26 September 2013

Ms. Melissa Jurgens  
Commodity Futures Trading Commission  
1155 21st Street NW  
Three Lafayette Centre  
Washington DC 20581

Dear Ms. Jurgens:

Pursuant to CFTC regulation §40.6(a), LCH.Clearnet Limited (“LCH.Clearnet”), a derivatives clearing organization registered with the Commodity Futures Trading Commission (the “CFTC”), is submitting for self-certification a Circular to SwapClear Clearing Members which describes a process for terminating cleared SwapClear contracts.

Please find the Submission Cover Sheet and Circular attached as appendices.

**Part I:  Explanation and Analysis**

LCH.Clearnet is issuing a circular to SwapClear Clearing Members announcing a process for effecting terminations of SwapClear Contracts, as that term is defined in the Rulebook of LCH.Clearnet, that were originally executed with other SwapClear Clearing Members. Currently, these terminations can be effected on an ad hoc basis. The process described in the Circular is available to all SwapClear Clearing Members subject to volume limitations described in the Circular.

**Part II:  Description of Rule Changes**

This Submission does not require any changes to the Rulebook. LCH.Clearnet is issuing a Circular to SwapClear Clearing Members. The Circular is attached hereto as Appendix II.

**Part III: Core Principle Compliance**

These rule change relates primarily to LCH.Clearnet’s compliance with Core Principle D (Risk Management). LCH.Clearnet has concluded that compliance with the Core Principles will not be adversely affected by the rule change.
Part IV: Public Information

LCH.Clearnet has posted a notice of pending certification with the CFTC and a copy of the submission on LCH.Clearnet’s website at:

http://www.lchclearnet.com/rules_and_regulations/ltd/default.asp.

Part V: Opposing Views

There were no opposing views expressed to LCH.Clearnet by governing board or committee members, members of LCH.Clearnet or market participants that were not incorporated into the rule.

Certification

LCH.Clearnet Limited hereby certifies to the Commodity Futures Trading Commission, pursuant to the procedures set forth in the Commission regulation § 40.6, that attached rule submission complies with the Commodity Exchange Act, as amended, and the regulations promulgated there under.

Should you have any questions please contact me at susan.milligan@lchclearnet.com.

Yours sincerely,

Susan Milligan
Interim Chief Compliance Officer, LCH.Clearnet LLC
US Contact: +1 212.513.8264
Appendix I
Submission Cover Sheet
LCH.Clearnet Limited is issuing a circular to provide a process for effecting bilateral terminations of SwapClear contracts by SwapClear Clearing members.
Appendix II
LCH.Clearnet Limited Circular
Bilateral Termination

As of October 11, 2013,* LCH.Clearnet Ltd will offer SwapClear Clearing Members the ability to terminate a series of cleared SwapClear Contracts entered into with the Clearing House. Termination will be subject to the original counterparties to a SwapClear Transaction submitting matched details to the Clearing House and completing applicable documentation.

Bilateral termination is only available on SwapClear Transactions executed between two SwapClear Clearing Members and is subject to the following (per SwapClear Clearing member) volume parameters:

<table>
<thead>
<tr>
<th>Parameters</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of compressions a day</td>
<td>1</td>
</tr>
<tr>
<td>Members in a compression run</td>
<td>2</td>
</tr>
<tr>
<td>Max Terminations a day</td>
<td>1,000</td>
</tr>
<tr>
<td>Max Termination package size</td>
<td>200</td>
</tr>
<tr>
<td>No Cash flows within Settlement window</td>
<td></td>
</tr>
</tbody>
</table>

Further information and applicable documentation is available from [swapclearclientservices@lchclearnet.com].

*Subject to regulatory review.

*Terms used and not defined herein shall have the meaning assigned to them in the Rulebook of LCH.Clearnet Limited.

For queries please contact:

SwapClear Client Services | LCH.Clearnet | Tel + 44 20 7426 7651
Email: swapclearclientservices@lchclearnet.com
Website: www.lchclearnet.com

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