

BEFORE THE SECURITIES AND EXCHANGE COMMISSION

File No. 600-40

In re: LSEG Post Trade Services Limited; Notice of Filing of Application for Exemption from Registration as a Clearing Agency Under Section 17A; Release No. 34-106200 (Aug. 26, 2026); Request for Comments

Summary of Request

The Native Claim Firm supports a conditional exemption for LSEG Post Trade Services Limited and commends the breadth of its proposed conditions. We ask the Commission to (1) replace the "material critical systems" trigger for outage reporting with one tied to LSEG's own two-hour recovery objective, (2) require advance notice for each phase of the planned cashflow matching feature, and (3) have the planned uniform rulebook filed with the Commission.

I. Statement of Support

The Native Claim Firm reviews federal rulemakings and orders for gaps that create avoidable regulatory risk. We have no interest in LSEG, Axoni, or any market participant.

We support the exemption. LSEG's proposed conditions are the most complete of the four same-class notices issued on August 26, 2026.

II. The Gap: An Outage Trigger That May Rarely Fire

A. Narrow definition. Condition V.B.1(5) requires LSEG to report "all material critical systems' outages" within 24 hours. Footnote 85 explains that a "critical system" is one "for which the availability of an alternative is significantly limited or non-existent" and without which there would be a material impact on fair and orderly markets. The notice says execution and settlement occur outside Veris. A test that turns on whether an alternative exists may therefore classify few Veris components as critical, leaving the condition with little to trigger on.

B. Reliance is growing. LSEG says Veris gives counterparties "real-time transparency" on reconciliation exceptions and prevents "cash flow breaks." The notice adds that cashflow matching will be delivered in phases with "increasing granularity," letting clients match or affirm cashflows at a net level or per transaction. As users depend on the platform for cashflows, an outage matters more, while the trigger still depends on whether an alternative exists.

C. LSEG already supplied the yardstick. Condition V.B.1(1)(i) requires a secondary site so that critical systems resume within two hours. An outage that exceeds that window, or any use of the secondary site, is a clear, measurable trigger.

D. Rulebook. The notice says the contract terms governing each customer's use of Veris "will migrate to a standard uniform rulebook." Condition V.B.2(2) covers service agreements with other entities performing services for LSEG. It does not mention the customer rulebook.

E. The record shows a moving target. The Application was filed by Axoni on August 8, 2024, and amended by LSEG on November 22, 2024 after it acquired Veris. In all, it has been amended 10 times

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over the 748 days to the notice date (Figure 1). The order should state which version of the conditions governs.

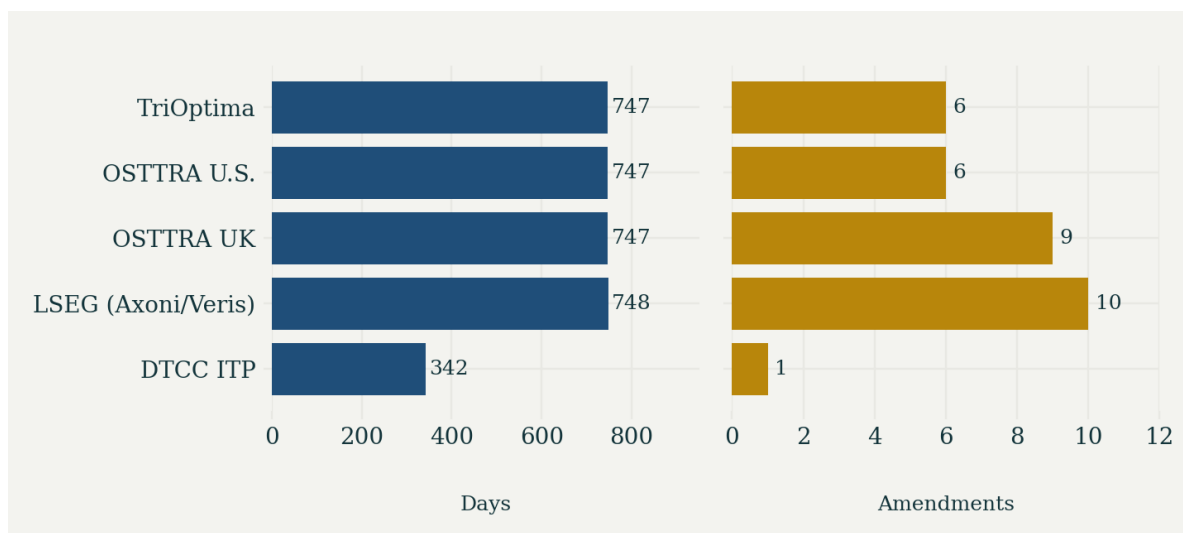


Figure 1. Time pending and amendments filed, all five applicants. Amendment counts come from the notice footnotes and include the Aug. 5, 2026 renaming letter for TriOptima and the OSTTRA Applicants; the LSEG and DTCC ITP notices report no such letter. Days run from original filing to Aug. 26, 2026.

III. Proposed Codified Text

We propose the following changes to any order granting File No. 600-40:

- (a) Reportable Outage.** In addition to condition V.B.1(5), LSEG shall report to the Commission within 24 hours any disruption of pairing, reconciliation, or affirmation lasting more than two hours, and any use of its secondary site.
- (b) Cashflow Matching.** LSEG shall give the Commission 30 days' notice before releasing each phase of cashflow matching and shall confirm in writing that the feature does not calculate, instruct, or settle payment obligations. Settlement shall remain bilateral and outside the platform.
- (c) Rulebook.** LSEG shall file the uniform rulebook, and each material amendment, with the Commission before it takes effect.

IV. Cost of the Alternative

Systems failures compound faster than reporting cycles. On August 1, 2012, Knight Capital's router sent more than 4 million orders into the market in the first 45 minutes, for just 212 customer orders, and the firm lost more than \$460 million; the Commission's response was a \$12 million penalty (SEC Press Release 2013-222). Veris is not an order router, but the lesson transfers: a two-hour disruption is nearly three times that 45-minute window, and under the current trigger it could go unreported.

No other listed LSEG condition requires outage disclosure. The quarterly report under condition V.B.1(6) covers completed, ongoing, and planned material changes, and is due within 30 days after quarter end, so the Commission could learn of an event up to roughly 120 days later, and then only if it is characterized as a change.

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Condition (a) adds no new engineering because it uses LSEG's own two-hour objective. Conditions (b) and (c) require notices and filings of documents LSEG will already have. Another amendment cycle after 10 amendments over 748 days is the more expensive path.

V. Conclusion

We support the exemption. We ask the Commission to adopt conditions (a) through (c). If condition (b) is already covered by the scope conditions in Part V.A of the notice, we ask that it be stated to include the 2026 cashflow matching feature.

Respectfully submitted,

/s/ Shawn SN

Chief Executive Officer

The Native Claim Firm

Date: October 1, 2026