

**Notice regarding approval by the UK Financial Conduct Authority ("FCA") to apply the intragroup transaction exemption from the requirement to exchange collateral under Article 11(3) of Regulation (EU) 648/2012 on OTC derivatives, central counterparties and trade repositories ("EMIR")**

**London, 9 January 2018** --- This notice is being made in connection with the public disclosure requirement set out in Article 11(11) of EMIR.

MUFG Securities EMEA plc ("**MUFG Securities**") hereby announces that it has received approval from the FCA on 17 December 2018 to apply the intragroup transaction exemption from the requirements of Article 11(3) of EMIR. Article 11(3) of EMIR requires financial counterparties to exchange collateral with respect to uncleared OTC derivative contracts in relation to counterparties that belong to the same group as MUFG Securities (the "**Exemption**").

The Exemption has been granted by the FCA in respect of the following counterparty:

Counterparty	Country of establishment
MUFG Americas Holding Corporation	USA

The Exemption is not subject to any limits with respect to notional amount, asset class, or the type of derivative contract.

This Exemption is time-limited and will expire on either:

- (i) if no equivalence decision has been adopted pursuant to Article 13(2) of EMIR in respect of the country of establishment of the Counterparty, 4 January 2020; or
- (ii) if an equivalence decision has been adopted pursuant to Article 13(2) of EMIR in respect of the country of establishment of the Counterparty, the later of: (x) 4 months after the date of entry into force of such equivalence decision; and (y) the date on which the requirements to exchange collateral would take effect pursuant to EMIR, as supplemented by Commission Delegated Regulation (EU) 2016/2251 (as amended, the "**Margin RTS**").

MUFG Securities will not exchange initial margin in respect of any uncleared OTC derivative contracts that it enters into with the Counterparty whilst the Exemption is in effect.