## LCH SA Default Waterfall

### Defaulter’s Initial Margin, Variation Margin and Additional Margins

<table>
<thead>
<tr>
<th>Component</th>
<th>LCH SA Capital</th>
<th>Second layer</th>
<th>Unfunded Contributions</th>
<th>Service Continuity</th>
<th>Voluntary Service Continuity</th>
<th>Default Fund Contribution</th>
</tr>
</thead>
<tbody>
<tr>
<td>CDSClear</td>
<td>€20mn</td>
<td>€9.8mn</td>
<td>€3222mn</td>
<td>–</td>
<td>–</td>
<td>€20mn</td>
</tr>
<tr>
<td>Equity &amp; CommodityClear</td>
<td>€7.7mn</td>
<td>€4.3mn</td>
<td>€1419mn</td>
<td>–</td>
<td>–</td>
<td>€7.7mn</td>
</tr>
<tr>
<td>RepoClear</td>
<td>€14.5mn</td>
<td>€8.1mn</td>
<td>€2659mn</td>
<td>–</td>
<td>–</td>
<td>€14.5mn</td>
</tr>
</tbody>
</table>

1. LCH SA held margin collateral with a market value of €57 Bn on the 30th of November 2023. (Default Funds not included)
2. The size of each prefunded Default Fund and an indicative allocation of dedicated capital are as at 30th of November
   - First layer of skin in the game
   - Second layer of skin in the game
3. Assessments are callable up to the value of each member’s Default Fund contribution at the time of the default.
4. Further resources are available in the Service Continuity phase as determined by the LCH SA Rulebook.

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**Unfunded Contributions – Assessment**

- **LCH SA Capital**
  - First layer of skin in the game
  - Second layer of skin in the game

- **Service Continuity**
  - VM Haircutting
  - Loss Distribution

- **Voluntary Service Continuity**

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**Defaulter’s Default Fund Contribution**

- **CDSClear Default Fund**
  - €3222mn

- **Equity & CommodityClear Default Fund**
  - €1419mn

- **RepoClear Default Fund**
  - €2659mn