

### 1 Introduction

As a provider of clearing service, Nordea as in the role as General Clearing Member (GCM) offers, as a part of Nordea's custody Services, clearing for CCP-eligible securities of participants who do not perform this activity themselves. The GCM service is only offered in connection with other custody services.

Nordea as a GCM of an EU Central Counterparty (CCP) describes in this document, in accordance with Article 39 of the European Market Infrastructure Regulation (EMIR) the cost structure associated with type of account and level of segregation supported by Nordea:

- Omnibus client segregated accounts (OSA) and
- Individual client segregated accounts (ISA)

According to Article 39 is a clearing member offering clearing required to:

- Publicly disclose the associated costs and the different levels of segregation, individual or omnibus client segregated accounts, available for clearing.
- Provide clients with information of the different levels of protection offered and describe the main legal implications of the respective level of protection.

The material is provided as additional information and from a business perspective guidance to further assist the Clients in their choice, between an Omnibus client Segregated Account (OSA) and an Individual client Segregated Account (ISA), which best favours their profile and needs.

### 2 Individual Segregated Accounts and Omnibus Segregated Indirect Clearing account

Nordea will as a General Clearing Member (GCM) at the CCP, capture all Non-Clearing Members (NCM) trades, provide trade reporting as well as cover the overall collateral requirements towards the CCP. The administration of collateral towards the CCP will be handled by Nordea and will consist of Nordea proprietary holdings only.

The collateral pledged by the NCM client in favor of Nordea will be based on their exposure.

Nordea offers in the role as a General clearing member, NCM clients through an indirect clearing arrangement to choose between an omnibus (OSA) or an individual segregated account.

#### **Omnibus Client Segregated Account (OSA)**

Omnibus Client Segregated Accounts are set up in Nordea's name but is held and maintained on behalf of clients on a collective basis.

#### **Individual Client Segregated Account (ISA)**

Individual Client Segregated Accounts are set up in the Nordea's name and are held and maintained of a single client separated from other clients.

An individual segregated account and the supporting of such an account generally requires increased administration and additional costs related to funding and margin handling as well as segregation of collateral coverage in a segregated collateral account(s).

### **3 NCM clients fee structure**

Our free structure on the GCM Service is based on our costs charged by the CCP. The price covers administration, contribution to default fund, interoperability fund, collateral management, operational costs and reporting.

Nordea's consideration when calculating client fees is based on account structure, traded volume, collateral arrangements as well as risk related to clients cleared transactions. Additional factors affecting the cost structure is a client's relationship with the Nordea group, credit rating and the complexity of the client's business.

Nordea will charge a fixed fee for costs arising from the maintenance of accounts and operational administration. Furthermore, Nordea will charge a transaction fee is volume based and covers the costs related to the administration of the bilateral trades executed on the respective venues.

All contribution to the default fund, interoperability fund, initial and the variation margin will be covered by Nordea.

The NCM clients collateralize their calculated margin bilaterally to Nordea.

All cost generated at the CCP by the NCM Client will be forward to the Client.

**Nordea's fee structure for NCM clients kept on an Omnibus client segregated account:**

Nordea minimum fees in EUR	Denmark	Finland	Norway	Sweden
Nordea fixed fee	3000/ monthly			
Nordea Gross fee	0.05/ per gross transaction			

**Nordea's fee structure for NCM clients kept on an Individual client segregated account:**

Nordea minimum fees in EUR	Norway
Nordea fixed fee	6000/monthly
Nordea Gross fee	0.05/ per gross transaction

Please note that fee structure may be subject to change and will be amended from time to time.

Please see relevant CCP's fee schedule:

EuroCCP:

<https://euroccp.com/document/regulation-fees-and-penalties-may-2019/>

SIX-X-clear

<https://www.six-group.com/securities-services/en/home/clearing/products/pricings-six-x-clear.html>

#### 4 General

This document is only an indication of the cost structure associated with the account types described below.

The disclosure should not be used for making decision on investment, legal, regulatory, tax, accounting or any other issue.

Please be advised that this document does not take all aspects into consideration. The document should be read together with the relevant legal disclosure published on Nordea's webpage. To choose between Nordea's services, please see additional information published on the local Nordea website.