

VIA CFTC PORTAL

22 July 2019

Mr Christopher Kirkpatrick
Commodity Futures Trading Commission
115 21st Street NW
Three Lafayette Centre
Washington DC 20581

LCH Limited Self Certification: Weekly Notification of Rule Amendments

Dear Mr Kirkpatrick

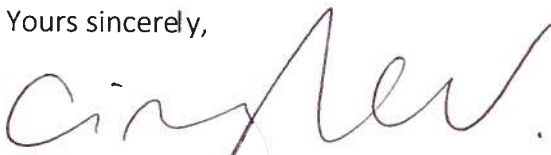
Please accept this notification of rule amendments to LCH Limited's rulebook pursuant to CFTC regulation §40.6(d), for the following non-substantive rule changes in the General Regulations, in respect to the clearing of the FX deliverable products via the ForexClear service:

Regulation 103 ("Allocation of Mandatory ForexClear Swap Contracts and Mandatory Settlement ForexClear Swap Contracts") includes corrections to two cross references in paragraph (a): Regulation (l) and Regulation 105. The latter is also reflected in paragraph (b).

The changes to the rulebook are included in Appendix I in black line form.

Should you have any questions regarding this submission, please contact me at valentina.cirigliano@lch.com.

Yours sincerely,



Valentina Cirigliano
Regulatory Advisor
LCH Limited

Appendix I
General Regulations



**GENERAL REGULATIONS OF
LCH LIMITED**

REGULATION 103 ALLOCATION OF MANDATORY FOREXCLEAR SWAP CONTRACTS AND MANDATORY SETTLEMENT FOREXCLEAR SWAP CONTRACTS

Mandatory Settlement ForexClear Swap Contracts

- (a) If, following the occurrence of a ForexClear Settlement Event with respect to a ForexClear Option Clearing Member and a given ForexClear Currency, the Clearing House determines that, in accordance with [Regulation 100\(l\)](#) ~~Regulation(k)~~ it shall conclude one or more Mandatory Settlement ForexClear Swap Contracts, it shall allocate the Mandatory Settlement ForexClear Swap Contracts arising between it and the applicable ForexClear Option Clearing Members in respect of that ForexClear Settlement Event in accordance with the below, subject always to the provisions of ~~Regulation 108~~ [Regulation 105](#):
- (i) first, the Clearing House shall allocate such Mandatory Settlement ForexClear Swap Contracts amongst all ForexClear Option Clearing Members that are Impacted ForexClear Option Clearing Members in respect of any ForexClear Settlement Event that has occurred on the relevant day (and regardless of the ForexClear Currency that is the subject of such a ForexClear Settlement Event) in the proportions and in the ForexClear Currencies that the Clearing House determines acting in its sole and absolute discretion; and
- (ii) second, if having allocated Mandatory Settlement ForexClear Swap Contracts in accordance with (i) above, the Settlement Position Amount (denominated in any ForexClear Currency) of any of the Impacted ForexClear Option Clearing Members identified in (i) above exceeds the relevant Settlement Position Limit applicable to that Impacted ForexClear Option Clearing Member (such excess, the "**Remaining SPA Shortfall**"), the Clearing House shall allocate such Mandatory Settlement ForexClear Contracts amongst all other ForexClear Option Clearing Members in the proportions and in the ForexClear Currency the Clearing House determines acting in its sole and absolute discretion, until there is no Remaining SPA Shortfall in respect of any ForexClear Option Clearing Member.

Mandatory ForexClear Swap Contracts

- (b) If, following the occurrence of a ForexClear Liquidity Event with respect to a ForexClear Option Clearing Member and a given ForexClear Currency, the Clearing House determines that, in accordance with Regulation 101(d)(v), it shall conclude one or more Mandatory ForexClear Swap Contracts, it shall allocate the Mandatory ForexClear Swap Contracts arising between it and the applicable ForexClear Option Clearing Members in respect of that ForexClear Liquidity Event in accordance with the below, subject always to the provisions of ~~Regulation 108~~ [Regulation 105](#):
- (i) first, the Clearing House shall allocate such Mandatory ForexClear Swap Contracts amongst all ForexClear Option Clearing Members that are Affected ForexClear Option Clearing Members in respect of any ForexClear Liquidity Event that has occurred on the relevant day (and regardless of the ForexClear Currency that is the subject of such a ForexClear Liquidity Event) in the

proportions and in the ForexClear Currencies that the Clearing House determines acting in its sole and absolute discretion; and

- (ii) second, if having allocated Mandatory ForexClear Swap Contracts in accordance with (i) above, there remains some Relevant FX Liabilities (denominated in any ForexClear Currency) of the Affected ForexClear Option Clearing Member(s) identified in (i) above that have not been extinguished, the Clearing House shall allocate such Mandatory ForexClear Contracts amongst all other ForexClear Option Clearing Members in the proportions and in the ForexClear Currency the Clearing House determines acting in its sole and absolute discretion, until there are no Relevant FX Liabilities outstanding.