

Required fields are shown with yellow backgrounds and asterisks.

Page 1 of * 17 SECURITIES AND EXCHANGE COMMISSION File No.* SR - 2017 - * 008
 WASHINGTON, D.C. 20549
 Form 19b-4 Amendment No. (req. for Amendments *)

Filing by Banque Centrale de Compensation
 Pursuant to Rule 19b-4 under the Securities Exchange Act of 1934

Initial *	Amendment *	Withdrawal	Section 19(b)(2) *	Section 19(b)(3)(A) *	Section 19(b)(3)(B) *
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
			Rule		
Pilot	Extension of Time Period for Commission Action *	Date Expires *	<input type="checkbox"/> 19b-4(f)(1)	<input type="checkbox"/> 19b-4(f)(4)	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="text"/>	<input checked="" type="checkbox"/> 19b-4(f)(2)	<input type="checkbox"/> 19b-4(f)(5)	
			<input type="checkbox"/> 19b-4(f)(3)	<input type="checkbox"/> 19b-4(f)(6)	

Notice of proposed change pursuant to the Payment, Clearing, and Settlement Act of 2010	Security-Based Swap Submission pursuant to the Securities Exchange Act of 1934
Section 806(e)(1) *	Section 806(e)(2) *
<input type="checkbox"/>	<input type="checkbox"/>
	Section 3C(b)(2) *
	<input type="checkbox"/>

Exhibit 2 Sent As Paper Document	Exhibit 3 Sent As Paper Document
<input type="checkbox"/>	<input type="checkbox"/>

Description

Provide a brief description of the action (limit 250 characters, required when Initial is checked *).

The purpose of the proposed rule change is to establish the applicable CDSClear fee grid related to the proposed extension of the CDSClear service to the clearing of CDS Options subject to regulatory review and approval.

Contact Information

Provide the name, telephone number, and e-mail address of the person on the staff of the self-regulatory organization prepared to respond to questions and comments on the action.

First Name * Mohamed Last Name * MEZIANE

Title * Senior Regulatory Advisor

E-mail * mohamed.meziane@lch.com

Telephone * (000) 000-0000 Fax

Signature

Pursuant to the requirements of the Securities Exchange Act of 1934,

has duly caused this filing to be signed on its behalf by the undersigned thereunto duly authorized.

(Title *)

Date 11/06/2017 Chief Compliance Officer

By Francois FAURE

(Name *)

Francois FAURE, francois.faure@lch.com

NOTE: Clicking the button at right will digitally sign and lock this form. A digital signature is as legally binding as a physical signature, and once signed, this form cannot be changed.

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

For complete Form 19b-4 instructions please refer to the EFFF website.

Form 19b-4 Information *

Add Remove View

The self-regulatory organization must provide all required information, presented in a clear and comprehensible manner, to enable the public to provide meaningful comment on the proposal and for the Commission to determine whether the proposal is consistent with the Act and applicable rules and regulations under the Act.

Exhibit 1 - Notice of Proposed Rule Change *

Add Remove View

The Notice section of this Form 19b-4 must comply with the guidelines for publication in the Federal Register as well as any requirements for electronic filing as published by the Commission (if applicable). The Office of the Federal Register (OFR) offers guidance on Federal Register publication requirements in the Federal Register Document Drafting Handbook, October 1998 Revision. For example, all references to the federal securities laws must include the corresponding cite to the United States Code in a footnote. All references to SEC rules must include the corresponding cite to the Code of Federal Regulations in a footnote. All references to Securities Exchange Act Releases must include the release number, release date, Federal Register cite, Federal Register date, and corresponding file number (e.g., SR-[SRO]-xx-xx). A material failure to comply with these guidelines will result in the proposed rule change being deemed not properly filed. See also Rule 0-3 under the Act (17 CFR 240.0-3)

Exhibit 1A- Notice of Proposed Rule Change, Security-Based Swap Submission, or Advance Notice by Clearing Agencies *

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The Notice section of this Form 19b-4 must comply with the guidelines for publication in the Federal Register as well as any requirements for electronic filing as published by the Commission (if applicable). The Office of the Federal Register (OFR) offers guidance on Federal Register publication requirements in the Federal Register Document Drafting Handbook, October 1998 Revision. For example, all references to the federal securities laws must include the corresponding cite to the United States Code in a footnote. All references to SEC rules must include the corresponding cite to the Code of Federal Regulations in a footnote. All references to Securities Exchange Act Releases must include the release number, release date, Federal Register cite, Federal Register date, and corresponding file number (e.g., SR-[SRO]-xx-xx). A material failure to comply with these guidelines will result in the proposed rule change, security-based swap submission, or advance notice being deemed not properly filed. See also Rule 0-3 under the Act (17 CFR 240.0-3)

Exhibit 2 - Notices, Written Comments, Transcripts, Other Communications

Add Remove View

Copies of notices, written comments, transcripts, other communications. If such documents cannot be filed electronically in accordance with Instruction F, they shall be filed in accordance with Instruction G.

Exhibit Sent As Paper Document

Exhibit 3 - Form, Report, or Questionnaire

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Copies of any form, report, or questionnaire that the self-regulatory organization proposes to use to help implement or operate the proposed rule change, or that is referred to by the proposed rule change.

Exhibit Sent As Paper Document

Exhibit 4 - Marked Copies

Add Remove View

The full text shall be marked, in any convenient manner, to indicate additions to and deletions from the immediately preceding filing. The purpose of Exhibit 4 is to permit the staff to identify immediately the changes made from the text of the rule with which it has been working.

Exhibit 5 - Proposed Rule Text

Add Remove View

The self-regulatory organization may choose to attach as Exhibit 5 proposed changes to rule text in place of providing it in Item I and which may otherwise be more easily readable if provided separately from Form 19b-4. Exhibit 5 shall be considered part of the proposed rule change.

Partial Amendment

Add Remove View

If the self-regulatory organization is amending only part of the text of a lengthy proposed rule change, it may, with the Commission's permission, file only those portions of the text of the proposed rule change in which changes are being made if the filing (i.e. partial amendment) is clearly understandable on its face. Such partial amendment shall be clearly identified and marked to show deletions and additions.

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form 19b-4

Proposed Rule Change
by

BANQUE CENTRALE DE COMPENSATION

Pursuant to Rule 19b-4 under the
Securities Exchange Act of 1934

Item 1. Text of the Proposed Rule Change

Banque Centrale de Compensation, which conducts business under the name LCH SA (“LCH SA”) is filing a proposed fee grid in connection with the proposed extension of the CDSClear service to the clearing of options on index credit default swaps (“CDS Options”). The text of the proposed rule change has been annexed as Exhibit 5.

Two separate proposed rule changes have been submitted concurrently (SR-LCH SA-2017-006 and 007) with respect to amendments to (i) LCH SA’s rule book and other relevant procedures and to (ii) LCH SA CDSClear Margin Framework and Default Fund Methodology in order to incorporate terms and to make conforming and clarifying changes to allow the clearing of CDS Options by LCH SA. The launch of clearing CDS Options will be contingent on LCH SA’s receipt of all necessary regulatory approvals, including the approval by the Commission of the proposed rule change described under SR-LCH-SA-2017-006 and 007.

Item 2. Procedures of the Self-Regulatory Organization

LCH SA has completed all of the required action to be taken to approve the proposed fee change. The proposed fee grid was approved by the LCH SA’s Local Management Committee on September 28th August 2017. No other action is necessary for the filing of this proposed rule change.

Questions should be addressed to François Faure, Chief Compliance Officer, at françois.faure@lch.com or +33 1 70 37 65 96; or Mohamed Meziane, Senior Regulatory Advisor, Compliance Department, at mohamed.meziane@lch.com or +33 1 70 37 65 52.

Item 3. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

A. Purpose

The purpose of the proposed rule change is to establish the applicable CDSClear fee grid related to the proposed extension of the CDSClear service to the clearing of CDS Options.

The proposed rule change introduces a fixed onboarding fee payable by every General and Select members that will join the new clearing service. The onboarding fee will be waived for any member whose onboarding for such clearing service is duly confirmed by LCH on or before 31st March 2018.

In addition to the fixed onboarding fee, the clearing fees are due by each General Member, Select Member or client in accordance with the amount, currency and volume specified in the fee grid attached in Exhibit 5. Similar to the current Index & Single Names CDSClear fee grid for General Membership under the Introductory tariff, a floor and a cap on clearing fees have been implemented for General Members opting for the CDS Options clearing service. Select Members opting for the CDS Options clearing service are only subject to capped fees as Select Membership is designed primarily for price takers with a smaller portfolio and a fixed cost (to which a floor amounts to) would deter them from clearing CDS Options.

All members and clients will benefit from a clearing fee holiday until 31st December 2017.

B. Statutory Basis

Section 17A(b)(3)(D) of the Act requires that the rules of a clearing agency provide for the equitable allocation of reasonable dues, fees, and other charges.¹

The proposed fee grid for the new non-mandatory Credit Index Options clearing service has been discussed with CDSClear members and designed with the goal of enabling members to register to this service as well as to incentivize clearing of such non-mandated for clearing products while taking into consideration current market trading conditions for options. As noted above, the proposed fee grid will apply equally to all General members, Select Members and clients that will voluntarily participate in this new CDS Clearing Service and LCH SA believes that it is reasonable and appropriate.

As Select Members have fewer obligations than General Members, variable clearing fees for CDS options are higher for Select Members than for General Members (similarly to the current Index & Single Names variable fee grid). Clients have no obligation towards the CCP, and hence variable clearing fees for CDS Options are set higher for them than for Members (similarly to the current Index & Single Names variable fee grid). As for Select Members, a fixed cost (floor) being applied to clients could deter them from choosing to clear CDS Options.

Finally, the purpose of the cap is to incentivize participants to provide liquidity into the CDS Options clearing service. Unlike General Members, as clients are not meant to provide such liquidity, LCH SA does not offer capped clearing fees for clients.

¹ 15 U.S.C. 78q-1(b)(3)(D).

LCH believes that the proposed rule change is consistent with the requirements of Section 17A of the Act² and regulations thereunder applicable to it, because it provides for the equitable allocation of reasonable fees, dues, and other charges among clearing members and market participants by ensuring that General, Select Members and clients pay reasonable fees and dues for the services that LCH SA provides.

Item 4. Self-Regulatory Organization's Statement on Burden on Competition

Section 17A(b)(3)(I) of the Act requires that the rules of a clearing agency not impose any burden on competition not necessary or appropriate in furtherance of the purposes of the Act.³ LCH SA does not believe that the proposed rule change would impose any burden on competition that are not necessary or appropriate in furtherance of the purposes of the Act.

Credit Index Options contracts will be available to all LCH SA CDSClear participants for clearing. The clearing of CDS Options contracts by LCH SA CDSClear does not preclude the offering of these financial instruments for clearing by other market participants.

The proposed rule change does not adversely affect the ability of such Clearing Members or other market participants generally to engage in cleared transactions or to access clearing services. Therefore, LCH SA does not believe that the proposed rule change would impose a burden on competition not necessary or appropriate in furtherance of the purposes of the Act.

2 15 U.S.C. 78q-1.

3 15 U.S.C. 78q-1(b)(3)(I).

Item 5. Self-Regulatory Organization’s Statement on Comments on the Proposed Rule Change Received from Members, Participants or Others

Written comments relating to the proposed rule change have not been solicited or received. LCH SA will notify the Commission of any written comments received by LCH SA.

Item 6. Extension of Time Period for Commission Action

Not applicable.

Item 7. Basis for Summary Effectiveness Pursuant to Section 19(b)(3) or for Accelerated Effectiveness Pursuant to Section 19(b)(2) or Section 19(b)(7)(D)

Subject to any regulatory review or approval process duly completed, the foregoing proposed rule change has become effective upon filing pursuant to Section 19(b)(3)(A)⁴ of the Act and Rule 19b-4(f)(2)⁵ thereunder because it establishes a fee or other charge imposed by LCH SA on its Clearing Members. At any time within 60 days of the filing of the proposed rule change, the Commission summarily may temporarily suspend such proposed rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act.

Item 8. Proposed Rule Change Based on Rule of Another Self-Regulatory Organization or of the Commission

Not applicable.

4 15 U.S.C. 78s(b)(3)(A).

5 17 CFR 240.19b-4(f)(2).

Item 9. Security-Based Swap Submissions Filed Pursuant to Section 3C of the Act

Not applicable.

Item 10. Advance Notices Filed Pursuant to Section 806(e) of the Payment, Clearing and Settlement Supervision Act

Not applicable.

Item 11. Exhibits

Exhibit 1A. Completed Notice of Proposed Rule Change for publication in the Federal Register.

Exhibit 5. CDSClear Fee Grid for CDS options

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, Banque Centrale de Compensation has caused this filing to be signed on its behalf by the undersigned hereunto duly authorized.

BANQUE CENTRALE DE COMPENSATION



By: _____
Francois Faure
Chief Compliance Officer

EXHIBIT 1A

SECURITIES AND EXCHANGE COMMISSION

(Release No. 34- ; File No. SR-LCH SA-2017-008)

[DATE]

Self-Regulatory Organizations; LCH SA; Proposed Rule Change Relating to Margin Framework and Default Fund Methodology for Options on Index Credit Default Swaps

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”)¹ and Rule 19b-4 thereunder² notice is hereby given that on _____, 2017, Banque Centrale de Compensation, which conducts business under the name LCH SA (“LCH SA”), filed with the Securities and Exchange Commission (“Commission”) the proposed rule change described in Items I, II and III below, which Items have been prepared primarily by LCH SA. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

I. Clearing Agency’s Statement of the Terms of Substance of the Proposed Rule Change

Banque Centrale de Compensation, which conducts business under the name LCH SA (“LCH SA”) is filing the new fee grid in connection with the proposed extension of the CDSClear service to the clearing of options on index credit default swaps (“CDS Options”). The text of the proposed rule change has been annexed as Exhibit 5.

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

Two separate proposed rule changes have been submitted concurrently (SR-LCH SA-2017-006 and 007) with respect to amendments to (i) LCH SA's rule book and other relevant procedures and to (ii) LCH SA CDSClear Margin Framework and Default Fund Methodology in order to incorporate terms and to make conforming and clarifying changes to allow options on index credit default swaps ("CDS") to be cleared by LCH SA. The launch of clearing CDS Options will be contingent on LCH SA's receipt of all necessary regulatory approvals, including the approval by the Commission of the proposed rule change described under SR-LCH-SA-2017-006 and 007.

II. Clearing Agency's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, LCH SA included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. LCH SA has prepared summaries, set forth in sections A, B, and C below, of the most significant aspects of these statements.

A. Clearing Agency's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

1. Purpose

The purpose of the proposed rule change is to establish the applicable fee grid in connection with the proposed extension of the CDSClear service to the clearing of CDS Options.

The proposed rule change introduces a fixed onboarding fee payable by every General and Select members that will join the new clearing service. The onboarding fee

will be waived for any member whose onboarding for such clearing service is duly confirmed by LCH on or before 31st March 2018.

In addition to the fixed onboarding fee, the clearing fees are due by each General Member, Select Member or Client in accordance with the amount, currency and volume specified in the fee grid attached in Exhibit 5. Similar to the current Index & Single Names fee grid for General Membership under the Introductory tariff, a floor and a cap on clearing fees have been implemented for General Members opting for the CDS Options clearing service. Select Members opting for the CDS Options clearing service are only subject to capped fees as Select Membership is designed primarily for price takers with a smaller portfolio and a fixed cost (to which a floor amounts to) would deter them from clearing CDS Options.

All members and clients will benefit from a clearing fee holiday until 31st December 2017.

2. Statutory Basis.

LCH SA believes that the proposed rule change in connection with the clearing of CDS Options is consistent with the requirements of Section 17A of the Act and the regulations thereunder, including the standards under Rule 17Ad-22.³

Section 17A(b)(3)(D) of the Act requires that the rules of a clearing agency provide for the equitable allocation of reasonable dues, fees, and other charges.⁴ The proposed fee grid for the new non-mandatory Credit Index Options clearing service has been discussed with CDSClear members and designed with the goal of enabling

³ 17 CFR 240.17Ad-22.

⁴ 15 U.S.C. 78q-1(b)(3)(D).

members to register to this service as well as to incentivize clearing of such non-mandated for clearing products while taking into consideration current market trading conditions for options.

As noted above, the proposed fee grid will apply equally to all General members, Select Members and clients that will voluntarily participate in this new CDS Clearing Service and LCH SA believes that it is reasonable and appropriate.

As Select Members have fewer obligations than General Members, variable clearing fees for CDS Options are higher for Select Members than for General Members (similarly to the current Index & Single Names variable fee grid). Clients have no obligation towards the CCP, and hence variable clearing fees for CDS Options are set higher for them than for Members (similarly to the current Index & Single Names variable fee grid). As for Select Members, a fixed cost (floor) being applied to clients could deter them from choosing to clear CDS Options.

Finally, the purpose of the cap is to incentivize participants to provide liquidity into the CDS Options clearing service. Unlike General Members, as clients are not meant to provide such liquidity, LCH SA does not offer capped clearing fees for clients.

LCH believes that the proposed rule change is consistent with the requirements of Section 17A of the Act⁵ and regulations thereunder applicable to it, because it provides for the equitable allocation of reasonable fees, dues, and other charges among clearing members and market participants by ensuring that General and Select Members and clients pay reasonable fees and dues for the services that LCH SA provides.

⁵ 15 U.S.C. 78q-1.

B. Clearing Agency's Statement on Burden on Competition

Section 17A(b)(3)(I) of the Act requires that the rules of a clearing agency not impose any burden on competition not necessary or appropriate in furtherance of the purposes of the Act.⁶ LCH SA does not believe that the proposed rule change would impose any burden on competition that are not necessary or appropriate in furtherance of the purposes of the Act.

Credit Index Options contracts will be available to all LCH SA CDSClear participants for clearing. The clearing of CDS Options contracts by LCH SA CDSClear does not preclude the offering of these financial instruments for clearing by other market participants.

The proposed rule change does not adversely affect the ability of such Clearing Members or other market participants generally to engage in cleared transactions or to access clearing services. Therefore, LCH SA does not believe that the proposed rule change would impose a burden on competition not necessary or appropriate in furtherance of the purposes of the Act.

C. Clearing Agency's Statement on Comments on the Proposed Rule Change Received from Members, Participants or Others

Written comments relating to the proposed rule change have not been solicited or received. LCH SA will notify the Commission of any written comments received by LCH SA.

⁶ 15 U.S.C. 78q-1(b)(3)(I).

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

Subject to any regulatory review or approval process duly completed, the foregoing proposed rule change has become effective upon filing pursuant to Section 19(b)(3)(A)⁷ of the Act and Rule 19b-4(f)(2)⁸ thereunder because it establishes a fee or other charge imposed by LCH SA on its Clearing Members. At any time within 60 days of the filing of the proposed rule change, the Commission summarily may temporarily suspend such proposed rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Comments may be submitted by any of the following methods:

Electronic Comments:

- Use the Commission's Internet comment form (<http://www.sec.gov/rules/sro.shtml>); or
- Send an e-mail to rule-comments@sec.gov. Please include File Number SR-LCH SA-2017-007 on the subject line.

Paper Comments:

- Send paper comments in triplicate to Secretary, Securities and Exchange Commission, 100 F Street, NE, Washington, DC 20549-1090.

⁷ 15 U.S.C. 78s(b)(3)(A).

⁸ 17 CFR 240.19b-4(f)(2).

All submissions should refer to File Number SR-LCH SA-2017-008. This file number should be included on the subject line if e-mail is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's Internet website (<http://www.sec.gov/rules/sro.shtml>). Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for website viewing and printing in the Commission's Public Reference Room, 100 F Street, NE, Washington, DC 20549 on official business days between the hours of 10:00 am and 3:00 pm. Copies of the filing also will be available for inspection and copying at the principal office of LCH SA and on LCH SA's website at <http://www.lch.com/asset-classes/cdsclear>. All comments received will be posted without change; the Commission does not edit personal identifying information from submissions. You should submit only information that you wish to make available publicly. All submissions should refer to File Number SR-LCH SA-2017-008 and should be submitted on or before [Commission to insert date 21 days from publication in the Federal Register].

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.⁹

Secretary

⁹ 17 CFR 200.30-3(a)(12).

EXHIBIT 5

APPENDIX
New LCH CDS options fee grid effective upon filing*

General Member	Onboarding fees	€30k	one-off fee per legal entity waived until 31-Mar-2018
	Clearing fees	€ 15	per million of option notional for European Indices
		\$ 15	per million of option notional for US Indices
	<i>Floor on clearing fees</i>	€150k	<i>Per calendar year (no pro-rating)</i>
	<i>Cap on clearing fees</i>	€500k	<i>Per calendar year (no pro-rating)</i>
Select Member	Onboarding fees	€30k	one-off fee per legal entity waived until 31-Mar-2018
	Clearing fees	€ 18	per million of option notional for European Indices
		\$ 18	per million of option notional for US Indices
	<i>Cap on clearing fees</i>	€500k	<i>Per calendar year (no pro-rating)</i>
Client	Clearing fees	€ 20	per million of option notional for European Indices
		\$ 20	per million of option notional for US Indices
<ul style="list-style-type: none"> • Clearing fee holiday from launch until 31-Dec-2017 for all Members and Clients. • The full CDSClear pricing grid is up for renewal with CDC Members on 31-Dec-2018 (end of fixed fee agreement extension). 			

* Subject to any appropriate regulatory review and/or approval process duly completed