



August 29, 2016

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:
Amendments to Default Management Rule

Dear Mr. Kirkpatrick:

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

Concise Explanation and Analysis

The purpose of the changes is to modify the ICE Clear Europe Clearing Rules (“Clearing Rules”) in order to clarify the timing of certain default management procedures in light of requirements under the European Market Infrastructure Regulation (“EMIR”)¹ and relevant UK law. In particular, Rule 1604(c), which applies to defaults involving an FCM/BD Clearing Member, has been revised in light of EMIR Article 48(5)-(6) and Paragraph 34(d) of the UK FSMA Recognition Requirements (SI 2001/995). These provisions require that the clearing house rules explicitly specify a pre-defined transfer period within which a transfer of customer

¹ Regulation (EU) No 648/2012 of the European Parliament and of the Council of 4 July 2012 on OTC derivatives, central counterparties and trade repositories, as well as various implementing regulations and technical standards.

positions carried by a defaulting clearing member to a new clearing member is to take place, if possible (and after which the clearing house would exercise default remedies to close out any such positions not transferred). The amendments to Rule 1604(c) specify that the clearing house will seek to transfer under the Default Portability Rules any customer positions carried by a defaulting FCM/BD Clearing Member within seven calendar days of the default, and if a transfer has not been effected within such period (or the clearing house otherwise deems it necessary for its protection), the clearing house will terminate or liquidate such contracts, subject to applicable law and its default rules. The transfer period is intended to be consistent with the timing set forth in CFTC Rule 190.03 for the transfer of customer positions carried by a defaulting FCM and for the liquidation of such contracts that have not been transferred. The amendments do not otherwise affect the rights or obligations of the clearing house or clearing members in respect of such a default. The amendments are also consistent with the general approach in place for non-FCM/BD Clearing Members in paragraph 6(f) of the applicable Standard Terms Annexes to the Rules.

Compliance with the Act and Commission Regulations

The rule amendments are potentially relevant to the following core principle: (G) Default Management, and the applicable regulations of the Commission thereunder.

- *Default Management.* The changes to the Rules clarify the timing of certain actions to be taken in the management of a default of an FCM/BD Clearing Member, in order to comply with requirements under EMIR and UK law. Specifically, the amendments clarify the period during which the clearing house would attempt to facilitate the porting of customer positions, consistent with the requirements of applicable CFTC regulations. The amendments do not limit the authority of the clearing house to act under its default management rules for its protection. As a result, ICE Clear Europe believes that the amendments are consistent with the efficient, fair and safe management of clearing member defaults, and will facilitate the prompt transfer or liquidation of the positions of a defaulting FCM/BD Clearing Member, in accordance with the requirements of Core Principle B and Commission Rule 39.16.

As set forth herein, the amendments consist of revisions to the Clearing Rules. A copy of such revisions is attached hereto.

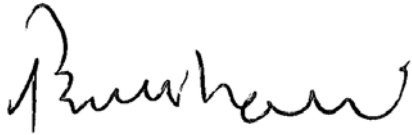
ICE Clear Europe hereby certifies that the amendments comply with the Act and the Commission's regulations thereunder.

ICE Clear Europe has received no substantive opposing views in relation to the 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 patrick.davis@theice.com or +44 20 7065 7738, Dee Blake, Director of Regulation, at dee.blake@theice.com or +44 20 7065 7752 or Paul Swann, President & Managing Director, at paul.swann@theice.com or +44 20 7065 7700.

Very truly yours,

A handwritten signature in black ink, appearing to read 'Patrick Davis', written in a cursive style.

Patrick Davis
Head of Legal and Company Secretary