

European Market Infrastructure Regulation

Pricing Disclosure

LME Clear Limited (“LME Clear”) is currently the EU Central Counterparty (“CCP”) for business conducted on the London Metal Exchange (“LME”). Scotiabank Europe plc (“SBE”) is a clearing member of LME Clear and as such SBE is required to comply with the provisions of the European Market Infrastructure Regulation (“EMIR”) for derivatives transactions that are cleared.

Pursuant to EMIR, when entering into a derivatives transaction that SBE subsequently clears through a CCP, including LME Clear, SBE must:

- offer its clients a choice of an Individual Segregated Account (“ISA”), Net Omnibus Segregated Account (“NOSA”) or Gross Omnibus Segregated Account (“GOSA”);
- publicly disclose the different levels of protection and costs associated with each account type; and
- describe the main legal implications of each account type.

The purpose of this document is to disclose the costs associated with a NOSA, GOSA and an ISA respectively.

Cost Structure of Segregated Accounts at LME Clear

NOSA or GOSA with LME Clear: all account fees for a NOSA or GOSA are currently met by SBE. However, SBE reserves the right, in its absolute discretion, to charge any applicable CCP and/or exchange fees on a rateable basis in the future subject to giving reasonable written notice of its intent to start charging fees in respect of a NOSA or GOSA.

ISA with LME Clear: In respect of an ISA with LME Clear, SBE currently charges an annual account fee of US\$1,700 per annum, in addition to other associated costs including but not limited to all applicable CCP and/or exchange fees associated with providing a credit facility to fund margin requirements. The annual account fee is charged on the opening of such an ISA and each anniversary thereafter. All other costs are invoiced on a monthly basis. SBE will give reasonable written notice of increases to annual account fees and other associated costs.

Other Service Fees

SBE will pass on to you fees that we incur for your account when transacting on the LME. SBE will only charge you the client side of a transaction, paying the execution side itself. The [LME](#) and [LME Clear](#) fee schedules are posted on the LME website. Please note that these schedules may be amended from time to time by the LME or LME Clear, SBE will not be responsible for advising you of any changes. These fees will be calculated and an invoice sent to you a month in arrears. All fees owed to SBE will be due for settlement upon receipt of the invoice.

In addition to this document a Clearing Member Disclosure Document (“Disclosure Document”) that generally describes the different levels of protections and main legal implications of each type of account is available on our [website](#). The Disclosure Document has been compiled under the auspices of the FIA and the International Swaps and Derivatives Association (“ISDA”) on behalf of their respective members. Please note that due to the generic nature of the Disclosure Document, it may contain certain information that is not relevant to business conducted on the LME and/or the services or account types that LME Clear or SBE provide in that connection.

Please note that neither this document nor the Disclosure Document (separately or together) constitute or should be considered to constitute legal or any other form of advice as to which type of segregation and/or account type is suitable for any client and should not be relied upon for this purpose. In particular SBE expressly directs its clients to the disclaimer set out in footnote 1 of the Disclosure Document and the important notice set out on page 2 of the Disclosure Document.

Neither this document nor the Disclosure Document (separately or together) provide or are intended to provide all the information needed for clients to make a decision on which account type or level of segregation may be suitable for them. Clients are advised to take their own legal, regulatory and/or other advice and conduct their own due diligence in this regard.