

LCH.Clearnet SA: Cash Equities and Listed
Derivatives

22 October 2013

EMIR update: account structure implementation and offering update

Dear Member,

To comply with EMIR, LCH.Clearnet SA is offering a large range of segregation choices serving different commercial and operating models. These operating models ensure the minimum (OSA Net) to maximum (ISA) of protection as required under EMIR.

- Stage 1: Since June 2013, LCH.Clearnet SA has conducted Members' meetings to present the EMIR requirements and impacts for the CCP and its members. From the second half of September, LCH.Clearnet SA has set up Clearing Members' targeted account structures in test environment.
- Stage 2: We are currently processing stage 2 of the EMIR Implementation. Since beginning of October, Members are required to test their account structure to ensure the compatibility with their own systems and to validate their readiness (Bulletin sent on 1st of October 2013).

While the account structures tests aim at checking new flows and routing rules, we would like to update you on our Cash Equity commercial offer.

Our Cash Equity offer has been enhanced to give our Members even more flexibility in regards to their account structures by allowing their clearing process to mirror their settlement arrangements at CSDs level. Thus, LCH.Clearnet SA will offer the possibility to setup from one to several Delivery Account(s) at CCP level (please refer to slide 4 of the attached slide pack).

Next steps:

- **4th November:** LCH.Clearnet SA will start implementing the target account structures in technical production.
- **Before 15th of November:**
 1. For Listed Derivatives: members will have to sign off their final account structure and send it back to their account manager
 2. For Cash Equity: would you require some amendments in your account structure as per the attached slide pack, please submit them to your account

manager.

- **Before 29th of November (Cash Equities only):** members will have to sign off their final account structure and send it back to their account manager
- **13th December 2013:** all our Members must have their target account structures in technical production.

Important notes :

- Before being implemented in production, the final account structures must be acknowledged by Members and tested at least during 15 days in the testing environment.
- Members currently using a single Collateral Account for their Cash Equities and Listed Derivatives activities must go in production with their two related account structures at the same time.
- The EMIR Rule Book will be enforceable at a date still to be confirmed, subject to regulatory approval.

Should you need further information, please do not hesitate to contact your account manager.

Kind Regards,

Christelle Girard - Head of Cash Equities - LCH.Clearnet SA
Delphine Feyrit - Head of Listed Derivatives - LCH.Clearnet SA

For further information please contact:

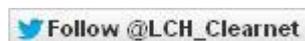
Cash Equities business line:

Véronique Melun Dit Maurel - Tel: +33 (0)1 7037 6654 - veronique.melunditmaurel@lchclearnet.com
Leila Aissiouene - Tel: +33 (0)1 7037 2836 - leila.aissiouene@lchclearnet.com

Continental Listed Derivatives business line:

Nicolas Ribolowsky - Tel: +33 (0)1 7037 6703 - nicolas.ribolowsky@lchclearnet.com
Kees Toussain - Tel: +31 20 524 5974 - kees.toussain@lchclearnet.com

Website: www.lchclearnet.com



To unsubscribe, should you want to add or to remove contacts please just send us back to lchclearnet_info@lchclearnet.com