LCH.Clearnet Limited Self-Certification: Member Circular on Changes to the SwapClear Margining Times and Backload Registration Cycles Times

Dear Mr Kirkpatrick,

Pursuant to CFTC regulation §40.6(a), LCH.Clearnet Ltd (“LCH”), a derivatives clearing organization registered with the Commodity Futures Trading Commission (“CFTC”), is submitting for self-certification a Circular to SwapClear Clearing Members describing the changes to the SwapClear margining times and Backload Registration Cycles times.

Part I: Explanation and Analysis

SwapClear currently processes three intraday margin runs (also referred to as Market Data Refresh or “MDR”) and subsequently calls for collateral from relevant SwapClear Clearing Members. SwapClear is revising the times it will process such MDRs. In addition, on certain days SwapClear carries out Backload Registration Cycles for the registration of Backloaded Trades which have been presented for clearing; following each cycle, SwapClear will calculate the increase in collateral required to register the trades and will notify each relevant SwapClear Clearing Member. The time to process the Backload Registration Cycles will also be revised.

The Member Circular on the above changes is attached hereto as Appendix I. The circular will be sent to the SwapClear Clearing Members not before August 24th, 2016.

Part II: Description of Rule Changes

This submission does not require any changes to the LCH Rulebook.

Part III: Core Principle Compliance

LCH has concluded that compliance with the Core Principles will not be adversely affected by this change.

Part IV: Public Information

LCH has posted a notice of pending certification with the CFTC and a copy of the submission on LCH’s website at:
http://www.lch.com/rules-regulations/proposed-rules-changes

Part V: Opposing Views
There were no opposing views expressed to LCH by governing board or committee members, members of LCH or market participants that were not incorporated into this submission.

Certification

LCH hereby certifies to the CFTC, pursuant to the procedures set forth in 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 julian.oliver@lch.com.

Yours sincerely,

[Signature]

P.P.,
Julian Oliver
Chief Compliance Officer
LCH.Clearnet Limited
Appendix I

LCH.Clearnet Limited - SwapClear Circular

Circular No. LCH Circular No xxx
Service Circular No. SwapClear Circular No xx
Date: xx August 2016
To: All SwapClear Clearing Members

Subject: Changes to the SwapClear Margining Times and Backload Registration Cycles Times

On each Business Day and in accordance with SwapClear Procedure 1.9.4 the Clearing House is entitled to call for Collateral intra-day. With effect from 12th September 2016 the Clearing House will be changing the times at which it assesses the value of all SwapClear Contracts (referred to as Market Data Refresh or ‘MDR’) and subsequently calls for Collateral. The table below shows the current times and the revised times.

<table>
<thead>
<tr>
<th>Day</th>
<th>Current</th>
<th>Revised</th>
</tr>
</thead>
<tbody>
<tr>
<td>1st MDR</td>
<td>08:20 London Time</td>
<td>09:00 London time</td>
</tr>
<tr>
<td>2nd MDR</td>
<td>14:15 London Time</td>
<td>14:15 London time (No change)</td>
</tr>
<tr>
<td>3rd MDR</td>
<td>14:05 EST</td>
<td>17:00 London time</td>
</tr>
</tbody>
</table>

With effect from 12th September 2016 the Clearing House will be changing the times at which it runs Backload Registration Cycles. The table below shows the current times and the revised times.

<table>
<thead>
<tr>
<th>Day</th>
<th>Current</th>
<th>Revised</th>
</tr>
</thead>
<tbody>
<tr>
<td>Monday – Wednesday</td>
<td>17:00 London Time</td>
<td>12:00 London time</td>
</tr>
<tr>
<td>Thursday</td>
<td>17:00 London Time</td>
<td>19:30 London time</td>
</tr>
<tr>
<td>Friday</td>
<td>No Cycle</td>
<td>No Cycle.</td>
</tr>
</tbody>
</table>

If you have any questions please contact: SwapClear Client Services at swapclear.clientservices@lch.com

All times are approximate. The Clearing House’s rights to require Collateral are governed by the Rulebook. Nothing contained in this circular shall limit the Clearing House’s rights to require Collateral at times other than as described herein. Clearing Members will be notified of any changes in these timings via Clearing Member Circular or Service Notifications. Terms used herein and not defined herein shall have the meaning assigned in the Clearing House Rulebook.