

VIA CFTC PORTAL

24 August 2021

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

LCH Limited Self-Certification: Usage of Electronic Signatures

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 clarify that the use of electronic signatures is permissible for LCH business.

Part I: Explanation and Analysis

Currently, LCH’s Rules do not state affirmatively whether electronic signatures may be used when conducting LCH business. The proposed changes will confirm in both the General Regulations and the FCM Regulations of LCH that electronic signatures are permitted.

These changes will confirm explicitly that electronic signatures are permitted. There is currently no stated prohibition related to the use of electronic signatures.

Part II: Description of Rule Changes

General Regulations of LCH

Regulation 1: Definitions

The explanatory notes that follow the Definitions section are being amended to clarify that writing includes the reproduction of words in a visible *and legible* form, *irrespective of the medium used*.

Regulation 48: Interpretation of these Regulations; Applicable Law

LCH is planning to add item (e) to this regulation. Item (e) will clarify that requirements for documents to be signed may be met by *electronic signature, or electronic evidence of agreement, in each case in a form and manner that is acceptable to LCH*. Additionally, this provision explains that it *does not affect any other legal requirement that may apply to the form or manner of the execution of a document*.

The changes to the General Regulations of LCH are attached as **Appendix I**.

FCM Regulations of LCH

Regulation 1: Definitions

The explanatory notes that follow the Definitions section are being amended to clarify that writing includes the reproduction of words in a visible *and legible form, irrespective of the medium used*.

Regulation 40: Interpretation of these FCM Regulations; Applicable Law; Clearing House Data

LCH is planning to add item (g) to this regulation. Item (g) will clarify that requirements for documents to be signed may be met by *electronic signature, or electronic evidence of agreement, in each case in a form and manner that is acceptable to LCH*. Additionally, this provision explains that it *does not affect any other legal requirement that may apply to the form or manner of the execution of a document*.

The changes to the FCM Regulations of LCH are attached as **Appendix II**.

The changes to the rules are included as **Appendices I and II** in black line form. The changes will be effective not earlier than September 9, 2021.

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 Principle L (Public Information).

The changes described in this filing 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 clarification related to electronic signatures enhances its compliance with Core Principle L. The clarifying changes provided for in this submission will be included in LCH's publicly available Regulations and FCM Regulations, thereby providing clarity related to the use of electronic signatures to market participants. As a result, LCH believes these changes are consistent with the requirements of 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 Peter.MasseyCook@lseg.com.

Yours sincerely,

A handwritten signature in blue ink that reads "Peter Massey-Cook". The signature is written in a cursive, slightly slanted style.

Peter Massey-Cook
Senior Regulatory Advisor
LCH Limited

Appendix I

General Regulations of LCH (changed Regulations only)

Regulation 1: Definitions

Regulation 48: Interpretation of these Regulations; Applicable Law

Appendix II

FCM Regulations of LCH (changed Regulations only)

Regulation 1: Definitions

Regulation 40: Interpretation of these FCM Regulations; Applicable Law; Clearing House Data