

Member Notification

LCH SA: Collateral under Pledge offering

16 October 2019

Dear Members,

We are pleased to announce that LCH SA ("LCH") is extending its offering by introducing a **Pledge solution*** for non-cash Collateral in Euroclear Bank as of **1 November 2019**.

1. The Pledge offering:

LCH members will have the ability to post non-cash collateral under a Pledge agreement to cover their margin liabilities for RepoClear, EquityClear and CommodityClear. The Pledge offering will be introduced with a cap of **15% of total margin requirements****. The bonds deposited under Pledge will be subject to the same eligibility rules as any other bond received by LCH, as describe [here](#).

No change in the collateral posting mechanism via [CMS](#)

2. Fee grids applicable as of **1 November 2019**:

The applicable fee grids can be found on LCH's website [LCH SA Treasury Fees](#).

3. Membership pack and Testing:

Members interested in this service are invited to contact their Relationship Manager in order to receive the **onboarding pack** which includes the **Pledge agreement**.

Tests are not mandatory but highly recommended and are available on demand.

Kind Regards,

Relationship Management team
repocleargroupsales@lch.com
SAEquityClear@lch.com

**Subject to Regulatory non-objection*

***Initial margin and Additional margins per relevant collateral account*

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