

Via Electronic mail

May 1, 2014

Ms. Melissa Jurgens
Secretary of the Commission
Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, N.W.
Washington, DC 20581

RE: Timezone Harmonisation - accepting Trades with a Trade Date T+1 while LCH.Clearnet's SwapClear service still operates on T

Dear Ms. Jurgens:

Pursuant to §40.6(a) of the Commission Regulations, LCH.Clearnet Limited ("LCH.Clearnet"), a Derivatives Clearing Organization registered with the Commodity Futures Trading Commission ("CFTC"), hereby submits proposed changes to its arrangements with regards to trades with a Trade Date T+1 pursuant to Commission Regulation §40.6. The changes will be implemented with effect from May 19, 2014.

Please find attached a draft circular at Appendix A-1.

Part I: Explanation and Analysis

As part of the expansion into the Asia-Pacific timezone, LCH.Clearnet's SwapClear service will be enhancing its trade validation workflow to facilitate the trade registration of trades submitted for clearing during the early morning trading hours in Australia.

Due to regional overlaps there are instances during periods of the year where, for example, a trade submitted for clearing on a Tuesday morning at 09:15 in Sydney (Monday 22:15 in London), will be registered as cleared when the SwapClear service opens on Tuesday at 07:30 (London). For the avoidance of doubt, in this instance trades are submitted with a Trade Date of Tuesday when the SwapClear service is still operating on the Monday business day.

With effect from May 19, 2014 SwapClear will be implementing changes to its validation processes to allow trades presented for clearing with a future date, to be considered for clearing through the current Straight-Through Processing ("STP") routine. SwapClear member reports will reflect the trade date of the trade as the clearing date, therefore in the example above, the trade will be reported in SwapClear member reporting with a trade date of Monday.

This change will not have any impact on the economics, cashflows or risk profile of the trade.

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

No changes to either the LCH.Clearnet Rules & Regulations or Procedures are required to effect those changes.

Part III: Public Information

LCH.Clearnet 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

Part II: 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 into the planned changes.

Part IV: 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 thereunder.

Should you have any questions regarding this submission please contact me at

jay.iyer@lchclearnet.com

Sincerely yours,

A handwritten signature in black ink, appearing to read 'Jay Iyer', with a stylized flourish extending to the right.

Jay Iyer, Chief Compliance Officer
LCH Clearnet Limited

cc: Shawn Durrani, CFTC

cc: Julian Oliver

Appendix A-1
Draft Circular

DRAFT

Company Circular No.: LCH.Clearnet Circular No. XX
SwapClear Circular No. XX

Date: [xx]

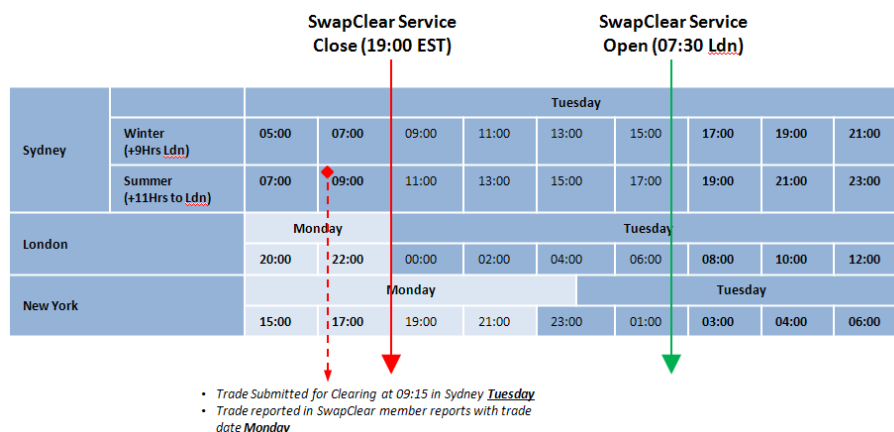
To: All LCH.Clearnet Limited SwapClear Members

Timezone Harmonisation - Accepting Trades with Trade Date T+1

As part of the expansion into the Asia-Pacific timezone, LCH.Clearnet’s SwapClear service will be enhancing its trade validation workflow to facilitate the trade registration of trades submitted for clearing during the early morning trading hours in Australia.

Due to regional overlaps there are instances during periods of the year where, for example, a trade submitted for clearing on a Tuesday morning at 09:15 in Sydney (Monday 22:15 in London), will be registered as cleared when the SwapClear service opens on Tuesday at 07:30 (London). For the avoidance of doubt, in this instance trades are submitted with a Trade Date of Tuesday when the SwapClear service is still operating on the Monday business day.

From May X, 2014 SwapClear will be implementing changes to its validation processes to allow trades presented for clearing with a future date, to be considered for clearing through the current Straight-Through Processing (“STP”) routine. SwapClear member reports will reflect the trade date of the trade as the SwapClear clearing date, therefore in the example above, the trade will be reported in SwapClear member reports with a trade date of Monday.



This change will not impact the economics, cashflows or risk profile of the trade. LCH.Clearnet has received confirmation from the Swap Data Repositories (“SDRs”) that this change will have no impact on the regulatory reporting requirements.

For queries please contact:

SwapClear Client Services LCH.Clearnet Limited Tel:
Email: swapclearclientservices@lchclearnet.com
Website: www.lchclearnet.com