



Atlanta Calgary Chicago Houston London New York Singapore

20 April 2012

By email to [submissions@cftc.gov](mailto:submissions@cftc.gov) in pdf format  
Commodity Futures Trading Commission  
Three Lafayette Centre  
1155 21st Street, NW  
Washington, DC 20581

Dear Sir or Madam,

**ICE Clear Europe Limited – Regulation 40.6 Self-Certification**

ICE Clear Europe Limited ("ICE Clear"), a derivatives clearing organization and a private limited company organized under the laws of England and Wales, hereby submits rule amendments pursuant to CFTC Regulation 40.6, effective on 7 May 2012.

Please find enclosed:

1. A submission cover sheet; and,
2. the proposed rule amendment as notified to ICE Clear Europe Clearing Members by Circular.

The proposed rule amendment confirms to FCM Clearing Members the requirement that, in respect of relevant customer positions, margin must be collected from their customers at a level that is at least ten percent greater than the ICE Clear Europe related margin requirement.

The amendment confirms ICE Clear Europe's compliance with its obligation as a Derivatives Clearing organisation under CFTC Rule 39.13(g)(8)(ii).

ICE Clear hereby certifies that the proposed rule amendments comply with the applicable provisions of the Commodity Exchange Act, including the DCO core principles and the Commission's regulations thereunder.

Specifically, the following Core Principles are potentially impacted by these proposed rule amendments: (D) Risk Management; and (L) Public information.

ICE Clear has received no opposing views in relation to the proposed rule amendment.

The proposed rule amendment has been provided to ICE Clear Clearing Members by Circular C12/043:

<https://www.theice.com/publicdocs/clear-europe/circulars/C12043.pdf>.

If you have any further questions, or require any further information, please feel free to call the undersigned at +44 (0)20 7065 7738.

Yours faithfully

**Patrick Davis – Head of Legal and Company Secretary**  
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Enclosures

**Energy Clearing: Commodity Futures Trading Commission  
Rule 39.13(g)(8)(ii)**

ICE Clear Europe ("the Clearing House") confirms, in accordance with CFTC Rule 39.13(g)(8)(ii), and the Clearing House's powers under Rules 109(f) and 502(g), that as of 7 May 2012, the Clearing House will require FCM Clearing Members to collect margin from their customers in respect of such customer's relevant positions, at a level that is at least 10 percent greater than ICE Clear Europe's related margin requirement with respect to the particular product or swap portfolios.

For example if a customer of a FCM Clearing Member holds a position at the Clearing House through its FCM Clearing Member, and the Original Margin requirement for such position is \$100,000 the FCM Clearing Member must require such customer to cover a minimum of \$110,000 with the FCM Clearing Member in respect of such Original Margin requirement.

The Clearing House is consulting with Clearing Members and Vendors regarding the technical implementation of this change and the inclusion of applicable Margin Ratios within the Clearing House's SPAN<sup>1</sup> Arrays.

If you have any questions on the information contained in this Circular, please contact Patrick Davis – Head of Legal Affairs, by phone on +44 (0)20 7065 7738 or by email [patrick.davis@theice.com](mailto:patrick.davis@theice.com), or Mark Woodward, Director, Corporate Development, by phone on +44 (0)20 7065 7617 or by email [mark.woodward@theice.com](mailto:mark.woodward@theice.com).

Please ensure that the appropriate members of staff within your organisation and customers are advised of the content of this Circular.

Signed:



Paul Swann  
President & Chief Operating Officer

CIRCULAR  
C12/043

20 April 2012

**Category:**

Risk Management

**Attachments:**

None

**Summary of content**

Margin arrangements

**For more information  
please contact:**

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<sup>1</sup> SPAN is a registered trademark of Chicago Mercantile Exchange Inc., used herein under license. Chicago Mercantile Exchange Inc. assumes no responsibility in connection with the use of SPAN by any person or entity. SPAN is a risk evaluation and margin framework algorithm.