



Member Notification

Clearing of German Government / Regional debt and Jumbo Pfandbriefe (“German Debt”) in LCH SA

10 November 2016

Dear RepoClear Member,

LCH SA is pleased to announce that RepoClear SA plans to offer clearing of German Debt from **27 February 2017**.

By way of background, this extension of RepoClear SA to German debt is designed to complement the current service available to Ltd members and will not replace it: Those members who wish to continue clearing German debt securities through LCH Ltd will be able to do so.

This enhancement is being introduced shortly after the T2S Wave 4 implementation.

Specifically, as a first step, as from 27 February 2017 SA members can choose to clear German debt, using LCH SA as CCP with settlement in T2S, utilising either **Clearstream Banking Frankfurt** (CBF) or **Euroclear France** (EF) as the CSD. This will augment the Italian, French and Spanish markets cleared by RepoClear SA and which, post T2S Wave 5, will all be settled in T2S.

Following this initial launch, RepoClear SA is further aiming to extend this service through the introduction, subject to Regulatory approval, of **Euroclear Bank** (EB) as a settlement location for German debt from late March 2017.

In the meantime:

- Any Members of RepoClear SA who are not currently part of the Pilot Testing for **CBF/EF**, are invited to register their interest now in order to submit membership extensions to begin clearing German Debt.

or,

- RepoClear SA members are now invited to register their interest in the second phase of this initiative utilising the **EB solution** in order to be live from the March launch date.

Should you have any queries please do not hesitate to contact Membership Sales & Relationship Management repoclearmembershipsales@lch.com

Kind regards,

Membership Sales & Relationship Management

lch.com

 @LCH_Clearing

repoclearmembershipsales@lch.com

Phone U.K. +44 (0)20 7426 8167

Phone France. + 33 (0)1 7037 6779

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