



Notice

Date: 17 October 2016

New cut-off for late netting fees calculation From 1 November 2016

Dear Clearing Members,

We are pleased to announce that a **new cut-off deadline on the Commodities late netting will be effective as from 1 November 2016.**

As a reminder, Members must net their buy and sell positions on a daily basis, when appropriate. When this obligation is not fulfilled, LCH SA charges a late netting fee when the number of netted/offset contracts in "D" is superior to the sum of buy and sell contracts posted in "D".

This formula will be revised in order to **provide members with additional time** to net their buy and sell positions, giving more flexibility to all members, particularly to the ones operating in different time zones.

From 1 November 2016, the late netting fees calculation formula will indeed consider the nettings done until "D+1", 12PM CET, corresponding to the End-Of-Day "D" positions, to be compared to the buy and sell contracts posted in "D". This change will be reflected in the fee grid available on:

- **<http://www.lch.com/web/lchclearnet/asset-classes/listed-derivatives/euronext-derivatives-markets/fees>**

(Please refer to the "Section E. Commodities (Amsterdam and Paris) -> Late Netting Fees")

It is important to mention that **the cut-off process will not be modified**, members will still be required to daily offset their positions. There are no impacts on the LCH SA's rulebook, instructions or risk calculations.

Should you have any questions, please, do not hesitate to liaise with your Delivery and/or Account Managers.

Best regards,

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