



June 10, 2019

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

Re: Self-Certification Pursuant to Commission Rule 40.6 – Clearing Membership  
Policy amendments

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, the amendments to its Clearing Membership Policy (the “Policy”) discussed herein. 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*

ICE Clear Europe proposes to modify and update certain provisions of its Policy to provide further clarification for the CDS Clearing Membership requirements and to update certain ICE Clear Europe internal governance requirements applicable to all Clearing Membership applications.

The amendments to the Clearing Membership Policy include the introduction of internal standards to be used by the Clearing House to assess the CDS Clearing Members’ operational abilities to adhere to the existing CDS Clearing Membership requirements in relation to the end-of-day pricing submission obligations.

The references relating to the F&O and CDS Product Risk Committees’ (collectively, the “Product Risk Committees”) role from the ICE Clear Europe internal governance steps to approve or reject new Clearing Members have been removed, as the Executive Risk Committee has obtained the authority from the ICE Clear Europe Board of Directors to approve or reject applications.

The Introduction of an explicit requirement for the Clearing Risk Department to consider the performance of the applicant clearing members in the Default Management Test and to review such applicants’ internal policies and procedures to assess the efficiency of their default management process, as part of the onboarding process.

## *Compliance with the Act and CFTC Regulations*

The amendments are potentially relevant to the following core principle: (C) Participant and Product Eligibility and the applicable regulations of the Commission thereunder.

- *Participant and Product Eligibility.* The proposed amendments are designed to introduce further clarity on how ICE Clear Europe shall test the ability of the CDS applicant Clearing Members to provide the required information on the end of day prices to the Clearing House, in line with the relevant rules of the Clearing House. The second set of the proposed changes, which refer to certain changes to the internal governance process for the approval or rejection of applicant Clearing Members, apply uniformly to all applicant Clearing Members, ensuring that a consistent and non-discriminatory internal governance process is followed for the approval or rejection of applicant Clearing Members. The third proposed amendment is designed to introduce an explicit requirement for the Clearing Risk Department to consider the performance of the applicant Clearing Members in the Default Management Test and to review such applicants` internal policies and procedures to assess the efficiency of their default management process, as part of the onboarding process. In ICE Clear Europe`s view, these amendments will continue to ensure objective admission and continuing eligibility standards for Clearing Members that establish fair and open access for participation which are publically available. Therefore the Clearing House sees these amendments to be consistent with the Participant requirements of Core Principle C and Commission Rule 39.12.

As set forth herein, the amendments consist of changes to the Clearing Membership Policy. ICE Clear Europe has requested confidential treatment with respect to these amendments, which have been submitted currently with this self-certification submission.

ICE Clear Europe hereby certifies that the amendments comply with the Act and the Commission`s regulations thereunder.

ICE Clear Europe has received no substantive opposing views in relation to the proposed rule 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 [carolyn.vandendaelen@theice.com or +44 20 7429 4515].

Very truly yours,



Robert Barlow

## Compliance & Regulatory Analyst