



March 28, 2024

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
– Outsourcing and Third Party Risk Management Policy 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 Outsourcing and Third Party Risk Management Policy (the “Outsourcing Policy” or “Policy”). The amendments are intended to clarify certain aspects of the Clearing House’s overall outsourcing strategy, exit planning, and oversight, among other changes discussed herein.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 Outsourcing Policy to clarify its overall strategy in regard to the use of third party services, requirements for exit planning for critical or important functions, and the role of executive oversight of outsourcing arrangements.

The amendments note the overall goal of meeting technology requirements through intragroup service arrangements, in light of the technological capabilities of the ICE group companies and the superior access and transparency available through an affiliated provider.

The amendments clarify the definition of affiliates and update cross-references to certain other ICE group policies.

With respect to exit plans for critical or important functions performed by third parties, the amendments clarify that plans will, to the extent reasonably practicable, cover

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



stressed and non-stressed scenarios and include execution steps, escalation triggers and accountabilities, with consideration for timelines and costs.

The amendments will provide further detail as to oversight of outsourcing and third party arrangements by clearing house executives. Each arrangement is overseen by a responsible executive, usually the relevant Head of Department. These revisions will outline the day-to-day responsibilities in regard to overseeing the arrangements. The amendments will also clarify that any incidents will be recorded and escalated according to ICE Clear Europe's Incident Management Policy.

Finally, the amendments will make a number of other drafting clarifications and conforming changes, including updating the names of policies or entities.

Compliance with the Act and CFTC Regulations

The amendments to the Outsourcing Policy are potentially relevant to the following core principles: (I) System Safeguards and (O) Governance, and the applicable regulations of the Commission thereunder.

- *System Safeguards.* As stated above, the amendments clarify overall goals in relation to outsourcing of technology services, particularly through affiliated providers, and further clarify requirements for exit plans for third party functions that the Clearing House deems to be critical or important. The amendments thus will facilitate maintenance of appropriate automated systems that are reliable, secure and have adequate scalable capacity. Therefore, in ICE Clear Europe's view, the amendments are consistent with the requirements of Core Principle I and Commission Rule 39.18.
- *Governance.* As discussed above, the amendments to the Outsourcing Policy add further provisions relating to ongoing executive oversight of outsourcing and third party arrangements. The amendments detail the day-to-day responsibilities of the executives and the manner of escalating incidents associated with arrangements that may occur. In ICE Clear Europe's view, the amendments are therefore consistent with the requirements of Core Principle O and Commission Rule 39.24.

As set forth herein, the amendments consist of the amendments to the Outsourcing Policy. ICE Clear Europe has requested confidential treatment with respect to the Policy, which have been submitted concurrently with this self-certification submission.

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

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

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@ice.com or +44 20 7429 4564.

Very truly yours,

A handwritten signature in blue ink, appearing to read 'G. Milton', is positioned above the printed name.

George Milton
Head of Regulation & Compliance