

SECURITIES AND EXCHANGE COMMISSION
(Release No. 34-68523; File No. SR-ICEEU-2012-21)

December 21, 2012

Self-Regulatory Organizations; ICE Clear Europe Limited; Notice of Filing and Immediate Effectiveness of Proposed Rule Changes to Implement Requirements of Commodity Futures Trading Commission Rule 39.13(g)(8)(ii)

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 December 19, 2012, ICE Clear Europe Limited (“ICE Clear Europe”) filed with the Securities and Exchange Commission (“Commission”) the proposed rule change described in Items I, II and III below, which items have been prepared primarily by ICE Clear Europe. ICE Clear Europe filed the proposal pursuant to Section 19(b)(3)(A)(iii) of the Act,³ and Rule 19b-4(f)(4)(ii)⁴ thereunder so that the proposal was effective upon filing with the Commission. The Commission is publishing this Notice to solicit comments on the proposed rule change from interested persons.

I. Self-Regulatory Organization’s Statement of Terms of Substance of the Proposed Rule Change

ICE Clear Europe proposes to implement Commodity Futures Trading Commission (“CFTC”) Rule 39.13(g)(8)(ii), which requires that FCM Clearing Members collect customer initial margin for customer non-hedge positions at a level that is greater than 100% of ICE Clear Europe’s initial margin requirements. As a result, ICE Clear Europe has established a minimum percentage of 110% in respect of non-hedge customers for energy futures. All capitalized terms not defined herein are defined in the ICE Clear Europe Rules.

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ 15 U.S.C. 78s(b)(3)(A)(iii).

⁴ 17 CFR 240.19b-4(f)(4)(ii).

II. Self-Regulatory Organization's Statement of 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.⁵

A. Self-Regulatory Organization's Statement of Purpose of, and Statutory Basis for, the Proposed Rule Change

The purpose of the change is to implement the requirements of CFTC Rule 39.13(g)(8)(ii). ICE Clear Europe has informed FCM Clearing Members of the new requirements of CFTC Rule 39.13(g)(8)(ii). This rule requires that FCM Clearing Members collect customer initial margin for customer non-hedge positions at a level that is greater than 100% of ICE Clear Europe's initial margin requirements. Accordingly, ICE Clear Europe has established a minimum percentage of 110% in respect of non-hedge customers for energy futures. As a result, as of October 4, 2012, FCM Clearing Members must collect an amount of no less than 110% of ICE Clear Europe's initial margin requirement in respect of those customers.

Section 17A(b)(3)(F) of the Act⁶ 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. ICE Clear Europe believes that the proposed change to margin requirements applicable to FCM Clearing Members is consistent with the requirements of the Act and the rules and regulations

⁵ The Commission has modified the text of the summaries prepared by OCC.

⁶ 15 U.S.C. 78q-1(b)(3)(F).

thereunder applicable to ICE Clear Europe, in particular, with Section 17A(b)(3)(F),⁷ because improved margining facilitates the prompt and accurate clearance and settlement and improves the safety and soundness of the clearing house.

B. Self-Regulatory Organization's Statement on Burden on Competition

ICE Clear Europe does not believe the proposed change would have any impact, or impose any burden, on competition.

C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received from Members, Participants, or Others

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

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

The foregoing rule change has become effective pursuant to Section 19(b)(3)(A)(iii)⁸ of the Act and Rule 19b-4(f)(4)(ii)⁹ thereunder because it primarily affects the futures clearing operations of the clearing agency with respect to futures that are not security futures, and does not significantly affect the securities clearing operations of the clearing agency or any related rights or obligations of the clearing agency or persons using such service. 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

⁷ 15 U.S.C. 78q-1(b)(3)(F).

⁸ 15 U.S.C. 78s(b)(3)(A)(iii).

⁹ 17 CFR 240.19b-4(f)(4)(ii).

appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act.¹⁰

IV. Solicitation of Comments

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 No. SR-ICEEU-2012-21 on the subject line.

Paper Comments:

- Send paper comments in triplicate to Elizabeth M. Murphy, Secretary, Securities and Exchange Commission, 100 F Street, NE, Washington, D.C., 20549-1090.

All submissions should refer to File Number SR-ICEEU-2012-21. 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

¹⁰ 15 U.S.C. 78s(b)(3)(C).

available for website viewing and printing in the Commission's Public Reference Room, 100 F Street, NE, Washington, DC 20549 on official business days between the hours of 10:00 a.m. and 3:00 p.m. Copies of such filing also will 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/publicdocs/regulatory_filings/ICEU_SEC_121912_2012-21.pdf.

All comments received will be posted without change; the Commission does not edit personal identifying information from submissions. You should submit only information that you wish to make available publicly. All submissions should refer to File Number SR-ICEEU-2012-21 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

Kevin M. O'Neill
Deputy Secretary

¹¹ 17 CFR 200.30-3(a)(12).