

SECURITIES AND EXCHANGE COMMISSION
(Release No. 34-73384; File No. SR-ICC-2014-14)

October 17, 2014

Self-Regulatory Organizations; ICE Clear Credit LLC; Notice of Designation of Longer Period for Commission Action on Proposed Rule Change to Add Rules Related to the Clearing of Standard Western European Sovereign CDS Contracts

On August 25, 2014, ICE Clear Credit LLC (“ICC”) filed with the Securities and Exchange Commission (“Commission”) the proposed rule change SR-ICC-2014-14 pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”)¹ and Rule 19b-4 thereunder.² The proposed rule change was published for comment in the Federal Register on September 4, 2014.³ The Commission has not received comments on the proposed rule change. The Commission is publishing this notice to designate a longer period for Commission action on the proposed rule change.

Section 19(b)(2) of the Act⁴ provides that within 45 days of the publication of notice of the filing of a proposed rule change, or within such longer period up to 90 days as the Commission may designate if it finds such longer period to be appropriate and publishes its reasons for so finding or as to which the self-regulatory organization consents, the Commission shall either approve the proposed rule change, disapprove the proposed rule change, or institute proceedings to determine whether the proposed rule change should be disapproved. The 45th day from the publication of notice of filing of this proposed rule change is October 19, 2014. The Commission is extending this 45-day time period.

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ Securities Exchange Act Release No. 34-72941 (Aug. 28, 2014), 79 FR 52794 (Sep. 4, 2014) (SR-ICC-2014-14).

⁴ 15 U.S.C. 78s(b)(2).

ICC proposes to adopt new clearing rules and amend the ICC Risk Management Framework to provide for the clearance of Standard Western European Sovereign credit default swap (“CDS”) contracts, specifically the Republic of Ireland, the Italian Republic, the Portuguese Republic, and the Kingdom of Spain. Given that ICC does not currently provide clearing services for Western European Sovereign CDS, and it is proposing a new General Wrong Way Risk methodology to address the potential wrong way risk associated with the clearing of sovereign contracts, the Commission finds it appropriate to designate a longer period within which to take action on the proposed rule change so that it has sufficient time to consider the complex issues under the proposed rule change.

Accordingly, the Commission, pursuant to Section 19(b)(2) of the Act,⁵ designates December 3, 2014, as the date by which the Commission should either approve or disapprove, or institute proceedings to determine whether to disapprove, the proposed rule change (File No. SR-ICC-2014-14).

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.⁶

Kevin M. O'Neill
Deputy Secretary

⁵ 15 U.S.C. 78s(b)(2).

⁶ 17 CFR 200.30-3(a)(31).