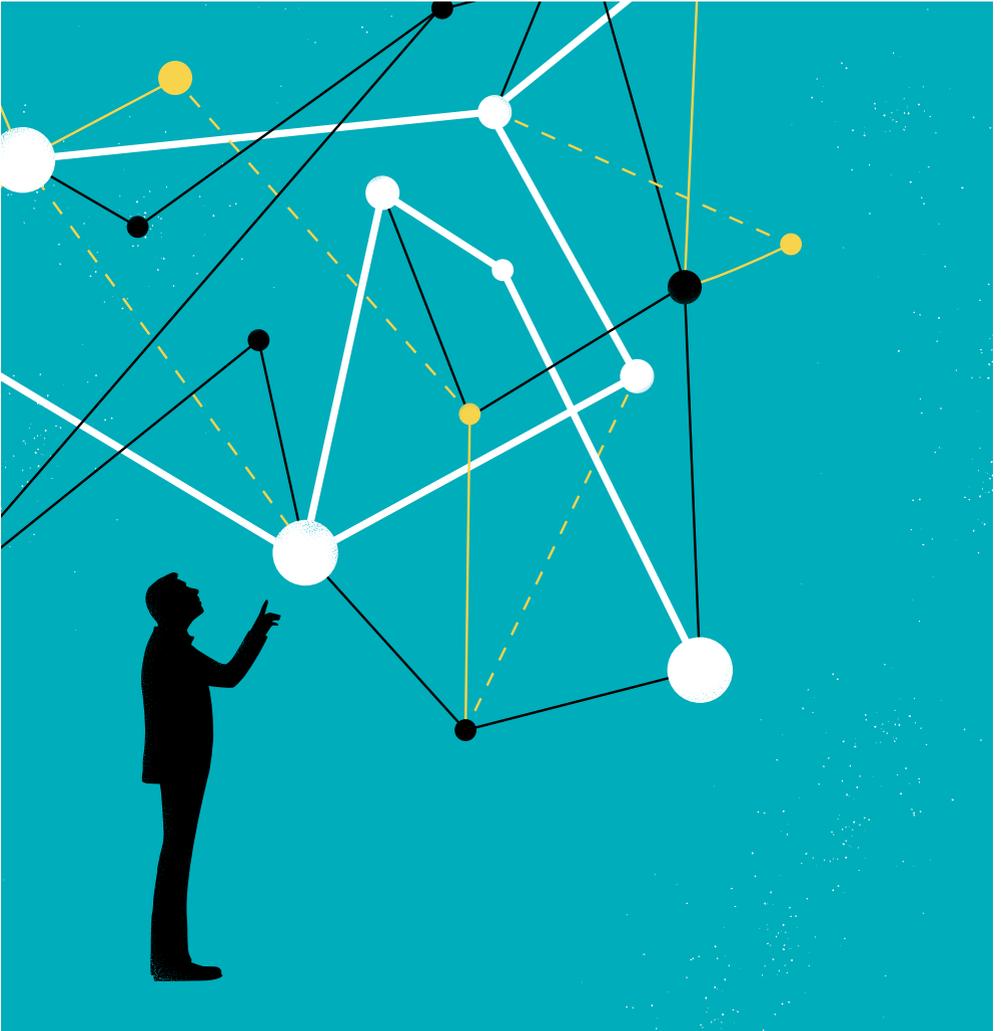


EquityClear

About Our Service

LCH The Markets'
Partner

EquityClear



LCH's open access model delivers unmatched liquidity across the major asset classes, exchanges and execution venues.

Managing Your Risk Is at the Centre of What We Do

With a heritage of risk management dating back more than a century, LCH Group is deeply rooted in the global financial markets. Throughout this time, our singular focus has been on delivering the safest and most efficient clearing services to our members and their clients. Based on these solid foundations, our equity clearing service delivers best-in-class risk management across a broad range of European cash equity securities and equity derivatives.

We have a unique industry perspective. With EquityClear service hubs based in London (LTD) and Paris (SA), we partner with the industry to deliver strong regional experience, proven expertise, and a commitment to risk management to ensure our members' safety. We continually review and enhance our tools and processes, ensuring we set and maintain best practices for the industry. It is why we've successfully managed more default situations than any other clearing house globally.

When you clear with us, you clear with confidence.

Service Overview

When you clear equities with LCH, you benefit not only from a trusted history of rigorous risk management, but the ability to access a wide array of industry venues.

EquityClear's service specialists in LCH – SA and LTD together provide complementary and unique benefits to participants. Members and their clients can clear across 20 exchanges and execution venues (with further venue connections planned in 2016) for an unrivalled range of products and benefit from the seasoned default management experience of the two CCPs.

Key Benefits

EXPERIENCE

01. LCH has more than a century's experience in clearing
02. 15 years serving Europe's equity markets
03. Knowledge across a wide range of equity products: cash equities, ETFs, CFDs, warrants on primary exchanges, MTFs and OTC equities
04. Proven high-volume processing capability — over 8 million trades a day

LIQUIDITY

01. 'Open access' model provides direct connectivity to major execution venues
02. Access to 17 Central Securities Depositories (CSDs) across Europe
03. Connectivity to Euronext exchanges through LCH – SA

RISK MANAGEMENT

01. Successful management of multiple defaults
02. Default funds structured to prevent contagion between asset classes with no impact to members
03. Continuous development and enhancement of our risk models and risk services
04. Business continuity between London and Paris

INDUSTRY PARTNERSHIP

01. Product advisory group and risk working group
02. Development of local user groups in London, Paris, Amsterdam and the Nordics

The LCH Advantage – LTD

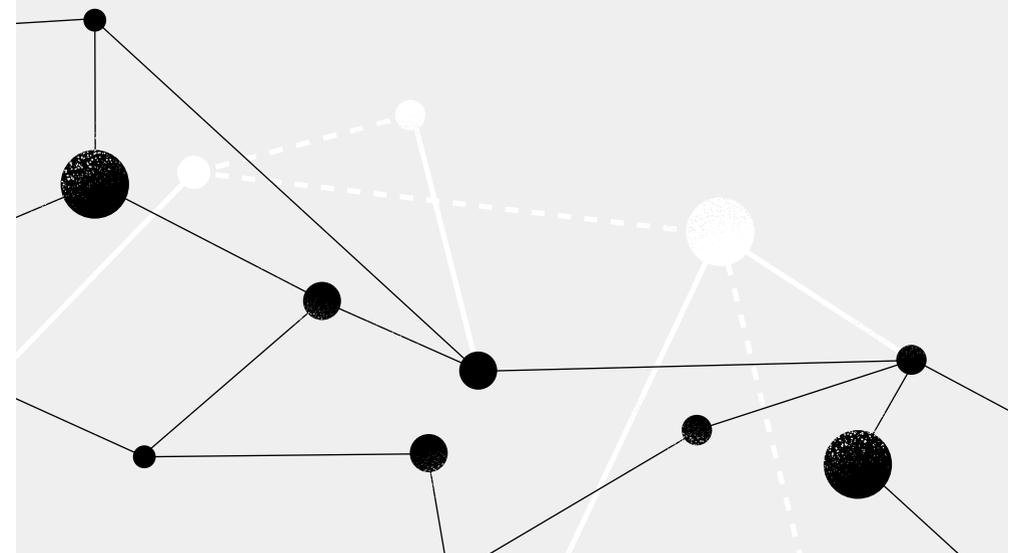
EquityClear’s SA hub brings an array of benefits to equity clearing, including open access and interoperability with other CCPs, which it has been providing for more than a decade.

As well as the flexibility and choice that this horizontal clearing model brings to participants, users of LTD also gain from netting across all the markets EquityClear clears, significantly reducing settlement and operational costs.

While the liquidity and efficiency advantages of LTD are compelling, it is the risk management framework that underpins the service. Powered by EquityClear’s proprietary Equity Risk Analysis algorithm (ERA), it provides industry-leading and cost-efficient management of trades and positions, supported by a proven approach to default management that exceeds the requirements of EMIR.

AT A GLANCE

01. Segregated default fund
02. Direct links to equity exchanges and other execution venues, including London Stock Exchange, SIGMA X MTF, Nasdaq Nordic, SIX Swiss Exchange, Oslo Bors, BATS Europe, Aquis, UBS MTF, Turquoise, Equiduct Trading, Getco Execution Services, SIX Liquidnet, BATS ETR, Traiana and CFDs
03. Connectivity to 17 Central Securities Depositories across Europe
04. 37 members
05. Anonymous post-trade processing
06. Dedicated customer service and operational support with streamlined member onboarding processes
07. Array of post-trade GCM tools



The LCH Advantage – SA

EquityClear's SA hub operates an extensive European clearing network, with connectivity to 5 primary exchanges and execution venues, as well as direct links to multiple Central Securities Depositories (CSDs). It provides clearing services to the Euronext Group, Europe's largest stock exchange group.

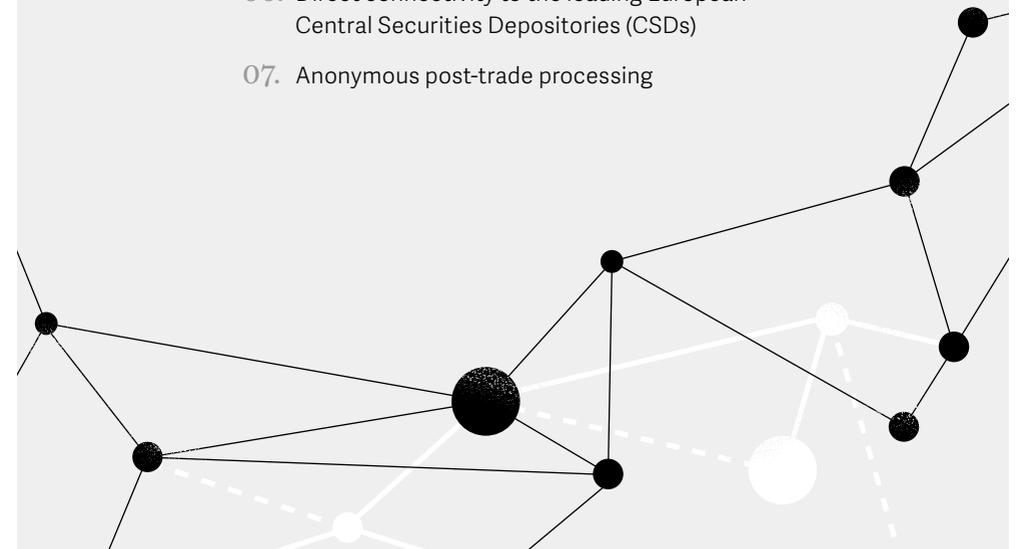
In addition to its unique industry network, SA offers robust risk management, as well as settlement netting efficiencies and clearing services across a broad range of products, providing major efficiency benefits.

From blue chips to mid- and small-cap equities, guaranteed and non-guaranteed securities, EquityClear delivers a comprehensive service to the European community.

Powered by the performance, commitment and passion of our people, the experienced team is committed to seeking new and better ways to serve our members and clients. In 2016, we will continue to partner with the industry as we respond to regulatory change, seeking more efficient ways to manage risk and optimize margin calculation for the benefit of the entire trading community.

AT A GLANCE

01. 15 years of experience in clearing cash equities, listed equities and listed equity derivatives in Europe
02. Direct links to the leading exchanges and other venues, including Euronext Group, Bond Match, Bourse de Luxembourg, Equiduct and Galaxy
03. Euronext is the primary exchange in the Eurozone, operating regulated and transparent equity and derivatives markets. Its product offering includes equities, exchange-traded funds, warrants and certificates, bonds, derivatives, commodities and indices
04. 20 currencies cleared
05. 56 members
06. Direct connectivity to the leading European Central Securities Depositories (CSDs)
07. Anonymous post-trade processing



For More Information

VIKESH PATEL

Chief Operating Officer, EquityClear
+44 20 7426 6351
vikesh.patel@lch.com

CHRISTELLE GIRARD

Director - Head of Account Management, SA
+33 (0) 1 70 37 67 94
christelle.girard@lch.com

TIM BECKWITH

Head of Sales
+44 (0) 207 426 7276
tim.beckwith@lch.com

WILLEM MOOIJER

Head of Cash Markets Developments
+31 20 524 5969
willem.mooijer@lch.com

ABOUT EQUITYCLEAR

EquityClear is the fastest growing equity clearing service in Europe. With connectivity to 17 execution venues, including SIGMA X MTF, it has the largest trading venue coverage of any European cash equity CCP. This not only provides greater choice and flexibility of execution and clearing but increased capital efficiencies resulting from the ability of its proprietary margin algorithm to recognize position correlations. Members also benefit from best in class counterparty risk management, settlement netting, straight-through processing and counterparty anonymity, while clients can take advantage of EMIR-compliant segregation options, reduced direct and indirect costs, as well as full interoperability between participating CCPs.

DISCLAIMER

The contents of this document have been provided to you for informational purposes only and are intended as a broad overview. The services of each of LCH.Clearnet Limited ("LCH-Ltd") and LCH S.A. ("LCH-SA") are provided in accordance with, and subject to, its rulebook and other documentation and there is no substitute for analysing the rulebook as well as other clearing documentation. Accordingly, you must not rely upon the contents of this document and you should seek your own independent legal and other professional advice. This document has not been prepared for a specific client and the information and any opinion contained in this document does not constitute investment advice or a personal recommendation with respect to any applicable securities or other financial instruments. Nothing in this document should be taken as a public offer to sell or to buy.

Risk
Awards
2016
Winner

LCH
Clearing house
of the year

Thank you for making us No. 1. Again.

lch.com