



May 16, 2013

Ms. Melissa Jurgens
Office of the Secretariat
Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, NW
Washington, DC 20581

By Email: submissions@cftc.gov

Re: ICE Clear Europe Self-Certification Pursuant to Commission Rule 40.6

Dear Ms. Jurgens:

ICE Clear Europe Limited (“ICE Clear Europe”), a registered derivatives clearing organization (“DCO”) 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 the attached circular. The circular will become effective on June 3, 2013, or such later date as ICE Clear Europe may determine.

The attached circular serves to satisfy certain conditions related to conditional no-action relief granted on December 19, 2012 by the Commission’s Division of Market Oversight for swap dealers and major swap participants that are clearing members from reporting certain off-facility swaps (the “No-Action Relief”). The No-Action Relief states that, subject to certain conditions, the Division of Market Oversight will not recommend that the Commission take enforcement action against a reporting counterparty (clearing members) for failure to comply with its obligations to report swap data arising from swaps that have been entered into pursuant to a DCO’s CDS settlement price process (“CDS Clearing-Related Swaps”).

ICE Clear Europe’s CDS settlement price process requires that clearing members enter into “firm trades” in order to ensure that prices submitted by clearing members are reliable and accurate. Clearing members face ICE Clear Europe as their counterparty with respect to firm trades and firm trades are automatically cleared. As a result, firm trades constitute CDS Clearing-Related Swaps (“ICE Clear Europe CDS Clearing-Related Swaps”). ICE Clear Europe currently reports all of its cleared

swaps, including ICE Clear Europe CDS Clearing-Related Swaps, to ICE Trade Vault, LLC (“ICE Trade Vault”), a provisionally registered SDR.

As a condition of the No-Action Relief, clearing members and ICE Clear Europe must agree, as evidenced by private agreement or pursuant to ICE Clear Europe’s rules, that ICE Clear Europe shall fulfill all of the clearing member’s obligations with respect to reporting CDS Clearing-Related Swaps pursuant to Part 45. To satisfy this condition, ICE Clear Europe plans to issue the attached circular establishing that ICE Clear Europe will continue to report ICE Clear Europe CDS Clearing-Related Swaps to ICE Trade Vault, thereby satisfying any related reporting obligations of its clearing members pursuant to Part 45 until the expiration of the No-Action Relief, which is currently scheduled to expire on June 30, 2013.

In addition, the attached circular is intended to satisfy any Part 43 reporting obligations of ICE Clear Europe’s clearing members related to ICE Clear Europe CDS Clearing-Related Swaps to the extent that any such reporting obligations might exist. ICE Clear Europe will be responsible, in the capacity of a third-party service provider, for reporting required swap transaction and pricing data in real-time to ICE Trade Vault on behalf of a clearing member that is a swap dealer or major swap participant. In the event that any clearing member would like to “opt out” of this ICE Clear Europe Part 43 reporting service, the clearing member should notify ICE Clear Europe CDS Operations at cds-ops-eu@theice.com

ICE Clear Europe has determined that the circular will not have an adverse effect on the public or market participants, including itself and ICE Clear Europe clearing members. The circular satisfies a condition of the No-Action Relief consistent with the fulfillment of the regulatory reporting of swaps under Part 45 of the Commission’s rules. Upon taking effect, the circular will also facilitate the real time reporting of ICE Clear Europe CDS Clearing-Related Swaps pursuant to Part 43 of the Commission’s rules. ICE Clear Europe has determined that the circular will not have an adverse effect on its compliance with DCO core principles and, that following the effectiveness of the circular, ICE Clear Europe will continue to be in compliance with DCO core principles.

ICE Clear Europe hereby certifies that the circular complies with the Act and the Commission’s regulations thereunder.

There were no opposing views expressed to ICE Clear Europe by governing board or committee members, members of ICE Clear Europe or market participants that were not incorporated into the circular.

Concurrent with the filing of this submission, ICE Clear Europe has posted a notice of pending certification and a copy of this submission on its website at www.theice.com.

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 & Chief Operating Officer, at paul.swann@theice.com or +44 20 7065 7700.

Very truly yours,



Patrick Davis
Head of Legal and Company Secretary

Parts 45 and 43 SDR Reporting Requirements for Off-Facility CDS-Clearing Related Swaps (Firm Trades)

Commodity Futures Trading Commission (“CFTC” or “Commission”) Regulation 45.3 requires, under certain conditions, that Swap Dealers and Major Swap Participants must report off-facility swaps to a registered Swap Data Repository (“SDR.”)

On 19 December 2012, CFTC staff granted conditional No-Action Relief (12-59) (the “No-Action Relief”) for Swap Dealers and Major Swap Participants that are Clearing Members from reporting certain off-facility swaps. Specifically, the No-Action Relief states that, subject to certain conditions, the Division of Market Oversight will not recommend that the Commission take enforcement action against a reporting counterparty (Clearing Member) for failure to comply with its obligations to report swap data arising from swaps that have been entered into pursuant to a DCO’s CDS Settlement Price Process (“CDS Clearing-Related Swaps.”)

ICE Clear Europe’s (“ICEU”) CDS Settlement Price Process requires that Clearing Members enter into “firm trades” in order to assure that prices submitted by Clearing Members are reliable and accurate. Clearing Members face ICEU as their counterparty with respect to firm trades and firm trades are automatically cleared. As a result, firm trades constitute CDS Clearing-Related Swaps (“ICEU CDS Clearing-Related Swaps.”) ICEU currently reports all of its cleared swaps, including ICEU CDS Clearing-Related Swaps, to ICE Trade Vault, a provisionally registered SDR.

As a condition to the No-Action Relief, Clearing Members and ICEU must agree, as evidenced by private agreement or pursuant to ICEU’s rules, that ICEU shall fulfill all of the Clearing Member’s obligations with respect to reporting CDS Clearing-Related Swaps pursuant to Part 45 of the CFTC Regulations. To satisfy this condition, ICEU is issuing this Circular establishing that ICEU will continue to report ICEU CDS Clearing-Related Swaps to ICE Trade Vault thereby satisfying any related reporting obligation of its Clearing Members pursuant to Part 45 until the expiration of the No-Action Relief that will currently expire on 30 June 2013.

In addition, Part 43 of the CFTC Regulations requires, under certain conditions, that Swap Dealers and Major Swap Participants report certain swap transaction and pricing data to a registered SDR in real-time. In order to reduce its Clearing Members’ operational burdens and minimize operational risk, this Circular is intended to satisfy any Part 43 reporting obligations of ICEU’s clearing members related to ICEU CDS Clearing-Related Swaps to the extent that any such reporting obligations might exist. In the capacity of a third-party provider, ICEU will be responsible for reporting required swap transaction and pricing data in real-time to ICE Trade Vault on behalf of a Clearing Member that is a Swap Dealer or Major Swap Participant.

ICEU will commence real-time reporting of swap transaction and pricing data ICEU CDS Clearing-Related Swaps on behalf of clearing members on 03 June 2013. Clearing Members should turn off of their real-time messaging feeds to SDRs for all ICEU CDS Clearing-Related Swaps.

CIRCULAR
C13/037

16 May 2013

Category:

General

Attachments:

None

Summary of content:

Parts 45 and 43 SDR Reporting Requirements for Off-Facility CDS Clearing Related Swaps (Firm Trades)

For more information please contact:

Patrick Davis
Head of Legal
+44 (0)20 7065 7738
patrick.davis@theice.com

In the event that a Clearing Member would like to “opt out” of this Part 43 reporting service, the Clearing Member should notify CDS Operations on cds-ops-eu@theice.com.

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

Should you have any questions in relation to this Circular or require any further information, please contact Patrick Davis, Head of Legal by phone on +44 (0)20 7065 7738 or by email patrick.davis@theice.com.

Signed:

A handwritten signature in blue ink, appearing to read 'Paul Swann', followed by a period.

Paul Swann
President & Managing Director