

LCH. Ltd EquityClear Fees

Effective from 1 February 2017

To view previous EquityClear fees [click here](#)

All cleared volumes across all the trade sources cleared through the LCH Ltd EquityClear service are cumulative in recognition of our aim to offer the broadest venue coverage and netting efficiencies to our members. The EquityClear tariff structure supports members existing business whilst incentivising growth.

Members are encouraged to consolidate their cash equity business through the EquityClear service which offers economies of scale to members that conduct more business and across multiple trade venues.

The average daily volume (“ADV”) of the clearing member will be determined by the number of trades cleared throughout the month, then divided by the number of business days in the month.

Members are required to meet the criteria in the table below, which is based on the clearing members’ activity across RIE’s, MTF’s, other trade source, the markets cleared (Central Securities Depositories “CSDs”) and their average daily volume.

The simple fee structure with its easy to follow criteria allows clearing members to see the fixed fee that will be applied to each cleared trade throughout the month.

Members can reduce costs further by using the ‘family groupings’ discount facility that is available upon request.

The fee structure highlights LCH Ltd’s commitment to offer competitive fees that benefit its members. The tariff is structured to incentivise growth and reward those members that use the service.

In recognition of member’s commitment to the LCH EquityClear service, members can benefit from the new tariff whilst planning and developing their systems prior to migration.

Should you have any questions regarding the fee structure please contact:

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Band	Criteria				Fee (£)
	RIEs	MTFs	Markets	ADV	
Band 1	-	-	1	-	0.0600
Band 2	3	1	1	20,000	0.0200
Band 3	3	3	4	250,000	0.0080

Band 4	3	3	4	450,000	0.0070
Band 5	3	3	4	550,000	0.0060
Band 6	3	3	4	650,000	0.0050
Band 7	3	3	4	750,000	0.0040
Band 8	3	3	4	1,000,000	0.0030
Band 9	3	3	4	1,250,000	0.0025
Band 10	3	3	4	1,500,000	0.0020
Band 11	3	3	7	2,000,000	0.0018
Band 12	3	3	10	2,500,000	0.0015

Example: 21 working days in the month & Member ADV 561,244 with trade venue coverage:

RIE's 3, MTF's 3, Markets 4, ADV >550,000 & <650,000 = 0.006p per cleared trade

Calculation = 561,244 X 0.006p X 21 = Monthly fee £70,716.74

The following trade venues are considered RIEs:

- London Stock Exchange for SETS, IOB and IET
- Nasdaq Copengagen
- Nasdaq Stockholm
- Nasdaq Helsinki
- Oslo Bors
- SIX Swiss Exchange

The following are considered MTFs and trade sources:

- Aquis Exchange
- BATS
- Chi-X
- Clearway
- Equiduct
- Nasdaq, for First North
- SIGMA X MTF
- SIX Liquidnet
- Traiana
- Turquoise
- UBS MTF

CFD's will be charged at a flat rate of 10p per cleared trade

LCH Ltd passes through all settlement related fees to its members at cost.

[For all settlement related Fees](#)

Interoperable settlements

A charge will be applied of 15p per settlement, per CCP which we settle against per CSD. The charge does not apply to settlements in Euroclear UK and Ireland, for settlements in SIS resulting from executions on SIX Swiss Exchange with no cross venue netting or for settlements in Euroclear Bank from executions on London Stock Exchange International Order Book and/or International ETFs with no cross venue netting

Buying-in fee

£125 per ISIN. Plus additional cost of purchasing the securities.

Failed settlement costs

Fixed penalty £20.00 per day, per net failed settlement.

For registered market makers and subsequent market making business in their registered less liquid ISIN's £2.00 per day, per net failed settlement.

An ad valorem charge of a SONIA based rate, plus 1%, / 365, will be applied to the current sterling value of the failing net settlement, per day. Currently the applicable rate is 0.004%. The rate will be reviewed periodically and is subject to change.

Failed settlement compensation

The EquityClear service will compensate clearing members with the Ad valorem charge, where EquityClear fails to deliver securities to its clearing members in the following markets and the corresponding CSDs:

Compensation will be credited to members at a rate of 70% of the Ad valorem fee charged.

Market	CSD
Austria	OeKB
Belgium	Euroclear Belgium
Czech Republic	CDCP
France	Euroclear France
Germany	Clearstream Frankfurt
Hungary	KELER
Netherlands	Euroclear Netherlands
Poland	KDPW
Portugal	Interbolsa
Spain	Iberclear

LCH will not rebate members in the following markets and the corresponding CSDs :

Market	CSD
UK	Euroclear UK & Ireland
Norway	VPS
Denmark	VPC
Finland	Euroclear Finland
Sweden	Euroclear Sweden
Depository Receipts & ETFs	Euroclear Bank
Switzerland	SIS

All credits and debits will be itemised within the existing month end report EREP0028- Fees-Fails charges

Trade Adjustments

This service will allow members to reduce the number of failed settlements

The net off service is available where the CSD does not offer technical netting. We request Clearing Members adhere to the procedures listed below

No more than 5 ISIN requests per day, per member mnemonic

LCH will only process net off requests where the following conditions are met:

- The member has a failed sale transaction(s) that has reached ISD+3
- The member has one or more purchase transaction(s) that create a netting opportunity
- The purchase transaction(s) must have failed for at least 1 business day

Net off request forms must be obtained from and submitted to equityclear.ops.uk@lch.com by no later than 12pm London time. LCH will make best efforts to process the net off request(s) as soon as possible on the day of receipt. However, it is possible that delays could occur due to excessive volume.

The net off fee is charged on a per security basis. For two transactions a GBP 50.00 charge will be applied, a further GBP 10.00 will be charged for each additional transaction requested to net off. Please see below example:

Net off 1

ISIN ABC RVP 10

ISIN ABC DVP 10

Charge = GBP 50.00

Net off 2

ISIN DEF RVP 20

ISIN DEF RVP 10

ISIN DEF DVP 10

ISIN DEF DVP 20

Charge = GBP 70.00

Real Time Trade Confirmations (RTCs)

Clients can choose to receive 'real time' trade confirmation messages (RTCs). Set-up costs will be charged on a case by case basis depending on the messaging option chosen and the client's existing connectivity.

EMIR account structure

If a clearing member or its clients requires a new segregated account for collateral management purposes the following annual charges will apply:

Charge	ISA	Net OSA
Annual Fee	£3,000	£1,000

Ancillary Services

Will be charged hourly at a rate of £120 plus VAT and be subject to a minimum charge of £240.00 plus VAT.

EquityClear Annual fees

Membership fee	£15,000 per annum (assessed and collected in advance annually. Pro rata per month or part month)
Charge per NCM	£2,000 per annum (assessed and collected in advance annually. Pro rata per month or part month)

[Click here to view all associated EquityClear costs in PDF format.](#)

[Click here to review our Pricing FAQ's](#)

Glossary of terminology used above

ADV: refers to Members Average Daily Volume

CCP Service fee: refers to Central Counterparty services offered by EUI

EUI: refers to Euroclear UK & Ireland

LSE: refers to London Stock Exchange

NCM: refers to different legal entity relationship with GCM