



Via CFTC Portal

*** Confidential treatment requested ***

21 July 2015

Ms. Parisa Abadi
Commodity Futures Trading Commission
1155 21st Street NW
Three Lafayette Centre
Washington DC 20581

Dear Ms. Abadi,

Pursuant to CFTC regulation §40.6(a) of the Commission regulations, LCH.Clearnet SA ("LCH.Clearnet"), a derivatives clearing organization registered with the Commodity Futures Trading Commission (the "CFTC"), hereby submits for self certification, amendments to LCH.Clearnet' Risk model for its CDSClear service. LCH.Clearnet notes that while these changes will result in no changes to the LCH.Clearnet Rules and Regulations, they are however within the definition of a "Rule" as contained in §40.1(i) and are therefore being submitted for the Commission's review.

Part I: Explanation and Analysis

In mid 2014, CDSClear was asked by its members to assess and refine, if deemed necessary, its margin methodologies due to the comparatively high level of the current margin required for its operations. Phase 1 of the initiative has been successfully implemented on January 19th, 2015 following the CFTC approval.

Phase 2 seeks to refine further CDSClear margins while ensuring that LCH.Clearnet risk standards continue to be met.

For approval and implementation, the approach adopted by CDSClear is to split Phase 2 in 3 main steps as already presented to the CFTC.

This Submission relates to Lot 1 for which implementation date is expected early August 2015, subject to regulatory approval.

The proposed changes contained in Lot 1 have been communicated to the CFTC via emails with confidential treatment requested.

Part II: Description of Rule Changes

This Submission does not require any changes to the Rulebook. LCH.Clearnet has communicated all related material, detailing the change, to the Commission via emails.

Part III: Core Principle Compliance

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 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-regulations/proposed-rules-changes>

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: françois.faure@lchclearnet.com.

A handwritten signature in blue ink, appearing to read "Faure", written over a horizontal line.

Francois Faure
Chief Compliance Officer
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