



November 1, 2019

(Submitted electronically via the CFTC Portal)

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

Re: Amendment to ICE Clear U.S., Inc. Rules - Submission 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 Commodity Futures Trading Commission (“Commission”) Regulation 40.6(a), ICE Clear U.S., Inc. (“ICUS”) is submitting this self-certification to amend the ICUS Rules,¹ specifically the ICUS Clearing Member Default Management Procedures (“Default Management Procedures”). ICUS intends to revise the Default Management Procedures no sooner than the tenth business day following the filing of this submission with the Commission, or such later date as ICUS may determine.

1. Overview

ICUS’s Default Management Procedures contain procedures designed to allow for the efficient, fair and safe management of events that may occur if a Clearing Member becomes insolvent or defaults on its obligations to ICUS, or if there is a threat or concern that a Clearing Member may become insolvent or default on its obligations to ICUS. ICUS is proposing to amend the Default Management Procedures to make certain enhancements related to required communications, as well as the possible porting of customer positions, during such events. In addition, ICUS is proposing to make certain clarifying amendments related to its default resource waterfall.

2. Details of Rule Changes

ICUS is proposing to amend the Default Management Procedures to enhance its ability to coordinate and communicate with affiliated and non-affiliated entities, as well as applicable regulatory and self-regulatory organizations, in the event that a Clearing Member is, or there is a concern that a Clearing Member may be, experiencing financial distress, including a possible insolvency and/or default.

In addition, ICUS is proposing to amend the Default Management Procedures to provide more granular guidance on the considerations that ICUS may have to take into account if it seeks to transfer some of the customer positions carried by a distressed or defaulted Clearing Member

¹ Capitalized terms used and not defined in this submission have the meaning set forth in the ICUS Rules.



prior to the commencement of formal bankruptcy or insolvency proceedings. Finally, ICUS is proposing to make some clarifying amendments related to the ICUS and ICE Futures U.S., Inc. contributions to the resource waterfall that is available in the event of a Clearing Member default. ICUS has respectfully requested confidential treatment for the Default Management Procedures amendments which were submitted concurrently with this submission.

3. Compliance with the Act and Regulations

ICUS reviewed the foregoing 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, ICUS reviewed the derivatives clearing organizations core principles and determined that the amendments are potentially relevant to the following core principle and the applicable regulations of the Commission thereunder:

Default Rules and Procedures (Principle G): The proposed amendments to the ICUS Default Management Procedures will enhance ICUS's ability to manage a Clearing Member default or potential default in a manner that is efficient, fair and safe, as such they are consistent with the requirements of Core Principle G and Commission Regulation 39.16.

4. Certifications

ICUS certifies that the amendments to the ICUS Default Management Procedures comply with the Act and the rules and regulations promulgated by the Commission thereunder. ICUS is not aware of any substantive opposing views expressed regarding the amendments. 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>.

If you or your staff have any questions or require further information regarding this submission, please do not hesitate to contact the undersigned at (212) 748-3964 or Eamonn.Hahessy@theice.com.

Sincerely,

A handwritten signature in black ink, appearing to read "Eamonn Hahessy", written over a horizontal line.

Eamonn Hahessy
General Counsel and Chief Compliance Officer