

 Instruction	N°	Title
	III.4-11	MANAGEMENT OF CORPORATE EVENTS ON DEBT SECURITIES TRADED OR EXECUTED ON OR REPORTED BY A TRADING AND MATCHING PLATFORM AND MTS ITALY.

Section 1 – Scope of application of corporate event management

Article 1

LCH SA does not apply any corporate events on Trade Legs corresponding to:

- purchase or sell transactions on French, Belgian, German, Italian, Spanish, Dutch, Austrian, Portuguese, Finnish, Irish, Slovakian, Slovenian and supranational debt Securities;
- buy and sell-back Transactions on Italian and Spanish debt Securities.

For the avoidance of doubt, LCH SA only applies corporate events on classic Repos executed on French, Belgian, Italian, German, Dutch, Austrian, Portuguese, Finnish, Irish, Slovakian, Slovenian and supranational debt Securities.

Section 2 – Management of corporate events for Repos on French, Belgian, German, Dutch, Austrian, Portuguese, Finnish, Irish, Slovakian, Slovenian and supranational debt Securities

Article 2 - coupons payment

In case a corporate event occurs during the period between the Initial Transaction and the Return Transaction, LCH SA calculates at record date the coupon payment amount resulting from this corporate event. The global amount of coupons payment is included in the Margin call on the following Clearing Day.

Article 3 - redemption

In the event that debt Securities are subject to redemption, LCH SA pays off the nominal value of such debt Securities and the corresponding coupon amount, if need be, in the Margin call occurring on the same Clearing Day of the redemption and which is addressed to the Clearing Member holding such debt Securities on record date.

Section 3 – Management of corporate events for Repos on Italian debt Securities

Article 4 – coupons payment

In case a coupon payment occurs during the period between the Initial Transaction and the Return Transaction, such coupon payment shall be managed by Monte Titoli in accordance with its rules.

Article 5 – redemption

No redemptions are managed for Repos on Italian debt Securities as LCH SA cannot accept Repos to maturity on Italian debt Securities.

If you have any questions and/or remarks,
Please contact: Legal.SA@LCH.com