VIA EMAIL TO: SUBMISSIONS@CFTC.GOV

12 November 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)(6), LCH.Clearnet Limited ("LCH.Clearnet"), a derivatives clearing organization ("DCO") registered with the Commodity Futures Trading Commission (the "CFTC"), is submitting for self-certification a Circular to FCM SwapClear, ForexClear, and EnClear Clearing Members which clarifies how FCM Clearing Member requests for the return of excess amounts will be treated where the request does not specify whether the FCM clearing member seeks the return of Unallocated Excess or FCM Buffer.

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

Part I: Explanation and Analysis

LCH.Clearnet is issuing a Circular to FCM SwapClear, ForexClear, and EnClear Clearing Members notifying them that any request for the return of excess that does not specify whether the FCM Clearing Member is seeking the return of Unallocated Excess or FCM Buffer will be treated as a request for the return of Unallocated Excess. This approach will take effect on December 2, 2013.

Part II: Description of Rule Changes

This Submission does not require any changes to the Rulebook. LCH.Clearnet is issuing a Circular to FCM SwapClear, ForexClear and EnClear members.

Part III: Core Principle Compliance

The rule changes described above relate primarily to LCH.Clearnet’s compliance with Core Principle F (Treatment of Funds). LCH.Clearnet has concluded that its compliance with the Core Principles would not be adversely affected by the Circular.

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/llc/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 LLC 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
**TYPE OF FILING**

- **Rules and Rule Amendments**
  - Certification under § 40.6 (a) or § 41.24 (a)
  - “Non-Material Agricultural Rule Change” under § 40.4 (b)(5)
  - Notification under § 40.6 (d)
  - Request for Approval under § 40.4 (a) or § 40.5 (a)
  - Advance Notice of SIDCO Rule Change under § 40.10 (a)

- **Products**
  - Certification under § 39.5(b), § 40.2 (a), or § 41.23 (a)
  - Swap Class Certification under § 40.2 (d)
  - Request for Approval under § 40.3 (a)
  - Novel Derivative Product Notification under § 40.12 (a)

**RULE NUMBERS**

No rulebook changes are required.

**DESCRIPTION**

LCH.Clearnet Limited is issuing a circular to FCM SwapClear, ForexClear, and EnClear Clearing Members clarifying how FCM Clearing Member requests for the return of excess amounts will be treated where the request does not specify whether the FCM clearing member seeks the return of Unallocated Excess or FCM Buffer.
Appendix II
LCH.Clearnet Limited Circular
FCM Return of Unallocated Excess and FCM Buffer

The purpose of this circular is to inform FCM Clearing Members of some important changes to the process for the return of Unallocated Excess and FCM Buffer.

Section 4.7 of the LCH.Clearnet Ltd (LCH.Clearnet) FCM Procedures currently states that requests for the return of Unallocated Excess or FCM Buffer by an FCM Clearing Member must be accompanied by instructions as to the amount requested to be returned and whether such requested return relates to Unallocated Excess or FCM Buffer.

LCH.Clearnet notes that several such requests have been submitted to it for such return of excess amounts, without specifying whether such return is in respect of Unallocated Excess or FCM Buffer.

With effect from 2 December 2013, all such requests will be treated as requests for the returned of Unallocated Excess, unless accompanied by instructions to the contrary. Once the Unallocated Excess has been exhausted, any remaining amount will be met from FCM Buffer.

If you have any questions, please do not hesitate to contact Collateral Operations on collateral.ops.uk@lchclearnet.com, or by telephone at +44 20 7426 7505.