

CONFIDENTIAL TREATMENT
REQUESTED

VIA EMAIL TO: SUBMISSIONS@CFTC.GOV

28 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 SA ("LCH.Clearnet"), a derivatives clearing organization registered with the Commodity Futures Trading Commission (the "CFTC"), is submitting for self-certification changes to its CDS Agreement entered into between LCH.Clearnet SA and a group of institutions, acting as dealers on the CDS market ("CDS Dealers"). Please find attached as appendix the relevant changes to the CDS Agreement. The amended agreement will be effective upon final execution by all parties which is expected on or about 14 April 2014.

Part I: Explanation and Analysis

As part of the implementation of its process to be recognised as an authorised CCP in the European Union under Regulation (EU) No 648/2012 of the European Parliament and of the Council of 4 July 2012 on OTC derivatives, central counterparties and trade repositories ("EMIR"), LCH.Clearnet and the CDS Dealers have amended the agreement setting out the commercial arrangements with respect to the operation and development of the CDS clearing service.

Changes to the CDS Agreement are both based on regulatory requirements and commercial reasons.

1. Regulatory requirements

Under EMIR, and in particular under the regulatory technical standards on requirements for central counterparties, the CCP, through its Board of Directors and its senior management, is responsible for the direction of the clearing house activities, including inter alia, the establishment of its objectives and strategies, its risk management, its remuneration policy.

As a result, the CDS Agreement has been amended to ensure that LCH.Clearnet remains at all time solely responsible for the direction of the CDS business. The CDS Dealers have a right to be consulted on a



number of matters, all of them related to the clearing of CDS within LCH.Clearnet. They can also make proposals to LCH.Clearnet on CDS related matters other than on matters of financial risks. LCH.Clearnet will have no contractual obligation to implement proposals from the CDS Dealers.

2. Commercial changes

LCH.Clearnet and the CDS Dealers have agreed on a number of commercial changes affecting the funding and the profit sharing of the CDS clearing service.

Part II: Description of Rule Changes

No rules were modified as a result of this change.

Part III: Core Principle Compliance

The changes described above relate primarily to LCH.Clearnet's compliance with Core Principle O (Governance fitness standards) and Core Principle L (Public Information). LCH.Clearnet will continue to comply with all Core Principles following the introduction of these changes and has concluded that its compliance with the Core Principles would not be adversely affected by these changes.

Part IV: Public Information

LCH.Clearnet have 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/sa/proposed_cds_clearing_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 that were not incorporated into the rule.

Certification

LCH.Clearnet SA 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 virginie.duval@lchclearnet.com.

Virginie Duval
Senior Counsel

A handwritten signature in black ink, appearing to be "V. Duval", written over a horizontal line.



APPENDIX

(Confidential Treatment Requested)



VIA EMAIL TO: FOIAsubmissions@cftc.gov

28 March 2014

US Commodity Futures Trading Commission
Attention: FOIA Compliance Office
Three Lafayette Centre
1155 21st Street, NW
Washington, DC 20581

RE: FOIA Request for Confidential Treatment

Dear Sir/Madam:

In accordance with Commission Regulation 145.9(d), LCH.Clearnet SA ("LCH.Clearnet") respectfully requests confidential treatment under the Freedom of Information Act (the "FOIA"), 5 U.S.C. § 552, for the CDS Agreement submitted to the Commission today for self-certification, including subsequent emails and replies between LCH.Clearnet and Commission staff (the "Information").

LCH.Clearnet is requesting confidential treatment for the Information pursuant to Commission Regulation 145.9(d)(ii), which provides that confidential treatment may be requested on the grounds that disclosure would reveal trade secrets or confidential commercial or financial information. LCH.Clearnet further requests that the Information receives confidential treatment in perpetuity.

This request is not to be construed as a waiver of any other protection from disclosure or confidential treatment accorded by law, and LCH.Clearnet will rely on and invoke any such confidentiality protection. LCH.Clearnet requests notification from the Commission in advance of any disclosure of the Information pursuant to the FOIA or the Commission's Rules of Practice so that this request for confidential treatment may be substantiated.

Cordially yours,

A handwritten signature in black ink, appearing to read "Laurian Cristea", enclosed within a hand-drawn oval.

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

LCH.Clearnet SA 18, rue du Quatre Septembre, 75002 Paris
Tel: +33 (0)1 70 37 65 00 Fax: +33 (0)1 70 37 65 01 www.lchclearnet.com
LCH.Clearnet Group Limited | LCH.Clearnet Limited | LCH.Clearnet LLC | LCH.Clearnet SA



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LCH.Clearnet Group Limited | LCH.Clearnet Limited | LCH.Clearnet LLC | LCH.Clearnet SA