



Clearing Notice

2020/[]

Published on [] 2020

Effective from [] 2020

CDSClear – Transfer of the Relevant Client Cleared Transactions of a Defaulting Clearing Member

In accordance with Clauses 4.3.1 and 4.3.2 of Appendix 1 of the CDS Clearing Rule Book (*CDS Default Management Process*), this Clearing Notice specifies the conditions under which:

- (i) any Client of a Defaulting Clearing Member shall inform LCH SA of the identity of its Backup Clearing Member; and
- (ii) the Backup Clearing Member shall provide LCH SA with confirmation of its unconditional agreement to act as Backup Clearing Member in relation to the Relevant Client Cleared Transactions registered in the relevant Client Trade Accounts and the receipt of the related Ported Collateral.

The information and confirmation as referred to in indents (i) and (ii) above shall be made through the sending of the following documents to LCH SA:

- (a) a duly completed and signed request by using the transfer form appended to this Clearing Notice; and
- (b) a form relating to the provision of CDS Client Clearing Services (the "**Client Clearing Form**"), which is available upon request to LCH SA's CDSClear Business Development & Relationship Management team (cdsclearbusinessdevrm@lch.com), in accordance with Section 1 of the Procedures, to be provided by the Backup Clearing Member to the extent that the Backup Clearing Member has not previously provided a Client Clearing Form in respect of such Client.

Capitalised terms used in this Clearing Notice and not otherwise defined herein shall have the meaning given pursuant to the document entitled "CDS Clearing Rule Book" published by LCH SA, as amended from time to time.

EXHIBIT 3

Any amendments or modifications to the content of this Clearing Notice will be published by LCH SA in an updated Clearing Notice.

LCH SA

Email: Legal.SA@lch.com
Website : lch.com



LCH © 2020

EXHIBIT 3



Transfer form

Capitalised terms used in this form and not otherwise defined herein shall have the meaning given pursuant to the document entitled "CDS Clearing Rule Book" published by LCH SA, as amended from time to time.

To: LCH SA
CDSClear Operations department
18 rue du Quatre Septembre
75002 Paris

The undersigned,

Name of the client: _____ (the
"Client"), having its registered office at

_____,
registered with the registry of legal entities of

_____ under the _____ number _____.

Following the declaration of an Event of Default in respect of _____ (the "Defaulting Clearing Member") by LCH SA in accordance with the provisions of LCH SA's CDS Clearing Rule Book (Title IV – Risk Management Chapter 3 – Events of Default), we hereby request LCH SA to transfer, on our behalf:

- (i) the Relevant Client Cleared Transactions entered into by the Defaulting Clearing Member, registered in the CCM Client Trade Account opened in the name of the Defaulting Clearing Member; and

EXHIBIT 3

(ii) the Ported Collateral attributed to us and recorded in the relevant CCM Client Collateral Account opened in the name of the Defaulting Clearing Member for our benefit and, as the case may be, for the benefit of other clients of that Defaulting Clearing Member,

to _____,
having its registered office at _____,
clearing under clearing code number:
_____.

(the “**Backup Clearing Member**”).

The Backup Clearing Member unconditionally agrees to act as Backup Clearing Member in relation to all the Relevant Client Cleared Transactions and the receipt of the related Ported Collateral, referred to in the previous paragraph.

Date ___/___/____.

For and on behalf of the Client

For and on behalf of the Backup Clearing Member

Name:

Name:

Title:

Title:

Signature:

Signature

Please sign and return:

- **an original copy to:** LCH SA
CDSClear Operations department
18 rue du Quatre Septembre
75002 Paris

AND

- **a scanned copy to:** cdsclear.ops@lch.com and cdsclearbusinessdevrm@lch.com