

Filing Online system at <http://www.prc.gov>. Those who cannot submit comments electronically should contact the person identified in the **FOR FURTHER INFORMATION CONTACT** section by telephone for advice on filing alternatives.

**FOR FURTHER INFORMATION CONTACT:** David A. Trissell, General Counsel, at 202-789-6820.

**SUPPLEMENTARY INFORMATION:**

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**I. Introduction**

The Commission gives notice that the Postal Service filed request(s) for the Commission to consider matters related to negotiated service agreement(s). The request(s) may propose the addition or removal of a negotiated service agreement from the Market Dominant or the Competitive product list, or the modification of an existing product currently appearing on the Market Dominant or the Competitive product list.

Section II identifies the docket number(s) associated with each Postal Service request, the title of each Postal Service request, the request's acceptance date, and the authority cited by the Postal Service for each request. For each request, the Commission appoints an officer of the Commission to represent the interests of the general public in the proceeding, pursuant to 39 U.S.C. 505 (Public Representative). Section II also establishes comment deadline(s) pertaining to each request.

The public portions of the Postal Service's request(s) can be accessed via the Commission's website (<http://www.prc.gov>). Non-public portions of the Postal Service's request(s), if any, can be accessed through compliance with the requirements of 39 CFR 3011.301.<sup>1</sup>

The Commission invites comments on whether the Postal Service's request(s) in the captioned docket(s) are consistent with the policies of title 39. For request(s) that the Postal Service states concern Market Dominant product(s), applicable statutory and regulatory requirements include 39 U.S.C. 3622, 39 U.S.C. 3642, 39 CFR part 3030, and 39 CFR part 3040, subpart B. For request(s) that the Postal Service states concern Competitive product(s), applicable statutory and regulatory requirements include 39 U.S.C. 3632, 39 U.S.C. 3633,

39 U.S.C. 3642, 39 CFR part 3035, and 39 CFR part 3040, subpart B. Comment deadline(s) for each request appear in section II.

**II. Docketed Proceeding(s)**

1. *Docket No(s)*: MC2024-160 and CP2024-166; *Filing Title*: USPS Request to Add Priority Mail & USPS Ground Advantage Contract 170 to Competitive Product List and Notice of Filing Materials Under Seal; *Filing Acceptance Date*: January 5, 2024; *Filing Authority*: 39 U.S.C. 3642, 39 CFR 3040.130 through 3040.135, and 39 CFR 3035.105; *Public Representative*: Alireza Motameni; *Comments Due*: January 16, 2024.

This Notice will be published in the **Federal Register**.

**Erica A. Barker**,  
*Secretary*.

[FR Doc. 2024-00423 Filed 1-10-24; 8:45 am]

**BILLING CODE 7710-FW-P**

**POSTAL SERVICE**

**Product Change—Priority Mail and USPS Ground Advantage® Negotiated Service Agreement**

**AGENCY:** Postal Service™.

**ACTION:** Notice.

**SUMMARY:** The Postal Service gives notice of filing a request with the Postal Regulatory Commission to add a domestic shipping services contract to the list of Negotiated Service Agreements in the Mail Classification Schedule's Competitive Products List.

**DATES:** *Date of required notice:* January 11, 2024.

**FOR FURTHER INFORMATION CONTACT:** Sean Robinson, 202-268-8405.

**SUPPLEMENTARY INFORMATION:** The United States Postal Service® hereby gives notice that, pursuant to 39 U.S.C. 3642 and 3632(b)(3), on January 4, 2024, it filed with the Postal Regulatory Commission a *USPS Request to Add Priority Mail & USPS Ground Advantage® Contract 169 to Competitive Product List*. Documents are available at [www.prc.gov](http://www.prc.gov), Docket Nos. MC2024-158, CP2024-164.

**Sean Robinson**,  
*Attorney, Corporate and Postal Business Law*.

[FR Doc. 2024-00381 Filed 1-10-24; 8:45 am]

**BILLING CODE 7710-12-P**

**POSTAL SERVICE**

**Product Change—Priority Mail Express, Priority Mail, and USPS Ground Advantage® Negotiated Service Agreement**

**AGENCY:** Postal Service™.

**ACTION:** Notice.

**SUMMARY:** The Postal Service gives notice of filing a request with the Postal Regulatory Commission to add a domestic shipping services contract to the list of Negotiated Service Agreements in the Mail Classification Schedule's Competitive Products List.

**DATES:** *Date of required notice:* January 11, 2024.

**FOR FURTHER INFORMATION CONTACT:** Sean C. Robinson, 202-268-8405.

**SUPPLEMENTARY INFORMATION:** The United States Postal Service® hereby gives notice that, pursuant to 39 U.S.C. 3642 and 3632(b)(3), on January 4, 2024, it filed with the Postal Regulatory Commission a *USPS Request to Add Priority Mail Express, Priority Mail & USPS Ground Advantage® Contract 42 to Competitive Product List*. Documents are available at [www.prc.gov](http://www.prc.gov), Docket Nos. MC2024-159, CP2024-165.

**Sean C. Robinson**,  
*Attorney, Corporate and Postal Business Law*.

[FR Doc. 2024-00387 Filed 1-10-24; 8:45 am]

**BILLING CODE 7710-12-P**

**POSTAL SERVICE**

**Product Change—Priority Mail and USPS Ground Advantage® Negotiated Service Agreement**

**AGENCY:** Postal Service™.

**ACTION:** Notice.

**SUMMARY:** The Postal Service gives notice of filing a request with the Postal Regulatory Commission to add a domestic shipping services contract to the list of Negotiated Service Agreements in the Mail Classification Schedule's Competitive Products List.

**DATES:** *Date of required notice:* January 11, 2024.

**FOR FURTHER INFORMATION CONTACT:** Sean Robinson, 202-268-8405.

**SUPPLEMENTARY INFORMATION:** The United States Postal Service® hereby gives notice that, pursuant to 39 U.S.C. 3642 and 3632(b)(3), on January 5, 2024, it filed with the Postal Regulatory Commission a *USPS Request to Add Priority Mail & USPS Ground Advantage® Contract 170 to Competitive Product List*. Documents

<sup>1</sup> See Docket No. RM2018-3, Order Adopting Final Rules Relating to Non-Public Information, June 27, 2018, Attachment A at 19-22 (Order No. 4679).

are available at [www.prc.gov](http://www.prc.gov), Docket Nos. MC2024–160, CP2024–166.

Sean Robinson,

Attorney, Corporate and Postal Business Law.

[FR Doc. 2024–00380 Filed 1–10–24; 8:45 am]

BILLING CODE 7710–12–P

## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–99277; File No. SR–LCH SA–2023–007]

### Self-Regulatory Organizations; LCH SA; Notice of Filing of Proposed Rule Change Relating to Liquidity Risk Modelling Framework

January 5, 2024.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”),<sup>1</sup> and Rule 19b–4 thereunder,<sup>2</sup> notice is hereby given that on December 22, 2023, Banque Centrale de Compensation, which conducts business under the name LCH SA (“LCH SA”), filed with the Securities and Exchange Commission (“Commission”) the proposed rule change described in Items I, II and III below, which Items have been primarily prepared by LCH SA. The Commission is publishing this notice to solicit comments on the Proposed Rule Change from interested persons.

#### I. Clearing Agency’s Statement of the Terms of Substance of the Proposed Rule Change

LCH SA is proposing to amend its Liquidity Risk Modelling Framework (the “Framework”), which describes the Liquidity Stress Testing framework by which the Collateral and Liquidity Risk Management department (“CaLRM”) of LCH SA 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 “Proposed Rule Change”).<sup>3</sup>

#### II. Clearing Agency’s Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, LCH SA included statements concerning the purpose of and basis for the Proposed Rule Change and discussed any comments it received on the Proposed Rule Change. The text of these statements may be examined at the places specified in Item IV below. LCH SA has prepared summaries, set forth in sections A, B, and C below, of the most significant aspects of such statements.

##### A. Clearing Agency’s Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

###### 1. Purpose

The Proposed Rule Change is being adopted primarily to enhance the manner in which the Liquidity Coverage Ratio (“LCR”) is calculated, thereby increasing the robustness of LCH SA’s liquidity profile.<sup>4</sup> The changes implement recommendations made by LCH SA’s Model Validation Team following validation exercises in 2020 and 2021.

In particular, the Proposed Rule Change will: (a) revise the manner in which the settlement obligation liquidity requirements are calculated by aligning it to the actual process used by the Operations Team during a default management event and ensuring that no netting is allowed between Members of the same Group; (b) revise the manner in which securities pledged to the Banque de France (“BdF”) are calculated by providing that such securities be valued at the stressed mark-to-market price rather than the contract price;<sup>5</sup> (c) extend from five (5) days to seven (7) days the length of time for which LCH SA must maintain liquidity resources sufficient to meet its liquidity requirements;<sup>6</sup> (d) include the liquidity needs generated by the expiration of physically settled stock futures in the liquidity monitoring; and (e) require LCH SA, in calculating its required liquidity resources, to take into account that Clearing Members may switch from depositing non-cash collateral in a Full Title Transfer Account, which may be pledged at the BdF to obtain a liquidity line of credit,

to depositing non-cash collateral instead in a Pledge Account, which permits no re-hypothecation rights.<sup>7</sup>

The proposed revisions to the Framework are set out in four of the Framework’s six sections: Section 1, *Model Scope, Purpose and Use*; Section 4, *Model Specifications*; Section 5, *Model Performance Testing and Ongoing Monitoring* and Section 6, Appendix.<sup>8</sup>

Section 1 of the Framework will be amended as follows:

Section 1.1, *Model Objective, Business Scope and Intended Use*, will be revised to specify that the review of the Framework will be performed at least on an annual basis rather than quarterly to align the frequency of the review with the frequency defined for the regular update of the Liquidity Risk Policy.

Section 1.1.1, *Reminder of SA’s activities*, will be revised to specify that the Default Funds are calibrated on the assumption of default of the two most exposed Member Groups (Cover 2). In particular, LCH SA’s Framework ensures that the liquid resources are sufficient to cover the simultaneous default of the two most exposed Member Groups in term of liquidity that are identified by taking into consideration all of the possible liquidity needs, including the settlement obligation. This is approach incorporates the Cover 1 Clearing Member Group plus the next most exposed Clearing Member Group.<sup>9</sup>

Section 1.1.2, *Investment activities*, will be revised to clarify the responsibilities of the Collateral and Liquidity Management (“CaLM”) Front Office team. Specifically, the sentence: “Three main tasks have been assigned to the team: liquidity management, non-cash collateral *settlement* in case of a clearing member’s default and investment management” has been revised to read: “Three main tasks have been assigned to the team: liquidity management, non-cash collateral *liquidation*”<sup>10</sup> in case of a clearing

<sup>7</sup> See, Framework, § 4.2.5.2.4.

<sup>8</sup> No revisions are being proposed to Section 2, Limitations and Compensating Controls, or Section 3, Justification of Modeling Approach. The Framework also has a number of appendices, set out in Section 6, that supplement the matters discussed elsewhere in the Framework.

<sup>9</sup> Per SEC Rule 17Ad–22(e)(7)(i), LCH SA is required to maintain sufficient liquid resources at the minimum in all relevant currencies to effect same-day and, where appropriate, intraday and multiday settlement of payment obligations with a high degree of confidence under a wide range of foreseeable stress scenarios that includes, but is not limited to, the default of the participant family that would generate the largest aggregate payment obligation for the covered clearing agency in extreme but plausible market conditions.

<sup>10</sup> Such liquidation includes the possible liquidation of securities underlying reverse

<sup>1</sup> 15 U.S.C. 78s(b)(1).

<sup>2</sup> 17 CFR 240.19b–4.

<sup>3</sup> LCH SA, a subsidiary of LCH Group and an indirect subsidiary of the London Stock Exchange Group plc (“LSEG”), manages its liquidity risk pursuant to, among other policies and procedures, the Group Liquidity Risk Policy and the Group Liquidity Plan applicable to each entity within LCH Group. In addition to its CDSClear service, LCH SA provides clearing services in connection with cash equities and derivatives listed for trading on Euronext (EquityClear), commodity derivatives listed for trading on Euronext (CommodityClear), and tri-party Repo transactions (RepoClear). LCH SA also maintains an interoperability link with Euronext Clearing, formerly Cassa di Compensazione e Garanzia, in Milan, Italy.

<sup>4</sup> LCH SA uses a Cover 2 approach for conducting stress tests and assessing its liquidity resources on a daily basis. This approach assumes that the two Clearing Member groups with the largest liquidity exposure will default on the same day. Cover 2 is computed by taking into account the liquidity risks related to clearing members within the same group across all services of the CCP that are then aggregated.

<sup>5</sup> See, Framework, § 4.2.5.

<sup>6</sup> See, e.g., Framework, §§ 4.2.1, 5.1, 5.3.