



FOIA CONFIDENTIAL TREATMENT REQUESTED

December 10, 2021

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)

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), a self-certification of the ICE NGX Investment Guidelines (“Investment Guidelines”). The Investment Guidelines is a “rule” as that term is defined under Commission Regulation 40.1(i). ICE NGX intends to implement the Investment Guidelines on December 28, 2021, or such later date as ICE NGX may designate.

ICE NGX has respectfully requested confidential treatment for the Investment Guidelines which were submitted concurrently with this submission.

1. Overview

ICE NGX is making this submission to implement the Investment Guidelines, which codify ICE NGX’s practices with respect to permissible investments for ICE NGX cash and cash collateral received from or on behalf of ICE NGX participants (each a “Contracting Party”).

2. Details of Rule

The Investment Guidelines restrict investment activities in respect of certain categories of cash to the “permissible investment types” listed in the Guidelines. The Investment Guidelines are designed to reflect the principle that ICE NGX cash, including the ICE NGX restricted cash held on deposit to cover the First Loss Amount under ICE NGX’s default insurance, shall only be held or invested in a manner that minimizes credit, market and liquidity risk. The Investment Guidelines also specify that Contracting Party cash collateral shall only be held in interest-bearing deposit accounts, which is in accordance with the terms of the ICE NGX Contracting Party Agreement and reflects ICE NGX’s current approach with cash collateral.



3. Compliance with Core Principles

ICE NGX reviewed the Investment Guidelines 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 Investment Guidelines are potentially relevant to the following Core Principles and applicable regulations of the Commission thereunder.

Compliance (Core Principle A): The Investment Guidelines are consistent with Core Principle A - Compliance and Commission Regulation 39.10, as the Investment Guidelines clarify and enhance ICE NGX’s policies and procedures to reflect current ICE NGX practices for complying with Commission regulations.

Financial Resources (Core Principle B): The Investment Guidelines are consistent with Core Principle D - Financial Resources and Commission Regulation 39.11(e), as the Investment Guidelines are designed to ensure that ICE NGX funds are held in a manner that minimizes the risk of loss or delay in accessing them, and to ensure that ICE NGX funds are sufficiently liquid to enable ICE NGX to fulfill its obligations as a central counterparty during a one-day settlement cycle.

Risk Management (Core Principle D): The Investment Guidelines are consistent with Core Principle D - Risk Management and Commission Regulation 39.13(b), as the Investment Guidelines outline written policies, procedures and controls that are part of an appropriate risk management framework which helps identify and documents the range of risks for ICE NGX.

Treatment of Funds (Core Principle F): The Investment Guidelines are consistent with Core Principle F - Treatment of Funds and Commission Regulations

- 39.15(a), as the Investment Guidelines outline ICE NGX’s standards and procedures designed to protect and ensure the safety of funds and assets belonging to clearing participants;
- 39.15(c), as the permissible type of investment for clearing participant funds (i.e., holding in an interest-bearing deposit account) minimizes the risk of loss or of delay in ICE NGX accessing such funds; and
- 39.15(e), as the permissible type of investment for clearing participant funds (i.e., holding in an interest-bearing deposit account) ensures such funds are protected from credit, market and liquidity risks.

4. Certifications

ICE NGX certifies that the Investment Guidelines 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 Investment



Guidelines. 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 'M. McGregor', written over a horizontal line.

By: Martin McGregor
Title: General Counsel and Chief Compliance Officer
Date: December 10, 2021