



June 12, 2014

Ms. Melissa Jurgens
Office of the Secretariat
Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, NW
Washington, DC 20581

Re: ICE Clear Europe Supplemental Petition for an Amendment to the Order Pursuant to Section 4d(a) of the Commodity Exchange Act to Permit Commingling of Customer Funds in Connection with Futures and Foreign Futures Contracts

Dear Ms. Jurgens:

On October 15, 2012, the Commodity Futures Trading Commission (the “Commission”) granted ICE Clear Europe Limited (“ICE Clear Europe”) an order (the “Order”) pursuant to Section 4d(a) of the Commodity Exchange Act (the “Act”) to permit ICE Clear Europe and its clearing members (“Clearing Members”) that are registered futures commission merchants (“FCMs”) (i) to hold in a futures account subject to Section 4d(a) of the Act customer money, securities and property (“customer property”) used to margin, secure or guarantee energy contracts traded at ICE Futures Europe that constitute foreign futures and foreign options under Commission Rule 30.1 (collectively, “foreign futures”) along with certain energy futures contracts traded at ICE Futures US and (ii) to provide for portfolio margining of such foreign futures and futures contracts. On March 25, 2014, ICE Clear Europe requested the Commission to amend the Order to apply also to certain interest rate and financial contracts traded or to be traded on ICE Futures Europe (the “Petition”). Capitalized terms used but not defined herein have the meanings described in the Petition.

ICE Clear Europe hereby requests the Commission to amend the Order to also permit all registered FCMs that carry contracts cleared at ICE Clear Europe on behalf of customers through another FCM that is a Clearing Member, but that are not themselves Clearing Members (“Non-Clearing Member FCMs”), (i) to hold in a futures account subject to Section 4d(a) of the Act customer property used to margin, secure or guarantee covered foreign futures traded or to be traded at ICE Futures Europe along with certain futures contracts traded at ICE Futures US and (ii) to provide for portfolio margining of such foreign futures and futures contracts, in each case to the same extent provided in the Order and requested in the Petition for Clearing Member FCMs.

In ICE Clear Europe’s view, expanding the Order and the amendment requested in the Petition to apply to Non-Clearing Member FCMs would avoid creating a gap between the treatment of covered contracts when cleared by Clearing Member FCMs and Non-Clearing Member FCMs.

As a result, it will permit both categories of FCMs and their customers to maintain cleared products in a single account with portfolio margining benefits and to obtain the protections of the segregated futures account. It will also avoid the need for market participants to change clearing arrangements in order to obtain the benefits of commingling and portfolio margining under the Order.

ICE Clear Europe believes that the requested amendment is also fully consistent with the risk management and other factors discussed in detail in the Petition in support of the commingling request under Commission Rule 39.15(b)(2). Non-Clearing Member FCMs would be subject to the terms and conditions of the Order, as amended as requested in the Petition, to the same extent as Clearing Member FCMs.

If you or your staff should have any questions or comments or require further information regarding this request, please do not hesitate to contact the undersigned at paul.swann@theice.com or +44 20 7065 7700, Dee Blake, Director of Regulation, at dee.blake@theice.com or +44 20 7065 7752, or Patrick Davis, Head of Legal and Company Secretary, at patrick.davis@theice.com or +44 20 7065 7738.

Yours sincerely,



Paul Swann
President & Managing Director
ICE Clear Europe

cc: Chairman Timothy Massad
Commissioner Scott D. O'Malia
Ananda K. Radhakrishnan, Director, Division of Clearing & Risk
Phyllis Dietz, Deputy Director, Clearing Policy, Division of Clearing & Risk
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