


	N°	Title
 Instruction	I.2-1	Consultation Process for material changes to the Clearing Rule Book and Instructions

Pursuant to Article 1.2.3.1 of the Clearing Rule Book and without prejudice to article 5.2 of the Admission Agreement.

Article 1

LCH SA shall be permitted to modify the Clearing Rule Book and/or related Instructions from time to time, in accordance with the provisions of the Clearing Rules and the Admission Agreement.

Any “material change” mentioned in this Instruction and in Article 1.2.3.1 of Clearing Rule Book shall mean any change brought to the Clearing Rule Book and/or to Instructions.

Article 2

In respect of any material proposed modification applying to Clearing Members and/or Agent Members (“**Affected Members**”) including any proposed new provisions or amendments to and/or revocations of existing provisions, LCH SA shall first consult, when appropriate, with the relevant legal, risk, operational and/or other forums established by LCH SA. Such consultation shall take place in accordance with the processes and the terms of reference of the relevant forums.

If, pursuant to this consultation process, LCH SA wishes to proceed with a material proposed modification, LCH SA shall issue a rule proposal (“**Rules Proposal**”) to all Affected Members, including where appropriate Special Clearing Members, prior to implementing any material changes to the Clearing Rule Book and/or related Instructions.

Article 3

LCH SA will send the Rules Proposal to all Affected Members by e-mail (the “**Alert**”).

LCH SA is entitled to consider that any contact details related to a legal person of Clearing Member and Agent Member are deemed to be accurate, complete and corresponding to the appropriate person for receiving and answering Rules Proposal. The Clearing Member and the Agent Member are liable for communicating to LCH SA the accurate and complete contact details of the relevant legal person.

Article 4

LCH SA can either attach the Rules Proposal to the Alert or indicate the reference to a secured area on LCH SA website on which the Rules Proposal is available for Affected Members’ consultation.

Article 5

Affected Members’ comments on the Rules Proposal are communicated to LCH SA by e-mail answering the Alert within the timeline indicated in the Alert.

Without prejudice to article 5.2 of the Admission Agreement, the Affected Members will be provided at least 14 days from the sending of the Alert to provide their comments. LCH SA will not take into consideration comments received after the expiry of such delay. Notwithstanding the above, whenever the material change is considered by LCH SA, as being related to an urgent matter and provided that the Affected Members’ consultation is possible, the timeline can be reduced to 3 days starting from the sending of the Alert. Notwithstanding the above periods for providing comments, in relation to Rules

Proposal that would also affect Special Clearing Members, if the last day of such periods is not a Special Clearing Member Business Day, such periods will end on the next day that is also a Special Clearing Member Business Day.

Without prejudice to the timelines mentioned in paragraphs above, on request of the Affected Members LCH SA may organise meetings or conference calls.

Article 6

When answering the consultation, the Affected Member shall be represented by an employee of its choice or may delegate such activity to professional associations.

LCH SA is entitled to consider that any person providing answer or comments to the Rules Proposal is deemed to be fully able and empowered to represent the Affected Member and that the latter is committed by such answer or comments.

Article 7

Following the due completion of the consultation process set out in this Instruction, LCH SA will publish the Clearing Rules as amended. Such amended Clearing Rules shall come into effect pursuant to article 1.2.4.2 of the Clearing Rule Book.

Article 8

In accordance with the confidentiality clause of the Admission Agreement, the Affected Members shall keep confidential the Alert, the Rule Proposal, any information contained in the Alert and in the Rules Proposal and any communication made in this context. The Clearing Members and the Agent Members undertake that their employees and representatives (including professional association or any other Person), and any person they involve in the review of the Rules Proposal, will comply with this confidentiality requirement.