

SUBMITTED ELECTRONICALLY

February 25th, 2014

Ms. Melissa Jurgens
Secretary
U.S. Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, NW
Washington, DC 20581
Email: secretary@cftc.gov

Re: Petition Submitted by LCH.Clearnet Limited for an Amendment to its Orders of Registration as a Derivatives Clearing Organization

Dear Ms. Jurgens:

I am pleased to submit this letter on behalf of Cleartrade Exchange Pte Ltd (“Cleartrade”) in strong support of the petition (the “Petition”) submitted by LCH.Clearnet Limited (“LCH”) for an amendment to and consolidation of its Orders of Registration as a Derivatives Clearing Organization (“DCO”).

The Petition

The Petition, if granted, would (1) permit LCH to provide clearing services in respect of “swaps”¹ and Commission Regulations by replacing references to “OTC derivative contracts” and “OTC derivative instruments”; and (2) permit LCH to clear all futures contracts (and options thereon) regardless of the underlying asset class, that are listed for trading on, or pursuant to the rules of, a designated contract market (“DCM”).

LCH currently clears interest rate swaps listed for trading on DCMs and temporarily-registered SEFs in reliance on no-action relief from the Commission that expires on the earlier of: (1) March 31, 2014; or (2) the date on which the Commission approves the Petition. LCH has stated that the nature of the clearing services that LCH will provide in respect of interest rate swaps executed on SEFs and DCMs will be substantially identical to those that are currently provided by LCH with respect to its existing OTC interest rate swap clearing business. LCH further states that the provisions set forth in LCH’s rules and procedures and as set out in LCH’s prior submissions to the Commission regarding its compliance with Commission Regulations and DCO Core Principles will be equally applicable to the clearing of swaps executed on DCMs and SEFs.

¹ See Section 1a(47) of the Commodity Exchange Act, as amended (“CEA”).

About Cleartrade Exchange

Cleartrade Exchange (CLTX) is a regulated futures market licensed with the Monetary Authority of Singapore (“MAS”) as a Recognized Market Operator, with a registered office in Singapore and headquarters in Singapore and London. CLTX hosts a state-of-the-art electronic exchange platform for trading futures and OTC cleared commodity derivatives contracts. In 2013, approximately 46,000 contracts were traded via CLTX across 43 available contracts. CLTX has straight through processing to LCH.Clearnet, established in 2011, and also clears with other clearinghouses. CLTX is governed by Chapter 289 of the Singapore Securities and Futures Act and the corresponding applicable subsidiary legislation in the Singapore Securities and Futures (Markets) Regulations 2005. On 28th December 2013, CLTX was majority acquired by the European Energy Exchange (EEX), a Deutsche Borse Company.

Comments on the Petition

We strongly support the Petition and believe it is in the public interest for LCH to be permitted to clear as broad an array of derivatives as possible, given that central clearing is a core feature of financial regulatory reforms in the United States and elsewhere. We also believe that it would be helpful for the Commission, should it determine to approve the Petition, to clarify that LCH may also clear futures (and options thereon) executed on non-U.S. regulated markets (“Non-U.S. Exchanges”), such as Cleartrade Exchange. We believe that the nature of the clearing services that LCH will provide in respect of futures (and options thereon) executed on Non-U.S. Exchanges will be substantially identical to those that are currently provided by LCH with respect to its existing OTC swaps clearing business and its proposed clearing of futures (and options thereon) that are traded on DCMs.

We appreciate the opportunity to provide the foregoing comments to the Commission. We would be pleased to provide the Commission with any additional information or analysis that may be useful in determining whether to grant LCH’s petition for an amendment to its Orders of Registration as a DCO.

Please contact me if you have any questions or comments.

Sincerely,



Richard Baker
Chief Executive Officer
Cleartrade Exchange Pte Ltd

CC: Michael Sackheim, Sidley Austin LLP
Nathan A. Howell, Sidley Austin LLP