



June 26, 2017

**BY ELECTRONIC TRANSMISSION**

Mr. Christopher Kirkpatrick  
 Secretary of the Commission  
 Commodity Futures Trading Commission  
 Three Lafayette Centre  
 1155 21<sup>st</sup> Street, NW  
 Washington, DC 20581

**Re: Amendment to ICE Clear US, Inc. Rules Pursuant to Section 5c(c)(1) of the Commodity Exchange Act and Commission Regulation 40.6(a)**

Dear Mr. Kirkpatrick:

Pursuant to Section 5c(c)(1) of the Commodity Exchange Act, as amended (“Act”) and Commodities Futures Trading Commission (“Commission”) Regulation 40.6(a), ICE Clear US, Inc. (“ICUS”) hereby submits a self-certification to amend the ICUS Rules. ICUS intends to revise the Rules no sooner than the tenth business day following the filing of this submission with the Commission, or such later date as ICUS may determine. Certification of the ICUS Rules pursuant to Section 5c(c)(1) of the Act and Commission Regulation 40.6(a) is also provided below.

ICUS is amending Chapter 2 of the Rules to revise, reorganize and clarify various membership requirements. The Rule amendments include the following:

- All membership requirements that were previously only listed in the ICUS Membership Requirements Policy were moved to the Rules for clarity and efficiency. Following regulatory approval of the Rules, this policy will be decommissioned.
  - Rule 202(j)(i)-(ii) clarifies operational expectations
  - Rule 202(o) requires applicants intending to clear customer business to be registered as futures commission merchants under the Act and have any necessary authorizations in their home jurisdiction
- Added to Rule 202(d) to clarify financial expectations
- Modified Rule 202(e) to eliminate requirement for a parental guaranty of a clearing member, but allow ICUS discretion to require a guarantor where it determines it is appropriate in light of the financial and other expectations under Rule 202(d)
- Added Rule 202(l) to requiring members, and any guarantor, to be organized a jurisdiction with acceptable insolvency laws
- Added Rule 202(m) requiring business continuity procedures
- Added Rule 202(n) requiring participation in default management simulations, new technology testing and other exercises
- Added Rule 202(q) allowing ICUS to add additional requirements, proportional to the risk brought by an applicant, at its discretion
- Updated Rule 212 to clarify the procedures for clearing member withdrawal, including to specify the obligation of withdrawing clearing members to participate in default auctions

As set forth in the table below, the amendments reorganize and move certain provisions:

<b><u>Provision</u></b>	<b><u>Location in Existing Rules</u></b>	<b><u>Location in Revised Rules</u></b>
Obligations of Clearing Members	Rule 204	Rule 202
<i>Office requirements</i>	Rule 204(a)	Rule 202(b) and (f)

<b>Provision</b>	<b>Location in Existing Rules</b>	<b>Location in Revised Rules</b>
<i>Ownership/control information</i>	Rule 204(b)-(c)	Rule 202(g)
<i>Change of control notice</i>	Rule 204(d)	Rule 204(g)
<i>Change notice</i>	Rule 204(e)	Rule 204(h)
<i>Required accounts</i>	Rule 204(f)	Rule 202(i)
<i>Operational capability</i>	Rule 204(g)	Rule 202(j)
<i>Risk management capability</i>	Rule 204(h)	Rule 202(k)
<i>Cross margining program</i>	Rule 204(k)	Rule 202(p)
Reports to Clearing Members	Rule 205	Rule 202(h)
Effectiveness of Termination of Authority	Rule 206	Rule 201(c)
Receipt of Electronic Communications	Rule 207	Rule 202(h)
Records and Information	Rule 209	Rule 206
False Information	Rule 210	Rule 205(e)
Obligations of Suspended Clearing Member	Rule 211	Rule 207
Reporting	Rule 214	Rule 204
Requirements for Subordinated Loan Agreements	Rule 215	Rule 214
Fees	Rule 216	Rule 205(b)
Position Risk	Rule 217	Rule 208
Indemnification by Clearing Members	Rule 218	Rule 209

In addition to reorganizing the rules by topic, the revisions update the format of references within the rules for consistency, remove erroneous and redundant provisions and rename/renumber rules as needed.

Core Principle Review:

ICUS reviewed the DCO core principles (“Core Principles”) as set forth in the Act. During this review, ICUS identified the following Core Principle as being impacted:

**Participant and Product Eligibility:** The ICUS Rules are consistent with the participant eligibility requirements of Core Principle C and Commission Regulation 39.12. ICUS’s Rules set forth ICUS’s admission and continuing participation requirements for clearing members. The revisions are meant to improve the clarity of ICUS’s objective, publicly disclosed, and risk-based standards.

Amended Rules:

The proposed changes consist of changes to the ICUS Rules to revise, restructure and clarify the ICUS membership requirements.

Annexed as an Exhibit hereto is the following:

- A. Proposed amendments to the ICUS Rules

Certifications:

ICUS hereby certifies that the ICUS Rules comply with the Act and the regulations thereunder. There were no substantive opposing views to the revisions.

ICUS further certifies that, concurrent with this filing, a copy of the submission was posted on ICUS’s website, and may be accessed at <https://www.theice.com/clear-us/regulation>.



ICUS would be pleased to respond to any questions the Commission or staff may have regarding this submission. Please direct any questions or requests for information to the attention of the undersigned at (312) 836-6884 or [michelle.weiler@theice.com](mailto:michelle.weiler@theice.com).

Sincerely,

A handwritten signature in blue ink that reads "Michelle Weiler". The signature is fluid and cursive, written in a professional style.

Michelle Weiler  
General Counsel and Chief Compliance Officer