



Mr David A Stawick  
Secretary  
Commodity Futures Trading Commission  
1155 21<sup>st</sup> Street NW  
Washington DC 20581

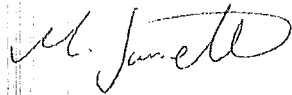
18 June 2012

Dear Mr Stawick

Please find enclosed submissions to the Commodity Futures Trading Commission by LCH.Clearnet Limited under the procedure set out in 17 CFR Section 40.6 for the self-certification of rules.

Should you have any questions regarding these submissions please contact me on +44-207-426-7541 or at [lisa.rosen@lchclearnet.com](mailto:lisa.rosen@lchclearnet.com).

Yours sincerely

P.P. 

Lisa Rosen  
Group Head of Compliance and Public Affairs

**SUBMISSION OF AMENDMENTS TO THE CLEARINGHOUSE RULES**

TO THE

**COMMODITY FUTURES TRADING COMMISSION**

SUBMITTED BY

**LCH.Clearnet Limited**

an English limited company

**FILING AS A REGISTERED DERIVATIVES CLEARING ORGANIZATION**

Pursuant to Commission Regulation § 40.6

**Submission Regarding the Introduction of A New Client  
Clearing Fee Structure within LCH.Clearnet Limited's  
SwapClear Service.**

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Submitted: 18 June 2012

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**LCH.CLEARNET LIMITED SELF-CERTIFICATION OF AMENDMENTS TO THE CLIENT  
CLEARING FEE STRUCTURE WITHIN THE SWAPCLEAR SERVICE**

LCH.Clearnet Limited ("LCH.Clearnet"), a derivatives clearing organization registered with the Commodity Futures Trading Commission (the "CFTC"), is submitting for self-certification, pursuant to CFTC Regulation §40.6, amendments to LCH.Clearnet's SwapClear fee structure. The pricing plans will become effective 2 July 2012.

**Part I: Explanation and Analysis**

Under the SwapClear pricing principles, two pricing plans are offered to account for differences in client behavior and portfolio profiles, the Standard Pricing Plan and the High Turnover Plan.

**Standard Pricing Plan - Discounted and Simplified**

The Standard Pricing Plan has an up-front booking fee and an ongoing maintenance fee. The booking fee will be:

- Reduced by 10% across all transaction maturities
- Applied on a per million basis, per the table below
- Incurred at time of trade and collected monthly in arrears
- Further reduced for back-loaded trades through end of 2012 (booking fee is one-third of the levels below)

The maintenance fee will be assessed annually on the anniversary date of each trade, at 3 per million notional in the currency of the trade. Maintenance fees will not be charged for trades terminated before their anniversary date.

<b>Standard Pricing Plan – Booking Fee</b>	
<b>Transaction Maturity</b>	<b>per million notional</b>
0 to 1	0.90
1+ to 3	2.25
3+ to 5	4.05
5+ to 7	5.40
7+ to 10	7.20
10+ to 12	8.10
12+ to 15	9
15+ to 20	13.50
20+ to 25	16.20
25+ to 50	18

*Example: a new \$100 million 5 year trade would incur a booking fee of \$405. At its first anniversary there would be a maintenance fee charge of \$300. If the trade is torn up before then, there is no maintenance fee charge.*

### **High Turnover Plan**

The High Turnover Plan also has an up-front booking fee and an on-going "risk consumption" fee. The up-front fee is \$25 per ticket (for new and back-loaded trades). The ongoing risk consumption fee is calculated at 10 basis points on the client's IM requirement (regardless of type of collateral used to cover IM), calculated daily and billed monthly in arrears. This equals \$1,000 per \$1 million (annualized). *Example: an average IM of \$50 million equals an annual risk consumption fee of \$50,000.*

SwapClear charges clearing members; members individually make pricing arrangements with clients and will confidentially notify SwapClear of the pricing plan for each client.

There are no amendments to the Clearing House Procedures or the FCM Procedures. Client Clearing fee information is available under the following link.

[http://www.lchclearnet.com/swaps/swapclear\\_for\\_clearing\\_members/fees.asp](http://www.lchclearnet.com/swaps/swapclear_for_clearing_members/fees.asp)

### **Part II: Certification by LCH.Clearnet**

LCH.Clearnet certifies to the CFTC, in accordance with CFTC Regulation §40.6, that changes to the Client Clearing fees comply with the Commodity Exchange Act and the CFTC Regulations promulgated thereunder. In addition, LCH.Clearnet certifies that 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/proposed\\_rules.asp](http://www.lchclearnet.com/rules_and_regulations/ltd/proposed_rules.asp)

A signed certification is attached to this submission as Exhibit A.

### **Part III: Compliance with Core Principles**

LCH.Clearnet complies, and will continue to comply, with all of the Core Principles.

### **Part IV: 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.

LCH.Cleernet Rule Submission

**Exhibit A**  
**LCH.Cleernet Certification to the CFTC**  
See Attached



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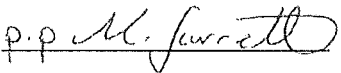
AMENDED RULES SELF CERTIFICATION

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LCH.Clearnet Limited ("LCH") hereby certifies to the Commodity Futures Trading Commission ("CFTC"), pursuant to the procedures set forth in the Commission Regulations 40.6, that the following:

- Amendments concerning client clearing fees comply with the Commodity Exchange Act, as amended, and the regulations promulgated thereunder.

Signed as of 18 June 2012

By: 

Name: Lisa Rosen

Title: Group Head of Compliance and Public Affairs

LCH.Clearnet Limited