SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Form 19b-4

Proposed Rule Change

by

BANQUE CENTRALE DE COMPENSATION

Pursuant to Rule 19b-4 under the
Securities Exchange Act of 1934

Item 1. Text of the Proposed Rule Change

(a) Pursuant to the provisions of Section 19(b)(1) of the Securities Exchange Act of 1934 ("**Exchange Act**" or "**Act**"),[1] and Rule 19b-4 thereunder,[2] Banque Centrale de Compensation, which conducts business under the name LCH SA ("**LCH SA**"), is proposing to amend its CDSClear fee grid for 2025 (the "**Fee Grid**") by incorporating changes in the CDSClear business and clearing services offered (the "**Proposed Rule Change**").

The text of the Proposed Rule Change has been annexed as Exhibit 5 to File No. SR-LCH SA-2025-001.[3]

The implementation of the Proposed Rule Change will be contingent on LCH SA's receipt of all necessary regulatory approvals.

(b) Not applicable.

(c) Not applicable.

Item 2. Procedures of the Self-Regulatory Organization

LCH SA has completed all of the required actions to be taken to approve and authorize the Proposed Rule Change. The LCH SA Local Management Committee approved the Proposed Rule Change on 21 October 2024.[4] No further approvals to authorize this Proposed Rule Change are necessary.

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1 15 U.S.C. 78s(b)(1).

2 17 CFR 240.19b-4.

3 All capitalized terms not defined herein have the same definition as in the CDS Clearing Rule Book available at https://www.lseg.com/content/dam/post-trade/en_us/documents/lch/rulebooks/lch-sa/lch-sa-cdsclear-rule-book.pdf

4 The Local Management Committee is responsible for advising and supporting the Chief Executive Officer of LCH SA on all key management matters of the company. This includes reviewing and approving clearing fees.

Questions should be addressed to Anne Favé, Interim Chief Compliance Officer, at anne.fave@lseg.com or +33 1 70 37 65 97; or Mohamed Meziane, Senior Regulatory Advisor, Compliance Department, at mohamed.meziane@lseg.com or +33 1 70 37 65 52.

Item 3. Self-Regulatory Organization's Statement of the Purpose, and Statutory Basis for, the Proposed Rule Change

(a) Purpose

The purpose of the Proposed Rule Change is for LCH SA CDSClear to amend its Fee Grid for single name and index CDS and options products by incorporating changes in the CDSClear business and new clearing services offered. The Proposed Rule Change simplifies the Fee Grid and reflects the Clearing Members' and Clients' evolving business needs.

For example, among other changes, LCH SA is proposing to increase the annual amount of the fixed fee charged under the Unlimited Tariff with an annual rebate applicable based on the notional cleared.

LCH SA is proposing to amend the CDSClear Fee Grid for 2025 as follows for CDS products:

A) Self-Clearing Fees

1. General Membership

i. General Member Unlimited Tariff

The Annual Fixed Fee charged by LCH SA CDSClear under the General Member Unlimited Tariff will increase from €1,350,000 to €1,700,000 to reflect the expanding product offering, which now incorporates sovereigns and options clearing. The General Member Unlimited Tariff will now include all clearing on previously included products (Indices, Corporate and Financial Single Names) and add in products which previously had their own respective tariffs, namely Sovereign Single Names and Credit Index Options. LCH SA also proposes to amend the "Details" column of the Fee Grid to clarify that the Annual Fixed Fee will apply to all self-clearing including all Indices, Single Names (including

Sovereigns) and Options for a Financial Group of a Clearing Member with the potential benefit of the rebate offered. This rebate will be based on clearing certain notional thresholds of U.S. CDX^{TM} NA Indices as set forth below.

For consistency purposes, LCH SA is removing the General Member Unlimited Tariff Single Name Sovereign CDS self-clearing and Single Name Sovereign CDS variable fees, as they are now included in the General Member Unlimited Tariff.

LCH SA is also offering a fee rebate (payable in Euro at the end of December) subject to the notional of CDX^{TM} NA Indices cleared in a calendar year by all clearing members' House accounts within a Financial Group, excluding any intra-entity trades or trades with Affiliates. LCH SA is offering this rebate as part of its expansion in the U.S. and to increase its share in this market segment to attract U.S. clients. LCH SA proposes the annual fee rebate will apply as follows:

Notional cleared in USD	**Annual rebate amount**
< 75 billion	€0
>=75 billion and <200 billion	€50,000
>=200 billion and <350 billion	€150,000
>= 350 billion	€300,000

LCH SA is proposing to amend footnote (1) to include the annual rebate table thresholds and to clarify how the rebate will apply (i.e., the rebate will be subject to the notional of CDX^{TM} NA Indices cleared in a calendar year by all House accounts within a Financial Group excluding intra-entity trades and any trades with Affiliates). LCH SA is also clarifying that the rebate will be paid at the end of December in Euro, in line with current practice with respect to rebates LCH SA offers for other fees. In addition, LCH SA is proposing to delete the bullet point referencing General Members' choice between Fixed Fees and Variable Fees for their Sovereign Single Name CDS Clearing activity as the unlimited sovereign tariff has been removed and this reference no longer applies. General Members may still switch between unlimited and variable fee tariffs in line with current practice.

ii. General Member Variable Tariff

LCH SA is proposing to rename the former General Member Introductory Tariff as "General Member Variable Tariff", as this more accurately describes the category of fees. LCH SA is also proposing to delete reference to the application of the Annual Fixed Fee of €400,000 charged at a rate of 1/12th each month in footnote (2), as this is instead being clarified in a standalone footnote noting that the fee will be charged each month in addition to the variable fee.

2. Select Membership

To incentivize Select Members of a same Financial Group to use the CDSClear service, LCH SA is proposing to amend the amount of the Annual Fixed Fee charged for Select Members with multiple entities in the same Financial Group, 1/12th of which is charged each month the Select Member is live in the table and in footnote (3). Currently, all Select Members are charged an annual fixed fee of €450,000, except for those with a total annual gross notional cleared under €10 billion. Select Members with an annual gross notional cleared under €10 billion are charged an annual fixed fee of €250,000. Under the multi-entity fee structure, the current Annual Fixed Fee of €450,000 will continue to be charged for any single or first Clearing Member. For the second entity of the same Financial Group, the Annual Fixed Fee charged will be set to €350,000 and €200,000 for the 3rd entity of the same Financial Group. LCH SA will not charge a fee for the 4th and any additional entity of the same Financial Group. This fee structure would apply regardless of whether a Financial Group contains Select Members only or both Select and General Members.

LCH SA is also proposing that the fixed fee is charged assuming that more than €10bn notional will be cleared across the Clearing Member entities, including client clearing within the year. Client clearing is now included in this calculation as Select Members may now clear for clients. For Select Members having cleared less than €10bn across the Clearing

Member entities including client clearing, the single or first Clearing Member entity will be rebated €200,000 (in the last bill of the relevant year, provided at least one Select Member in the Financial Group is live the whole calendar year). This means for existing Select Members with one entity and no Client clearing the fee structure would remain unchanged (i.e., €450,000 for notional over €10bn and €250,000 for notional under €10bn). Finally, LCH SA is clarifying in a separate bullet that 1/12th of this fee will be charged each month in addition to the variable fee in accordance with its current process.

3. Onboarding Fees

LCH SA is removing the reference to 2024, as this will apply for clearing member onboarding moving forward.

B) Credit Index Options Fees

1. General Members

i. General Member Variable Tariff

LCH SA is proposing to rename the General Member Introductory Tariff as General Member Variable Fee Tariff, as this more accurately reflects the current fee tariff.

LCH SA is also proposing to simplify its Options fees given the inclusion of options in the General Member Unlimited Tariff. This includes removing the following:

- the General Member Unlimited Options annual tariff, as this is now included in the General Member Unlimited Tariff;
- the General Member Introductory annual fixed fee of €115k, €150k and €190k for Options given the inclusion in the General Member Unlimited Tariff; and
- the New Market Participant Tariff (fixed and variable fees).

In order to better align with the undiscounted option fees for clients, LCH SA is proposing to decrease General Member Introductory variable fees from €8/$8 to €3/$3 per million of Option notional cleared. LCH SA is also proposing other changes, including by

removing reference to 2024 and generally stating it will not charge any EEP usage fees. Collectively, LCH SA believes the simplified revised fee structure for Options provides the appropriate incentives for Clearing Members to clear these products.

ii. Onboarding Fees

LCH SA is proposing to clarify that the onboarding fee is payable by any Clearing Member onboarding to the Options service by removing any reference to the Introductory and Unlimited Tariff or per Financial Group of a Clearing Member under the Unlimited Tariff because this reference is no longer applicable.

2. Select Members

i. Select Member Variable Tariff

LCH SA is proposing to rename the former Select Member Introductory Tariff as "Select Member Variable Tariff" and removing reference to 2024 and generally stating it will not charge any EEP usage fees.

LCH SA is proposing to decrease the variable clearing fees from €10/$10 to €3.5/$3.5 per million of Option notional cleared in order to better align with the undiscounted option fees for clients. LCH SA is not proposing any other amendments to this section of the Fee Grid.

ii. Select Member Unlimited Tariff

LCH SA is proposing to decrease the Select Member Unlimited Tariff from €400k to €200k per annum with the removal of the discount rates above €15bn notional cleared threshold. LCH SA is also proposing to remove the note that the Unlimited Tariff covers Affiliates of a given Financial Group of a Clearing Member. LCH SA will charge the €200k fixed fee ($1/12^{th}$ for each month a Clearing Member is live) for each Clearing Member following the reduction of the fixed fee from €400k to €200k. LCH SA is also clarifying the fixed fee applies to Clearing Members rather than member groups. LCH SA is proposing

these changes to align with the application of the Variable Tariff structure, which do not include affiliates of a Clearing Member. LCH SA is proposing this change to encourage additional Clearing Members to join the service by reducing the annual fixed fee. LCH SA is also removing reference to 2024 and generally stating it will not charge any EEP usage fees.

iii. Onboarding Fees

LCH SA is proposing to remove reference to the introductory tariff or unlimited tariff per Financial Group of a Clearing Member with respect to the €15,000 per legal entity onboarding fee, as this reference is no longer applicable.

3. Clients

LCH SA is proposing to apply the full discount of client variable fees to 2025 and is therefore removing reference to 2024. LCH SA is not proposing any other amendments to this section of the Fee Grid.

C) Client Clearing Fees

1. CDSClear Client Clearing Fee Changes

For Client clearing fees, LCH SA is proposing to clarify in footnote [1] its current practice of how it charges for block trades. Specifically, LCH SA is clarifying that block trades that are booked into a suspense account, and subsequently allocated to an end account will only be subject to fees on the allocated trades to avoid clients being charged on both the block trade and the allocated trade.[5] LCH SA is also removing reference to 2024 in footnote [3] to state that the full discount of Client variable fees applies for 2025. Finally, LCH SA is proposing to remove the note that Client Clearing is not applicable to Select Members, except for Affiliate Clients, as this is no longer applicable following Select Members being approved to clear for Clients.

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[5] Suspense accounts are used by Clients to hold executed trades for purposes of allocation to other Client accounts at a later time.

2. CCP Switch Incentive Programme

LCH SA is removing reference to January 4, 2024, as this clarification of when the Programme is available is no longer necessary. The CCP Switch Incentive Programme will continue to be available to Clearing Members and Clients for transactions cleared at LCH SA, as per the current practice.

3. Affiliates Clearing as Clients (all products)

LCH SA is proposing to clarify the note related to how the fixed annual account charge is applied. Specifically, LCH SA is proposing to clarify that the charge of €100k is charged 1/12th per month per affiliate of a Clearing Member onboarded as a client and benefiting from the full rebate on variable fees. This proposed change aligns with how LCH SA charges similar fees for other membership types.

D) Annual Account Structure Fees

LCH SA is proposing to clarify that suspense accounts, which are used for trades cleared as a block before allocation from the suspense account to end accounts, will not be subject to account structure fee charges. This change conforms with the changes made to footnote [1] with respect to client clearing fees.

(b) Statutory Basis

LCH SA believes that the Proposed Rule Change is consistent with the requirements of Section 17A of the Exchange Act[6] and the regulations thereunder applicable to LCH SA. Section 17A(b)(3)(D) of the Act[7] requires that the rules of a clearing agency provide for the equitable allocation of reasonable dues, fees and other charges among its participants.

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6 15 U.S.C. 78q-1.

7 15 U.S.C. 78q-1(b)(3)(D).

LCH SA believes the amendments to the Fee Grid are reasonable given the changes to its CDSClear service and equitable for both existing and new Clearing Members and Clients.

Specifically, the Proposed Rule Change reflects the evolution and further maturity of LCH SA's CDSClear service, including the continued growth of the CDSClear service. For General Members, LCH SA is proposing to simplify the CDSClear fee grid structure especially between the Unlimited Tariff and Variable Tariff. For the Unlimited Tariff, the annual fixed fee will be reasonably fixed to €1,700,000 considering the expansion of the clearing products offered under this Tariff. Specifically, the Unlimited Tariff will now include all Indices, Single Names, including Sovereigns and Options for a Financial Group of a Clearing Member. LCH SA is also offering a rebate on fees for the notional of CDX^{TM} NA Indices cleared in a calendar year to incentivize Clearing Members to clear these products. For Select Members, LCH SA is proposing to apply a multi-entity fee, whereby LCH SA will not charge an annual fixed fee for the fourth and any additional entity of the same Clearing Member Group. LCH SA will also offer a €200,000 discount (i.e., via a rebate) if the annual gross notional cleared across all members in a Clearing Member Group and clients of Clearing Members is under €10bn and at least one entity is live for the whole calendar year within this multi-entity structure.

LCH SA also believes that the Proposed Rule Change is consistent with the requirements of Section 17A of the Act and regulations thereunder applicable to it, including Commission Rule 17Ad-22(e). In particular, Section 17A(b)(3)(F)[8] of the Act requires, inter alia, that the rules of a clearing agency be designed to "promote the prompt and accurate clearance and settlement of . . . derivatives agreements, contracts, and transactions".

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[8] 15 U.S.C. 78q-1(b)(3)(F).

By proposing a progressively decreasing tariff linked to the number of Select Members entities joining the CDSClear service from a same Financial Group, LCH SA is continuing to incentivize and encourage market participants clearing transactions.

LCH SA therefore believes that the Proposed Rule Change is consistent with the requirements of Section 17A(b)(3)(D)[9] of the Act and 17A(b)(3)(F)[10] of the Act in that the amendments to the Fee Grid for 2025 are reasonable and equitable among its participants and are encouraging clearing activity.

Item 4. Self-Regulatory Organization's Statement on Burden on Competition

Section 17A(b)(3)(I) of the Act[11] requires that the rules of a clearing agency not impose any burden on competition not necessary or appropriate in furtherance of the purposes of the Act. LCH SA does not believe that the Proposed Rule Change would impose any burden on competition. The purpose of the Proposed Rule Change is for LCH SA to amend its Fee Grid for 2025 by incorporating changes to the CDSClear business and new clearing services offered to meet Clearing Members' and Clients' evolving business needs. As part of this effort LCH SA is proposing to further incentivize competition by offering certain discounts and make clarifying changes on how fees will be calculated and applied. LCH SA believes the Proposed Rule Change would not burden any Clearing Members or other market participants given that amendments to the Fee Grid will be applied equally for all CDSClear Clearing Members and Clients. Moreover, LCH SA believes that, given the different fee structures across membership types, Clearing Members are afforded the option to select the membership type that aligns with their business model. Should that business model change, Clearing Members can switch between the membership types, as appropriate. Therefore,

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9 15 U.S.C. 78q-1(b)(3)(D).

10 15 U.S.C. 78q-1(b)(3)(F).

11 15 U.S.C. 78q-1(b)(3)(I).

LCH SA does not believe that the Proposed Rule Change would impose a burden on competition not necessary or appropriate in furtherance of the purposes of the Act.

Item 5. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received from Members, Participants, or Others

Written comments relating to the Proposed Rule Change have not been solicited or received. LCH SA will notify the Commission of any written comments received by LCH SA.

Item 6. Extension of Time Period for Commission Action

LCH SA does not consent to the extension of the time period listed in Section 19(b)(2) of the Exchange Act[12] for Commission action on the Proposed Rule Change.

Item 7. Basis for Summary Effectiveness Pursuant to Section 19(b)(3) or for Accelerated Effectiveness Pursuant to Section 19(b)(2) or Section 19(b)(7)(D)

(a) LCH SA is filing the Proposed Rule Change for immediate effectiveness pursuant to Section 19(b)(3)(A)[13] of the Act and Rule 19b-4(f)(2)[14].

(b) LCH SA believes that summary effectiveness is warranted because the Proposed Rule Change establishes a fee or other charge imposed by LCH SA on its Clearing Members, within the meaning of Rule 19b-4(f)(2)[15].

(c) Not applicable.

(d) Not applicable.

Item 8. Proposed Rule Change Based on Rules of Another Self-Regulatory Organization or the Commission

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12 15 U.S.C. 78s(b)(2).

13 15 U.S.C. 78s(b)(3)(A).

14 17 CFR 240.19b-4(f)(2).

15 Id.

The Proposed Rule Change is not based on the rules of another self-regulatory organization or the Commission.

Item 9. Security-Based Swap Submissions Filed Pursuant to Section 3C of the Act

Not applicable.

Item 10. Advance Notices Filed Pursuant to Section 806(e) of the Payment, Clearing and Settlement Supervision Act

Not applicable.

Item 11. Exhibits

Exhibit 1	Not Applicable.
Exhibit 1A	Completed Notice of Proposed Rule Change for publication in the Federal Register.
Exhibit 2	Not Applicable.
Exhibit 3	LCH SA LMC Presentation: CDSClear 2025 Fee grid changes. **Omitted and filed separately with the Commission. Confidential treatment pursuant to 17 CFR 240.24b-2 being requested**.
Exhibit 4	Not Applicable.
Exhibit 5	Text of the Proposed Rule Change.

SIGNATURES

Pursuant to the requirements of the Exchange Act, Banque Centrale de Compensation has caused this filing to be signed on its behalf by the undersigned hereunto duly authorized.

BANQUE CENTRALE DE COMPENSATION



By:_____
Anne Favé
Interim Chief Compliance Officer