

VIA CFTC PORTAL

November 25, 2022

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

LCH Limited Self-Certification: SwapClear Service Product Expansions & Operational Enhancement

Dear Mr. Kirkpatrick,

Pursuant to Commodity Futures Trading Commission (“CFTC”) Regulation §40.6(a), LCH Limited (“LCH”), a derivatives clearing organization registered with the CFTC, is submitting for self-certification revisions to its rules to expand its eligible SwapClear transactions as well as make an operational enhancement related to basis swap splitting. The product expansions include: (a) fixed vs DKK-DESTR-OIS Compound interest rate swap, denominated in DKK, with a term of up to 11 years; (b) fixed vs SEK-SWESTR-OIS Compound interest rate swap, denominated in SEK, with a term of up to 11 years; (c) swap where each floating leg is the USD-SOFR-OIS Compound index, with a maximum tenor of 51 years; and (d) swap where one floating leg is the USD-SOFR-OIS Compound index and the other is the USD-Federal Funds index, with a maximum tenor of 51 years (“Relevant Swaps”). Additionally, LCH is also making available an operational enhancement for the purposes of permitting members and clients to split SOFR-SOFR basis swaps in preparation for USD LIBOR conversion in April 2023 (“Basis Swap Splitting”).

Part I: Explanation and Analysis

LCH is revising its rules in order to provide eligibility for the Relevant Swaps. In order to facilitate these changes, LCH plans to revise its rules, specifically the Product Specific Contract Terms and Eligibility Criteria Manual and FCM Product Specific Contract Terms and Eligibility Criteria Manual (jointly, the “Product Terms”).

LCH is also revising its rules to provide for the Basis Swap Splitting process. In order to facilitate these changes, LCH plans to revise its General Regulations, FCM Regulations, Procedures Section 2C (SwapClear Service) and FCM Procedures.

Part II: Description of Rule Changes

Product Expansion

LCH will amend Section 1.2(a) of Part B of the Product Specific Contract Terms and Eligibility Criteria Manual (Product Eligibility Criteria for Registration of a SwapClear Contract) and Section 1.1(a) of the FCM Product Specific Contract Terms and Eligibility Criteria Manual (FCM Product Eligibility Criteria for Registration of a SwapClear Contract) to include the following products:

An LSEG Business

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LCH Group Holdings Limited | LCH Limited | Banque Centrale de Compensation | LCH.Clearnet LLC

LCH Limited. Registered in England No. 25932 Registered Office: 10 Paternoster Square, London, EC4M 7LS

Instrument	Currency	Leg 1	Leg 2	Variable Notional	Maximum Tenor	Notional Amount
OIS	DKK	Fixed	DKK-DESTR-OIS Compound	Yes	4,050 days	0.01-99,999,999,999.99
OIS	SEK	Fixed	SEK-SWESTR-OIS Compound	Yes	4,050 days	0.01-99,999,999,999.99
Basis Swap	USD	USD-SOFR-OIS Compound	USD-SOFR-OIS Compound	No	18,675 days	0.01-99,999,999,999.99
Basis Swap	USD	USD-Federal Funds	USD-SOFR-OIS Compound	No	18,675 days	0.01-99,999,999,999.99

Basis Swap Splitting

SwapClear is planning to offer a unilateral, optional service to allow members and clients to split basis swaps into two fixed versus float swaps. Each of the two resulting swaps will be set to have a fixed leg of 0% so the cashflows and risk profile of the outcome is identical to that of the input basis swap, and the margin calculation will also be identical for all measures and add-ons. The conventions on the fixed leg are irrelevant from a financial perspective, but will be set to maximize compression opportunities.

Based on feedback from members and clients, LCH plans to offer basis swap splitting as an option for members and clients, rather than as a mandatory split as was deployed prior to the 2021 LIBOR conversions. Providing an election rather than a mandatory split is designed to reduce the number of open contracts and associated notional resulting from basis swap splitting prior to conversion.

The initial implementation will permit the splitting of US Dollar LIBOR basis swaps only, but may be expanded to any other currency eligible in the service at a later date.

The changes to the rules are included as **Appendices I - VI** in black line form. The changes will be effective not earlier than December 12, 2022.

Part III: Core Principle Compliance

LCH reviewed the proposed rule changes against the requirements of the Core Principles and finds it will continue to comply with all requirements and standards set forth therein. Specifically, this rule change has potential relevance to Core Principles C (Participant and Product Eligibility), D (Risk Management), and L (Public Information).

The changes described in this filing meet the objectives of Core Principle C, including that LCH have appropriate requirements for determining the eligibility of submitted transactions, taking into account LCH's ability to manage the associated risks. In determining whether to offer the Relevant Swaps for clearing, LCH considered factors including: trading volume; liquidity; availability of pricing data; and the ability for LCH to manage any associated risks within LCH's existing operational, risk management, and default management tools. LCH carefully considered these factors and feels that the Relevant Swaps meet LCH's qualifications and the requirements of Core Principle C.

LCH believes the changes described in this filing will not impact LCH's ongoing compliance with the objectives of Core Principle D. The Relevant Swaps and Basis Swap Splitting will not require changes to LCH's risk management framework, margin methodology, or margin requirements. LCH will clear the Relevant Swaps and offer Basis Swap Splitting consistent with its current operational, risk management, and default management tools. LCH considered its risk management requirements and believes clearing the Relevant Swaps will not impact LCH's ongoing compliance with Core Principle D.

The changes described in this filing also ensure that LCH meets the objectives of Core Principle L, including that, in addition to the specified requirements of §39.21, LCH make available any

information that is relevant to participation in the clearing and settlement activities of LCH. LCH considered its public information requirements and believes including the Relevant Swaps and Basis Swap Splitting in its rules maintains compliance with Core Principle L.

LCH believes these changes are consistent with the requirements of Core Principle C on Participant and Product Eligibility under CFTC regulation §39.12, Core Principle D on Risk Management under CFTC regulation §39.13, and Core Principle L on Public Information under CFTC regulation §39.21.

Part IV: Public Information

LCH has posted a notice of pending certification with the CFTC and a copy of the submission on LCH's website at: <https://www.lch.com/resources/rulebooks/proposed-rule-changes>.

Part V: Opposing Views

There were no opposing views expressed to LCH by governing board or committee members, members of LCH or market participants.

Certification

LCH hereby certifies to the CFTC, pursuant to the procedures set forth in CFTC Regulation §40.6, that the attached submission complies with the Commodity Exchange Act, as amended, and the regulations promulgated thereunder.

Should you have any questions please contact me at michelle.weiler@lseg.com.

Yours sincerely,



Michelle Weiler
US Compliance Officer
LCH Limited

Appendix I
Product Specific Contract Terms and Eligibility Criteria Manual
Changed Pages



**PRODUCT SPECIFIC CONTRACT TERMS AND ELIGIBILITY CRITERIA
MANUAL**

PART B PRODUCT ELIGIBILITY CRITERIA FOR REGISTRATION OF A SWAPCLEAR CONTRACT

1. SwapClear Transaction

Without prejudice to the Regulations and the Procedures, the Clearing House will only register a SwapClear Contract pursuant to receipt of particulars of a transaction where at the time of the particulars being presented:

- (a) the transaction meets the eligibility criteria, set out in paragraphs 1.2(a), (b), (c) or (d) below for a SwapClear Transaction; and
- (b) each party to the transaction is either a SwapClear Dealer, a SwapClear Clearing Member (including an SCM Branch), an FCM Clearing Member, a SwapClear Clearing Client, an FCM Client or, in respect of Risk Neutralisation, the Clearing House.

and the requirements of (a) and (b) continue to be satisfied at Registration Time.

1.2 SwapClear Product Eligibility Criteria for a SwapClear Transaction

- (a) Vanilla interest rate swaps and notional interest rate swaps having the characteristics set out in the table below:

<u>Instrument</u>	<u>Currency</u>	<u>Leg 1</u>	<u>Leg 2</u>	<u>Variable Notional</u>	<u>Maximum Tenor</u>	<u>Notional Amount</u>
Interest rate swap	GBP	Fixed	GBP-LIBOR-BBA	No	18,675 days	0.01-99,999,999,999.99
Interest rate swap	GBP	Fixed	GBP-LIBOR	No	18,675 days	0.01-99,999,999,999.99
OIS	GBP	Fixed	GBP-SONIA-COMPOUND	Yes	18,675 days	0.01-99,999,999,999.99
OIS	GBP	Fixed	GBP-SONIA-OIS Compound	Yes	18,675 days	0.01-99,999,999,999.99
Interest rate swap	USD	Fixed	USD-LIBOR-BBA	Yes	18,675 days	0.01-99,999,999,999.99
Interest rate swap	USD	Fixed	USD-LIBOR	Yes	18,675 days	0.01-99,999,999,999.99
OIS	USD	Fixed	USD-SOFR-COMPOUND	Yes	18,675 days	0.01-99,999,999,999.99
OIS	USD	Fixed	USD-SOFR-OIS Compound	Yes	18,675 days	0.01-99,999,999,999.99
Basis swap	USD	USD-LIBOR-BBA	USD-LIBOR-BBA	Yes	18,675 days	0.01-99,999,999,999.99
Basis swap	USD	USD-LIBOR	USD-LIBOR	Yes	18,675 days	0.01-99,999,999,999.99

<u>Basis swap</u>	<u>USD</u>	<u>USD-SOFR-OIS Compound</u>	<u>USD-SOFR-OIS Compound</u>	<u>No</u>	<u>18,675 days</u>	<u>0.01-99,999,999,999.99</u>
Interest rate swap	USD	Fixed	USD-BSBY ¹⁴	Yes	4,050 days	0.01-99,999,999,999.99
Basis swap	USD	USD-LIBOR-BBA	USD-SOFR-COMPOUND	No	18,675 days	0.01-99,999,999,999.99
Basis swap	USD	USD-LIBOR	USD-SOFR-OIS Compound	No	18,675 days	0.01-99,999,999,999.99
Basis swap	USD	USD-FEDERAL FUNDS-H.15	USD-LIBOR-BBA	No	18,675 days	0.01-99,999,999,999.99
Basis swap	USD	USD-Federal Funds	USD-LIBOR	No	18,675 days	0.01-99,999,999,999.99
Basis swap	USD	USD-FEDERAL FUNDS-H.15-OIS-COMPOUND	USD-SOFR-COMPOUND	No	18,675 days	0.01-99,999,999,999.99
Basis swap	USD	USD-Federal Funds-OIS Compound	USD-SOFR-OIS Compound	No	18,675 days	0.01-99,999,999,999.99
<u>Basis swap</u>	<u>USD</u>	<u>USD-Federal Funds</u>	<u>USD-SOFR-OIS Compound</u>	<u>No</u>	<u>18,675 days</u>	<u>0.01-99,999,999,999.99</u>
Basis swap	USD	USD-BSBY ¹⁵	USD-SOFR-COMPOUND	No	4,050 days	0.01-99,999,999,999.99
Basis swap	USD	USD-BSBY ¹⁶	USD-SOFR-OIS Compound	No	4,050 days	0.01-99,999,999,999.99
Basis swap	USD	USD-BSBY	USD-BSBY ¹⁷	No	4,050 days	0.01-99,999,999,999.99
OIS	USD	Fixed	USD-Federal Funds H.15-OIS-COMPOUND	Yes	18,675 days	0.01-99,999,999,999.99
OIS	USD	Fixed	USD-Federal Funds-OIS Compound	Yes	18,675 days	0.01-99,999,999,999.99

¹⁴ BLOOMBERG, BLOOMBERG INDICES and BLOOMBERG SHORT-TERM BANK YIELD INDEX are trademarks or service marks of Bloomberg Finance L.P and its affiliates (collectively, "Bloomberg") and have been licensed for use for certain purposes by LCH Group. Bloomberg is not affiliated with LCH Group and does not approve, endorse, review, or recommend any financial instrument. Bloomberg or its licensors own all proprietary rights in the Bloomberg Short-Term Bank Yield Index. Bloomberg does not guarantee the timeliness, accurateness, or completeness of any data or information relating to Bloomberg Short-Term Bank Yield Index. Bloomberg makes no warranty, express or implied, as to the Bloomberg Short-Term Bank Yield Index or any data or values relating thereto or results to be obtained therefrom, and expressly disclaims all warranties of merchantability and fitness for a particular purpose with respect thereto. To the maximum extent allowed by law, Bloomberg, its licensors, and its and their respective employees, contractors, agents, suppliers, and vendors shall have no liability or responsibility whatsoever for any injury or damages-whether direct, indirect, consequential, incidental, punitive, or otherwise-arising in connection with the Bloomberg Short Term Bank Yield Index or any data or values relating thereto-whether arising from their negligence or otherwise

¹⁵ Ibid footnote 14.

¹⁶ Ibid footnote 14.

¹⁷ Ibid footnote 14.

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Interest rate swap	EUR	Fixed	EUR-EURIBOR-Reuters	Yes	18,675 days	0.01-99,999,999,999.99
Interest rate swap	EUR	Fixed	EUR-EURIBOR	Yes	18,675 days	0.01-99,999,999,999.99
Basis swap	EUR	EUR-EURIBOR-Reuters	EUR-EURIBOR-Reuters	Yes	18,675 days	0.01-99,999,999,999.99
Basis swap	EUR	EUR-EURIBOR	EUR-EURIBOR	Yes	18,675 days	0.01-99,999,999,999.99
OIS	EUR	Fixed	EUR-EuroSTR-COMPOUND	Yes	18,675 days	0.01-99,999,999,999.99
OIS	EUR	Fixed	EUR-EuroSTR-OIS Compound	Yes	18,675 days	0.01-99,999,999,999.99
Basis swap	EUR	EUR-EURIBOR-Reuters	EUR-EuroSTR-COMPOUND	No	18,675 days	0.01-99,999,999,999.99
Basis swap	EUR	EUR-EURIBOR	EUR-EuroSTR-OIS Compound	No	18,675 days	0.01-99,999,999,999.99
Interest rate swap	AUD	Fixed	AUD-BBR-BBSW	Yes	11,375 days	0.01-99,999,999,999.99
Interest rate swap	AUD	Fixed	AUD-BBSW	Yes	11,375 days	0.01-99,999,999,999.99
Basis swap	AUD	AUD-BBR-BBSW	AUD-BBR-BBSW	Yes	11,375 days	0.01-99,999,999,999.99
Basis swap	AUD	AUD-BBSW	AUD-BBSW	Yes	11,375 days	0.01-99,999,999,999.99
Basis swap	AUD	AUD-AONIA-OIS-COMPOUND	AUD-BBR-BBSW	No	11,375 days	0.01-99,999,999,999.99
Basis swap	AUD	AUD-AONIA-OIS Compound	AUD-BBSW	No	11,375 days	0.01-99,999,999,999.99
OIS	AUD	Fixed	AUD-AONIA-OIS-COMPOUND	Yes	11,375 days	0.01-99,999,999,999.99
OIS	AUD	Fixed	AUD-AONIA-OIS Compound	Yes	11,375 days	0.01-99,999,999,999.99
Interest rate swap	CAD	Fixed	CAD-BA-CDOR	Yes	15,025 days	0.01-99,999,999,999.99
Interest rate swap	CAD	Fixed	CAD-CDOR	Yes	15,025 days	0.01-99,999,999,999.99
Basis swap	CAD	CAD-BA-CDOR	CAD-BA-CDOR	Yes	15,025 days	0.01-99,999,999,999.99
Basis swap	CAD	CAD-CDOR	CAD-CDOR	Yes	15,025 days	0.01-99,999,999,999.99
Basis swap	CAD	CAD-BA-CDOR	CAD-CORRA-OIS-COMPOUND	Yes	15,025 days	0.01-99,999,999,999.99
Basis swap	CAD	CAD-CDOR	CAD-CORRA-OIS Compound	Yes	15,025 days	0.01-99,999,999,999.99

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OIS	CAD	Fixed	CAD-CORRA-OIS-COMPOUND	Yes	15,025 days	0.01-99,999,999,999.99
OIS	CAD	Fixed	CAD-CORRA-OIS Compound	Yes	15,025 days	0.01-99,999,999,999.99
Interest rate swap	CZK	Fixed	CZK-PRIBOR-PRBO	Yes	5,875 days	0.01-99,999,999,999.99
Interest rate swap	CZK	Fixed	CZK-PRIBOR	Yes	5,875 days	0.01-99,999,999,999.99
Basis swap	CZK	CZK-PRIBOR-PRBO	CZK-PRIBOR-PRBO	Yes	5,875 days	0.01-99,999,999,999.99
Basis swap	CZK	CZK-PRIBOR	CZK-PRIBOR	Yes	5,875 days	0.01-99,999,999,999.99
Interest rate swap	DKK	Fixed	DKK-CIBOR-DKNA13	Yes	11,375 days	0.01-99,999,999,999.99
Interest rate swap	DKK	Fixed	DKK-CIBOR	Yes	11,375 days	0.01-99,999,999,999.99
Interest rate swap	DKK	Fixed	DKK-CIBOR2-DKNA13	Yes	11,375 days	0.01-99,999,999,999.99
Interest rate swap	DKK	Fixed	DKK-CIBOR2	Yes	11,375 days	0.01-99,999,999,999.99
<u>OIS</u>	<u>DKK</u>	<u>Fixed</u>	<u>DKK-DESTR-OIS Compound</u>	<u>Yes</u>	<u>4,050 days</u>	<u>0.01-99,999,999,999.99</u>
Basis swap	DKK	DKK-CIBOR-DKNA13	DKK-CIBOR-DKNA13	Yes	11,375 days	0.01-99,999,999,999.99
Basis swap	DKK	DKK-CIBOR	DKK-CIBOR	Yes	11,375 days	0.01-99,999,999,999.99
Basis swap	DKK	DKK-CIBOR2-DKNA13	DKK-CIBOR2-DKNA13	Yes	11,375 days	0.01-99,999,999,999.99
Basis swap	DKK	DKK-CIBOR2	DKK-CIBOR2	Yes	11,375 days	0.01-99,999,999,999.99
Interest rate swap	HKD	Fixed	HKD-HIBOR-HKAB	Yes	5,700 days	0.01-99,999,999,999.99
Interest rate swap	HKD	Fixed	HKD-HIBOR	Yes	5,700 days	0.01-99,999,999,999.99
Interest rate swap	HKD	Fixed	HKD-HIBOR-ISDC	Yes	5,700 days	0.01-99,999,999,999.99
OIS	HKD	Fixed	HKD-HONIX-OIS-COMPOUND	Yes	4,050 days	0.01-99,999,999,999.99
OIS	HKD	Fixed	HKD-HONIA-OIS Compound	Yes	4,050 days	0.01-99,999,999,999.99
Basis swap	HKD	HKD-HIBOR-HKAB	HKD-HIBOR-HKAB	Yes	5,700 days	0.01-99,999,999,999.99
Basis swap	HKD	HKD-HIBOR	HKD-HIBOR	Yes	5,700 days	0.01-99,999,999,999.99
Basis swap	HKD	HKD-HIBOR-ISDC	HKD-HIBOR-ISDC	Yes	5,700 days	0.01-99,999,999,999.99

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Basis swap	HKD	HKD-HONIX-OIS-COMPOUND	HKD-HIBOR-HKAB	Yes	4,050 days	0.01-99,999,999,999.99
Basis swap	HKD	HKD-HONIA-OIS Compound	HKD-HIBOR	Yes	4,050 days	0.01-99,999,999,999.99
Interest rate swap	HUF	Fixed	HUF-BUBOR-Reuters	Yes	7,700 days	1-10,000,000,000,000
Interest rate swap	HUF	Fixed	HUF-BUBOR	Yes	7,700 days	1-10,000,000,000,000
Basis swap	HUF	HUF-BUBOR-Reuters	HUF-BUBOR-Reuters	Yes	4,050 days	1-10,000,000,000,000
Basis swap	HUF	HUF-BUBOR	HUF-BUBOR	Yes	4,050 days	1-10,000,000,000,000
Interest rate swap	ILS	Fixed	ILS-TELBOR01-Reuters	Yes	4,050 days	0.01 - 99,999,999,999.99
Interest rate swap	ILS	Fixed	ILS-TELBOR	Yes	4,050 days	0.01 - 99,999,999,999.99
Interest rate swap	JPY	Fixed	JPY-LIBOR-BBA	No	15,025 days	1-10,000,000,000,000
Interest rate swap	JPY	Fixed	JPY-LIBOR	No	15,025 days	1-10,000,000,000,000
OIS	JPY	Fixed	JPY-TONA-OIS-COMPOUND	Yes	15,025 days	1-10,000,000,000,000
OIS	JPY	Fixed	JPY-TONA-OIS Compound	Yes	15,025 days	1-10,000,000,000,000
Interest rate swap	MXN	Fixed	MXN-TIIE-Banxico	No	7,700 days	0.01-99,999,999,999.99
Interest rate swap	MXN	Fixed	MXN-TIIE	No	7,700 days	0.01-99,999,999,999.99
Interest rate swap	NOK	Fixed	NOK-NIBOR-OIBOR	Yes	11,375 days	0.01-99,999,999,999.99
Interest rate swap	NOK	Fixed	NOK-NIBOR	Yes	11,375 days	0.01-99,999,999,999.99
Interest rate swap	NOK	Fixed	NOK-NIBOR-NIBR	Yes	11,375 days	0.01-99,999,999,999.99
Basis swap	NOK	NOK-NIBOR-NIBR	NOK-NIBOR-NIBR	Yes	11,375 days	0.01-99,999,999,999.99
Basis swap	NOK	NOK-NIBOR-OIBOR	NOK-NIBOR-OIBOR	Yes	11,375 days	0.01-99,999,999,999.99
Basis swap	NOK	NOK-NIBOR	NOK-NIBOR	Yes	11,375 days	0.01-99,999,999,999.99
OIS	NOK	Fixed	NOK-NOWA-OIS Compound	Yes	5,875 days	0.01-99,999,999,999.99
Interest rate swap	NZD	Fixed	NZD-BBR-FRA	Yes	11,375 days	0.01-99,999,999,999.99
Interest rate swap	NZD	Fixed	NZD-BKBM FRA	Yes	11,375 days	0.01-99,999,999,999.99

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OIS	NZD	Fixed	NZD-NZIONIA-OIS-COMPOUND	Yes	4,050 days	0.01-99,999,999,999.99
OIS	NZD	Fixed	NZD-NZIONA-OIS Compound	Yes	4,050 days	0.01-99,999,999,999.99
Basis swap	NZD	NZD-BBR-FRA	NZD-NZIONIA-OIS-COMPOUND	No	4,050 days	0.01-99,999,999,999.99
Basis swap	NZD	NZD-BKBM FRA	NZD-NZIONA-OIS Compound	No	4,050 days	0.01-99,999,999,999.99
Basis swap	NZD	NZD-BBR-FRA	NZD-BBR-FRA	Yes	11,375 days	0.01-99,999,999,999.99
Basis swap	NZD	NZD-BKBM FRA	NZD-BKBM FRA	Yes	11,375 days	0.01-99,999,999,999.99
Interest rate swap	SGD	Fixed	SGD-SOR-Reuters	Yes	7,700 days	0.01-99,999,999,999.99
Interest rate swap	SGD	Fixed	SGD-SOR-VWAP	Yes	7,700 days	0.01-99,999,999,999.99
Interest rate swap	SGD	Fixed	SGD-SOR	Yes	7,700 days	0.01-99,999,999,999.99
OIS	SGD	Fixed	SGD-SORA-COMPOUND	Yes	11,375 days	0.01-99,999,999,999.99
OIS	SGD	Fixed	SGD-SORA-OIS Compound	Yes	11,375 days	0.01-99,999,999,999.99
Interest rate swap	SEK	Fixed	SEK-STIBOR-SIDE	Yes	11,375 days	0.01-99,999,999,999.99
Interest rate swap	SEK	Fixed	SEK-STIBOR	Yes	11,375 days	0.01-99,999,999,999.99
<u>OIS</u>	<u>SEK</u>	<u>Fixed</u>	<u>SEK-SWESTR-OIS Compound</u>	<u>Yes</u>	<u>4,050 days</u>	<u>0.01-99,999,999,999.99</u>
Basis swap	SEK	SEK-STIBOR-SIDE	SEK-STIBOR-SIDE	Yes	11,375 days	0.01-99,999,999,999.99
Basis swap	SEK	SEK-STIBOR	SEK-STIBOR	Yes	11,375 days	0.01-99,999,999,999.99
Interest rate swap	CHF	Fixed	CHF-LIBOR-BBA	No	11,375 days	0.01-99,999,999,999.99
Interest rate swap	CHF	Fixed	CHF-LIBOR	No	11,375 days	0.01-99,999,999,999.99
OIS	CHF	Fixed	CHF-SARON-OIS-COMPOUND	Yes	11,375 days	0.01-99,999,999,999.99
OIS	CHF	Fixed	CHF-SARON-OIS Compound	Yes	11,375 days	0.01-99,999,999,999.99
Interest rate swap	PLN	Fixed	PLN-WIBOR-WIBO	Yes	5,875 days	0.01-99,999,999,999.99
Interest rate swap	PLN	Fixed	PLN-WIBOR	Yes	5,875 days	0.01-99,999,999,999.99
Basis swap	PLN	PLN-WIBOR-WIBO	PLN-WIBOR-WIBO	Yes	5,875 days	0.01-99,999,999,999.99

Appendix II
FCM Product Specific Contract Terms and Eligibility Criteria Manual
Changed Pages



FCM PRODUCT SPECIFIC CONTRACT TERMS AND ELIGIBILITY CRITERIA
MANUAL

PART B
PRODUCT ELIGIBILITY CRITERIA FOR REGISTRATION OF AN FCM SWAPCLEAR CONTRACT

1. FCM SwapClear Transaction

Without prejudice to the FCM Regulations and the FCM Procedures, the Clearing House will only register an FCM SwapClear Contract pursuant to receipt of particulars of a transaction where at the time of the particulars being presented:

- (a) the transaction meets the FCM SwapClear Product Eligibility Criteria for registration as an FCM SwapClear Transaction; and
- (b) each party to the transaction is an Executing Party;

and the requirements of (a) and (b) continue to be satisfied at Registration Time.

1.1 FCM SwapClear Product Eligibility Criteria for an FCM SwapClear Transaction

- (a) Vanilla interest rate swaps and notional interest rate swaps having the characteristics set out in the table below:

<u>Instrument</u>	<u>Currency</u>	<u>Leg 1</u>	<u>Leg 2</u>	<u>Variable Notional</u>	<u>Maximum Tenor</u>	<u>Notional Amount</u>
Interest rate swap	GBP	Fixed	GBP-LIBOR-BBA	No	18,675 days	0.01-99,999,999,999.99
Interest rate swap	GBP	Fixed	GBP-LIBOR	No	18,675 days	0.01-99,999,999,999.99
OIS	GBP	Fixed	GBP-SONIA-COMPOUND	Yes	18,675 days	0.01-99,999,999,999.99
OIS	GBP	Fixed	GBP-SONIA-OIS Compound	Yes	18,675 days	0.01-99,999,999,999.99
Interest rate swap	USD	Fixed	USD-LIBOR-BBA	Yes	18,675 days	0.01-99,999,999,999.99
Interest rate swap	USD	Fixed	USD-LIBOR	Yes	18,675 days	0.01-99,999,999,999.99
OIS	USD	Fixed	USD-SOFR-COMPOUND	Yes	18,675 days	0.01-99,999,999,999.99
OIS	USD	Fixed	USD-SOFR-OIS Compound	Yes	18,675 days	0.01-99,999,999,999.99
Basis swap	USD	USD-LIBOR-BBA	USD-LIBOR-BBA	Yes	18,675 days	0.01-99,999,999,999.99
Basis swap	USD	USD-LIBOR	USD-LIBOR	Yes	18,675 days	0.01-99,999,999,999.99
<u>Basis swap</u>	<u>USD</u>	<u>USD-SOFR-OIS Compound</u>	<u>USD-SOFR-OIS Compound</u>	<u>No</u>	<u>18,675 days</u>	<u>0.01-99,999,999,999.99</u>

Interest rate swap	USD	Fixed	USD-BSBY ¹⁴	Yes	4,050 days	0.01-99,999,999,999.99
Basis swap	USD	USD-LIBOR-BBA	USD-SOFR-COMPOUND	No	18,675 days	0.01-99,999,999,999.99
Basis swap	USD	USD-LIBOR	USD-SOFR-OIS Compound	No	18,675 days	0.01-99,999,999,999.99
Basis swap	USD	USD-FEDERAL FUNDS-H.15	USD-LIBOR-BBA	No	18,675 days	0.01-99,999,999,999.99
Basis swap	USD	USD-Federal Funds	USD-LIBOR	No	18,675 days	0.01-99,999,999,999.99
Basis swap	USD	USD-FEDERAL FUNDS-H.15-OIS-COMPOUND	USD-SOFR-COMPOUND	No	18,675 days	0.01-99,999,999,999.99
Basis swap	USD	USD-Federal Funds-OIS Compound	USD-SOFR-OIS Compound	No	18,675 days	0.01-99,999,999,999.99
<u>Basis swap</u>	<u>USD</u>	<u>USD-Federal Funds</u>	<u>USD-SOFR-OIS Compound</u>	<u>No</u>	<u>18,675 days</u>	<u>0.01-99,999,999,999.99</u>
Basis swap	USD	USD-BSBY ¹⁵	USD-SOFR-COMPOUND	No	4,050 days	0.01-99,999,999,999.99
Basis swap	USD	USD-BSBY ¹⁶	USD-SOFR-OIS Compound	No	4,050 days	0.01-99,999,999,999.99
Basis swap	USD	USD-BSBY	USD-BSBY ¹⁷	No	4,050 days	0.01-99,999,999,999.99
OIS	USD	Fixed	USD-Federal Funds H.15-OIS-COMPOUND	Yes	18,675 days	0.01-99,999,999,999.99
OIS	USD	Fixed	USD-Federal Funds-OIS Compound	Yes	18,675 days	0.01-99,999,999,999.99
Interest rate swap	EUR	Fixed	EUR-EURIBOR-Reuters	Yes	18,675 days	0.01-99,999,999,999.99

¹⁴ BLOOMBERG, BLOOMBERG INDICES and BLOOMBERG SHORT-TERM BANK YIELD INDEX are trademarks or service marks of Bloomberg Finance L.P and its affiliates (collectively, "Bloomberg") and have been licensed for use for certain purposes by LCH Group. Bloomberg is not affiliated with LCH Group and does not approve, endorse, review, or recommend any financial instrument. Bloomberg or its licensors own all proprietary rights in the Bloomberg Short-Term Bank Yield Index. Bloomberg does not guarantee the timeliness, accurateness, or completeness of any data or information relating to Bloomberg Short-Term Bank Yield Index. Bloomberg makes no warranty, express or implied, as to the Bloomberg Short-Term Bank Yield Index or any data or values relating thereto or results to be obtained therefrom, and expressly disclaims all warranties of merchantability and fitness for a particular purpose with respect thereto. To the maximum extent allowed by law, Bloomberg, its licensors, and its and their respective employees, contractors, agents, suppliers, and vendors shall have no liability or responsibility whatsoever for any injury or damages-whether direct, indirect, consequential, incidental, punitive, or otherwise-arising in connection with the Bloomberg Short Term Bank Yield Index or any data or values relating thereto-whether arising from their negligence or otherwise

¹⁵ Ibid footnote 14.

¹⁶ Ibid footnote 14.

¹⁷ Ibid footnote 14.

Interest rate swap	EUR	Fixed	EUR-EURIBOR	Yes	18,675 days	0.01-99,999,999,999.99
Basis swap	EUR	EUR-EURIBOR-Reuters	EUR-EURIBOR-Reuters	Yes	18,675 days	0.01-99,999,999,999.99
Basis swap	EUR	EUR-EURIBOR	EUR-EURIBOR	Yes	18,675 days	0.01-99,999,999,999.99
OIS	EUR	Fixed	EUR-EuroSTR-COMPOUND	Yes	18,675 days	0.01-99,999,999,999.99
OIS	EUR	Fixed	EUR-EuroSTR-OIS Compound	Yes	18,675 days	0.01-99,999,999,999.99
Basis swap	EUR	EUR-EURIBOR-Reuters	EUR-EuroSTR-COMPOUND	No	18,675 days	0.01-99,999,999,999.99
Basis swap	EUR	EUR-EURIBOR	EUR-EuroSTR-OIS Compound	No	18,675 days	0.01-99,999,999,999.99
Interest rate swap	AUD	Fixed	AUD-BBR-BBSW	Yes	11,375 days	0.01-99,999,999,999.99
Interest rate swap	AUD	Fixed	AUD-BBSW	Yes	11,375 days	0.01-99,999,999,999.99
Basis swap	AUD	AUD-BBR-BBSW	AUD-BBR-BBSW	Yes	11,375 days	0.01-99,999,999,999.99
Basis swap	AUD	AUD-BBSW	AUD-BBSW	Yes	11,375 days	0.01-99,999,999,999.99
Basis swap	AUD	AUD-AONIA-OIS-COMPOUND	AUD-BBR-BBSW	No	11,375 days	0.01-99,999,999,999.99
Basis swap	AUD	AUD-AONIA-OIS Compound	AUD-BBSW	No	11,375 days	0.01-99,999,999,999.99
OIS	AUD	Fixed	AUD-AONIA-OIS-COMPOUND	Yes	11,375 days	0.01-99,999,999,999.99
OIS	AUD	Fixed	AUD-AONIA-OIS Compound	Yes	11,375 days	0.01-99,999,999,999.99
Interest rate swap	CAD	Fixed	CAD-BA-CDOR	Yes	15,025 days	0.01-99,999,999,999.99
Interest rate swap	CAD	Fixed	CAD-CDOR	Yes	15,025 days	0.01-99,999,999,999.99
Basis swap	CAD	CAD-BA-CDOR	CAD-BA-CDOR	Yes	15,025 days	0.01-99,999,999,999.99
Basis swap	CAD	CAD-CDOR	CAD-CDOR	Yes	15,025 days	0.01-99,999,999,999.99
Basis swap	CAD	CAD-BA-CDOR	CAD-CORRA-OIS-COMPOUND	Yes	15,025 days	0.01-99,999,999,999.99
Basis swap	CAD	CAD-CDOR	CAD-CORRA-OIS Compound	Yes	15,025 days	0.01-99,999,999,999.99
OIS	CAD	Fixed	CAD-CORRA-OIS-COMPOUND	Yes	15,025 days	0.01-99,999,999,999.99

OIS	CAD	Fixed	CAD-CORRA-OIS Compound	Yes	15,025 days	0.01-99,999,999,999.99
Interest rate swap	CZK	Fixed	CZK-PRIBOR-PRBO	Yes	5,875 days	0.01-99,999,999,999.99
Interest rate swap	CZK	Fixed	CZK-PRIBOR	Yes	5,875 days	0.01-99,999,999,999.99
Basis swap	CZK	CZK-PRIBOR-PRBO	CZK-PRIBOR-PRBO	Yes	5,875 days	0.01-99,999,999,999.99
Basis swap	CZK	CZK-PRIBOR	CZK-PRIBOR	Yes	5,875 days	0.01-99,999,999,999.99
Interest rate swap	DKK	Fixed	DKK-CIBOR-DKNA13	Yes	11,375 days	0.01-99,999,999,999.99
Interest rate swap	DKK	Fixed	DKK-CIBOR	Yes	11,375 days	0.01-99,999,999,999.99
Interest rate swap	DKK	Fixed	DKK-CIBOR2-DKNA13	Yes	11,375 days	0.01-99,999,999,999.99
Interest rate swap	DKK	Fixed	DKK-CIBOR2	Yes	11,375 days	0.01-99,999,999,999.99
<u>OIS</u>	<u>DKK</u>	<u>Fixed</u>	<u>DKK-DESTR-OIS Compound</u>	<u>Yes</u>	<u>4,050 days</u>	<u>0.01-99,999,999,999.99</u>
Basis swap	DKK	DKK-CIBOR-DKNA13	DKK-CIBOR-DKNA13	Yes	11,375 days	0.01-99,999,999,999.99
Basis swap	DKK	DKK-CIBOR	DKK-CIBOR	Yes	11,375 days	0.01-99,999,999,999.99
Basis swap	DKK	DKK-CIBOR2-DKNA13	DKK-CIBOR2-DKNA13	Yes	11,375 days	0.01-99,999,999,999.99
Basis swap	DKK	DKK-CIBOR2	DKK-CIBOR2	Yes	11,375 days	0.01-99,999,999,999.99
Interest rate swap	HKD	Fixed	HKD-HIBOR-HKAB	Yes	5,700 days	0.01-99,999,999,999.99
Interest rate swap	HKD	Fixed	HKD-HIBOR	Yes	5,700 days	0.01-99,999,999,999.99
Interest rate swap	HKD	Fixed	HKD-HIBOR-ISDC	Yes	5,700 days	0.01-99,999,999,999.99
OIS	HKD	Fixed	HKD-HONIX-OIS-COMPOUND	Yes	4,050 days	0.01-99,999,999,999.99
OIS	HKD	Fixed	HKD-HONIA-OIS Compound	Yes	4,050, days	0.01-99,999,999,999.99
Basis swap	HKD	HKD-HIBOR-HKAB	HKD-HIBOR-HKAB	Yes	5,700 days	0.01-99,999,999,999.99
Basis swap	HKD	HKD-HIBOR	HKD-HIBOR	Yes	5,700 days	0.01-99,999,999,999.99
Basis swap	HKD	HKD-HIBOR-ISDC	HKD-HIBOR-ISDC	Yes	5,700 days	0.01-99,999,999,999.99

Basis swap	HKD	HKD-HONIX-OIS-COMPOUND	HKD-HIBOR-HKAB	Yes	4,050 days	0.01-99,999,999,999.99
Basis swap	HKD	HKD-HONIA-OIS Compound	HKD-HIBOR	Yes	4,050 days	0.01-99,999,999,999.99
Interest rate swap	HUF	Fixed	HUF-BUBOR-Reuters	Yes	7,700 days	1-10,000,000,000,000
Interest rate swap	HUF	Fixed	HUF-BUBOR	Yes	7,700 days	1-10,000,000,000,000
Basis swap	HUF	HUF-BUBOR-Reuters	HUF-BUBOR-Reuters	Yes	4,050 days	1-10,000,000,000,000
Basis swap	HUF	HUF-BUBOR	HUF-BUBOR	Yes	4,050 days	1-10,000,000,000,000
Interest rate swap	ILS	Fixed	ILS-TELBOR01-Reuters	Yes	4,050 days	0.01 - 99,999,999,999.99
Interest rate swap	ILS	Fixed	ILS-TELBOR	Yes	4,050 days	0.01 - 99,999,999,999.99
Interest rate swap	JPY	Fixed	JPY-LIBOR-BBA	No	15,025 days	1-10,000,000,000,000
Interest rate swap	JPY	Fixed	JPY-LIBOR	No	15,025 days	1-10,000,000,000,000
OIS	JPY	Fixed	JPY-TONA-OIS-COMPOUND	Yes	15,025 days	1-10,000,000,000,000
OIS	JPY	Fixed	JPY-TONA-OIS Compound	Yes	15,025 days	1-10,000,000,000,000
Interest rate swap	MXN	Fixed	MXN-TIE-Banxico	No	7,700 days	0.01-99,999,999,999.99
Interest rate swap	MXN	Fixed	MXN-TIE	No	7,700 days	0.01-99,999,999,999.99
Interest rate swap	NOK	Fixed	NOK-NIBOR-OIBOR	Yes	11,375 days	0.01-99,999,999,999.99
Interest rate swap	NOK	Fixed	NOK-NIBOR	Yes	11,375 days	0.01-99,999,999,999.99
Interest rate swap	NOK	Fixed	NOK-NIBOR-NIBR	Yes	11,375 days	0.01-99,999,999,999.99
Basis swap	NOK	NOK-NIBOR-NIBR	NOK-NIBOR-NIBR	Yes	11,375 days	0.01-99,999,999,999.99
Basis swap	NOK	NOK-NIBOR-OIBOR	NOK-NIBOR-OIBOR	Yes	11,375 days	0.01-99,999,999,999.99
Basis swap	NOK	NOK-NIBOR	NOK-NIBOR	Yes	11,375 days	0.01-99,999,999,999.99
OIS	NOK	Fixed	NOK-NOWA-OIS Compound	Yes	5,875 days	0.01-99,999,999,999.99
Interest rate swap	NZD	Fixed	NZD-BBR-FRA	Yes	11,375 days	0.01-99,999,999,999.99
Interest rate swap	NZD	Fixed	NZD-BKBM FRA	Yes	11,375 days	0.01-99,999,999,999.99

OIS	NZD	Fixed	NZD-NZIONIA-OIS-COMPOUND	Yes	4,050 days	0.01-99,999,999,999.99
OIS	NZD	Fixed	NZD-NZIONA-OIS Compound	Yes	4,050 days	0.01-99,999,999,999.99
Basis swap	NZD	NZD-BBR-FRA	NZD-NZIONIA-OIS-COMPOUND	No	4,050 days	0.01-99,999,999,999.99
Basis swap	NZD	NZD-BKBM FRA	NZD-NZIONA-OIS Compound	No	4,050 days	0.01-99,999,999,999.99
Basis swap	NZD	NZD-BBR-FRA	NZD-BBR-FRA	Yes	11,375 days	0.01-99,999,999,999.99
Basis swap	NZD	NZD-BKBM FRA	NZD-BKBM FRA	Yes	11,375 days	0.01-99,999,999,999.99
Interest rate swap	SGD	Fixed	SGD-SOR-Reuters	Yes	7,700 days	0.01-99,999,999,999.99
Interest rate swap	SGD	Fixed	SGD-SOR-VWAP	Yes	7,700 days	0.01-99,999,999,999.99
Interest rate swap	SGD	Fixed	SGD-SOR	Yes	7,700 days	0.01-99,999,999,999.99
OIS	SGD	Fixed	SGD-SORA-COMPOUND	Yes	11,375 days	0.01-99,999,999,999.99
OIS	SGD	Fixed	SGD-SORA-OIS Compound	Yes	11,375 days	0.01-99,999,999,999.99
Interest rate swap	SEK	Fixed	SEK-STIBOR-SIDE	Yes	11,375 days	0.01-99,999,999,999.99
Interest rate swap	SEK	Fixed	SEK-STIBOR	Yes	11,375 days	0.01-99,999,999,999.99
<u>OIS</u>	<u>SEK</u>	<u>Fixed</u>	<u>SEK-SWESTR-OIS Compound</u>	<u>Yes</u>	<u>4,050 days</u>	<u>0.01-99,999,999,999.99</u>
Basis swap	SEK	SEK-STIBOR-SIDE	SEK-STIBOR-SIDE	Yes	11,375 days	0.01-99,999,999,999.99
Basis swap	SEK	SEK-STIBOR	SEK-STIBOR	Yes	11,375 days	0.01-99,999,999,999.99
Interest rate swap	CHF	Fixed	CHF-LIBOR-BBA	No	11,375 days	0.01-99,999,999,999.99
Interest rate swap	CHF	Fixed	CHF-LIBOR	No	11,375 days	0.01-99,999,999,999.99
OIS	CHF	Fixed	CHF-SARON-OIS-COMPOUND	Yes	11,375 days	0.01-99,999,999,999.99
OIS	CHF	Fixed	CHF-SARON-OIS Compound	Yes	11,375 days	0.01-99,999,999,999.99
Interest rate swap	PLN	Fixed	PLN-WIBOR-WIBO	Yes	5,875 days	0.01-99,999,999,999.99
Interest rate swap	PLN	Fixed	PLN-WIBOR	Yes	5,875 days	0.01-99,999,999,999.99
Basis swap	PLN	PLN-WIBOR-WIBO	PLN-WIBOR-WIBO	Yes	5,875 days	0.01-99,999,999,999.99

Appendix III
General Regulations
Changed Pages



**GENERAL REGULATIONS OF
LCH LIMITED**

“Intra-Day Non-Bulk Transfer”

means an intra-day transfer of some or all of the SwapClear Contracts from the Transfer Account of an Eligible Transferor of a Carrying Clearing Member to the Transfer Account of an Eligible Transferee of a Receiving Clearing Member, where such transfer: (i) does not exceed the Bulk Threshold; and (ii) does not include the transfer of an Associated Collateral Balance

“Intra-Day Partial Bulk Transfer”

means an intra-day transfer of some (but not all) of the SwapClear Contracts from the Transfer Account of an Eligible Transferor of a Carrying Clearing Member to the Transfer Account of an Eligible Transferee of a Receiving Clearing Member

“ISA Port”

means a port of the Contracts and Account Balance held in a Custodial Segregated Account opened by a Clearing Member with the Clearing House in respect of a Custodial Segregated Client to an Individual Segregated Account opened for such Clearing Client by a Backup Clearing Member in accordance with the Default Rules and the relevant Collateral Management Agreement

"IRS FCM SwapClear Contract"

has the meaning assigned to it in the FCM Regulations

"IRS SwapClear Contract"

means a SwapClear Contract of the type of Contracts which are identified as being IRS SwapClear Contracts in the Product Specific Contract Terms and Eligibility Criteria Manual, which includes, in the case of the Default Rules (including the Rates Service DMP Annex but excluding, for the avoidance of doubt, the Client Clearing Annex), the FCM Default Fund Agreement and any other document, rule or procedure as specified by the Clearing House from time to time, an IRS FCM SwapClear Contract

"ISDA Definitions"

has the meaning assigned to it in Section 1 of Part A of Schedule 2 of the Product Specific Contract Terms and Eligibility Criteria Manual

"Joint Rates Service Clearing Member"

means, for purposes of the Portfolio Margining Service, a clearing member who is both a SwapClear Clearing Member and a Listed Interest Rates Clearing Member

"Key Tenors"

means the Key Tenors as set out in the Inflation Swaps Operational Specifications

"Key Tenors Market Data"

has the meaning assigned to it in Regulation 60A(1)

Appendix IV
FCM Regulations
Changed Pages



FCM REGULATIONS OF THE CLEARING HOUSE

LCH LIMITED

Account of a Receiving Clearing Member or (ii) in respect of a transfer as described in sub-paragraph (b) of the definition of “Receiving Clearing Member”, a Clearing Member (as defined in the UK General Regulations, and being an entity other than an FCM Clearing Member)(and, for the avoidance of doubt, a Carrying Clearing Member may be a Receiving Clearing Member, and vice versa).

“Cash-Settled FCM Contract”

means an FCM Exchange Contract or FCM Listed Interest Rates Contract that is to be settled by cash-settlement only.

“CEA”

means the U.S. Commodity Exchange Act.

“CFTC”

means the U.S. Commodity Futures Trading Commission.

“CFTC Regulations”

means the rules and regulations promulgated by the CFTC.

“Cleared Swap”

means “Cleared Swap” as such term is defined in CFTC Regulation 22.1, which term includes but is not limited to Swap Products.

“Cleared Swaps Account Class”

means the account class for cleared swaps accounts (as defined in CFTC Regulations 190.01(a)(i)) for purposes of Part 190 of the CFTC Regulations and Section 4d(f) of the CEA.

“Cleared Swaps Customer Account”

means “Cleared Swaps Customer Account” as such term is defined in CFTC Regulation 22.1.

“Clearing House”

means LCH Limited whose registered office is located at 10 Paternoster Square, London EC4M 7LS, United Kingdom.

“Clearing House Data”

means the data or data products (or any part of such) made available by or on behalf of the Clearing House or any of its group undertakings, which shall include any or derived data created or developed based on or as a result of such data or data products

“ClearLink API”

means the Clearing House’s proprietary messaging standard used by market participants to interact with the Clearing House’s clearing services

“Client Account”

has the meaning assigned to it in the General Regulations.

“Closing-out Contract”

means, for the purposes of these FCM Regulations, an FCM Contract effected by or on behalf of the Clearing House and registered in an FCM Clearing Member's name, being an FCM Contract on the same terms (except as to price) as an Open FCM Contract in the FCM Clearing Member's name, save that where the Clearing House has position “X” under the terms of such open FCM Contract

	yield curves under 2.1.7 of the FCM Procedures to calculate the net present value of certain FCM SwapClear Contracts, the types and currencies of FCM SwapClear Contracts to which such change shall apply, as identified in the related Rate Change Notice.
“Ineligible FCM ForexClear Contract”	has the meaning assigned to it in FCM Regulation 49(h)(ii).
“Ineligible FCM ForexClear Transaction”	has the meaning assigned to it in FCM <u>Regulation 49(h)(i)</u> Regulation 49(h)(i) .
“Ineligible FCM SwapClear Contract”	has the meaning assigned to it in FCM Regulation 46(g).
“Ineligible FCM SwapClear Transaction”	has the meaning assigned to it in FCM Regulation 46(g).
“Inflation Derived Data”	has the meaning assigned to it in the UK General Regulations.
“Inflation FCM SwapClear Contract”	means an FCM SwapClear Contract identified as being an Inflation FCM SwapClear Contract in the FCM Product Specific Contract Terms and Eligibility Criteria Manual.
“Initial Margin”	means, with respect to the amount of Margin attributable to a particular account or accounts of an FCM Clearing Member with the Clearing House, the portion of such Margin held in respect of the Clearing House’s initial margin requirements (as published from time to time by the Clearing House) in respect of the relevant FCM Contracts attributable to such account or accounts.
“Intra-Day Bulk Transfer”	has the meaning assigned to it in the UK General Regulations.
“IRS FCM SwapClear Contract”	means an FCM SwapClear Contract identified as being an IRS FCM SwapClear Contract in the FCM Product Specific Contract Terms and Eligibility Criteria Manual.
<u>“ISDA Definitions”</u>	<u>has the meaning assigned to it in Section 1 of Part A of Schedule 1 of the FCM Product Specific Contract Terms and Eligibility Criteria Manual</u>
“LCH Group”	means the group of undertakings consisting of LCH Limited, LCH Group Holdings Limited, Banque Centrale de Compensation S.A. trading as LCH SA and SwapAgent Limited (any reference to a “ member ” of LCH Group Holdings Limited within these FCM Regulations is to be construed accordingly).

Appendix V
Procedures Section 2C (SwapClear Service)
Changed Pages



LCH LIMITED

PROCEDURES SECTION 2C

SWAPCLEAR CLEARING SERVICE

with the Inflation Swaps Operational Specifications) and the SwapClear End of Day Price.

1.32 Notifications via Approved Trade Source Systems

- 1.32.1 With prior approval of the Clearing House, SwapClear Clearing Members and SwapClear Clearing Clients may elect to submit and receive certain post-trade messages via any Approved Trade Source System previously approved by the Clearing House for the results of compression procedures, Permitted Transfers and non-economic amendments of SwapClear Contracts.
- 1.32.2 A SwapClear Clearing Member, either on its own account or with respect to a SwapClear Clearing Client (where applicable), acknowledges and agrees, with respect to an election to receive messages and/or notifications under this Section 1.31 from the Clearing House via an Approved Trade Source System, that (i) the Clearing House makes no warranty (and will accept no liability) as to the effectiveness, efficiency, performance or any other aspect of the services provided by any Approved Trade Source System or the timeliness or otherwise of the delivery of any notices, reports or details by that Approved Trade Source System to the Clearing House of the SwapClear Clearing Member or SwapClear Clearing Client, as applicable, (ii) the Clearing House will process and use any information provided to it under this Section 1.31 via an Approved Trade Source System on an “as is” basis (with no obligation to verify any details), (iii) the Clearing House accepts no liability for (A) any error within or corruption of any data sent by an Approved Trade Source System to the Clearing House, the SwapClear Clearing Member or any SwapClear Clearing Client or (B) any delay in or failure of the transmission of such data to the Clearing House, the SwapClear Clearing Member or any SwapClear Clearing Client.
- 1.32.3 Any request for the Clearing House to approve the submission and receipt of post-trade messages via any Approved Trade Source System must be made in writing and using the Clearing House’s standard documentation. Through making a request, a SwapClear Clearing Member, either on their own account or with respect to a SwapClear Clearing Client, is deemed to represent and warrant that the individual making the request is appropriately authorized to do so.

1.33 ~~{Reserved.}~~ Basis swap splitting

From time to time a SwapClear Clearing Member or a SwapClear Clearing Client may request via the ClearLink API or SwapClear Portal that the Clearing House re-registers one or more of its eligible SwapClear Contracts that are recorded in the books and records of the Clearing House as “basis swaps” (each, an “Original Basis Swap”) so that immediately following such re-registration by the Clearing House, the Original Basis Swap is replaced by the following two SwapClear Contracts which, together, shall be economically identical to the Original Basis Swap:

- (a) the first SwapClear Contract shall have a “Floating Rate” (as defined in the ISDA Definitions) equal to the first “Floating Rate” referenced in the Original Basis Swap, a “Fixed Rate” (as defined in the ISDA Definitions) determined by the Clearing House, and the “Floating Rate Payer” or “Floating Amount Payer”

(as defined in the ISDA Definitions) shall be the same as the "Floating Rate Payer" or "Floating Amount Payer" in relation to the first "Floating Rate" under the Original Basis Swap; and

- (b) the second SwapClear Contract shall have a "Floating Rate" (as defined in the ISDA Definitions) equal to the second "Floating Rate" referenced in the Original Basis Swap, a "Fixed Rate" (as defined in the ISDA Definitions) equal to the "Fixed Rate" under (a) above, and the "Floating Rate Payer" or "Floating Amount Payer" (as defined in the ISDA Definitions) shall be the same as the "Floating Rate Payer" or "Floating Amount Payer" in relation to the second "Floating Rate" under the Original Basis Swap.

If the Clearing House accepts the SwapClear Clearing Member or SwapClear Clearing Client's request, it shall effect the re-registration referred to above no later than the business day following the date on which the request is received, subject to and in accordance with such other conditions or provisions as the Clearing House may from time to time provide or require generally or in relation to any specific request.

4.331.34 **Actions in Respect of an FCM Client Default**

Following an FCM Client Default (as defined in the FCM Regulations) and in connection with a request from an FCM Clearing Member to the Clearing House to transfer one or more FCM SwapClear Contracts (including those submitted for registration pursuant to Section 2.1.13(c) of the FCM Procedures) from (i) a Defaulting FCM Client's FCM Client Sub-Account or (ii) an FCM Clearing Member's Proprietary Account to the Proprietary Account of a SwapClear Clearing Member, such SwapClear Clearing Member shall transfer (or make available) required margin into its Proprietary Account.

2. PORTFOLIO MARGINING SERVICE

2.1 Introduction

The Portfolio Margining Service is an optional service which provides Joint Rates Service Clearing Members portfolio-margining functionality in respect of pairs of accounts which are held in the SwapClear and Listed Interest Rates Services by transferring Eligible Listed Interest Rates Contracts between accounts in each Service.

A Joint Rates Service Clearing Member must opt-in to the Portfolio Margining Service in accordance with the procedure set out in paragraph 2.2 below and meet the PM Eligibility Criteria (as defined below) in order to benefit from the portfolio-margining functionality provided by the service. However it should be noted that, regardless of whether or not a Joint Rates Service Clearing Member opts in, the SwapClear Service and Listed Interest Rates Service share a common default fund. Accordingly, the risk profile of participating in either one of such Services may be impacted by other Clearing Members participating in the other such Service whether or not as a Portfolio Margining Clearing Member. In particular, the resources of a Clearing Member that is a member of the SwapClear Service and the Listed Interest Rates Service will be made available to cover the Clearing House's losses in a different manner to those of a Clearing Member that is only a member of one of those Services, regardless of whether that Clearing Member opts-in to the Portfolio Margining Service. SwapClear Clearing

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FCM PROCEDURES OF THE CLEARING HOUSE

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House for the results of compression procedures, Permitted Transfers and non-economic amendments of FCM SwapClear Contracts.

An FCM Clearing Member, either on its own behalf or on behalf of an FCM Client, as applicable, acknowledges and agrees, with respect to an election to receive messages and/or notifications under this Section 2.1.13 from the Clearing House via an FCM Approved Trade Source System, that (i) the Clearing House makes no warranty (and will accept no liability) as to the effectiveness, efficiency, performance or any other aspect of the services provided by any FCM Approved Trade Source System or the timeliness or otherwise of the delivery of any notices, reports or details by that FCM Approved Trade Source System to the Clearing House of the FCM Clearing Member or FCM Client, as applicable, (ii) the Clearing House will process and use any information provided to it under this Section 2.1.13 via an FCM Approved Trade Source System on an “as is” basis (with no obligation to verify any details), (iii) the Clearing House accepts no liability for (A) any error within or corruption of any data sent by an FCM Approved Trade Source System to the Clearing House, the FCM Clearing Member or any FCM Client or (B) any delay in or failure of the transmission of such data to the Clearing House, the FCM Clearing Member or any FCM Client.

Any request for the Clearing House to approve the submission and receipt of post-trade messages via any FCM Approved Trade Source System must be made in writing and using the Clearing House’s standard documentation. Through making a request, an FCM Clearing Member, either on its own behalf or on behalf of an or FCM Client, is deemed to represent and warrant that the individual making the request is appropriately authorized to do so.

2.1.15 ~~Reserved~~ Basis swap splitting

From time to time an FCM Clearing Member or an FCM Client may request via the ClearLink API or SwapClear Portal that the Clearing House re-registers one or more of its eligible FCM SwapClear Contracts that are recorded in the books and records of the Clearing House as “basis swaps” (each, an “Original Basis Swap”) so that immediately following such re-registration by the Clearing House, the Original Basis Swap is replaced by the following two FCM SwapClear Contracts which, together, shall be economically identical to the Original Basis Swap:

- (a) the first FCM SwapClear Contract shall have a “Floating Rate” (as defined in the ISDA Definitions) equal to the first “Floating Rate” referenced in the Original Basis Swap, a “Fixed Rate” (as defined in the ISDA Definitions) determined by the Clearing House, and the "Floating Rate Payer" or “Floating Amount Payer” (as defined in the ISDA Definitions) shall be the same as the "Floating Rate Payer" or "Floating Amount Payer" in relation to the first "Floating Rate" under the Original Basis Swap; and
- (b) the second FCM SwapClear Contract shall have a “Floating Rate” (as defined in the ISDA Definitions) equal to the second “Floating Rate” referenced in the Original Basis Swap, a “Fixed Rate” (as defined in the

ISDA Definitions) equal to the “Fixed Rate” under (a) above, and the “Floating Rate Payer” or “Floating Amount Payer” (as defined in the ISDA Definitions) shall be the same as the “Floating Rate Payer” or “Floating Amount Payer” in relation to the second “Floating Rate” under the Original Basis Swap.

If the Clearing House accepts the FCM Clearing Member or FCM Client’s request, it shall effect the re-registration referred to above no later than the Business Day following the date on which the request is received, subject to and in accordance with such other conditions or provisions as the Clearing House may from time to time provide or require generally or in relation to any specific request.

2.1.15 2.1.16 *Amendment of Trade References*

An FCM Clearing Member may wish to change its own trade reference numbers/codes by which they identify trades registered in the FCM SwapClear Service. Subject to any such FCM Clearing Member meeting all the Clearing House's requirements, including those set forth in paragraph (a) below and under these FCM Procedures, the Clearing House will, as part of its service to FCM Clearing Members, amend its records in order to reflect any such change. Such change has no effect whatsoever on the terms of any registered FCM SwapClear Contract or any other obligations of the FCM Clearing Member party to such contract.

(a) *Trade Reference Amendment Request Form*

FCM Clearing Members may submit a request to the Clearing House to amend a trade reference (either on behalf of the given FCM Clearing Member or an FCM Client) (a “**Trade Amendment Request**”). Trade Amendment Requests must be submitted in the form and manner prescribed by the Clearing House from time to time, and may be approved by the Clearing House in its sole discretion. Upon approval by the Clearing House, Trade Amendment Requests will typically be processed within two Business Days. In the event the Clearing House is unable, or determines it will be unable, to process an approved Trade Amendment Request within two business days, it shall attempt to notify the given FCM Clearing Member as soon as reasonably practicable.

(b) *Processing*

The Clearing House shall reject a Trade Amendment Request in the event that:

- (A) it is not made in accordance with these FCM Procedures;
- (B) any trade reference submitted in the Trade Amendment Request does not (a) match the FCM Clearing Member's trade reference in the Clearing House’s books and records or (b) refer to a trade registered in the FCM SwapClear clearing system;