

Cash Equities, Listed Derivatives &amp; Commodities

02 July 2015

**Application of margin tolerances for intraday margin calls changes**

Dear Members,

LCH.Clearnet SA would like to inform members that effective for margin calls on 31st July 2015 changes will be made to the application of margin tolerances for intraday margin calls for the cash equities and commodities asset classes.

Currently, LCH.Clearnet SA applies tolerances for these asset classes, and therefore margin calls are made when requirements are above this tolerance level.

The rules that govern these tolerances do not take into account member ICS. Under the new model member tolerances will be function of member ICS, you will find [here](#) details of the current parameter notice.

**Tolerances today:**

- The greater of either 10% of the members initial margin or €100K is applied under normal market conditions.
- A tolerance of €100K threshold is applied in cases of market volatility.

**Effective the 31st July 2015:**

- Members with an ICS 6 and above will not have any tolerance applied and will be called their entire initial margin liability.
- Members with an ICS 1 to 5 will have a tolerance of €100K applied.

If you have any further questions please contact your account manager.

Best regards,

**Delphine Feyrit** - Head of Listed Derivatives - **LCH.Clearnet SA****Christelle Girard** - Head of Equities - **LCH.Clearnet SA**

---

**Leïla Aïssiouéne** | Communication and Service Delivery Officer Repo & Exchanges |  
**LCH.Clearnet** |  
Tel: +33.1.70.37.28.36 | Mob: +33 6.84.93.76.45 | Email: [leila.aissiouene@lchclearnet.com](mailto:leila.aissiouene@lchclearnet.com) |

Website: [www.lchclearnet.com](http://www.lchclearnet.com)