



September 22, 2022

VIA CFTC PORTAL

Christopher J. Kirkpatrick
Office of the Secretariat
Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st St., N.W.
Washington, D.C. 20581

Re: Amendment to ICE NGX Canada Inc. Rules - Submission Pursuant to Section 5c(c)(1) of the Commodity Exchange Act and CFTC Regulation § 40.6(a): CP Information Update (CPA Amendments)

Dear Mr. Kirkpatrick:

Pursuant to 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 relating to changes to 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(i).

ICE NGX intends to implement the amendments on October 24, 2022.

1. Overview

ICE NGX is making this submission to clarify that Contracting Parties are responsible for correspondent or intermediary bank fees in relation to wire payments to or from ICE NGX, including for transfers or returns of cash collateral and payment of invoices.

The text of the amended CPA provisions is attached as the Appendix to this letter.

2. Details of Rule Changes

In March 2022, ICE NGX made amendments to the CPA to no longer require Contracting Parties to be responsible for wire payment fees charged to ICE NGX by Royal Bank of Canada (“RBC” and “Exchange’s Principal Banker” as defined in the CPA), in relation to transfers or returns of cash collateral and payment of invoices. At all times, Contracting Parties remained responsible for correspondent or intermediary bank fees in relation to such wire payments.

The Amendments clarify, in the CPA, that Contracting Parties continue to be responsible for correspondent or intermediary bank fees in relation to wire payments to and from ICE NGX, including in relation to transfers or returns of cash collateral and payment of invoices.

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3. Compliance with Core Principles

ICE NGX reviewed the Amendments and determined that they comply with the rules and regulations of the Commission. In this regard, ICE NGX reviewed the derivatives clearing organization (“DCO”) core principles (each a “Core Principle”) and determined that the Amendments are potentially relevant to the following Core Principles and applicable regulations of the Commission thereunder.

Compliance (Core Principle A): The Amendments are consistent with Core Principle A - Compliance and Commission Regulation 39.10, as the Amendments clarify and enhance ICE NGX’s policies and procedures for complying with Commission regulations and internal policies.

Public Information (Core Principle L): The Amendments facilitate ICE NGX’s compliance with Core Principle L and Commission Regulation 39.21(a), as the Amendments clarify, in ICE NGX’s comprehensive rulebook (i.e., the CPA), the responsibility for correspondent bank fees relating to wire payments to and from ICE NGX, including in relation to the transfer or return of cash collateral and payment of invoices.

4. Certifications

ICE NGX certifies that the proposed Amendments discussed in this submission comply with the Commodity Exchange Act, including the Core Principles and the Regulations of the Commission thereunder. ICE NGX is not aware of opposing views expressed regarding the Amendments. ICE NGX further certifies that, concurrent with this filing, a copy of this submission was posted to ICE NGX’s website.

Yours truly,

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

By: Greg Abbott
Title: President & COO
Date: September 22, 2022



APPENDIX

AMENDMENTS TO THE ICE NGX CONTRACTING PARTY AGREEMENT

TERMS AND CONDITIONS

[Note: Insertions are underscored; deletions are struck through.]

3.3 Eligible Collateral Support and Collateral

...

- i. Wire Payment of Cash Collateral - All transfers or deposits of Cash Collateral to or with Exchange by or on behalf of a Contracting Party shall be made by wire payment to the banking instructions provided by Exchange. All returns of Cash Collateral by Exchange to a Contracting Party shall be made by wire payment to the banking instructions provided by the Contracting Party and confirmed by Exchange. For greater certainty, any correspondent or intermediary bank fees relating to the deposit, transfer or return of Cash Collateral are the responsibility of the Contracting Party.

...

5.13 Remedies Upon an Unremedied Exchange Default or Exchange Bankruptcy Event of Default

...

- b. Remedies Upon Early Termination – ...

Any and all payments under this Section 5.13 shall be made in freely available Canadian currency by wire payment. For greater certainty, any correspondent or intermediary bank fees relating to payments under this Section 5.13 are the responsibility of the Contracting Party. Any amount which is not paid when due under this Section 5.13 shall bear interest (both before and after judgment) at the Default Rate, as from the due date of payment until the date of payment, compounded monthly.

...

7.2 Payment of Invoices

- a. Wire Payment of Invoices - Except for payment of MTM Settlement Amounts or as otherwise agreed between the Exchange and the Contracting Party, payment of Invoices by Contracting Party to Exchange and by Exchange to Contracting Party shall be made by wire payment to the banking instructions provided in accordance with this Agreement and Exchange's stated policies. For greater certainty, any correspondent or intermediary bank fees relating to payments of Invoices by Contracting Party to Exchange and by Exchange to Contracting Party are the responsibility of the Contracting Party.