

## RepoClear €GCPlus

### A cash management solution for greater efficiency

LCH SA RepoClear's €GCPlus, our triparty basket repo solution, increases capital and operational efficiencies by helping you better manage your Euro cash liquidity – especially at times of ever-growing regulatory capital requirements, changes in central bank monetary policies and optimisation of balance-sheet resource allocation. This efficient funding and cash transformation solution enables access to the largest European Government Bond (EGB) liquidity pool, offering distinctive opportunities for netting and recycling of assets with a premium yield.

€GCPlus provides the flexibility to pool general collateral trades that fit the eligibility criteria from standardised baskets of debt. Members can choose to have either a Euroclear Bank or a Euroclear France account to transact on RepoClear €GCPlus, and manage their assets inventory in an operationally efficient and cost-effective manner.

#### Product snapshot

€GCPlus	RepoRate	Fixed
	Maximum term	2 years
	Minimum term	Same day
	Start date	Same day (min) to 30 days (max)
	Repo rate accrual convention	Exact/360
	Repo interest paid	Return date
	Minimum contract size	€1 million
	Order books	BrokerTec, MTS, TP ICAP, Tradeweb
	Trade matching	ETCMS

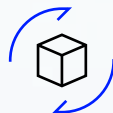
#### Key benefits

By clearing with LCH SA, you benefit from a Eurozone solution that provides the risk management expertise and scalable infrastructure of the market leader in fixed income. Other benefits include:

Post-trade anonymity



Automated collateral management provided by Euroclear



Potential for refinancing through Banque de France for French Banks



#### How it works

Cash lenders or borrowers transact via leading electronic platforms BrokerTec, MTS, TP ICAP or Tradeweb. Also, bilateral trade matching is available through ETCMS. Any trades that are matched are then sent to LCH SA for registration and clearing. Euroclear allocates collateral for timely and accurate delivery versus payment with cut-off times for same-day trades extended from 14:30 CET to 15:00 CET.

## What's new?

At RepoClear, we work closely with our market partners to deliver solutions that meet our members' and clients' evolving repo clearing needs. Enhancements, made in response to customer demand, include:

### 01.

A VaR-based margin model\* allowing offsets between €GCPlus and RepoClear positions, and therefore unlocking margin optimisation

\*Some ISINs specific to €GCPlus are margined under a SPAN-like initial margin model



### 02.

Combined €GCPlus and RepoClear service with one default fund, one set of margins and one extended liquidity pool

### 03.

Addition of 6 new baskets that offer a wider range of choice to our membership

## Default management

At RepoClear, we have a default management process designed to protect non-defaulting members against potential losses with a common default fund (DF) across RepoClear and €GCPlus.

	Sponsored member default	Clearing member default
Defaulter's margin	Defaulting sponsored member (SMs)	Defaulting member
Defaulter's DF contribution	Agent member	Defaulting member
Agent resources	Agent member	N/A
LCH skin in the game	LCH capital assigned to RepoClear	
Members' DF contributions	Non-defaulting clearing members incl. Agent of live SMs	Non-defaulting clearing members incl. Agent members
Unfunded contributions	Non-defaulting clearing members incl. Agent of live SMs	Non-defaulting clearing members incl. Agent members
Service continuity loss contributions	Non-defaulting clearing members incl. Agent of live SMs	Non-defaulting clearing members incl. Agent members
Volunteer service continuity	Non-defaulting clearing members incl. Agent of live SMs	Non-defaulting clearing members incl. Agent members

## The baskets

- **Basket 1 (LCR equivalent)**  
Contains a range of debt from ECB liquidity classes (L1A, L1B and L1C) with a rating of A- or higher for government bonds and AA or higher for other securities
- **Basket 2 (ECB restricted)**  
Contains a broader-based set of securities with ECB liquidity class L1A, L1B, L1C and L1D (including all basket1 securities), with issuance rating of BBB- or higher
- **GovSSA basket**  
Eligibility criteria of Basket 2 restricted to some Governments, Subnationals, Supranationals and Agencies bonds
- **Italy, France, Germany and Spain baskets (Single Country)**  
Same scope of sovereign government bonds acceptable for bilateral RepoClear trades now offered under triparty
- **Green basket**  
Our new sustainable €GCPlus offering, delivered in partnership with Euroclear, comprising EUR-denominated Investment Grade bonds in which net proceeds are directed towards projects or activities that promote climate change mitigation and adaptation, in line with Bloomberg's classification



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## Contact us

Email [lchsales@lseg.com](mailto:lchsales@lseg.com)

Phone +44 (0) 20 7426 7000

Website [lch.com/services/repoclear](http://lch.com/services/repoclear)

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