



**VIA CFTC Portal**

5 May 2025

**Mr Christopher Kirkpatrick**

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

**LCH Limited Self-Certification: Removal of eligibility of ILS  
TELBOR SwapClear transactions**

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 changes its Rulebook to remove the eligibility of ILS TELBOR SwapClear transactions from the Product Specific Contract Terms and Eligibility Criteria Manual (“Product and Eligibility Manual”), and from the FCM Product Specific Contract Terms and Eligibility Criteria Manual (“FCM Product and Eligibility Manual”).

**Part I: Explanation and analysis**

On Saturday 17 May 2025, LCH will convert all open SwapClear contracts that reference ILS-TELBOR, so that they reference the risk-free rate, ILS-SHIR-OIS Compoun as described [here](#).

As part of this, all previously eligible SwapClear transactions (both interest rate swaps and forward rate agreements) that reference ILS-TELBOR or ILS-TELBOR01-Reuters will become ineligible for clearing on and from Monday 19 May 2025.

**Part II: Description of Rule Changes**

LCH will revise the Product and Eligibility Manual Schedule 2 (SwapClear Service) and FCM Product and Eligibility Manual to remove all references to the ILS TELBOR transactions.

The changes to the LCH Rules and included as **Appendices I-II** in black line form. These changes will be effective not earlier than **19<sup>th</sup> May 2025**.

**Part III: Core Principle Compliance**

LCH has 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) and L (Public Information).



The changes described in this filing meet the objectives of Core Principle C, including that LCH has appropriate requirements for determining the eligibility of submitted transactions accounting for LCH's ability to manage the associated risks. LCH considered factors that included trading volume, liquidity, availability of pricing data, availability of the rates themselves, 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 determined that this change meets the requirements of Core Principle C.

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 CFTC Regulation §39.21, LCH makes available any information that is relevant to participation in the clearing and settlement activities of LCH, including the terms and conditions of each contract. LCH considered its public information requirements and believes amending the Procedures within LCH Rules meets the requirements of Core Principle L.

As such, LCH believes these changes are consistent with the requirements of Core Principle C on Participant and Product Eligibility under CFTC Regulation §39.12 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: [Proposed Rule Changes | LSEG](#)

#### **Part V: Opposing Views**

There were no opposing views expressed to LCH by governing board of 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.

#### **Definitions**

Words which begin with a capital letter, but are not defined, in this document shall have the meaning specified in the General Regulations of the LCH Rules, which rulebook is located at: [LCH Ltd Rulebook | LSEG](#).

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



**Appendix I**

Product Specific Contract Terms and Eligibility Criteria Manual

*Changed pages*

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

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**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>Maximum Tenor</u> | <u>Notional Amount</u>               |
|--------------------|-----------------|-------------------------------------|------------------------|----------------------|--------------------------------------|
| OIS                | GBP             | Fixed                               | GBP-SONIA-COMPOUND     | 18,675 days          | 0.01-99,999,999,999.99               |
| OIS                | GBP             | Fixed                               | GBP-SONIA-OIS Compound | 18,675 days          | 0.01-99,999,999,999.99               |
| Interest rate swap | USD             | Fixed                               | USD-LIBOR-BBA          | 18,675 days          | 0.01-99,999,999,999.99 <sup>14</sup> |
| Interest rate swap | USD             | Fixed                               | USD-LIBOR              | 18,675 days          | 0.01-99,999,999,999.99 <sup>15</sup> |
| OIS                | USD             | Fixed                               | USD-SOFR-COMPOUND      | 18,675 days          | 0.01-99,999,999,999.99               |
| OIS                | USD             | Fixed                               | USD-SOFR-OIS Compound  | 18,675 days          | 0.01-99,999,999,999.99               |
| Basis swap         | USD             | USD-SOFR-OIS Compound               | USD-SOFR-OIS Compound  | 18,675 days          | 0.01-99,999,999,999.99               |
| Basis swap         | USD             | USD-FEDERAL FUNDS-H.15-OIS-COMPOUND | USD-SOFR-COMPOUND      | 18,675 days          | 0.01-99,999,999,999.99               |

<sup>14</sup> This transaction will only be eligible as a SwapClear Transaction if it is a Legacy LIBOR Transaction as defined in Schedule 5 of the Procedure 2C.

<sup>15</sup> This transaction will only be eligible as a SwapClear Transaction if it is a Legacy LIBOR Transaction as defined in Schedule 5 of Procedure 2C.

|                    |     |                   |                          |             |                          |
|--------------------|-----|-------------------|--------------------------|-------------|--------------------------|
| Interest rate swap | HUF | Fixed             | HUF-BUBOR                | 7,700 days  | 1-10,000,000,000,000     |
| Basis swap         | HUF | HUF-BUBOR-Reuters | HUF-BUBOR-Reuters        | 4,050 days  | 1-10,000,000,000,000     |
| Basis swap         | HUF | HUF-BUBOR         | HUF-BUBOR                | 4,050 days  | 1-10,000,000,000,000     |
| Interest rate swap | ILS | Fixed             | ILS-TELBOR01-Reuters     | 4,050 days  | 0.01 - 99,999,999,999.99 |
| Interest rate swap | ILS | Fixed             | ILS-TELBOR               | 4,050 days  | 0.01 - 99,999,999,999.99 |
| OIS                | ILS | Fixed             | ILS-SHIR-OIS Compound    | 4,050 days  | 0.01 - 99,999,999,999.99 |
| OIS                | JPY | Fixed             | JPY-TONA-OIS-COMPOUND    | 15,025 days | 1-10,000,000,000,000     |
| OIS                | JPY | Fixed             | JPY-TONA-OIS Compound    | 15,025 days | 1-10,000,000,000,000     |
| Interest rate swap | MXN | Fixed             | MXN-TIIE-Banxico         | 7,700 days  | 0.01-99,999,999,999.99   |
| Interest rate swap | MXN | Fixed             | MXN-TIIE                 | 7,700 days  | 0.01-99,999,999,999.99   |
| Interest rate swap | MXN | Fixed             | MXN-TIIE ON-OIS Compound | 7,000 days  | 0.01-99,999,999,999.99   |
| Interest rate swap | NOK | Fixed             | NOK-NIBOR-OIBOR          | 11,375 days | 0.01-99,999,999,999.99   |
| Interest rate swap | NOK | Fixed             | NOK-NIBOR                | 11,375 days | 0.01-99,999,999,999.99   |
| Interest rate swap | NOK | Fixed             | NOK-NIBOR-NIBR           | 11,375 days | 0.01-99,999,999,999.99   |
| Basis swap         | NOK | NOK-NIBOR-NIBR    | NOK-NIBOR-NIBR           | 11,375 days | 0.01-99,999,999,999.99   |
| Basis swap         | NOK | NOK-NIBOR-OIBOR   | NOK-NIBOR-OIBOR          | 11,375 days | 0.01-99,999,999,999.99   |
| Basis swap         | NOK | NOK-NIBOR         | NOK-NIBOR                | 11,375 days | 0.01-99,999,999,999.99   |
| OIS                | NOK | Fixed             | NOK-NOWA-OIS Compound    | 5,875 days  | 0.01-99,999,999,999.99   |
| Interest rate swap | NZD | Fixed             | NZD-BBR-FRA              | 11,375 days | 0.01-99,999,999,999.99   |
| Interest rate swap | NZD | Fixed             | NZD-BKBM FRA             | 11,375 days | 0.01-99,999,999,999.99   |
| OIS                | NZD | Fixed             | NZD-NZIONIA-OIS-COMPOUND | 4,050 days  | 0.01-99,999,999,999.99   |
| OIS                | NZD | Fixed             | NZD-NZIONIA-OIS Compound | 4,050 days  | 0.01-99,999,999,999.99   |
| Basis swap         | NZD | NZD-BBR-FRA       | NZD-NZIONIA-OIS-COMPOUND | 4,050 days  | 0.01-99,999,999,999.99   |

(b) Forward interest rate agreements having the characteristics set out in the table below:

| <u>Instrument</u> | <u>Currency</u> | <u>Leg 1</u> | <u>Leg 2</u>         | <u>Maximum Tenor</u> | <u>Notional Amount</u> |
|-------------------|-----------------|--------------|----------------------|----------------------|------------------------|
| FRA               | CZK             | Fixed        | CZK-PRIBOR-PRBO      | 1,225 days           | 0.01-99,999,999,999.99 |
| FRA               | CZK             | Fixed        | CZK-PRIBOR           | 1,225 days           | 0.01-99,999,999,999.99 |
| FRA               | DKK             | Fixed        | DKK-CIBOR2-DKNA13    | 1,225 days           | 0.01-99,999,999,999.99 |
| FRA               | DKK             | Fixed        | DKK-CIBOR2           | 1,225 days           | 0.01-99,999,999,999.99 |
| FRA               | EUR             | Fixed        | EUR-EURIBOR-Reuters  | 1,225 days           | 0.01-99,999,999,999.99 |
| FRA               | EUR             | Fixed        | EUR-EURIBOR          | 1,225 days           | 0.01-99,999,999,999.99 |
| FRA               | HUF             | Fixed        | HUF-BUBOR-Reuters    | 1,225 days           | 0.01-99,999,999,999.99 |
| FRA               | HUF             | Fixed        | HUF-BUBOR            | 1,225 days           | 0.01-99,999,999,999.99 |
| FRA               | ILS             | Fixed        | ILS-TELBOR01-Reuters | 1,225 days           | 0.01-99,999,999,999.99 |
| FRA               | ILS             | Fixed        | ILS-TELBOR           | 1,225 days           | 0.01-99,999,999,999.99 |
| FRA               | NOK             | Fixed        | NOK-NIBOR-NIBR       | 1, 225 days          | 0.01-99,999,999,999.99 |
| FRA               | NOK             | Fixed        | NOK-NIBOR-OIBOR      | 1, 225 days          | 0.01-99,999,999,999.99 |
| FRA               | NOK             | Fixed        | NOK-NIBOR            | 1, 225 days          | 0.01-99,999,999,999.99 |
| FRA               | PLN             | Fixed        | PLN-WIBOR-WIBO       | 1, 225 days          | 0.01-99,999,999,999.99 |
| FRA               | PLN             | Fixed        | PLN-WIBOR            | 1, 225 days          | 0.01-99,999,999,999.99 |
| FRA               | SEK             | Fixed        | SEK-STIBOR-SIDE      | 1, 225 days          | 0.01-99,999,999,999.99 |
| FRA               | SEK             | Fixed        | SEK-STIBOR           | 1, 225 days          | 0.01-99,999,999,999.99 |

(c) Inflation rate swaps with constant notional principal having the characteristics set out in the table below:

| <u>Instrument</u>                  | <u>Currency</u> | <u>Leg 1</u> | <u>Leg 2</u> | <u>Maximum Tenor</u> | <u>Notional Amount</u> |
|------------------------------------|-----------------|--------------|--------------|----------------------|------------------------|
| Zero coupon inflation indexed swap | EUR             | Fixed        | EUR-EXT-CPI  | 50 years             | 0.01-99,999,999,999.99 |





**Appendix II**

FCM Product Specific Contract Terms and Eligibility Criteria Manual

*Changed pages*

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FCM PRODUCT SPECIFIC CONTRACT TERMS AND ELIGIBILITY CRITERIA  
MANUAL

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**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>Maximum Tenor</u> | <u>Notional Amount</u>               |
|--------------------|-----------------|-------------------------------------|------------------------|----------------------|--------------------------------------|
| OIS                | GBP             | Fixed                               | GBP-SONIA-COMPOUND     | 18,675 days          | 0.01-99,999,999,999.99               |
| OIS                | GBP             | Fixed                               | GBP-SONIA-OIS Compound | 18,675 days          | 0.01-99,999,999,999.99               |
| Interest rate swap | USD             | Fixed                               | USD-LIBOR-BBA          | 18,675 days          | 0.01-99,999,999,999.99 <sup>14</sup> |
| Interest rate swap | USD             | Fixed                               | USD-LIBOR              | 18,675 days          | 0.01-99,999,999,999.99 <sup>15</sup> |
| OIS                | USD             | Fixed                               | USD-SOFR-COMPOUND      | 18,675 days          | 0.01-99,999,999,999.99               |
| OIS                | USD             | Fixed                               | USD-SOFR-OIS Compound  | 18,675 days          | 0.01-99,999,999,999.99               |
| Basis swap         | USD             | USD-SOFR-OIS Compound               | USD-SOFR-OIS Compound  | 18,675 days          | 0.01-99,999,999,999.99               |
| Basis swap         | USD             | USD-FEDERAL FUNDS-H.15-OIS-COMPOUND | USD-SOFR-COMPOUND      | 18,675 days          | 0.01-99,999,999,999.99               |
| Basis swap         | USD             | USD-Federal Funds-OIS Compound      | USD-SOFR-OIS Compound  | 18,675 days          | 0.01-99,999,999,999.99               |

<sup>14</sup> This transaction will only be eligible as an FCM SwapClear Transaction if it is a Legacy LIBOR Transaction as defined in Schedule 2.1E of the FCM Procedures.

<sup>15</sup> This transaction will only be eligible as an FCM SwapClear Transaction if it is a Legacy LIBOR Transaction as defined in Schedule 2.1E of the FCM Procedures.

|                    |     |                   |                          |             |                                   |
|--------------------|-----|-------------------|--------------------------|-------------|-----------------------------------|
| Interest rate swap | HUF | Fixed             | HUF-BUBOR                | 7,700 days  | 1-10,000,000,000,000              |
| Basis swap         | HUF | HUF-BUBOR-Reuters | HUF-BUBOR-Reuters        | 4,050 days  | 1-10,000,000,000,000              |
| Basis swap         | HUF | HUF-BUBOR         | HUF-BUBOR                | 4,050 days  | 1-10,000,000,000,000              |
| Interest rate swap | ILS | Fixed             | ILS-TELBOR01-Reuters     | 4,050 days  | <del>0.01-99,999,999,999.99</del> |
| Interest rate swap | ILS | Fixed             | ILS-TELBOR               | 4,050 days  | <del>0.01-99,999,999,999.99</del> |
| OIS                | ILS | Fixed             | ILS-SHIR-OIS Compound    | 4,050 days  | 0.01 - 99,999,999,999.99          |
| OIS                | JPY | Fixed             | JPY-TONA-OIS-COMPOUND    | 15,025 days | 1-10,000,000,000,000              |
| OIS                | JPY | Fixed             | JPY-TONA-OIS Compound    | 15,025 days | 1-10,000,000,000,000              |
| Interest rate swap | MXN | Fixed             | MXN-TIIE-Banxico         | 7,700 days  | 0.01-99,999,999,999.99            |
| Interest rate swap | MXN | Fixed             | MXN-TIIE                 | 7,700 days  | 0.01-99,999,999,999.99            |
| Interest rate swap | MXN | Fixed             | MXN-TIIE ON-OIS Compound | 7,7000 days | 0.01-99,999,999,999.99            |
| Interest rate swap | NOK | Fixed             | NOK-NIBOR-OIBOR          | 11,375 days | 0.01-99,999,999,999.99            |
| Interest rate swap | NOK | Fixed             | NOK-NIBOR                | 11,375 days | 0.01-99,999,999,999.99            |
| Interest rate swap | NOK | Fixed             | NOK-NIBOR-NIBR           | 11,375 days | 0.01-99,999,999,999.99            |
| Basis swap         | NOK | NOK-NIBOR-NIBR    | NOK-NIBOR-NIBR           | 11,375 days | 0.01-99,999,999,999.99            |
| Basis swap         | NOK | NOK-NIBOR-OIBOR   | NOK-NIBOR-OIBOR          | 11,375 days | 0.01-99,999,999,999.99            |
| Basis swap         | NOK | NOK-NIBOR         | NOK-NIBOR                | 11,375 days | 0.01-99,999,999,999.99            |
| OIS                | NOK | Fixed             | NOK-NOWA-OIS Compound    | 5,875 days  | 0.01-99,999,999,999.99            |
| Interest rate swap | NZD | Fixed             | NZD-BBR-FRA              | 11,375 days | 0.01-99,999,999,999.99            |
| Interest rate swap | NZD | Fixed             | NZD-BKBM FRA             | 11,375 days | 0.01-99,999,999,999.99            |
| OIS                | NZD | Fixed             | NZD-NZIONIA-OIS-COMPOUND | 4,050 days  | 0.01-99,999,999,999.99            |
| OIS                | NZD | Fixed             | NZD-NZIONA-OIS Compound  | 4,050 days  | 0.01-99,999,999,999.99            |
| Basis swap         | NZD | NZD-BBR-FRA       | NZD-NZIONIA-OIS-COMPOUND | 4,050 days  | 0.01-99,999,999,999.99            |

|     |     |       |                             |             |                        |
|-----|-----|-------|-----------------------------|-------------|------------------------|
| OIS | ZAR | Fixed | ZAR-ZARONIA-OIS<br>Compound | 11,375 days | 0.01-99,999,999,999.99 |
|-----|-----|-------|-----------------------------|-------------|------------------------|

(b) Forward interest rate agreements having the characteristics set out in the table below:

| <u>Instrument</u> | <u>Currency</u> | <u>Leg 1</u>     | <u>Leg 2</u>                    | <u>Maximum Tenor</u>  | <u>Notional Amount</u>            |
|-------------------|-----------------|------------------|---------------------------------|-----------------------|-----------------------------------|
| FRA               | CZK             | Fixed            | CZK-PRIBOR-PRBO                 | 1,225 days            | 0.01-99,999,999,999.99            |
| FRA               | CZK             | Fixed            | CZK-PRIBOR                      | 1,225 days            | 0.01-99,999,999,999.99            |
| FRA               | DKK             | Fixed            | DKK-CIBOR2-DKNA13               | 1,225 days            | 0.01-99,999,999,999.99            |
| FRA               | DKK             | Fixed            | DKK-CIBOR2                      | 1,225 days            | 0.01-99,999,999,999.99            |
| FRA               | EUR             | Fixed            | EUR-EURIBOR-Reuters             | 1,225 days            | 0.01-99,999,999,999.99            |
| FRA               | EUR             | Fixed            | EUR-EURIBOR                     | 1,225 days            | 0.01-99,999,999,999.99            |
| FRA               | HUF             | Fixed            | HUF-BUBOR-Reuters               | 1,225 days            | 0.01-99,999,999,999.99            |
| FRA               | HUF             | Fixed            | HUF-BUBOR                       | 1,225 days            | 0.01-99,999,999,999.99            |
| <del>FRA</del>    | <del>HLS</del>  | <del>Fixed</del> | <del>HLS-TELBOR01-Reuters</del> | <del>1,225 days</del> | <del>0.01-99,999,999,999.99</del> |
| <del>FRA</del>    | <del>HLS</del>  | <del>Fixed</del> | <del>HLS-TELBOR</del>           | <del>1,225 days</del> | <del>0.01-99,999,999,999.99</del> |
| FRA               | NOK             | Fixed            | NOK-NIBOR-NIBR                  | 1, 225 days           | 0.01-99,999,999,999.99            |
| FRA               | NOK             | Fixed            | NOK-NIBOR-OIBOR                 | 1, 225 days           | 0.01-99,999,999,999.99            |
| FRA               | NOK             | Fixed            | NOK-NIBOR                       | 1, 225 days           | 0.01-99,999,999,999.99            |
| FRA               | PLN             | Fixed            | PLN-WIBOR-WIBO                  | 1, 225 days           | 0.01-99,999,999,999.99            |
| FRA               | PLN             | Fixed            | PLN-WIBOR                       | 1, 225 days           | 0.01-99,999,999,999.99            |
| FRA               | SEK             | Fixed            | SEK-STIBOR-SIDE                 | 1, 225 days           | 0.01-99,999,999,999.99            |
| FRA               | SEK             | Fixed            | SEK-STIBOR                      | 1, 225 days           | 0.01-99,999,999,999.99            |

(c) Inflation rate swaps with constant notional principal having the characteristics set out in the table below: