

SECURITIES AND EXCHANGE COMMISSION

(Release No. 34-88433; File No. SR-ICEEU-2020-004)

March 20, 2020

Self-Regulatory Organizations; ICE Clear Europe Limited; Notice of Filing and Immediate Effectiveness of Proposed Rule Change Relating to amendments to the Finance Procedures (the “Finance Procedures”)

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”),¹ and Rule 19b-4 thereunder,² notice is hereby given that on March 19, 2020, ICE Clear Europe Limited (“ICE Clear Europe” or the “Clearing House”) filed with the Securities and Exchange Commission (“Commission”) the proposed rule changes described in Items I and II below, which Items have been prepared primarily by ICE Clear Europe. ICE Clear Europe filed the proposed rule change pursuant to Section 19(b)(3)(A) of the Act³ and Rule 19b-4(f)(6)⁴ thereunder, such that the proposed rule change was immediately effective upon filing with the Commission. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

I. Clearing Agency’s Statement of the Terms of Substance of the Proposed Rule Change

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ 15 U.S.C. 78s(b)(3)(A).

⁴ 17 CFR 240.19b-4(f)(6).

ICE Clear Europe Limited is proposing to amend the cash instruction deadline for USD set out in Section 6.1(e) of the Finance Procedures to be 11:45 Eastern time, rather than 16:45 London time, as set out in Exhibit 5.⁵

II. Clearing Agency's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, ICE Clear Europe included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. ICE Clear Europe has prepared summaries, set forth in sections (A), (B), and (C) below, of the most significant aspects of such statements.

(A) Clearing Agency's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

(a) Purpose

The purpose of the proposed amendment is to amend the cash instruction deadline for USD cash in Section 6.1(e) of the Finance Procedures to be 11:45 Eastern time instead of 16:45 London time. Under most circumstances, 11:45 Eastern time is the same as 16:45 London time. However, ICE Clear Europe is proposing the amendment to avoid an unintended change in the applicable deadline as a result of the different start dates for daylight savings time in the United States and the United Kingdom. In the absence of the amendment, the temporary change in time difference between the US and UK would

⁵ Capitalized terms used but not defined herein have the meanings specified in the ICE Clear Europe Clearing Rules (the "Rules").

cause the deadline to move to 12:45 Eastern time for the period until summer time commences in the UK.

The change would thus allow ICE Clear Europe to maintain its current (Eastern time) deadline for USD instructions regardless of any change in the time difference between local time in London and local time in New York in connection with differences in dates for daylight saving time in the US and UK. In ICE Clear Europe's view, the 11:45 a.m. deadline for USD cash instructions facilitates ICE Clear Europe's ongoing USD cash management and investment activities, particularly in circumstances where the market may be volatile.

(b) Statutory Basis

ICE Clear Europe believes that the proposed rule change is consistent with the requirements of Section 17A of the Act⁶ and the regulations thereunder applicable to it, including the standards under Rule 17Ad-22.⁷ In particular, Section 17A(b)(3)(F) of the Act⁸ requires, among other things, that the rules of a clearing agency be designed to promote the prompt and accurate clearance and settlement of securities transactions and, to the extent applicable, derivative agreements, contracts, and transactions, the safeguarding of securities and funds in the custody or control of the clearing agency or for which it is responsible, and the protection of investors and the public interest. The proposed amendments would facilitate continued regular settlement operations between the Clearing House and its Clearing Members in USD by avoiding an unintended change

⁶ 15 U.S.C. 78q-1.

⁷ 17 C.F.R. 240.17Ad-22.

⁸ 15 U.S.C. 78q-1(b)(3)(F).

in the USD instruction deadline as a result of temporary changes in the time difference between the US and the UK. The amendments would also facilitate ICE Clear Europe's ongoing USD cash management and investment activities, and help ensure that, particularly during times of market volatility, the Clearing House would continue to have the operational capacity to effect settlements with each Clearing Member. As such, the amendment would promote the prompt and accurate clearance and settlement of transactions. By facilitating the Clearing House's investment and cash management activities, the amendments are also consistent with the safeguarding of securities and funds in the custody or control of the Clearing House or for which it is responsible, and will generally further the protection of investors and the public interest.

(B) Clearing Agency's Statement on Burden on Competition

ICE Clear Europe does not believe the proposed amendment would have any impact, or impose any burden, on competition not necessary or appropriate in furtherance of the purpose of the Act. The amendments are being proposed to maintain the usual USD cash instruction (Eastern time) deadline notwithstanding temporary changes in the time difference between the US and UK. As a result, ICE Clear Europe does not believe the amendments would adversely affect competition among Clearing Members, materially affect the cost of clearing, adversely affect access to clearing in Contracts for Clearing Members or their customers, or otherwise adversely affect competition in clearing services. Accordingly, ICE Clear Europe does not believe that the amendments would impose any impact or burden on competition that is not appropriate in furtherance of the purpose of the Act.

(C) Clearing Agency's Statement on Comments on the Proposed Rule Change Received from Members, Participants or Others

Written comments relating to the proposed amendments have not been solicited or received by ICE Clear Europe. ICE Clear Europe will notify the Commission of any comments received with respect to the proposed rule change.

III. Date of Effectiveness of the Proposed Rule Change

Because the foregoing proposed rule change does not:(i) significantly affect the protection of investors or the public interest; (ii) impose any significant burden on competition; and (iii) become operative for 30 days from the date on which it was filed, or such shorter time as the Commission may designate if consistent with the protection of investors and the public interest, provided that ICE Clear Europe has given the Commission written notice of its intent to file the proposed rule change at least five business days prior to the date of filing of the proposed rule change or such shorter time as designated by the Commission, it has become effective pursuant to Section 19(b)(3)(A) of the Act and Rule 19b-4(f)(6) thereunder.⁹

Because the Commission believes that the proposed rule change would merely maintain the usual USD cash instruction deadline notwithstanding temporary changes in the time difference between the US and UK, it would promote the prompt and accurate clearance and settlement of transactions by facilitating the ICEEU's investment and cash

⁹ ICE Clear Europe has requested that the Commission waive the five-day pre-filing requirement and the 30-day delayed operative date under Rule 19b-4(f)(6)(iii) so that the proposed rule change may become effective and operative upon filing with the Commission, which the Commission has done. Moreover, for purposes only of these waivers, the Commission has considered the proposed rule change's impact on efficiency, competition, and capital formation. See 15 U.S.C. 78c(f).

management activities and be consistent with the obligation to safeguard securities and funds in the custody or control of ICEEU or for which it is responsible, and would generally further the protection of investors and the public interest. Further, the Commission does not believe that the proposed rule change would impose any new requirements on clearing members it would not burden competition.

Additionally, because such a temporary change in time difference is currently in effect, and will last until March 27, 2020, the Commission believes that prompt implementation of the proposal change is necessary and appropriate and that a 30-day delay would serve no purpose. Further, the Commission believes that any delay in the operation of the proposed rule change would be inconsistent with the goal of maintaining the certainty of the current cash deadlines. Therefore, the Commission believes that waiving the 30-day operative delay is consistent with the protection of investors and the public interest and designates the proposed rule change as operative upon filing.¹⁰

At any time within 60 days of the filing of the proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act. If the Commission takes such action, the Commission shall institute proceedings to determine whether the proposed rule should be approved or disapproved.

IV. Solicitation of Comments

¹⁰ For these same reasons, the Commission waives the five-day pre-filing requirement.

Interested persons are invited to submit written data, views, and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Comments may be submitted by any of the following methods:

Electronic Comments:

- Use the Commission's Internet comment form (<http://www.sec.gov/rules/sro.shtml>) or
- Send an e-mail to rule-comments@sec.gov. Please include File Number SR-ICEEU-2020-004 on the subject line.

Paper Comments:

- Send paper comments in triplicate to Secretary, Securities and Exchange Commission, 100 F Street, N.E., Washington, D.C. 20549-1090.

All submissions should refer to File Number SR-ICEEU-2020-004. This file number should be included on the subject line if e-mail is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's Internet website (<http://www.sec.gov/rules/sro.shtml>). Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for website viewing and printing in the Commission's Public Reference Room, 100 F Street, N.E., Washington, D.C. 20549, on official business days between the hours of 10:00 a.m. and 3:00 p.m. Copies of such filings will also be available for inspection and copying at

the principal office of ICE Clear Europe and on ICE Clear Europe's website at <https://www.theice.com/clear-europe/regulation>.

All comments received will be posted without change. Persons submitting comments are cautioned that we do not redact or edit personal identifying information from comment submissions. You should submit only information that you wish to make available publicly. All submissions should refer to File Number SR-ICEEU-2020-004 and should be submitted on or before [insert date 21 days from publication in the Federal Register].

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.¹¹

J. Matthew DeLesDernier
Assistant Secretary

¹¹ 17 CFR 200.30-3(a)(12).