

LCH.Clearnet SA: Fixed Income

17 December 2013

Fixed Income New Tariff Structure

Dear Fixed Income Participant,

Following a review of the Bonds & Repos fee structure, the below updated tariffs will be applied to repo transactions with effect from 1st January 2014. The charges applicable to cash bond trades will remain unchanged

Fixed income Clearing Services Fees

I. Clearing fees

A. Minimum Activity Charge (MAC)

This section remains unchanged. Please use the following link to see details on this section

http://www.lchclearnet.com/fees/sa/products/fixed_income.asp

B. Clearing fees

LCH.Clearnet SA charges a fee for each transaction cleared. The clearing fees are invoiced on a monthly basis.

Buy/Sell Transactions

A fixed fee of € 0.40 per million nominal is charged. These clearing fees are calculated as soon as the transaction is registered.

Repo transactions

The Repo clearing fee is composed of two distinct elements:

A fixed processing fee of €2.75 per repo trade **(From €1.00 per repo trade)**

Plus an ad-valorem component (applied to the nominal value of the repo) based on the term of the trade, calculated incrementally against a tiered annualised rate:

The first 1-7 days: 0.00375% **(From 0.00275%)**

The next 8-90 days: 0.00350% **(From 0.00225%)**

The next 91+ days: 0.00200% **(From 0.001%)**

Clearing fees for repo transactions are calculated on the basis of duration i.e. the number of calendar days between the commencement date and the termination date of the repo (excluding the commencement date), with an annual basis of 360 days. They are charged after the termination date falls due.

II. Clearing services

This section remains unchanged. Please use the following link to see details on this section

http://www.lchclearnet.com/fees/sa/products/fixed_income.asp

Fixed income Treasury Fees

Fees on Collateral

These rates are applied on the 3rd business day of the following month.

A. Cash

LCH.Clearnet SA applies the following interest rates:

LCH.Clearnet SA applies the following interest rates on EURO cash assets:	
• Transactions payments:	EONIA minus 0.175% (From minus 0.30%)
• Default fund payments:	EONIA
LCH.Clearnet SA applies the following interest rate on GBP cash assets:	
• Transactions payments:	GBP Rate minus 0.35%
• Default fund payments:	GBP Rate
LCH.Clearnet SA applies the following interest rate on USD cash assets:	
• Transactions payments:	USD Rate minus 0.30%
• Default fund payments:	USD Rate

Notes:

GBP rate is based on Daily SONIA Rate

USD rate is based on Daily Fed Fund Effect Rate

LCH.Clearnet SA will continually review this against market conditions

B. Securities

This section remains unchanged. Please use the following link to see details on this section

http://www.lchclearnet.com/fees/sa/treasury_fees.asp#

C. Central Bank Guarantee

This section remains unchanged. Please use the following link to see details on this section

http://www.lchclearnet.com/fees/sa/treasury_fees.asp#

This document constitutes a notice in respect of fees in accordance with clause 7.2 of the LCH.Clearnet SA Admission Agreement.

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