



January 23, 2020

**VIA CFTC PORTAL**

Mr. Christopher Kirkpatrick  
Secretary of the Commission  
Commodity Futures Trading Commission  
Three Lafayette Centre  
1155 21<sup>st</sup> Street, NW  
Washington, DC 20581

**Re: Amendment to ICE Clear U.S., Inc. Rules - Submission Pursuant to Section 5c(c)(1) of the Commodity Exchange Act and Commission Regulation 40.6(a)**

Dear Mr. Kirkpatrick:

Pursuant to Section 5c(c)(1) of the Commodity Exchange Act, as amended (“Act”), and Commodity Futures Trading Commission (“Commission”) Regulation 40.6(a), ICE Clear U.S., Inc. (“ICUS”) is submitting this self-certification to amend the ICUS Rules,<sup>1</sup> specifically the ICUS Risk Management Framework. ICUS intends to revise the Risk Management Framework no sooner than the tenth business day following the filing of this submission with the Commission, or such later date as ICUS may determine.

**1. Overview**

ICUS’s Risk Management Framework contains the methodology used to monitor Clearing Members for large variation margin increases across, in the aggregate, a number of derivatives clearing organizations organized in the United States. ICUS is replacing the existing methodology (“VM Monitoring RMF Amendments”) with a more robust process.

**2. Details of Rule Changes**

As a result of the VM Monitoring RMF Amendments, ICUS is replacing the existing methodology with a methodology that will use higher quality and more sensitive data inputs from a broader population of derivatives clearing organizations, resulting in a more robust and fine-tuned process. ICUS has respectfully requested confidential treatment for the Risk Management Framework amendments which were submitted concurrently with this submission.

**3. Compliance with the Act and Regulations**

ICUS reviewed the foregoing amendments and determined that they comply with the requirements of the Act and the rules and regulations promulgated by the Commission in implementing the Act. In this regard, ICUS reviewed the derivatives clearing organizations core

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<sup>1</sup> Capitalized terms used and not defined in this submission have the meaning set forth in the ICUS Rules.



principles (“Core Principles”) and determined that the amendments are potentially relevant to the following core principle and the applicable regulations of the Commission thereunder:

Risk Management (Core Principle D): The VM Monitoring RMF Amendments will provide ICUS with a more robust and fine-tuned process to proactively monitor Clearing Members for potential financial stress before it might otherwise become apparent to ICUS. Overall, these amendments will strengthen ICUS’s ability to monitor and manage potential risks, as such they are consistent with the requirements of Core Principle D and Commission Regulations 39.13 and 39.36.

#### 4. Certifications

ICUS certifies that the amendments comply with the Act and the rules and regulations promulgated by the Commission thereunder. ICUS is not aware of any substantive opposing views expressed regarding the amendments. ICUS further certifies that, concurrent with this filing, a copy of the submission was posted on ICUS’s website, and may be accessed at <https://www.theice.com/clear-us/regulation>.

If you or your staff have any questions or require further information regarding this submission, please do not hesitate to contact the undersigned at (212) 748-3964 or [Eamonn.Hahessy@theice.com](mailto:Eamonn.Hahessy@theice.com).

Sincerely,

A handwritten signature in black ink that reads "Eamonn Hahessy".

Eamonn Hahessy  
General Counsel and Chief Compliance Officer