



DCO Rules

UNITED STATES COMMODITY FUTURES TRADING COMMISSION

Submitter Information	
Organization Name ICE Clear US, Inc.	
Organization Type DCO	Organization Acronym ICLR US
Submitted By ehahessy	Email Address eamonn.hahessy@theice.com
Cover Sheet	
Submission Number 2407-1514-3047-31	Submission Date 7/15/2024 2:30:47 PM ET
Submission Type 40.6(a) Rule Certification	
Submission Description Amendments to the ICUS Rules	
<input type="checkbox"/> Request Confidential Treatment	
Registered Entity Identifier Code	
Rule Numbers 202(k), 204(d) and 402(b)	
Date of Intended Implementation 7/29/2024	
Documents	
Rule Amendments (ICUS Rules 202(k) and 204(d) with Exhibit A) - 2024 07 15.pdf	
Request For Confidential Treatment - Detailed Written Justification	
N/A	



July 15, 2024

VIA CFTC PORTAL

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

Re: Amendments to the ICE Clear U.S., Inc. Rules - Submission Pursuant to Section 5c(c)(1) of the Commodity Exchange Act and Commission Regulation 40.6(a) - Rules 202(k) and 204(d) and Miscellaneous Minor Change

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), ICE Clear U.S., Inc. (“ICUS”) is submitting this self-certification to amend the ICUS Rules.¹ ICUS intends to revise its Rules no sooner than the tenth business day following the filing of this submission with the Commission, or such later date as ICUS may determine.

1. Overview

ICUS Rule 204(d) contains a provision that requires Clearing Members to provide certain information to ICUS upon request. ICUS is proposing to amend this Rule to align it more closely with a related Commission regulation. In doing so, ICUS is also proposing to eliminate duplicative language from ICUS Rule 202(k).

2. Details of Rule Changes

ICUS Rule 204 contains various provisions requiring Clearing Members to file information with ICUS on a periodic and event specific basis, or, in the case of ICUS Rule 204(d), upon ICUS’s request. These provisions facilitate ICUS’s ability to monitor, among other things, its Clearing Members’ financial and operational performance. ICUS is proposing to amend ICUS Rule 204(d) to track Commission Regulation 39.13(h)(5)(i)(B) more explicitly. In addition, ICUS is proposing to eliminate duplicative language from ICUS Rule 202(k).²

¹ Capitalized terms used and not defined in this submission have the meaning set forth in the ICUS Rules.

² ICUS is also taking this opportunity to eliminate a minor typographical error in ICUS Rule 402(b).



3. Compliance with the Act and Regulations

ICUS reviewed the foregoing amendments and determined that they comply with the requirements of the Act and the rules and regulations promulgated by the Commission in implementing the Act. In this regard, ICUS reviewed the derivatives clearing organizations core principles (“Core Principles”) and determined that the amendments are potentially relevant to the following Core Principle and the applicable regulations of the Commission thereunder:

Risk Management (Core Principle D):

These amendments ensure that ICUS’s Rules clearly articulate ICUS’s ability to request information from Clearing Members (on behalf of ICUS and/or the Commission) that will facilitate the monitoring of its Clearing Members, including its Clearing Members’ risk management policies and procedures. As a result, the proposed amendments are consistent with the requirements of Core Principle D and Commission Regulations 39.13 and 39.36.

4. Certifications

ICUS certifies that these proposed amendments to the ICUS Rules comply with the Act and the rules and regulations promulgated by the Commission thereunder. A copy of the amendments is attached to this submission in Exhibit A. ICUS is not aware of any substantive opposing views expressed regarding the amendments. ICUS further certifies that, concurrent with this filing, a copy of the submission was posted on ICUS’s website and may be accessed at <https://www.theice.com/clear-us/regulation>.

If you or your staff have any questions or require further information regarding this submission, please do not hesitate to contact the undersigned at (212) 748-3964 or Eamonn.Hahessy@ice.com.

Sincerely,

A handwritten signature in black ink, appearing to read 'Eamonn Hahessy', written over a horizontal line.

Eamonn Hahessy
General Counsel and Chief Compliance Officer

EXHIBIT A

(In the text of the amendment(s), below, additions are underlined and deletions are lined out)

Rule 202. Eligibility Requirements

.....

(k) Maintain as appropriate for the nature of its business, risk management policies, procedures, practices and systems reasonably sufficient in the judgment of the Corporation to monitor and control financial and operational risks from accounts cleared by it. Such written risk management policies, procedures, practices and systems shall be made available to the Corporation upon request. Without limiting the foregoing, in order to comply with Commission Regulation 39.13(g)(8)(ii), the risk management policies, procedures and practices shall identify categories of customers with heightened risk profiles and collect initial margin for each account, at a level that exceeds the clearing initial margin requirement determined by the Corporation, by an amount commensurate with the risk presented by each account. ~~Such written risk management policies, procedures, practices and systems shall be made available to the Corporation upon request.~~

.....

Rule 204. Reporting and Notice Requirements

.....

(d) ~~Each~~ In addition to what is explicitly required by this Rule, each Clearing Member shall file with the Corporation, or the Commission, such documents, financial and/or other information, as may be requested from time to time, including, but not limited to, documents, financial and/or other information regarding its risk management policies, procedures, and practices, the liquidity of its financial resources and its settlement procedures, ~~in addition to what is explicitly required by this Rule, as may be requested by the Corporation from time to time.~~

.....

Rule 402. Trade Data Submission

.....

(b) A Contract which has been matched by the Listing Exchange and has been submitted for clearance by or on behalf of any Clearing Member shall be deemed accepted by the Corporation for clearance when both Clearing Members have accepted the Contract for clearing. The Corporation shall have no liability or obligation to any Clearing Member or other person with respect to any Contract which has not been accepted by it for clearance. Notwithstanding the foregoing, the Corporation shall not be deemed to have accepted a Contract that is the subject of an exchange of futures for related position or block ~~trace-trade~~ (as permitted under the rules of the Listing Exchange), mechanical adjustment or a transfer unless and until each Clearing Member shall have met the initial and variation margin obligations applicable to such Contract.