

VIA EMAIL TO: SUBMISSIONS@CFTC.GOV

15 April 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 CDSClear Fee Schedule. Please find attached an appendix showing the revised clearing tariff and fee holiday for members and clients. The amended CDSClear fee schedule will be effective on 1st May.

Part I: Explanation and Analysis

LCH.Clearnet has modified its fee schedule for CDSClear services in line with recent service developments.

LCH.Clearnet has introduced (i) new clearing fees applicable to client clearing activities on both CDS indexes and singles names and (ii) new clearing fees applicable to CDS single names for self clearing activities. In addition to such new clearing fees as mentioned above, LCH.Clearnet has also introduced fee waivers under certain conditions for clearing members until 31 December 2014 and for clients until 31 December 2015.

Part II: Description of Rule Changes

No rules were modified as a result of this change.

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.

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

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 François.faure@lchclearnet.com.

François Faure
Chief Compliance Officer





Appendix A
Submission Cover Sheet

SUBMISSION COVER SHEET

Registered Entity Identifier Code (optional) LCHSA Date: 15 April 2014

IMPORTANT: CHECK BOX IF CONFIDENTIAL TREATMENT IS REQUESTED.

ORGANIZATION LCH.Clearnet SA

FILING AS A: DCM SEF DCO SDR ECM/SPDC

TYPE OF FILING

• Rules and Rule Amendments

- Certification under § 40.6 (a) or § 41.24 (a)
- “Non-Material Agricultural Rule Change” under § 40.4 (b)(5)
- Notification under § 40.6 (d)
- Request for Approval under § 40.4 (a) or § 40.5 (a)
- Advance Notice of SIDCO Rule Change under § 40.10 (a)

• Products

- Certification under § 39.5(b), § 40.2 (a), or § 41.23 (a)
- Swap Class Certification under § 40.2 (d)
- Request for Approval under § 40.3 (a)
- Novel Derivative Product Notification under § 40.12 (a)

RULE NUMBERS

CDSClear service fee schedule

DESCRIPTION

LCH.Clearnet SA has modified its fee schedule for the CDSClear service in line with recent service developments (introduction of clearing fees for Client Clearing activities and introduction of clearing fees for self clearing activities on CDS single names).



Appendix B
Updated CDSClear Service Fee Schedule

To all CDSClear clearing members

CDSClear revised clearing tariff and fee holiday for members and clients*

LCH.Clearnet SA (LCH.Clearnet) is pleased to inform members of the proposed revised clearing tariffs for CDSClear, including fee holidays applicable to new members and clients.

The revised fees are subject to CFTC approval via the 10 day self-certification process.

CDSClear Self-Clearing Fees

Clearing members are able to select from either the introductory or unlimited tariff.

Introductory Tariff

Product	Fees
Index (per million)	€ 3.50
Single Name (per million)	€10.00

- Clearing members' self-clearing fees are subject to an annual fee cap of EUR 2,250,000 after which all further trades cleared in the calendar year are subject to a fee holiday
- No annual membership fee

Clearing fee waiver: New un-affiliated members joining CDSClear in the course of 2014 are subject to a self-clearing fee waiver through to 31st December 2014

Unlimited Tariff

- An annual membership and clearing fee of EUR 2,250,000 is charged by the Clearing House to cover all self-clearing activity for a clearing member or affiliates
- One twelfth of this fee (EUR 187,500) will be charged each month
- A pro-rata amount will be applied for Clearing Members starting or resigning their activity during the year

CDSClear Client Clearing Fees

Clients benefit from a fee holiday until 31st December 2015 where their clearing member is able to provide requisite on-boarding data and confirmation of completed clearing agreements authorising CDSClear by 31st March 2015. Thereafter, clearing fees will be:

Product	Base Fees
Index (per million)	€4
Single Name (per million)	€12

Discounts will be implemented as follows:

Band	Benefit	Monthly Gross Notional Cleared
Band A	Base Fee	€0 to €2bn
Band B	16% fee discount	€2bn+ to €6bn
Band C	25% fee discount	€6bn+

- Clearing fees apply per EUR million gross notional cleared
- Discounts apply to the total clearing fees payable per client across all activity in the clearing house (i.e. at fund manager level) thus delivering a uniform price irrespective of clearing member
- Discounts will be applicable on a forward looking basis (i.e. fees in Month 2 will be based on cleared flows in Month 1) to deliver price certainty requested by clients and clearing members

In addition, CDSClear account structure fees will be waived until 31st December 2017

Upon regulatory approval and implementation, the changes will be updated on the CDSClear section of LCH.Clearnet's website at <http://www.lchclearnet.com/cdsclear>. Should you wish to receive email notification that the changes have been implemented, please e-mail us cdsclear@lchclearnet.com

For further information or queries on these tariff changes please contact:
malavika.solanki@lchclearnet.com

For more information on CDSClear go to <http://www.lchclearnet.com/cdsclear/>

**All fee information is contingent upon the CFTC self-certification process following which fee information will be publically available on at www.lchclearnet.com/cdsclear*