

## Circular C22/076 Cessation of clearing of CDS Contracts

### Category

General

### Attachments

None

The purpose of this Circular is to give notice pursuant to Rule 105(a) that ICE Clear Europe (the “Clearing House”) has decided to cease to act as a clearing house in relation to all classes of CDS Contracts currently cleared by the Clearing House. The proposed Withdrawal Date for such CDS Contracts is **31 March 2023**.

The Clearing House further notifies all CDS Clearing Members pursuant to Rule 209(a)(v) that the Clearing House is terminating membership of each of its CDS Clearing Members. As regards CDS Clearing Members for which CDS is the only Relevant Contract Category for which they have clearing privileges, this notice will take effect in respect of the termination of their clearing membership as a whole. In respect of CDS Clearing Members which also clear the F&O Contract Category, this will be a termination only in respect of the CDS Contract Category. In both cases, the Clearing House hereby nominates the “Termination Close-Out Deadline Date” as **31 March 2023**. As a result, the “Termination Date” under the Clearing Rules for each CDS Clearing Member will be **31 March 2023** (provided that the CDS Clearing Member complies with its obligations under the Rules to close out all CDS Contracts on time). For the avoidance of doubt, for CDS Clearing Members that are also F&O Clearing Members, this notification does not affect their continuing membership in respect of the F&O Contract Category.

Clearing Members should be aware that the Clearing House is entitled to delay or suspend the termination of membership of any CDS Clearing Member in certain circumstances, and to postpone the Withdrawal Date pursuant to Rule 105(a).

CDS Clearing Members should note that as a result of the notices in this Circular, they are subject to certain obligations under the Clearing Rules from the date of publication this Circular, including but not limited to the obligation, pursuant to Rules 105(c), 209(b) and 918(a) (i), to use all reasonable endeavours to close out all open positions in CDS Contracts prior to the Withdrawal Date. CDS Clearing Members will also, pursuant to Rules 105(c), 209(b) and 918(a) (iii), only be entitled to submit Transactions relating to CDS Contracts for clearing if they can demonstrate that such Transactions have the overall effect of reducing Open Contract Positions in any Set of CDS Contracts or risks to the Clearing House associated with CDS Contracts. CDS Clearing Members should note that, pursuant to Rule 105(b), any CDS Contracts which are not finally settled by the Withdrawal Date may be terminated and cash settled by the Clearing House.

In addition, CDS Clearing Members are given notice pursuant to paragraph 14.2(f) of the Finance Procedures that the Clearing House is extending the current Guaranty Fund Period for the CDS Guaranty Fund, such that the current Guaranty Fund Period will expire on **31 March 2023**. As a result, subject to the Clearing House’s powers under the Clearing Rules, no re-setting of the CDS Guaranty Fund or returns of CDS Guaranty Fund Contributions shall take place until after the Withdrawal Date.

The Clearing House wishes to effect a smooth and orderly closure of the CDS Contract Category and, where requested, to facilitate the re-establishment by CDS Clearing Members of their positions at alternative appropriately licensed Clearing Houses. CDS Clearing Members wishing to avail themselves of such facilitation should contact the Clearing House for further information.

Capitalised terms used but not defined in this Circular shall have the meaning given to the term in the ICE Clear Europe Clearing Rules.

Should you have any questions in relation to this Circular or require any further information, please contact Charles Lindsay by phone on +44 (0)20 3142 0925 or by email [Charles.lindsay@ice.com](mailto:Charles.lindsay@ice.com) or CDS Operations by phone on +44 (0)20 7429 3130 or by email [euclsops@ice.com](mailto:euclsops@ice.com).

[View All Circulars](#) / [Subscribe](#) / [Contact Us](#) / [Media Inquiries](#)

ICE Clear Europe  
30 June 2022



---

Please ensure that the appropriate members of staff within your organisation and customers are advised of the content of this Circular.

Signed:

A handwritten signature in blue ink, appearing to read 'Hester Serafini', with a stylized flourish at the end.

Hester Serafini  
President

**For more information, please contact:**

Charles Lindsay  
Head of Legal  
+44 (0)20 3142 0925  
[Charles.lindsay@ice.com](mailto:Charles.lindsay@ice.com)

CDS Operations  
+44 (0)20 7429 3130  
[euclsops@ice.com](mailto:euclsops@ice.com)

**[View All Circulars](#) / [Subscribe](#) / [Contact Us](#) / [Media Inquiries](#)**

Registered name: ICE Clear Europe Limited, (Registered in England, No. 06219884)  
Registered office: Milton Gate, 60 Chiswell Street, London EC1Y 4SA, United Kingdom  
ICE Clear Europe Ltd is a recognised clearing house under the Financial Services and Markets Act 2000 and is supervised by the Bank of England.