Factsheet

LCH EquityClear

Onboarding quick-start guide for new clearing members

How do I become an EquityClear clearing member?

EquityClear is LCH Ltd's pan-European clearing service for equities and ETPs. Collaboration with our market partners enables us to develop innovative solutions that enhance customers' risk management and mitigate systemic risk, while continuing to deliver operational and settlement efficiencies.

EquityClear strives to make onboarding to your preferred membership type smooth and straightforward. Choose from the following two options:

Individual clearing member (ICM)

An ICM can only clear its own business, which is considered proprietary flow. ICMs should be capitalised at a minimum of GBP 5m.

General clearing member (GCM)

A GCM can clear its own business and that of its clients and/or NCPs. GCMs should be capitalised at a minimum of GBP 10m.

Digital onboarding

01

Onboarding takes place via the LCH Portal, where you will be set up on our Digital Onboarding System. During your onboarding, LCH will also schedule frequent calls with you to guide you through the process.

02

Onboarding documentation can be completed in any order but the process and documents required will vary depending on the type of membership you are applying for and your current relationship with LCH Ltd, as described below.

1. You do not currently hold any membership with LCH Ltd.

Onboarding timeline*

1. Application	2. Compliance KYC	3. Risk governance approval	4. Legal agreement	5. Operational set-up and testing	6. Default fund and go live
2 weeks	2 weeks	3 weeks	3 weeks	2 weeks	2 days

Documentation

1. Application	2. Compliance KYC	3. Risk governance approval	4. Legal agreement	5. Operational set-up and testing	6. Default fund and go live
– Clearing approval letter – Application form	– Wolfsberg – Tax forms – Authorised signatory list – Certificate of incorporation – Corporate tree	– Due diligence questionnaire – Financials – Risk management – Policies and procedures	– Legal opinion – Deed of charge – Collateral management agreement	– PPS bank mandates – Contingency and account testing – LCH portal user set-up – Testing – Contact form – Training	Minimum contribution £500,000

*LCH estimated processing time following receipt of documents. Steps 2-5 can be managed in parallel.

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2. You are a current member of a service provided by LCH Ltd and wish to extend your membership to include EquityClear.

Onboarding timeline*

1. Application	2. Compliance KYC	3. Risk governance approval	4. Legal agreement	5. Operational set-up and testing	6. Default fund and go live
1 week	1 week	1 week	3 weeks	2 weeks	2 days

Documentation

Clearing approval letter	– Wolfsberg – Tax forms – Authorised signatory list	Due diligence questionnaire	– Legal opinion – Deed of charge	– PPS bank mandates – Contingency and account testing – LCH portal user set-up – Testing – Contact form – Training	Minimum contribution £500,000

*LCH estimated processing time following receipt of documents. Steps 2-5 can be managed in parallel.

3. You are a current LCH Ltd EquityClear member and wish to extend your membership to include an additional exchange.

Onboarding timeline*

1. Application	2. Compliance KYC	3. Operational set-up and testing	4. Go live
1 week	1 week	1 week	1 day

Documentation

Clearing approval letter	– Wolfsberg – Tax forms – Authorised signatory list	– Static data form – Trading venue requirements	No default fund required

*LCH estimated processing time following receipt of documents. Steps 1-3 can be managed in parallel.

Operational reports

As an EquityClear member, you will benefit from access to a comprehensive suite of reporting services that support operational control, risk monitoring and reconciliation processes. Coverage includes:

- Trade activity
- Netting
- Margin exposures
- Settlement obligations
- Cost and fee-related data

These are delivered on an intraday and end-of-day basis, with monthly reporting available for reconciliation purposes.

1. Intraday

Includes the provision of gross trade files throughout the trading day. The EREP0006 report delivers details of all executed trades as received from each trading venue, generated on an hourly basis with a final version produced at end-of-day.

2. End-of-day

Includes a range of margin, settlement, and netting outputs. The EREP0005 report provides netted settlement instructions based on aggregations by security, trade date, intended settlement date, Settlement Firm ID, trading capacity, sub-account, and currency. Margin reporting is issued following each margin run and includes position-level files (EREP0002), clearing account summaries (EREP0003) and consolidated margin summaries (EREP0030), offering detailed breakdowns by applicable margin components.

3. Monthly

Supports members with operational and invoice reconciliation. The EREP0007 report outlines execution volumes across trading venues for fee validation, while the EREP0016 report provides settlement-related cost breakdowns per CSD. **Reports can be downloaded via the LCH Portal or consumed systemically via an SFTP connection. All reporting specifications and details are available in the Knowledge Centre within the LCH Portal.**

Tips for more streamlined onboarding

PPS account setup

Opening PPS accounts can take several weeks, so it's important to begin this step early if new accounts are required.

Useful links: Acceptable collateral/PPS banks

Legal documents

Prioritise the completion of legal documentation, as the review can be a lengthy process. Signing our Clearing Membership Agreement ties you to the LCH Rulebook, which LCH may amend periodically. **Useful links:** Clearing membership agreement, LCH rulebook

Deeds

Clearing members domiciled in certain jurisdictions should complete Security Deed documentation if they wish to offer client clearing and open omnibus segregated and/or individually segregated accounts.

The Deed of Charge will be sent separately, upon request, if you propose to cover your liabilities in collateral other than cash.

Useful links: Security deeds

Trade sources

EquityClear clears trades from exchanges, MTFs and other sources of matched trades. Multiple subsidiaries, market segments and trade feeds are cleared for several of these.

Useful links: Trade sources, EquityClear static data forms

Fees

Details of our fees, including those for Membership, day-to-day clearing and fees associated with client account and Non-Clearing Participant ("NCP") account structures, can be found at the following links here and here.

Contact us

Contact us today to start your EquityClear onboarding process.

Email lchsales@lseg.com | Phone **+44 (0) 20 7426 7000** | Website lseg.com/clearing/membership/ltd-membership

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