

ALBERTA SECURITIES COMMISSION

REVOCAATION ORDER

Citation: Re ICE Clear Canada, Inc., 2018 ABASC 131

Date: 20180813

ICE Clear Canada, Inc.

Background

1. ICE Clear Canada, Inc. (the **Applicant** or **ICCA**) is the subject of an August 24, 2016 order (the **Exemption Order**, cited as *Re ICE Clear Canada, Inc.*, 2016 ABASC 237) of the Alberta Securities Commission (the **Commission**) exempting the Applicant from the clearing agency recognition requirement of section 67 of the *Securities Act* (Alberta) (the **Act**) so long as the Applicant satisfies the undertakings of the Exemption Order.
2. The Applicant seeks from the Commission an order pursuant to section 214(1) of the Act revoking the Exemption Order. The Applicant has requested that the order sought be made effective August 13, 2018.

Representations

3. The Applicant represents as follows:
 - (a) it is a corporation incorporated under *The Corporations Act* (Manitoba), it is headquartered in Winnipeg, Manitoba, it is a wholly-owned subsidiary of ICE Futures Canada, Inc. (**IFCA**), and IFCA is an indirect and wholly-owned subsidiary of Intercontinental Exchange, Inc., a public company organized under the laws of Delaware and listed for trading on the New York Stock Exchange;
 - (b) on May 1, 2018 ICCA filed with the Commission a report on Form 24-102F2 *Cessation of Operations Report for Clearing Agency* under National Instrument 24-102 *Clearing Agency Requirements*;
 - (c) the Applicant has notified the Commission that:
 - (i) all futures contracts and options on futures contracts (**Contracts**) listed for trading on IFCA were transitioned to ICE Futures U.S., Inc. (**IFUS**) from July 27, 2018 to July 30, 2018 (the **Transition Weekend**);
 - (ii) IFUS is a registered Designated Contract Market pursuant to and under the primary regulatory jurisdiction of the United States (**US**) Commodity Futures Trading Commission (**CFTC**) and is headquartered in the US;

- (iii) as at close of trading on July 27, 2018, IFCA no longer lists any Contracts for trading and no longer carries on the activities of an exchange;
- (iv) trading in the Contracts commenced on IFUS on July 30, 2018;
- (v) all open positions at ICCA, the designated clearing agency for IFCA, were transitioned to ICE Clear U.S., Inc. (**ICUS**), the designated clearing agency for IFUS, over the Transition Weekend;
- (vi) ICUS is registered as a Designated Clearing Organization pursuant to and under the primary regulatory jurisdiction of the CFTC and is headquartered in the US;
- (vii) the Applicant implemented transition rules that, among other things, provided that as at 6:00 pm (Central Time) on July 27, 2018, all open positions held in accounts of ICCA clearing participants (the **Clearing Participants**) were transitioned to accounts of ICUS clearing members (the **Clearing Members**) pursuant to the provisions of executed double novation agreements between IFCA, IFUS, ICCA, ICUS, the Clearing Members and the Clearing Participants;
- (viii) the Applicant ceased operations as a clearing agency effective at the close of business on July 31, 2018;
- (ix) the Applicant notified all of its stakeholders of the foregoing circumstances, including the Clearing Participants, relevant market participants, its shareholders, regulators to which it has reporting obligations, and required government agencies; and
- (x) the Applicant intends, as soon as practicable after fulfilling all statutory and other legal requirements, to dissolve as a corporation pursuant to the provisions of *The Corporations Act* (Manitoba).

Order

4. The Commission, considering that it would not be prejudicial to the public interest to do so, under section 214(1) of the Act revokes the Exemption Order.
5. This order takes effect on August 13, 2018.

For the Commission:

“original signed by”

Stan Magidson
Chair

“original signed by”

Kari Horn
Vice-Chair