



November 12, 2024

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 Rule 40.6
– Amendments to ICE Clear Europe Rules and Procedures

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, amendments to ICE Clear Europe’s Clearing Rules (the “Rules”) and ICE Clear Europe’s Clearing Procedures (the “Procedures”)¹ to establish two additional types of customer accounts for indirect clearing for Non-FCM/BD Clearing Members. 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

The amendments will make certain changes to the Rules and Procedures to add two new types of customer accounts, the Standard Private Omnibus Indirect Account for F&O and the Standard TTFC Private Omnibus Indirect Account for F&O (collectively, the “New Indirect Accounts”). The New Indirect Accounts may be used by Non-FCM/BD Clearing Members for the clearing of F&O contracts of one or more segregated customers that have a group of indirect clients (such as indirect clients that are affiliates of one another or are managed by the same fund manager).

(i) Rules

The amendments will add new definitions in Rule 101 for each of the New Indirect Accounts and make various conforming changes to other definitions to reference those new definitions.

References to the applicable New Indirect Accounts will also be added in Rules 102(q), 202 and 203 (relating to segregation), Rule 401 (specifying the applicable accounts that can be used for indirect clearing), Rule 504 (relating to margin) and Rule 906 (relating to the determination of net sums in the case of a default).

¹ Capitalized terms used but not defined herein have the meanings specified in the Rules or Procedures.

(ii) Procedures

The amendments will also amend the Procedures to conform to the amendments to the Rules discussed above. The amendments will specify the applicable account codes and net margining approach to be used for the New Indirect Accounts.

Compliance with the Act and CFTC Regulations

The amendments to the Procedures are potentially relevant to the following core principle: (D) Risk Management and (F) Treatment of Funds, and the applicable regulations of the Commission thereunder.

- *Risk Management.* The amendments are intended to help facilitate indirect clearing for Non-FCM/BD Clearing Members by establishing the New Indirect Accounts. Specifically, the amendments will facilitate maintenance by Non-FCM/BD Clearing Members for their segregated customers of indirect clearing accounts for identified groups of indirect clients (such as affiliated indirect clients). As a result, the Clearing House will be better able to separate positions and margin of such indirect clients from positions and margin of other indirect clients or other direct customers of Clearing Members, which will provide enhanced protection for such clients in the event of a default of the Clearing Member or its customer. The amendments do not affect the customer account structure for FCM/BD Clearing Members. The amendments do not change the Clearing House's margin methodology or the basis on which it calls for margin on customer positions in any other account classes. The amendments thus should not adversely affect risk management at the clearing house level. In ICE Clear Europe's view, the amendments are therefore consistent with the risk management requirements of Core Principle D and Commission Rule 39.13.
- *Treatment of Funds.* As explained herein, the amendments to the Rules and Procedures will facilitate the use of New Indirect Accounts for positions and margin of groups of indirect clients of segregated customers of Non-FCM/BD Clearing Members. The amendments will provide for the segregation of such positions and margin from other account classes, including other customer account classes. The amendments will not affect the Clearing House's existing rules and practices relating to the segregation of funds in any other class of customer account. In particular, the amendments do not affect the segregation requirements for customer funds of FCM/BD Clearing Members subject to Section 4d of the Act and applicable Commission regulations. In ICE Clear Europe's view the amendments are therefore consistent with the requirements of Core Principle F and Commission Rule 39.15.

As set forth herein, the amendments consist of the amendments to the Rules and 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 received no substantive opposing views in relation to the 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 George.milton@ice.com or +44 20 7429 4564.

Very truly yours,

George Milton

A handwritten signature in blue ink, appearing to read 'G. Milton', is positioned below the printed name.

Head of Regulation & Compliance