



October 15, 2024

VIA CFTC PORTAL

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

Re: Amendments to the ICE Clear U.S., Inc. Risk Management Framework -- Extension of Stress Tests to All Products -- 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,¹ 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, or such later date as ICUS may determine. ICUS has respectfully requested confidential treatment for these amendments to the Risk Management Framework which were submitted concurrently with this submission.

1. Overview

ICUS’s Risk Management Framework sets forth the stress tests that ICUS performs for the purposes of CFTC Regulation 39.13(h)(3)(ii). CFTC Regulation 39.13(h)(3)(ii) provides that derivatives clearing organizations “shall have reasonable discretion in determining the methodology used to conduct such stress tests.” In the past, these stress tests have been performed on a defined subset -- referred to as headline products -- of the contracts cleared by ICUS. ICUS is proposing amendments to its Risk Management Framework to apply extreme but plausible stress tests to all of the other, or non-headline, products cleared by ICUS.

2. Details of Rule Changes

ICUS is proposing to apply extreme but plausible stress tests to all of its current and future non-headline products. The stress test results derived from this analysis for non-headline products will be added to the stress test results currently determined for ICUS’s headline products. The aggregate number will be used to determine ICUS’s “Cover 2” requirement and to make Guaranty Fund allocations between Clearing Members.

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



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

Financial Resources (Core Principle B):

These proposed amendments enhance the stress tests required by the ICUS Risk Management Framework, producing a more refined calculation of ICUS’s financial resource requirements. As a result, the proposed amendments are consistent with the requirements of Core Principle B and Commission Regulations 39.11 and 39.33.

Risk Management (Core Principle D):

These proposed amendments also enhance the Risk Management Framework by more clearly identifying, addressing and documenting the range of risks to which ICUS is exposed. They improve the monitoring and management of the entirety of those risks, and facilitate internal audit’s ability to perform its role. As a result, the proposed amendments are consistent with the requirements of Core Principle D and Commission Regulations 39.13 and 39.36.

4. Certifications

ICUS certifies that the proposed amendments to its Risk Management Framework 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 these amendments. ICUS further certifies that, concurrent with this filing, a copy of this 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@ice.com.

Sincerely,

A handwritten signature in black ink, appearing to read "Eamonn Hahessy", written over a horizontal line.

Eamonn Hahessy
General Counsel and Chief Compliance Officer