LCH ForexClear Matcher/trading venue joint operating procedures summary

Introduction
The purpose of this document is to summarise the joint operating procedures (JOP) that must be in place between LCH ForexClear (LCH.FXC) and connected matcher/trading venues. It specifically relates to the matcher/trading venue service and its role in providing trades to LCH.FXC. A full version of this document will be provided during onboarding.

Incident management
Robust incident management is critical to identify, provide visibility and focus resolution on any deviations from normal service. LCH.FXC and the matcher/trading venue will compare and document in the JOP each institution’s prioritisation approach for incident management to aid understanding when communicating and resolving incidents that have impacts on members.

Priority levels are assigned when IT or business incidents are raised at LCH.FXC and the matcher/trading venue. In the full version of this document, details are provided concerning the expected response times and the escalation points who should be contacted in the event of an incident.

Upgrades and change management
To ensure continuity of service, all parties will need to identify upgrades/changes that will require corresponding changes/testing to connected parties.

<table>
<thead>
<tr>
<th>Description</th>
<th>Notice to other party</th>
<th>Info</th>
</tr>
</thead>
<tbody>
<tr>
<td>Upgrades and enhancements involving binary/code changes</td>
<td>At least 90 days</td>
<td>To ensure early visibility and provide sufficient notice that an adequate amount of testing can be scheduled by both parties</td>
</tr>
<tr>
<td>Ongoing updates during the 90-day period</td>
<td>30, 7, 1 day(s) before upgrade due</td>
<td>Status updates to be provided at the end of the day of that upgrade, providing details of any issues with the release</td>
</tr>
<tr>
<td>Minor scheduled changes that will have an impact on BAU (e.g., implementation of new releases, scheduled remedial changes, etc...)</td>
<td>14 days</td>
<td>CH.FXC requirement of the matcher/trading venue</td>
</tr>
<tr>
<td>Scheduled maintenance activities that will cause disruption to BAU (e.g., scheduled server reboots, line outages, etc...)</td>
<td>7 days</td>
<td>LCH.FXC requirement of the matcher/trading venue</td>
</tr>
</tbody>
</table>
IT resilience and trade reconciliation

To ensure service continuity/recovery, the following are expected as a minimum from all matchers/trading venues.

01. Trade reconciliation

In the event that there is an IT failure due to a full/partial outage, the LCH.FXC service may be required to failover to an alternative data centre. As a result of this, the matcher/trading venue would be required to provide one or both of the following:

- A relevant extract that details all of the activity between the matcher/trading venue and LCH.FXC over a specified period of time. Under some circumstances a request may be made for an extended period of data.
- Access to a GUI to run the extract manually.

02. Business continuity testing

There may be a requirement on the matcher/trading venue to participate in a yearly exercise designed to test the ability of both sides to successfully manage network outages/data loss scenarios. These exercises will be coordinated by LCH.FXC and will require full sign-off from management at both LCH.FXC and the matcher/trading venue before being deemed a success.

03. Queue monitoring

The joint operating procedures require the matcher/trading venue to implement monitoring of trades that have been submitted for clearing with notification to LCH.FXC of trades that have not received acknowledgement/clearing status updates within the agreed period of time.

Onboarding and static data management

The onboarding procedures and SLAs for new static data setup between LCH.FXC and matchers/trading venues should be closely aligned. SLAs are provided in the full version of this document.

Process management

Quarterly bilateral meetings will be scheduled to review joint operations. These will take place between LCH.FXC operations and IT, and the matcher/trading venue business and IT representatives as deemed appropriate.

Contact us

Contact details will be shared between each respective party during the onboarding process. Specifically, contacts will be shared to manage the below incidents and queries:

- BAU-related
- IT-related
- Change management related
- Onboarding related

Default management process (DMP) — specific issues

In the event of a default, matchers/trading venues will be required to stop processing trades from the defaulting member(s). Details for the notification process are contained in the full document.

Contact us

Email lchsales@sieg.com
Website lch.com/services/forexclear
To opt in to newsletters: solutions.sieg.com/Regular-ClearingVolumes-Update

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