behalf of the User.[4] The proposed rule change was published for comment in the **Federal Register** on October 7, 2014.[5] On November 19, 2014, the Exchange also submitted Amendment No. 1 to the proposed rule change. The Commission received one comment on the proposed rule change.

Section 19(b)(2) of the Act[6] 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 for this filing is November 21, 2014.[7] The Commission is extending this 45-day time period.

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 this proposed rule change. The proposed rule change, if approved, would authorize the Exchange to share any User-designated risk settings in Exchange systems with the Clearing Member that clears transactions on behalf of the User.

Accordingly, the Commission, pursuant to Section 19(b)(2) of the Act,[8] designates January 5, 2015, 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–NYSEMKT–2014–81).

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[9]

Kevin M. O'Neill,

Deputy Secretary.

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which has been admitted to membership in the Options Clearing Corporation pursuant to the provisions of the Rules of the Options Clearing Corporation.''

[4] *See* Exchange Rule 900.2NY (87) defining ''User'' as ''any ATP Holder that is authorized to obtain access to the System pursuant to Rule 902.1NY.''

[5] *See* Securities Exchange Act Release No. 73280 (October 1, 2014), 79 FR 60553.

[6] 15 U.S.C. 78s(b)(2).

[7] On November 19, 2014, the Exchange consented to an extension of this time period until November 29, 2014. *See* 15 U.S.C. 78s(b)(2)(A)(ii)(II).

[8] *Id.*

[9] 17 CFR 200.30–3(a)(31).

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–73666; File No. SR–ICC–2014–16]

Self-Regulatory Organizations; ICE Clear Credit LLC; Order Approving Proposed Rule Change Related to ICC's Use of House Initial Margin as an Internal Liquidity Resource

November 21, 2014.

I. Introduction

On October 1, 2014, ICE Clear Credit LLC (''ICC'') filed with the Securities and Exchange Commission (''Commission'') the proposed rule change SR–ICC–2014–16 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 October 20, 2014.[3] The Commission did not receive comments on the proposed rule change. For the reasons discussed below, the Commission is approving the proposed rule change.

II. Description of the Proposed Rule Change

ICC has stated that the purpose of the proposed rule change is to amend ICC Clearing Rule 402(j) to provide further clarity regarding ICC's obligation to return any Clearing Participant's House Initial Margin used as an internal liquidity resource. Under Rule 402(j), ICC may, in connection with a Clearing Participant default, (i) exchange House Initial Margin held in the form of cash for securities of equivalent value and/or (ii) exchange House Initial Margin held in the form of cash in one currency for cash of equivalent value in a different currency. The proposed rule change clarifies that the exchanges involving a Clearing Participant's Initial Margin in its House Account will occur on a temporary basis and that ICC will reverse any such exchange as soon as practicable following the conclusion of event which gave rise to the liquidity need. ICC states that the duration of the liquidity event will likely be significantly shorter than the amount of time necessary to complete the default management process for the event which gave rise to the liquidity need. The proposed rule change will also delete general references to ICC's liquidity policies and procedures and instead will use the defined term ''ICE Clear Credit Procedures'' found throughout the ICC Rules.

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b–4.

[3] Securities Exchange Act Release No. 34–73347 (Oct. 14, 2014), 79 FR 62683 (Oct. 20, 2014) (SR–ICC–2014–16).

III. Discussion and Commission Findings

Section 19(b)(2)(C) of the Act[4] directs the Commission to approve a proposed rule change of a self-regulatory organization if the Commission finds that such proposed rule change is consistent with the requirements of the Act and the rules and regulations thereunder applicable to such self-regulatory organization. Section 17A(b)(3)(F) of the Act[5] requires, among other things, that the rules of a clearing agency are designed to promote the prompt and accurate clearance and settlement of securities transactions and, to the extent applicable, derivative agreements, contracts, and transactions, to assure the safeguarding of securities and funds which are in the custody or control of the clearing agency or for which it is responsible and, in general, to protect investors and the public interest.

The Commission finds that the proposed rule change is consistent with the requirements of Section 17A of the Act[6] and the rules and regulations thereunder applicable to ICC. The proposed modification to Rule 402(j) provides clarity regarding ICC's obligation and timing to return any House Initial Margin used as an internal liquidity resource and is reasonably designed to allow ICC to manage its liquidity needs in the event of one or more Clearing Participant defaults. Accordingly, the Commission believes that the proposed rule change is reasonably designed to promote the prompt and accurate clearance and settlement of securities transactions and, to the extent applicable, derivative agreements, contracts, and transactions, and to assure the safeguarding of securities and funds which are in the custody or control of the clearing agency or for which it is responsible, consistent with Section 17A(b)(3)(F) of the Act.[7]

IV. Conclusion

On the basis of the foregoing, the Commission finds that the proposal is consistent with the requirements of the Act and in particular with the requirements of Section 17A of the Act[8] and the rules and regulations thereunder.

It is therefore ordered, pursuant to Section 19(b)(2) of the Act,[9] that the

[4] 15 U.S.C. 78s(b)(2)(C).

[5] 15 U.S.C. 78q–1(b)(3)(F).

[6] 15 U.S.C. 78q–1.

[7] 15 U.S.C. 78q–1(b)(3)(F).

[8] 15 U.S.C. 78q–1.

[9] 15 U.S.C. 78s(b)(2).

proposed rule change (SR–ICC–2014–16) be, and hereby is, approved.[10]

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

Kevin M. O'Neill,

Deputy Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–73667; File No. SR–ICEEU–2014–23]

Self-Regulatory Organizations; ICE Clear Europe Limited; Notice of Filing of Proposed Rule Change to Finance Procedures

November 21, 2014.

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 November 14, 2014, ICE Clear Europe Limited (''ICE Clear Europe'' or the ''Clearing House'') filed with the Securities and Exchange Commission (''Commission'') the proposed rule change described in Items I, II and III below, which Items have been primarily prepared by ICE Clear Europe. ICE Clear Europe filed the proposal pursuant to Section 19(b)(3)(A) 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 the Terms of Substance of the Proposed Rule Change

The principal purpose of the proposed change is to permit certain third party collateral purchase arrangements.

II. Self-Regulatory Organization'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 these statements.

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

1. Purpose

The purpose of the proposed rule change is to modify the Finance Procedures to permit certain third party collateral purchase arrangements with respect to Triparty Collateral provided by F&O Clearing Members in respect of a Proprietary Account. Under such an arrangement, an F&O Clearing Member would, with the permission of the Clearing House, enter into a third party collateral purchase agreement (a ''Purchase Agreement'') with the Clearing House and a third party collateral purchaser (the ''TPCP'') designated by the Clearing Member. The TPCP may be an affiliate of the Clearing Member. Under the terms of the Purchase Agreement, if the Clearing House declares the Clearing Member to be a Defaulter under the Rules, then the Clearing House will offer to sell that Clearing Member's Triparty Collateral to the TPCP, for a specified price established by the Clearing House based on its determination of the market value of the collateral. The TPCP will have a specified period (expected to be two hours) to accept or reject the offer to sell. If the TPCP accepts the offer, the Clearing House will sell the Triparty Collateral to the TPCP at the specified price. The proceeds of such sale would be applied by the Clearing House in the default management process and net sum calculation in the same manner as any other liquidation of margin of a Defaulter. If the TPCP rejects the offer to sell, or does not respond within the specified period, the offer will expire, and the Clearing House will apply or liquidate the Triparty Collateral pursuant to the Rules as part of its usual default management process.

These arrangements would not apply to (i) margin, collateral or permitted cover provided by F&O Clearing Members other than Triparty Collateral, (ii) any margin, collateral or permitted cover provided with respect to a customer account, or (iii) any margin, collateral or permitted cover provided by CDS or FX Clearing Members in respect of CDS or FX Contracts, respectively.

The Clearing House proposes to permit third party collateral purchase arrangements to provide a pre-arranged alternative to collateral liquidation in the default management process for F&O Clearing Members. Certain F&O Clearing Members have requested that such arrangements be made available in order to facilitate their own collateral management activities. For example, ICE Clear Europe understands that for certain corporate groups, collateral to be transferred to the Clearing House may have been acquired by an affiliated entity (rather than the Clearing Member itself) through repurchase or similar transactions, and such entity may want to have the ability to reacquire the relevant collateral in order to settle such other transactions, even following a Clearing Member default. ICE Clear Europe has determined that the proposed collateral purchase arrangement is consistent with its own default management requirements. In this regard, if the TPCP accepts the offer, the Clearing House will be able to sell the relevant Triparty Collateral at the current market price, as determined by the Clearing House. The ability to sell such collateral to a willing buyer may avoid the need to liquidate such collateral in the market, and accordingly reduce time and transaction costs. In addition, the TPCP is granted only a short period of time (currently expected to be two hours) to respond to the Clearing House's offer, and if it rejects the offer or does not respond within such period, the Clearing House retains all of its existing rights and remedies with respect to the Triparty Collateral. ICE Clear Europe thus does not believe the proposed two-hour delay would adversely affect its ability to liquidate collateral or otherwise manage the default of an F&O Clearing Member.

To implement these arrangements, ICE Clear Europe proposes to adopt a new Paragraph 3.32 of the Finance Procedures, the text of which is as follows (new text *underlined*):

3.32 At the request of an F&O Clearing Member, the Clearing House may, in its sole discretion, agree to enter into a collateral purchase agreement with a third party collateral purchaser and such F&O Clearing Member, under which the Clearing House will agree to offer for sale to the third party collateral purchaser Triparty Collateral deposited by such F&O Clearing Member for a Proprietary Account in respect of F&O Contracts, in the event of the F&O Clearing Member being declared a Defaulter under the Rules. The Clearing House shall have no obligation to enter into any such agreement, and the identity of any such third party

[10] In approving the proposed rule change, the Commission considered the proposal's impact on efficiency, competition and capital formation. 15 U.S.C. 78c(f).

[11] 17 CFR 200.30–3(a)(12).

[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)(4)(ii).