



## FIA DOCUMENTATION SERVICES

# FIA updates User Guide to FIA Terms of Business 2018 (Version 2.0)

FIA continuously monitors legal and regulatory developments in the UK and in the EU with a view to assessing their impact on the FIA Terms of Business 2018. Following the latest review, we recently published an updated version of the User Guide to the FIA Terms of Business 2018 (Version 2.0), as well as updated versions of certain FIA Indirect Clearing Terms. This briefing explains at high-level the changes that have been made to the updated 2023 version of the User Guide. It needs to be read in conjunction with a separate summary that outlines the changes made to the FIA Indirect Clearing Terms.

The updated User Guide features the following changes and new sections:

- optional language for the Clause 9.4 (Retained Margin);
- amendments to the two-way default provisions in respect of indirect clearing arrangements;
- a new BRRD section;
- a new Indirect Clearing section; and
- a new EU CCPRRR section; and
- consequential amendments.

New Chapter 13 provides an explanation of the Bank Recovery and Resolution Directive (BRRD) requirements regarding the contractual recognition of bail-in and stays and contains drafting suggestions to comply with these requirements.

New Chapter 14 provides an explanation of the requirements applicable to indirect clearing and an introduction to the FIA indirect clearing documentation.

New Chapter 15 provides an explanation of the requirements applicable to clearing service providers under Article 63 of EU CCP Recovery and Resolution Regulation (EU CCPRRR), drafting suggestions to comply with these requirements, and a suggestion for a communication to notify clients of the resulting amendments to the FIA Terms of Business 2018.

### EU CCPRRR CM Disclosures

In addition to the drafting suggestions and client notification template included in Chapter 15 of the User Guide, FIA recently completed its work on producing industry standard documents that help clearing members of EU CCPs meet their requirements under EU CCPRRR Article 9(23) and Article 87(7). They include information about (i) how measures in a CCP's recovery plan may affect clients (Article 9(23)), and (ii) the potential losses or other costs that clients may bear as a result of the application of the default management procedures and loss and position allocation arrangements under the CCP's operating rules (Article 38(8) of the European Market Infrastructure Regulation (EMIR), which is introduced by Article 87(7) of CCPRRR). More information is available [here](#) and the relevant disclosures are available [here](#).

The updated User Guide to the FIA Terms of Business 2018 (Version 2.0) in clean and blackline can be found [here](#) and is available to all existing subscribers free of charge. If you need more information or if you have issues accessing the document, please contact Mitja Siraj, VP Legal, Europe at [msiraj@fia.org](mailto:msiraj@fia.org).