



VIA EMAIL TO: SUBMISSIONS@CFTC.GOV

12 February 2014

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 the introduction of the SwapClear service fee schedule for Compression Services.

Part I: Explanation and Analysis

From 1 March 2014, the SwapClear service will implement fees for its offering of compression services to its Clearing Members. Additionally, SwapClear will implement fees for the multilateral compression cycles that it processes in conjunction with Approved Compression Service Providers ("ACSP") as defined in the LCH.Clearnet Rulebook. Fees for the ACSP compression service become effective on 1 September 2014.

The fee schedule will be notified via a circular to SwapClear Clearing Members prior to the implementation date.

The Compression Fee Schedule with effect from 1st March 2014 is structured as follows:

Basic Tier

1. £15 for each trade compressed other than those initiated by a third party vendor (**Approved Compression Service Provider as defined in the rules**).
2. £7.50 for each trade compressed where initiated by a third party vendor (please note that this fee will take effect from 1st September 2014).
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 Clearing Member has moved from the Basic Tier within that year 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):

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LCH.Clearnet Group Limited | LCH.Clearnet Limited | LCH.Clearnet SA | LCH.Clearnet LLC



- a. £15 for each trade compressed other than those initiated by an ACSP.
 - b. £7.50 for each trade compressed which are initiated by a third party vendor (please note that this fee will take effect from 1st September 2014).
3. Fees will be collected monthly in arrears.
- NB. For the purposes of 2014 the annual fee (£300,000) will be pro-rata March-December (£250,000). For the purposes of 2014 the cumulative figure (£500,000) will be pro-rata March – December (£416,667).**

Ultimate Tier

1. One fee of £500,000 per annum (if a 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.

NB. For the purposes of 2014 the annual fee (£500,000) will be pro-rata March-December (£416,667).

Notes:

1. Fees will be charged on a 'per group' basis in line with our Membership Fee Policy.
2. SwapClear Clearing Members may select an initial plan as of 1st January each year.
3. Once a threshold has been reached the Member will be automatically moved to the 'higher' fee plan.
4. Members may not 'elect' to move to a different plan during a calendar year.
5. The fee structure is independent of any fees Clearing Members may be charged by a third party vendor for their compression services.
6. Any new trades arising from a compression cycle will be charged as per the Clearing Members existing Membership tariff.

Part II: Amendments to the Rules and Regulations of LCH.Clearnet

No changes to either the LCH.Clearnet Rules & Regulations or Procedures are required to effect these changes.

Part III: Core Principle Compliance

LCH.Clearnet will continue to comply with all Core Principles following the implementation of these proposed enhancements to its product eligibility criteria. The changes reflected herein will ensure continued compliance with the Core Principles and, in particular with Core Principle C (Participant and Product Eligibility) as the plan is open to all Clearing Members.

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 regarding this submission please contact me at julian.oliver@lchclearnet.com.

Yours sincerely,

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

Julian Oliver, Director Compliance and Public Affairs
LCH.Clearnet Ltd

Cc: Jay Iyer, LCH.Clearnet
Kenji Takaki, CFTC
Shawn Durrani, CFTC