



**BY ELECTRONIC TRANSMISSION**

**Submission No. 15-257**

December 18, 2015

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

**Re: ICE Clear US, Inc. Self-Certification Pursuant to Commission Rule 40.6(a) -  
Amendment to Maintenance Period of Stress Loss Charge**

Dear Mr. Kirkpatrick:

ICE Clear US, Inc. (“ICE Clear US” or the “Clearing House”), a registered derivatives clearing organization (“DCO”) under the Commodity Exchange Act, as amended (the “Act”), hereby submits to the Commodity Futures Trading Commission (the “Commission”), for self-certification pursuant to Commission Rule 40.6, the amendment to its procedures as described in the attached notice to clearing members (Exhibit A). The amendment is to become effective on the first business day following the tenth business day after submission, or such later date as ICE Clear US may designate.

*Explanation and Analysis*

In August 2015, ICE Clear US automated its processing of the “Stress Loss Charge” which serves to reduce a Clearing Member’s exposure to the guaranty fund. See ICE Clear US Rule Submission 15-121. As implemented, once the Stress Loss Charge is applied to a clearing member it remains in effect for 30 days. ICE Clear US is proposing to amend the 30 day time period to be 8 calendar days. Accordingly, the Stress Loss Charge added to a clearing member’s initial margin will be the highest stress loss calculated over the previous 8 calendar days rather than 30. ICE Clear US believes this change is appropriate to avoid applying higher stress loss charges when a clearing member has reduced its positions.

*Compliance with the Act and Commission Regulations*

The amendments are consistent with the DCO Core Principles as set forth in the Act. In particular, the amendments are consistent with the risk management requirements of Core Principle D (including CFTC Regulation 39.13 and CFTC Regulation 39.36). For example, the amendments are consistent with CFTC Regulation 39.13(f), as ICE Clear US continues to limit exposure to potential losses from defaults by applying margin requirements and utilizing other risk control mechanisms.



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

ICE Clear US has received no substantive opposing views in relation to the proposed rule amendment.

ICE Clear US has posted a notice of pending certification and a copy of this submission on its website concurrently 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 [Heidi.Rauh@theice.com](mailto:Heidi.Rauh@theice.com) or (312) 836-6716.

Sincerely,

A handwritten signature in blue ink that reads "Heidi M. Rauh".

Heidi M. Rauh  
General Counsel

Attachment

Cc: Thomas Hammond  
Bruce Domash



## EXHIBIT A

December #, 2015

### **NOTICE 15/###**

#### **Reduction in Maintenance Period of Stress Loss Charge**

On August 24, 2015, ICE Clear US implemented a new release of its clearing system (Release 7.9). One of the new features in this release was to automate the daily stress loss charge which reduces clearing member's exposure to the guaranty fund (See Notice 15-049).

The Stress Loss Charge is calculated every night after the end-of-day processing. Any stress loss charge is collected as a separate initial margin call each morning.

Once the Stress Loss Charge is applied to a clearing member, it remains in effect for 30 days. As a result, the Stress Loss Charge added to a clearing member's initial margin has been the highest stress loss calculated over the previous 30 days.

ICE Clear US has determined to decrease the length of time the highest stress loss charge must be maintained from 30 to 8 calendar days. ICE Clear US believes this change is appropriate to avoid applying higher stress loss charges when a clearing member has reduced its positions. As a result, the Stress Loss Charge added to a clearing member's initial margin will be the highest stress loss calculated over the previous 8 calendar days rather than 30 calendar days.

#### **FOR MORE INFORMATION**

Bruce Domash

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