



VIA CFTC PORTAL

15 July 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"), hereby submits for self-certification amendment to the LCH.Clearnet Rulebook. This change to the LCH.Clearnet Rulebook will take effect from August 3, 2015.

Part I: Explanation and Analysis

The purpose of these changes is to amend Section 1 of the Procedures within the LCH.Clearnet Rulebook to clarify that all regulated Clearing Members must provide copies of their regulatory returns directly to the Clearing House within the specified timeframe, and that Clearing Members regulated by the UK Financial Conduct Authority ("FCA") may no longer rely on such returns being provided by the FCA to the Clearing House.

Clearing members have been made aware via member circular issued on June 22, 2015 that the data feed from the FCA to the Clearing House is to cease. Notification of the Rulebook amendments in support of this change will also be published prior to the effective date.

Part II: Description of Rule Changes

The following paragraphs of Procedures Section 1 are amended as shown in the marked-up version attached as Appendix A:

Paragraph 1.9.2

Paragraph 1.9.3

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Part III: Certification by LCH.Clearnet

LCH.Clearnet certifies to the CFTC, in accordance with CFTC Regulation §40.6, that the planned changes comply with the Commodity Exchange Act and the CFTC Regulations promulgated there under. LCH.Clearnet further certifies that, prior to submission of this material, in compliance with §39.21 of the Commission's regulations, LCH.Clearnet has posted a notice of pending certification with the CFTC and a copy of the submission on the LCH.Clearnet website at

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

Part IV: Compliance with Core Principles

LCH.Clearnet has concluded that its compliance with the Core Principles would not be adversely affected by these changes. The changes reflected herein will ensure continued compliance with the Core Principles and, in particular with Core Principle C.

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 changes.

Should you have any questions please contact me at julian.oliver@lchclearnet.com .

Yours sincerely,

A handwritten signature in blue ink that reads 'Julian Oliver'.

Julian Oliver
Chief Compliance Officer

LCH.Clearnet Rule Submission

Appendix A

LCH.Clearnet Limited – Procedures Section 1



LCH.CLEARNET LIMITED

PROCEDURES SECTION 1

**CLEARING MEMBER, NON-MEMBER MARKET
PARTICIPANT AND DEALER STATUS**

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limitation, information and documents relating to the liquidity of that Clearing Member's financial resources and settlement procedures;

- (iii) any other financial information that the Clearing House determines is necessary to assess whether membership criteria are being met on an ongoing basis; and
- (iv) notice if the Clearing Member becomes the subject of a bankruptcy petition, receivership proceeding, or the equivalent, or any other event to which it is required to notify the Clearing House under the Clearing Membership Agreement or the Rulebook.

In addition, and upon request from the Clearing House or any Regulatory Body, each Clearing Member shall promptly provide the information detailed in (ii) above directly to the any Regulatory Body specified in the relevant request.

1.9.2 *Regulated Clearing Members*

Regulated Clearing Members must within 30 calendar days of each of their quarter-end dates, provide the Clearing House with copies of ~~all their regulatory~~ returns ~~made to their regulator. The Clearing House will, in respect of firms regulated by the FCA, take returns direct from the FCA. This arrangement is for administrative convenience and the Clearing House reserves the right to require that financial returns are submitted direct by the Clearing Member to the Clearing House.~~ In addition, Clearing Members must provide the Clearing House with copies of all reports that are required to be filed with the CFTC pursuant to parts 17 and 20 of the CFTC Regulations.

1.9.3 *Non-Regulated Clearing Members*

Non-regulated Clearing Members must provide the Clearing House with an English language version of their quarterly balance sheet and profit and loss statement within 30 calendar days of their quarter-end date. This must be signed by two directors, a director and the company secretary, or two Authorised Signatories. Where the Clearing Member is a partnership the balance sheet and profit and loss statement must be signed by two partners of the firm. Please provide evidence of signing authority together with specimen signatures.

1.9.4 *Category K*

Special Clearing Members must provide the Clearing House with such financial information as is stipulated in their Clearing Membership Agreement.

1.9.5 *Reduction in Net Capital*

All Clearing Members must immediately notify the Clearing House of any significant reduction (usually 10% or more), from the figures shown in their last financial returns, in: