VIA CFTC PORTAL

1 December 2015

Mr Christopher Kirkpatrick
Commodity Futures Trading Commission
1155 21st Street NW
Three Lafayette Centre
Washington DC 20581

Dear Mr Kirkpatrick:

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 changes to its fee structure for the SwapClear service.

Part I: Explanation and Analysis

The LCH.Clearnet SwapClear service will replace its existing compression fee schedule with a new schedule. The new schedule replaces the current tiered model with a progressive, by volume, fee schedule up to a cap of £1,400,000.

A new fee is also being introduced for Portfolio Transfers, payable by the SwapClear Clearing Member which receives a Portfolio Transfer. Each SwapClear Clearing Member will be entitled to 500 Portfolio Transfer trades in a calendar year free of charge and the fees are capped to £300,000 per SwapClear Clearing Member Group.

A number of corrections to the fee structure disclosure have also been made.

The fees will go live on January 1st, 2016.

Part II: Description of Rule Changes

This Submission does not require any changes to the Rulebook. LCH.Clearnet will update its website to reflect these changes (at address http://www.lchclearnet.com/asset-classes/otc-interest-rate-derivatives/fees).

The text of the change is attached hereto as Appendix I.

Part III: Core Principle Compliance

LCH.Clearnet has concluded that compliance with the Core Principles will not be adversely affected by this 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-regulations/proposed-rules-changes

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 julien.oliver@lchclearnet.com.

Yours sincerely,

[Signature]

J. Oliver
Chief Compliance Officer
LCH.Clearnet Limited
Member Fees

SwapClear Self-Clearing Fees

A single tariff is applied to a Member in relation to all contracts cleared by that Member and any Member of or Affiliated Firm of its Member Group, either for their own account or on behalf of with respect to a SwapClear Dealer, within a calendar year. A new Member should notify LCH.Clearnet of its preferred tariff when joining the SwapClear service.

New SwapClear Clearing Members qualify for a waiver of the applicable booking fee for the first 1500 backloaded trades (excluding Inflation Swaps) that are registered for clearing, for a period of up to 12 months from go-live. **A new SwapClear Clearing Member joining the service will be billed with the first fixed tariff instalment in the month after member go-live.**

The Bronze Tariff

1. Under the Bronze Tariff a Member Group is charged £500,000 in equal monthly instalments of £41,667, plus a £75 per contract booking fee and a £6 per existing contract maintenance fee per month.

2. Where a Member Group's total fees incurred by that Member Group reach £1,500,000 in any calendar year then no further fees are payable for the remainder of that year unless more than 20,000 contracts are cleared in which case the Silver Tariff will apply.

3. A Bronze Member Group that does not reach the Bronze Tariff fee cap of £1,500,000 within the calendar year will begin the following year on the Bronze Tariff.

4. A Bronze Tariff Member Group which reaches the £1,500,000 fee cap within the calendar year will automatically begin the following year on the Silver Tariff, the Gold Tariff or the Platinum Tariff, depending on the cleared volume.

5. A Bronze Tariff Member Group can at any time elect to move to an alternative tariff to commence the following year.

The clearing of inflation swaps is charged in accordance with the regular inflation swaps pricing plan.

The Silver Tariff

1. The Silver Tariff of £1,500,000 per year is designed for a Member Group which is expected to clear less than 30,000 contracts per year.

2. No booking fee or maintenance fee is applied to the first 20,000 contracts cleared in a calendar year for a Member Group on the Silver Tariff.

3. Cleared contracts in excess of 20,000 in one calendar year incur a booking fee of £75 per contract but no maintenance fee.
4. Fees are collected in equal instalments of £125,000 plus any booking fees (where applicable) monthly in arrears.

5. Member Groups using the Silver Tariff will have a fee cap of £2,250,000 in any calendar year, equating to 30,000 cleared contracts annually. Where the fees payable in relation to a Member Group reach £2,250,000 in any calendar year then no further fees are payable that year and the Member Group will automatically be invoiced at the Gold Tariff for the following year.

6. A Silver Tariff Member Group can at any time elect to move to the Gold Tariff or Platinum Tariff to commence the following year.

The clearing of inflation swaps is charged in accordance with the regular inflation swap pricing plan.

**The Gold Tariff**

1. The Gold Tariff of £2,250,000 per year is designed for a Member Group that is expected to clear 30,000 contracts or more per year.
2. A Gold Tariff Member Group can at any time elect to move to the Platinum Tariff to commence the following year.
3. Member Groups are charged a flat monthly fee of £187,500 payable in arrears. No booking or maintenance fees are payable.

The clearing of inflation swaps is charged in accordance with the regular inflation swap pricing plan. A Member Group that is on the Gold Tariff and which reaches the £300,000 cap for inflation swap fees will automatically start the following year on the Platinum Tariff.

**The Platinum Tariff**

1. The Platinum Tariff of £2,550,000 per year is designed for a Member Group that is expected to clear 30,000 contracts or more per year, together with a substantial number of inflation swaps volume.
2. Member Groups are charged a flat monthly fee of £212,500 payable in arrears. No booking or maintenance fees are payable.

There are no additional fees for the clearing of inflation swaps.

**Inflation Swaps – Regular Pricing Plan**

1. A Member Group may clear up to 200 inflation swap contracts each calendar year for a fee of £30,000. Cleared contracts in excess of 200 in one calendar year incur a booking fee of £120 per trade.
2. Inflation swap contracts incur a maintenance fee of £12 per trade per month.
3. The £30,000 fee is due in February each year and is payable by all SwapClear Clearing Members that clear an inflation swap contract in the calendar year or have any live inflation swap contracts as at the 1st January in each calendar year. All other clearing fees for inflation swaps are payable monthly in arrears.

4. Where a Member Group’s total clearing fees incurred by that Member Group for the clearing of inflation swap contracts reaches £300,000 in any calendar year then no further fees are payable for the clearing of inflation swaps for the remainder of that year and that Member Group will automatically be invoiced £300,000 in the following year.

5. A Member Group that commences clearing inflation swap contracts during a calendar year will have its fees pro-rated for that calendar year.

**Other Fees**

In addition there is a one-off on boarding fee of £50,000 for each new SwapClear Clearing Member, FCM Clearing Member or SwapClear Dealer or Affiliate which is a member of, or an Affiliated Firm of, a Member Group.

A "Member Group" means a SwapClear Clearing Member or an FCM Clearing Member, its direct and indirect subsidiaries and its direct and indirect holding companies and every direct and indirect subsidiary of each such holding company, from time to time. For the purposes of this definition: (i) ‘subsidiary’ means a company in which an entity holds more than 50% of the voting rights; and (ii) ‘holding company’ means a company that holds more than 50% of the voting rights in another entity.

An "Affiliated Firm" in relation to a Member Group means a firm that satisfies both of the following tests:

1. a SwapClear Clearing Member or a FCM Clearing Member (or any other member of its Member Group) holds 50% or more of the voting rights in the firm; and

2. one or more SwapClear Clearing Members or FCM Clearing Members (or any other member of their Member Group) together hold more than 50% of the voting rights in the firm.

"Voting rights" means the rights conferred on shareholders in respect of their shares or, in the case of a company not having a share capital, on members, to vote at general meetings of the company on all, or substantially all, matters.

Changes in an entity’s corporate ownership may lead to changes in the tariff that applies to it.

Terms used herein are as defined in the rulebook of LCH.Clearnet.

All clearing fees are payable in GBP.

If you would like to discuss LCH tariffs please contact your relationship manager for further details.

**SwapClear Compression Fee Schedule**
From time to time, LCH.Clearnet Limited (“LCH.Clearnet”) may operate scheduled SwapClear compression. The tiered fee arrangement for scheduled compression is as follows:

**Basic Tier**

1. £15 for each trade compressed other than those initiated by an Approved Compression Service Provider (ACSP) as defined in the rulebook.
2. £7.50 for each trade compressed which are initiated by an ACSP.
3. Fees will be collected monthly in arrears.
4. Where the cumulative fees reach £300,000 per annum the SwapClear Clearing Member will automatically move from the Basic Tier to the Standard Tier.

**Standard Tier**

1. £300,000 per annum (if a SwapClear Clearing Member has moved from the Basic Tier within that year then this fee is not applicable) for up to 50,000 trades.
2. Per trade fee above 50,000 trades, up to a cumulative total of £500,000 per annum (this includes the £300,000 flat fee).
3. £15 for each trade compressed other than those initiated by an ACSP.
4. £7.50 for each trade compressed which are initiated by an ACSP.
5. Fees will be collected monthly in arrears.

**Ultimate Tier**

1. One fee of £500,000 per annum (if a SwapClear Clearing Member has moved from the Standard Tier this fee is not applicable).
2. Unlimited trade compression.
3. Fees will be collected monthly in arrears.

In response to a request from one or more SwapClear Clearing Members, LCH.Clearnet may operate compression on an ad-hoc basis. The fixed-fee arrangement for ad-hoc compression is as follows:

1. Fees for ad-hoc compression are not included in the fee charged by LCH.Clearnet for scheduled compression cycles as set out above and the resulting compressed trades will not form part of any cumulative trade count totals.
2. Ad-hoc compression is subject to a processing fee of £15 per trade with a minimum charge of £100,000 per cycle per SwapClear Clearing Member.

**Notes:**

1. Fees will be charged on a ‘per group’ basis in line with LCH.Clearnet’s Membership Fee Policy.
2. For the scheduled compression runs: SwapClear Clearing Members may select an initial plan as of 1st January each year. Once a threshold has been reached the SwapClear
Clearing Member will be automatically moved to the ‘higher’ fee plan. SwapClear Clearing Members may not ‘elect’ to move to a different plan during a calendar year.

3. The fee structure is independent of any fees clearing members may be charged by an ACSP for their compression services.

4. Ad-hoc compression runs will be carried out in LCH.Clearnet’s sole discretion.

5. For the purposes of the above, a ‘trade’ means a SwapClear Contract or FCM SwapClear Contract, as applicable.

6. Terms used above and not defined above have the meaning assigned to them in the Rulebook or FCM Rulebook of LCH.Clearnet, as applicable.

Scheduled Compression

Per trade termination fee tariff for scheduled compression runs is as follows:

<table>
<thead>
<tr>
<th>Fee Schedule</th>
<th>LCH compression</th>
<th>ACSP compression</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trades</td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>0 - 35,000</td>
<td>14.00</td>
<td>9.00</td>
</tr>
<tr>
<td>35,001 - 70,000</td>
<td>10.00</td>
<td>7.50</td>
</tr>
<tr>
<td>70,001+</td>
<td>7.00</td>
<td>6.00</td>
</tr>
<tr>
<td><strong>Fee Cap</strong></td>
<td><strong>£1,400,000</strong></td>
<td></td>
</tr>
</tbody>
</table>

1. Risk replacement trades resulting from a compression run will not attract a registration fee (where applicable).

2. Any Approved Compression Service Provider (ACSP) fees are payable in addition to the LCH fees.

Ad-hoc Compression requests

In response to a request from one or more SwapClear Clearing Members, LCH.Clearnet may operate compression on an ad-hoc basis. The fixed-fee arrangement for ad-hoc compression is as follows:

1. Fees for ad-hoc compression are not included in the fee charged by LCH.Clearnet for scheduled compression cycles, as set out above, and the resulting compressed trades will not form part of any cumulative trade count totals.

2. Ad-hoc compression is subject to a processing fee of £15 per trade with a minimum charge of £100,000 per cycle per SwapClear Clearing Member.

SwapClear Portfolio Transfer Fees

1. A fee is payable by a SwapClear Clearing Member which receives a Portfolio Transfer.
2. A Member Group is entitled to 500 Portfolio Transfer trades in a calendar year free of charge.

3. Each Portfolio Transfer is charged at £12.50 per Contract that is transferred.

4. Fees for portfolio Transfers are capped at £300k per Member Group in any calendar year.

For the purposes of this section a “Portfolio Transfer” means:

(i) The transfer of SwapClear Contracts or FCM SwapClear Contracts registered to the Proprietary Account of one SwapClear Clearing Member to the Proprietary Account of another SwapClear Clearing Member.

(ii) The transfer of SwapClear Contracts registered in a SwapClear Clearing Member’s Proprietary Account from:

1. one SCM Branch to another SCM Branch; or

2. one SwapClear Dealer to another SwapClear Dealer.

Notes:

1. Fees will be charged on a ‘per group’ basis in line with LCH.Clearnet’s Membership Fee Policy.

2. Fees will be collected monthly in arrears.

3. The fee structure is independent of any fees clearing members may be charged by an ACSP for their compression services.

4. Ad-hoc compression runs will be carried out in LCH.Clearnet’s sole discretion.

5. For the purposes of the above, a ‘trade’ means a SwapClear Contract or FCM SwapClear Contract, as applicable. References to SwapClear Clearing Members shall include FCM clearing Members, as applicable.

6. Terms used above and not defined above have the meaning assigned to them in the Rulebook or FCM Rulebook of LCH.Clearnet, as applicable.