

October 9, 2026

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

Re: ICE Clear Europe Self-Certification Pursuant to Commission Rule Rule 40.6 –
Model Risk Policy

ICE Clear Europe Limited (“ICE Clear Europe” or the “Clearing House”), a registered derivatives clearing organization under the Commodity Exchange Act, as amended (the “Act”), hereby submits to the Commodity Futures Trading Commission (the “Commission”), pursuant to Commission Rule 40.6 for self-certification, amendments to its Model Risk Policy (the “Policy”).¹ The amendments will become effective on the first business day following the tenth business day after submission, or such later date as ICE Clear Europe may determine.

Concise Explanation and Analysis

ICE Clear Europe is amending its Model Risk Policy to revise its procedures relating to model parameter changes to add a de minimis classification for changes to non-Business As Usual (“BAU”) parameters. Such changes below the de minimis threshold will require approval by the President, Chief Risk Officer and relevant department head or their delegates (but do not require approval by the Executive Risk Committee). The amendments will also clarify that only significant changes to non-BAU parameters must be reviewed by the Board Risk Committee and approved by the Board. In addition, a clarification will be made that the Clearing House should notify appropriate regulators before changing a parameter’s BAU or non-BAU classification.

The amendments will also provide additional clarification as to when deviation from the Model Risk Policy is appropriate for risk management or market stability purposes. Specifically, the amendments clarify the exception handling section by further defining the types of emergency situations that may warrant such response, such as where there is a risk of an immediate and destabilizing effect on clearing members or financial markets, including risk to the Clearing House. The amendments further clarify that any such deviation may remain in effect only while the conditions giving rise to the emergency continue and that the Clearing House should subsequently notify the

¹ Capitalized terms used but not defined herein have the meanings specified in the Policy or, if not defined therein, the ICE Clear Europe Clearing Rules.

appropriate regulators of any override or change made to the Policy pursuant to the exception handling section.

The amendments also implement changes to the significance assessment framework in the appendix to the Policy, in accordance with updates to applicable regulation. The classification of certain qualitative changes to the Clearing House's models and parameters as significant will be documented, along with the associated higher level of review and approval, including certain changes with respect to the margin model and the list of eligible collateral. Certain other changes and clarifications are made to the significance thresholds relating to margin components, portfolio offsets, stress testing, and liquidity stress testing.

The amendments also introduce a new de minimis threshold table for model and parameter changes. Certain changes that do not have greater than a +/-2% impact on total pre-funded financial resources, total margin requirement, total margin for portfolio across which offsets apply, the total guaranty fund requirement, aggregate liquidity needs, and/or liquidity exposure to the counterparty, or greater than a +/-1% impact on total collateral value, will be considered de minimis changes.

A new provision clarifies that the lookback period for significance testing should be aligned to applicable regulatory requirements where data is available. Otherwise, the impact assessment will be conducted as feasible considering the availability of data.

Compliance with the Act and CFTC Regulations

The amendments to the Model Risk Policy are potentially relevant to the following core principle: (D) Risk Management, and (O) Governance, and the applicable regulations of the Commission thereunder.

- *Risk Management.* As set forth above, the amendments to the Policy more clearly document practices relating to the review and management of model risk parameter changes and make certain enhancements to those practices. The appendix to the Policy will contain revised significance thresholds for changes to the margin model, stress test model, liquidity stress model, and collateral and haircut model. The amendments also introduce a new de minimis threshold concept for model and parameter changes and describe the review and approval process for such changes. As such, the new Policy will enhance the overall management of model risk for the Clearing House, consistent with the requirements of Core Principle D and Commission Rule 39.13.
- *Governance.* As discussed above, the amendments to the Policy set out the review and approval process for de minimis changes to non-BAU parameters. The amendments also provide greater detail with regard to exception handling by more clearly describing the scenarios under which the President may override elements of the Policy in emergency situations. In ICE Clear Europe's view, the amendments promote the Clearing House's clear and transparent governance processes and further define the roles and responsibilities of relevant committees and personnel for review of relevant changes. The

amendments are therefore consistent with the requirements of Core Principle O and Commission Rule 39.24.

As set forth herein, the amendments consist of the adoption of the amendments to the Model Risk Policy. ICE Clear Europe has requested confidential treatment with respect to the amended Policy, which has been submitted concurrently with this self-certification submission.

ICE Clear Europe hereby certifies that the amendments comply with the Act and the Commission's regulations thereunder.

ICE Clear Europe received no substantive opposing views in relation to the amendments.

ICE Clear Europe has posted a notice of pending certification and a copy of this submission on its website concurrent with the filing of this submission.

If you or your staff should have any questions or comments or require further information regarding this submission, please do not hesitate to contact the undersigned at George.milton@ice.com or +44 20 7429 4564.

Very truly yours,

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

George Milton
Head of Regulation & Compliance