

30 June 2020

Repoclear (DF €1,893Mn)	3 Defaults	4 Defaults	5 Defaults	6 Defaults	7 Defaults	8 Defaults	9 Defaults	10 Defaults
Skin in the Game Loss	100%	100%	100%	100%	100%	100%	100%	100%
Remaining Non Defaulter Assessments	14,18%	16,56%	18,46%	20,50%	21,61%	22,58%	23,32%	23,70%
Scenario Number	230	230	230	337	337	337	337	337
Scenario Type	Theoretical	Theoretical	Theoretical	Theoretical	Theoretical	Theoretical	Theoretical	Theoretical
Scenario Description	1987 Reversed	1987 Reversed	1987 Reversed	Core Down Periph Down	Core Down Periph Down	Core Down Periph Down	Core Down Periph Down	Core Down Periph Down

SA EquityClear & CommodityClear (DF €2,129bn)	3 Defaults	4 Defaults	5 Defaults	6 Defaults	7 Defaults	8 Defaults	9 Defaults	10 Defaults
Skin in the Game Loss	100%	100%	100%	100%	100%	100%	100%	100%
Remaining Non Defaulter Assessments	19,09%	19,12%	19,12%	19,12%	19,13%	19,13%	19,13%	19,13%
Scenario Number	101	101	101	101	101	101	101	101
Scenario Type	Theoretical	Theoretical	Theoretical	Theoretical	Theoretical	Theoretical	Theoretical	Theoretical
Scenario Description	Prices Down	Prices Down	Prices Down	Prices Down	Prices Down	Prices Down	Prices Down	Prices Down

CDSClear (DF €1,794bn)	3 Defaults	4 Defaults	5 Defaults	6 Defaults	7 Defaults	8 Defaults	9 Defaults	10 Defaults
Skin in the Game Loss	100%	100%	100%	100%	100%	100%	100%	100%
Remaining Non Defaulter Assessments	26,27%	27,52%	27,71%	27,90%	28,10%	28,29%	28,49%	28,69%
Scenario Number	26R	26R	26R	26R	26R	26R	26R	26R
Scenario Type	Historical	Historical	Historical	Historical	Historical	Historical	Historical	Historical
Scenario Description	2007	2007	2007	2007	2007	2007	2007	2007

Number of defaults: Represents the number of member groups in default. A member group may contain more than 1 member. Defaults are assumed to be instantaneous and under the same stress conditions (i.e. the same scenario).

For example the worst 6 defaults is assumed to occur under the same scenario, however this could be a different scenario to the worst 7 defaults.

The aggregation of stress losses over margin follow the member and customer account segregation rules.

Skin in the Game Loss: Represents the percentage of 'skin in the game' capital loss for each default fund waterfall. LCH skin in the game capital is ahead of non defaulter contributions.

Remaining Non Defaulter Assessments: Represents the estimated maximum unfunded contribution payable to LCH for a given number of defaults. The figures are expressed as a percentage of the funded default fund contribution.

For example if a member had contributed €10m to the default fund and assessment is 24% for 5 defaults, then the member is liable to pay €2,4m in that scenario.

Assessments are capped at 1X (100%) per default up to maximum 3 defaults (300%).

Scenario Descriptions:

Repoclear 230 scenario is 1987 historical reversed. Shifts at 5Y tenor: all countries up 162 bps

EquityClear 101 is a theoretical downward price shift on all underlyings (i.e. CAC40 Index = -25 % / AEX Index = -30%)

CDSClear 26R is a historical scenario focusing on 2007 (i.e 5Y OTR equivalent shift 200%)

For CDSClear, stressed losses include the stressed Jump to Default for each clearing member

Link with other CCPs are not considered

