

April 10th 2017

Gena Lai, Assistant Director, Division of Trading and Markets - OCS  
U.S. Securities and Exchange Commission  
100 F Street, N.E.  
Washington, D.C. 20549

**Re : Notification to rely on the Temporary Exemption granted to Covered Clearing Agencies**

Dear Mrs Lai,

On April 5, 2017 the US Securities and Exchange Commission (the "Commission"), pursuant to section 17A(b)(1) of the Exchange act, granted a Temporary Exemption to Covered Clearing Agencies from compliance with Rule 17Ad-22(e)(3)(ii), the RWP clause of rule 17 Ad-22(e)(15)(i), and clause (y) of rule 17Ad-22(e)(15)(ii) until December 31, 2017.

In accordance with the October 2016 CPMI-IOSCO guidance, and the European Bank Recovery & Resolution Directive (BRRD), LCH SA has been maintaining a Recovery Plan which sets out the steps that LCH SA will have to take in order to maintain the continuity of the services in the event that such continuity is threatened. We believe that this plan, the latest version of which was validated by the Board on the 8<sup>th</sup> of February 2017 complies with the Standards for Covered Clearing Agencies (the "Rule").

Additionally, as required by EMIR, LCH SA maintains a Wind Down Plan which describes the scenarios and events that may trigger the Wind Down Plan alongside the expected activities to wind down the clearing activities of LCH SA. The 2017 version of the plan has been validated by LCH SA's Executive Risk Committee and will be presented to the Board for approval on 25 April 2017. We also believe that this plan complies with the Rule.

However, in order to adequately rule file the latest version of these two documents, we respectfully notify the Commission that we intent to rely on this temporary exemption. They will be rule filed with the Commission under Section 19(b) of the Exchange Act as soon as possible following the formal validation of the Wind Down plan.

Yours sincerely,



Francois Faure  
Chief Compliance Officer