



VIA CFTC PORTAL

02 November 2023

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

**LCH Limited Self-Certification: SwapClear fee changes**

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 fee changes in the SwapClear service.

**Part I: Explanation and Analysis**

LCH’s SwapClear service is proposing to amend its fee schedules for members and separately for clients on the High Turnover client fee plan (the HTO plan). This follows a review of all member and client tariff components, enhancements made to the platform and service, volumes and market conditions.

The member fee changes are scheduled to take effect from 1<sup>st</sup> January 2024, and the changes to the HTO plan are scheduled to take effect from 1<sup>st</sup> February 2024.

Summary of Changes for Member Tariffs and Caps

Platinum Member Tariff

Fee	2023 Structure	Structure Effective 1 <sup>st</sup> Jan 2024
Platinum Tariff	£2,900,000	£3,250,000
Expected minimum number of contracts	30,000	35,000
Knock-in to Platinum tariff if		
Clear more than 35,000 trades per annum		
Clear substantial number of NDIRS and Inflation Swaps, reaching the cap on one or both products		

**Gold Member Tariff**

Fee	2023 Structure	Structure Effective 1 <sup>st</sup> Jan 2024
Gold Tariff	£2,250,000	£2,400,000
Expected minimum number of contracts	30,000	32,000

**Silver Member Tariff**

Fee	2023 Structure	Structure Effective 1 <sup>st</sup> Jan 2024
Silver Tariff	£1,500,000	£1,500,000
Maximum number of contracts	30,000	32,000
Number of contracts that do not incur a booking or maintenance fee	20,000	20,000
Contract booking fee	£75	£75
Tariff fee cap	£2,250,000	£2,400,000

**Bronze Member Tariff**

Fee	2023 Structure	Structure Effective 1 <sup>st</sup> Jan 2024
Bronze Tariff	£500,000	£500,000
Contract booking fee	£75	£75
Contract maintenance fee per month	£6	£6
Bronze Tariff fee cap	£1,500,000	£1,500,000
Maximum number of contracts applicable to Bronze Tariff fee cap	20,000	20,000
Booking fee per contract if more than 20,000 contracts are cleared	£75	£75
Tariff fee cap	£2,250,000	£2,400,000

**Non-Deliverable Interest Rate Swaps (NDIRS)**

Fee	2023 Structure	Structure Effective 1 <sup>st</sup> Jan 2024
Plan A	£250,000	£260,000
Plan B	£75 registration fee £6 monthly maintenance fee per open trade	No change

A fixed fee for both NDIRS and inflation swaps will accrue from the first day of the month the account is opened (regardless of whether any contracts are registered in the relevant account).



### Inflation Swap Cap

Fee	2023 Structure	Structure Effective 1 <sup>st</sup> Jan 2024
Inflation Swap Cap	£400,000	£420,000

A fixed fee for both NDIRS and inflation swaps will accrue from the first day of the month the account is opened (regardless of whether any contracts are registered in the relevant account).

### Member Compression

Compression Fee Tariffs	2023 Structure		Structure Effective 1 <sup>st</sup> Jan 2024	
	No. of Trades	Fee per Trade	No. of Trades	Fee per Trade
LCH Compression	0-35,000	£14	All	£10
	35,001-70,000	£10		
	70,000+	£7		
ACSP Compression	0-35,000	£9	All	£8
	35,001-70,000	£7.5		
	70,000+	£6		
Member Compression Cap	£1,400,000		£2,000,000	

### Summary of Changes to the High Turnover Client Fee Plan

Type	2023 Structure	Structure Effective 1 <sup>st</sup> Feb 2024
Booking Fee (IRS, OIS, NDIRS)	\$25	\$27.5
Booking Fee (Inflation Swaps)	\$37.5	\$40
Maintenance Charge (basis points on Initial Margin)	10bps	Tiered maintenance charge based on trade volume: 11 bps (< 3,000 trades in prior quarter) 10 bps (>= 3,000 trades in prior quarter)
Maximum of 75 funds for a single client group	N/A	\$5,000 per annum for each fund over that maximum

### Part II: Description of Rule Changes

There are no changes to the LCH Rulebook, however LCH will make changes to the fee pages of its website.

### Part III: Core Principle Compliance

LCH reviewed the proposed changes against the requirements of the Core Principles and finds it will continue to comply with all the requirements and standards set forth therein. Specifically, these rule changes have potential relevance to Core Principle L under CFTC regulation §39.21 (Public information).

The changes described in this filing ensure that LCH meets the objectives of Core Principle L (§39.21) on Public information, which requires DCOs to make available publicly each clearing and other fee charged to Clearing Members. Publishing the changes to the SwapClear clearing fees



will provide sufficient information to market participants to enable them to identify and evaluate accurately the costs associated with using its services.

#### **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 [lavannyan.mahalingam@lseg.com](mailto:lavannyan.mahalingam@lseg.com).

Yours sincerely,

Lavannyan Mahalingam  
Regulatory Advisor  
LCH Limited