LCH.CLEARNET

07 March 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 changes to its rules. A new rule is being added in respect of the updating of a Settlement Rate Option and there is a change to the currency fixing rate for Indonesian Rupiah ("IDR") utilised by LCH.Clearnet's ForexClear service in its capacity as the Calculation Agent on NDF contracts. These changes will be implemented and become effective on March 28, 2014.

Explanation and Analysis

LCH.Clearnet's ForexClear service clears non-deliverable foreign exchange forwards (NDFs) in eleven currency pairs, including USD/IDR. The settlement price for each NDF contract is determined with reference to published fixings and the relevant fixings are set out in LCH.Clearnet's Clearing House Procedures ("Procedures") and FCM Procedures.

The ABS Benchmarks Administration Co Pte. Ltd. (ABS Co), in consultation with the Singapore Foreign Exchange Market Committee (SFEMC), has announced that it will discontinue the USD/IDR spot rate benchmark, with the last date of publication being March 27, 2014. The SFEMC has recommended that the onshore USD/IDR spot rate benchmark that is reported by Bank Indonesia and published on its website should be applied to outstanding NDF contracts, as well as contracts that have trade dates on or after March 28, 2014. The ForexClear service will therefore move to using the onshore USD/IDR spot rate benchmark in its capacity as the Calculation Agent, and will store and apply the Settlement Rate Option and the Valuation Date for each NDF contract in USD/IDR.

Additionally, new regulations are being inserted into the General Regulations and FCM Regulations to support the process of updating Settlement Rate Option benchmarks. Under the current rulebook the ForexClear service may not amend the benchmark referenced by a contract without the express consent of the clearing member. This modification will permit the

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ForexClear service to change the benchmark referenced by outstanding contracts when a benchmark is discontinued, as long as ISDA publishes a Multilateral Amendment Agreement (MAA) specifying a replacement benchmark. The ForexClear service may amend the benchmark to that specified in the related MAA.

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

The implementation of these changes requires amendments to section 2K of the Procedures [Exhibit A], section 2B of the FCM Procedures [Exhibit B], as well as to the General Regulations [Exhibit C] and FCM Regulations [Exhibit D]. These changes are summarised in the tables below:

Procedures reference	FCM Procedures reference	Explanation
2K.3.3.1(b)(vii)	2B.8.1	Removal of SGD from the USD-IDR currency pair row as a business day for valuation date and removal of Singapore as a relevant city for business day for valuation date.
2K.3.6 (b)	2B.8.8	Changed the name of the Settlement Rate Option source codes for the currency pair USD-IDR.
2K.4.3	2B.9.3	Changed the name of the Settlement Rate Option source codes for the currency pair USD-IDR and changed the local time from 11:30 (Singapore) to 10:00 (Jakarta).

General Regulations reference	FCM Regulations reference	Explanation
Regulation 108A	Regulation 44	Inclusion of new rule on discontinuation of a Settlement Rate Option.

Part III: Certification by LCH.Clearnet

LCH.Clearnet certifies to the CFTC, in accordance with CFTC Regulation §40.6, that the planned changes comply with the Commodity Exchange Act and the CFTC Regulations promulgated there under. LCH.Clearnet further certifies that, upon the submission of this material, in compliance with §39.21 of the Commission's regulations, LCH.Clearnet will post 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

Part IV: Compliance with Core Principles

LCH.Clearnet will continue to comply with all Core Principles following the introduction of these proposed changes to the Rulebook and Procedures. LCH.Clearnet has concluded that its compliance with the Core Principles would not be adversely affected by these changes. The changes reflected herein will ensure continued compliance with the Core Principles particularly Core Principles C and L.

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Part V: Opposing Views

There were no opposing views expressed to LCH.Clearnet by its governing board or committee members, members of LCH.Clearnet or market participants that were not incorporated in the changes.

Certification

LCH.Clearnet Limited hereby certifies to the Commodity Futures Trading Commission, pursuant to the procedures set forth in Commission regulation §40.6, that the 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,

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

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

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Exhibit A

SECTION 2K

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of the services provided by any ForexClear Matcher or the timeliness or otherwise of the delivery of any ForexClear Transaction details by that ForexClear Matcher to the Clearing House. Such matters form part of the relationship between the FXCCM and the ForexClear Matcher and the terms of such relationship may entitle the ForexClear Matcher to suspend the ability of an FXCCM to make submissions from time to time.

The Clearing House accepts no liability for any error within or corruption of any data sent by the ForexClear Matcher to the Clearing House or to an FXCCM or any delay in or failure of the transmission of such data to the Clearing House. In the event that the Clearing House registers any ForexClear Contract(s) on the basis of incorrect or corrupted data sent to it by a ForexClear Matcher, the FXCCM(s) concerned shall be bound by the terms of such ForexClear Contract(s), unless the ForexClear Contract is subsequently cancelled in accordance with Regulation 104 or 106.

2K.3.3 Trade Validation and Registration

2K.3.3.1 Process Flow Description

(a)   The Clearing House performs a validation check on each trade submitted by FXPs to ensure that each such trade meets the ForexClear Eligibility Criteria and the Counterparty Technical Validation Check (as defined below) and Incremental Risk Checks (as defined at Section 2K.3.3.2) required for ForexClear Transactions (together the "**Validation Checks**").

(b)   The fields checked are as follows:

(i)   **Counterparties**: (a) are both parties submitting trade particulars FXPs and (b) has each FXCCM in whose name the ForexClear Contract is to be registered not been declared a defaulter by the Clearing House? (together, the "**Counterparty Technical Validation Check**");

(ii)   **Trade type:** is the instrument type an NDF?

(iii)   **Economic Terms:** does the trade include all the Economic Terms (as defined in the Schedule to the ForexClear Regulations)?

(iv)   **Currency Pairs:** are the Reference Currency and the Settlement Currency a Currency Pair (as defined in the Schedule to the ForexClear Regulations)?

(v)   **Settlement Currency:** is the Settlement Currency USD?

(vi)   **Trade tenor eligibility:** does the scheduled Settlement Date fall on a date: (a) not earlier than three business days immediately following the date on which the trade is submitted to the Clearing House for registration (the "**Submission Date**") and (b) not later than the date falling two calendar years plus two business days immediately following the Submission Date? If the ForexClear Transaction arrives after

the ForexClear date roll (22.00 local London time), the Submission Date is defined as the next good business day.

(vii) **Valuation Date and Settlement Date**: do the Valuation Date and Settlement Date for the ForexClear Transaction fall on a valid Business Day for the Currency Pair to which the ForexClear Transaction relates? Does the Settlement Date fall on a Business Day after the Valuation Date? The table below shows the relevant Business Days for determining the Valuation Date and the Settlement Date:[1]

Currency Pair	Business Days for Valuation Date	Relevant City/Cities for Business Day for Valuation Date	Business Days for Settlement Date	Relevant City for Business Day for Settlement Date	
USD-BRL	BRL & USD	Any of Rio de Janeiro, Brasilia or São Paulo and New York City	USD	New York City	
USD-CLP	USD & CLP	New York and Santiago	USD	New York City	
USD-CNY	CNY	Beijing	USD	New York City	
USD-COP	USD & COP	New York and Bogota	USD	New York City	
USD-IDR	IDR ~~& SGD~~	Jakarta ~~and Singapore~~	USD	New York City	
USD-INR	INR	Mumbai	USD	New York City	
USD-KRW	KRW	Seoul	USD	New York City	
USD-MYR	MYR	Kuala Lumpur	USD	New York City	
USD-PHP	PHP	Manila	USD	New York City	
USD-RUB	USD & RUB	New York and Moscow	USD	New York City	
USD-TWD	TWD	Taipei	USD	New York City	

(c) Trades that pass the Validation Checks are accepted and two trade records are created for the ForexClear Transaction: one for the ForexClear Contract between the Clearing House and the first FXCCM to the ForexClear Transaction and the other for the ForexClear Contract between the Clearing House and the second FXCCM to the ForexClear Transaction.

(d) Provided each FXCCM has sufficient Collateral, the Clearing House will send a message via the ForexClear Matcher confirming the registration or, where the trade fails a Validation Check, the trade will be rejected and a status message will be sent to the ForexClear Matcher giving a reason for rejection.

(e) As provided in Section 2.3.3, in respect of messages confirming registration, the time of dispatch of such message shall be the Registration Time of that ForexClear Contract.

(f) The internal sub-account (i.e. FXCCM, branch, or FXD) into which each trade record is booked is derived from the BIC code within the

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1 As amended from time to time as per relevant EMTA Template.

(d) All trade cancellation instructions must pass the Incremental Risk Check. If any FXCCM has not transferred sufficient Collateral in respect of its Liabilities or estimated Liabilities to the Clearing House (taking into account any MER Buffer and MCE provided by the Clearing House, if any) at the time of the relevant Incremental Risk Check, then any ForexClear trade cancellation instruction to which it is a party will be rejected immediately. However, any ForexClear trade cancellation instruction that is risk reducing (i.e. results in a reduction of that FXCCM's Liabilities) will always pass the Incremental Risk Check, even if the FXCCM has not transferred sufficient Collateral in respect of its Liabilities to the Clearing House.

2K.3.6   Valuation Date Event Management

The Clearing House is the Calculation Agent and will store and apply the Settlement Rate Option and the Valuation Date for each ForexClear Contract.

On the Valuation Date with respect to each ForexClear Contract, the Settlement Rate will be retrieved from the Settlement Rate Option per Currency Pair in accordance with the relevant EMTA Templates (as referenced in the Schedule to the ForexClear Regulations). The Market Data provider for Settlement Rates is Reuters.

ForexClear applies the relevant Settlement Rate to ForexClear Contracts using the following criteria:

(a)   Settlement Rate Option source code (as below);

(b)   Valuation Date.

The table below gives the source codes of the Settlement Rate Options to be used as per the relevant EMTA Template:

Currency Pair	Settlement Rate Option (or as per the relevant EMTA Template as amended from time to time)
USD-BRL	BRL PTAX (BRL09)
USD-CLP	CLP DÓLAR OBS (CLP10)
USD-CNY	CNY SAEC (CNY01)
USD-COP	COP TRM (COP2)
USD-IDR	IDR ~~IVWAP~~ JISDOR (IDR0~~4~~3)
USD-INR	INR RBIB (INR01)
USD-KRW	KRW KFTC18 (KRW02)
USD-MYR	MYR PPKM (MYR03)
USD-PHP	PHP PDSPESO (PHP06)
USD-RUB	RUB CME-EMTA (RUB03)
USD-TWD	TWD TAIFX1 (TWD03)

The Clearing House applies the Settlement Rate to all relevant ForexClear Contracts at a predefined time (see Section 4.3 below) following its publication.

The Clearing House calculates the Settlement Currency Amount in the Settlement Currency per ForexClear Contract. FXCCMs can retrieve the Settlement Rate and Settlement Currency Amount in the Settlement Currency via ForexClear Reporting (as defined in Section 7) on the ForexClear Service Portal and on MemWeb, which are internet services onto which information is loaded and can be accessed by FXCCMs.

2K.3.6.2   Process Flow Description

(a)   After the Registration Time for a ForexClear Contract, the ForexClear Service links a Settlement Rate Option to it in accordance with the relevant EMTA Template for the Currency Pair.

(b)   On the Valuation Date, the Clearing House uses the Settlement Rate for the Currency Pair for the ForexClear Contract when it is published by Reuters, and calculates the Settlement Currency Amount for each ForexClear Contract in the Settlement Currency by applying the relevant Settlement Rate Option as published.

(c)   If the Settlement Rate Option set out in the relevant EMTA Template is unavailable at the relevant time, Disruption Fallback alternatives for the determination of the Settlement Rate will apply as set out in the relevant EMTA Template.

2K.3.7   **Settlement**

With respect to each ForexClear Contract, the Settlement Currency Amount is calculated by the application of the Settlement Rate to the Notional Amount in accordance with the ForexClear Contract Terms.

From (and including) the Registration Time to (and including) the Business Day immediately preceding the Settlement Date, changes in the daily value of open ForexClear Contracts will have resulted in variation margin ("**VM**") credits and debits between the parties (as set out at Section 5.2). With respect to each ForexClear Contract, on the Business Day immediately preceding the Settlement Date, the Clearing House nets the Settlement Currency Amount against the aggregate net VM which has been paid/received through the term of the ForexClear Contract, the result of which is a Net Settlement Amount ("**NSA**"), which will be reflected in the FXCCMs' cash accounts with the Clearing House on the Settlement Date. As such, with respect to each ForexClear Contract, the transfer to, or receipt from, the Clearing House of all the Collateral in respect of the variation margin required during the term of such ForexClear Contract shall satisfy the relevant party's obligation to pay the Settlement Currency Amount on the Settlement Date of such ForexClear Contract. For the purpose of providing Nostro reconciliations, to the relevant parties, the Clearing House will provide Reporting (as defined in Section 7) which will reflect an entry for the "Settlement Currency Amount" and a separate entry for the reversal of the aggregate net VM which has been paid/received through the term of the ForexClear Contract. This paragraph applies even if the

     (i)   Source - contributing FXCCMs.

     (ii)   Frequency - every time updated by contributing FXCCMs up to a maximum rate of once every five minutes.

     (iii)   Tenors – as shown in the table below.

Tenor
S/N
1 week
1 month
2 months
3 months
6 months
12 months
24 months

(c)   Settlement Rate Options:

     (i)   Source - Reuters.

     (ii)   Frequency - when published (at the times shown in the table at Section 4.3 below).

(d)   Interest Rate Curves:

     (i)   Source - internal Clearing House.

     (ii)   Frequency - at each SwapClear margin run.

(e)   Country Credit Spreads:

     (i)   Source - Bloomberg.

     (ii)   Frequency - when published.

(f)   USD LIBOR Curve:

     (i)   Source - SwapClear.

     (ii)   Frequency - at each SwapClear margin run.

(g)   PAI rates:

     (i)   Source - LCH Treasury.

     (ii)   Frequency - Daily.

2K.4.3   **Market Data**

Reference Currency	Settlement Rate Option (or as per the relevant EMTA Template as amended from time to time)	Settlement Rate Publication Local Time (or as per the relevant EMTA Template as amended from time to time)
BRL	BRL PTAX (BRL09)	13:15 (São Paolo)
CLP	CLP DÓLAR OBS (CLP10)	10:30 (Santiago)
CNY	CNY SAEC (CNY01)	09:15 (Beijing)
COP	COP TRM (COP02)	10.30 (Bogota)
IDR	IDR ~~IWWAP~~ JISDOR (IDR0~~4~~3)	~~11:30 (Singapore)~~ 10.00 (Jakarta)
INR	INR RBIB (INR01)	12:30 (Mumbai)
KRW	KRW KFTC18 (KRW02)	15:30 (Seoul)
MYR	MYR PPKM (MYR03)	11:10 (Kuala Lumpur)
PHP	PHP PDSPESO (PHP06)	11:30 (Manila)
RUB	RUB CME-EMTA (RUB03)	13:30 (Moscow)
TWD	TWD TAIFX1 (TWD03)	11:00 – 12:00 (Taipei)

2K.4.4   Market Data Provision to FXCCMs

Market Data used in a Margin Run is made available to FXCCMs via ForexClear Reporting (as defined in Section 7).

2K.4.5   Curve Building in ForexClear

2K.4.5.1   FX Curve (Zero Coupon/Market Rate Curve)

The Clearing House builds for each Currency Pair an FX curve (zero coupon/market rate curve) using the FX Spot Rates, FX Swap Points and the USD LIBOR Curve based on interpolation techniques agreed through the ForexClear Risk & Trading Working Group (a group comprising the Clearing House and FXCCM's risk and trading representatives) ("**RTWG**"). The USD LIBOR Curve is used for discounting; the FX curve is used for capitalisation of forward cash flows.

2K.4.5.2   Interest Rate Curve

The Clearing House applies the linear interpolation method to build the Interest Rate Curve. Linear interpolation is applied on zero coupon curves.

2K.4.5.3   Curve Use

End of day is defined as 22.00 local London time ("**EOD**"). The following EOD data is used in the calculation of risk analytics for an EOD Margin Run (as defined in Section 6.1.2):

(a)   FX Spot Rates; and

(b)   FX Swap Points.

2K.4.6   Country Credit Spreads

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Exhibit B

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2B.8   Trade Validation and Registration

2B.8.1   **Process flow description**

The Clearing House performs a validation check on each trade submitted by FXPs to ensure that each such trade meets the FCM ForexClear Eligibility Criteria and the Counterparty Technical Validation Check (as defined below) and Incremental Risk Checks (as defined in Section 2B.8.2) required for FCM ForexClear Transactions (together the "**Validation Checks**").

The fields checked are as follows:

- **Counterparties**: (a) are both parties submitting trade particulars FXPs and (b) has each FXCCM in whose name the FCM ForexClear Contract is to be registered not been declared a defaulter by the Clearing House? (together, the "**Counterparty Technical Validation Check**");

- **Trade type**: is the instrument type an NDF?

- **Economic Terms:** does the trade include all the Economic Terms (as defined in Part A of Schedule B to the FCM Regulations)?

- **Currency Pairs**: are the Reference Currency and the Settlement Currency a Currency Pair (as defined in Schedule B to the FCM Regulations)?

- **Settlement Currency**: is the Settlement Currency USD?

- **Trade tenor eligibility**: does the scheduled Settlement Date fall on a date: (a) not earlier than three Business Days immediately following the date on which the trade is submitted to the Clearing House for registration (the "**Submission Date**") and (b) not later than the date falling two calendar years plus two Business Days immediately following the Submission Date? If the FCM ForexClear Transaction arrives after the ForexClear date roll (22.00 hours, London time), the Submission Date is defined as the next good business day.

- **Valuation Date and Settlement Date**: do the Valuation Date and Settlement Date for the FCM ForexClear Transaction fall on a valid Business Day for the Currency Pair to which the FCM ForexClear Transaction relates? Does the Settlement Date fall on a Business Day after the Valuation Date? The table below shows the relevant Business days for determining the Valuation Date and Settlement Date:[1]

Currency Pair	Business Days for Valuation Date	Relevant City/Cities for Business Day for Valuation Date	Business Days for Settlement Date	Relevant City for Business Day for Settlement Date
USD-BRL	BRS & USD	Any of Rio de Janeiro, Brasilia or São Paulo and New York City	USD	New York City
USD-CLP	USD & CLP	New York and Santiago	USD	New York City
USD-CNY	CNY	Beijing	USD	New York City
USD-COP	USD & COP	New York and Bogata	USD	New York City
USD-IDR	IDR ~~& SGD~~	Jakarta ~~and Singapore~~	USD	New York City
USD-INR	INR	Mumbai	USD	New York City
USD-KRW	KRW	Seoul	USD	New York City
USD-MYR	MYR	Kuala Lumpur	USD	New York City
USD-PHP	PHP	Manila	USD	New York City
USD-RUB	USD & RUB	New York and Moscow	USD	New York City
USD-TWD	TWD	Taipei	USD	New York City

Trades that pass the Validation Checks are accepted and two trade records are created for the FCM ForexClear Transaction: one for the FCM ForexClear Contract between the Clearing House and the first FX FCM to the FCM ForexClear

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[1]   As amended from time to time as per the relevant EMTA Template.

Transaction and the other for the FCM ForexClear Contract between the Clearing House and the second FX FCM to the FCM ForexClear Transaction (or the ForexClear Contract between the Clearing House and the ForexClear Clearing Member to the corresponding ForexClear Transaction pursuant to the UK General Regulations).

Provided each FXCCM has sufficient Margin, the Clearing House will send a message via the FCM Approved Trade Source System confirming the registration or, where the trade fails a Validation Check, the trade will be rejected and a status message will be sent to the FCM Approved Trade Source System giving a reason for rejection.

As provided in Section 2B.7, in respect of messages confirming registration, the time of dispatch of such message shall be the Registration Time of that FCM ForexClear Contract.

The account (H or C) and sub-account (if applicable) into which each trade record is booked is derived from the BIC/unique identifier code within the message from the FCM Approved Trade Source System. The BIC links to the FX FCM reference data.

Both new trade records arising out of the ForexClear Transaction have the same unique ForexClear ID (the "**ForexClear ID**"). Any further events or actions are applied on the basis of this ForexClear ID, to ensure consistency.

2B.8.2 **Incremental Risk Checks**

The Clearing House will apply an "Incremental Risk Check" to each individual FCM ForexClear Transaction. The Incremental Risk Check uses a suitable approximation methodology to estimate an FX FCM's Liabilities (including the new FCM ForexClear Transaction) against available Margin (taking into account any MER Buffer and MCE made available by the Clearing House, if any). However, any FCM ForexClear Transaction submitted by that FXCCM that is risk reducing (i.e. results in a reduction of that FX FCM's Liabilities) will always pass the Incremental Risk Check, even if the FX FCM does not have sufficient Margin for its Liabilities.

Both FXCCMs to the FCM ForexClear Transaction must pass the Incremental Risk Check in order for the Clearing House to register two FCM ForexClear Contracts (or one FCM ForexClear Contract and one Non-FCM ForexClear Contract, as applicable) in those FXCCM's names.

If either (or both) FXCCM(s) to an FCM ForexClear Transaction fail(s) the Incremental Risk Check(s), then the FCM ForexClear Transaction will be rejected immediately, and a rejection message will be issued to the FCM Approved Trade Source System indicating which (or both) FXCCM(s) has failed the Incremental Risk Check(s).

2B.8.3 **Registration**

Once it is confirmed that the transaction has passed the Validation Checks for the relevant FXCCMs, the Clearing House:

(a)   registers the FCM ForexClear Transaction as two FCM ForexClear Contracts (or one FCM ForexClear Contract and one Non-FCM ForexClear Contract, as applicable) and changes the status for the FCM ForexClear

The Clearing House checks that the cancellation instruction contains a valid ForexClear ID which relates to: (a) an FCM ForexClear Transaction or FCM ForexClear Contract (as the case may be) that has not been previously cancelled; and (b) in the case of an FCM ForexClear Contract only, an FCM ForexClear Contract with respect to which the relevant Valuation Date has not yet occurred.

Where a trade has already been rejected (as a result of having failed a Counterparty Technical Validation Check), the FCM ForexClear Service sends a "CANCEL REJECTED" message to the FCM Approved Trade Source System for the relevant FXPs.

All trade cancellation instructions must pass the Incremental Risk Check. If any FX FCM does not have sufficient Margin for its Liabilities or estimated Liabilities (taking into account any MER Buffer and MCE provided by the Clearing House, if any) at the time of the relevant Incremental Risk Check, then any ForexClear trade cancellation instruction to which it is a party will be rejected immediately. However, any ForexClear trade cancellation instruction that is risk reducing (i.e. results in a reduction of that FX FCM's Liabilities) will always pass the Incremental Risk Check, even if the FX FCM does not have sufficient Margin for its Liabilities.

2B.8.7 **Trade Amendment**

No amendment of the financial terms of an FCM ForexClear Transaction or FCM ForexClear Contract is permitted. FX FCMs who wish to change the FCM Client information on a ForexClear Transaction should contact ForexClear Business Operations at 0207 426 3729 for further information.

2B.8.8 **Valuation Date Event Management**

The Clearing House is the Calculation Agent and will store and apply the Settlement Rate Option and the Valuation Date for each FCM ForexClear Contract.

On the Valuation Date with respect to each FCM ForexClear Contract, the Settlement Rate will be retrieved from the Settlement Rate Option per Currency Pair in accordance with the relevant EMTA Templates (as referenced in Schedule B to the FCM Regulations). The Market Data provider for Settlement Rates is Reuters.

The FCM ForexClear Service applies the relevant Settlement Rate to FCM ForexClear Contracts using the following criteria:

- Settlement Rate Option source code (as below)

- Valuation Date

The table below gives the source codes of the Settlement Rate Options to be used as per the relevant EMTA Template:

Currency Pair	Settlement Rate Option (or as per the relevant EMTA Template as amended from time to time)
USD-BRL	BRL PTAX (BRL09)
USD-CLP	CLP DÓLAR OBS (CLP10)
USD-CNY	CNY SAEC (CNY01)
USD-COP	COP TRM (COP2)
USD-IDR	IDR ~~IVWAP~~ JISDOR (~~IDR03~~IDR04)
USD-INR	INR RBIB (INR01)
USD-KRW	KRW KFTC18 (KRW02)
USD-MYR	MYR PPKM (MYR03)
USD-PHP	PHP PDSPESO (PHP06)
USD-RUB	RUB CME-EMTA (RUB03)
USD-TWD	TWD TAIFX1 (TWD03)

The Clearing House applies the Settlement Rate to all relevant FCM ForexClear Contracts at a predefined time (see Section 2B.8.8 below) following its publication.

The Clearing House calculates the Settlement Currency Amount in the Settlement Currency per FCM ForexClear Contract. FX FCMs can retrieve the Settlement Rate and Settlement Currency Amount in the Settlement Currency via ForexClear Reporting on the ForexClear Service Portal and on MemWeb, which are internet services onto which information is loaded and can be accessed by FX FCMs.

2B.8.9 **Valuation Date Event Management: Process flow description**

After the Registration Time for an FCM ForexClear Contract, the FCM ForexClear Service links a Settlement Rate Option to it in accordance with the relevant EMTA Template for the Currency Pair.

On the Valuation Date, the Clearing House uses the Settlement Rate for the Currency Pair for the FCM ForexClear Contract when it is published by Reuters, and calculates the Settlement Currency Amount for each FCM ForexClear Contract in the Settlement Currency by applying the relevant Settlement Rate Option as published.

If the Settlement Rate Option set out in the relevant EMTA Template is unavailable at the relevant time, Disruption Fallback alternatives for the determination of the Settlement Rate will apply as set out in the relevant EMTA Template.

2B.8.10 **Settlement**

With respect to each FCM ForexClear Contract, the Settlement Currency Amount is calculated by the application of the Settlement Rate to the Notional Amount in accordance with the FCM ForexClear Contract Terms (see Part A of Schedule B to the FCM Regulations).

Settlement Rate Options:

- Source - Reuters.

- Frequency - when published (at the times shown in the table in Section 2B.9.3 below).

Interest Rate Curves:

- Source - internal Clearing House

- Frequency - at each SwapClear margin run.

Country Credit Spreads:

- Source - Bloomberg.

- Frequency - when published.

USD LIBOR Curve:

- Source - SwapClear.

- Frequency - at each SwapClear margin run.

PAI rates:

- Source - LCH Treasury.

- Frequency - Daily.

2B.9.3 **Market Data**

Reference Currency	Settlement Rate Option (or as per the relevant EMTA Template as amended from time to time)	Settlement Rate Publication Local Time (or as per the relevant EMTA Template as amended from time to time)
BRL	BRL PTAX (BRL09)	13:15 (São Paolo)
CLP	CLP DÓLAR OBS (CLP10)	10:30 (Santiago)
CNY	CNY SAEC (CNY01)	09:15 (Beijing)
COP	COP TRM (COP02)	10:30 (Bogota)
IDR	IDR ~~IVWAP~~ JISDOR (~~IDR03~~IDR04)	~~11:30~~10:00 (~~Singapore~~Jakarta)
INR	INR RBIB (INR01)	12:30 (Mumbai)
KRW	KRW KFTC18 (KRW02)	15:30 (Seoul)
MYR	MYR PPKM (MYR03)	11:10 (Kuala Lumpur)
PHP	PHP PDSPESO (PHP06)	11:30 (Manila)
RUB	RUB CME-EMTA (RUB03)	13:30 (Moscow)
TWD	TWD TAIFX1 (TWD03)	11:00 – 12:00 (Taipei)

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Exhibit C

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Regulation 108A Discontinuation of a Settlement Rate Option

(a)   If:

      (i)   the administrator of a benchmark that is a Settlement Rate Option has publicly announced that it will discontinue publication of the benchmark ("**Discontinued Rate**"); and

      (ii)   ISDA has published a "Multilateral Amendment Agreement" to amend certain transactions to use an alternative benchmark ("**Substitute Rate**") in the lieu of the Discontinued Rate on and from a specified date ("**Effective Date**"),

then, in respect of a ForexClear Contract in respect of which a Settlement Rate has not been determined as at the Effective Date and which references the Discontinued Rate ("**Affected ForexClear Contract**"), the Clearing House may, by written notice to all ForexClear Clearing Members, amend the Settlement Rate Option of each Affected ForexClear Contract to reference the Substitute Rate with effect on and from the Effective Date and specify such incidental amendments to the Affected ForexClear Contract as may be required.

The terms "ISDA", "Settlement Rate Option" and "Valuation Date" have the meanings given to them by the ForexClear Contract Terms.

(b)   The accidental omission to give notice under this provision to, or the non-receipt of notice by, any ForexClear Clearing Member shall not invalidate the amendment with which the notice is concerned.

LCH.Clearnet Rule Submission

Exhibit D

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Regulation 44 **Discontinuation of a Settlement Rate Option**

(a)   If:

(i)   the administrator of a benchmark that is a Settlement Rate Option has publicly announced that it will discontinue publication of the benchmark ("**Discontinued Rate**"); and

(ii)   ISDA has published a "Multilateral Amendment Agreement" to amend certain transactions to use an alternative benchmark ("**Substitute Rate**") in the lieu of the Discontinued Rate on and from a specified date ("**Effective Date**").

then, in respect of a FCM ForexClear Contract in respect of which a Settlement Rate has not been determined as at the Effective Date and which references the Discontinued Rate ("**Affected FCM ForexClear Contract**"), the Clearing House may, by written notice to all FCM ForexClear Clearing Members, amend the Settlement Rate Option of each Affected FCM ForexClear Contract to reference the Substitute Rate with effect on and from the Effective Date and specify such incidental amendments to the Affected FCM ForexClear Contract as may be required

The terms "ISDA", "Settlement Rate Option" and "Valuation Date" have the meanings given to them by the FCM ForexClear Contract Terms.

(b)   The accidental omission to give notice under this provision to, or the non-receipt of notice by, any FCM ForexClear Clearing Member shall not invalidate the amendment with which the notice is concerned.

Regulations ~~44~~45-49: [Reserved]