



January 28, 2022

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: ICE NGX Self-Certification of Rule Amendments: Contracting Party Agreement - Submission Pursuant to Section 5c(c)(1) of the Commodity Exchange Act and Commission Regulation 40.6(a)

Dear Mr. Kirkpatrick:

In accordance with Section 5c(c)(1) of the Commodity Exchange Act, as amended (“Act”), and Commodity Futures Trading Commission (“Commission”) Regulation 40.6(a), ICE NGX Canada Inc. (“ICE NGX”) is submitting this self-certification to amend the ICE NGX Contracting Party Agreement (“CPA”). The CPA functions as the rulebook for ICE NGX’s exchange and clearinghouse operations and is a “rule” as that term is defined under Commission Regulation 40.1(j). As further described below, ICE NGX intends to implement the amendments on February 22, 2022, or on such later date or dates as ICE NGX may designate.

1. Overview

ICE NGX is making certain amendments (the “Amendments”) to the CPA to correct omissions in the amendments that became effective November 1, 2021 (the “November 1 Amendments”). The November 1 Amendments were designed to streamline certain provisions, including the provisions relating to invoicing, to facilitate and implement ICE NGX’s staged transition of its primary banking relationship to Royal Bank of Canada (“RBC”). The November 1 Amendments consolidated the provisions relating to invoicing in Article 7 of the CPA, re-titled as Invoicing and Taxes. Certain of the consolidated provisions were inadvertently omitted in the November 1 Amendments. These Amendments correct that omission.

Specifically, the Amendments provide for the following.

- Early Payment of Invoices - This section consolidates former sections 4.7 and 8.4.g., which were in effect prior to the November 1 Amendments.
- Time of Payment of Invoices - This section clarifies the pledging by ICE NGX to Exchange’s Principal Banker of a Contracting Party’s Collateral if that Contracting Party makes its settlement payment late in the day on the respective Settlement Date.
- Late Payment of Invoices - This section consolidates parts of former section 4.2.b, section 4.6.b. and Schedule “I” section 4.b.



- Failure to Pay - This section reiterates ICE NGX's authority to act if a Contracting Party fails to pay an invoice amount on the respective settlement date.
- Banking Instructions - This section consolidates parts of former section 4.2.b, section 4.6.b. and Schedule "I" section 4.b. and further clarifies the process of providing and confirming banking instructions of the Exchange and of a Contracting Party.

2. Compliance with the Act and Regulations

ICE NGX reviewed the 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, ICE NGX 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.

Settlement Procedures (Core Principle E): The Amendments facilitate ICE NGX's compliance with Core Principle E - Settlement procedures and Commission Regulation 39.14, as the Amendments clarify and strengthen ICE NGX's settlement processes. Specifically, the Amendments harmonize and consolidate (and re-insert) the CPA provisions relating to invoicing including early payment of invoices and late payment of invoices.

Default Rules and Procedures (Core Principle G): The Amendments facilitate ICE NGX's compliance with Core Principle G - Default rules and procedures and Commission Regulation 39.16, as the Amendments reiterate ICE NGX's authority to act in the case of a late or missed settlement payment by a Contracting Party (included in the CPA definition of "Failure to Pay" and thereby in the CPA definition of "Default").

3. Certifications

ICE NGX hereby certifies that the Amendments to the CPA discussed in this submission comply with the Act and the rules and regulations promulgated by the Commission thereunder. ICE NGX is not aware of any substantive opposing views expressed regarding the Amendments. ICE NGX further certifies that, concurrent with this filing, a copy of the submission was posted on ICE NGX's website and may be accessed at <https://www.theice.com/ngx>.

Please do not hesitate to contact me (403-974-1701) or our General Counsel and CCO, Martin McGregor (403-974-1740) for any further information the Commission or its staff may require in connection with this notice.

Yours truly,

A handwritten signature in black ink, appearing to read "Greg Abbott", is written over a horizontal line.

Greg Abbott
President & COO

Encls.

APPENDIX

AMENDMENTS TO THE ICE NGX CONTRACTING PARTY AGREEMENT

TERMS AND CONDITIONS

[Note: Insertions are underlined, deletions are struck through.]

ARTICLE 7 - INVOICES AND TAXES

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7.2 Payment of Invoices

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- c. Early Payment of Invoices – A Contracting Party may, if desired, make payment to Exchange prior to the applicable Settlement Date, and such funds, when received, will be applied against that Contracting Party’s Invoice amounts, or may be Set-off against amounts then owed by the Contracting Party to Exchange in accordance with this Agreement.
- d. Time of Payment of Invoices - In accordance with Schedule “C”, all amounts owing by the Contracting Party to ICE NGX on an Invoice are collateralized. Notwithstanding that each Invoice is due on the respective Settlement Date or Option Premium Date, as applicable, an amount of the Contracting Party’s Collateral equal to any Invoice amount owing by the Contracting Party that remains outstanding at noon Eastern Standard Time on the respective Settlement Date or Option Premium Date, as the case may be, may be pledged to Exchange’s Principal Banker to facilitate payment of Invoices under the Agreement until such times as the Contracting Party’s settlement payment is received by Exchange. For greater certainty, payment by Contracting Party of an Invoice amount on the respective Settlement Date or Option Premium Date, as applicable, is not a Failure to Pay.
- e. Interest on Late Payment of Invoices - Payments on Invoice amounts owing by the Contracting Party to Exchange, or by Exchange to Contracting Party, as applicable, received after the due date will bear interest at the Default Rate beginning on the day after the due date up to and including the date of payment of all such amounts to Exchange, or to the Contracting Party, as applicable. Interest will be payable only on the amount of any Invoice remaining unpaid from time to time.
- f. Failure to Pay - If a Contracting Party fails to pay an Invoice amount on the respective Settlement Date or Option Premium Date, as applicable, ICE NGX may, in its sole discretion, take any action permitted under this Agreement including to effect the Close-out or Liquidation Procedure.

7.4 Banking Instructions

- a. Of Contracting Party - An officer or representative of the Contracting Party authorized to provide banking instructions shall notify Exchange of the Contracting Party's banking information and hereby represents and warrants that such information is accurate and current. Exchange is entitled to accept this information via email or other electronic communication, all in accordance with this Agreement and Exchange's stated policies.

- b. Of Exchange - An officer of Exchange authorized to provide banking instructions shall notify the Contracting Party of Exchange's banking information by posting the banking information on its website for access by all Contracting Parties.

[Note: The numbering of sections in Article 7 will be updated to reflect the amendments above.]