

 LCH.Clearnet SA Instruction	N°	Title
	III.4-6	DELIVERY OF UNDERLYING ASSETS IN DERIVATIVES ON THE DUTCH DERIVATIVES CLEARING SEGMENTS

Pursuant to Article 3.4.1.8 of the Clearing Rule Book.

Article 1

The delivery of the underlying assets in Derivatives is carried out as following:

- (a) If the underlying assets delivered consist of government bonds, the amount of accrued or accruing interest shall be calculated by LCH.Clearnet SA in accordance with the practice of the Principal Market.
- (b) The buying Clearing Member shall pay any accrued interest and the selling Clearing Member any accruing interest in full to LCH.Clearnet SA or to its order.
- (c) LCH.Clearnet SA shall pay or arrange for payment of any accrued or accruing interest to the Clearing Members.
- (d) All payments made in accordance with the above shall be made at the time and in the manner determined by LCH.Clearnet SA.

Article 2

Where delivery of the underlying assets is to be made in full to a Clearing Member or to its order, LCH.Clearnet SA shall deliver the underlying assets together with any distributions (i.e. dividends) at such time and in such manner as LCH.Clearnet SA may determine.

LCH.Clearnet SA may impute all or part of any expenses incurred by it and taxes levied on it in connection with such delivery to the Clearing Member, where it deems this appropriate. If LCH.Clearnet SA has so instructed, the relevant Clearing Member, it shall deliver the underlying value together with any distributions to LCH.Clearnet SA.

Article 3

If the underlying asset is a Security, delivery will take place in accordance with the terms and conditions set out in the Instruction on the Delivery of Securities listed on Euronext Amsterdam Markets (Instruction III.4-5).

Article 4

If a Clearing Member instructs LCH.Clearnet SA in connection with the delivery of an underlying asset or the payment for delivery of an underlying asset to credit or debit an account of a Settlement Agent/ Payment Agent, the Clearing Member shall in so doing confirm to LCH.Clearnet SA that it has been authorised by the third party to instruct LCH.Clearnet SA accordingly. Further, it shall indemnify LCH.Clearnet SA for any consequences of the denial by the third party of such authority.

Article 5

The Clearing Member shall pay the aggregate Exercise price in full to LCH.Clearnet SA as set out in the Clearing Rules.

Article 6

LCH.Clearnet SA shall pay the aggregate Exercise price to the Clearing Member at such time and in such manner as LCH.Clearnet SA determines. If LCH.Clearnet SA has so instructed, the Clearing Member shall pay the aggregate Exercise price to LCH.Clearnet SA.

Article 7

The Clearing Member shall pay the Delivery Settlement Price as of the date of delivery in full to LCH.Clearnet SA. If the terms of the Financial Instruments permit the Clearing Member to tender any one of a number of assets and specify that the amount payable by the Clearing Member to LCH.Clearnet SA for the delivered assets will vary according to the asset tendered, LCH.Clearnet SA may prescribe a different Delivery Settlement Price for each different asset tendered, in accordance with the terms of the Contract.