



November 22, 2022

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

Re: ICE Clear Europe Self-Certification Pursuant to Commission Rule Rule 40.6 –
Finance Procedures 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, amendments to its Finance Procedures to align the timing at which monthly interest payments and monthly transaction fees are processed.¹ The amendments will 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 is amending its Finance Procedures to align the timing for payment of the return on cash margin and Guaranty Fund deposits of Clearing Members with that for payment of monthly transaction fees. Under existing Finance Procedures paragraph 6.1(i)(vi), transaction fees are payable through the overnight payment call or return by the fifth Business Day after the end of each month. ICE Clear Europe is amending Finance Procedures paragraph 6.1(i)(iv) to provide that interest on margin and Guaranty Fund contributions will be credited by the fifth Business Day after the end of each month, rather than the fourth Business Day after the end of each month.

¹ Capitalized terms used but not defined herein have the meanings specified in the Finance Procedures or, if not defined therein, the ICE Clear Europe Clearing Rules.

ICE Clear Europe believes that processing interest and transaction fees on the same day as part of the same net overnight payment calculation will reduce the number and size of overall cash flows and thus improve overall payment efficiency. The change will also reduce unnecessary potential liquidity demands on the Clearing House and Clearing Members to the extent of offsetting interest and transaction fees and reduce the risk to the Clearing House of a failure or default in payment of transaction fees by a Clearing Member after payment by the Clearing House of interest. ICE Clear Europe believes that the benefits of improving payment efficiency in this manner will be more significant in the current rising interest rate environment, as increases in ICE Clear Europe's ICE Deposit Rate have resulted in an increase in monthly interest payments due from ICE Clear Europe to Clearing Members.

Compliance with the Act and CFTC Regulations

The amendments to the Finance Procedures are potentially relevant to the following core principles: (E) Settlement Procedures.

- *Settlement Procedures.* ICE Clear Europe believes that the proposal will enhance its regular settlement processes relating to payment of return on cash margin and Guaranty Fund contributions and payment of transactions fees. This will be particularly beneficial, in ICE Clear Europe's view, in light of the current interest rate environment which has led to increases in the ICE Deposit Rate. The amendment also reduces liquidity demands and reduces the risk of a payment failure or default with respect to the payment of transaction fees. The amendment thus appropriately facilitates daily settlements between the Clearing House and its Clearing Members, consistent with the requirements of Core Principle E and Commission Rule 39.14.

As set forth herein, the amendments consist of the amendment to the Finance Procedures, a copy of which is attached hereto.

ICE Clear Europe hereby certifies that the amendment complies with the Act and the Commission's regulations thereunder.

ICE Clear Europe received no substantive opposing views in relation to the amendment.

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 George.milton@theice.com or +44 20 7429 4564.

Very truly yours,



George Milton
Head of Regulation & Compliance