



VIA CFTC Portal

November 19 2024

Mr. Christoper Kirkpatrick

Commodity Futures Trading Commission
1155 21st Street NW
Three Lafayette Centre
Washington, DC 20581

Subject: Weekly Notification – MXN rate change notice

Dear Mr Kirkpatrick,

Please accept this notification, pursuant to CFTC regulations §40.6(d), related to the conversion of MXN-TIIE to MXN-TIIE ON-OIS Compound floating index (“MXN OIS”) for benchmark reform scheduled for November 23, 2024.

Following LCH Ltd (“LCH”) self-certification pursuant to CFTC Regulation §40.6(a) on May 21, 2024 related to the CAD CDOR conversion, LCH now will publish a rate change notice to clearing members regarding a conversion event, rather than including a new rulebook annex for each such event.

The MXN rate change notice is included as Appendix I and will be added to Member updates (which is publicly available on LCH’s website [here](#)).

No changes to the LCH Rulebook are required.

Should you have any questions regarding this submission please contact me at lavannyan.mahalingam@lseg.com.

Yours sincerely

Lavannyan Mahalingam

Regulatory Advisor



Appendix I

MXN Rates change notice

FURTHER TO THE ATTACHED [CONSULTATION](#) AND LCH CIRCULARS NUMBER [4287](#), [4296](#), [4324](#), THIS CIRCULAR CONTAINS IMPORTANT INFORMATION FOR SWAPCLEAR CLEARING MEMBERS, FCM SWAPCLEAR CLEARING MEMBERS AND THEIR CLIENTS IN RELATION TO THE TRANSITION FROM MXN-TIIE TO MXN-TIIE ON-OIS COMPOUND AND GIVES EFFECT TO CERTAIN AMENDMENTS TO THE TERMS OF REGISTERED SWAPCLEAR CONTRACTS AND FCM SWAPCLEAR CONTRACTS IN ACCORDANCE WITH PROCEDURE 1.35 AND FCM PROCEDURE 2.1.26.

SCOPE AND INTERPRETATION

1. This constitutes a "Rate Change Notice" as defined in and pursuant to the Regulations and the Procedures and the FCM Regulations and FCM Procedures.
2. This Rate Change Notice and the provisions of Procedure 1.35 and FCM Procedure 2.1.26 apply to all open SwapClear Contracts and FCM SwapClear Contracts that (i) specify MXN-TIIE as the floating rate or use MXN-TIIE to calculate the floating amount thereunder, (ii) are registered with the Clearing House as of the time on the Conversion Cut-Off Date determined by the Clearing House, and (iii) have a Reset Date occurring after 3 December 2025 (each such SwapClear Contract and FCM SwapClear Contract, an **Impacted Contract**). For the avoidance of doubt, (A) no other SwapClear Contract or FCM SwapClear Contract shall be subject to, or affected by, the terms of this Rate Change Notice and all SwapClear Contracts and SwapClear FCM Contracts shall remain in full force and effect, and (B) other than as expressly set out in this Rate Change Notice, the SwapClear Contract Terms and FCM SwapClear Contract Terms shall not be amended, supplemented or modified by the terms of this Rate Change Notice.
3. Capitalised terms used but not otherwise defined herein have the meaning given to them in the Regulations. The term "business day" has the meaning given to it in the Regulations.
4. The terms of this Rate Change Notice relating to operational or procedural matters may be supplemented, modified, amended, replaced or withdrawn from time to time by the Clearing House in its sole discretion through a member circular or such other method as the Clearing House shall determine is appropriate.

DEFINITIONS

For the purposes of Procedure 1.35, FCM Procedure 2.1.26 and this Rate Change Notice:

Conversion Date means November 23, 2024, or such other date as may be specified by the Clearing House from time to time through a member circular or such other method as the Clearing House shall determine is appropriate.



In-Scope Floating Rate Option means MXN-TIIE (as defined in the ISDA 2021 Interest Rate Derivatives Definitions).

Number of Business Days for Payment Delay: Two (2) Business Days.

Relevant Number of Business Days means zero.

Replacement Floating Rate Option means MXN-TIIE ON-OIS Compound (as defined in the ISDA 2021 Interest Rate Derivatives Definitions).

Spread Adjustment means 24 basis points (and not the spread relating to the In-Scope Floating Rate Option for a period of the Designated Maturity (as defined in the ISDA 2021 Interest Rate Derivatives Definitions) provided by Bloomberg Index Services Limited (or a successor provider as approved and/or appointed by ISDA from time to time)).

APPLICABILITY OF CERTAIN PROVISIONS IN PROCEDURE 1.35

The following sections of Procedure 1.35 and FCM Procedure 2.1.26 shall be “Applicable” and have effect in relation to the Impacted Contracts specified in this Rate Change Notice.

1. Cash Compensation Amounts and Cash Compensation Contracts: Applicable
2. Operational Bookings (including Operational Overlay Bookings): Applicable

INDEX CESSATION EFFECTIVE DATE

No Index Cessation Effective Date (as defined in the ISDA 2021 Interest Rate Derivatives Definitions) has occurred in relation to the In-Scope Floating Rate Option. Accordingly, for the purposes of the conversion of Impacted Contracts pursuant to this Rate Change Notice and the provisions of Procedure 1.35 and FCM Procedure 2.1.26, references to “Index Cessation Effective Date” in Procedure 1.35 and FCM Procedure 2.1.26 shall be replaced with 4 December 2025.