

## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-75068; File No. SR-ICC-2015-007]

### Self-Regulatory Organizations; ICE Clear Credit LLC; Notice of Filing of Amendment No. 1 and Order Granting Accelerated Approval of Proposed Rule Change, as Modified by Amendment No. 1, To Provide for the Clearance of an Additional Western European Sovereign Single Name Credit Default Swap Contract

May 29, 2015.

#### I. Introduction

On April 7, 2015, ICE Clear Credit LLC (“ICC”) filed with the Securities and Exchange Commission (“Commission”) the proposed rule change SR-ICC-2015-007 pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”)<sup>1</sup> and Rule 19b-4 thereunder.<sup>2</sup> The proposed rule change was published for comment in the **Federal Register** on April 15, 2015.<sup>3</sup> The Commission did not receive comments on the proposed rule change. On May 27, 2015, ICC filed Amendment No. 1 to the proposed rule change.<sup>4</sup> The Commission is publishing this notice to solicit comments on Amendment No. 1 from interested persons and is approving the proposed rule change, as modified by Amendment No. 1, on an accelerated basis.

#### II. Description of the Proposed Rule Change

##### A. Description of the Initial Rule Filing

In the Initial Rule Filing, ICC proposed changes to its Clearing Rules (“Rules”) to provide the basis for ICC to clear additional Standard Western European Sovereign credit default swap (“CDS”) contracts (collectively, “SWES Contracts”). ICC currently clears six SWES Contracts: the Republic of Ireland, the Italian Republic, the Portuguese Republic, the Kingdom of Spain, the Kingdom of Belgium, and the Republic of Austria. The proposed changes to the ICC Rules would have provided for the clearance of additional SWES Contracts referencing the

Kingdom of the Netherlands, the Republic of Finland, the Kingdom of Sweden, and the Kingdom of Denmark using either the 2003 or the 2014 ISDA Credit Derivatives Definitions. These additional SWES Contracts have terms consistent with the six SWES Contracts approved for clearing at ICC and governed by Subchapter 26I of the ICC Rules. Specifically, ICC proposed to revise Rule 26I-102 to include the Kingdom of the Netherlands, the Republic of Finland, the Kingdom of Sweden, and the Kingdom of Denmark in the list of specific Eligible SWES Reference Entities to be cleared by ICC.

Additionally, ICC proposed changes to its Risk Management Framework in connection with the General Wrong Way Risk (“GWWR”) methodology related to the clearance of additional SWES Contracts. The proposed changes to the ICC Risk Management Framework would have extended the GWWR framework to the portfolio level. ICC’s risk methodology does not currently incorporate a Clearing Participant-level cumulative GWWR requirement in the Jump-to-Default calculations. Currently, the uncollateralized wrong-way risk (“WWR”) exposure of a particular Risk Factor needs to exceed its corresponding WWR threshold in order to trigger WWR collateralization. In the Initial Rule Filing, ICC proposed to introduce an enhancement to this calculation to account for the potential accumulation of portfolio WWR through Risk Factor specific WWR exposures. Under the proposed approach, if the cumulative uncollateralized exposure exceeded a pre-determined portfolio GWWR threshold, the amount above the threshold would be collateralized.

##### B. Description of Amendment No. 1

On May 27, 2015, ICC filed Amendment No. 1 to the proposed rule change. The purpose of the amendment was to remove the Republic of Finland, the Kingdom of Sweden, and the Kingdom of Denmark from the proposed list of additional SWES Contracts to be cleared. Additionally, Amendment No. 1 removed from the proposed rule change the proposed revisions to the ICC Risk Management Framework related to the GWWR methodology submitted in the Initial Rule Filing. Accordingly, the proposed rule change, as amended, seeks approval only to revise Rule 26I-102 to provide for the clearing of one additional SWES Contract, specifically the Kingdom of the Netherlands.

#### III. Discussion and Commission Findings

Section 19(b)(2)(C) of the Act<sup>5</sup> 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<sup>6</sup> 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<sup>7</sup> and the rules and regulations thereunder applicable to ICC. The proposed rule change, as amended, will provide for the clearing of an additional SWES Contract referencing the Kingdom of the Netherlands, which is similar to the other SWES Contracts currently cleared by ICC, using ICC’s existing clearing arrangements and related financial safeguards, protections and risk management procedures. The Commission therefore finds that the proposed rule change is 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.

#### IV. Accelerated Approval of Proposed Rule Change as Modified by Amendment No. 1

As discussed above, ICC submitted Amendment No. 1 to the proposed rule change to remove the Republic of Finland, the Kingdom of Sweden, and the Kingdom of Denmark from the proposed list of contracts to be cleared and to remove proposed changes to the ICC Risk Management Framework related to its GWWR methodology from the proposed rule change. The Commission believes that the modification by Amendment No. 1 to

<sup>1</sup> 15 U.S.C. 78s(b)(1).

<sup>2</sup> 17 CFR 240.19b-4.

<sup>3</sup> Securities Exchange Act Release No. 34-74687 (Apr. 9, 2015), 80 FR 20278 (Apr. 15, 2015) (File No. SR-ICC-2015-007) (hereinafter referred to as the “Initial Rule Filing”).

<sup>4</sup> ICC filed Amendment No. 1 to remove the Republic of Finland, the Kingdom of Sweden, and the Kingdom of Denmark from the proposed list of contracts to be cleared and to remove proposed changes to the ICC Risk Management Framework from the proposed rule change, as further described below.

<sup>5</sup> 15 U.S.C. 78s(b)(2)(C).

<sup>6</sup> 15 U.S.C. 78q-1(b)(3)(F).

<sup>7</sup> 15 U.S.C. 78q-1.

the Initial Rule Filing is consistent with the safeguarding of securities and funds in the custody or control of ICC or for which it is responsible, and the protection of investors and the public interest, within the meaning of Section 17A(b)(3)(F) of the Act.<sup>8</sup> Accordingly, the Commission finds good cause, pursuant to Section 19(b)(2)(C)(iii) of the Act,<sup>9</sup> to approve the proposed rule change, as modified by Amendment No. 1, prior to the thirtieth day after the date of publication of notice of Amendment No. 1 in the **Federal Register**.

#### V. Solicitation of Comments

Interested persons are invited to submit written data, views and arguments concerning the foregoing, including whether Amendment No. 1 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 email to [rule-comments@sec.gov](mailto:rule-comments@sec.gov). Please include File No. SR-ICC-2015-007 on the subject line.

##### Paper Comments

- Send paper comments in triplicate to Secretary, Securities and Exchange Commission, 100 F Street NE., Washington, DC 20549-1090.

All submissions should refer to File Number SR-ICC-2015-007. This file number should be included on the subject line if email 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 Web site (<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 Web site 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 ICC and on ICC's Web site at <https://www.theice.com/clear-credit/regulation>.

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-ICC-2015-007 and should be submitted on or before June 25, 2015.

#### VI. Conclusion

On the basis of the foregoing, the Commission finds that the proposed rule change is consistent with the requirements of the Act and in particular with the requirements of Section 17A of the Act<sup>10</sup> and the rules and regulations thereunder.

*It is therefore ordered*, pursuant to Section 19(b)(2) of the Act,<sup>11</sup> that the proposed rule change (SR-ICC-2015-007), as modified by Amendment No. 1, be, and hereby is, approved on an accelerated basis.<sup>12</sup>

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>13</sup>

**Brent J. Fields,**

Secretary.

[FR Doc. 2015-13611 Filed 6-3-15; 8:45 am]

**BILLING CODE 8011-01-P**

#### DEPARTMENT OF STATE

[Public Notice: 9162]

#### Rescission of Determination Regarding Cuba

In accordance with section 6(j) of the Export Administration Act of 1979 (50 U.S.C. App. 2405(j)), and as continued in effect by Executive Order 13222 of August 17, 2001, I hereby rescind the Determination of March 1, 1982, regarding Cuba, effective May 29, 2015. This action is based upon the considerations contained in the memorandum accompanying the Presidential Report of April 14, 2015, regarding Cuba.

This rescission shall also satisfy the provisions of section 620A(c) of the Foreign Assistance Act of 1961, Public Law 87-195, as amended (22 U.S.C. 2371(c)), and section 40(f) of the Arms Export Control Act, Public Law 90-629, as amended (22 U.S.C. 2780(f)).

<sup>10</sup> 15 U.S.C. 78q-1.

<sup>11</sup> 15 U.S.C. 78s(b)(2).

<sup>12</sup> In approving the proposed rule change, the Commission considered the proposed rule change's impact on efficiency, competition and capital formation. 15 U.S.C. 78c(f).

<sup>13</sup> 17 CFR 200.30-3(a)(12).

This notice shall be published in the **Federal Register**.

Dated: May 28, 2015.

**John F. Kerry,**

Secretary of State.

[FR Doc. 2015-13663 Filed 6-3-15; 8:45 am]

**BILLING CODE 4710-10-P**

#### DEPARTMENT OF TRANSPORTATION

#### Federal Aviation Administration

#### Notice of Intent To Rule on Request To Release Airport Property at the Lehigh Valley International Airport (ABE), Allentown, Pennsylvania

**AGENCY:** Federal Aviation Administration (FAA), DOT.

**ACTION:** Notice of request to release airport property for non-aeronautical purposes.

**SUMMARY:** The FAA proposes to rule and invite public comment on the release of land for non-aeronautical purposes at the Lehigh Valley International Airport (ABE), Allentown, Pennsylvania under the provision 49 U.P.C. 47125(a).

**DATES:** Comments must be received on or before July 6, 2015.

**ADDRESSES:** Comments on this application may be mailed or delivered to the following address:

Ryan Meyer, Senior Aviation Planner,  
Lehigh Valley International Airport,  
3311 Airport Road, Allentown,  
Pennsylvania 18109,  
and at the FAA Harrisburg Airports  
District Office:

Lori K. Pagnanelli, Manager, Harrisburg  
Airports District Office, 3905  
Hartzdale Dr., Suite 508, Camp Hill,  
PA 17011.

**FOR FURTHER INFORMATION CONTACT:** Rick Harner, Civil Engineer, Harrisburg Airports District Office, location listed above.

The request to release property may be reviewed in person at this same location.

**SUPPLEMENTARY INFORMATION:** The FAA invites public comment on the request to release airport property for non-aeronautical purposes at the Lehigh Valley International Airport under the provisions of Section 47125(a) of Title 49 U.S.C. On May 27, 2015, the FAA determined that the request to release airport property for non-aeronautical purposes at the Lehigh Valley International Airport (ABE), Pennsylvania, submitted by the Lehigh Northampton Airport Authority (Authority), met the procedural requirements. Final release of the

<sup>8</sup> 15 U.S.C. 78q-1(b)(3)(F).

<sup>9</sup> 15 U.S.C. 78s(b)(2)(C)(iii).