

CLEARING MEMBER
Name:.....
House/Client Account*
Please ensure that the correct name of the Clearing Member is inserted here. See list of Clearing Members at http://www.lchclearnet.com/membership/lt/current_membership.asp
*Please delete as appropriate

NB. If you require any explanation as to the legal effect of this form and/or the terms of any security which the Clearing Member may, from time to time, have granted in favour of the Clearing House to secure its obligations to the Clearing House, or which the Clearing House or Clearing Member may from time to time have granted to the operator of any depository, securities clearing or settlement system to secure obligations due to such operator, you should seek independent legal advice

To the above-named Clearing Member ("the Clearing Member") and to LCH.Clearnet Limited ("the Clearing House")

We represent as follows:-

The Clearing Member has entered into a charge in favour of the Clearing House (the "Charge") over one or more securities accounts. The effect of the Charge is that any securities placed in such accounts (the "Specified Securities") shall be immediately charged to the Clearing House in order to secure all monies due or owing by the Clearing Member to the Clearing House under any account maintained by it with the Clearing House or under the Clearing House Rulebook (the "Secured Obligations").

The Charge shall extend both to Specified Securities and to all rights, benefits and proceeds attaching to or arising from Specified Securities, and such rights may not be varied except with the written agreement of the Clearing House. Once securities have become Specified Securities, they will remain so until they are discharged by written agreement of the Clearing House.

We have transferred, and will from time to time transfer, securities (the "**Securities**") to the Clearing Member in order that they should be capable of being charged to the Clearing House as collateral. The Clearing Member is hereby authorised to use and dispose of the abovementioned securities as if it were the owner thereof. The purpose of this grant is to enable the Clearing Member to grant security over the Securities to the Clearing House under the Charge in respect of the Secured Obligations, so that they become Specified Securities. We agree that the Securities shall be free of any adverse interest of ours or of any other person whilst they are subject to the Charge.

At any time when Securities are transferred to the Clearing Member, we consent and represent that we are entitled to the entire beneficial interest in the Securities, save for any security from time to time permitted by the Clearing House in favour of the Clearing Member or any other person, and the Securities will not, at the time of transfer be subject to any trust, sale agreement or security which would affect the validity, enforceability or priority of the Charge in respect of those Securities.

We acknowledge and consent that:

if there occurs a default by the Clearing Member in its obligations to the Clearing House or some other material event in relation to the Clearing Member (each the "**Clearing Member's default**"), the Clearing House may sell or otherwise dispose of any Specified Securities, including any Securities, and apply the proceeds in or towards satisfaction of the Clearing Member's obligations to the Clearing House;

all transactions between the Clearing Member and the Clearing House are effected by the Clearing Member and the Clearing House as principals, and no account will be taken by the Clearing House of any commercial interest we have in any transaction;

the Clearing Member's obligations to the Clearing House which are secured by the Charge are not directly related to our obligations to the Clearing Member (or any other person) and may in part reflect obligations to or from the Clearing Member or persons with which the Clearing Member is affiliated;

on the Clearing Member's default, the Clearing House may enforce the Charge before resorting to any guarantee or letter of credit provided to the Clearing House in relation to the Clearing Member's obligations to the Clearing House and irrespective of whether or not we have satisfied our obligations to the Clearing Members (or any other person);

the Clearing House may remit to the Clearing Member (and not to us) any interest or other accrual on Specified Securities, including any Securities; and

Specified Securities, including any Securities, may be held by any custodian in any depository, securities clearing or settlement system (in the United Kingdom or elsewhere) which may for the time being be customarily used in connection with securities or similar kinds on a fungible basis and subject to the rules if the relative system and the terms and conditions of its operator, and the Clearing House has no responsibility for the performance of any such custodian, system or operator and in particular we consent to the Securities being held in the Euroclear clearance system subject to the fungibility regime organised by the Belgian Royal Decree No 62 of 100 November 1967 promoting the circulation of securities, as amended from time to time.

We shall not seek directly or indirectly to prevent the Clearing House from protecting or enforcing the Charge.

The agreement here recorded is governed by, and this document is to be construed in accordance with English law.

NOTE: When executed by a corporate entity the signatories for such entity must sign on this page and on page 2.

When executed by an individual such individual and the witness to his/her signature must also sign on this page and on page 2.

Signatory:..... Signatory:.....

A EXECUTION BY CORPORATE ENTITIES

The signature of two representatives authorised to execute on behalf of, and to bind the Company is required. Where it is not possible for both signatories to sign at the same time, Section C – Witness – below must be completed when the second signatory executes this document.

1. Signature of director (or equivalent officer in the case of a non-UK company):	2. Signature of director or secretary (or equivalent officer in the case of a non-UK Company):
.....
Date:.....	Date:.....
Position held by Signatory:	Position held by Signatory:
.....
Print Name of Signatory:	Print Name of Signatory:
.....
For:.....(Client)	
Registered Address of Client:.....	
.....	
Registered Number of official identification:.....	

B EXECUTED BY INDIVIDUALS

Signature:.....	Full Address:.....
Print Name:.....
Date:.....

C WITNESS

This section must be completed by an independent witness (not being an employee of the Client or Clearing Member) – if execution of this document is by an individual or where representatives of a corporate identity have not signed at the same time, if executed by representatives of a corporate entity.

Signature of Witness:.....

Print Name.....

Occupation/Position:.....

Full Postal Address:.....

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