



Member Notification

Risk Notice 2018-009

26th January 2018

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Markets Cash, Derivatives, Fixed income and CDS

ESMA Recommendation – Request for Information of Aggregate CCP Exposure Figure

This Circular is to inform Clearing Members of LCH Group's implementation of the ESMA Recommendation which was included in the ESMA report "EU-wide CCP Stress test 2015".

The ESMA Recommendation states the following:

ESMA recommends that the National Competent Authorities ensure that supervised CCPs consider in their participation requirements and as part of the initial and ongoing assessment of the credit worthiness of their clearing members, the amount of losses that their members could be exposed to, due to their participation in multiple CCPs taking into account the potential losses of mutualised prefunded and not prefunded resources, on the basis of data that need to be provided by clearing members.

In order to implement the Recommendation, LCH asks all Clearing Members to submit an aggregate figure of their exposure to all CCPs (including exposure to LCH), distinguishing pre-funded resources (i.e. default fund contributions) and non-pre-funded resources.

Information Required

Clearing Members are required to complete the reporting template with the aggregate exposure figures as of **31st December 2017**. The reporting template can be found [here](#). The information must be returned to LCH Credit Risk GroupCreditRisk@lch.com no later than **28th February 2018**.

The request for this data will be made once a year.

Further Information

If you require any further information or have any questions, please email the Credit Risk team at GroupCreditRisk@lch.com