



Bulletin

EquityClear SA – Cash Equities and Financial Derivatives Fees implications of Euronext Oct 19th incident

Dear Clearing Members,

Following the production incident experienced by Euronext on 19 October 2020, and with reference to our earlier communications around this on 23 October and 27 October, we hereby want to inform you about the possible reimbursement of fees and penalties calculated and charged on the basis of trade cancellations and corrections booked in the days following the Euronext production incident.

As the incident was not in any way attributable to LCH SA, please note that any reimbursement of fees and penalties must be seen as a combination of invoice correction on undue transactions and commercial gesture by LCH SA that does not create any rights for members, or obligations for LCH SA, in the future.

We kindly ask each member to acknowledge this by email to the BDRM-team (SAEquityClear@lch.com) in order for any reimbursement to be made.

Cash Equities

Clearing fees:

LCH SA has identified all cancellations and re-bookings per member in the days of the incident. We will calculate the reimbursement amount as follows: for each trade leg recognized as unduly booked, in a blue chip ISIN (reversed and rebooked trade legs), we will not apply the tiered fee but instead reimburse € 0,05 per trade leg. For each trade leg recognized as unduly booked in a non-blue chip ISIN (reversed and rebooked trade legs), we will reimburse € 0,10.

Because the reimbursement will be a fixed at the highest amount per trade leg from the tiered schedule, we will actually be reimbursing more than was originally charged for the unduly booked blue chip trade legs.

Fail fees and penalties:

Although a certain level of fails would have occurred in the normal course of business, LCH SA will reimburse all fixed and variable fail fees calculated for the settlement days 21, 22 and 23 October 2020.

Reimbursement will take place as a credit booking in the first regular LCH SA invoice following the receipt of the members' acknowledgement by email as described above.

Financial listed Derivatives

There is no need for re-imbursement on financial listed derivatives since related fees have either already been re-credited (clearing fees) or waved (correction of postings and transfers of positions processed on 20 and 21 October).

We remain at your disposal for any questions.

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