporary suspension/termination of the provision of clearing services.

3. RIGHTS AND OBLIGATIONS OF THE CLEARING INSTITUTION AND CLEARING PARTICIPANTS

3.1. A clearing participant has the right to:

3.1.1. receive timely and in full clearing services from UCH in accordance with these Clearing Rules, other internal documents of UCH and concluded agreements;

3.1.2. in accordance with the procedure provided for by these Clearing Rules, internal documents of the UCH and agreements concluded with the clearing participant, provide the UCH with information for registering the clearing participant, clients of the clearing participants and other necessary information;

3.1.3. receive information from the UCH about the temporary suspension of the provision of clearing services to the clearing participant/participant's client, the resumption of the provision of clearing services to the clearing participant/participant's client and the termination of the provision of clearing services to the clearing participant/participant's client;

3.1.4. receive reports and/or documents on transactions on clearing accounts from the UCH in the cases and in the manner provided for by these Clearing Rules, other internal documents of the UCH and concluded agreements;

3.1.5. receive information about the list of services provided by the UCH to clearing participants, the procedure and conditions for their provision, the internal documents of the UCH regulating the procedure for the provision of clearing services, the cost of clearing services, other information, the right to receive which is provided for by the legislation of Ukraine, the internal documents of the UCH and agreements concluded with the UCH;

3.1.6. other rights provided for by the legislation of Ukraine, these Clearing Rules, internal documents of the UCH and agreements concluded by the clearing participant with the UCH.

3.2. The clearing participant is obliged to:

3.2.1. provide UCH with documents and information in the scope and manner stipulated by the legislation of Ukraine, these Clearing Rules, other internal documents of UCH and concluded agreements;

3.2.2. comply with the requirements established by the UCH for clearing participants and/or certain types/categories of clearing participants, which are defined by these Clearing Rules and other internal documents of the UCH;

3.2.3. in accordance with the procedure and within the time limits specified in the internal documents of the UCH, inform the UCH of any changes in the contractual relations between:

- a clearing participant and its client, on the basis of which the clearing of the client's rights and obligations may be carried out by the UCH, if such changes may affect the clearing of the rights and obligations of such client, the clearing accounts of such client of the clearing participant, any actions regarding them and transactions under them, as well as the guarantee provided in respect of such client's clearing accounts;

- between a clearing participant and a delivery operator/banking institution or other person, if these relations are related to the process of providing clearing services;

3.2.4. provide information to its client about the cost of services and the risks for such client associated with each type of accounting of such client's rights and obligations offered by the UCH, as well as disclose other information to the client in accordance with the requirements of the law;

3.2.5. to observe the confidentiality regime of information that becomes available to a clearing participant in connection with his clearing services;

3.2.6. to fulfill the obligations undertaken in a timely and full manner;

3.2.7. to pay on time provided UCH services;

3.2.8. maintain its internal accounting in such a way as to be able to separate at any time its rights and obligations, information about the guarantee, contracts/transactions/operations, from rights and obligations, information about warranty coverage, contracts/transactions/operations their clients;

3.2.9. maintain individual records of rights and obligations, information on warranty coverage, contracts/transactions/operations customers;

3.2.10. provide the UCH with information on the criteria and risk management mechanisms that the clearing participant applies to its clients, for the purpose of implementing the UCH clearing of the rights and obligations of such clients;

3.2.11. to perform other obligations arising in accordance with the legislation of Ukraine, these Clearing Rules, other internal documents of the UCH and arising from the terms of the relevant concluded agreements.

3.3. The UCH has the right to:

3.3.1. collect, process and store any necessary information to identify, monitor and manage risks associated with the clearing of rights and obligations, including those relating to the clearing participant's clients;

3.3.2. receive information on the rules and procedures of interaction applied by the Clearing Member to its clients for the purposes of performance of the Clearing of such clients' obligations by the UCH;

3.3.3. require clearing participants and their clients to provide all necessary data (documents) for clearing, which must disclose the content of transactions that must be reflected in clearing accounts and/or internal accounting registers;

3.3.4. manage and carry out transactions with collateral in accordance with the requirements of current legislation, internal documents of the UCH and contracts concluded with delivery operators and settlement banks;

3.3.5. establish additional financial, operational and technical requirements that clearing participants must meet, as well as establish criteria for assigning clearing participants to certain types/categories and define requirements for them;

3.3.6. receive from clearing participants and other persons (in particular, the settlement bank, delivery operator, information agent, database administrator, etc.) documents and/or information necessary for the UCH to carry out clearing and/or fulfill the requirements of the legislation of Ukraine in the manner and to the extent provided for by the legislation of Ukraine, these Clearing Rules, the internal documents of the UCH and concluded agreements;

3.3.7. to admit obligations to clearing based on information on the results of exchange trading and/or other documents/information in accordance with these Clearing Rules and other internal documents;

3.3.8. terminate, temporarily suspend and resume the provision of clearing services to clearing participants in cases provided for by these Clearing Rules and internal documents of the UCH;

3.3.9. establish requirements for assets and/or instruments that may be provided by clearing participants as collateral;

3.3.10. establish and apply sanctions for violations of these Rules and the terms of the clearing service agreement;

3.3.11. other rights provided for by the legislation of Ukraine, the Clearing Rules, internal documents of the UCH and agreements concluded by the UCH with clearing participants.

3.4. The UCH is obliged to:

3.4.1. inform/provide the information contained in part five of Article 7 of the Law of Ukraine "On Financial Services and Financial Companies" to the person who intends to become a clearing participant, as well as provide other information, the obligation to provide which is established by law, at the request of the person who intends to become a clearing participant;

- 3.4.2. provide access to a person who intends to become a clearing participant to current agreements and other documents, the conclusion of which is necessary to obtain the status of a clearing participant, by posting such agreements and other documents on the official website of the UCH;
- 3.4.3. conduct constant monitoring of the clearing participant's compliance with the requirements for a clearing participant established by current legislation, these Clearing Rules, other internal documents of the UCH and agreements concluded with the UCH;
- 3.4.4. collect, process, store any necessary information to identify, monitor and manage risks associated with the clearing of rights and obligations, including those relating to the clearing participant's clients;
- 3.4.5. to identify, verify and carry out other due diligence measures regarding persons with whom business relations are established for the purposes of these Rules, as well as persons authorized to act on their behalf, in accordance with the procedure established by the legislation of Ukraine, including regulatory legal acts of the NSSMC, internal documents of the UCH;
- 3.4.6. timely and fully provide clearing participants with services provided for by these Clearing Rules, other internal documents of the UCH and concluded agreements;
- 3.4.7. open and maintain clearing accounts of clearing participants/clients of clearing participants in accordance with the requirements of the legislation of Ukraine, internal documents of the UCH and concluded agreements;
- 3.4.8. to keep records of the rights and obligations of clearing participants / clients of clearing participants under exchange agreements, the obligations under which are admitted to clearing, as well as funds placed in escrow accounts to ensure settlements, in accordance with the procedure specified in these Clearing Rules and other internal documents of the UCH;
- 3.4.9. provide clearing participants/clients of clearing participants with services provided for by these Clearing Rules;
- 3.4.10. when carrying out clearing activities, ensure the preservation of information that is confidential and/or professional secret, do not disclose or use it in their own interests or the interests of third parties;
- 3.4.11. develop a plan to ensure continuity and actions in the event of emergencies, which will provide for measures necessary to preserve the functions of the UCH, restore the continuity of service provision and/or fulfill the obligations of the UCH in the event of emergencies;
- 3.4.12. ensure the storage and access of persons who, according to the law, have this right, to all documents and other information provided for by the law, within 5 (five) years from the date of their receipt or preparation;
- 3.4.13. create a system to reduce the risks of non-fulfillment or improper fulfillment of obligations by clearing participants (clients of the clearing participant);
- 3.4.14. to perform other obligations arising in accordance with the legislation of Ukraine, these Clearing Rules, other internal documents of the UCH and arising from the terms of the relevant concluded agreements.

4. PROCEDURE AND CONDITIONS FOR ADMISSION OF OBLIGATIONS TO CLEARING

- 4.1. UCH clears only those rights and/or obligations that are allowed for clearing in accordance with the procedure and under the conditions established by these Clearing Rules and applicable legislation.

4.2. The UCH admits to clearing only those rights and/or obligations of clearing participants that arose in connection with the conclusion (performance) of contracts/transactions/operations.

4.3. Requirements for rights and/or obligations admitted to clearing by the UCH are:

4.3.1. rights and/or obligations arose under contracts/deeds/transactions concluded (performed) in the interests of registered persons;

4.3.2. exchange-traded goods that are the subject of rights and/or obligations are admitted to exchange trading on commodity exchanges with which UCH has concluded a clearing agreement, and are not restricted in circulation, except in cases of prior blocking/reservation for such exchange trading.

4.4. UCH performs clearing rights and/or obligations only under the following categories of contracts/transactions/operations:

- commodity derivative contracts that are not financial instruments and are deliverable;

- other deliverable derivative contracts that are not financial instruments;

- commodity transactions for each type of product that is an exchange commodity and is entered into the Register of Exchange Commodities on commodity exchanges with which the UCH has concluded a clearing agreement.

4.5. List of categories of contracts/transactions/operations, the clearing of rights and obligations for which is carried out by the UCH, is made public on the official website of the UCH.

4.6. Exchange commodities, for which settlements are made under commodity transactions, must not have any restrictions that may make it impossible to perform settlements and ensure delivery.

4.7. Grounds for denial of admission to clearing rights and/or obligations under contracts/transactions/operations are:

4.7.1. inconsistency of documents and/or information submitted by the clearing participant as a basis for admission of rights and/or obligations to clearing with the internal documents of the UCH;

4.7.2. the presence at the time of admission of rights and/or obligations to clearing of restrictions on the performance of actions under the contract/transaction/operation on the basis of which the right and/or obligation arose, and/or restrictions on the performance of operations with the asset that is the subject of such contract/transaction/operation, imposed by a court decision or a decision of a body authorized by law, information about which was provided to the UCH in accordance with the procedure established by law;

4.7.3. failure to comply with the requirements specified in clause 4.3 of these Clearing Rules;

4.7.4. exceeding the general limit on the amount of rights and/or obligations of a registered person, which may be cleared by the UCH for such a registered person, in accordance with internal documents and the agreement on clearing services (exceeding the powers of the authorized representative of the registered person to take appropriate actions).

4.7.5. default of a clearing participant under any contract/transaction/operation, the clearing of rights and obligations under which is carried out by the UCH in cases provided for by the UCH internal documents;

4.7.6. failure by the clearing participant to comply with the requirement of the UCH to pay (provide) collateral within the established deadlines and in the specified amount;

4.7.7. other justified reasons specified in the clearing service agreement with the clearing participant.

The consequences of such refusal are determined by the clearing service agreement and internal documents of the UCH.

5. PROCEDURE FOR MAINTAINING CLEARING ACCOUNTS

5.1. The accounting of the rights and/or obligations of clearing participants (clients of clearing participants) under contracts/transactions/operations, the rights and/or obligations under which are admitted to clearing, as well as information on the guarantee security of clearing participants, on the blocked/enrolled/reserved volume of exchange goods in the system of the delivery operator (in the case of securing obligations and organizing settlements/delivery with the participation of the delivery operator) is carried out by the UCH on clearing accounts. The description of the structure and sections of clearing accounts opened by the UCH is established by the internal documents of the UCH.

5.2. After registering a clearing participant, the UCH opens clearing accounts for the clearing participant and/or clients of the clearing participant (upon the application of the clearing participant) in the clearing accounting system. The UCH may open several clearing accounts for one clearing participant to keep records of the rights and/or obligations of clients of such a clearing participant.

5.3. UCH opens separate clearing accounts for each clearing participant. The clearing account of a clearing participant is a separate account from the accounts of the clients of such clearing participant. UCH enables a clearing participant to open clearing accounts for the clients of the clearing participant with individual accounting and/or with collective accounting.

5.4. If a clearing participant (a client of a clearing participant) is admitted to exchange trading on more than one commodity exchange, then the accounting of rights and obligations under contracts/transactions/operations concluded on such commodity exchanges, as well as information on collateral, is maintained by the UCH in the clearing account of the clearing participant (a client of a clearing participant) in the context of each of the commodity exchanges with which the UCH has concluded a clearing agreement.

If a clearing participant (a client of a clearing participant) on one commodity exchange is admitted to exchange trading in several markets / areas / sections, the UCH keeps separate records of rights and obligations under contracts/transactions/operations concluded on markets / areas / sections in the clearing account of the clearing participant (client of the clearing participant), as well as information on collateral, if this is provided for by the clearing agreement concluded between the UCH and the relevant commodity exchange.

In terms of the clearing account of a clearing participant (client of a clearing participant), the UCH may maintain detailed analytical accounting according to the parameters defined by the internal document of the UCH, which regulates the procedure for conducting clearing activities for a separate commodity market (direction / section) or for a specific exchange product (group of exchange products).

5.5. The amount of funds of one hundred percent or partial guarantee security for the settlements of a clearing participant, reserved to ensure the performance of commodity transactions on the conditional storage (escrow) account of such a clearing participant (trade participant), is reflected in the clearing accounting system of the UCH for Commercial Transactions by analytical accounting of rights to such funds in the relevant section of the clearing account of such a clearing participant as security for the performance of the relevant contracts/transactions/operations.

5.6. The funds of clearing participants / clients of clearing participants, which were provided (transferred) to the bank account of the UCH in order to secure the obligations of the clearing participant / client of the clearing participant, are reflected in the UCH clearing accounting system

by analytical accounting of rights to these funds as collateral in the relevant sections of the clearing account of the clearing participant / clients of clearing participants.

5.7. The maximum period of stay of deposited/reserved funds in the clearing accounting system without their use in the clearing process (except for funds used as collateral for clearing) is 365 calendar days. If no operations have been performed on the clearing account for 365 consecutive calendar days, then the UCH, without the order of the clearing participant, transfers funds, information about which is recorded in such a clearing account and which are not deposited/reserved in the clearing accounting system to secure the obligations of the clearing participant, make settlements or organize settlements under previously concluded contracts/transactions/operations, the clearing of rights and obligations for which is carried out by the UCH, to the bank account of the clearing participant or the client of the clearing participant.

5.8. The volume of blocked/reserved exchange goods (assets) in the delivery operator's system is reflected in the UCH clearing accounting system by analytical accounting of rights to these assets in the clearing accounts of clearing participants/clients of the clearing participant (in the case of securing obligations and organizing settlements/delivery with the participation of the delivery operator).

5.9. Collateral in forms other than cash provided to the UCH to secure the obligations of a clearing participant / client of a clearing participant is reflected in the UCH clearing accounting system by analytical accounting of rights to this collateral in the relevant sections of the clearing account of clearing participants / clients of clearing participants (in monetary terms and/or in units of measurement of the volume of goods or otherwise in accordance with the legislation or business practices).

5.10. When opening a clearing account for registered persons, UCH adheres to the following principles:

5.10.1. each clearing account shall have one escrow account opened to record the collateral for settlements (provided that the internal documents of the UCH stipulate that the collateral for obligations under certain commodity transactions shall be provided in the form of blocking/reserving funds as full or partial collateral for settlements using the mechanism of escrow accounts);

5.10.2. each clearing account must correspond to one or several analytical accounts in the accounting system of the UCH, intended for accounting for the guarantee security of the clearing participant/client of the clearing participant;

5.10.3. each clearing account must correspond to only one analytical account in the accounting system delivery operator for the relevant type of goods (provided that it is specified in the internal documents of the UCH that the security of obligations under certain commodity transactions is carried out in the form of preliminary blocking/reservation of the exchange commodity).

5.11. When opening and servicing UCH clearing accounts for individual accounting:

- no netting and liquidation netting of rights and obligations, funds, derivatives is carried out contracts, products and other assets that are recorded in different clearing accounts (except for cases specified by law);
- funds, products and other assets credited/reserved/blocked/provided for securing the obligations of clearing participants, making settlements or organizing, and/or ensuring settlements under contracts/transactions/operations recorded in one clearing account cannot be used to fulfill obligations under contracts/transactions/operations recorded in another clearing account;
- The UCH provides the ability to separate at any time the rights and obligations, as well as information about funds, derivative contracts, other financial instruments, products and other assets of any registered person and the UCH;

- UCH ensures accounting of rights and obligations regarding funds separately for each clearing account, and also provides the ability to calculate the total amount of rights and obligations regarding funds belonging to a specific clearing participant/clients of this clearing participant.

5.12. The UCH shall receive information on receipt of the collateral for the clearing member's settlements and information on the balances of funds on escrow accounts and its own bank account from the settlement bank and/or the bank of the trading participant in the manner specified in the agreement with such bank.

5.13. The status of the section of the clearing account intended for accounting of collateral for the clearing participant's settlements changes based on the information specified in clause 5.12. of these Clearing Rules.

5.14. The UCH receives information on the receipt of guarantee contributions from the clearing member from the settlement bank as they are credited to the UCH current account during the bank's operating hours and updates information on analytical accounts in the UCH clearing accounting system for accounting for guarantee contributions in accordance with the schedule determined by the UCH. The status of the section of the clearing account designated for accounting for guarantee contributions changes based on analytical accounting data of funds credited to the UCH current account as a guarantee contribution from the clearing member.

5.15. Crediting/debiting/blocking/unblocking operations on clearing accounts are carried out by the UCH on the basis of electronic documents provided to the UCH by the UCH settlement bank, the clearing member's settlement bank, and the Delivery Operator, the list and forms of which are determined by the UCH internal documents.

6. PROCEDURE FOR ACCOUNTING AND TERMINATION OF RIGHTS AND OBLIGATIONS UNDER CONTRACTS/DEEDS/TRANSACTIONS IN THE CLEARING ACCOUNTING SYSTEM

6.1. The UCH keeps records of the rights and obligations of clearing participants/clients of clearing participants for contracts/deeds/transactions on a gross basis and determines the volume of the position of the clearing member and/or the client of the clearing member in monetary and commodity terms for each contract separately.

6.2. The rights and obligations of clearing participants and their clients are recorded separately.

6.3. Accounting and termination of rights and obligations under contracts/deeds/transactions UCH is carried out by conducting the following operations on clearing accounts:

6.3.1. crediting/writing off obligations and/or rights to pay or receive cash for contracts/deeds/transactions for settlements between clearing participants – carried out on the basis of information from the settlement bank about the crediting/debiting of funds to current accounts/escrow accounts of clearing participants or to the UCH account;

6.3.2. crediting/writing off obligations and/or rights regarding guarantee security – is carried out on the basis of information on crediting/writing off funds on analytical accounts of the UCH accounting regarding funds credited by the clearing participant to the UCH bank account;

6.3.3. crediting/writing off obligations and/or rights from the acquisition/disposal or receipt of exchange-traded goods for contracts/deeds/transactions – is carried out on the basis of information about the blocking of the exchange product from the delivery operator, the administrator of the accounting system or another person who ensures the organization of delivery (if the listed persons provide the possibility of such preliminary blocking) or information about the implementation (possibility of implementation) of delivery by means of acquisition/alienation, re-registration of ownership rights to the exchange product (for contracts/transactions/operations, the organization of delivery of which is carried out with the participation of the persons listed in this subparagraph,

according to the internal document of the UCH, which regulates the procedure for conducting clearing activities for a separate commodity market (direction/section) or for a specific exchange product (group of exchange products));

6.3.4. blocking/unblocking of obligations and/or rights under contracts/transactions/operations shall be carried out on the basis of an electronic order generated by the UCH for each concluded and terminated contract/transaction/operation;

6.3.5. blocking/unblocking of obligations and/or rights regarding guarantee security - is carried out on the basis of information about the submission by the clearing participant of the corresponding application for the purpose of participation in exchange trading or at the order of the clearing participants.

6.3.6. other operations provided for by internal documents of the UCH.

6.4. Operations on clearing accounts are carried out by the UCH during clearing sessions sequentially for each contract/transaction/operation.

6.5. Termination of accounting for rights and obligations under contracts/transactions/operations in full or in part is carried out by acquiring/disposing of the exchange product in full or in part and making cash settlements for each of the contracts/transactions/operations in full or in part, or in cases of termination of obligations as a result of netting rights and/or obligations under contracts/transactions/operations of such registered persons.

6.6. Termination of accounting for rights and obligations under contracts/transactions/operations of a clearing participant may also be carried out as a result of applying the procedures for settling a default against a clearing participant or liquidation netting in accordance with the procedure provided for in these Clearing Rules, or in other cases specified by law or internal documents of the UCH .

7. PROCEDURE FOR PROVIDING REPORTS AND OTHER DOCUMENTS ON THE RESULTS OF CLEARING BY THE CLEARING INSTITUTION TO CLEARING PARTICIPANTS

7.1. UCH provides clearing participants with access to information on the amount of available collateral, agreements and accounts formed in accordance with concluded contracts/transactions/operations, as well as other documents and information, the provision of which is provided for by these Clearing Rules and internal documents of UCH in the clearing accounting system, on a daily basis.

7.2. By means of automation of the clearing accounting system for clearing participants, the UCH can ensure the formation and uploading of the following documents in the appropriate formats:

- accounts for transferring guarantee contributions to the bank account of the UCH;
- exchange contracts, derivative contracts;
- acceptance and transfer certificates of services provided regarding the write-off of the UCH commission;
- other documents created by the UCH in accordance with internal documents.

7.3. Clearing participants are provided with access to information on the status of clearing accounts, transactions on clearing accounts by contracts/transactions/operations, obligations for exchange-traded goods and cash by contracts/transactions/operations, the amount of collateral deposited, the part of collateral blocked/reserved for exchange trading, the insufficiency of collateral to cover exchange trading, and funds returned to the clearing participant's current account, using the software product used by the UCH for clearing accounting and/or the electronic trading system (ETS) of the commodity exchange with which the UCH has concluded a clearing agreement.

Upon written request of a clearing participant, the UCH shall provide on paper the information specified in this paragraph, as well as other information from the clearing accounting system relating to such a clearing participant, its client(s), and its(their) transactions, if the provision of such information is provided for by the current legislation of Ukraine and the relevant agreement.

8. PROCEDURE FOR PREPARATION, COMPILATION AND SEND OF DOCUMENTS FOR SETTLEMENT BY THE CLEARING INSTITUTION

8.1. Documents used in the conduct of clearing activities by the UCH, including for settlements under contracts/transactions/operations, are generated in electronic form using the software product used by the UCH for clearing accounting.

8.2. The procedures for drawing up documents used when carrying out commodity settlements under contracts/transactions/operations are regulated by the agreements concluded between the UCH and the supply operator/accounting system administrator/other person who ensures the organization of supply (in the case of securing obligations and organizing settlements with the participation of the persons listed in this paragraph).

8.3. The procedures for drawing up documents used when making monetary settlements under contracts/transactions/operations using escrow accounts are regulated by the escrow account agreement (regarding exchange-traded goods, the security of obligations under commodity transactions for which is carried out in the form of blocking/reserving funds, as a one hundred percent or partial guarantee for settlements using escrow accounts).

During the exchange of information with the settlement bank, the UCH receives information about the status of the escrow accounts of the clearing participants (clients of the clearing participants), about the receipt of funds to the UCH analytical account, intended for accounting for the guarantee deposit and withholding of the UCH commission. The UCH transmits to the settlement bank information about accrued obligations for payments under contracts/transactions/operations, the return of the clearing participant's funds from its escrow account, the return of the clearing participant's funds by transfer from the UCH bank account.

8.4. If monetary settlements under contracts/transactions/operations are carried out (in full or in part) by transferring the guarantee security (margin, guarantee contribution) to the UCH for inclusion in payment for the obligations of one clearing member to another clearing member that arose as a result of the conclusion (completion/performance) of the contract/transaction/operation, then the payment instructions of the clearing house must comply with the requirements of the legislation on payment services and contain the necessary identification data regarding the contract/transaction/operation and the clearing member that is a party to the contract/transaction/operation.

8.5. The creation and storage of documents used in settlements is carried out using a software product (a set of software products) used by the UCH to maintain clearing records in chronological order.

8.6. The procedure for conducting monetary and commodity settlements is carried out during the clearing session, unless otherwise specified by the internal document of the UCH, which regulates the procedure for conducting clearing activities for a separate commodity market (direction / section) or for a specific exchange product (group of exchange products).

9. PROCEDURE FOR ENSURING MONETARY SETTLEMENT ACCORDING TO THE RESULTS OF CLEARING OF CONTRACTS/DEEDS/TRANSACTIONS

9.1. The UCH defines exchange-traded goods for which the provision of monetary settlements between the parties to the contract/transaction/operation is carried out by applying the principle of

full or partial pre-reservation of collateral for settlements by the clearing participant (buyer) in the amount necessary for payment under such a contract.

9.2. For the purposes of reserving collateral for settlements, clearing participants use escrow accounts opened in the clearing participant's settlement bank or a bank account of the clearing agent.

9.3. In order to ensure cash settlements based on the results of clearing for commodity transactions, the UCH may conclude the following agreements with clearing participants (if this is provided for by the internal document of the UCH, which regulates the procedure for conducting clearing activities for a separate commodity market (direction / section) or for a specific exchange product (group of exchange products)):

9.3.1. an integrated banking services agreement (escrow account agreement) with a settlement bank that opens and maintains escrow accounts of the clearing members, according to which the UCH is a person authorized to determine the beneficiary for the bank to transfer funds from the clearing member's escrow account;

9.3.2. mandate agreement, under which the clearing participant instructs the UCH to represent its interests before the settlement bank on collateral issues and to perform all actions necessary to ensure full settlements under contracts/transactions/operations, as well as to represent its interests before the clearing participants - sellers;

9.3.3. other contracts, the conclusion of which is necessary to ensure the functioning of the provisioning system and/or organization of settlements, which is applied to the relevant market / direction / section or to a specific exchange product (group of exchange products).

9.4. The UCH, based on the concluded agreement provided for in clause 9.3.1 of these Clearing Rules, has the following powers:

9.4.1. receive information from the settlement bank about the balances of funds in the escrow account of the clearing participant;

9.4.2. provide payment orders to the settlement bank, on the basis of which payment under contracts/transactions/operations should be made;

9.4.3. approves the closure of the clearing participant's escrow account;

9.4.4. determines the beneficiary(ies) of the clearing participant based on the results of determining the rights and obligations under contracts/transactions/operations and initiates the debiting of funds from his escrow account;

9.4.5. verifies and confirms the occurrence of grounds for the settlement bank to transfer funds from the account in favor of the beneficiary(ies) or return funds to the clearing participant;

9.4.6. provides the settlement bank with a register of funds refunds in accordance with the requirements of the escrow account agreement and other information in accordance with the terms of such agreement;

9.4.7. taking any other actions necessary for the proper and full exercise of powers to ensure settlements under contracts/transactions/operations in full.

9.5. A clearing participant may transfer funds to its escrow account during the settlement bank's business day. Funds transferred to the escrow account may be used to settle contracts/transactions/operations of such a clearing participant in the amount necessary to make full or partial payment in accordance with the terms of the exchange agreement and internal documents of the UCH.

9.6. UCH may provide services for securing and organizing settlements under contracts/transactions/operations using UCH's current account in a settlement bank to carry out payment transactions for crediting and debiting guarantee deposits provided by registered persons

to secure their obligations. The procedure for interaction between UCH and clearing participants, as well as the requirements for processing payment instructions in such a case, are determined by the UCH Rules and/or an internal document that regulates the procedure for conducting clearing activities for a separate commodity market (direction/section) or for a specific exchange product (group of exchange products).

10. DESCRIPTION OF THE CLEARING ACCOUNTING SYSTEM

10.1. The UCH clearing accounting system provides the ability to:

- separation of rights and obligations, as well as information about funds, derivative contracts, financial instruments, products and other assets of any clearing participant and its clients from the rights and obligations, as well as information about funds, financial instruments, products and other assets of the UCH;
- separation of rights and obligations, as well as information about funds, derivative contracts, financial instruments, products and other assets of any clearing member and its clients from the rights and obligations, as well as information about funds, financial instruments, products and other assets of another clearing member and its clients;
- separation of rights and obligations, as well as information about funds, derivative contracts, financial instruments, products and other assets of a clearing member from the rights and obligations, as well as information about funds, financial instruments, products and other assets of clients of such a clearing member;
- reflection of changes in rights and obligations regarding funds, derivative contracts, financial instruments, products and other assets of the clearing participant on clearing accounts in the accounting system based on documents (information) from clearing participants, orders, documents (information) from the commodity exchange and other persons in accordance with these Clearing Rules and internal documents of the UCH;
- formation of statements from the clearing accounting system in accordance with the procedure established by the internal documents of the UCH or the agreement with the clearing participant.

Clearing accounting is maintained by the UCH using a software product that can be integrated with the ETS of the commodity exchange with which the UCH has concluded a clearing agreement, in terms of individual functionalities, and may also have a number of specialized modules.

10.2. The UCH clearing accounting system consists of:

- documents, including electronic documents, which are the basis for clearing rights and obligations;
- clearing accounts;
- internal accounting registers;
- reports to clearing participants;
- other reports and information generated during the conduct of UCH clearing activities.

10.3. General requirements for opening and maintaining clearing accounts of the UCH are established by Section 5 of these Clearing Rules. The description of the structure and sections of clearing accounts opened by the UCH are established by the internal documents of the UCH.

10.4. Documents on the basis of which the UCH performs clearing of rights and obligations and settlements under contracts/deeds/operations, as well as forms documents specified in these Clearing Rules, are provided to the UCH in the form of an electronic document in accordance with the requirements of the UCH's internal documents, relevant agreements with persons involved in organizing settlements.

In cases of emergency situations, in order to ensure the continuity of service provision, documents provided to the UCH for clearing rights and obligations and settlements under

contracts/transactions/operations and conducting clearing operations may be provided by clearing participants in another manner and in another form, as determined by the internal documents of the UCH and the relevant agreement.

10.5. The electronic documents provided to the UCH and on the basis of which it clears rights and obligations and settles contracts/transactions/operations include:

10.5.1. electronic documents generated and provided to the UCH by commodity exchanges and clearing participants as a basis for conducting transactions on clearing accounts in accordance with the UCH's internal documents;

10.5.2. electronic documents generated and provided to the UCH by supply operators, accounting system administrators or other persons ensure the organization of supply in accordance with relevant contracts (if any);

10.5.3. electronic documents generated and provided to the UCH by the settlement bank in accordance with the agreement concluded with it.

10.6. All documents provided to the UCH for the purpose of clearing rights and obligations and settlements under contracts/transactions/operations must fully disclose the content of clearing operations, which must be reflected in clearing accounts and/or internal accounting registers. If the specified documents do not contain all the necessary data for the purpose of clearing rights and obligations, the UCH has the right to require the provision of the necessary information.

10.7. The following are the source electronic documents of the UCH:

- electronic documents generated and provided to the UCH by delivery operators, accounting system administrators or other persons ensuring the organization of delivery (for markets / directions / sections and / or exchange products (groups of exchange products) determined by the UCH, securing obligations under contracts / transactions / operations carried out in the form of preliminary blocking / reservation of assets that are the subject of the contract / transaction / operation);

- electronic documents that are generated and provided to the settlement bank (for markets / areas / sections and/or exchange products (groups of exchange products) determined by the UCH, including securing obligations under contracts / transactions / operations for which is carried out in the form of preliminary blocking / reservation of funds, as a one hundred percent or partial guarantee for settlements using escrow accounts of registered persons or a UCH bank account);

- electronic documents that are generated and provided to clearing participants;

- other electronic documents that may be created during the conduct of UCH clearing activities.

10.8. When conducting clearing activities, the UCH forms internal accounting registers. Internal accounting registers include, among others, journals, records of turnover on clearing accounts, clearing records formed based on clearing account data, registers of accounting for clearing collateral, etc. Internal accounting registers are formed by the UCH in the form of an electronic document. The UCH ensures, if necessary, the production of a copy of this document on paper.

10.9. UCH registers all incoming and outgoing documents related to its clearing activities in the relevant internal accounting registers in a manner that allows for unambiguous identification of the document, the sender and/or recipient of the document, the date and time of receipt/sending of the document in the document management system.

10.10. Internal accounting registers used by the UCH when conducting clearing activities are intended for chronological and systematic display of information about:

- status of clearing accounts;

- changes that occurred in clearing accounts;

- documents that are the basis for clearing rights and obligations and reflecting the clearing result on clearing accounts;
- documents generated by the UCH when conducting its clearing activities.

10.11. Internal accounting registers ensure control of cash balances and exchange-traded goods on clearing accounts, verification of the correctness of clearing operations in terms of analytical accounts in the clearing accounting system.

11. DESCRIPTION OF THE RISK MANAGEMENT AND ASSURANCE SYSTEM

11.1. Risk management and assurance system of the UCH – is a set of measures taken by the UCH and aimed at reducing the risks of non-fulfillment or untimely fulfillment of obligations admitted to clearing.

11.2. The main risks in conducting UCH clearing activities are credit, operational, market and liquidity risks:

11.2.1. credit risk (counterparty risk) - the probability of losses or additional losses or failure to receive planned income of the UCH due to the fact that the counterparty will not be able to fulfill its contractual obligations to the UCH;

11.2.2. operational risk – the probability of losses or additional losses or failure to receive planned revenues of the UCH due to inadequate or unsatisfactorily organized internal processes, actions of employees or functioning of the UCH systems, as well as due to the impact of external events (except for strategic risk). Operational risks include:

- personnel risk associated with actions or inaction of the UCH employees, including making an error when conducting a transaction, committing illegal transactions (including fraud), associated with insufficient qualifications (risk of incompetence) or with abuse or inaction of personnel, abuse of authority, disclosure of insider and/or confidential information, in particular, due to insufficient motivation (motivation risk);

- information risk - the probability of adverse consequences caused by inadequate or unsatisfactorily organized internal processes of information exchange and storage, imperfect operation of information technologies, systems and information processing processes or their insufficient protection, including failure of software and/or hardware, equipment, information systems, means of communication and connection, violation of the integrity of data and information carriers, unauthorized access to information by third parties, threat to information availability, and other things that may lead to losses or additional losses or failure to receive planned income of the UCH;

- legal risk - the risk associated with the likelihood of losses or additional losses or failure to receive planned income of the UCH as a result of the application of unexpected sanctions to it for non-compliance with legal requirements due to the possibility of their ambiguous interpretation or as a result of the recognition of the terms of the contract as invalid for the same reasons;

11.2.3. market risks - the probability of losses or additional losses or failure to receive planned income of the UCH due to adverse changes in the market value of financial instruments or goods due to price fluctuations in four markets sensitive to changes in interest rates: the debt securities market, the equity securities market, the foreign exchange market and the commodity market. Market risks include:

- interest rate risk of the UCH portfolio, associated with the negative consequences of interest rate fluctuations on instruments in the UCH portfolio;

- equity (fund) risk associated with the negative consequences of price fluctuations in equity securities and derivative contracts, which are financial instruments whose underlying asset is such securities, as well as other financial instruments with non-fixed income;
- currency risk associated with the negative consequences of fluctuations in foreign currency and gold exchange rates;
- commodity risk associated with the negative effects of changes in the market value of commodities, including precious metals, and fluctuations in the prices of financial instruments whose underlying assets are commodities;

11.2.4. Liquidity risk - the probability of losses or additional losses or failure to receive planned income of the UCH due to the fact that the assets of the UCH cannot be converted into a liquid form to ensure the fulfillment of the UCH's obligations.

11.3. In order to reduce the risks of clearing participants and limit their possible impact on organized commodity markets, the UCH may apply the following measures or a combination thereof, taking into account the specifics of market participants:

11.3.1. application of guarantee security (margin) in the form of guarantee contributions or other forms of individual guarantee security to guarantee (full or partial) the obligations of the clearing participant arising in connection with its participation in trading and under concluded contracts/transactions/operations;

11.3.2. application of the technology of making settlements under contracts concluded as a result of exchange trading on the principle of "delivery versus payment" or "payment versus delivery" with mandatory prior placement (deposit/blocking) of funds, other forms of collateral, including goods that are the subject of the contract (transaction);

11.3.3. providing the possibility for a clearing participant to establish restrictions for individual counterparties or a list of persons regarding the possibility of concluding contracts in accordance with the risk management policies of such clearing participant;

11.3.4. setting limits on a counterparty to limit the consequences of a possible default of a clearing participant (limiting the volume of each contract that can be concluded and/or the total volume of contracts concluded with such a counterparty or net liabilities by counterparty);

11.3.5. other methods and tools for reducing risks.

11.4. If settlements under contracts/transactions/operations concluded based on the results of trading in the relevant direction/section and/or for a specific exchange product (group of exchange products) are carried out without one hundred percent prior deposit/reservation/blocking of assets that are the subject of the contract (transaction/contract/operation), then the UCH establishes a requirement for registered persons (clearing participants) to provide collateral in the form of a margin and determines its size. The Supervisory Board of the UCH has the right to make a decision on a temporary change in the approach to ensuring the fulfillment of obligations.

11.5. The list of measures and instruments aimed at reducing risks on organized commodity markets for the relevant market / direction / section and/or for a specific exchange product (group of exchange products) is determined by the UCH and established by an internal document that regulates the procedure for conducting clearing activities for a separate commodity market (direction / section) or for a specific exchange product (group of exchange products).

11.6. The types of obligations of a clearing participant for which the UCH may apply the requirement to provide collateral include at least the following:

- obligations to conclude and/or perform contracts/transactions/operations based on the results of exchange trading;
- payment or other (including goods delivery) obligations of the clearing participant;

- other obligations that arise for a clearing participant in connection with participation in or as a result of exchange trading, which are provided for by an internal document that regulates the procedure for conducting clearing activities for a separate commodity market (direction / section) or for a specific exchange product (group of exchange products).

The UCH may simultaneously apply different types of collateral (margin) to one or different types of obligations of a clearing member. In such a case, the total amount of collateral to be provided by an individual clearing member shall be communicated to the UCH for the information of such clearing member, with a disclosure of the structure by types of collateral that make up the total collateral requirement.

11.7. Provision of guarantee security (guarantee deposit, margin) by clearing participants is carried out by transferring funds to the bank account of the UCH or to the escrow account of the clearing participant, or in another manner determined by the internal document of the UCH, which regulates the procedure for conducting clearing activities for a separate commodity market (direction / section) or for a specific exchange product (group of exchange products).

The guarantee contribution in the form of cash is recorded by the UCH in the appropriate section of the clearing account, which corresponds to one or more analytical accounts (general or separate) of the clearing participant in the internal accounting system of the UCH and/or one conditional storage (escrow) account of the clearing participant.

11.8. UCH may apply various types of guarantee security (including guarantee contributions) to one or different types of risks arising in connection with participation in exchange trading or as a result of concluded contracts/transactions/operations, including:

- credit risks of the clearing participant (risks of inability to fulfill its obligations);
- market risks associated with changes in the market value of an exchange-traded product or derivative contract;
- other risks inherent in this category of contract (agreement)/transaction, if this is provided for by an internal document regulating the procedure for conducting clearing activities for a separate commodity market (direction/section) or for a specific exchange product (group of exchange products).

11.9. The UCH may allow the use of other forms of collateral than cash, which must be directly determined by an internal document that regulates the procedure for conducting clearing activities for a separate commodity market (direction / section) or for a specific exchange product (group of exchange products). In such a case, the specified internal document must necessarily contain a list of types of collateral, conditions and procedure for using other forms of collateral, risk management measures and restrictions aimed at reducing the risks arising from the use of the relevant collateral.

11.10. The UCH has the right to establish requirements for assets and/or instruments that the UCH has determined to be such that may be used as collateral. The UCH has the right to establish requirements for the execution and content of bank guarantees, as well as to determine the procedure for accreditation of banks that may provide bank guarantees for the purposes of using them as collateral.

11.11. UCH independently and on its own behalf exercises all rights to assets deposited in the relevant accounts of such person or provided as collateral. UCH ensures that it has the rights to freely dispose of the assets constituting collateral.

11.12. In the event of a clearing participant's failure to fulfill its obligations, the UCH shall recognize the event of default of such clearing participant and apply default management procedures to it, which are aimed at minimizing the negative impact of the specified event on its counterparties and on the status of the clearing participant's fulfillment of its other obligations.

11.13. To reduce operational risks when conducting clearing activities, UCH takes the following measures:

- identification of events, circumstances, factors that are (or may become) causes of legal, operational and technological risk, personnel risk and calculation of the probability of their occurrence;
- development of a system of indicators of operational risks and setting limits on their critical value and monitoring them, conducting self-assessment;
- use of reliable technical, software, information, technological systems and means of communication and liaison that correspond to the number, complexity and volume of operations UCH;
- checking the resilience of the UCH to software and hardware failures at least once a year;
- clear demarcation of powers and responsibilities between management bodies, officials, individual structural units and employees UCH, regulating their powers and responsibilities by relevant provisions on structural units and job descriptions of employees;
- other measures aimed at reducing legal, operational, technological and personnel risks.

12. DESCRIPTION OF THE INFORMATION PROTECTION SYSTEM

12.1. The UCH has created an information protection system (hereinafter referred to as the IPS) in accordance with the Law of Ukraine “On Information Protection in Information and Telecommunications Systems”, the Law of Ukraine “On Personal Data Protection”, the Rules for Ensuring Information Protection in Information, Telecommunications and Information and Telecommunications Systems, approved by the Resolution of the Cabinet of Ministers of Ukraine dated 29.03.06 No. 373, the Concept of Technical Information Protection in Ukraine, approved by the Resolution of the Cabinet of Ministers of Ukraine dated 8.10.97 No. 1126, the Regulations on Technical Information Protection in Ukraine, approved by the Decree of the President of Ukraine dated 27.09.99 No. 1229/99, as well as the requirements of the regulatory legal acts of the NSSMC regarding information protection when conducting professional activities on capital markets and organized commodity markets.

12.2. Information that is created, collected, received, used, distributed, protected and stored by the UCH in the process of conducting activities is classified as restricted information, except for information that is public according to the legislation. Disclosure of information that is classified as confidential by its legal regime is carried out in accordance with the procedure and taking into account the requirements specified by the legislation.

12.3. Information with restricted access includes, in particular, information on clearing participants (clients of clearing participants), information on clearing accounts of clearing participants, information on transactions carried out for the benefit of or on behalf of clearing participants, contracts/deeds/operations carried out by them; information on the activities and financial and economic status of clearing participants, etc.

12.4. The UCH is obliged to ensure the protection of information, including restricted information, by implementing organizational and technical measures aimed at preventing loss, theft, unauthorized destruction, distortion, forgery, copying and uncontrolled dissemination of restricted information.

12.5. The tasks of managing the Information Security System and monitoring its functioning, performing work to determine information protection requirements in the information and telecommunications system of the UCH, designing, developing and modernizing the Information Security System, as well as operating, servicing, maintaining the operability of the Information Security System, and monitoring the status of information security are assigned to the Information Security Service, which is a non-staff unit of the UCH.

12.6. The tasks of the Information and Telecommunications System (ITS) of the UCH are:

12.6.1. implementation of the adopted information security policy;

12.6.2. ensuring the delimitation of ITS users' access to the ITS functions of the UCH, as well as the delimitation of user access to objects containing information subject to protection, in accordance with the adopted security policy;

12.6.3. ensuring the confidentiality, integrity and availability of information processed in the ITS UCH;

12.6.4. ensuring registration of actions of ITS users of the UCH in relation to ITS functions and objects containing information subject to protection;

12.6.5. ensuring information protection against the introduction of malicious software code (viruses, Trojans, etc.) into the ITS of the UCH;

12.6.6. protection against network attacks;

12.6.7. protection of information processed in the ITS UCH when transmitted through an unsecured environment;

12.6.8. blocking unauthorized actions with information requiring protection and other resources of the ITS of the UCH, localization of these actions and elimination of their consequences;

12.6.9. ensuring the availability of information and functions of the ITS UCH for its users, as well as the fault tolerance of ITS components;

12.6.10. ensuring monitoring of the actions of users and personnel, registration, collection, storage, processing of data on events related to information security, notification of the security administrator about such events;

12.6.11. maintaining the integrity of critical resources of the protection system, the execution environment of application programs and information in the ITS of the UCH that requires protection;

12.6.12. ensuring management of IPS resources and control over its functioning.

12.7. Measures to prevent the implementation of threats, which are the basis of the UCH ITS Security Policy, are considered in the context of risk management and include the following:

12.7.1. definition and implementation of authorization policies for administrators, users and processes;

12.7.2. definition and implementation of event audit policy and monitoring of system operation;

12.7.3. definition and implementation of access control policies for administrators and users;

12.7.4. use exclusively secure access interfaces to system components;

12.7.5. defining policies and implementing measures to ensure the resiliency of the system's computing resources;

12.7.6. implementation of measures to back up information assets of the system;

12.7.7. analysis of data entered into system applications;

12.7.8. procedure for accessing and exchanging system information;

12.7.9. ensuring measures to control physical access to system resources;

12.7.10. determining the procedure for implementing and operating protective equipment;

12.7.11. introduction of a security equipment configuration management system;

12.7.12. work with personnel;

12.7.13. organizational measures for technical maintenance of system components.

12.8. UCH uses the following tools to protect information:

12.8.1. Delimitation of access to resources. The authorized person of the UCH registers and configures the powers of the UCH ITS administrators.

12.8.2. Cryptographic information protection. To protect information transmission channels and apply a qualified electronic signature, IPS tools are used that have valid positive expert opinions based on the results of state expertise in the field of cryptographic information protection. IPS tools are used in accordance with the requirements of operational documentation for them.

12.8.3. Antivirus protection. Licensed software is used on servers and workstations of the UCH IPS, the operating rules of which are determined by the UCH information security standards.

The antivirus protection system implements the following functions:

- protection of servers and administrator workstations from infection with computer viruses;
- antivirus scanning of all media with information and data coming from external objects;
- event registration and notification of suspicious activity;
- ensuring automatic deletion or placement in a special directory accessible only to the administrator of detected files infected with unknown types of malware.

12.8.4. Backup, maintenance of operability and management of IPS. The UCH ensures backup, takes measures to maintain the operability of the UCH IPS and ensures storage of media with reference and backup copies of the network equipment configuration, and performs recovery in the event of failures.

12.8.5. Ensuring monitoring of IPS operation. The UCH performs an audit of events regarding administrator authentication, their access to protected objects, processing and analysis of registered information about security-critical events, and also ensures periodic monitoring of software operation - reviewing events recorded in event logs.

12.8.6. Establishes the procedure for IPS modernization. Carrying out modernization during the operation of the IPS of the UCH, associated with the replacement/expansion/modernization of its individual components, should not lead to a decrease in the level of information security policy in the IPS.

12.8.7. Establishes the procedure for protecting the physical environment of the IPS. The physical environment of the IPS functioning of the UCH is equipped as follows:

- the entrance to the building where the ITS components are located is controlled by security;
- access to the premises is allowed only to persons who have the right to do so. If necessary, unauthorized persons are in the premises only when accompanied by an authorized person of the UCH;
- in order to prevent unauthorized access to the premises in which the IPS components are located, they are additionally equipped with a security alarm system;
- the premises are equipped with ventilation, fire extinguishing systems and guaranteed uninterrupted power supply.

12.8.8. Monitoring the status of information protection in IPS. Monitoring is carried out at least once a year in order to identify and prevent violations that may lead to unauthorized actions and influences that lead to leakage, destruction, blocking, violation of the integrity of information or changes in the access mode to it.

12.9. The calendar plan of work on information protection in the IPS of the UCH is approved by the executive body (director) of the UCH and determines the composition, sequence and timing of

work on information protection circulating in the IPS. The calendar plan contains the following sections:

- organizational measures for information protection;
- regulatory and legal measures;
- preventive measures;
- engineering and technical measures;
- work with personnel.

13. FINALITY OF SETTLEMENT AND CASES OF APPLICATION OF THE LIQUIDATION NETTING PROCEDURE

13.1. Valid, legal, irrevocable and binding (including on third parties) are documents created and accepted for execution by the UCH and containing information on contracts/transactions/operations (including the register of exchange transactions) concluded by the clearing member/client of the clearing member, a party to which is insolvent, until the decision to declare such person insolvent is made public. Obligations of the Clearing Member/Client of the Clearing Member arising from the conclusion (execution) of such contracts/trades/transactions on the UCH shall be valid, legal, irrevocable and binding (including on third parties) from the moment of their admission to clearing.

The start of execution of the UCH documents provided for in this clause is recorded using the automation of the clearing accounting system.

13.2. A party to a contract/transaction/operation is recognized as insolvent in the event of:

1) opening of bankruptcy proceedings against it by a commercial court, namely: entry into force of a decision to open bankruptcy proceedings or a decision to open insolvency proceedings of an individual or an individual entrepreneur / entry into force of a record to the Unified State Register of Legal Entities, Individual Entrepreneurs and Public Organizations on the decision of the founders (participants) of a legal entity or a body authorized by them to liquidate the legal entity;

2) the adoption of a decision by the NSSMC or the National Bank of Ukraine regarding it:

a) the introduction of a temporary administration and/or the appointment of a temporary administrator and/or the removal of management, provided that any of such decisions has the effect of restricting or postponing the possibility of transferring assets or transferring funds;

b) revocation (cancellation) of the license to provide financial services and/or liquidation, provided that any of such decisions has the effect of restricting or postponing the possibility of transferring assets or transferring funds;

c) classifying the bank as insolvent.

3) the occurrence of other grounds provided for by current legislation, upon the occurrence of which a person may be declared insolvent.

13.3. For the purposes of applying these Clearing Rules, the moment when the UCH became aware of the existence of grounds for declaring a party to a contract/transaction/operation insolvent in accordance with clause 13.2 of these Clearing Rules shall be deemed to be the earlier of:

a) receipt by the UCH of the relevant decision/resolution/information directly from the clearing participant/client of the clearing participant/body that made such a decision, in accordance with the procedure established by law;

b) obtaining information by the UCH as a result of the official publication of the relevant decision/resolution.

13.4. From the moment when the UCH becomes aware of the existence of grounds for recognizing a party to a contract/transaction/operation as insolvent in accordance with clause 13.2 of these Clearing Rules, the obligations under the contract/transaction/operation of the clearing member/client of the clearing member to which the liquidation netting procedure is applied shall be terminated by:

13.4.1. implementation of the UCH calculation of the net value of the obligations of the clearing member/client of the clearing member to whom the liquidation netting procedure is applied, as parties to the contract/transaction/operation, under one commodity transaction or several commodity transactions that existed as of the liquidation netting date and was concluded by such parties with reference to the obligation for the liquidation netting procedure.

The calculation of the net value of the obligations of a clearing member/clearing member's client to whom the liquidation netting procedure is applied is carried out on the liquidation netting date, broken down by each counterparty under contracts/transactions/operations, using the following formula:

$$N = \sum B_{\Gamma} - \sum \mathcal{Z}_{\Gamma} + \sum_i ((\sum B_{\Gamma} - \sum \mathcal{Z}_{\Gamma})_i * \Pi_i), \text{ where}$$

N – calculated value of the net obligation of the clearing member/clearing member's client, to which the liquidation netting procedure is applied,

B_{Γ} – claim of a clearing member/client of a clearing member to whom the liquidation netting procedure is applied, expressed in cash, under a contract/transaction/operation where the clearing member/client of a clearing member to whom the liquidation netting procedure is applied is the seller,

\mathcal{Z}_{Γ} – the obligation of the clearing member/client of the clearing member to whom the liquidation netting procedure is applied, expressed in cash, under a contract/transaction/operation where the clearing member/client of the clearing member to whom the liquidation netting procedure is applied is the buyer,

B_{Γ} – commodity claim of the clearing member/client of the clearing member to whom the liquidation netting procedure is applied, under a contract/transaction/operation, where the clearing member/client of the clearing member to whom the liquidation netting procedure is applied is the buyer, for the i -th commodity recorded in the clearing accounting system,

\mathcal{Z}_{Γ} – commodity obligation of the clearing member/client of the clearing member, to which the liquidation netting procedure is applied, under a contract/transaction/operation, where the clearing member/client of the clearing member, to which the liquidation netting procedure is applied, is the seller, for the i -th commodity, which is recorded in the clearing accounting system,

Π is the price corresponding to the price of the i -th commodity, which is determined based on the results of exchange trading on the date of liquidation netting or another date on which such a price was last determined.

If calculated the net liability value of the clearing member/clearing member's client to which the liquidation netting procedure is applied is a positive value, this means that this amount is payable to the clearing member/clearing member's client to which the liquidation netting procedure is applied by the other party to the liquidation netting in the context of each counterparty under contracts/transactions/operations. If the calculated net liability value of the clearing member/clearing member's client to which the liquidation netting procedure is applied is a negative value, then this amount is payable by the clearing member/clearing member's client to which the liquidation netting procedure is applied to the other party to the liquidation netting in the context of each counterparty under contracts/transactions/operations.

13.4.2. termination of the UCH as of the date of liquidation netting of all existing obligations under contracts/transactions/operations, regardless of their content and/or term (term) of performance, concluded by the clearing participant/client of the clearing participant to whom the liquidation

netting procedure is applied, with reference to the obligation to conduct liquidation netting for the parties to such contracts/transactions/operations, in the following sequence:

a) replacement in accordance with Article 604 of the Civil Code of Ukraine of obligations that existed as of the date of liquidation netting with new monetary obligations, the amount of which is equal to the value of the obligation calculated in accordance with clause 13.4.1. of this clause. In this case, it is considered that the deadline for fulfilling the requirements under such new monetary obligations has come;

b) termination of new monetary obligations provided for in subparagraph "a" of this subparagraph by offsetting counterclaims of the same kind under such obligations.

13.5. The UCH calculates the value of the net liabilities of the clearing participant/client of the clearing participant, to which the liquidation netting procedure is applied, in UAH in relation to other clearing participants/clients of the clearing participant, who are parties to contracts/transactions/operations, separately:

13.5.1. For contracts/deeds/transactions concluded at the expense of the clearing participant in all registers;

13.5.2. For contracts/transactions/operations concluded at the expense of the clearing participant's clients in all registers.

13.6. Liquidation netting is not performed by the UCH in the following cases:

13.6.1. the terms of the clearing service agreement do not provide for the possibility of liquidation netting;

13.6.2. an application for accession to the clearing service agreement is submitted to the UCH after the date of adoption of the decision specified in clause 13.2. of these Clearing Rules.

13.7. Conducting the liquidation netting UCH and applying for recovery on the subject of encumbrance, which ensures the fulfillment of the obligations of the clearing participant/clients of the clearing participants as parties to the liquidation netting procedure, in respect of which the decision provided for in clause 13.2. of these Clearing Rules has been made and, under one or more contracts/transactions/operations, is carried out out of court and does not require any consent and/or approval of such clearing participant, its client or any other person.

13.8. UCH shall send a notification of termination of obligations under commodity transactions to the clearing participant whose obligations are terminated as a result of liquidation netting within 3 business days after the date of termination of such obligations in the manner and form provided for in the liquidation netting agreement.

13.9. UCH shall notify the other party to the contract/deed/transaction, one party of which is a clearing participant, whose obligations are terminated as a result of liquidation netting, by sending a notification to their email addresses about the termination of such obligations within 3 business days after the date of termination of such obligations.

13.10. The funds of the clearing participant (its clients/client) remaining at the disposal of the UCH after the termination of obligations as a result of liquidation netting shall be returned to the clearing participant (its client/clients) in accordance with the procedure provided for in the liquidation netting agreement and/or the internal documents of the UCH, which regulate the procedure for conducting clearing activities for a separate commodity market (direction/section) or for a specific exchange product (group of exchange products).

13.11. When concluding a clearing service agreement with UCH, the clearing participant agrees to the mandatory conduct of the liquidation netting procedure of UCH as a person conducting clearing activities, under the terms and procedure established by these Clearing Rules, in the event that such a clearing participant / client of the clearing participant is recognized as insolvent.

14. FINAL PROVISIONS

14.1. Issues related to the provision of UCH clearing services that are not regulated by these Clearing Rules are regulated by other internal documents of UCH and the legislation of Ukraine.

14.2. Clearing service agreements are concluded by the UCH with persons intending to acquire the status of clearing participants by submitting to the UCH an Application for accession to the clearing service agreement (Annex 1 to these Clearing Rules), which has the status of an accession agreement within the meaning of Article 634 of the Civil Code of Ukraine.

Printed on letterhead

UKRAINIAN CLEARING HOUSE
LIMITED LIABILITY COMPANY

APPLICATION

about joining to the clearing service agreement

In accordance with Article 634 of the Civil Code of Ukraine, by signing and submitting this Application for accession to the Clearing Services Agreement (hereinafter referred to as the Application) to the UKRAINIAN CLEARING HOUSE Limited Liability Company (hereinafter referred to as the UCH),

_____, represented by _____, acting on the basis of _____, joins the terms of the Clearing Service Agreement (hereinafter referred to as the Agreement), which is posted on the official website of the UCH at: www.uaclearing.com.ua.

By signing this Application, _____ certifies that:

- is familiar with all the terms of the Agreement, the Rules for conducting clearing activities of UCH and other internal documents of UCH that regulate the procedure for providing clearing services;
- fully understands the content of the Agreement, the meaning of the terms and all its conditions, assumes the rights and obligations of the clearing participant, unconditionally agrees with them and undertakes to comply with the Rules for conducting clearing activities of the UCH and all other regulatory and internal documents of the UCH, without exception, that regulate the procedure for providing clearing services;
- voluntarily concludes the Agreement in accordance with the terms and conditions specified on the official website of the UCH on the Internet at: www.uaclearing.com.ua, by joining it in full;
- agrees to all amendments to the Agreement and other internal documents of the UCH regulating the procedure for providing clearing services that will be made to them in the future;
- familiarized with the information contained in part five of Article 7 of the Law of Ukraine "On Financial Services and Financial Companies";
- the information received is sufficient to assess the risks, tariffs and costs associated with obtaining the status of a clearing participant and using the services of the UCH.

PARTICIPANT DETAILS:

Legal address: _____

Bank details:

Identification number: _____

« _____ » _____ 20 _____

(position for legal entity)

(signature)

(Full name Surname)