

Via Electronic mail

November 11, , 2013

Ms. Melissa Jurgens
Secretary of the Commission
Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, N.W.
Washington, DC 20581

RE: Re-introduction of Multilateral Compression services

Dear Ms. Jurgens:

Pursuant to §40.6(a) of the Commission Regulations, LCH.Clearnet Limited (“LCH.Clearnet”), a Derivatives Clearing Organization registered with the Commodity Futures Trading Commission (“CFTC”), hereby submits proposed changes to its rules pursuant to Commission Regulation §40.6. As detailed more fully below, LCH.Clearnet proposes to implement the changes to its rulebook on November 26, 2013 and to commence services on that basis on or before November 27, 2013.

Explanation and Analysis

LCH.Clearnet seeks to amend its rules in order to re-introduce multilateral compression services.

Multilateral compression is a service through which SwapClear Clearing members will be able to manage both the size of cleared gross notional and number of cleared SwapClear contracts in their SwapClear proprietary accounts. The service is designed where two or more Clearing Members (participants) will participate in compression exercises where existing registered SwapClear contracts will be terminated and where applicable replaced by new registered SwapClear Contracts that reflect a netting-down of existing notional exposures between LCH.Clearnet and Clearing members.

A multilateral compression cycle will be run in conjunction with an Approved Compression Services Provider (ACSP) or directly with Clearing members.

An ACSP is a third party entity which is approved by LCH.Clearnet for the facilitation of Multilateral Compression services in relation to eligible SwapClear Contracts.

The new rules will also provide for “Member driven Compression”. These rules are an extension of the recently introduced bilateral termination process and provide a framework in which to consider any future proposals for member-initiated compression activity.

Scope of Multilateral Compression services:

- The changes to be implemented with effect from November 27, 2013 in relation to multilateral compression will focus on the compression of existing cleared member to member trades.

- All currencies cleared by SwapClear will be eligible for compression, with each compression cycle covering a single currency at a time. The currency chosen will be based on member demand and sufficient participation.
- SwapClear will continue to use an existing ACSP to manage such multilateral compression cycles and will also facilitate member initiated multilateral compression exercises.
- SwapClear will generate and process all compression events (terminations and replacements) in the clearing house during each compression cycle.
- Post compression, SwapClear will report results to the swap data repository and to Clearing members via their existing reporting services.

Part I: Explanation and Rationale for the Amendments

LCH.Clearnet is amending its rules and making changes to the SwapClear service in order to introduce multilateral compression services.

Description of Changes

The operational processes involved in the execution of a multilateral compression cycle are described below:

LCH.Clearnet (in conjunction with an ACSP; TriOptima has been designated by LCH.Clearnet as an ACSP) will schedule a date on which each compression cycle may be executed. These dates will be published by LCH.Clearnet and Clearing members have an option to review these dates and to provide feedback. A Clearing member wishing to participate in a scheduled compression cycle will need to sign up to each specific compression cycle.

For each compression cycle, LCH.Clearnet will supply to ACSP the population of eligible SwapClear contracts for that cycle for all participants. At the same time, each participant will submit to ACSP a list of SwapClear contracts they wish to make available for that compression cycle. ACSP will then match these populations of trades in order to create a matched trades population with the populations being publicized thereafter.

At the close of business prior to the compression date, participants will submit to ACSP their final risk tolerances and their close of business curves and valuations for their matched trades.

1. Compression Proposal

A compression proposal will be calculated based on the matched trades population applying the tolerance constraints and the valuations provided. The ACSP will then make available the proposal to participants and LCH.Clearnet via their website. Each participant is responsible for ensuring that the ACSP has met its tolerances and, having done so, will provide their sign-off. The ACSP will warrant to LCH.Clearnet that it has received acceptance from all participants for the compression proposal.

2. Compression events

Each compression proposal will contain the following two types of events, terminations (also known as Unwinds) and replacements (also known as Partial).

Termination events are the existing registered contracts which are to be terminated as part of the multilateral compression exercise. LCH.Clearnet will process such termination events directly on behalf of participants as part of the implementation of the compression proposal.

Replacement events are the existing set of registered contracts for which the notional is to be amended as part of the compression proposal. LCH.Clearnet plans to terminate the original registered contracts and will create new registered contracts, which will be a copy of the original contract but with the specified notional and will have new LCH.Clearnet trade IDs and USIs.

3. Calling for margin cover

The margin required for compression will be called but will not affect the existing trade registration process. A compression reservation will be added to the system to ensure that the collateral, once funded, is not available for the normal trade registration process.

LCH.Clearnet's SwapClear service will call for the required margin for compression on a standalone basis without incorporating any diversification benefits with the registered portfolio. LCH.Clearnet will not become legal counterparty to the trades within the compression run until all computed margins have been received and until LCH.Clearnet has successfully implemented the compression proposal and has provided notification to participants and the ACSP that it has completed the compression proposal.

Following the compression registration run, SwapClear will register all events specified in the official compression proposal. In the unlikely event that post compression registration run, a Clearing member has used all excess cover (including the margin received for compression) and has used greater than a defined level of registration tolerance, then SwapClear will call for the full amount of shortfall during the PPS window.

4. Registration of compression events

All compression events, the terminations and replacement SwapClear contracts will be processed separately from the normal trade registration process via a separate workflow.

Once all compression events and all compression specific required margins have been received, LCH.Clearnet will trigger a compression registration run, which updates each participant's registered portfolio with the impact of all compression events.

5. LCH.Clearnet Confirmation

LCH.Clearnet will confirm to the ACSP and participants that the Unwind Proposal has been successfully implemented and will confirm the effectiveness in accordance with LCH.Clearnet's rules and regulations.

Part II: Amendments to the Rules & Regulations of LCH.Clearnet

The introduction of multilateral compression services will result in the insertion of new definitions and a new regulation in LCH.Clearnet's General Regulations. It will also require a minor amendment to LCH.Clearnet's Settlement Finality Regulations. There are no changes to the FCM Regulations as the service is being introduced in the SCM model only.

The changes are fully explained in the document Rulebook Matrix which is attached at Appendix A-1:

- LCH.Clearnet Limited General Regulations at Appendix A-2;
- Settlement Finality Regulations at Appendix A-3.

Part III: Certification by LCH.Clearnet

LCH.Clearnet certifies to the CFTC, in accordance with CFTC Regulation §40.6, that the planned changes comply with the Commodity Exchange Act and the CFTC Regulations promulgated thereunder. LCH.Clearnet further certifies that, upon the submission of this material, in compliance with §39.21 of the Commission's regulations, LCH.Clearnet will post a notice of pending certification with the CFTC and a copy of the submission on LCH.Clearnet's website at

http://www.lchclearnet.com/rules_and_regulations/ltd/proposed_rules.asp

Part IV: Compliance with Core Principles

The rule amendments and other changes described above relate primarily to LCH.Clearnet's compliance with Core Principles D (Risk Management) and E (Settlement Procedures). LCH.Clearnet has concluded that its compliance with Core Principles would not be adversely affected by these changes. The changes reflected herein will ensure continued compliance with the Core Principles.

Specifically, the re-introduction of multilateral compression services will enable LCH.Clearnet to ensure that SwapClear complies with CFTC regulation 39.13(h)(4) that require a CCP to offer multilateral compression services if they are available for the swaps that it clears and providing the service facilitates compliance with the CFTC rules.

Part V: Opposing Views

There were no opposing views expressed to LCH.Clearnet by its governing board or committee members, members of LCH.Clearnet or market participants that were not incorporated into the planned changes.

Certification

LCH.Clearnet Limited hereby certifies to the Commodity Futures Trading Commission, pursuant to the procedures set forth in Commission regulation §40.6, that the attached rule submission complies with the Commodity Exchange Act, as amended, and the regulations promulgated thereunder.

Should you have any questions regarding this submission please contact me at jay.iyer@lchclearnet.com

Sincerely yours,

A handwritten signature in black ink, appearing to be 'Jay Iyer', with a long horizontal stroke extending to the right.

Jay Iyer, Chief Compliance Officer
LCH Clearnet Limited

cc: Adam Cohen, CFTC
Shawn Durrani, CFTC
Susan Miligan, LCH.Clearnet LLC
Julian Oliver, LCH.Clearnet Limited

Exhibit A-1
Rulebook Matrix Multilateral Compression

Rulebook Matrix: Explanation of Changes to the LCH.Clearent Limited rulebook in connection with Multilateral Compression

Rulebook Reference:	Explanation:	Additional Commentary
General Regulations		
Definitions:		
ACSP Compression Cycle	New definition	None
Approved Compression Services Provider (ACSP)	New definition	None
Compression Documentation	New definition	None
Compression Proposal	New definition	None
Compression Time	New definition	None
Member Compression Cycle	New definition	None
Multilateral Compression	New definition	None
Multilateral Compression Cycle	New definition	None
Post-Multilateral Compression Contracts	New definition	None
Post-Compression Contracts	New definition	None
Terminating SwapClear Contracts	New definition	None
Regulation 48B: Multilateral Compression		
48 (a)	Sets out the two forms of Multilateral Compression which LCH may make available from time to time.	An ACSP Compression Cycle will be run in conjunction with a third party ACSP and timing will be driven by LCH and the ACSP whereas a Member Compression Cycle will arise on a more <i>ad hoc</i> basis when requested by SwapClear Clearing Members (both being ultimately subject to LCH's absolute

		discretion).
48 (b)	Sets out the basis on which SwapClear Clearing Members are eligible to participate in a Multilateral Compression Cycle, their responsibility for nominating SwapClear Contracts (or providing a Compression Proposal in relation to Member Compression) and associated representations, warranties, agreements and acknowledgements.	None
48 (c)	Details how SwapClear Clearing Members will become aware of the administrative procedures for particular Multilateral Compression Cycles.	None
48 (d)	Detail on the nature of a Compression Proposal.	Makes it clear that a Compression Proposal must be agreed by all participating SwapClear Clearing Members and that LCH retains ultimate discretion as to which SwapClear Contracts may be included (i.e. LCH has ultimate control over the eligibility criteria for including SwapClear Contracts in any Multilateral Compression Cycle).
48 (e)	Procedural detail on how a Compression Proposal will arise.	Also makes it clear that only SwapClear Contracts registered in a Proprietary Account are eligible for Multilateral Compression.
48 (f)	Details of how a Compression Proposal becomes irrevocably accepted by SwapClear Clearing Members.	None
48 (g)	References the fact that LCH may require margin to facilitate a Multilateral	Since LCH already has the power to require margin (Regulation 12) and sole and absolute

	Compression Cycle.	discretion not to proceed with a Multilateral Compression Cycle (see (i) below) this provision (together with (h)(ii)) is sufficient to deal with margin requirements.
48 (h)	Details of the consequences of a SwapClear Clearing Member irrevocably accepting a Compression Proposal.	Sets out the binding nature of the acceptance in respect of all relevant documentation, margin calls, terminations and registrations.
48 (i)	States that LCH will effect Multilateral Compression at its discretion and at a time of its choosing.	This provides LCH with the necessary legal protection should it not be able to effect Multilateral Compression for any reason.
48 (j)	Without prejudice to the general discretion in 48 (i) LCH represents that it will reject a Compression Proposal in certain circumstances.	Included following discussions with clearing members who wanted comfort that LCH would not proceed with a Multilateral Compression Cycle in these circumstances.
48 (k)	Details of how Multilateral Compression will be effected by LCH.	Makes it clear that this will take place by way of termination of existing trades and registration of new trades within LCH rather than by the amendment of notional amounts.
48 (l)	Makes it clear that LCH is not involved in or responsible for any payments connected with Multilateral Compression which take place outside of LCH.	Members participating in a Multilateral Compression Cycle may choose to arrange termination fees associated with Terminating SwapClear Contracts. Such fees are negotiated between participating members and settled outside LCH.
48 (m)	Ensures that LCH's liability in relation to Multilateral Compression is appropriately limited.	None
48 (n)	Makes it clear that the Rulebook does not govern the liability of any ACSP in relation to	None

	an ACSP Compression Cycle.	
48 (o)	Provides for details on the making of communications to be given outside of the Rulebook.	None
48 (p)	Authorises LCH to disclose confidential information in order to facilitate a Multilateral Compression Cycle.	It will be necessary for LCH to disclose confidential information on a SwapClear Clearing Member's SwapClear Contracts (particularly to an ACSP but conceivably to other SwapClear Clearing Members) in order to facilitate a Multilateral Compression Cycle. This provision provides the necessary legal protection to LCH.
Settlement Finality Regulations		
1.8(e)	Inclusion of Post-Compression Contract.	Extends operation of Settlement Finality Regulations to Post-Compression Contracts.
2.2(e)	Ditto	Ditto

Exhibit A-2
General Regulations

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LCH.CLEARNET LIMITED

GENERAL REGULATIONS OF THE CLEARING HOUSE

Scope

Save where expressly stated to the contrary in these Regulations or the Procedures, these Regulations govern clearing services provided by LCH.Clearnet Limited. They do **not** cover clearing services provided by LCH.Clearnet SA which are governed by a separate set of rules.

For the purposes of these Regulations, LCH.Clearnet Limited is referred to as “the Clearing House”. The terms “Member” or “Clearing Member” are used to refer to an undertaking which is entitled to receive clearing services from LCH.Clearnet Limited (see “Definitions”). They do not mean “shareholder” of LCH.Clearnet Limited or of any other undertaking in the LCH.Clearnet Group.

Any Regulation or group of Regulations expressly stated not to apply to a category, or categories, of Contract shall not apply to such category, or categories, of Contract.

The Link Regulations set out in Regulations 40 to 44 apply only to Contracts on the terms of a Linked Exchange Contract as further provided in Regulation 40.

The SwapClear Regulations set out in Regulations 46 to 52 apply only to SwapClear Contracts. Save as provided in Regulation 46, the provisions of Regulations 1 to 39A shall not apply to SwapClear Contracts.

The RepoClear Regulations set out in Regulations 53 to 60 apply only to RepoClear Contracts. Save as provided in Regulation 53, the provisions of Regulations 1 to 39A shall not apply to RepoClear Contracts.

The EquityClear Regulations set out in Regulations 61 to 67 apply only to EquityClear Contracts. Save as provided in Regulation 61, the provisions of Regulation 1 to 39A shall not apply to EquityClear Contracts.

LCH EnClear OTC Regulations set out in Regulation 68 and Regulations 73A to 73D respectively apply only to LCH EnClear OTC Contracts. Save as provided in Regulation 68, the provisions of Regulation 1 to 39A shall not apply to LCH EnClear OTC Contracts.

The Turquoise Derivatives Regulations set out in Regulations 74 to 87 apply only to Turquoise Derivatives Cleared Exchange Contracts which are eligible for clearing pursuant to these Regulations and the Turquoise Derivatives Rules.

The HKMEx Regulations set out in Regulations 88 to 91 apply only to HKMEx Contracts.

The Nodal Regulations set out in Regulations 92 to 95 apply only to Nodal Contracts.

The ForexClear Regulations set out in Regulations 103 to 109 apply only to ForexClear Contracts. Save as provided in Regulation 103, the provisions of Regulations 1 to 39A shall not apply to ForexClear Contracts.

The NLX Regulations set out in Regulations 110 to 113 apply only to NLX Contracts.

Definitions

In these Regulations and the Procedures, except where the context otherwise requires, the following words and expressions shall have the following meanings:

- Account Assets* - Means all cash, margin, securities, receivables, rights, intangibles and any other collateral or assets deposited or held with the Clearing House by a Clearing Member in connection with an account carried by such Clearing Member on behalf of a SwapClear Clearing Client: (i) as cover for and in respect of the clearing of SwapClear Contracts for such SwapClear Clearing Client; and (ii) in the form of Additional Collateral.
- Account Balance* - Means, in relation to the SwapClear Clearing Client Business of a defaulter, an Individual Segregated Account Balance or an Omnibus Net Segregated Account Balance.
- ACSP Compression Cycle* - *A Multilateral Compression Cycle established by the Clearing House and facilitated by an ACSP nominated by the Clearing House, which shall be open to participation by SwapClear Clearing Members in accordance with the provisions of Regulation 48B and relevant Compression Documentation.*
- Additional Collateral* - Means, in relation to SwapClear Clearing Client Business, collateral delivered by a SwapClear Clearing Member to the Clearing House in respect of a SwapClear Clearing Client which is in excess of the Required Collateral relating to the SwapClear Clearing Client Business undertaken by the relevant SwapClear Clearing Member in respect of the relevant SwapClear Clearing Client and which has been designated by that SwapClear Clearing Member as being Additional Collateral to be held in the Additional Collateral Account held in respect of that SwapClear Clearing Client.
- Additional Collateral Account* - Means, in relation to SwapClear Clearing Client Business, a sub-account opened by a SwapClear Clearing Member with the Clearing House in respect of a SwapClear Clearing Client for the purposes of holding Additional Collateral.
- Applied FCM Buffer* - Has the meaning assigned to it in the FCM Regulations.
- approved agent* - A person appointed by the Clearing House to perform certain functions on its behalf in respect of an ATP.
- Approved Broker* - A person authorised by the Clearing House to participate as a broker in the LCH EnClear OTC service.
- Approved Compression Services Provider (ACSP)* - *An entity other than the Clearing House which is approved by the Clearing House for the facilitation of Multilateral Compression in relation to eligible SwapClear Contracts in accordance with Regulation 48B and relevant Compression Documentation.*
- Approved Trade Source System* - Means a system or facility, such as an exchange, a clearing house, a swap execution facility, a designated contract market or other similar venue, approved by the Clearing House for executing SwapClear Transactions (and excludes, for the

- avoidance of doubt, the SwapClear API).
- Approved Turquoise Derivatives Settlement Provider* - The securities depository or securities settlement system (or an operator thereof) approved by the Clearing House from time to time for the provision of settlement services in connection with the Turquoise Derivatives Service.
- Approved EquityClear Clearing Agreement* - An agreement prescribed as such by the Clearing House from time to time between an EquityClear Clearing Member, an EquityClear NCM and the Clearing House.
- Approved EquityClear Settlement Provider ("ASP")* - The operator of the securities depository and/or securities settlement system prescribed by the Clearing House from time to time for the provision of settlement services in respect of specified EquityClear Contracts.
- Approved EquityClear Trading Platform ("ATP")* - Any trading platform approved as such from time to time by the Clearing House in respect of the EquityClear service.
- Associated Account Assets* - The cover to be transferred to the Receiving Clearing Member in respect of the Account Assets of (i) an Individual Segregated Account Client or (ii) all of the Omnibus Net Segregated Clearing Clients within an Omnibus Net Segregated Account (as applicable).
- Associated Clearing House* - The clearing house appointed from time to time by a Co-operating Exchange to act as the central counterparty to some or all transactions made on, or under the rules of the Co-operating Exchange.
- ATP Market Rules* - The rules, regulations, administrative procedures, Memorandum and Articles of Association or bye-laws which regulate an ATP and the market administered by it as notified from time to time to the Clearing House.
- Auction Portfolio* - Has the meaning assigned to it in the Default Rules.
- Automated Trading System* - An automated trading system in respect of which the Clearing House has an agreement with the operator thereof and in respect of which the Clearing House has notified RepoClear Participants in accordance with the Procedures.
- Backup SwapClear Clearing Member* - Means, in relation to SwapClear Clearing Client Business, the SwapClear Clearing Member(s) indicated by a SwapClear Clearing Client as acting as such and notified to the Clearing House from time to time.
- Board* - The board of directors or other governing body (whether called a board, a committee or otherwise) of an Exchange.
- Bond Trade* - A trading activity in which a RepoClear Participant offers to sell RepoClear Eligible Securities, and another RepoClear Participant offers to purchase those RepoClear Eligible Securities, and a trade subsequently ensues.
- business day* - In respect of a Cleared Exchange Contract, an OTC Contract (except where specified otherwise in the relevant OTC Contract Terms), an LCH EnClear OTC Contract (except

where specified otherwise in the LCH EnClear OTC Contract Terms), and an EquityClear Contract a day on which the Clearing House is open for business.

- buyer*
- A Member (or the Clearing House where the context so requires) who is a buyer under the terms of an exchange contract, a Cleared Exchange Contract, an Turquoise Derivatives Cleared Exchange Contract, a RepoClear Transaction, a RepoClear Contract, a RepoClear GC Transaction, a RepoClear GC Contract, an EquityClear ATP Match, an EquityClear Novation Transaction, EquityClear (ccCFD) ATP Match or an Eligible OTC Trade, as the case may be.
- Carrying Clearing Member*
- A SwapClear Clearing Member carrying an account for a SwapClear Clearing Client, and in respect of which Relevant SwapClear Contracts and Associated Account Assets in respect of Account Assets held in such account may be transferred to a Receiving Clearing Member pursuant to Regulation 52C of these Regulations and in accordance with the Procedures.
- CEA*
- Has the meaning assigned to it in the Default Rules.
- CFTC*
- Has the meaning assigned to it in the Default Rules.
- CFTC Regulations*
- Has the meaning assigned to it in the FCM Regulations.
- Cleared Exchange Contract*
- A Contract entered into by the Clearing House on the terms of an exchange contract.
- Clearing House*
- LCH.Clearnet Limited whose registered office is located at Aldgate House, 33 Aldgate High Street, London EC3N 1EA, United Kingdom.
- Clearing House Prescribed Language*
- Means, in relation to SwapClear Clearing Client Business, the wording prescribed by the Clearing House for inclusion in the SwapClear Clearing Agreements entered into by SwapClear Clearing Members with their clients.
- Clearing Membership Agreement*
- The agreement so designated under which, inter alia, the Clearing House agrees to make available clearing services in respect of Contracts together with any extension letter or other agreement; in these Regulations and the Procedures the expressions "Clearing Member Agreement", "Member Agreement" and "Membership Agreement" shall have the same meaning as "Clearing Membership Agreement"; and in the Default Rules and the Default Fund Rules "Clearing Membership Agreement" includes the FCM Clearing Membership Agreement and FCM Default Fund Agreement.
- client account*
- Means a segregated account with the Clearing House opened in the name of a Member in which Contracts relating to contracts made by the Member with one or more segregated clients are registered and to which monies in respect of such Contracts are credited.

closing-out contract

- For the purposes of these Regulations, a contract effected by or on behalf of the Clearing House and registered in a Member's name, being a contract on the same terms (except as to price or premium) as an open contract in the Member's name, save that where the Clearing House is a buyer or a fixed rate payer, as the case may be, under the terms of such open contract the Clearing House shall be a seller or floating rate payer, as the case may be, under the terms of such closing-out contract and vice-versa.

Compression Documentation

- Such documentation as may be prescribed from time to time by the Clearing House and/or any ACSP (where applicable) in relation to a Multilateral Compression Cycle or a SwapClear Clearing Member's participation in Multilateral Compression services, including:
 - (i) for a Member Compression Cycle, such agreements and documents as the Clearing House may require from all relevant SwapClear Clearing Members in relation to Multilateral Compression in accordance with the relevant Compression Proposal;
 - (ii) for an ACSP Compression Cycle, such agreements and documents as may be required by the nominated ACSP and/or the Clearing House in order to allow a SwapClear Clearing Member to receive the services of the ACSP and participate in that ACSP Compression Cycle; and
 - (iii) such other documentation as the Clearing House may prescribe from time to time in Procedures, user manuals or other guidance documentation regarding Multilateral Compression.

Compression Proposal

- In relation to any Multilateral Compression Cycle, the final statement as to the proposed set of Terminating SwapClear Contracts and the proposed set of resulting Post-Multilateral Compression Contracts, and, in relation to a SwapClear Clearing Member, references to Compression Proposal shall relate to such of the Terminating SwapClear Contracts and Post-Multilateral Compression Contracts as that SwapClear Clearing Member is or will become party to.

Compression Time

On the date designated by the Clearing House for a Multilateral Compression Cycle, the time at which the Clearing House effects a Multilateral Compression by terminating the Terminating SwapClear Contracts and simultaneously registering the Post-Multilateral Compression Contracts in the names of the SwapClear Clearing Members participating in that Multilateral Compression Cycle in accordance with the Compression Proposal.

Co-operating Clearing House

- (i) a Co-operating Exchange or Associated Clearing House party to a Link Agreement with the Clearing House; or (ii) a clearing house party to an agreement with the Clearing House in respect of the co-clearing of an Exchange pursuant to which such organisation co-clears specific types of Contract and agrees to be bound by these Regulations as a Member to the extent and subject to any variations agreed in such

	agreement.
<i>Co-operating Exchange</i>	- An exchange (which may also act as a central counterparty) which is party to a co-operation agreement with TGHL.
<i>Combined Turquoise Derivatives Orderbook</i>	- Means the electronic Orderbook operated by TGHL. and one or more Co-operating Exchanges.
<i>Commodity</i>	- Any kind of property, currency, documents, right or interest (including an option) which is the subject matter of an exchange contract or an LCH EnClear OTC Contract.
<i>confirmed contract</i>	- An original exchange contract which has been confirmed to the Clearing House by or on behalf of a buyer and a seller pursuant to Regulation 6 or 7 and the Procedures, save that where one or more allocations of an original exchange contract have taken place in accordance with Regulation 7 and the Procedures a “confirmed contract” shall only arise when the last allocation of such original exchange contract has been made and confirmed by a Member pursuant to Regulation 7 and the Procedures.
<i>Contract</i>	- (i) A contract subject to the Regulations entered into by the Clearing House with a Member for the purposes of or in connection with the provision of clearing services including, without limitation, an open contract, settlement contract, re-opening contract or closing-out contract; and also (ii) in the case of the Default Rules (including the SwapClear DMP Annex and ForexClear DMP Annex), the Default Fund Rules, the FCM Default Fund Agreement, and any other document, rule or procedure as specified by the Clearing House from time to time, an FCM Contract.
<i>contract for differences</i>	- A Cleared Exchange Contract, a Turquoise Derivatives Cleared Exchange Contract, an OTC Contract or an LCH EnClear OTC Contract which is to be performed by cash settlement only.
<i>Contribution</i>	- In relation to the Default Fund Rules, has the meaning assigned to it in rule 17 of the Default Fund Rules.
<i>cover</i>	- An amount determined by the Clearing House of cash or, with the approval of the Clearing House, security in a currency and a form acceptable to the Clearing House as prescribed by the Procedures.
<i>Cross-Border Transfers</i>	- The automatic transfers of Turquoise Derivatives Cleared Exchange Contracts from an account of a Linked Member maintained with a Co-operating Exchange to an account of a Member with the Clearing House.
<i>Cross-Margining Affiliate</i>	- A Member or a member of a Cross-Margining Exchange who has been accepted as eligible to be a Cross-Margining Participant by the Clearing House or the Cross-Margining Exchange, as the case may be, and who is an affiliate (as defined in a Cross-Margining Agreement) of a Cross-Margining Participant of the other exchange or clearing

- organisation.
- Cross-Margining Agreement* - An agreement entered into between the Clearing House and a Cross-Margining Exchange (together or with other parties, as the case may be) pursuant to which the Clearing House agrees to take into account, in calculating cover for initial margin to be furnished to the Clearing House by a Member who is a Cross-Margining Participant, contracts entered into between the Cross Margining Exchange and the Cross-Margining Participant or his Cross-Margining Affiliate and pursuant to which the Clearing House is liable to make payments to the Cross-Margining Exchange (and, as the case may be, the Cross-Margining Exchange is liable to make payments to the Clearing House) of amounts calculated in accordance with the terms of the loss-sharing arrangements set forth in such Cross-Margining Agreement.
- Cross-Margining Exchange* - An exchange, clearing house or organisation party to a Cross-Margining Agreement with the Clearing House.
- Cross-Margining Participant* - A Member or a member of a Cross-Margining Exchange, which the Clearing House or the Cross-Margining Exchange, as the case may be, has accepted may participate in the cross-margining arrangements set forth in the Cross-Margining Agreement as a Cross-Margining Participant or Cross-Margining Affiliate.
- daily settlement amounts* - Amounts due to the Clearing House from a Member or to a Member from the Clearing House, as the case may be, arising out of settlement of open contracts pursuant to Regulation 15 or Regulation 73c, and the Procedures.
- Day Position Balances* - For the purposes of the Link Regulations, the meaning attributed to it in the Procedures in respect of Contracts on the terms of a Linked Exchange Contract referred to in Regulation 41(b) or, in respect of contracts on the terms of a Participating Exchange Contract referred to in Regulation 41A, the meaning attributed to it in the relevant Link Agreement.
- Deed of Assignment* - Means a deed of assignment entered into between a SwapClear Clearing Member and a SwapClear Clearing Client (or, notwithstanding any description to the contrary, such SwapClear Clearing Client's security trustee) in respect of a SwapClear Clearing Agreement. For this purpose, where the Deed of Assignment is entered into with the Clearing House acting as security trustee for the benefit of a SwapClear Clearing Client, any reference to the exercise of rights by a SwapClear Clearing Client pursuant to such Deed of Assignment shall be a reference to the Clearing House exercising such rights in its capacity as a security trustee for the benefit of the SwapClear Clearing Client
- Default Management Process Agreement Amendment Agreement* - Has the meaning assigned to it in General Regulation 52A.
- defaulter* - Has the meaning assigned to it in rule 4 of the Default Rules.

<i>Default Fund Rules</i>	- The Clearing House's Default Fund Rules from time to time in force which, for the avoidance of doubt, form part of the General Regulations and of the Default Rules.
<i>Default Rules</i>	- The Clearing House's Default Rules from time to time in force pursuant to Part IV of The Financial Services and Markets Act 2000 (Recognition Requirements for Investment Exchanges and Clearing Houses) Regulations 2001 which, for the avoidance of doubt, form a part of these General Regulations.
<i>Defaulting FXCCM</i>	- Has the meaning assigned to it in the Default Fund Rules.
<i>Defaulting SCM</i>	- Has the meaning assigned to it in the Default Fund Rules.
<i>delivery contract</i>	- A Cleared Exchange Contract or Turquoise Derivatives Cleared Exchange Contract between the Clearing House and a Member: <ul style="list-style-type: none"> (i) for the immediate sale and purchase of a commodity arising on the exercise of an option pursuant to these Regulations; or (ii) for the sale and purchase of a commodity for delivery on the date specified in the contract or on the date agreed between the parties, in either case being an open contract under which tender is not required to be given.
<i>delivery month</i>	- In respect of an exchange contract, the meaning ascribed to it in the Exchange Rules governing such contract or, in respect of an LCH EnClear OTC Contract, the meaning ascribed to it in the LCH EnClear OTC Procedures, or in respect of a Turquoise Derivatives Cleared Exchange Contract, an expiration month as defined in the Turquoise Derivatives Rules.
<i>Economic Terms</i>	- That part of the SwapClear Contract Terms, RepoClear Contract Terms, RepoClear GC Contract Terms, EquityClear Contract Terms, LCH EnClear OTC Contract Terms, or ForexClear Contract Terms as the case may require, designated as Economic Terms by the Clearing House from time to time.
<i>Eligibility Criteria</i>	- With regard to an EquityClear Open Offer, the conditions set out in Regulation 62A(c) or 62C(c).
<i>Eligible OTC Trade</i>	- A trade eligible for registration in the LCH EnClear OTC Services.
<i>EquityClear ATP Match</i>	- An EquityClear (Equities) ATP Match or EquityClear (ccCFD) ATP Match.
<i>EquityClear Clearing Member</i>	- A Member who is designated by the Clearing House as an EquityClear Clearing Member eligible to clear EquityClear Contracts.
<i>EquityClear(ccCFD) Contract Terms</i>	- The terms applicable to each EquityClear (ccCFD) Contract, where such terms are not specified by the ATP, as set out from time to time in the Schedule to the EquityClear

Regulations or the Procedures.

- EquityClear (ccCFD) ATP Match* - An EquityClear ATP Match where the relevant ATP Market Rules permit the matching of Trading Platform Particulars that consist of the sale or purchase of an EquityClear Eligible ccCFD and the corresponding purchase or sale, as the case may be, of an EquityClear Eligible ccCFD.
- EquityClear (ccCFD) Open Offer* - The open offer made by the Clearing House in respect of an EquityClear (ccCFD) ATP Match meeting the EquityClear (ccCFD) Open Offer Eligibility Criteria.
- EquityClear (ccCFD) Contract* - An EquityClear Contract entered into by the Clearing House with an EquityClear Clearing Member on the EquityClear (ccCFD) Contract Terms or such other terms specified by the relevant ATP.
- EquityClear Clearing Member* - a Member who is designated by the Clearing House as an EquityClear Clearing Member eligible to clear EquityClear Contracts.
- EquityClear Contract* - An EquityClear (Equities) Contract and/or an EquityClear (ccCFD) Contract as the case may be.
- EquityClear Contract Terms* - The EquityClear (Equities) Contract Terms and/or the EquityClear (ccCFD) Contract Terms as the case may be.
- EquityClear Eligible ccCFD* - A contract for difference in respect of an EquityClear Eligible Underlying Instrument prescribed by the Clearing House and eligible for those prescribed parts of the EquityClear service and which appear in the list or lists published for this purpose from time to time by the Clearing House.
- EquityClear Eligible ccCFD Underlying Instruments* - The security, index, commodity, currency pair or other asset or product that is the subject matter of an EquityClear (ccCFD) and which appear in the list or lists published for this purpose from time to time by the Clearing House.
- EquityClear Eligible Equities* - Securities prescribed from time to time by the Clearing House which are eligible for any part or parts of the EquityClear service and which appear in the list or lists published from time to time by the Clearing House.
- EquityClear (Equities) ATP Match* - The matched Trading Platform Particulars resulting from the matching on an ATP, in accordance with the relevant ATP Market Rules, of Trading Platform Particulars received from, or on behalf of: (i) two EquityClear Clearing Members (with one as buyer and one as seller); or (ii) one EquityClear Clearing Member and one member of a relevant Co-operating Clearing House (with one as buyer and one as seller).
- EquityClear (Equities) Contract* - An EquityClear Contract entered into by the Clearing House with an EquityClear Clearing Member on the EquityClear (Equities) Contract Terms or such other terms specified by the relevant ATP.
- EquityClear (Equities) Contract* - The terms applicable to each EquityClear (Equities) Contract, where such terms are not specified by the ATP, as set out

<i>Terms</i>	from time to time in the Schedule to the EquityClear Regulations or the Procedures.
<i>EquityClear (Equities) Open Offer</i>	- The open offer made by the Clearing House in respect of an EquityClear (Equities) ATP Match meeting the EquityClear (Equities) Open Offer Eligibility Criteria.
<i>EquityClear Mixed Member Match</i>	- (i) An ATP Match reflecting two sets of matched Trading Platform Particulars submitted by, or on behalf of, one EquityClear Clearing Member and one member of a relevant Co-operating Clearing House (with one as buyer and one as seller), or (ii) an EquityClear Novation Transaction between one EquityClear Clearing Member and one member of a relevant Co-operating Clearing House (with one as buyer and one as seller).
<i>EquityClear Non-Clearing Member (EquityClear NCM)</i>	- A person who is not a Member but is party to an Approved EquityClear Clearing Agreement with an EquityClear Clearing Member/s and the Clearing House, and is included by the Clearing House on the Register of EquityClear NCMs as eligible to submit Trading Platform Particulars to such one or more Approved EquityClear Trading Platform/s as may be approved by the Clearing House with regard to that person, and any resulting EquityClear ATP Matches to the Clearing House, on behalf of the relevant EquityClear Clearing Member pursuant to, and in accordance with, such Approved EquityClear Clearing Agreement, the relevant ATP Market Rules, the Regulations and the Procedures.
<i>EquityClear Novation Transaction</i>	- The matched Trading Platform Particulars representing a bilateral transaction and either: <ul style="list-style-type: none"> (i) concluded other than through the orderbook of a relevant ATP which is capable of being cleared in accordance with the relevant ATP Market Rules and the Regulations; or (ii) concluded through an orderbook of an ATP, where the relevant ATP Market Rules specify that transactions executed there will be cleared via novation; and (iii) in either case is submitted for registration by, or on behalf of, one EquityClear Clearing Member (or, in respect of an EquityClear Mixed Member Match, one member of the relevant Co-operating Clearing House) identified as, or as acting as clearing member for, the buyer and the same or another EquityClear Clearing Member identified as, or as acting as clearing member for, the seller.
<i>EquityClear Open Offer</i>	- An EquityClear (Equities) Open Offer or EquityClear (ccCFD) Open offer
<i>EquityClear Participants</i>	- EquityClear Clearing Members and EquityClear NCMs.
<i>EquityClear Regulations</i>	- The Clearing House's Regulations, applicable to EquityClear Contracts only, from time to time in force.

- €GC Trade*
- A trading activity in which a RepoClear Participant (“the First Participant”) offers to sell (or buy) an agreed value of securities comprised in a €GC Basket, to be allocated in accordance with the RepoClear Procedures applicable to RepoClear €GC Contracts, and another RepoClear Participant (“the Second Participant”) offers to buy (or sell, as the case may be) the securities so allocated, on the conditions that:
 - (i) at the end of a specified period of time, the Second Participant sells (or buys, as the case may be) Equivalent Securities (as such term is used in the RepoClear €GC Contract Terms) and the First Participant buys (or sells, as the case may be) those Equivalent Securities; and
 - (ii) the understanding of the parties is that their obligations during the term of the transaction will be represented by a series of overnight repurchase transactions effected either through CBL’s service under the AutoAssign Supplement, Euroclear’s AutoSelect service or any other equivalent service provided by a Triparty Agent, as the case may be, as contemplated by the RepoClear Procedures applicable to RepoClear €GC Contracts,and a trade subsequently ensues.
- Event Protection Contract*
- A Cleared Exchange Contract between the Clearing House and a Member arising in connection with a LIFFE Credit Default Swap Index Contract pursuant to Regulation 18.
- Excess Collateral*
- Means, in relation to SwapClear Clearing Client Business, collateral, other than Additional Collateral, delivered to the Clearing House by a SwapClear Clearing Member in respect of its SwapClear Clearing Client Business which is in excess of the Required Collateral in respect of such SwapClear Clearing Client Business.
- Exchange*
- An organisation (whether an exchange, association, company or otherwise) responsible for administering a futures, options, stock or other market, to which the Clearing House provides clearing services.
- exchange contract*
- A class of contract (1) on the terms published from time to time by an Exchange and permitted to be made by a member of such Exchange on the market administered by that Exchange or otherwise in accordance with Exchange Rules, or (2) eligible for submission to the Clearing House for registration pursuant to the Exchange Rules. For the purposes of these Regulations “exchange contract” shall not include any class of contract capable of being made on the London Stock Exchange, or on any ATP.
- Exchange Rules*
- The rules, regulations, administrative procedures, Memorandum and Articles of Association or bye-laws which regulate an Exchange and the market administered by it as notified from time to time to the Clearing House and, without prejudice to the generality of the foregoing, any regulations or directions made by the Board and any procedures, practices

and administrative requirements of the Exchange. The term “Exchange Rules” shall include the Turquoise Derivatives Rules, as the case may be, save where the context otherwise requires.

<i>Executing Party</i>	- Means each person described as a party to a SwapClear Transaction or a FCM SwapClear Transaction (as applicable) in the details submitted to the Clearing House via the relevant Approved Trade Source System or FCM Approved Trade Source System (as applicable).
<i>Execution Terms</i>	Means the terms (if any) that apply to a SwapClear Transaction relating to the registration or non-registration of such SwapClear Transaction.
<i>expiry date or month</i>	- A date or month prescribed by Exchange Rules in respect of an option contract.
<i>FCM Approved Trade Source System</i>	- Has the meaning assigned to it in the FCM Regulations.
<i>FCM Buffer</i>	- Has the meaning assigned to it in the FCM Regulations.
<i>FCM Clearing Member</i>	- Has the meaning assigned to it in the FCM Regulations.
<i>FCM Clearing Membership Agreement</i>	- Has the meaning assigned to it in the FCM Regulations.
<i>FCM Client</i>	- Has the meaning assigned to it in the FCM Regulations.
<i>FCM Client Segregated Sub-Account</i>	- Has the meaning assigned to it in the FCM Regulations.
<i>FCM Contract</i>	- Has the meaning assigned to it in the FCM Regulations.
<i>FCM Default Fund Agreement</i>	- Has the meaning assigned to it in the FCM Regulations.
<i>FCM EnClear Contract</i>	- Has the meaning assigned to it in the FCM Regulations.
<i>FCM ForexClear Clearing Services</i>	- Has the meaning assigned to it in the FCM Regulations.
<i>FCM ForexClear Contract</i>	- Has the meaning assigned to it in the FCM Regulations.
<i>FCM ForexClear Transaction</i>	- Has the meaning assigned to it in the FCM Regulations.
<i>FCM Omnibus Clearing Product Client Account with LCH</i>	- Has the meaning assigned to it in the FCM Regulations.
<i>FCM Omnibus ENClear Client Account with LCH</i>	- Has the meaning assigned to it in the FCM Regulations.
<i>FCM Omnibus ForexClear Client Account with LCH</i>	- Has the meaning assigned to it in the FCM Regulations.
<i>FCM Omnibus SwapClear Client Account with LCH</i>	- Has the meaning assigned to it in the FCM Regulations.

<i>FCM Procedures</i>	- Has the meaning assigned to it in the FCM Regulations.
<i>FCM Regulations</i>	- Means the Clearing House's FCM Regulations.
<i>FCM SwapClear Clearing Services</i>	- Has the meaning assigned to it in the FCM Regulations.
<i>FCM SwapClear Contract</i>	- Has the meaning assigned to it in the FCM Regulations.
<i>FCM SwapClear Transaction</i>	- Has the meaning assigned to it in the FCM Regulations.
<i>FCM Transaction</i>	- Has the meaning assigned to it in the FCM Regulations.
<i>ForexClear Clearing House Business</i>	- Means ForexClear Contracts entered into by a ForexClear Clearing Member with the Clearing House on a proprietary basis and for its own account.
<i>ForexClear Clearing Member (FXCCM)</i>	- A Member who is designated by the Clearing House as a ForexClear Clearing Member eligible to clear ForexClear Contracts which includes, in the case of the Default Rules, the Default Fund Rules (including the ForexClear DMP Annex), the FCM Default Fund Agreement and any other document, rule or procedure as specified by the Clearing House from time to time, an FCM Clearing Member.
<i>ForexClear Contract</i>	- A Contract entered into by the Clearing House with a ForexClear Clearing Member on the ForexClear Contract Terms which includes, in the case of the Default Rules (including the ForexClear DMP Annex), the Default Fund Rules, the FCM Default Fund Agreement and any other document, rule or procedure as specified by the Clearing House from time to time, an FCM ForexClear Contract.
<i>ForexClear Contract Terms</i>	- The terms applicable to each ForexClear Contract as set out from time to time in the Schedule to the ForexClear Regulations or the Procedures.
<i>ForexClear Dealer (FXD)</i>	- A person admitted by the Clearing House to the Register of ForexClear Dealers and who has not been removed from the Register of ForexClear Dealers.
<i>ForexClear Dealer Clearing Agreement (FDC Agreement)</i>	- A written agreement, in the form and on the terms prescribed by the Clearing House between an FXD, an FXCCM and the Clearing House which has the function, amongst other things, of setting out the terms on which the FXCCM agrees to clear ForexClear Transactions for the ForexClear Dealer.
<i>ForexClear DMG</i>	- Has the meaning assigned to it in the Default Rules.
<i>ForexClear DMP</i>	- Has the meaning assigned to it in the Default Rules.
<i>ForexClear Eligibility Criteria</i>	- With regard to ForexClear Transactions, the Product Eligibility Criteria set out in Section 2 of Part B of the Schedule to the ForexClear Regulations.
<i>ForexClear Matcher</i>	A party which has been notified in writing by the Clearing House to ForexClear Participants from time to time as being a

	matching provider for the ForexClear Service.
<i>ForexClear Participants (FXPs)</i>	- ForexClear Clearing Members, and ForexClear Dealers, and “ForexClear Participant” means either of them.
<i>ForexClear Regulations</i>	- The Regulations entitled as such, applicable to ForexClear Contracts only, from time to time in force.
<i>ForexClear Service</i>	- The service provided by the Clearing House under the ForexClear Regulations.
<i>ForexClear Transaction</i>	- A contract, meeting the ForexClear Eligibility Criteria for registration as a ForexClear Contract, entered into between two ForexClear Clearing Members, of which particulars are presented to the Clearing House for registration in the name of ForexClear Clearing Members in accordance with the Regulations. In addition, a ForexClear Transaction shall include an FCM ForexClear Transaction where the relevant ForexClear Clearing Member is an Executing Party.
<i>GC Trade</i>	- A €GC Trade or a SGC Trade.
<i>Hedged Account</i>	- Has the meaning assigned to it in the FCM Regulations.
<i>HKMEx</i>	- The Hong Kong Mercantile Exchange Limited of 1905 International Commerce Centre, 1 Austin Road West, Kowloon, Hong Kong, and such of its affiliates as may operate the HKMEx Trading System from time to time.
<i>HKMEx Contract</i>	- A Contract entered into by the Clearing House with a HKMEx Service Clearing Member pursuant to the HKMEx Regulations.
<i>HKMEx Contract Terms</i>	- The terms of a HKMEx Contract as set out in the HKMEx contract specification provided in HKMEx's Rules.
<i>HKMEx Eligible Product</i>	- A product prescribed from time to time by the Clearing House as eligible for the HKMEx Service.
<i>HKMEx Non-Clearing Member</i>	- A person other than a HKMEx Service Clearing Member who is party to an agreement with HKMEx allowing such person to be a participant in the HKMEx Trading System and subjecting such person to the provisions of HKMEx's Rules.
<i>HKMEx Participants</i>	- HKMEx Service Clearing Members and HKMEx Non-Clearing Member.
<i>HKMEx Regulations</i>	- The Clearing House's Regulations applicable to HKMEx Contracts from time to time in force.
<i>HKMEx's Rules</i>	- The rules, practices, procedures, trading protocols and arrangements of the HKMEx Trading System as may be prescribed from time to time relating to HKMEx Eligible Products.
<i>HKMEx Service</i>	- The service provided by the Clearing House under the HKMEx Regulations.

- HKMEx Service Clearing Member* - A Member who is designated by the Clearing House as eligible to clear HKMEx Contracts.
- HKMEx Trading System* - The facility, trading system or systems operated directly or indirectly by HKMEx on which HKMEx Eligible Products may be traded.
- HKMEx Transaction* - A contract in a HKMEx Eligible Product between HKMEx Service Clearing Members arising or registered on a HKMEx Trading System meeting the requirements of the Regulations and the Procedures.
- Individual Segregated Account* - Means, in relation to SwapClear Clearing Client Business, a sub-account opened within the Clearing House by a SwapClear Clearing Member in respect of Individual Segregated Account Business.
- Individual Segregated Account Balance* - Means, in respect of an Individual Segregated Account Clearing Client, the sum of: (1) (i) the Required Collateral attributed by the Clearing House in accordance with its rules and procedures to that client; (ii) the Excess Collateral attributed by the Clearing House in accordance with its rules and procedures to that client; and (iii) the Additional Collateral held in the Additional Collateral Account in respect of that client minus (2) in respect of any Individual Segregated Account Clearing Client in respect of whom the Clearing House acts as security trustee under a Deed of Assignment, that client's share (if any) of amounts required to discharge fees incurred by the security trustee (acting in that capacity) allocated between that SwapClear Clearing Client and the other SwapClear Clearing Clients in respect of whom the Clearing House acts as security trustee under such Deed of Assignment, by the Clearing House pro rata as it sees fit in its sole discretion.
- Individual Segregated Account Business* - Has the meaning ascribed to such term in sub-paragraph (i) of paragraph (c) of Regulation 52A.
- Individual Segregated Account Clearing Client* - Means, in relation to SwapClear Clearing Client Business, a client in respect of whom a SwapClear Clearing Member engages in Individual Segregated Account Business.
- initial margin* - An amount determined and published from time to time by the Clearing House with regard to each category of contract, in respect of which Members may be required to provide to the Clearing House cover in accordance with these Regulations and the Procedures as a condition of registration of a contract by the Clearing House and otherwise in respect of all Contracts registered with the Clearing House, as prescribed by these Regulations and the Procedures.
- LCH Approved Outsourcing Party* - Means a party approved for these purposes by the Clearing House, as set out in the FCM Procedures.
- LCH.Clearnet Group* - The group of undertakings consisting of LCH.Clearnet Limited, LCH.Clearnet Group Limited and Banque Centrale de Compensation S.A. trading as LCH.Clearnet SA. (Reference to a "member" of LCH.Clearnet Group within these

	Regulations is to be construed accordingly).
<i>LCH EnClear OTC Clearing Member</i>	- A Member who is designated by the Clearing House as an LCH EnClear OTC Clearing Member eligible to clear LCH EnClear OTC Contracts.
<i>LCH EnClear OTC Contract</i>	- A Contract entered into by the Clearing House with an LCH EnClear OTC Clearing Member on any applicable set of Contract Terms prescribed in the LCH EnClear OTC Regulations.
<i>LCH EnClear OTC Contract Terms</i>	- The relevant Contract Terms in respect of LCH EnClear OTC Contracts.
<i>LCH EnClear OTC Regulations</i>	- The Clearing House's Regulations, applicable to LCH EnClear OTC Contracts only, from time to time in force.
<i>LCIA Rules</i>	The LCIA Arbitration Rules of The London Court of International Arbitration.
<i>LIFFE</i>	- LIFFE Administration and Management
<i>LIFFE Credit Default Swap Index Contract</i>	- A Cleared Exchange Contract entered into by the Clearing House and a Member on the LIFFE Credit Default Swap Index Contract Terms.
<i>LIFFE Credit Default Swap Index Contract Terms</i>	- The terms of the LIFFE Credit Default Swap Index Contract specification provided in LIFFE Rules.
<i>LIFFE Market</i>	- Any market operated by LIFFE regardless as to whether the market is an exchange, multilateral trading facility, alternative trading system, other platform or an over the counter market but excluding any market outside of the European Union operated by LIFFE.
<i>LIFFE Rules</i>	- The rules adopted by LIFFE in force from time to time and which govern the membership and operation of a LIFFE Market.
<i>Link</i>	- The trading and/or clearing arrangements established by the Clearing House and a Participating Exchange and, as the case may be, an Exchange in respect of either or both of the following: <ul style="list-style-type: none"> (i) one or more exchange contracts; (ii) one or more Participating Exchange Contracts.
<i>Link Agreement</i>	- An agreement entered into between the Clearing House and a Participating Exchange and, if applicable, an Exchange for the purposes of a Link.
<i>Link Clearing Agreement</i>	- A written agreement in one or more forms and in the terms prescribed by an Exchange, the Clearing House and a Participating Exchange to which, amongst others, a Member is party which has the function, amongst other things, of facilitating the transfer of Contracts on the terms of one or more Linked Exchange Contracts covered by such agreement

	in accordance with Regulation 41.
<i>Linked Exchange Contract</i>	- An exchange contract which is the subject of a Link.
<i>Linked Member</i>	- A member of a Co-operating Exchange.
<i>Link Regulations</i>	- The Clearing House's Link Regulations from time to time in force.
<i>lot</i>	- The standard unit or quantity prescribed by an Exchange, with the approval of the Clearing House, as the trading unit of an exchange contract; or - In relation to a contract other than an exchange contract, the standard unit or quantity prescribed by the relevant contract terms.
<i>LSE</i>	- The London Stock Exchange plc or any successor in title.
<i>margin</i>	- Initial margin and/or variation margin.
<i>market</i>	- A futures, options, forward, stock or other market, administered by an Exchange, or an OTC market in respect of which the Clearing House has agreed with such Exchange or, in respect of an OTC market, with certain participants in that market, to provide clearing services on the terms of these Regulations and the Procedures.
<i>market day</i>	- In respect of a commodity, a day on which the market on which that commodity is dealt in is open for trading.
<u><i>Member Compression Cycle</i></u>	- <u>A Multilateral Compression Cycle requested by two or more SwapClear Clearing Members and agreed to by the Clearing House in relation to eligible SwapClear Contracts held by those requesting SwapClear Clearing Members. For the avoidance of doubt, a Member Compression Cycle will not involve any ACSP.</u>
<i>Member or Clearing Member</i>	- (i) Subject to (ii) means an undertaking (including a firm or company) which is entitled to be party to Contracts with the Clearing House in accordance with a Clearing Membership Agreement and the Procedures, a Participating Exchange or a Co-operating Clearing House, where so agreed with the Participating Exchange or the Co-operating Clearing House (as applicable). For the avoidance of doubt, the terms "Member" and "Clearing Member" for the purposes of these Regulations, Default Rules and Procedures, do not mean shareholder of LCH.Clearnet Limited or of any other undertaking in the LCH.Clearnet Group. - (ii) "Clearing Member" includes or means (as the case may be) FCM Clearing Member for the purpose of the Default Rules (including the SwapClear DMP Annex and the ForexClear DMP Annex), the Default Fund Rules, the FCM Default Fund Agreement and any other document, rule or procedure as specified by the

Clearing House from time to time.

- Member Link Agreement* - A Link Clearing Agreement or a Trade Allocation Agreement.
- MER* - Has the meaning assigned to it in Section 2C.3.3 of the Procedures.
- Multilateral Compression* - The exercise in which some or all of the SwapClear Contracts submitted by two or more SwapClear Clearing Members for inclusion in a Multilateral Compression Cycle are wholly terminated and, where relevant, replaced with other SwapClear Contracts whose combined notional value is less than the combined notional value of the terminated SwapClear Contracts in that Multilateral Compression Cycle.
- Multilateral Compression Cycle* - The process of Multilateral Compression in accordance with a Compression Proposal, whether by way of an ACSP Compression Cycle or a Member Compression Cycle.
- NLX* - NASDAQ OMX NLX Limited of 131 Finsbury Pavement, London EC2A 1NT.
- NLX Contract* - A Contract entered into by the Clearing House with an NLX Service Clearing Member pursuant to the NLX Regulations.
- NLX Contract Terms* - The terms of an NLX Contract as set out in the NLX contract specification provided in NLX's Rules.
- NLX Eligible Derivative Product* - A derivative product prescribed from time to time by the Clearing House as eligible for the NLX Service.
- NLX Non-Clearing Participant* - A person other than an NLX Service Clearing Member who is party to an agreement with NLX allowing such person to be a participant in the NLX Trading Facility and subjecting such person to the provisions of NLX's Rules.
- NLX Participants* - NLX Service Clearing Members and NLX Non-Clearing Participants.
- NLX Reference Price* - A Reference Price in respect of an NLX Contract.
- NLX Regulations* - The Clearing House's Regulations applicable to NLX Contracts from time to time in force.
- NLX's Rules* - The rules, practices, procedures, trading protocols and arrangements of the NLX Trading Facility as the case may be and as may be prescribed from time to time relating to NLX Eligible Derivative Products.
- NLX Service* - The service provided by the Clearing House under the NLX Regulations.
- NLX Service Clearing Member* - A Member who is designated by the Clearing House as eligible to clear NLX Contracts.
- NLX Trading Facility* - The facility, trading system or systems operated directly or indirectly by NLX on which NLX Eligible Derivative Products

	may be traded.
<i>NLX Transaction</i>	- A contract in an NLX Eligible Derivative Product between NLX Service Clearing Members arising or registered on an NLX Trading Facility meeting the requirements of the Regulations and the Procedures.
<i>Nodal</i>	- Nodal Exchange, LLC of 8065 Leesburg Pike, Suite 700, Vienna, VA 22182, United States of America.
<i>Nodal Contract</i>	- A Contract entered into by the Clearing House with a Nodal Service Clearing Member pursuant to the Nodal Regulations.
<i>Nodal Contract Terms</i>	- The terms of a Nodal Contract as set out in the Nodal contract specification provided in Nodal's Rules.
<i>Nodal Eligible Derivative Product</i>	- A derivative product prescribed from time to time by the Clearing House as eligible for the Nodal Service.
<i>Nodal Non-Clearing Participant</i>	- A person other than a Nodal Service Clearing Member who is party to an agreement with Nodal allowing such person to be a participant in the Nodal Trading Facility and subjecting such person to the provisions of Nodal's Rules.
<i>Nodal Participants</i>	- Nodal Service Clearing Members and Nodal Non-Clearing Participants.
<i>Nodal Reference Price</i>	- A Reference Price in respect of a Nodal Contract.
<i>Nodal Regulations</i>	- The Clearing House's Regulations applicable to Nodal Contracts from time to time in force.
<i>Nodal's Rules</i>	- The rules, practices, procedures, trading protocols and arrangements of the Nodal Trading Facility as the case may be and as may be prescribed from time to time relating to Nodal Eligible Derivative Products.
<i>Nodal Service</i>	- The service provided by the Clearing House under the Nodal Regulations.
<i>Nodal Service Clearing Member</i>	- A Member who is designated by the Clearing House as eligible to clear Nodal Contracts.
<i>Nodal Trading Facility</i>	- The facility, trading system or systems operated directly or indirectly by Nodal on which Nodal Eligible Derivative Products may be traded.
<i>Nodal Transaction</i>	- A contract in a Nodal Eligible Derivative Product between Nodal Service Clearing Members arising or registered on a Nodal Trading Facility meeting the requirements of the Regulations and the Procedures.
<i>Non-Deliverable FX Transaction</i>	- Has the meaning given to it in the 1998 FX and Currency Option Definitions published by the International Swaps and Derivatives Association, Inc., the Emerging Markets Traders Association, and the Foreign Exchange Committee, or any successor organisations, as amended and updated from time

- to time.
- NYSE Liffe Clearing Contract* - A contract in the terms of a LIFFE exchange contract subject to the LIFFE Rules entered into by LIFFE as central counterparty with a NYSE Liffe Clearing Member including, without limitation, an open contract, settlement contract, re-opening contract or closing-out contract.
- NYSE Liffe Clearing Member* - A Clearing Member who has been designated by LIFFE to clear NYSE Liffe Clearing Contracts and *NYSE Liffe Clearing Membership* shall be construed accordingly.
- NYSE Liffe Clearing Service* - The central counterparty and ancillary services provided by LIFFE to NYSE Liffe Clearing Members in accordance with the LIFFE Rules.
- NYSE Liffe Clearing Membership Agreement* - The tripartite clearing membership agreement relating to the NYSE Liffe Clearing Service between LIFFE, the Clearing House and each NYSE Liffe Clearing Member, as in force from time to time.
- official quotation* - A price determined by the Clearing House under Regulation 14.
- Omnibus Net Segregated Account* - Means, in relation to SwapClear Clearing Client Business, a sub-account opened within the Clearing House by a SwapClear Clearing Member in respect of Omnibus Net Segregated Business.
- Omnibus Net Segregated Account Balance* - Means, in respect of an individual Omnibus Net Segregated Clearing Client, the sum of: (1) (i) the Required Collateral attributed by the Clearing House in accordance with its rules and procedures to that client; (ii) the Excess Collateral attributed by the Clearing House in accordance with its rules and procedures to that client; and (iii) the Additional Collateral held in the Additional Collateral Account in respect of that client minus (2) in respect of any Omnibus Net Segregated Clearing Client in respect of whom the Clearing House acts as security trustee under a Deed of Assignment, that client's share (if any) of amounts required to discharge fees incurred by the security trustee (acting in that capacity) allocated between that SwapClear Clearing Client and the other SwapClear Clearing Clients in respect of whom the Clearing House acts as security trustee under such Deed of Assignment by the Clearing House pro rata as it sees fit in its sole discretion.
- Omnibus Net Segregated Business* - Has the meaning ascribed to such term in sub-paragraph (ii) of paragraph (c) of Regulation 52A
- Omnibus Net Segregated Clearing Client* - Means, in relation to SwapClear Clearing Client Business, a client in respect of whom a SwapClear Clearing Member engages in Omnibus Net Segregated Business.
- Open Contract or open contract* - A Contract made with a Member on the terms (subject to variation of such terms as provided in the Regulations) of an original contract or a Contract made with a Member on the terms set out in the Regulations and/or any agreement

entered into with the Member, which, in either case, has not been closed-out, settled or invoiced back in accordance with the Regulations and the Procedures. The term “open contract” shall include, where relevant, an option contract a delivery contract and an Event Protection Contract, but shall not include a settlement contract, a re-opening contract or a closing-out contract.

- open contract subject to tender* - A Cleared Exchange Contract made with a Member on the terms (unless otherwise provided in the Regulations) of an original exchange contract in respect of which a tender has been given, which has not been closed out, settled or invoiced back in accordance with the Regulations and the Procedures, and shall include, except where the context otherwise requires, a delivery contract.
- Open Offer for Turquoise Derivatives* - The open offer contained in Regulation 75 in relation to Orderbook Matches.
- option* - A right to enter into a contract for the sale and purchase of a commodity for future delivery, a contract for differences, or a delivery contract.
- option contract* - A contract for an option on the terms of an exchange contract; or
- original contract* - An original exchange contract, EquityClear Novation Transaction, Eligible OTC Trade, or an OTC Transaction other than a Repo Trade, Bond Trade or GC Trade.
- original exchange contract* - A contract including, where relevant, an option contract on the terms of an exchange contract which
- (i) has been entered into on a market or otherwise under or in accordance with Exchange Rules and subject to Exchange Rules of which particulars are to be presented to the Clearing House for registration in the name of members in accordance with Exchange Rules, the Regulations or the Procedures; or
 - (ii) arises pursuant to Regulation 41A(b) upon the transfer of a contract on the terms of a Participating Exchange Contract under a Link; or
 - (iii) by agreement with a Participating Exchange is to be registered in the name of a Participating Exchange in accordance with the terms of any agreement made with a Participating Exchange.

Where any such contract is for more than one lot there shall be deemed to be a separate contract in respect of each lot and the term “original exchange contract” shall be construed accordingly. The term “original exchange contract” shall include a confirmed contract, except where the context otherwise requires. For the avoidance of doubt, the term “original exchange contract” shall not include any ATP Match made pursuant to the rules of an Approved EquityClear

- Trading Platform.
- OTC Contract* - A Contract entered into by the Clearing House with a Member on the relevant OTC Contract Terms, as prescribed by the Clearing House from time to time, in accordance with the Regulations and the Procedures and/or any agreement entered into with the Member.
- OTC Contract Terms* - The SwapClear Contract Terms in respect of SwapClear Contracts, the RepoClear Contract Terms in respect of RepoClear Contracts, the RepoClear SGC Contract Terms in respect of RepoClear SGC Contracts and the RepoClear €GC Contract Terms in respect of RepoClear €GC, the ForexClear Contract Terms in respect of ForexClear Contracts..
- OTC market* - Any dealings in an investment (as defined in section 22(1) and Schedule 2 Part II of the Financial Services and Markets Act 2000) which are entered into otherwise than on or subject to the rules of an Exchange.
- OTC Service* - A service provided by the Clearing House for the clearing of a category of OTC Contract.
- OTC Transaction* - A transaction being a SwapClear Transaction, RepoClear Transaction, RepoClear GC Transaction, Repo Trade, Bond Trade or GC Trade, or ForexClear Transaction.
- Participating Exchange* - An organisation (whether an exchange, association, company or otherwise), other than an Exchange, responsible for administering a futures, options, stock or other market which has concluded a Link Agreement with the Clearing House including such an organisation pursuant to which Link Agreement:
- contracts on the terms of one or more Linked Exchange Contracts are to be transferred to, for clearing by, such organisation; or
 - contracts on the terms of one or more Participating Exchange Contracts are to be transferred to, for clearing by, the Clearing House.
- And, for the purposes of these Regulations, the term “Participating Exchange” shall include a Co-operating Clearing House and Co-operating Exchange and any clearing house (other than the Clearing House) which from time to time provides clearing services to such organisation.
- Participating Exchange Contract* - In respect of a Participating Exchange, means a class of contract, the terms of which are published by the Participating Exchange from time to time, permitted to be made by members of the Participating Exchange under Participating Exchange Rules and which is the subject of a Link.
- Participating Exchange Rules* - The provisions of a Participating Exchange’s Memorandum or Articles of Association or other constitutional documents, by-laws, rules, regulations, procedures, customs, practices, notices and resolutions in whatever form adopted by such

- Participating Exchange and any amendment, variation or addition thereto.
- Portfolios*
- Has the meaning assigned to it in the Default Rules.
- Post-Compression Contracts*
- Post-Multilateral Compression Contracts and/or any replacement SwapClear Contracts referred to in Regulation 48.
- Post-Multilateral Compression Contracts*
- In relation to a Compression Proposal, the SwapClear Contracts registered as a result of Multilateral Compression in accordance with such Compression Proposal.
- premium*
- The consideration for the selling of an option payable by the buyer in accordance with these Regulations and the Procedures.
- Price*
- In the case of:
 - (i) a contract on the terms of an exchange contract which is to be performed by delivery of a commodity, the consideration to be paid by the buyer in cash in the currency prescribed by the terms of the exchange contract, and in the case of an exchange contract which is a contract for differences, the valuation quoted as a price under its terms: or
 - (ii) an OTC Contract, the price calculated by the Clearing House in accordance with the Regulations and the Procedures; or
 - (iii) an EquityClear Contract, the consideration to be paid by the buyer in cash in the currency as set out in the ATP Match or ATP Match or EquityClear Novation Transaction information received by the Clearing House or its relevant approved agent; or
 - (iv) an LCH EnClear OTC Contract, the price calculated by the Clearing House in accordance with the Regulations and Procedures.
- Procedures*
- One or more documents containing the working practices and administrative or other requirements of the Clearing House for the purposes of implementing or supplementing these Regulations, or the procedures for application for and regulation of membership of the Clearing House and in respect of SwapClear Dealers, RepoClear Dealers, EquityClear NCMs, and ForexClear Dealers respectively, for:
 - (i) application for admission to the Register of SwapClear Dealers and regulation of SwapClear Dealers admitted to the Register;
 - (ii) application for admission to the Register of RepoClear Dealers and regulation of RepoClear Dealers;

- (iii) application for admission to the Register of EquityClear NCMs.
- (iv) application for admission to the Register of ForexClear Dealers.

and "Procedures" includes FCM Procedures when used in the Default Rules and the Default Fund Rules.

- Product* - Has the meaning assigned to it in the FCM Regulations.
- prompt date* - In respect of an exchange contract, the meaning ascribed to it in the Exchange Rules governing such contract.
- Proprietary Account* - Means a house account with the Clearing House opened in the name of a Member to which Contracts made by the Member for its own account are registered and to which monies in respect of such Contracts are credited.
- Protest* - Has the meaning given to it in Exchange Rules.
- Rate X and Rate Y* - Means, in relation to a SwapClear Transaction or a SwapClear Contract, the outstanding payment obligations of each party to the transaction, such that Rate X comprises the outstanding payment obligations of one party to the other and Rate Y comprises the outstanding payment obligations of the other party to the first party.
- Receiving Clearing Member* - A SwapClear Clearing Member nominated by one or more SwapClear Clearing Client(s) to receive the transfer of Relevant SwapClear Contracts and, where applicable, all of the Associated Account Assets of such SwapClear Clearing Client(s) from a Carrying Clearing Member .
- Reference Currency Buyer* - Means in relation to ForexClear Contract that is a Non-Deliverable FX Transaction, the party specified as the 'Reference Currency Buyer' in the Economic Terms.
- Reference Currency Seller* - Means in relation to ForexClear Contract that is a Non-Deliverable FX Transaction, the party specified as the 'Reference Currency Seller' in the Economic Terms.
- Reference Price* - A price (howsoever called) by reference to which a Contract is settled to market, marked to market, settled or valued in accordance with the Regulations and Procedures.
- Register of EquityClear NCMs* - The register which lists EquityClear NCMs.
- Register of ForexClear Dealers* - The register which lists ForexClear Dealers regarded by the Clearing House as for the time being eligible to submit contracts for registration as ForexClear Contracts by the Clearing House.
- Register of RepoClear Dealers* - The register which lists RepoClear Dealers regarded by the Clearing House as for the time being eligible to submit contracts for registration as RepoClear Contracts or RepoClear GC Contracts by the Clearing House or to deal through one or more Automated Trading Systems specified by

- the Clearing House in respect of each such RepoClear Dealer pursuant to which the Clearing House becomes a party to RepoClear Contracts or RepoClear GC Contracts, as the case may be, in accordance with the terms of the RepoClear Dealer Clearing Agreement and Regulation 56A.
- Register of SwapClear Dealers* - The register which lists SwapClear Dealers regarded by the Clearing House as for the time being eligible to submit contracts for registration as SwapClear Contracts by the Clearing House.
- Registration Time* - In respect of SwapClear Contracts shall have the meaning given in Regulation 47(e); in respect of RepoClear Contracts and RepoClear SGC Contracts, shall have the meaning given in Regulation 54(d) or Regulation 55(d), as applicable; in respect of LCH EnClear OTC Contracts, shall have the meaning given in Regulation 73A, in respect of HKMEX Contracts, shall have the meaning given in Regulation 89(b), in respect of Nodal Contracts, shall have the meaning given in Regulation 93(b), in respect of ForexClear Contracts, shall have the meaning given in Regulation 104(d) Regulation 104(d), and in respect of NLX Contracts, shall have the meaning given in Regulation 111(b).
- Regulations* - The Clearing House's General Regulations which include the Link Regulations, Default Rules, Default Fund Rules and Clearing House Settlement Finality Regulations, from time to time in force.
- Regulatory Body* - The Secretary of State, The Financial Services Authority or professional body designated under Part XX of the Financial Services and Markets Act 2000 or other body given regulatory powers under that Act, the Bank of England, the Commodity Futures Trading Commission of the United States (CFTC) or any department, agency, office or tribunal of a nation or state or any other body or authority which exercises a regulatory or supervisory function under the laws of the United Kingdom or under any foreign law.
- Relevant Contract* - Has the meaning assigned to it Regulation 52B.
- Relevant SwapClear Contracts* - Those SwapClear Contracts registered with a Carrying Clearing Member on behalf of one or more SwapClear Clearing Clients) that are subject to a request to be transferred to a Receiving Clearing Member.
- re-opening contract* - A contract arising pursuant to Regulation 20(c) or (d).
- Repo Trade* - A trading activity in which a RepoClear Participant ("the First Participant") offers to sell (or buy) RepoClear Eligible Securities, and another RepoClear Participant ("the Second Participant") offers to buy (or sell, as the case may be) those securities, on condition that, at the end of a specified period of time, the Second Participant sells (or buys, as the case may be) equivalent securities and the First Participant buys (or sells, as the case may be) those equivalent securities, and a trade subsequently ensues.

- RepoClear Clearing Member* - A Member who is designated by the Clearing House as a RepoClear Clearing Member eligible to clear RepoClear Contracts, RepoClear GC Contracts and RepoClear €GC Contract.
- RepoClear Contract* - A Contract entered into by the Clearing House with a RepoClear Clearing Member on the RepoClear Contract Terms.
- RepoClear Contract Terms* - The Terms set out or referred to in Parts A and B of the Schedule to the RepoClear Regulations.
- RepoClear Dealer* - A person admitted by the Clearing House to the Register of RepoClear Dealers and who has not been removed from the Register.
- RepoClear Dealer Clearing Agreement* - A written agreement, in the form and on the terms prescribed by the Clearing House, between a RepoClear Dealer, a RepoClear Clearing Member and the Clearing House which has the function, amongst other things, of setting out the terms on which the RepoClear Clearing Member agrees to clear RepoClear Transactions, RepoClear SGC Transactions, RepoClear €GC Transactions, Repo Trades, Bond Trades, SGC Trades and €GC Trades for the RepoClear Dealer.
- RepoClear Eligibility Criteria* - With regard to RepoClear Transactions, Bond Trades and Repo Trades the product criteria set out in Part B (“Product Criteria for registration as a RepoClear Contract”) of the Schedule to the RepoClear Regulations, and with regard to RepoClear SGC Transactions and SGC Trades, the product criteria set out in Part F (“Product Eligibility Criteria for registration as a RepoClear SGC Contract”) of the Schedule to the RepoClear Regulations and with regard to RepoClear €GC Transactions and €GC Trades, the product criteria set out in Part H (“Product Eligibility Criteria for the registration of a RepoClear €GC contract”) of the Schedule to the RepoClear Regulations.
- RepoClear Eligible Securities* - With regard to RepoClear Transactions, Bond Trades and Repo Trades securities of a type described in Part B to the Schedule to the RepoClear Regulations, and which appear in the list published for this purpose from time to time by the Clearing House.
- RepoClear €GC Contract* - A Contract entered into by the Clearing House with a RepoClear Clearing Member on the RepoClear €GC Contract Terms.
- RepoClear €GC Contract Terms* - The Terms set out or referred to in Parts G and H of the Schedule to the RepoClear Regulations.
- RepoClear €GC Transaction* - A contract, meeting the requirements of the Regulations and Procedures for registration as a RepoClear €GC Contract, details of which are presented to the Clearing House for registration in the name of RepoClear Clearing Members in accordance with the Regulations, Procedures and the terms of any agreement entered into between the Clearing House and each such RepoClear Clearing Member, and any RepoClear

	Dealer Clearing Agreement, as applicable.
<i>RepoClear GC Contract</i>	- A RepoClear €GC Contract or a RepoClear SGC Contract.
<i>RepoClear GC Transaction</i>	- A RepoClear €GC Transaction or a RepoClear SGC Transaction.
<i>RepoClear Open Offer Eligibility Criteria</i>	- With regard to Bond Trades, Repo Trades and GC Trades, the requirements set out in paragraphs (i) to (v) inclusive of Regulation 56(c) of the Regulations or in sub-paragraphs (i) to (vi) inclusive of Regulation 56A(c) of the Regulations, as applicable;
<i>RepoClear Participants</i>	- RepoClear Clearing Members and RepoClear Dealers and “RepoClear Participant” means any of them.
<i>RepoClear Regulations</i>	- The Clearing House’s RepoClear Regulations, applicable to RepoClear Contracts only, from time to time in force.
<i>RepoClear SGC Contract</i>	- A Contract entered into by the Clearing House with a RepoClear Clearing Member on the RepoClear SGC Contract Terms.
<i>RepoClear SGC Transaction</i>	- A contract, meeting the requirements of the Regulations and Procedures for registration as a RepoClear SGC Contract, details of which are presented to the Clearing House for registration in the name of RepoClear Clearing Members in accordance with the Regulations, Procedures and the terms of any agreement entered into between the Clearing House and each such RepoClear Clearing Member, and any RepoClear Dealer Clearing Agreement, as applicable.
<i>RepoClear Transaction</i>	- A contract, meeting the requirements of the Regulations and Procedures for registration as a RepoClear Contract, details of which are presented to the Clearing House for registration in the name of RepoClear Clearing Members in accordance with the Regulations, Procedures and the terms of any agreement entered into between the Clearing House and each such RepoClear Clearing Member, and any RepoClear Dealer Clearing Agreement, as applicable. A “RepoClear Repo Transaction” is such a contract for the trade of a repo; a “RepoClear Bond Transaction” is such a contract for the trade of bond/s.
<i>Reported Trade</i>	- A trade, other than a trade resulting in a Turquoise Derivatives Orderbook Match, which is reported to TGHL for registration with the Clearing House in accordance with Exchange Rules or the terms of any arrangements entered into between TGHL and a Co-operating Exchange.
<i>Required Collateral</i>	- Means, in relation to SwapClear Clearing Client Business, the margin required by the Clearing House from a SwapClear Clearing Member from time to time in respect of its SwapClear Client Business.
<i>Risk Neutralisation</i>	- Has the meaning assigned to it in the Default Rules.

- Rulebook* - The Regulations, Default Rules, Settlement Finality Regulations, Procedures, and such other rules of the Clearing House, as published and amended from time to time.
- Rules of the Clearing House* - The Rulebook of the Clearing House including the General Regulations, Default Rules, Settlement Finality Rules, Procedures and these NYSE Liffe Clearing Regulations
- SCM Branch* - A branch or part of a SwapClear Clearing Member, not being a different legal person from the SwapClear Clearing Member, which is authorized by the Clearing House to submit to the Clearing House, in the name of that SwapClear Clearing Member, SwapClear Transactions for registration, subject to these Regulations and the Procedures, by the Clearing House as SwapClear Contracts.
- segregated client* - A person whose monies are held by a Member separately from the Member's own monies with whom the Member has agreed (or in respect of which the Member is required) not to use such person's monies for the Member's own account.
- seller* - A Member (or the Clearing House where the context so requires) who is a seller under the terms of an exchange contract, a Cleared Exchange Contract, a Turquoise Derivatives Cleared Exchange Contract, a RepoClear Transaction, a RepoClear SGC Transaction, a RepoClear Contract, a RepoClear SGC Contract, an EquityClear ATP Match, an EquityClear Novation Transaction, an EquityClear Contract, or an LCH EnClear OTC Contract, as the case may be.
- Service* - means any one of the services made available by the Clearing House: (i) to an Exchange; (ii) under the SwapClear Regulations and under the FCM Regulations in respect of FCM SwapClear Contracts; (iii) under the RepoClear Regulations; (iv) under the EquityClear Regulations; (v) under the LCH EnClear OTC Regulations and under the FCM Regulations in respect of FCM EnClear Contracts; (vi) under the Turquoise Derivatives Regulations; (vii) under the HKMEX Regulations; (viii) under the Nodal Regulations; (ix) under the NYSE LIFFE Regulations; or (x) under the ForexClear Regulations and under the FCM Regulations in respect of FCM ForexClear Contracts.
- settlement contract* - A contract between the Clearing House and a Member arising pursuant to Regulation 15(b), Regulation 73C(b) or Regulation 91(b) or 95(b).
- settlement price* - One or more prices determined and issued by an Exchange in accordance with its Exchange Rules in respect of a delivery month or prompt date; or
- In relation to a Contract other than an exchange contract, one or more prices determined in accordance with the Regulations or the Procedures.
- SGC Trade* - A trading activity in which a RepoClear Participant ("the First Participant") offers to sell (or buy) an agreed value of

securities comprised in an SGC Basket, to be allocated in accordance with the RepoClear Procedures applicable to RepoClear SGC Contracts, and another RepoClear Participant (“the Second Participant”) offers to buy (or sell, as the case may be) the securities so allocated, on the conditions that:

- (i) at the end of a specified period of time, the Second Participant sells (or buys, as the case may be) Equivalent Securities (as such term is used in the RepoClear SGC Contract Terms) and the First Participant buys (or sells, as the case may be) those Equivalent Securities; and
- (ii) the understanding of the parties is that their obligations during the term of the transaction will be represented by a series of overnight repurchase transactions effected through Euroclear UK and Ireland delivery by value (DBV) functionality, as contemplated by the RepoClear Procedures applicable to RepoClear SGC Contracts,

and a trade subsequently ensues.

Special Member

- (a) An organisation which has the necessary licences, authorisations and approvals to act as a clearing house or otherwise provide clearing services or an organisation which has the necessary licences, authorisations and approvals to administer a futures, options, stock or other market and also to act as a clearing house in respect of such market or markets.
- (b) An organisation carrying on comparable activities as the Clearing House may determine from time to time,

which has concluded a Clearing Membership Agreement with the Clearing House in such form as the parties may agree, pursuant to which such organisation clears specific types of Contract and agrees to be bound by these Regulations as a Member, to the extent and subject to any variations agreed in such Clearing Membership Agreement.

Standard Terms

- That part of the SwapClear Contract Terms, the RepoClear Contract Terms, the LCH EnClear OTC Contract Terms, or the ForexClear Contract Terms designated as Standard Terms by the Clearing House from time to time.

strike price

- The price specified in an option contract which becomes the price of the commodity under a contract for the future sale and purchase of that commodity for future delivery or, as the case may be, under a delivery contract, in either case on the exercise of the option, the subject of such option contract, in accordance with Exchange Rules, these Regulations and the Procedures.

SwapClear Clearing Agreement

- Means the client clearing agreement providing for the creation of a separate ISDA Master Agreement (including any Credit Support Annex and other supplementary agreements) between a SwapClear Clearing Member and a SwapClear

	Clearing Client in relation to the SwapClear Clearing Services.
<i>SwapClear Clearing Client</i>	- Means an Individual Segregated Account Clearing Client or an Omnibus Net Segregated Clearing Client.
<i>SwapClear Clearing Client Business</i>	- Means Individual Segregated Account Business and Omnibus Net Segregated Business entered into by a SwapClear Clearing Member in respect of its SwapClear Clearing Clients.
<i>SwapClear Clearing Client Entitlement</i>	- Has the meaning assigned to it in Regulation 52B.
<i>SwapClear Clearing End-User Notice</i>	- Means the SwapClear Clearing End-User Notice as specified by the Clearing House from time to time.
<i>SwapClear Clearing House Business</i>	- Means SwapClear Contracts entered into by a SwapClear Clearing Member with the Clearing House on a proprietary basis and for its own account.
<i>SwapClear Clearing Member (SCM)</i>	- A Member who is designated by the Clearing House as a SwapClear Clearing Member eligible to clear SwapClear Contracts which includes, in the case of the Default Rules, the Default Fund Rules (including the SwapClear DMP Annex), the FCM Default Fund Agreement and any other document, rule or procedure as specified by the Clearing House from time to time, an FCM Clearing Member.
<i>SwapClear Clearing Services</i>	- Means the entering into of SwapClear Contracts by a SwapClear Clearing Member in respect of its Individual Segregated Account Clearing Clients and its Omnibus Net Segregated Clearing Clients.
<i>SwapClear Clearing Client Entitlement</i>	- Has the meaning assigned to it General Regulation 52B.
<i>SwapClear Contract</i>	- A Contract entered into by the Clearing House with a SwapClear Clearing Member on the SwapClear Contract Terms which includes, in the case of the Default Rules (including the SwapClear DMP Annex), the Default Fund Rules, the FCM Default Fund Agreement and any other document, rule or procedure as specified by the Clearing House from time to time, an FCM SwapClear Contract.
<i>SwapClear Contract Terms</i>	- The terms applicable to each SwapClear Contract as set out from time to time in the Schedule to the SwapClear Regulations or the Procedures.
<i>SwapClear Dealer (SD)</i>	- A person admitted by the Clearing House to the Register of SwapClear Dealers and who has not been removed from the Register.
<i>SwapClear Dealer Clearing Agreement</i>	- A written agreement, in the form and on the terms prescribed by the Clearing House between a SwapClear Dealer, a SwapClear Clearing Member and the Clearing House which has the function, amongst other things, of setting out the terms on which the SwapClear Clearing Member agrees to clear SwapClear Transactions for the SwapClear Dealer.

<i>SwapClear DMG</i>	- Has the meaning assigned to it in the Default Rules;
<i>SwapClear DMP</i>	- Has the meaning assigned to it in the Default Rules;
<i>SwapClear Product Eligibility Criteria</i>	- Means the product eligibility criteria set out in paragraphs 1.1(a), 1.1(b) or 1.1(c) and 3 of Part B of Schedule A to the SwapClear Regulations.
<i>SwapClear Regulations</i>	- The Regulations entitled as such, applicable to SwapClear Contracts only, from time to time in force.
<i>SwapClear Tolerance</i>	- Has the meaning assigned to it in Section 2C.3.3 of the Procedures.
<i>SwapClear Transaction</i>	- Means any transaction the details of which are presented to the Clearing House via an Approved Trade Source System for the purpose of having such transaction registered at the Clearing House as two SwapClear Contracts or one SwapClear Contract and one FCM SwapClear Contract (as the case may be), regardless of whether such transaction (a) is an existing swap transaction, (b) was entered into in anticipation of clearing, or (c) is contingent on clearing.
<i>SWORD</i>	- The system operated by the Clearing House for, inter alia, facilitating the issue, recording and electronic transfer of London Metal Exchange warrants.
<i>tender</i>	- A notice in writing, given by or on behalf of a seller (or buyer where Exchange Rules so require) pursuant to Exchange Rules these Regulations and the Procedures, of an intention to make (or take) delivery of a commodity.
<u><i>Terminating SwapClear Contracts</i></u>	<u><i>In relation to any Compression Proposal, the SwapClear Contracts which will be terminated and replaced with Post-Multilateral Compression Contracts in accordance with Regulation 48B.</i></u>
<i>The Clearing House Turquoise Derivatives Services -</i>	- The services provided by the Clearing House pursuant to the Turquoise Derivatives Regulations.
<i>TGHL.</i>	- London Stock Exchange plc whose registered office is at 10 Paternoster Square, London EC4M 7LS.
<i>Trade Allocation Agreement</i>	- An agreement in one or more forms and in the terms prescribed by an Exchange, the Clearing House and a Participating Exchange to which, amongst others, a Member is a party which has the function of facilitating, amongst other things, the transfer, in accordance with Regulation 41, of those Contracts on the terms of a Linked Exchange Contract which are permitted by the terms of such agreement to be transferred under such agreement.

- (k) Each SwapClear Dealer shall ensure that every user name, password and all other security information provided to it by the Clearing House is kept confidential and in a secure manner and is used solely for the purposes of utilising the Service. Each SwapClear Dealer shall be responsible for any action taken using any such security information as if SwapClear Dealer had itself taken the action concerned. Each SwapClear Dealer shall ensure that only such of its staff as are duly authorised are able to access and use the Service and that the Service is accessed and used by SwapClear Dealer and its authorised staff in accordance with all guidance and instructions issued by the Clearing House from time to time.
- (l) For the avoidance of doubt and without limitation, the provisions of Regulation 39 shall apply to the termination of each SwapClear Contract by means of the Service.
- (m) With effect from the time of the termination of a SwapClear Contract by means of the Service, the Clearing House shall have no obligation under the terms that SwapClear Contract and no liability in respect thereof, provided that the termination of any SwapClear Contract shall have no effect upon the rights and obligations already accrued under that SwapClear Contract, which rights and obligations shall survive such termination.
- (n) Upon the termination of a SwapClear Contract by means of the Service, the corresponding Parallel Contract arising by operation of the SDC Agreement shall also terminate.

Regulation 48B Multilateral Compression

- (a) The Clearing House may, from time to time in its absolute discretion, make available in accordance with this Regulation 48B, Multilateral Compression on the basis of a Multilateral Compression Cycle which is either:
- (i) an ACSP Compression Cycle, available to SwapClear Clearing Members; or
 - (ii) a Member Compression Cycle, where so requested by two or more SwapClear Clearing Members and agreed to by the Clearing House.
- (b) In participating in any Multilateral Compression Cycle, a SwapClear Clearing Member:
- (i) must be party to relevant Compression Documentation with the Clearing House and/or any nominated ACSP at such time as is contemplated in the Compression Documentation and from such time up to and including the Compression Time for that Multilateral Compression Cycle and at all relevant times must be accepted by the Clearing House and/or any nominated ACSP as an entity eligible to participate in such Multilateral Compression Cycle;
 - (ii) in relation to an ACSP Compression Cycle, shall nominate those SwapClear Contracts which it wishes to make available for Multilateral Compression in accordance with the relevant Compression Documentation;
 - (iii) in relation to a Member Compression Cycle, shall together with the other requesting SwapClear Clearing Member(s) provide to the Clearing House details of the proposed Terminating SwapClear Contracts and Post-Multilateral Compression Contracts (in such form as the Clearing House may require from time to time) which shall, subject to the Clearing House's confirmation, constitute the Compression Proposal;
 - (iv) warrants and represents to the Clearing House that the terms of its participation in the proposed Multilateral Compression Cycle are in compliance with all applicable laws and regulation; and
 - (v) agrees and acknowledges that the Multilateral Compression Cycle will operate, and Multilateral Compression shall take place, in accordance with this Regulation 48B, the relevant Compression Proposal as accepted by such SwapClear Clearing Member, relevant Compression Documentation and such other processes and procedures as may be notified by the Clearing House from time to time.
- (c) Where the Clearing House intends to run an ACSP Compression Cycle, it shall nominate an ACSP to facilitate that ACSP Compression Cycle and produce the Compression Proposal. Such ACSP shall notify SwapClear Clearing Members meeting the criteria at (b)(i) above of the timing and procedure for such ACSP Compression Cycle and invite such SwapClear Clearing Members to confirm their interest. The Compression Documentation for such Multilateral Compression Cycle shall include any documentation relevant to that ACSP. Additional information on the administrative procedures for any Multilateral Compression Cycle may be included in the Compression Documentation or other procedures published by the Clearing House or a nominated ACSP from time to time or in connection with a particular Multilateral Compression Cycle.
- (d) In any Multilateral Compression Cycle, Multilateral Compression shall only take place in accordance with the terms of a Compression Proposal which has been established and

accepted by all participating SwapClear Clearing Members in accordance with this Regulation 48B. Notwithstanding the other provisions of this Regulation 48B, the Clearing House shall determine (in its sole discretion) whether SwapClear Contracts proposed for inclusion in a Compression Proposal may be so included.

(e) A Compression Proposal shall:

(i) in relation to an ACSP Compression Cycle, be generated by the nominated ACSP in accordance with the relevant Compression Documentation and details submitted to the ACSP by participating SwapClear Clearing Members, and be communicated by the ACSP to each participating SwapClear Clearing Member in the manner contemplated in the relevant Compression Documentation for acceptance;

(ii) in relation to a Member Compression Cycle, be constituted by the details submitted to the Clearing House by the requesting SwapClear Clearing Members (subject to the Clearing House's determination that such proposed details are eligible for Multilateral Compression), and shall form the basis for the subsequent acceptance by each requesting SwapClear Clearing Member; and

(iii) in all cases include only those SwapClear Contracts that are eligible for Multilateral Compression in the relevant Multilateral Compression Cycle and that are registered in a SwapClear Clearing Member's Proprietary Account.

(f) Where it wishes to participate in a Multilateral Compression Cycle, each participating SwapClear Clearing Member shall confirm its acceptance of a Compression Proposal in the manner and by the time specified by the Clearing House or otherwise contemplated in the relevant Compression Documentation. In relation to an ACSP Compression Cycle, each participating SwapClear Clearing Member agrees and acknowledges that the ACSP's confirmation to the Clearing House that such SwapClear Clearing Member has confirmed its acceptance of the Compression Proposal to the ACSP shall constitute a binding acceptance by such SwapClear Clearing Member to the Clearing House for the purposes of this Regulation 48B. Upon a SwapClear Clearing Member's acceptance of a Compression Proposal in accordance with this paragraph, such SwapClear Clearing Member shall be irrevocably bound to the terms of that Compression Proposal and the Multilateral Compression contemplated thereunder.

(g) The Clearing House may require margin, subsequent to a SwapClear Clearing Member's acceptance of a Compression Proposal but prior to the Compression Time, in connection with the Multilateral Compression Cycle and the SwapClear Clearing Member's positions thereunder.

(h) Each SwapClear Clearing Member that confirms its acceptance of a Compression Proposal in accordance with relevant Compression Documentation agrees and acknowledges for the benefit of the Clearing House that, by its acceptance, such SwapClear Clearing Member:

(i) shall be bound by and act in accordance with the terms of this Regulation 48B, the Compression Documentation and any notifications made by the Clearing House or any nominated ACSP pursuant thereto;

(ii) shall meet any margin calls from the Clearing House made prior to the Compression Time in connection with the Multilateral Compression Cycle. Any such margin will be called in accordance with the Procedures; and

- (iii) is bound by the terms of the Compression Proposal and the terminations and registrations of SwapClear Contracts comprised therein.
- (i) Following acceptance of the Compression Proposal by all participating SwapClear Clearing Members, the Clearing House shall effect Multilateral Compression at such time as it may determine. For the avoidance of doubt, the irrevocable acceptance of a Compression Proposal by participating SwapClear Clearing Members shall not bind or require the Clearing House to proceed with a Multilateral Compression Cycle. At any time prior to the Compression Time, the Clearing House may, in its sole and absolute discretion, decide not to proceed with a Multilateral Compression Cycle.
- (j) Without prejudice to the rights of the Clearing House set out in Regulation 48B(i) above, a Compression Proposal shall be rejected by the Clearing House if:
- (i) a SwapClear Clearing Member which has accepted a Compression Proposal is not eligible to participate in the relevant Multilateral Compression Cycle;
- (ii) any of the SwapClear Contracts included as a Post-Multilateral Compression Contract or a Terminating SwapClear Contract are not eligible for such Multilateral Compression Cycle;
- (iii) in relation to a Member Compression Cycle, the proposals submitted by the relevant SwapClear Clearing Members do not match; or
- (iv) any SwapClear Clearing Member due to participate in a Multilateral Compression Cycle rejects the Compression Proposal or does not provide the margin as required by the Clearing House.
- (k) When the Clearing House effects a Multilateral Compression, it shall terminate all Terminating SwapClear Contracts and, simultaneously with and contingent upon the termination of such SwapClear Contracts, shall register the Post-Multilateral Compression Contracts in the Proprietary Accounts of the relevant SwapClear Clearing Members. The Clearing House shall notify the participating SwapClear Clearing Members once the Multilateral Compression has been effected.
- (l) The Clearing House shall have no involvement in and accepts no responsibility or liability in relation to any Multilateral Compression-related balancing, termination or ancillary payments or fees that participating SwapClear Clearing Members may agree between themselves in accordance with relevant Compression Documentation or otherwise.
- (m) Without prejudice to any other provisions of these Regulations, in particular Regulation 39, or any Compression Documentation, neither the Clearing House, nor any other member of LCH.Clearnet Group shall have any liability whatsoever to any SwapClear Clearing Member or to any other person in contract, tort (including, without limitation, negligence), trust, as a fiduciary or under any other cause of action in respect of any damage, loss, cost or expense of whatsoever nature suffered or incurred by a SwapClear Clearing Member or any other person, as the case may be:
- (i) as a result of any action the Clearing House takes under this Regulation 48B, whether in accordance with a Compression Proposal, in reliance on information provided by SwapClear Clearing Members or any ACSP or otherwise;
- (ii) in relation to an ACSP Compression Cycle, as a result of any action or omission of an ACSP, including, without limitation, any error or omission in the terms of any Compression Proposal; or

- (iii) in relation to any Multilateral Compression Cycle, as a result of any action or omission of a participating SwapClear Clearing Member, including, without limitation, any error or omission in the terms of any Compression Proposal.
- (n) An ACSP's liability in respect of its acts or omissions is subject to the relevant terms of the applicable Compression Documentation.
- (o) Any notification or communication required in connection with a Multilateral Compression Cycle shall be made in accordance with the Compression Documentation or, if not specified in the Compression Documentation, the Procedures or such other guidance as the Clearing House may provide from time to time.
- (p) Notwithstanding any other provision of these Regulations or the terms of the SwapClear Contracts, the Clearing House may disclose details of any Compression Proposal and related details of SwapClear Clearing Members to any ACSP or otherwise as the Clearing House considers appropriate in order to facilitate a Multilateral Compression Cycle.

Exhibit A-3
Settlement Finality Regulations

LCH.Clearnet Limited

CLEARING HOUSE SETTLEMENT FINALITY REGULATIONS

Introduction

The Financial Markets and Insolvency (Settlement Finality) Regulations 1999 (S.I. 1999 No. 2979) (“the SF Regulations”) implement the Settlement Finality Directive (Directive 98/26/EC) of the European Parliament and of the Council of 19 May 1998 on settlement finality in payment and securities settlement systems (“the SF Directive”).

The SF Directive seeks to reduce the risks associated with participation in payment and securities settlement systems by minimizing the disruption caused by insolvency proceedings brought against a participant in such a system. The protection provided by the SF Regulations is given to any system which has been designated as a "designated system" by the Financial Services Authority or the Bank of England as the “designating authority”.

In order to obtain such designation the Clearing House is required to satisfy the relevant designating authority that the requirements of the Schedule to the SF Regulations, and certain other matters, are satisfied in respect of the Clearing House.

These Settlement Finality Regulations (which form part of these Regulations) have been promulgated by the Clearing House in order to meet such of those requirements as are not addressed elsewhere in these Regulations.

1. Definitions

- 1.1 “**Concentration Bank**” means a bank or other credit institution which has a current agreement with the Clearing House to participate in the Clearing House Protected Payments System (as described in the Regulations) as a concentration bank.
- 1.2 “**Institution**” shall have the same meaning as in the SF Regulations.
- 1.3 “**The Clearing House System**” means the standardized formal arrangements, common rules, procedures as described in the Regulations, Procedures and service descriptions (each as amended from time to time) published from time to time by the Clearing House, or, if applicable, those rules of LIFFE pursuant to which LCH acts as clearing service provider, and related functionality which:
 - (a) enable the Clearing House in operating its Clearing House Protected Payments System to give instructions to place at the disposal of its members (as set out the Regulations) amounts of money on the accounts of certain banks or other credit institutions; and
 - (b) enable Members through the Clearing House Protected Payments System to give instructions to place at the disposal of the Clearing House (as set out in the Regulations) amounts of money on the accounts of certain banks or other credit institutions; and
 - (c) enable the Clearing House to give instructions to Securities Systems Operators to transfer title to, or interest in securities; and
 - (d) enable Members and Non Member Participants to give instructions to Securities Systems Operators to transfer title to or interest in securities; and

- (e) enable the Clearing House to become central counterparty to Members in respect of eligible trades in certain derivative instruments, equities, repos, bonds GC and €GC and products, as described in the Regulations; and
- (f) enable the Clearing House and Members to fulfil the obligations they incur in respect of contracts registered by the Clearing House and in respect of which it has become central counterparty; and
- (g) facilitate supplementary and incidental matters.

1.4 **“Member”** has the same meaning as in the Regulations.

1.5 **“Non Member Participant”** means a person:-

- (a) who is not a Member or an exchange, and who is party to any one or more of the following agreements as described in the Regulations:
 - (i) an EquityClear GCM/NCM Agreement ;
 - (ii) a RepoClear Dealer Clearing Agreement;
 - (iii) a SwapClear Dealer Clearing Agreement;
 - (iv) a ForexClear Dealer Clearing Agreement; or
 - (v) an Turquoise Derivatives NCM-GCM Agreement; or
- (b) who acts as settlement agent for any person described in section 1.5(a) above.

1.6 **“PPS Bank”** means a bank or other credit institution which has a current agreement with the Clearing House to participate, other than solely as a Concentration Bank, in the Clearing House Protected Payment System, as described in the Regulations.

1.7 **“Participant”** means of any of the following:

- (a) LCH.Clearnet Limited (“the Clearing House”);
- (b) Any Member;
- (c) Any Non-Member Participant;
- (d) Any PPS Bank

1.8 **“Payment Transfer Order”** means

- (a) an instruction given by the Clearing House by means of a SWIFT message or other means to a PPS Bank to place at the disposal of a Member (by crediting a nominated account held by that Member at that bank) an amount of money to be debited from a nominated account held by the Clearing House at that bank (“a Credit Member/Debit LCH transfer order”); or
- (b) an instruction given by the Clearing House by means of a SWIFT message or other means to a PPS Bank to place at the disposal of the Clearing House (by crediting a nominated account held by the Clearing House at that bank) an amount of money to be debited from a nominated account held by that Member at that bank (“a Credit LCH/Debit Member transfer order”); or

- (c) an instruction given by the Clearing House to a Securities System Operator to place at the disposal of the Clearing House (by crediting a nominated cash account held by the Clearing House) an amount of money to be debited from a nominated account held by that Securities System Operator for a Member or Non-Member Participant, as the case may be (“an Inward Cash Account Transfer Order”); or
 - (d) an instruction given by the Clearing House to a Securities System Operator to place at the disposal of a Member or Non-Member Participant, as the case may be, (by crediting a nominated cash account held by such Member or Non-Member Participant) an amount of money to be debited from a nominated account held by that Securities System Operator for the Clearing House (“an Outward Cash Account Transfer Order”);
 - (e) an instruction in the form of an electronic message forwarded by or on behalf of a Member or Non-Member Participant to the Clearing House or its agent or contractor containing data constituting particulars of an Exchange Contract, SwapClear Transaction, Post-Compression Contract, ForexClear Transaction, RepoClear Transaction, Repo Trade or Bond Trade, ATP Match, Turquoise Derivatives Orderbook Match, Eligible GC Trade, or Eligible OTC Trade and submitted to the Clearing House for registration by the Clearing House in accordance with the Regulations (not including, for the avoidance of doubt, particulars in respect of any LIFFE exchange contract);
 - (f) an open Cleared Exchange Contract, SwapClear Contract, ForexClear Contract, RepoClear Contract, EquityClear Contract, Turquoise Derivatives Cleared Exchange Contract or LCH EnClear OTC Contract which has been registered by the Clearing House (but not including, for the avoidance of any doubt, any LIFFE exchange contract); or
 - (g) an instruction given by the Clearing House to a PPS Bank by means of a SWIFT message or other means to place at the disposal of the Clearing House (by crediting a nominated account of the Clearing House at a Concentration Bank) an amount of money to be debited from a nominated account held by the Clearing House at that PPS Bank; or
 - (h) an instruction given by the Clearing House to a Concentration Bank by means of a SWIFT message or other means to place at the disposal of the Clearing House (by crediting a nominated account of the Clearing House at a PPS Bank) an amount of money to be debited from a nominated account held by the Clearing House at that Concentration Bank.
- 1.9 **“Procedures”** means the practices and procedures of the Clearing House, as amended from time to time, including but not limited to the Procedures.
- 1.10 **“Regulations”** means the General Regulations, Default Rules and Procedures of the Clearing House as amended from time to time and **“the Procedures”** shall mean that part of the Regulations by that name.
- 1.11 **“Securities System Operator”** means:
- (a) an operator of a securities depository and/or securities settlement system (including but not limited to Euroclear UK & Ireland Ltd, Euroclear Bank, Clearstream Frankfurt and Clearstream Luxemburg); or

- (b) a bank or other credit institution (including but not limited to the National Bank of Belgium and Deutsche Bank AG) which provides securities holding and/or securities settlement services to the Clearing House as a nominee or otherwise through its participation in any securities settlement system or otherwise.

1.12 **“Securities Transfer Order”** means

- (a) an instruction, given by the Clearing House on its own behalf or on behalf of a Member or Non-Member Participant, to a Securities System Operator to transfer the title to or interest in securities to a Member, a Non-Member Participant, the Clearing House or other person by means of a book entry on the register maintained by that Securities System Operator, or otherwise; or
- (b) an instruction given by a Member or Non-Member Participant to a Securities System Operator to transfer the title to or interest in securities to the Clearing House by means of a book entry on the register maintained by that Securities System Operator, or otherwise; or
- (c) an instruction in the form of an electronic message forwarded by or on behalf of a Member or Non-Member Participant to the Clearing House containing data constituting particulars of an Exchange Contract for the transfer of Securities, RepoClear Transaction, Bond Trade, Repo Trade, ATP Match, or Turquoise Derivatives Orderbook Match, submitted for registration by the Clearing House in accordance with the provisions of the Regulations (not including, for the avoidance of doubt, particulars in respect of any LIFFE exchange contract); or
- (d) an open Cleared Exchange Contract for the transfer of Securities, a RepoClear Contract, an EquityClear Contract, or Turquoise Derivatives Cleared Exchange Contract which has been registered by the Clearing House (but not including, for the avoidance of doubt, any LIFFE exchange contract).

1.13 **“Settlement Finality Directive”** means Directive 98/26/EC of the European Parliament and of the Council of 19 May 1998 on settlement finality in payment and securities settlement systems.

1.14 **“SF Regulations”** means The Financial Markets and Insolvency (Settlement Finality) Regulations 1999 (S.I. 1999 No. 2979).

1.15 **“Transfer Order”** includes a Payment Transfer Order or a Securities Transfer Order.

2. Transfer Orders – Specific Provisions

2.1 A Transfer Order takes effect and enters the Clearing House System in accordance with the following:

- (a) Payment Transfer Orders
 - (i) A Payment Transfer Order of the type set out in sections 1.8(a), 1.8(b), 1.8(c), 1.8(d), 1.8(g) and 1.8(h) above takes effect and enters the Clearing House System when the relevant SWIFT message, or other electronic message or fax or other communication is sent by the Clearing House.

- (ii) A Payment Transfer Order of the type set out in section 1.8(e) takes effect and enters the Clearing House System when such particulars are received by the Clearing House or its agent or contractor.
- (iii) A Payment Transfer Order of the type set out in section 1.8(f) takes effect and enters the Clearing House System at the time of registration. Details of registration timings are given in the Procedures.
- (b) Securities Transfer Orders
 - (i) A Securities Transfer Order of the type set out in section 1.12(a) takes effect and enters the Clearing House System when the relevant SWIFT message, or other electronic message or fax is sent by the Clearing House.
 - (ii) A Securities Transfer Order of the type set out in section 1.12(b) takes effect and enters the Clearing House system when the relevant SWIFT message, or other electronic message or fax is sent by the Member or Non-Member Participant.
 - (iii) A Securities Transfer Order of the type set out in section 1.12(c) takes effect and enters the Clearing House system when the particulars thereof are received by the Clearing House or its agent or contractor.
 - (iv) A Securities Transfer Order of the type set out in section 1.12(d) takes effect and enters the Clearing House system at the time of registration. Details of registration timings are given in the Procedures.

2.2 A Payment Transfer Order shall be irrevocable at the time specified below for that type of Payment Transfer Order.

- (a) A Credit Member/Debit LCH transfer order shall be irrevocable at the time when the relevant PPS Bank sends a SWIFT confirmation message or otherwise confirms that such payment will be made.
- (b) A Credit LCH/Debit Member transfer order shall be irrevocable at the time when the relevant PPS Bank sends a SWIFT confirmation message or otherwise confirms that such payment will be made.
- (c) An Inward Cash Account Transfer Order shall be irrevocable from the time prescribed from time to time by the relevant Securities System Operator as being the time after which such instruction may not be revoked by a participant or other person.
- (d) An Outward Cash Account Transfer Order shall be irrevocable from the time prescribed from time to time by the relevant Securities System Operator as being the time after which such instruction may not be revoked by a participant or other person.
- (e) An instruction in the form of an electronic message forwarded by or on behalf of a Member or Non-Member Participant to the Clearing House or its agent or contractor containing data constituting particulars of an Exchange Contract, RepoClear Transaction, SwapClear Transaction, Post-Compression Contract, ForexClear Transaction, or Eligible OTC Trade and submitted for registration by LCH in accordance with the Regulations shall be irrevocable from the time of its registration by the Clearing House.