



VIA CFTC PORTAL

7 January 2015

Mr Christopher Kirkpatrick
Commodity Futures Trading Commission
1155 21st Street NW
Three Lafayette Centre
Washington DC 20581

Dear Mr Kirkpatrick:

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"), hereby submits for self-certification several amendments to the LCH.Clearnet Rulebook. LCH.Clearnet will implement these changes to its Rulebook on January 22, 2015.

Part I: Explanation and Analysis

The purpose of these changes is to amend Procedures - Section 4 as follows:

- i) Remove all references to Gold as acceptable member collateral. Gold was accepted as collateral from members who also cleared Gold as a commodity. Following the cessation of clearing services to the London Metals Exchange ("LME") on September 22, 2014, Gold is no longer cleared through LCH.Clearnet and is therefore no longer eligible as member collateral.
- ii) Remove the schedule of LCH.Clearnet accounts for delivery of margin non-cash collateral for non-FCMs. Lists of accounts for the delivery of member margin non-collateral for both FCMs and non-FCMs is already published and maintained on the LCH.Clearnet website at <http://www.lchclearnet.com/risk-collateral-management/collateral-management>;
- iii) Associated renumbering of this section of the Rulebook.

Part II: Description of Rule Changes

The changes are reflected in the blacklined version of the Procedures - Section 4 attached as Exhibit A.

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



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, prior to submission of this material, in compliance with §39.21 of the Commission's regulations, LCH.Clearnet has posted a notice of pending certification with the CFTC and a copy of the submission on the LCH.Clearnet website at

http://www.lchclearnet.com/rules_and_regulations/ltl/proposed_rules.asp

Part IV: Compliance with Core Principles

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 and, in particular with Core Principle L.

Part V: Opposing Views

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

Should you have any questions please contact me at julian.oliver@lchclearnet.com.

Yours sincerely,

A handwritten signature in black ink, appearing to read "Julian Oliver".

Julian Oliver
Chief Compliance Officer

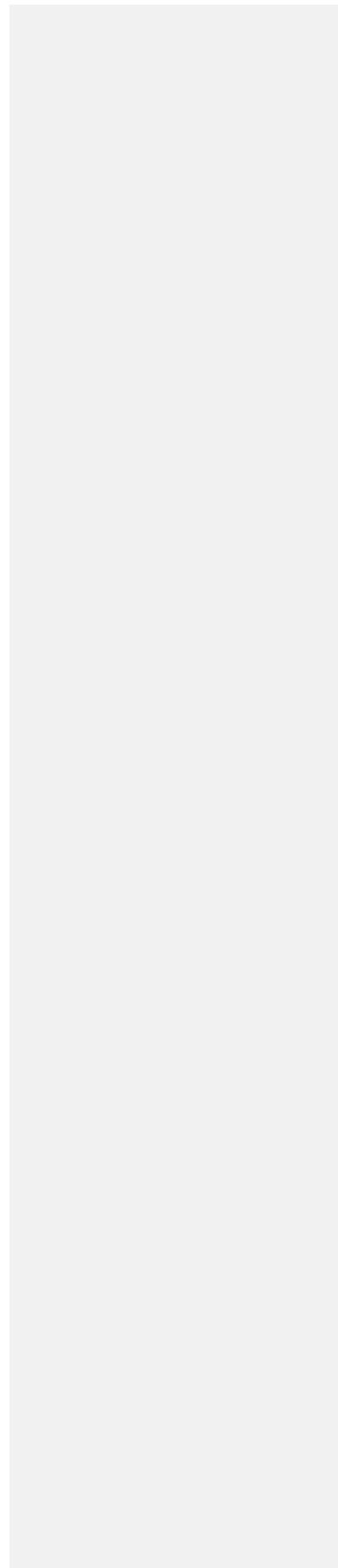
LCH.Clearnet Rule Submission

Exhibit A

LCH.Clearnet Rulebook – Section 4 Procedures



LCH.CLEARNET LIMITED
PROCEDURES SECTION 4
MARGIN AND COLLATERAL



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~~4.1.9 Insurance~~

~~It is the Clearing Member's responsibility to have appropriate insurance for any Collateral in the form of gold lodged with the Clearing House.~~

1.2 **Documentation**1.2.1 *Form of Charge*

Clearing Members wishing to transfer non-cash Collateral to the Clearing House must complete and maintain a *Form of Charge* document for the relevant type of Collateral, e.g. securities ~~or gold~~. This document establishes a fixed charge over the Clearing Member's interests pursuant to the custody relationship which arises upon specified non-cash Collateral being transferred into an account with the Clearing House by the Clearing Member. The document is required to be executed in accordance with the instructions which accompany it. The Form of Charge document covers non-cash Collateral that is transferred to the Clearing House via bilateral settlement, ~~gold settlement agents~~ or via triparty arrangements. For triparty arrangements using US domiciled custodians an equivalent to the Form of Charge is incorporated within the relevant triparty agreement documentation. To operate triparty arrangements with the Clearing House an additional Collateral Services Agreement (or equivalent) must also be executed with the relevant triparty provider.

Charge documentation is available from the Clearing House Risk Department and should be returned on completion to that department. Where a Clearing Member transfers Collateral to the Clearing House to cover both a Proprietary Account and a Client Account it must execute two separate Deeds of Charge.

1.2.2 *Segregation Rules*

Instructions relating to transfers and requests for the return of Collateral must indicate the particular account to which they relate. Any Collateral transferred to the Clearing House will be applied against the Clearing Member's (proprietary or client) margin liabilities as per the relevant documentation.

Collateral transferred to the Clearing House in respect of a Clearing Member's Client Account will not be applied by the Clearing House to his liabilities on a Proprietary Account (see Regulation 10(d) (*Accounts*)) or on another Client Account.

Collateral transferred to the Clearing House in respect of a Clearing Member's Proprietary Account may be applied by the Clearing House towards the payment of any sum whatsoever due by the Clearing Member to the Clearing House, save that no Collateral (other than House Excess) charged in respect of a Clearing Member's Proprietary Account shall be applied on or towards payment or satisfaction of any of the Clearing Member's liabilities to the Clearing House on any of the Clearing Member's Client Accounts.

Schedule 15

LCH.CLEARNET ACCOUNTS FOR DELIVERY OF MARGIN COLLATERAL EXCLUDING FCM CLIENT

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	Margin Collateral						
	Bank of New York		Citibank		Euroclear Bank		Euroclear UK & Ireland
	735136	735137	090401	090372	91205	91737	5165
Australia					X		
Austria					X		
Belgium					X		
Canada					X		
Denmark					X		
EUR Agencies					X		
Finland					X		
France					X		
Germany					X		
Italy						X	
Japan					X		
Luxembourg					X		
Netherlands					X		
Norway					X		
Spain					X		
Sweden					X		
United Kingdom							X
United States	X	X	X	X			
US Agencies	X	X	X	X			

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Schedule 16
GOLD COLLATERAL LODGEMENT FORM

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		Gold Collateral Lodgment Form Version 11: April 2011 LCH.Clearnet Limited Ref No:	
		To: LCH.Clearnet Limited (the "Clearing House") From: Clearing Member (full name): _____ House/Client Account#: _____ Mnemonic: _____ <small>*Please delete as appropriate</small>	
We are entitled to the entire beneficial interest in the gold described below and wish to provide it by way of security for the arrangements described in this Lodgment Form We acknowledge that (i) the gold may be held by the Clearing House in an unallocated account and/or through an allocated account via vault of the Clearing House held with or through an institution (a "Collateral Agent") which is a member of London Precious Metals Clearing Limited ("LPMCL"), (ii) the gold may be held subject to the terms of AURUM (the electronic matching and settlement system operated by LPMCL), (iii) the Clearing House has no responsibility for the performance of, or any default on the part of, any such Collateral Agent, LPMCL or any associated custodian, system or operator and (iv) we consent to the gold being held in or through an unallocated and/or allocated account on the terms just described.			
Description of Gold	Weight - Oz (round 400oz lots, minimum 10,000oz)	Lodgment date	Member Ref
AURUM Client name	AURUM Client ID	AURUM Client Account Ref	AURUM members Clearer ID
AURUM account details			
Clearing House Account No	To Barclays Bank plc (SWIFT BARCGB22PMD) a/e LCH Collateral Account a/e 32989		
Signatories for and on behalf of the Clearing Member:			
1:	_____	_____	_____
	(Signature)	(Print Name)	(Position)
2:	_____	_____	_____
	(Signature)	(Print Name)	(Position)
Date:	_____		
To: THE ABOVE NAMED CLEARING MEMBER We accept the gold as "Charged Property" transferred to us under the Charge over Gold which you have executed in our favour and, where necessary or appropriate for these purposes, the gold shall be included in the Schedule to the Form of Charge over Gold as Charged Property in order to complete the collateral arrangements.			
For and on behalf of LCH Clearnet Limited	Date: _____	Time: _____	
(Authorised Signatory): _____			
25932 Registered Office: Aldgate House, 33 Aldgate High Street, London EC3N 1EA			

Schedule 17
GOLD COLLATERAL RELEASE FORM

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	<p>Gold Collateral Release Form</p> <p>Version 11: April 2011 LCH.Clearnet Limited Ref No:</p>								
<p>To: LCH.Clearnet Limited (the "Clearing House")</p> <p>From: Clearing Member (full name): _____</p>									
<p>House/Client Account#</p>	<p>Mnemonic: _____ <small>*Please delete as appropriate</small></p>								
<p>We hereby request you to delete the gold described below from The Schedule of the Charge over Gold which we have executed in your favour.</p>									
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 35%;">Description of Gold</th> <th style="width: 25%;">Weight Oz (round 400oz lots, minimum 10,000oz)</th> <th style="width: 20%;">Release date</th> <th style="width: 20%;">Member Ref</th> </tr> </thead> <tbody> <tr> <td> </td> <td> </td> <td> </td> <td> </td> </tr> </tbody> </table>	Description of Gold	Weight Oz (round 400oz lots, minimum 10,000oz)	Release date	Member Ref					
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<p>AURUM account details</p>									
<p>Clearing House Account No</p>	<p>To Barclays Bank plc (SWIFT BARCGB22PMD) a/e LCH Collateral Account a/e 32989</p>								
<p>Signatories for and on behalf of the Clearing Member:</p> <p>1. _____ (Signature) (Print Name) (Position)</p> <p>2. _____ (Signature) (Print Name) (Position)</p> <p>Date: _____</p>									
<p>To: THE ABOVE NAMED CLEARING MEMBER</p> <p>The deletion of the above mentioned gold from The Schedule of the Charge over Gold which you have executed in our favour is agreed.</p> <p>For and on behalf of LCH Clearnet Limited Date: _____ Time: _____</p> <p>(Authorised Signatory): _____</p> <p>Registered in England No. 25932 Registered Office: Aldgate House, 33 Aldgate High Street, London EC3N 1EA</p> <p>Recognised as a Clearing House under the Financial Services and Markets Act 2000. — LCH.CLEARNET LIMITED COPY</p>									

~~Schedule 19~~ **SCHEDULE 16**
INTRA-DAY HOUSE CASH
EXCESS TRANSFER FORM



Version 2: 2013

Completed forms should be sent to the Clearing House Treasury Department (scmcollateral@lchclearnet.com).

From: Clearing Member (full name) House Account: _____

To: **Client Account** **Mnemonic:** _____

We wish to transfer the following amount of cash Collateral from our Proprietary Account to the Client Account as detailed above. We confirm that we are duly authorised, on behalf of the Clearing Member detailed above, to instruct the Clearing House to make this transfer.

Amount

Signatories for and on behalf of the Clearing Member:

1. _____
(Signature) (Print Name) (Position)

2. _____
(Signature) (Print Name) (Position)

Date: _____