

**Maria Alarcon**  
Staff Attorney

February 2, 2021

**Re: Updates to ICC Governance Playbook Pursuant to Section 5c(c)(1) of the Commodity Exchange Act and Commission Regulation 40.6(a)**

**VIA ELECTRONIC PORTAL**

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

Dear Mr. Kirkpatrick:

ICE Clear Credit LLC (“ICC”) hereby submits, pursuant to Section 5c(c)(1) of the Commodity Exchange Act (the “Act”) and Commodity Futures Trading Commission (“Commission”) Regulation 40.6(a), a self-certification of changes to the ICC Governance Playbook. ICC is registered with the Commission as a derivatives clearing organization (“DCO”). ICC intends to implement the changes no sooner than the tenth business day following the filing of this submission with the Commission at its Washington, D.C. headquarters and with its Chicago regional office.

ICC proposes revising the Governance Playbook. This submission includes a description of the changes to the Governance Playbook. Certification of the changes pursuant to Section 5c(c)(1) of the Act and Commission Regulation 40.6(a) is also provided below.

The Governance Playbook consolidates governance arrangements set forth in ICC’s Rules, operating agreement, and other ICC policies and procedures. The Governance Playbook contains information regarding the governance structure at ICC, which includes the Board, committees, and management. The document is divided in six parts and sets out (i) the purpose of the document, (ii) an introduction to the ICC governance structure, (iii) information on the ICC Board of Managers (the “Board”; each member a “Manager”); (iv) descriptions of the committees at ICC, (v) descriptions of the special purpose committees at ICC, and (vi) a newly added revision history and an appendix.

ICC proposes to amend Section II (Introduction) to update a chart that details the obligations of various committees and departments to report or make recommendations to the Board. The updated chart indicates that the Intercontinental Exchange, Inc. (“ICE, Inc.”) Enterprise Risk Management (“ERM”) Department reports to the Board. Relatedly, in Section III (Board of Managers), ICC proposes language to explain that relevant personnel have sufficient access to the Board, including the ICE, Inc. internal audit and ERM functions who report to the ICC Audit Committee or Board quarterly with respect to ICC, consistent with Commission Regulation 39.24(b)(8). ICC also proposes language to specify the reporting lines of ICC’s officers with respect to the ICC President and the Board.

Subsection III.C (Administrative Procedures) contains information regarding administrative procedures performed by the ICC Legal Department (“Legal”) in the case of new Managers and resigning Managers. ICC proposes minor revisions to these procedures regarding documents that Legal provides to new Managers and notifications that Legal sends internally. In Subsection III.D (Meeting Frequency), ICC also proposes minor updates to reflect current practices related to Board meeting dates.

ICC proposes changes to Subsection III.H (Disclosure of Major Decisions). ICC proposes to rename this subsection more broadly as “Required Disclosures.” The proposed revisions reorganize the subsection and provide additional information and detail on the disclosure of major decisions of the Board, including the reporting of major decisions to the Commission pursuant to Commission Regulation 39.19(c)(4)(xxi). The proposed amendments include specifics regarding the determination of whether a particular decision of the Board is a major decision and whether such major decision may have a broad market impact, and describe the factors to be considered when making such determination. ICC proposes further information and procedures regarding the disclosure of information to the public, consistent with relevant regulations. With respect to information made available to the public, the Governance Playbook specifies that ICC posts on its website relevant rules and material procedures and maintains a comprehensive public Disclosure Framework that describes its material rules, policies, and procedures regarding its legal, governance, risk management, and operating framework, which is updated every two years or more frequently following material changes to ICC’s systems or environment in which it operates.

Additionally, Sections IV (Committees) and V (Special Purpose Committees) contain information regarding the roles and responsibilities of the various committees at ICC, which include, among others, the Audit Committee, Risk Committee, Risk Management Subcommittee, Advisory Committee, Participant Review Committee, Credit Review Subcommittee, New Initiatives Approval Committee, Operations Working Group, Trading Advisory Group, Risk Working Group, Compliance Committee, Business Conduct Committee, and the CDS Default Committee. The Governance Playbook details the membership composition and meeting frequency for each committee and contains a listing of all relevant committee documents (including, as applicable, a charter, meeting minutes, and agendas). ICC proposes revisions to update certain committee descriptions, membership composition, and meeting frequency to reflect current practices.

ICC proposes additional clean-up changes throughout the document. Since the requirements of Commission Regulation 39.32 were incorporated into Commission Regulations 39.24, 39.25, and 39.26, ICC proposes to remove and replace references to Commission Regulation 39.32 with the aforementioned regulations, as applicable.<sup>1</sup> ICC proposes additional changes to update abbreviations, titles and responsibilities, and website links. ICC also proposes a revision history to track changes to the document.

#### Core Principle Review:

ICC reviewed the DCO core principles (“Core Principles”) as set forth in the Act. During this review, ICC identified the following Core Principles as being impacted:

**Governance Fitness Standards:** The Governance Playbook, and the governance arrangements detailed therein, are consistent with the governance fitness standards requirements of Core Principle O and Commission Regulation 39.24. The governance arrangements described in the Governance Playbook are transparent to fulfill public interest requirements and to permit the consideration of the views of owners and participants. ICC’s governance structure, as set out in the document, is designed to provide a forum for ICC to receive feedback from multiple stakeholders as ICC’s committees are actively involved in the governance process. Moreover, the Governance Playbook documents the role of the Board, relevant committees, and management in the governance process to provide for clear and transparent governance arrangements that specify clear and direct lines of responsibility. The document further describes fitness standards required of each Board member and the Board as a whole.

**Composition of Governing Boards:** The Governance Playbook, and the governance arrangements detailed therein, are consistent with the composition of governing boards requirements of Core Principle Q and Commission Regulation 39.26, as ICC’s Board and certain committees include market participants. The Governance Playbook specifically details the membership composition of the Board and various committees at ICC.

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<sup>1</sup> On January 27, 2020, the Commission published final rules amending certain regulations applicable to DCOs. 85 Fed. Reg. 4800 (January 27, 2020).

Public Information: The Governance Playbook is consistent with the public information requirements of Core Principle L and Commission Regulations 39.21 and 39.37. The proposed changes incorporate additional details and procedures regarding the disclosure of relevant information to the public. The amended Governance Playbook specifies that ICC posts on its website relevant rules and material procedures and maintains a comprehensive public Disclosure Framework, which is updated every two years or more frequently following material changes to ICC's systems or environment in which it operates. Such changes ensure transparency and availability of sufficient information to enable market participants to identify and evaluate accurately the risks and costs associated with using ICC's services.

Amended Rules:

The proposed changes consist of amendments to the ICC Governance Playbook. ICC has respectfully requested confidential treatment for the ICC Governance Playbook, which was submitted concurrently with this self-certification submission.

Certifications:

ICC hereby certifies that the changes comply with the Act and the regulations thereunder. There were no substantive opposing views to the changes.

ICC further certifies that, concurrent with this filing, a copy of the submission was posted on ICC's website, and may be accessed at: <https://www.theice.com/clear-credit/regulation>

ICC would be pleased to respond to any questions the Commission or the staff may have regarding this submission. Please direct any questions or requests for information to the attention of the undersigned at (312) 836-6854.

Sincerely,



Maria Alarcon  
Staff Attorney