



RBC Europe Limited

EMIR and MiFID Client Clearing Fees Disclosure Document

Introduction

The European Market Infrastructure Regulation¹ (EMIR) and Markets in Financial Instruments Directive² and Regulation³ (collectively MiFID II) require that the European Central Counterparties (CCPs) and their Clearing Members shall publicly provide:

1. Client Clearing Fees Disclosure (as set out in this Document); and

Discloses the prices and fees associated with the clearing services provided. Clearing Members must disclose the prices and fees of each service provided separately, including discounts and rebates and the conditions to benefit from these reductions.

2. Client Clearing Disclosure

Discloses the levels of protection and the costs associated with the different levels of segregation that are provided. Details of the different levels of segregation should include a description of the main legal implications of the respective levels of segregation offered including information on the insolvency law applicable in the relevant jurisdictions and publicly disclose the general terms and conditions under which such services are provided.

RBC Europe Limited (“RBCCEL”) Clearing Prices and Fees - Overview

RBCCEL operates a cost-plus charging model, i.e. all costs discussed in this document are solely the charges imposed by RBCCEL for the provision of clearing services to you and are in addition to any other applicable charges imposed by external parties such as exchanges, clearing houses, CCPs, or external brokers.

As described in the following table, RBCCEL's clearing fees are determined on the basis of a client's:

- current and future relationship with RBC Capital Markets;
- credit rating and business activity profile;
- operational and service complexity, including levels of account segregation; and
- any additional services provided.

¹ Regulation (EU) No 648/2012 of the European Parliament and of the Council of 4 July 2012 on OTC derivatives, central counterparties and trade repositories.

² Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU (recast)

³ Regulation (EU) No 600/2014 of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Regulation (EU) no 648/2012



All of these factors are taken into consideration when determining a client's standard fee structure on either a cost per lot or per trade basis, including the ability to benefit from any discounts or rebates

RBCEL Clearing Prices and Fees – Core Criteria

The core criteria which impacts the cost to RBCEL of clearing and therefore a client's overall fee structure is set out below. Each factor is considered separately and will have a varying impact on the fees charged.

Criteria	Lower Fees	Higher Fees Product
Product Type	Listed derivatives	OTC cleared derivatives Exchange Traded Products
Exchange Traded Products	Mature or STP markets	Bespoke or non-STP markets
Execution Method	Direct market access	Voice execution
Trading Volumes	High	Low
Contract Settlement	Cash	Physical
Onboarding Complexity	Low complexity, single account standard offering	High complexity, multiple accounts or bespoke legal terms
Collateral Type	Cash collateral	Non-cash collateral
Client Credit Rating	Strong rating	Lower rating
Number of Accounts	Low	High
Average pricing	Straight through processing	Manual
Allocation process	Allocation pre-clearing	Allocation post-clearing
Client Reporting	Standard	Customised

RBCEL Clearing Fees – Standard Fees for Omnibus Accounts

Standard fees are indicative of our standard client pricing model for omnibus accounts held at all European Exchanges and CCPs under EMIR/MiFID II, taking into account all the cost factors included in the Table above.

All fees are negotiated with each client individually based on the criteria set out above.

- Indicative standard fees for listed products across all Exchanges and CCPs with no discounts or rebates are typically charged a maximum fee of EUR 10 per contract
- Significant discounts/rebates may apply where annual client activity is high and product/service requirements are standard



Individual Segregation Accounts– Additional Costs and Fees

As per Article 39(5) and 39(7) of EMIR and Indirect Clearing RTS⁴ of MiFID II, a Clearing Member shall offer its clients, at least, the choice between omnibus client segregation and individual client segregation and inform them of the costs and level of protection associated with each option.

Additionally, where RBC Europe Limited as a Clearing Member provides indirect clearing services, we must offer our clients a choice of a basic omnibus segregated account and a gross omnibus segregated account and inform them of the costs and level of protection associated with each option.

Due to factors such as significantly higher operational complexity (and development investment), the individually segregated account structures will result in higher direct account costs at the CCP and for the Clearing Member.

Therefore, RBCEL will apply an additional maximum monthly maintenance charge of €10,000.

Additional Services (optional)

The fees charged by RBCEL may increase where, at RBCEL's discretion, a client is offered, and takes advantage of, some or all of the additional services described below.

Collateral Management Fees

Clients are charged a monthly collateral management fee based on the utilisation of non- cash collateral to cover margin requirements, the eligibility of the collateral at the underlying exchange and collateral concentration risks.

Cash and Collateral Transformation

Where a client needs the ability to use cash/assets that are not eligible for onward delivery to an applicable CCP, RBCEL offers a cash/collateral transformation service.

- Collateral charges will be assessed in light of the type of non-eligible collateral, its quality and liquidity.
- A credit and debit interest rate with an additional spread will be applied for positive and negative cash balances in each currency. The interest rates are based on prevailing benchmark rates in each currency.

⁴ Commission Delegated Regulation (EU) No 2017/2154 supplementing Regulation (EU) No 600/2014 with regard to regulatory technical standards on indirect clearing arrangements, and Commission Delegated Regulation (EU) No 2017/2155 amending Commission Delegated Regulation (EU) No 149/2013 with regard to regulatory technical standards on indirect clearing arrangements.



Bespoke Technology or Operational solutions

RBCEL can, for example, provide regulatory reporting solutions (i.e. a delegated EMIR trade report facility).

Maintenance Fee (MF)

In addition to the standard fees, RBCEL may apply a monthly Maintenance Fee (MF) where the client activity is not sufficient to sustain the ongoing costs of servicing their accounts.

The MF varies from €2,000 a month to a maximum of €10,000 a month for the provision of both listed derivatives and OTC clearing.