



January 21, 2021

Mr. Christopher J. Kirkpatrick
Office of the Secretariat
Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, NW
Washington, DC 20581

Re: ICE Clear Europe Self-Certification Pursuant to Commission Rule 40.6 –
Delivery Procedure Amendments

Dear Mr. Kirkpatrick:

ICE Clear Europe Limited (“ICE Clear Europe” or the “Clearing House”), a registered derivatives clearing organization under the Commodity Exchange Act, as amended (the “Act”), hereby submits to the Commodity Futures Trading Commission (the “Commission”), pursuant to Commission Rule 40.6 for self-certification, the amendments to its Delivery Procedures (the “Delivery Procedures”)¹ discussed herein. The amendments are to become effective on the first business day following the tenth business day after submission, or such later date as ICE Clear Europe may determine.

Concise Explanation and Analysis

ICE Clear Europe is amending its Delivery Procedures to add a new Section 11 and a new Part GG to address delivery relating to the ICE Futures Abu Dhabi Murban Crude Oil Futures (the “ICE Murban Crude Oil Futures Contracts” or the “Contracts”). The Contracts will be traded on ICE Futures Abu Dhabi and cleared by ICE Clear Europe.

New Part GG sets out the delivery specifications and procedures for deliveries of Murban crude oil under the ICE Murban Crude Oil Futures Contract. The amended Delivery Procedures specify the delivery mode (with reference to applicable requirements of the relevant delivery terminal in Fujairah, UAE) and the delivery loading volume tolerances. Consistent with the exchange rules for the Contracts, delivery will

¹ Capitalized terms used but not defined herein have the meanings specified in the ICE Clear Europe Delivery Procedures or, if not defined therein, the ICE Clear Europe Clearing Rules.

take place on one or more consecutive Terminal Loading Days within the Delivery Range (which range must fall within the Delivery Period). The new Part GG also addresses requirements as to delivery free of encumbrances, and determination of delivery quantity and price by reference to exchange rules for the Contract. The amendments also establish certain timing requirements for exchange of futures for physical and swap transactions under exchange rules.

New Part GG provides a detailed delivery timetable, from the last trading day of the Contract through final settlement, including procedures, deadlines and requirements for nominations or substitutions of delivery range and delivery day, loading programme, delivery confirmations, delivery margin, invoicing, receipt confirmations, and other matters. The procedures also address invoice calculation with respect to the Contract and delivery loading volume tolerances. New Part GG also specifies the delivery documentation required of Buyers and Sellers.

New Section 11 of the Delivery Procedures provides for an alternative delivery procedure for the Contracts if the Buyer and Seller agree to undertake delivery outside the ICE Futures Abu Dhabi Rules (similar to the alternative delivery procedure for other cleared contracts).

Compliance with the Act and CFTC Regulations

The rule amendments are potentially relevant to the following core principles: (C) Participant and Product Eligibility and (E) Settlement Procedures, and the applicable regulations of the Commission thereunder.

- *Product Eligibility.* The amendments to the Delivery Procedures are intended to facilitate the clearing of new physically settled Contracts, which are being launched for trading by ICE Futures Abu Dhabi. The amendments set out the obligations and role of the Clearing House and relevant parties for delivery under the Contracts, supplementing the existing provisions of the Rules and the relevant exchange rules. ICE Clear Europe believes that its financial resources, risk management, systems and operational arrangements are sufficient to support clearing of such products (and to address physical delivery under such contracts) and to manage the risks associated with such contracts, consistent with other energy contracts cleared by ICE Clear Europe. As a result, ICE Clear Europe believes that the amendments are consistent with the requirements of Core Principle C and Commission Rule 39.12(b).
- *Settlement Procedures.* As noted above, the amendments set out the delivery procedures with respect to Contracts and clearly set out the role and responsibilities of the Clearing House and Clearing Members in the physical delivery process for delivery of Murban crude oil in settlement of the Contracts. Specifically, the amendments specify the mode of delivery as well as provide a detailed timetable for delivery responsibilities and documentation requirements. As a result, ICE Clear Europe believes the amendments are consistent with the requirements of Core Principle E and CFTC Rule 39.14.

As set forth herein, the amendments consist of changes to the Delivery Procedures, a copy of which is attached hereto.

ICE Clear Europe hereby certifies that the amendments comply with the Act and the Commission's regulations thereunder.

ICE Clear Europe has received no substantive opposing views in relation to the proposed rule amendments.

ICE Clear Europe has posted a notice of pending certification and a copy of this submission on its website concurrent with the filing of this submission.

If you or your staff should have any questions or comments or require further information regarding this submission, please do not hesitate to contact the undersigned at Giulia.honorati@theice.com or +44 20 7429 7127.

Very truly yours,

A handwritten signature in cursive script that reads "Giulia Honorati".

Giulia Honorati
Manager Regulation & Compliance