



Clearing Applicant Questionnaire

Classification: Confidential

Applicant Name:

Risk: If you respond “No” to any of the following questions please provide further detail (attach additional pages if necessary):		Yes	No
1.	Does the Applicant have a robust risk framework in place that enables the Applicant to: <ul style="list-style-type: none"> - evaluate and measure risk on an on-going basis, and - where deficiencies are identified, put in place actions to address those deficiencies? 		
2.	Does the Applicant have a risk register identifying the key risks to its business?		
3.	If applicable, is the organisation regularly audited by the parent company?		
4.	Are the Applicant’s “risk principles” defined or approved by the parent company?		
5.	Have appropriate assessments been performed by the Applicant to ensure that it has sufficient financial resources and operational capacity to meet its obligations as a member of the CCP and on behalf of its clients (if applicable)?		
6.	In the event of a failure of your nominated SPS bank(s) does the Applicant have contingency arrangements in place to ensure continuity of margin payments?		
7.	Does the Applicant have appropriate Business Continuity Arrangements in place in relation to connectivity problems or problems with the operational systems used for the exchange of information with the CCP)?		
8.	Is the Applicant’s operational area responsible for interfacing with the CCP, or managing the Member’s clearing operations sufficiently resourced?		

Legal & Regulatory If you respond “Yes” to any of the following questions please provide further detail (attach additional pages if necessary) including: <ul style="list-style-type: none"> - the question number that the event relates to; - the date of the event; - any amounts involved; - the outcome; - an explanation of the circumstances. 		Yes	No
1.	Has a petition for the bankruptcy or compulsory winding-up of the Applicant or the application of an equivalent insolvency procedure to the Applicant been presented in any jurisdiction at any time in the previous five years?		
2.	Is the Applicant aware that any such petition is pending?		

3.	Has any subsidiary of the Applicant been compulsorily wound up or subject to any equivalent type of insolvency event or process in any jurisdiction at any time in the previous five years?		
4.	Has the Applicant, at any time in the previous five years in any jurisdiction, had a receiver or administrator (or equivalent in the relevant jurisdiction) appointed, failed to satisfy a debt adjudged due, or come to a compromise or similar arrangement over a debt with any of its creditors?		
5.	Has the Applicant firm ever been the subject of a corporate restructure, because of any form of insolvency or otherwise?		
6.	Has the Applicant or any of its current executive officers, directors or controllers (including parent undertakings) ever been: <ul style="list-style-type: none"> - criticised, - censured, - investigated (other than as part of normal monitoring and surveillance procedures with no adverse findings), - disciplined, - suspended, - expelled, - fined, or - subject to any other disciplinary intervention action by any financial services regulator, government body or self-regulatory body in the UK or overseas? 		
7.	Has the Applicant ever been subject to any order of any regulatory body, self-regulatory body or government body, requiring the Applicant to cease or suspend any portion of its business?		
8.	Have the Applicant's books and records been requisitioned or seized, in the previous five years, by any regulatory body, government body or self-regulatory body in the UK or overseas?		
9.	Has the Applicant, or any of its executive officers, directors or controllers (including parent undertakings), ever been the subject of any criminal investigations or proceedings?		
10.	Has the Applicant ever been convicted of any offence involving fraud or other dishonesty or an offence under legislation (whether in the UK or elsewhere) relating to companies, building societies, industrial and provident societies, credit unions, friendly societies, insurance, banking, mortgages, other financial services, insolvency, consumer credit or consumer protection?		
11.	Has the Applicant been the subject of any civil investigations or proceedings or arbitration in the past five years?		
12.	Have any steps been taken with regard to the Applicant, in the previous five years, under the default rules or disciplinary powers of an investment exchange or clearing house? If "yes", please provide full details.		
13.	Is the Applicant involved in any proceedings, investigations or other		

	events referred to in any of the questions in this questionnaire which are not yet determined, or are any such proceedings, investigations or other such events pending?		
14.	Is the Applicant aware of any other information that may be material to this application and should be disclosed prior to consideration for Member Status? This may include, but is not limited to, information from Internal or External Auditors or Regulatory Bodies.		
15.	Does the Applicant perform an annual self-assessment of the control environment, and if so is the assessment tested by an external party e.g. ISAE 3402? If "yes" please provide a copy.		

Compliance If you respond "No" to any of the following questions please provide further detail (attach additional pages if necessary):		Yes	No
1.	Do you confirm that, to the best of your knowledge, within the past 12 months or at this time, the organisation has not been/is not under investigation by any regulator or law enforcement agency in connection with allegations of money laundering, terrorist financing, or failure to report suspicious transactions?		
2.	Does the country where the organisation is established have laws designed to prevent money laundering and terrorist financing?		
3.	Do these laws comply with the standard of FATF Recommendations?		
4.	Is the organisation subject to those laws?		
5.	Does the organisation have a "whistleblowing" policy in place to protect employees if they report any suspicious activity?		
6.	Has the organisation established written policies and procedures designed to combat money laundering and terrorist financing (i.e. an "AML Program")?		
7.	Does the organisation have a compliance program that includes a designated compliance officer who is responsible for coordinating and overseeing the AML Program on a day-to-day basis?		
8.	Does the organisation require that its AML Program applies to all offices, branches, and subsidiaries, both located in the home country and outside of the home country?		
9.	Has the organisation implemented clear procedures for the identification of its customers in order to confirm the legitimacy of the customers' business activities?		
10.	Does the organisation maintain records of customer identification, account files and correspondence for a minimum period of five years?		
11.	Does the organisation have policies and procedures covering		

	relationships with politically exposed persons (“PEPs”) consistent with industry best practices?		
12.	Do you confirm that the organisation does not conduct business with banks having no physical presence in any countries (i.e. shell banks)?		
13.	Has the organisation developed written policies and procedures which document the processes designed to prevent, detect and report suspicious transactions to its relevant authorities?		
14.	Does the organisation have an established audit and compliance review function which tests the adequacy of its AML program?		
15.	Does the organisation provide appropriate training to relevant staff about money laundering and terrorist financing?		
16.	If applicable has the applicant offered its clients, at least, the choice between omnibus client segregation and individual client segregation, informed them of the cost and obtained confirmation of the clients choice in writing?		

Authorised by (Authorised Signatory):

Signature:

Name:

Date: