SECURITIES AND EXCHANGE COMMISSION


Self-Regulatory Organizations; LCH SA; Order Approving Proposed Rule Change Relating to Liquidity Risk Management

July 24, 2018.

I. Introduction

On June 4, 2018, Banque Centrale de Compensation, which conducts business under the name LCH SA (“LCH SA”), filed with the Securities and Exchange Commission ("Commission") pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act") and Rule 19b–4 thereunder, a proposed rule change (the "Proposed Rule Change") to amend its Risk Management Procedures (the “Procedures”) to adopt a Liquidity Risk Modelling Framework (the “Framework”). The proposed rule change was published for comment in the Federal Register on June 22, 2018. The Commission has not received any comments on the proposed rule change. For the reasons discussed below, the Commission is approving the proposed rule change.

II. Description of the Proposed Rule Change

The Framework describes the Liquidity Stress Testing framework by which the Collateral and Liquidity Risk Management department ("CaLRM") of LCH Group Holdings Limited (“LCH Group”) assures that LCH SA has enough cash available to meet any financial obligations, both expected and unexpected, that may arise over the liquidation period for each of the clearing services that LCH SA offers. The Framework compliments other policies and procedures LCH uses to

1. Capitalized terms used herein but not otherwise defined have the meaning set forth in the Framework and LCH SA rulebook, which is available at https://www.lch.com/system/files/media_root/CDSClear_Rule_Book_04.01.2018.pdf.
5. SECURITIES AND EXCHANGE COMMISSION

d. Annual Burden Hours: 334 hours.

General Description of Collection: The Exchange also permits it to list and trade Managed Portfolio Shares. The Exchange also adopted new NYSE Arca Rule 8.900–E to permit it to list and trade Managed Portfolio Shares. The Exchange also institutional proceedings to determine whether to disapprove the proposed rule change. The Commission received five comment letters on the proposed rule change. On April 26, 2018, the Commission designated proceedings under Section 19(b)(2)(B) of the Act to determine whether to approve or disapprove the proposed rule change. Thereafter, the Commission received two additional comments on the proposed rule change. On July 20, 2018, the Commission designated a longer period for action on the proposed rule change.

On July 20, 2018, the Exchange withdrew the proposed rule change. For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.

SECURITIES AND EXCHANGE COMMISSION


July 24, 2018.

On January 8, 2018, NYSE Arca, Inc. (“Exchange”) filed with the Securities and Exchange Commission (“Commission”), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”) and Rule 19b–4 thereunder, a proposed rule change to adopt new NYSE Arca Rule 8.900–E to permit it to list and trade Managed Portfolio Shares. The Exchange also proposed to list and trade shares of