

**VIA CFTC Portal**

07 April 2025

Mr. Christoper Kirkpatrick

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

LCH Limited self-certification: SwapClear Fee Changes

Dear Mr Kirkpatrick,

Pursuant to the 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 related to the SwapClear High Turnover Plan ("HTO Plan") that will be published on the LCH website. The HTO Plan are fees paid by members for clearing client positions.

Part I: Explanation and analysis

LCH's SwapClear service offers two client fee plans, the Standard Plan and the HTO Plan. Further information on both plans is available at www.lch.com.

SwapClear's HTO Plan is intended to support its users who have high-volume trading strategies and retain lower levels of risk and initial margin at LCH.

The HTO Plan was initially implemented with limited entry criteria to support its intention. To address this, LCH will be changing the HTO Plan on 1st July 2025 by introducing volume-based tiering on trade registration and an additional tier on maintenance. This is designed to incentivise the intended use of the plan and allow clients to reevaluate their fee plan selections with their clearing brokers.

This plan has been priced to support this activity through an upfront booking fee, ongoing 'risk consumption' maintenance fee and maximum fund threshold.

Risk Consumption Maintenance Fee

The ongoing "risk consumption maintenance fee" is a tiered rate based on a client fee group's quarterly volume and calculated as basis points annualised on the client's initial margin requirement (regardless of type of collateral used to cover initial margin). It is calculated daily and paid monthly in arrears.

**Trade Registration Fee**

The "Trade Registration fee" is a tiered rate based on a client fee group's quarterly volume and charged per transaction registered at the service.

Quarterly Trade Thresholds		Interest Rate Swap / Non-Deliverable Interest Rate Swap	Inflation
Registration	0 - 600	\$200.0	\$250
	601 - 3,000	\$55.0	\$70
	3,001 +	\$27.5	\$40.0
Maintenance	0 - 600	14bps	
	601 - 3,000	12bps	
	3,001 +	10bps	
Account Fee (each acct beyond 75 accts)		\$10k p.a.	

Maximum Fund Threshold

There is maximum number of 75 funds from a single client group that can use the HTO Plan. A client group with more than 75 funds will incur a \$10,000 charge per annum for each additional fund over that maximum.

Part II: Description of the Rule Changes

There are no changes to the LCH Rulebook, however LCH will make changes to the fee pages of its website here: <https://www.lseg.com/en/post-trade/clearing/lch-services/swapclear/fees>



LCH will make publicly available on its website, on 27th April 2025, the existing fee structure of SwapClear's HTO Plan and the new fee structure until it becomes effective as of July 1st, 2025. Thereafter LCH's website will just display the new fee structure.

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 HTO Plan 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.lseg.com/en/post-trade/clearing/clearing-resources/rulebooks/proposed-rule-changes>

Part V: Opposing views

There were no opposing views expressed to LCH by any governing board or committee members, members of LCH or market participants that were not incorporated into this proposal.

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 ryan.morrison@lseg.com

Yours sincerely,

Ryan Morrison

Regulatory Compliance Senior Associate

LCH Limited



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TRADE

LCH

Appendix I

Website Changes – SwapClear Fees (HTO Plan)



High Turnover Plan

[View High Turnover Plan Notes](#)

The High Turnover Plan (HTO) is intended to support our users who have high-volume trading strategies with actively managed risk profiles. We would expect these users to have in excess of 3,000 trades per quarter. This plan has been priced to support this activity through an upfront booking fee, ongoing 'risk consumption' maintenance fee and maximum fund threshold.

Booking Fee

The booking fee is incurred upon trade registration and payable monthly in arrears as set out in the table below.

Maintenance Fee

The ongoing "risk consumption fee" is a tiered rate based on a client fee group's quarterly volume and calculated as basis points annualised on the client's initial margin (IM) requirement (regardless of type of collateral used to cover IM). It is calculated daily and paid monthly in arrears.

High Turnover Plan

	Interest Rate Swaps	Non-Deliverable Interest Rate Swaps	Inflation Swaps
Booking fee per contract (USD)	\$27.50	\$27.50	\$40.00
Tiered maintenance charge based on trade volume			
< 3,000 contracts per quarter	11bps		
>= 3,000 contracts per quarter	10bps		



Maximum Fund Threshold

There is ~~mM~~ Maximum number of 75 funds ~~from a for a~~ single client group ~~that can use the using the~~ HTO plan. A client group with greater than 75 funds will incur a \$5,000 charge per annum for each additional fund over that maximum.

High-Turnover Fee plan changes as of 1st July 2025 – Subject to Regulatory Approval

As of 1st July, SwapClear will introduce a ~~t~~Fiered ~~t~~Trade ~~r~~Registration ~~model~~Fee and ~~tiered an additional Tier on M~~maintenance Fee's. This is to incentivise the intended use of the ~~High-Turnover~~HTO fee plan.

Maintenance Fee

The ongoing “risk consumption fee” ~~will be~~is a tiered rate based on a client fee group's quarterly volume and calculated as basis points annualised on the client's initial margin (IM) requirement (regardless of type of collateral used to cover IM). It ~~will be~~is calculated daily and paid monthly in arrears.

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Quarterly Trade Thresholds			
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