

RULE SELF-CERTIFICATION

C.F.T.C.
OFFICE OF THE SECRETARIAT

November 5, 2009

2009 NOV 6 AM 11 17

Office of the Secretary
Commodity Futures Trading Commission
Three Lafayette Center
1155 21st St., N.W.
Washington, D.C. 20581

Re: International Derivatives Clearinghouse, LLC
Reference File: SR-IDCH-2009-02

Ladies and Gentlemen:

Pursuant to Sections 40.2 and 40.6 of the regulations promulgated by the Commodity Futures Trading Commission (the "CFTC Rules") under the Commodity Exchange Act, as amended (the "Act"), International Derivatives Clearinghouse, LLC ("IDCH"), a derivatives clearing organization registered under the Act, hereby submits this self-certification for the following:

1. To clear a new product, the IDEX USD Forward Start Interest Rate Swap Futures Contract;
2. To add Rule 902 to the IDCH Rules to incorporate the contract specifications of the IDEX USD Forward Start Interest Rate Swap Futures Contract;
3. To add Rule 901 to the IDCH Rules to incorporate the contract specifications of IDCH's existing IDEX Interest Rate Swap Futures Contract.
4. To amend the definition of "Clearing Hours" in Rule 101 to reflect that the clearing hours will end at 5:00 P.M. instead of 5:30 P.M.
5. To issue a Notice to Members to reflect a change in time for the official end of day revaluation curve from 4:00 P.M. to 3:00 P.M.

The text of the proposed rule amendments (showing deletions and additions) and the Notice to Members are attached hereto. The intended date of implementation of these amendments is November 9, 2009. There were no opposing views among the IDCH's Board of Directors, Clearing Members or market participants. IDCH hereby certifies that the IDEX USD Forward Start Interest Rate Swap Futures Contract, these amendments to the IDCH Rules and the Notice to Members comply with the Act and the CFTC Rules.

Regards,



Michael Dundon
Chief Risk Officer

Attachment

Rules
of
International Derivatives Clearinghouse, LLC

As of ~~January 26,~~ November 9, 2009

Chapter 1 Interpretation

Rule 101. Definitions.

“*AAA*” means the American Arbitration Association.

“*Appeal Panel*” means a panel comprised of a chairman and two individuals appointed by the Board to consider appeals under Chapter 6 of the Rules.

“*Authorized Representative*” means an individual designated by a Clearing Member and registered with the Clearinghouse as being responsible for Clearing Activity conducted on behalf of such Clearing Member.

“*Board*” means the Board of Directors of the Clearinghouse as set forth in the Operating Agreement and includes any other body acting in lieu of and with the authority of the Board.

“*Board Member*” means any Person appointed to the Board.

“*Broker-Dealer*” means a Broker-Dealer as such term is defined in the Securities Exchange Act of 1934, as amended.

“*Business Day*” means any day, other than Saturdays, Sundays and Holidays on which the Clearinghouse is open for business.

“*CEA*” means the Commodity Exchange Act, as amended.

“*Class A Member*” means any Person that is admitted as a member of the Clearinghouse as described in Rule 301(a). The membership of a Class A Member in the Clearinghouse is referred to as a “Class A Membership.”

“*Class B Member*” means any Person that is admitted as a member of the Clearinghouse as described in Rule 301(b). The membership of a Class B Member in the Clearinghouse is referred to as a “Class B Membership.”

“*Clearing Activity*” means any business for which a Clearing Member is subject to the Rules, which is purportedly conducted subject to the Rules, or which should have been conducted subject to the Rules.

“*Clearing Hours*” means, for any Business Day, the hours between 6:30 p.m. and 5:30 p.m. the next calendar day, or any other hours as may be published by the Clearinghouse from time to time.

“*Clearinghouse*” means International Derivatives Clearinghouse, LLC, a wholly-owned subsidiary of IDCG.

“*Clearinghouse Proceedings*” has the meaning attributed to such term in Rule 203(a).

Chapter 9
Contract Specifications

Rule 901. IDEX USD Interest Rate Swap Futures Contracts

(a) Description.

Underlying. Swap Futures Contracts are futures on United States dollar-denominated interest rate swaps with a notional value of \$100,000, requiring the exchange of periodic payments of semi-annual fixed rate payments based on the futures price in exchange for quarterly floating-rate payments based on the 3-month US Dollar London Interbank Offered Rate (the "USD LIBOR").

Payment Schedule. Periodic payments on the Swap Futures Contract will be made on a quarterly basis for the floating rate payments, and on a semi-annual basis for the fixed rate payments. Each payment date in the Swap Futures Contract will be defined by the Effective Date, the Maturity Date, and the payment frequency of the fixed or floating side as appropriate, adjusted by the Modified Following Business Day convention for New York and London.

The Effective Date (start of first accrual period) shall be 2 Week Days after the execution date of any individual Swap Futures Contract, adjusted by the Following Business Day convention for New York.

The Maturity Date shall be the final payment date unadjusted by any Business Day convention of the Swap Futures Contract and shall be established by the Participating Trading Facility on the listing date.

The Reset Date shall be 2 London Business Days preceding the start of the floating interest accrual period. The only exception to this is the first floating interest accrual period where the Reset Date will be the execution date unless this is not a good London Business Day in which case the Reset Date will be the first good London Business Day preceding the listing date.

The Start Date of the nth interest accrual period is the Effective Date for the series plus (n-1)* payment frequency of the fixed or floating side as appropriate, adjusted by the Modified Following Business Day convention for New York and London.

The End Date of the nth interest accrual period is the Effective Date for the series plus n* payment frequency of the fixed or floating side as appropriate, adjusted by the Modified Following business day convention for New York and London.

The Interest Payment Date of the nth interest period is the End Date of the same interest accrual period.

For purposes of this rule, the following conventions determine how non-business days are treated:

(i) "Following" means the date will be adjusted to be the first following day that is a Business Day in the locations listed;

(ii) "Modified Following" means the date will be adjusted to be the first following day that is a Business Day in the locations listed unless that day falls in the next calendar month, in which case that date will be the first preceding day that is a Business Day in the locations listed;

(iii) "Preceding" means the date will be adjusted to the first preceding day that is a Business Day in the locations listed;

(iv) "Business Day" means a day in which the banking system is open to settle payments in the locations listed; and

(v) "Week Day" means any calendar day which is not a Saturday or Sunday

Floating Rate Payment. The floating rate payment for a given accrual period shall be an amount equal to the Notional Value multiplied by the USD LIBOR setting multiplied by the actual number of days in the accrual period, divided by 360.

Fixed Rate Payment. The fixed rate payment for a given accrual period shall be equal to the notional value multiplied by the fixed rate multiplied by the number of days in the interest period in respect of which payment is being made divided by 360, calculated on a formula basis as follows;

$$\frac{\{[360 \times (Y2-Y1)] + [30 \times (M2-M1)] + (D2-D1)\}}{360}$$

Where:

Y1 is the year, expressed as a number, in which the start date of the interest period falls

Y2 is the year, expressed as a number, in which the end date of the interest period falls

M1 is the calendar month, expressed as a number, in which the start date of the interest period falls

M2 is the calendar month, expressed as a number, in which the end date of the interest period falls

D1 is the first calendar day expressed as a number, of the interest period, unless such a number would be 31, in which case D1 will be 30.

D2 is the last calendar day, expressed as a number, of the interest period, unless such a number would be 31 and D1 is greater than 29, in which case D2 will be 30.

(b) Schedule. The Participating Trading Facility at any given time may list for trading Swap Futures Contracts having maturities from one day to thirty years (with one year comprising 365 days, or 366 days for leap years), with one maturity of Swap Futures

Contract maturing on every calendar day. The maturity of each individual Swap Futures Contract shall be established by the Participating Trading Facility on the date each such contract is listed by the Participating Trading Facility.

(c) *Minimum Increments.* The price of the Swap Futures Contract is the price of the fixed leg portion of the swap. Minimum price intervals are expressed in terms of the interest rate on the fixed rate portion of the Swap Futures Contracts. The minimum price interval is .001 for Contracts traded on the IDEX XT trading system and .00001 for Contracts established by means of EFS through the SwapDrop Portal.

(d) *Last Trading Day.* Trading of any individual Swap Futures Contract terminates at the close of trading on the Business Day preceding that contract's Maturity Date. For purposes of this rule, a Business Day is any day on which the Participating Trading Facility is open for the trading of Swap Futures Contracts.

(e) *Contract Modifications.* Specifications are fixed as of the first day of trading of a contract. If any U.S. government agency or body with authority issues an order, ruling, directive or law that conflicts with the requirements of these rules, such order, ruling, directive or law shall be construed to take precedence and become part of these rules, and all open and new contracts shall be subject to such government orders.

(f) *No-Break Range.* Pursuant to Rule F26 of the Participating Trading Facility, The "No Break Range" for any Contract shall be any price within a range bounded by the "fair market value" of such Contract at the time the transaction occurred plus or minus the market movement covered by one-third of the initial margin required for such Contract. For these purposes fair market value shall be determined by the Participating Trading Facility based on trading activity in the contract at the time of the dispute or by surveying at least three market participants not involved in the transaction in question.

(g) *Reportable Position.* Pursuant to Commission Regulation Section 15.03 and Part 17 of the Commission's Regulation, the position level that is required to be reported to the Participating Trading Facility and Commission is any open position in a particular Swap Futures Contract at the close of trading on any trading day equal to or in excess of twenty-five on either side of the market.

(h) *Position Accountability.* A person owning or controlling more than 3,000 contracts net long or net short in all contract maturities combined shall provide, in a timely fashion, upon request by the Participating Trading Facility, information regarding the nature of the position, trading strategy, and hedging information, if applicable.

(i) *Daily Settlement Price.* Each open position is valued by the Clearinghouse at the end of each trading day by valuing each leg of the cash flows of the contract (fixed and floating) according to discount factors generated by the IDEX Curve. Each Trading Day, the Daily Settlement Price shall be established by the Clearinghouse based upon the IDEX Curve that corresponds to the fixed rate portion of the swap. A net present value of the position will be determined and set as the Daily Settlement Price. Notwithstanding the preceding sentence, the Clearinghouse may, in its sole discretion, establish a Daily

Settlement Price that is a fair and appropriate reflection of the market. The Final Settlement Price shall be the Daily Settlement Price on the Last Trading Day.

(j) *Final Settlement Date.* The Final Settlement Date shall be the Final Payment Date of each individual Swap Futures Contract. Clearing Members holding open positions in a Swap Futures Contract at the termination of trading in that Contract shall make payment to or receive payment from the Clearinghouse in accordance with normal variation and performance bond procedures based on the net of the Fixed and Floating Rate Interest payment of the last interest accrual period.

Rule 902. IDEX USD Forward Start Interest Rate Swap Futures Contracts

(a) **Description:** IDEX USD Forward Start Interest Rate Swap Futures Contracts are futures on United States dollar-denominated interest rate swaps with a notional value of \$100,000 and a deferred Effective Date, requiring the exchange of periodic payments of semi-annual fixed rate payments based on the futures price in exchange for quarterly floating-rate payments based on the 3-month US Dollar London Interbank Offered Rate (the "USD LIBOR").

Ticker Symbols: Base Example = IRD20121210-FS-3Y refers to a forwards starting swap contract with an unadjusted Maturity Date of 10-Dec-2012 and a Term of 3 Years.

Contract Listings: The Participating Trading Facility at any given time may list for trading IDEX USD Forward Start Interest Rate Swap Futures Contracts having terms from one to twenty nine years and a Maturity Date no longer than thirty years (with one year comprising 365 days, or 366 days for leap years), with one maturity of Forward Start Interest Rate Swap Futures Contract maturing on every calendar day. The Effective Date and Maturity Date of each individual IDEX USD Forward Start Interest Rate Swap Futures Contract shall be established by the Participating Trading Facility on the date each such contract is listed by the Participating Trading Facility. The Participating Trading Facility shall make known the listing of any contract on its website prior to the commencement of trading.

Trading Hours: 7:00 AM to 5:00 PM Eastern Time ("ET") Monday – Friday

Trading Platform: IDEX XT Trade Match Engine

Effective Date: Will be established by the Participating Trading Facility on the listing date of any individual IDEX USD Forward Start Interest Rate Swap Futures Contract.

Start Date: Means the date on which an interest rate accrual period begins.

End Date: Means the date on which an interest rate accrual period ends.

Maturity Date: Will be the final payment date, unadjusted by any Business Day Convention, of the IDEX USD Forward Start Interest Rate Swap Futures Contract it will be a whole number of years after the Effective Date and shall be established by the Participating Trading Facility on the listing date.

Reset Date: Will be 2 London Business Days preceding the start of the floating interest accrual period.

Periodic Payments: Periodic payments on the IDEX USD Forward Start Interest Rate Swap Futures Contract will be made on a semi-annual basis for the fixed rate payments, and on a quarterly basis for the floating rate payments. Each payment date in the IDEX USD Forward Start Interest Rate Swap Futures Contract will be defined by the Effective Date, the Maturity Date, and the payment frequency of the fixed or floating side as appropriate, adjusted by the Modified Following Business Day convention for New York and London.

The Start Date of the nth interest accrual period is the Effective Date for the series plus (n-1)* payment frequency of the fixed or floating side as appropriate, adjusted by the Modified Following Business Day convention for New York and London. The only exception to this is the Start Date of the first interest accrual period which will be the Effective Date

The End Date of the nth interest accrual period is the Effective Date for the series plus n* payment frequency of the fixed or floating side as appropriate, adjusted by the Modified Following business day convention for New York and London.

The Interest Payment Date of the nth interest period is the End Date of the same interest accrual period.

Floating Rate Payment: The floating rate payment for a given accrual period shall be an amount equal to the Notional Value multiplied by the USD LIBOR setting multiplied by the Actual/360 Accrual Year Fraction.

Fixed Rate Payment: The fixed rate payment for a given accrual period shall be equal to the notional value multiplied by the fixed rate multiplied by the 30/360 Accrual Year Fraction.

Minimum Price Increments: The price of the Forward Start Swap Futures Contract is the price of the fixed leg portion of the swap. Minimum price intervals are expressed in terms of the interest rate on the fixed rate portion of the Forward Start Swap Futures Contracts. The minimum price interval is .001 for Contracts traded on the IDEX XT trading system and .00001 for Contracts established by means of EFS through the SwapDrop Portal.

Daily Settlement Price: Each open position is valued by the Clearinghouse at the end of each trading day by valuing each leg of the cash flows of the contract (fixed and floating) according to discount factors generated by the IDEX Curve. Each Trading Day, the Daily Settlement Price shall be established by the Clearinghouse based upon the IDEX Curve that corresponds to the fixed rate portion of the swap. A net present value of the position will be determined and set as the Daily Settlement Price. Notwithstanding the preceding sentence, the Clearinghouse may, in its sole discretion, establish a Daily Settlement Price that is a fair and appropriate reflection of the market. The Final Settlement Price shall be the Daily Settlement Price on the Last Trading Day.

Last Trading Day: Trading of any individual Forward Start Swap Futures Contract terminates at the close of trading on the Business Day preceding that contract's Maturity Date. For purposes of this rule, a Business Day is any day on which the Participating Trading Facility is open for the trading of Forward Start Swap Futures Contracts.

Final Settlement Date: The Final Settlement Date shall be the Final Payment Date of each individual Forward Start Interest Rate Swap Futures Contract. Clearing Members holding open positions in a Forward Start Interest Rate Swap Futures Contract at the termination of trading in that Contract shall make payment to or receive payment from the Clearinghouse in accordance with normal variation and performance bond procedures based on the net of the Fixed and Floating Rate Interest payment of the last interest accrual period.

Position Accountability: A person owning or controlling more than 3,000 contracts net long or net short in all contract maturities combined shall provide, in a timely fashion, upon request by the Participating Trading Facility, information regarding the nature of the position, trading strategy, and hedging information, if applicable.

Large Trader Reporting: Pursuant to Commission Regulation Section 15.03 and Part 17 of the Commission's Regulation, the position level that is required to be reported to the Participating Trading Facility and Commission is any open position in a particular Forward Start Interest Rate Swap Futures Contract at the close of trading on any trading day equal to or in excess of twenty-five on either side of the market.

Designated Contract Market: The NASDAQ OMX Futures Exchange (NEX).

Glossary

Term means the difference between the Effective Date and the Maturity Date.

Following Business Day Convention means the date will be adjusted to be the first following day that is a Business Day in the locations listed.

Modified Following Business Day Convention means the date will be adjusted to be the first following day that is a Business Day in the locations listed unless that day falls in the next calendar month, in which case that date will be the first preceding day that is a Business Day in the locations listed.

Preceding Business Day Convention means the date will be adjusted to the first preceding day that is a Business Day in the locations listed.

Business Day means a day in which the banking system is open to settle payments in the locations listed.

Week Day means any calendar day which is not a Saturday or Sunday.

Actual/360 Accrual Year Fraction means the actual number of days in the interest period in respect of which payment is being made divided by 360.

30/360 Accrual Year Fraction means the number of days in the interest period in respect of which payment is being made (assuming 30 day months) divided by 360, calculated on a formula basis as follows:

$$\frac{\{[360 \times (Y2-Y1)] + [30 \times (M2-M1)] + (D2-D1)\}}{360}$$

Where:

Y1 is the year, expressed as a number, in which the start date of the interest period falls.

Y2 is the year, expressed as a number, in which the end date of the interest period falls.

M1 is the calendar month, expressed as a number, in which the start date of the interest period falls.

M2 is the calendar month, expressed as a number, in which the end date of the interest period falls.

D1 is the first calendar day expressed as a number, of the interest period, unless such a number would be 31, in which case D1 will be 30.

D2 is the last calendar day, expressed as a number, of the interest period, unless such a number would be 31 and D1 is greater than 29, in which case D2 will be 30.

(b) Contract Modifications. Specifications are fixed as of the first day of trading of a contract. If any U.S. government agency or body with authority issues an order, ruling, directive or law that conflicts with the requirements of these rules, such order, ruling, directive or law shall be construed to take precedence and become part of these rules, and all open and new contracts shall be subject to such government orders.

(c) No-Break Range. Pursuant to Rule F26 of the Participating Trading Facility, The "No Break Range" for any Contract shall be any price within a range bounded by the "fair market value" of such Contract at the time the transaction occurred plus or minus the market movement covered by one-third of the initial margin required for such Contract. For these purposes fair market value shall be determined by the Participating Trading Facility based on trading activity in the contract at the time of the dispute or by surveying at least three market participants not involved in the transaction in question.



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IDCH Notice to Members No. 0002-09

Notice to Members

TO: Members of the International Derivatives Clearinghouse, LLC
FROM: Market Operations
Subject: Closing Curve time change
DATE: November 9, 2009

Please be advised that IDCG will be modifying the time that the end of day IDCG Swap Curve™ is published from 4:00 PM ET to 3:00 PM ET beginning on Monday November 9, 2009. No other changes are being made to the curve other than moving the time up by one hour on non-holiday trading days.

If you have any questions, please contact the following people:

Market Operations 212-933-9800 MarketOperations@IDCG.com

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