



**VIA EMAIL TO: [SUBMISSIONS@CFTC.GOV](mailto:SUBMISSIONS@CFTC.GOV)**

13 June 2013

Ms. Melissa Jurgens  
Commodity Futures Trading Commission  
1155 21<sup>st</sup> Street NW  
Three Lafayette Centre  
Washington DC 20581

Dear Ms. Jurgens:

Pursuant to CFTC regulation §40.6(a), LCH.Clearnet LLC (“LCH.Clearnet”), a derivatives clearing organization registered with the Commodity Futures Trading Commission (the “CFTC”), submits for self-certification changes to the Clearing House Rulebook to extend the eligible maturity for Overnight Index Swaps (OIS) denominated in USD, EUR, and GBP to 30 years. The changes will be effective on 27 June 2013.

The submission cover sheet and black-lined changes to the Clearing House Rulebook are attached hereto as appendices.

#### **Part I: Explanation and Analysis**

LCH.Clearnet’s SwapClear US service is extending the eligible maturity of OIS denominated in USD, EUR, and GBP from 2 years to 30 years. Extended OIS maturities will be offered for both FCMs and SCMs.

#### **Part II: Description of rule changes**

The Rulebook changes are attached at Appendix II. The following rules have been amended: Part B of the Regulations (“Product Eligibility Criteria for a SwapClear Transaction”).

#### **Part III: Core Principle Compliance**

The rule changes described above relate primarily to LCH.Clearnet’s compliance with Core Principle C (Participant and Product Eligibility). LCH.Clearnet continues to comply with CFTC Regulation § 39.12(b), as concluded by the appropriate risk management and executive committees that have approved this product change, which requires a DCO to establish appropriate requirements for determining the eligibility of transactions submitted to the DCO taking into account the DCO’s ability to manage the risks associated with such transactions.

#### **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/lc/proposed\\_rules.asp](http://www.lchclearnet.com/rules_and_regulations/lc/proposed_rules.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 please contact me at [laurian.cristea@lchclearnet.com](mailto:laurian.cristea@lchclearnet.com).

Yours sincerely,

A handwritten signature in blue ink, appearing to be 'Laurian Cristea', enclosed within a blue oval scribble.

Laurian Cristea  
Senior Vice President, Compliance & Regulation  
US Contact: +1 212.513.5610

cc: Adam Cohen, CFTC  
Susan Milligan, LCH.Clearnet



**Appendix I**  
**Submission Cover Sheet**



**Appendix II**  
**LCH.Clearnet LLC Regulations**

## Part B

### Product Eligibility Criteria for Registration of a SwapClear Contract

#### 1. SwapClear Transaction

Without prejudice to the Rulebook, the Clearing House will only register a SwapClear Contract pursuant to receipt of particulars of a transaction where at the time of the particulars being presented:

the transaction meets the SwapClear Product Eligibility Criteria as a SwapClear Transaction; and

each party to the transaction is an Executing Party;

and the requirements of (a) and (b) continue to be satisfied at Registration Time.

#### 1.1 SwapClear Product Eligibility Criteria for a SwapClear Transaction

Vanilla interest rate swaps with constant notional principal having the characteristics set out in the table below;

Instrument	Acceptable Currencies	Acceptable Indices <sup>6</sup>	Types	Maximum Residual Term	Notional Amount (Min-Max of the relevant currency unit)	
Vanilla interest rate swaps with constant notional principal	Sterling (GBP)	GBP-LIBOR-BBA	Fixed vs. Floating	Single currency	18,275 days	0.01-
		GBP-WMBA-SONIA-COMP OUND	Fixed vs. Floating	Single currency	<del>736</del> <a href="#">10,970</a> days	
	US Dollar (USD)	See Article 7.1w (vii) for definition	Floating vs. Floating			99,999,999,999.99
		USD-LIBOR-BBA	Fixed vs. Floating	Single currency	18,275 days	0.01-
		See Article 7.1(ab) (xxii) for definition	Floating vs. Floating		99,999,999,999.99	

<sup>6</sup> References in this column are to the 2006 ISDA Definitions.

Instrument	Acceptable Currencies	Acceptable Indices <sup>6</sup>	Types	Maximum Residual Term	Notional Amount (Min-Max of the relevant currency unit)
		USD-Federal Funds H.15-OIS-CO MPOUND	Fixed vs. Single Floating currency	<del>736</del> <u>10,97</u> <u>0</u> days	
		See Article 7.1(ab)(xxxix) for definition			
	Euro (EUR)	EUR-LIBOR- BBA	Fixed vs. Single Floating currency	18,275 days	0.01-
		See Article 7.1(f)(vii) for definition	Floating vs. Floating		99,999,999,999.99
		EUR-EURIBO R-Telorate			
		See Article 7.1(f)(ii) for definition			
		EUR-EONIA- OIS-COMPOU ND	Fixed vs. Floating	<del>736</del> <u>10,97</u> <u>0</u> days	
		See Article 7.1(f) (viii) for definition			
	Australian Dollar (AUD)	AUD-BBR-BB SW	Fixed vs. Single Floating currency	10,970 days	0.01-99,999,999,999 .99
		See Article 7.1(a) (iv) for definition	Floating vs. Floating		
Vanilla interest rate swaps with constant notional		AUD-LIBOR- BBA			