

ICE Trade Vault, LLC (« ICE TV ») – Demande de reconnaissance à titre de référentiel central

L'Autorité des marchés financiers (l'« Autorité ») publie la demande de reconnaissance à titre de référentiel central, déposée par ICE TV le 28 juillet 2014 en vertu de la *Loi sur les instruments dérivés*, L.R.Q., c. I-14.01. L'Autorité invite toutes les personnes intéressées à lui présenter leurs observations relativement à cette demande.

(Les textes sont reproduits ci-après.)

Commentaires

Les personnes intéressées à soumettre des commentaires peuvent en transmettre une copie, au plus tard le 2 septembre 2014, à :

Me Anne-Marie Beaudoin
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Information complémentaire

Pour de plus amples renseignements, on peut s'adresser à :

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July 28, 2014

Sent By E-mail

Autorité des marchés financiers
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Attention: Claude Gatien

Re: ICE Trade Vault, LLC
Application for Recognition as a Trade Repository in Québec

Dear Sir,

ICE Trade Vault, LLC (the “Applicant”) hereby files this application with Autorité des Marchés Financiers (the “Authority”) pursuant to sections 12 and 14 of the *Derivatives Act* to be recognized as a trade repository in the province.

For convenience, this application is divided into Parts I to III, Part II of which describes how the Applicant satisfies the Authority staff’s criteria for recognition as a trade repository (“TR”).

Part I Introduction

Part II Application of Approval Criteria to the Applicant

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PART I INTRODUCTION

- 1.1 The Applicant is a limited liability company organized under the laws of the State of Delaware in the United States and is a provisionally registered swap data repository (“SDR”) regulated by the Commodity Futures Trading Commission (“CFTC”). The Applicant has been accepting derivatives data for the commodity and credit asset classes in the United States since April 2013 and is in good standing with the CFTC.
- 1.2 The Applicant is a wholly owned subsidiary of Intercontinental Exchange Holdings, Inc. (“ICE”), which itself is owned by Intercontinental Exchange, Inc. (“ICE Inc.”). ICE Inc. is listed on the NYSE under the symbol “ICE”. ICE is a leading operator of regulated global markets and clearing houses, including futures exchanges, over-the-counter markets, derivatives clearing houses and post-trade services. ICE operates these global marketplaces for trading and clearing in a broad array of energy, environmental and agricultural commodities, credit default swaps, equity indices and currency contracts.
- 1.3 ICE has a subsidiary operating as a TR in Europe and is regulated by the European Securities and Markets Authority.
- 1.4 Subject to obtaining the necessary regulatory approvals, the Applicant is seeking to operate a trade repository in each province of Canada that will require the reporting of derivatives transactions (that are not excluded from the definition by reason of any other rule or order of the Authority) (“Derivatives transactions”) involving local counterparties. The Applicant currently anticipates (subject to the Authority designating the Applicant’s TR) that it will accept Derivatives transaction data for the commodity, credit and foreign exchange asset classes in the Province.

PART II APPLICATION OF APPROVAL CRITERIA TO THE APPLICANT

The following is a discussion of how the Applicant meets the Authority staff’s criteria for recognition as a TR. Text boxes in this Part II set out the applicable requirements in AMF Regulation 91-507 - Trade Repositories and Derivatives Data Reporting and Companion Policy 91-507CP - Trade Repositories and Derivatives Data Reporting (the “Applicable Provincial Rules and Policies”).

1. Legal Basis

1.1 Legal Framework

7. (1) A recognized trade repository must establish, implement, maintain and enforce
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written rules, policies and procedures reasonably designed to ensure a wellfounded, clear, transparent, and enforceable legal basis for each material aspect of its activities.

(2) Without limiting the generality of subsection 1), a recognized trade repository must establish, implement, maintain and enforce written rules, policies and procedures that are not contrary to the public interest and that are reasonably designed to ensure that

- (a) such rules, policies and procedures and the contractual arrangements are supported by the laws applicable to those rules, policies, procedures and contractual arrangements,
- (b) the rights and obligations of a user, owner and regulator with respect to the use of the recognized trade repository’s information are clear and transparent,
- (c) the contractual arrangements that it enters into and supporting documentation clearly state service levels, rights of access, protection of confidential information, intellectual property rights and operational reliability, and
- (d) the status of records of contracts in its repository.

17. (1) The rules, policies and procedures of a recognized trade repository must

- (a) provide sufficient information to enable a participant to have an accurate understanding of its rights and obligations in accessing the services of the recognized trade repository and the risks, fees, and other material costs they incur by using the services of the recognized trade repository,
- (b) be reasonably designed to govern all aspects of the services offered by the recognized trade repository with respect to the collection and maintenance of derivatives data and other information on a completed transaction, and
- (c) not be inconsistent with securities legislation.

(2) A recognized trade repository must monitor compliance with its rules, policies and procedures on an ongoing basis.

(3) A recognized trade repository must establish, implement, maintain and enforce written rules, policies and procedures for sanctioning non-compliance with its rules, policies and procedures.

(4) A recognized trade repository must publicly disclose on its website

- (a) its rules, policies and procedures referred to in this section, and
- (b) its procedures for adopting new rules, policies and procedures or amending existing rules, policies and procedures.

1.1.1 The Applicant maintains written policies, procedures and rules that will be posted on the Applicant’s website upon recognition as a TR. These written policies, procedures and rules are designed to assist and inform validly enrolled participants (“Participants”) about the TR service offered by the Applicant utilized for the collection, storage and regulatory reporting of derivatives

transaction data (“Trade Vault”). These written materials include: (i) the Applicant’s rulebook (the “Rulebook”) which sets out detailed rules and standards relating to Trade Vault; and (ii) a Service and Pricing Schedule. As further discussed in Section 2.4 of this application, the Applicant’s Chief Compliance Officer (“CCO”) and General Counsel (“GC”) are responsible for monitoring compliance with, and enforcing any violations of, the Rulebook and Applicable Law.¹

- 1.1.2 The Applicant maintains user agreements (“User Agreements”) for the two classes of users that utilize Trade Vault, namely (i) Participants and (ii) clearing agencies or trading venues that have a duly executed trusted sources agreement in effect with the Applicant (“Trusted Sources”). Participants and Trusted Sources are collectively referred to as “Reporting Entities”. The User Agreements set out the rights and obligations for Reporting Entities and requires that Reporting Entities utilize Trade Vault in accordance with Applicable Law. In addition, the Rulebook governs certain aspects of the Applicant’s relationship with Participants and Trusted Sources, including service levels, rights of access, protection of confidential information and operational reliability. As further discussed in Section 8.1 of this application, Reporting Entities will also be subject to certain fees, which will be described in a fee schedule to be posted on the Applicant’s website.
- 1.1.3 The Applicant maintains a number of internal policies and procedures designed to govern the Applicant’s operations, including: (i) governance standards and procedures; (ii) codes of conduct for directors, committee members and employees; (iii) policies for identifying and resolving conflicts of interest; (iv) qualification methodology; (v) security procedures; (vi) a business continuity plan; and (vii) a corporate information security policy. The Applicant has senior managers in charge of oversight of internal policies and procedures. “Senior Management”, from time to time, includes the president and the GC.
- 1.1.4 The Rulebook, User Agreements and internal policies and procedures may be amended from time to time. Amendments may occur as a result of changes in Applicable Law, developments in the derivatives industry or feedback from Reporting Entities. In general, Senior Management of the Applicant is responsible for approving amendments to the Rulebook, User Agreements and internal

¹ “Applicable Law” includes any and all laws and regulations governing or applicable to Trade Vault (including but not limited to applicable CFTC regulations and Applicable Provincial Rules and Policies) as amended from time to time, including the requirements of all applicable federal, provincial, and foreign governmental statute, law, ordinance, regulation, rule, directive, technical standard, code, guidance, published practice, judicial order or decision, concession, interpretation and protocol, as amended from time to time.

policies and procedures. Amendments may be subject to regulatory approval, if required by Applicable Law. ICE policies and procedures are amended by the senior management or the board of directors of ICE.

2. **Governance**

8. (1) A recognized trade repository must establish, implement and maintain written governance arrangements that
- (a) set out a clear organizational structure with consistent lines of responsibility,
 - (b) provide for effective internal controls,
 - (c) promote the safety and efficiency of the recognized trade repository,
 - (d) ensure effective oversight of the recognized trade repository, and
 - (e) support the stability of the broader financial system and other relevant public interest considerations.
- (3) A recognized trade repository must publicly disclose on its website
- (a) the governance arrangements established in accordance with subsection (1),

2.1.1 The Applicant has established robust governance arrangements which provide clear and direct lines of responsibility and accountability. The Applicant is managed by a Board of Directors that is responsible for overseeing the operations of the Applicant. In addition, the Applicant has established an advisory committee which includes representatives from its various stakeholders. The discussion in Sections 2.2, 2.3, 2.4, 2.5 and 2.7 below provide additional details concerning the Applicant's governance arrangements. The Applicant's governance arrangements will be publicly available on the Applicant's website.

2.2 **Board of Directors**

9. (1) A recognized trade repository must have a board of directors.
- (2) The board of directors of a recognized trade repository must include
- (a) individuals who have an appropriate level of skill and experience to effectively and efficiently oversee the management of its operations in accordance with all relevant laws, and
 - (b) appropriate representation by individuals who are independent of the recognized trade repository.
- (...)

- 2.2.1 The Board of Directors plays an active and important role in the oversight of all risks relating to Trade Vault. The powers and authority of the Board of Directors include the ability to: (i) designate and authorize specific appointed officers to act on behalf of the Board of Directors; (ii) fix, determine and levy all TR fees, when necessary; (iii) prepare and amend the Rulebook; (iv) act in emergencies; (v) delegate any such power to the appropriate party; and (vi) direct that an investigation of any suspected Violation be conducted by the CCO and shall hear any matter referred to it by the CCO regarding a suspected Violation.
- 2.2.2 The Board of Directors has a minimum of three members. Because the Applicant is a wholly-owned subsidiary of ICE, ICE retains the sole right to appoint the members of the Board of Directors. The Applicant has two types of directors – public and non-public. The Applicant’s “Public directors” are “independent”, as that concept is defined in the *Commodity Exchange Act* (US) (“CEA”).² The Applicant’s “Non-public directors” are not independent. As a governance matter, the Applicant requires at least one of its directors to be a “Public director”.
- 2.2.3 ICE considers several factors in determining the composition of the Board of Directors, including whether directors, both individually and collectively, possess the required integrity, experience, judgment, commitment, skills and expertise to exercise their obligations of oversight and guidance over a TR. Members of the Board of Directors must have the following attributes:
- (a) sufficiently good reputation;
 - (b) requisite skills and expertise to fulfill their responsibilities in the management and governance of a TR;
 - (c) a clear understanding of such responsibilities; and
 - (d) the ability to exercise sound judgment regarding TR affairs.
- 2.2.4 The Applicant does not currently have any board committees or subcommittees.

2.3 Management

10. (1) A recognized trade repository must establish, implement, maintain and enforce written rules, policies and procedures that
- (a) specify the roles and responsibilities of management, and
 - (b) ensure that management has the experience, competencies, integrity as well as

² Please refer to the CFTC Release: 5652-09 dated April 27, 2009.

the skills necessary to discharge its roles and responsibilities.

(2) A recognized trade repository must notify the Authority no later than the 5th business day after appointing or replacing its chief compliance officer, chief executive officer or chief risk officer.

- 2.3.1 The Applicant has written policies and procedures which specify the roles and responsibilities of the Applicant's management team. Members of the Applicant's management team were identified and recruited for their particular position based upon their skills and expertise in the industry in which the Applicant operates, according to personnel qualifications required for their particular position, as set forth in the Applicant's internal policies and procedures. Their individual goals and performance are regularly assessed by their direct supervisor/manager as part of the Applicant's, as well as ICE's, performance management process. The Applicant does not currently have a chief risk officer because risk management functions are performed by the Applicant's CCO and GC.

2.4 Chief compliance officer

9. (3) The board of directors of a recognized trade repository must, in consultation with the chief compliance officer of the recognized trade repository, resolve conflicts of interest identified by the chief compliance officer.

(4) The board of directors of a recognized trade repository must meet with the chief compliance officer of the recognized trade repository on a regular basis.

11. (1) The board of directors of a recognized trade repository must appoint a chief compliance officer with the appropriate experience, competencies, integrity as well as the skills necessary to serve in that capacity.

(2) The chief compliance officer of a recognized trade repository must report directly to the board of directors of the recognized trade repository or, if so directed by the board of directors, to the chief executive officer of the recognized trade repository.

(3) The chief compliance officer of a recognized trade repository must

- (a) establish, implement, maintain and enforce written rules, policies and procedures to identify and resolve conflicts of interest,
- (b) establish, implement, maintain and enforce written rules, policies and procedures to ensure that the recognized trade repository complies with securities legislation,
- (c) monitor compliance with the rules, policies and procedures required under paragraphs a and b on an ongoing basis,
- (d) report to the board of directors of the recognized trade repository as soon as practicable upon becoming aware of a circumstance indicating that the recognized trade repository, or an individual acting on its behalf, is not in

compliance with the securities laws of a jurisdiction in which it operates and one or more of the following apply:

- (i) the non-compliance creates a risk of harm to a user;
- (ii) the non-compliance creates a risk of harm to the capital markets;
- (iii) the non-compliance is part of a pattern of non-compliance;
- (iv) the non-compliance may have an impact on the ability of the recognized trade repository to carry on business as a trade repository in compliance with securities legislation,
- (e) report to the recognized trade repository's board of directors as soon as practicable upon becoming aware of a conflict of interest that creates a risk of harm to a user or to the capital markets, and
- (f) prepare and certify an annual report assessing compliance by the recognized trade repository, and individuals acting on its behalf, with securities legislation and submit the report to the board of directors

(4) Concurrently with submitting a report under paragraph 3)d), 3)e) or 3)f), the chief compliance officer must file a copy of the report with the Authority.

2.4.1 The CCO of the Applicant is appointed by the Board of Directors, and reports directly to the President. The CCO also has direct communication with the Board of Directors. The Board of Directors shall meet with the CCO semi-annually, or more frequently if required to address any specific issues or concerns.

2.4.2 The CCO works directly with the Board of Directors in certain instances, for example, when resolving conflicts of interest. The CCO has supervisory authority over all staff acting at the direction of the CCO and his or her responsibilities include, but are not limited to:

- (a) preparing and signing a compliance report which shall be provided to the Board of Directors and the Authority at least annually and certify that Trade Vault are in compliance with Applicable Law;
- (b) in consultation with the GC, overseeing and reviewing the Applicant's compliance with Applicable Law;
- (c) in consultation with the GC, establishing and administering written policies and procedures reasonably designed to prevent violations of Applicable Law;
- (d) in consultation with the Board of Directors, resolving any conflicts of interest that may arise including (a) conflicts between business

considerations and compliance requirements; (b) conflicts between business considerations and the requirement that the Applicant provide fair and open access; and (c) conflicts between the Applicant's management and members of the Board of Directors;

- (e) establishing and implementing procedures for the remediation of non-compliance issues;
- (f) establishing procedures for the remediation of non-compliance issues identified by the CCO through a compliance office review, look-back, internal or external audit finding, self-reported error, or validated complaint;
- (g) in consultation with the GC, establishing and following appropriate procedures for the handling, management response, remediation, retesting, and closing of non-compliance issues; and
- (h) in consultation with the GC, establishing and administering a written code of ethics designed to prevent ethical violations and to promote honesty and ethical conduct.

2.4.3 The CCO has the authority to inspect the books and records of all Participants and Trusted Sources that are reasonably relevant to any investigation. The CCO also has the authority to require any Participant or Trusted Source to appear before him or her to answer questions regarding alleged Violations (as defined below). The CCO may also delegate such authority to employees of the Applicant, including officers, and such other individuals (who possess the requisite independence) as the Applicant may hire on a contract basis.

2.4.4 The CCO conducts investigations of possible violations of the Rulebook, Participant Agreement and Trusted Sources Agreement ("Violations") committed by Reporting Entities, prepares written reports with respect to such investigations, furnishes such reports to the Board of Directors and the Authority and conducts the prosecution of such Violations.

2.5 **Advisory Committee**

2.5.1 The Applicant has established an advisory committee which provides non-binding guidance to the Board of Directors with respect to Trade Vault (the "Advisory Committee").

2.6 Conflicts of interest

8 (2) A recognized trade repository must establish, implement, maintain and enforce written rules, policies and procedures reasonably designed to identify and manage existing and potential conflicts of interest.

(3) A recognized trade repository must publicly disclose on its website

(b) the rules, policies and procedures established in accordance with subsection 2).

2.6.1 The Applicant, through its conflict of interest rules, policies and procedures, has established a robust set of safeguards designed to reasonably identify and manage existing and potential conflicts of interest arising from its operation or the services it provides. As discussed above, the CCO is primarily responsible for identifying and managing conflicts of interest. If a real or potential conflict of interest is identified, the CCO will work with the Board of Directors to resolve the matter. Rules relating to conflicts of interest will be maintained on the Applicant's website.

2.7 Communication with Reporting Entities

2.7.1 The Applicant considers effective communication with Reporting Entities to be an important part of its overall governance strategy. Participants will receive detailed system and user guides and regular updates from the Applicant concerning system enhancements, new products/data values and Participant enrollments. The Applicant also expects to convene Participant working groups from time to time, in particular during the implementation period(s) for Applicable Provincial Rules and Policies. If Reporting Entities have any feedback or questions, they will be able to contact the Applicant through a dedicated email inbox.

3. Comprehensive Risk Management Framework

19. A recognized trade repository must establish, implement and maintain a written risk-management framework for comprehensively managing risks including business, legal, and operational risks.

3.1 Introduction

3.1.1 The Applicant maintains a risk management framework for the management of business, legal and operational risk, which is described in the Applicant's Operational Risk Policy. All of the entities in the ICE Inc., including the Applicant, have adopted an approach to enterprise risk management with a goal of ensuring that each key risk is identified and properly managed. Risk tolerances

have been developed for consistency at both the subsidiary and group level, and the risk management framework operates both from a bottom-up perspective and on a top-down basis. The discussion in Sections 3.2, 3.3, 3.4 and 3.5 below provide additional details concerning the Applicant's risk management framework.

3.2 General business risk

20. (1) A recognized trade repository must establish, implement and maintain appropriate systems, controls and procedures to identify, monitor, and manage its general business risk.

(2) Without limiting the generality of subsection 1), a recognized trade repository must hold sufficient insurance coverage and liquid net assets funded by equity to cover potential general business losses in order that it can continue operations and services as a going concern in order to achieve a recovery or an orderly wind down if those losses materialize.

(3) For the purposes of subsection 2), a recognized trade repository must hold, at a minimum, liquid net assets funded by equity equal to 6 months of current operating expenses.

(4) A recognized trade repository must identify scenarios that may potentially prevent it from being able to provide its critical operations and services as a going concern and assess the effectiveness of a full range of options for an orderly wind-down.

(5) A recognized trade repository must establish, implement, maintain and enforce written rules, policies and procedures reasonably designed to facilitate its orderly wind-down based on the results of the assessment required by subsection 4).

(6) A recognized trade repository must establish, implement, maintain and enforce written rules, policies and procedures to ensure that it or a successor entity, insolvency administrator or other legal representative, will continue to comply with the requirements of subsection 6(2) and section 37 in the event of the bankruptcy or insolvency of the recognized trade repository or the wind-down of the recognized trade repository's operations.

- 3.2.1 The Applicant maintains, and will continue to maintain in force, business liability coverage in the amount of US\$1 million for each claim and an aggregate of US\$25 million, to protect itself from a claim due to negligence on its part relating to Trade Vault. This amount of coverage is consistent with Applicant's assessment of its general business liability. The Applicant will provide, upon request by a Participant or Trusted Source, a certificate of insurance evidencing the insurance requirements have been satisfied and will provide Participants or Trusted Sources 30 days' advance notice of any cancellation or material reduction

in coverage. The Applicant will hold at a minimum, liquid net assets funded by equity equal to six months of current operating expenses.

- 3.2.2 The Applicant has: (i) identified scenarios that may prevent it from being able to provide critical operations, (ii) established and maintains rules, policies and procedures to facilitate an orderly wind-down and (iii) established and maintains rules, policies and procedures to ensure that successors comply with Applicable Provincial Rules and Policies in the event of the bankruptcy of the Applicant.

3.3 **Operational Risk**

System and other operational risk requirements

21. (1) A recognized trade repository must establish, implement, maintain and enforce appropriate systems, controls and procedures to identify and minimize the impact of all plausible sources of operational risk, both internal and external, including risks to data integrity, data security, business continuity and capacity and performance management.

(2) The systems, controls and procedures established pursuant to subsection 1) must be approved by the board of directors of the recognized trade repository.

(3) Without limiting the generality of subsection 1), a recognized trade repository must

(a) develop and maintain

(i) an adequate system of internal controls over its systems, and

(ii) adequate information technology general controls, including without limitation, controls relating to information systems operations, information security and integrity, change management, problem management, network support and system software support,

(b) in accordance with prudent business practice, on a reasonably frequent basis and, in any event, at least annually

(i) make reasonable current and future capacity estimates, and

(ii) conduct capacity stress tests to determine the ability of those systems to process transactions in an accurate, timely and efficient manner, and

(c) promptly notify the Authority of a material systems failure, malfunction, delay or other disruptive incident, or a breach of data security, integrity or confidentiality, and provide a post-incident report that includes a root-cause analysis as soon as practicable.

(4) Without limiting the generality of subsection (1), a recognized trade repository must establish, implement, maintain and enforce business continuity plans, including disaster recovery plans reasonably designed to

(a) achieve prompt recovery of its operations following a disruption,

- (b) allow for the timely recovery of information, including derivatives data, in the event of a disruption, and
 - (c) provide for the exercise of authority in the event of an emergency.
- (5) A recognized trade repository must test its business continuity plans, including disaster recovery plans, at least annually.
- (6) For each of its systems for collecting and maintaining reports of derivatives data, a recognized trade repository must annually engage a qualified party to conduct an independent review and prepare a report in accordance with established audit standards to ensure that it is in compliance with paragraphs 3)a and b and subsections 4) and 5).
- (7) A recognized trade repository must provide the report prepared in accordance with subsection 6) to
- (a) its board of directors or audit committee promptly upon the completion of the report, and
 - (b) the Authority not later than the 30th day after providing the report to its board of directors or audit committee.
- (8) A recognized trade repository must publicly disclose on its website all technology requirements regarding interfacing with or accessing the services provided by the recognized trade repository,
- (a) if operations have not begun, sufficiently in advance of operations to allow a reasonable period for testing and system modification by participants, and
 - (b) if operations have begun, sufficiently in advance of implementing a material change to technology requirements to allow a reasonable period for testing and system modification by participants.
- (9) A recognized trade repository must make available testing facilities for interfacing with or accessing the services provided by the recognized trade repository,
- (a) if operations have not begun, sufficiently in advance of operations to allow a reasonable period for testing and system modification by participants, and
 - (b) if operations have begun, sufficiently in advance of implementing a material change to technology requirements to allow a reasonable period for testing and system modification by participants.
- (10) A recognized trade repository must not begin operations in Québec unless it has complied with paragraphs 8)a and 9)a.
- (11) Paragraphs 8)b and 9)b do not apply to a recognized trade repository if
- (a) the change to its technology requirements must be made immediately to address a failure, malfunction or material delay of its systems or equipment,
 - (b) the recognized trade repository immediately notifies the Authority of its intention to make the change to its technology requirements, and
 - (c) the recognized trade repository publicly discloses on its website the changed

technology requirements as soon as practicable.

- 3.3.1 Trade Vault data is saved to a redundant, co-located production database and a remote disaster recovery database in near real-time. The Trade Vault database is backed up to tape daily with tapes moved offsite weekly.
- 3.3.2 The Applicant maintains robust policies and procedures to ensure system security, confidentiality and capacity. See sections 3.4.3 and 5.1 below for additional details. The Applicant's systems are tested regularly on a quarterly basis. Tests include functional testing, business cycle testing, user interface testing, performance testing and security and access control testing. The ICE quality assurance group bears the overall responsibility of ensuring that the system functions the way that it was intended and the requirements have been implemented as specified.
- 3.3.3 The Applicant maintains a robust emergency and business continuity and disaster recovery plan (the "BC-DR Plan") that prescribes the disaster recovery strategy. The BC-DR Plan is primarily managed by the ICE Director of Business Continuity and is executed by the ICE operations, configuration management and system engineering staff. The operations department maintains detailed procedures and other necessary documentation to implement disaster recovery steps such as: restoration of databases at the recovery site using the replicated transaction logs; system and network testing and verification; rerouting data traffic to the alternate site and making the system available to customers.
- 3.3.4 The BC-DR Plan allows for timely resumption of key business processes and operations following unplanned interruptions, unavailability of staff, inaccessibility of facilities, and disruption or disastrous loss to one or more of the Applicant's facilities or services. In accordance with the BC-DR Plan, all production system hardware and software is replicated in near real-time at an alternative location disaster recovery site that is operated by an alternative vendor to avoid any loss of data. The disaster recovery plan is tested quarterly and the business continuity plan is tested annually.
- 3.3.5 The Applicant maintains technical guides relating to interfacing with or accessing the services provided by Trade Vault. Testing facilities will be made available to Reporting Entities sufficiently in advance of beginning operations in the Province.
- 3.3.6 The Applicant also maintains systems and Security Procedures that ensure that Canadian Derivatives transaction data is not commingled with Derivatives transactions data reportable in other jurisdictions. Derivatives transaction data from different jurisdictions is physical separated at the database level.

3.4 Risk management framework for business, legal and operational risk

Data Security and Confidentiality

22. (1) A recognized trade repository must establish, implement, maintain and enforce written rules, policies and procedures reasonably designed to ensure the safety, privacy and confidentiality of the derivatives data.

(2) A recognized trade repository must not release derivatives data for commercial or business purposes unless

- (a) the derivatives data has otherwise been disclosed pursuant to section 39, or
- (b) the counterparties to the transaction have provided the recognized trade repository with their express written consent to use or release the derivatives data.

- 3.4.1 The Applicant recognizes its responsibility to ensure data confidentiality and dedicates significant resources to information security. The Applicant maintains a Corporate Security Policy that sets forth technical and procedural processes for information security and contains an extensive list of policies and means of implementation.
- 3.4.2 The Applicant uses a multi-tiered firewall scheme to provide network segmentation and access control to its services. Firewalls are deployed in redundant pairs and employ stateful inspection technology. The Applicant's application servers are housed in a demilitarized network zone behind external firewalls. A second set of internal firewalls further isolate the Applicant database systems, while an intrusion system provides added security to detect any threats and network sensors analyze all internet and private line traffic for malicious patterns.
- 3.4.3 Tactical controls are regularly examined and tested by multiple tiers of internal and external test groups, auditors and independently contracted third-party security testing firms. In addition, the security policy imposes an accountable and standard set of best practices to protect the confidentiality of Participants' sensitive data. ICE annually completes a SSAE 16 audit for adherence to the security policy. The SSAE 16 audit tests the following applicable controls, among others, to the Applicant systems: (i) logical access controls, (ii) logical access to databases, (iii) physical and environmental controls, (iv) backup procedures, and (v) change management.
- 3.4.4 The Applicant has rules in place which prohibit the use of, for commercial or business purposes, Derivatives transaction data accepted and maintained by Trade

Vault without the express written consent of the Participant submitting trade data. The Applicant's staff's access to Trade Vault data is strictly limited to those with the direct responsibility for supporting Participants, Trusted Sources and any regulator acting within the scope of its jurisdiction (a "Regulator"), and the Applicant's staff are prohibited from using Trade Vault data other than in the performance of their job responsibilities.

3.5 Outsourcing

24. If a recognized trade repository outsources a material service or system to a service provider, including to an associate or affiliate of the recognized trade repository, the recognized trade repository must

- (a) establish, implement, maintain and enforce written rules, policies and procedures for the selection of a service provider to which a material service or system may be outsourced and for the evaluation and approval of such an outsourcing arrangement,
- (b) identify any conflicts of interest between the recognized trade repository and a service provider to which a material service or system is outsourced, and establish, implement, maintain and enforce written rules, policies and procedures to mitigate and manage those conflicts of interest,
- (c) enter into a written contract with the service provider that is appropriate for the materiality and nature of the outsourced activity and that provides for adequate termination procedures,
- (d) maintain access to the books and records of the service provider relating to the outsourced activity,
- (e) ensure that the Authority has the same access to all data, information and systems maintained by the service provider on behalf of the recognized trade repository that it would have absent the outsourcing arrangement,
- (f) ensure that all persons conducting audits or independent reviews of the recognized trade repository under this Regulation have appropriate access to all data, information and systems maintained by the service provider on behalf of the recognized trade repository that such persons would have absent the outsourcing arrangement,
- (g) take appropriate measures to determine that a service provider to which a material service or system is outsourced establishes, maintains and periodically tests an appropriate business continuity plan, including a disaster recovery plan in accordance with the requirements under section 21,
- (h) take appropriate measures to ensure that the service provider protects the safety, privacy and confidentiality of Derivatives data and of users' confidential information in accordance with the requirements under section 22, and
- (i) establish, implement, maintain and enforce written rules, policies and

procedures to regularly review the performance of the service provider under the outsourcing arrangement.

- 3.5.1 The Applicant obtains from ICE, in accordance with Applicable Law, certain services relating to the operation of the Applicant's business. This outsourcing arrangement is consistent and in the same manner as all other regulated ICE entities and is documented in a written services agreement. This outsourcing arrangement allows ICE to leverage its resources and provide the highest level of support to its subsidiaries. The Applicant's agreement with ICE codifies this outsourcing relationship and outlines the services to be performed, service levels and changes and the fees to be charged. Services to be outsourced include legal, accounting, tax, IT services and human resources.
- 3.5.2 Additionally, the Applicant licenses software from ICE. ICE has developed certain proprietary software that is used in connection with providing electronic confirmation of over-the-counter bilateral trades. The software agreement with ICE codifies this licensing relationship and outlines the software and intellectual proprietary to be provided by ICE. The Applicant uses this software in connection with its business. This agreement allows the Applicant to leverage the resources of its parent that develops cutting edge and world class software for use in the derivatives markets. ICE provides the highest level of technology and support to its subsidiaries.

4. Access and Participation Requirements

4.1 Access

13. (1) A recognized trade repository must establish, implement, maintain and enforce written rules, policies and procedures that establish objective, risk-based criteria for participation that permit fair and open access to the services it provides.
- (2) A recognized trade repository must publicly disclose on its website the rules, policies and procedures referred to in subsection 1).
- (3) A recognized trade repository must not do any of the following:
- (a) unreasonably prohibit, condition or limit access by a person to the services offered by the recognized trade repository;
 - (b) permit unreasonable discrimination among the participants of the recognized trade repository;
 - (c) impose a burden on competition that is not reasonably necessary and appropriate;
 - (d) require the use or purchase of another service for a person to utilize the trade

reporting service offered by the recognized trade repository.

Fair, Open and Equal Access

- 4.1.1 The Applicant provides access to Trade Vault on a fair, open and equal basis. Access to, and usage of, Trade Vault is available to all market participants that validly engage in Derivatives transactions and does not require the use of any other ancillary service offered by the Applicant. The Applicant does not unreasonably prohibit, condition or limit access nor does it permit unreasonable discrimination among market participants. The Applicant's access standards are publicly disclosed in the Rulebook.
- 4.1.2 Access to Trade Vault is provided to parties that have a duly executed User Agreement in effect with the Applicant. When enrolling, the Reporting Entity must designate a master user ("Administrator"). The Administrator will create, permission and maintain all user IDs for their firm.
- 4.1.3 The enrollment process for Reporting Entities can be organized into two phases. Phase I focuses on enrollment and Phase II on system integration. It is important that the transition from Phase I to Phase II be managed in seamless manner for the Reporting Entity.

Revocation of Access

- 4.1.4 Prior to implementing a limitation or revocation of a Participant's or Trusted Source's access to Trade Vault or data maintained by the Applicant, the CCO shall review the basis for the limitation or revocation for compliance with Applicable Law and the Rulebook. The Rulebook contains procedures relating to a reinstatement, revocation or modification of such revocation or limitation. Revocation of a Reporting Entity's access is addressed in the Participant and Trusted Sources Agreements.

4.2 Due Process

16. For a decision made by a recognized trade repository that directly adversely affects a participant or an applicant that applies to become a participant, the recognized trade repository must ensure that
- (a) the participant or applicant is given an opportunity to be heard or make representations, and
 - (b) it keeps records of, gives reasons for, and provides for reviews of its decisions, including, for each applicant or participant the reasons for granting, denying or limiting access.

Notice of Charge; Right to Hearing

- 4.2.1 The CCO has the power to initiate an investigation of any suspected Violation, conduct investigations of possible Violations, prepare written reports with respect to such investigations and undertake action in response to such Violations in accordance with the Rulebook. If the CCO (or another employee of the Applicant recognized for this purpose by the Applicant) concludes that a Violation may have occurred, he or she may:
- (a) in consultation with the GC, issue a warning letter to the Participant or Trusted Source informing it that there may have been a Violation and that such continued activity may result in further action by the Applicant; or
 - (b) in consultation with the GC, negotiate a written settlement agreement with the Participant or Trusted Source, whereby the Participant or Trusted Source, with or without admitting guilt, may agree to (i) a cease and desist order or a reprimand; (ii) a fine for each Violation plus the monetary value of any benefit received as a result of the Violation; and/or (iii) a suspension or a termination of Participant or Trusted Source status or other remedial action to address the Violation.
- 4.2.2 The CCO shall serve a notice of action (a “Notice”) on the Reporting Entity responsible for a Violation (the “Respondent”). Such Notice shall state: (i) the acts, practices or conduct of the Respondent that are considered to be a Violation; (ii) how such acts, practices or conduct constitute a Violation; (iii) that the Respondent is entitled, upon written request filed with the Applicant within twenty days of service of the Notice, to a formal hearing on the alleged Violation; (iv) that the failure of the Respondent to request a hearing within twenty days of service of the Notice, except for good cause shown, shall be deemed a waiver of its right to a hearing; (v) that the failure of the Respondent to file a written answer to the Notice with the CCO within twenty days of service of the Notice shall be deemed an admission of all of the acts, practices or conduct contained in the Notice; and (vi) that the failure of the Respondent to expressly deny a particular allegation contained in the Notice shall be deemed an admission of such act, practice or conduct.
- 4.2.3 Any hearing requested by Respondent shall be presented to a panel (the “Hearing Panel”). The Hearing Panel shall be comprised of three individuals: two members of ICE Senior Management and one independent member. The Hearing Panel shall be selected unanimously by the President of the Applicant and the CCO. No member of the Hearing Panel shall hear a matter in which that member, in the determination of the CCO, has a direct financial, personal or other interest in the matter under consideration. The hearing shall be conducted pursuant to rules and

procedures adopted by said Hearing Panel, which, in their judgment, are sufficient to give such Respondent an opportunity to fully and fairly present the Respondent's case.

4.3 **Acceptance of reporting**

14. A recognized trade repository must accept derivatives data from a participant for a transaction in a derivative of the asset class or classes set out in the recognized trade repository's recognition order.

- 4.3.1 The Applicant currently anticipates (subject to the Authority designating the Applicant's TR) that Trade Vault will accept Derivatives transaction data for the commodity, credit and foreign exchange asset classes.

5. **Communication policies, procedures and standards**

15. A recognized trade repository must use or accommodate relevant internationally accepted communication procedures and standards in order to facilitate the efficient exchange of data between its systems and those of

- (a) the participants,
- (b) other trade repositories,
- (c) exchanges, clearing houses, alternative trading systems, and other marketplaces, and
- (d) other service providers.

- 5.1 The Applicant uses internationally accepted communication procedures and standards in order to facilitate the efficient exchange of Derivative transaction data with Participants, Trusted Sources and Regulators. The Applicant does not exchange data between its systems and other trade repositories. Access to Trade Vault is available through a web-based front-end that requires a Participant's systems to: (a) satisfy the Applicant minimum computing system and web browser requirements, and (b) support HTTP 1.1 and 128-bit or stronger SSL data encryption. The Applicant also provides system access via an Application Program Interface ("API"). The API provides Participants with automated and scalable access solution.

6. **Disclosure of Market Data by TRs**

6.1 **Data available to regulators**

37. (1) A recognized trade repository must, at no cost

- (a) provide to the Authority direct, continuous and timely electronic access to such data in the recognized trade repository's possession as is required by the Authority in order to carry out the Authority's mandate,
 - (b) create and make available to the Authority aggregate data derived from data in the recognized trade repository's possession as required by the Authority in order to carry out the Authority's mandate, and
 - (c) disclose to the Authority the manner in which the derivatives data provided under paragraph c has been aggregated.
- (2) A recognized trade repository must conform to internationally accepted regulatory access standards applicable to trade repositories.
- (3) A reporting counterparty must use its best efforts to provide the Authority with access to all derivatives data that it is required to report pursuant to this Regulation, including instructing a trade repository to provide the Authority with access to such data.

6.1.1 The Applicant conforms to internationally accepted regulatory access standards applicable to TRs, including, but not limited to, the access standards set by the Authority. The Applicant will provide the Authority with direct, continuous and timely electronic access to data maintained by Trade Vault in respect of trades reported by Reporting Entities pursuant to the requirements of Applicable Provincial Rules and Policies, as is required by the Authority in order to carry out the Authority's mandate. Aggregate Derivatives transaction data, as required by the Authority, will also be made available to the Authority. Any Regulator requiring or requesting access to Trade Vault (for example, a securities regulator in another province of Canada) should contact the CCO (via email: TradeVaultChiefComplianceOfficer@theice.com) to request access and the necessary documentation and certify that it is acting within the scope of its jurisdiction.

6.1.2 The Applicant shall provide access to the requested Derivative transaction data as permitted by and consistent with Applicable Law. Such access may include, where applicable, proper tools for the monitoring, screening and analyzing of Derivative transaction data, including, but not limited to, web-based services and services that provide downloadable data to Regulators. The Authority shall have access to TR Information as permitted by Applicable Law and as required under Applicable Provincial Rules and Policies. In addition, as a result of the Applicant being registered as an SDR in the United States, the CFTC has access to TR Information as required under applicable CFTC regulations including the CEA.

6.2 Data available to counterparties

38. (1) A recognized trade repository must provide counterparties to a transaction with

timely access to all derivatives data relevant to that transaction which is submitted to the recognized trade repository.

(2) A recognized trade repository must have appropriate verification and authorization procedures in place to deal with access pursuant to subsection 1) by non-reporting counterparties or a party acting on behalf of a non-reporting counterparty.

(3) Each counterparty to a transaction is deemed to have consented to the release of all derivatives data required to be reported or disclosed under this Rule.

(4) Subsection 3) applies despite any agreement to the contrary between the counterparties to a transaction.

6.2.1 Access to the Applicant is strictly limited to Participants and Trusted Sources with valid permissions and security access. Participants and Trusted Sources shall only have access to their own data and data that the Applicant is required to make publicly available under Applicable Provincial Rules and Policies (“Public Data”).

6.3 **Data available to public**

39. (1) A recognized trade repository must, on a periodic basis, create and make available to the public, at no cost, aggregate data on open positions, volume, number and price, relating to the transactions reported to it pursuant to this Rule.

(2) The periodic aggregate data made available to the public pursuant to subsection 1) must be complemented at a minimum by breakdowns, where applicable, by currency of denomination, geographic location of reference entity or asset, asset class, contract type, maturity and whether the transaction is cleared.

(3) A recognized trade repository must make transaction level reports of the data indicated in the column entitled "Required for Public Dissemination" in Appendix A for each transaction reported pursuant to this Regulation available to the public at no cost not later than

(a) the end of the day following the day on which it receives the data from the reporting counterparty to the transaction, if one of the counterparties to the transaction is a derivatives dealer, or

(b) the end of the second day following the day on which it receives the data from the reporting counterparty to the transaction in all other circumstances.

(4) In disclosing transaction level reports required by subsection 3), a recognized trade repository must not disclose the identity of either counterparty to the transaction.

(5) A recognized trade repository must make the data required to be made available to the public under this section available in a usable form through a publicly accessible website or other publicly accessible technology or medium.

(6) Despite subsections 1) to 5), a recognized trade repository is not required to make

public any derivatives data for transactions entered into between affiliated legal persons.

- 6.4 Public users will have the ability to access the Applicant's website and view Public Data at no cost in accordance with Applicable Law at www.icetradevault.com.

7. **Recordkeeping and Confirmation of Data**

7.1 **Records of Data Reporting**

18. (1) A recognized trade repository must design its recordkeeping procedures to ensure that it records derivatives data accurately, completely and on a timely basis.

(2) A recognized trade repository must keep, in a safe location and in a durable form, records of derivatives data in relation to a transaction for the life of the transaction and for a further 7 years after the date on which the transaction expires or terminates.

(3) Throughout the period described in subsection 2), a recognized trade repository must create and maintain at least one copy of each record of derivatives data required to be kept under subsection 2), in a safe location and in a durable form, separate from the location of the original record.

- 7.1.1 Participants' and, Trusted Sources' individual Derivative transaction data records remain available to these parties and Regulators at no charge for online access through Trade Vault from the date of submission until seven years after the date on which the Derivative transaction expires or terminates. During this time period, Trade Vault data will provide to the Authority direct, continuous and timely electronic access to such data in Trade Vault as is required by the Authority in order to carry out its mandate. After the initial seven year period, Participants' and Trusted Sources' Derivative transaction data will be stored off-line and remain available to these parties and Regulators, upon a three-day advance request to the Applicant, until ten years from the last date on which the Derivative transaction expired or terminated.

- 7.1.2 In accordance with the Applicant's Business Continuity and Disaster Recovery Plan, Trade Vault data is saved to a redundant, local database and a remote disaster recovery database in near real-time. Trade Vault database is backed-up to tape daily with tapes moved offsite weekly.

7.2 **Confirmation of Data and Information**

23. (1) A recognized trade repository must establish, implement, maintain and enforce written Regulations, policies and procedures to confirm with each counterparty to a transaction, or agent acting on behalf of such counterparty, that the derivatives data that

the recognized trade repository receives from a reporting counterparty, or from a party to whom a reporting counterparty has delegated its reporting obligation under this Regulation, is accurate.

(2) Despite subsection 1), a recognized trade repository need only confirm the accuracy of the derivatives data it receives with those counterparties that are participants of the recognized trade repository.

- 7.2.1 The Applicant reasonably relies on the accuracy of Derivatives transaction data submitted from Trusted Sources where: (i) the Trusted Source has executed an ICE Trade Vault Trusted Sources Agreement; and (ii) the data submitted by the Trusted Source indicates that both counterparties agreed to the data. All Trusted Sources connecting to the Applicant must complete a conformance test to validate data submission integrity prior to the Applicant's acceptance of actual Derivatives data and must immediately inform the Applicant of any system or technical issues that may affect the accuracy of Derivatives data transmissions.
- 7.2.2 In accordance with Applicable Provincial Rules and Policies, Trade Vault shall confirm with the other party to a transaction, provided such party is a Participant or Trusted Source, the Derivative transaction data that Trade Vault has received from a Reporting Entity. The Applicant will have fulfilled its obligation under Applicable Provincial Rules and Policies by providing notice to each counterparty that is a Participant that a report has been made naming such entity as a counterparty and providing the means to access the report. If Trade Vault does not receive a response from the Non-Reporting Counterparty within two business days, the data is deemed confirmed. Trade Vault shall have no obligation to obtain confirmation of Derivative transaction data from a counterparty who is not a Participant
- 7.2.3 The Applicant has policies and procedures in place to ensure that the production environment in which the recording process of Trade Vault operates does not invalidate or modify the terms of a valid Derivative transaction. These controls are regularly audited and prevent any unauthorized, unsolicited changes to Derivative transaction data submitted to the Applicant through system-wide protections related to the processing of data associated with Trade Vault.

8. **Fees**

12. All fees and other material costs imposed by a recognized trade repository on its participants must be

- (a) fairly and equitably allocated among participants, and
- (b) publicly disclosed on its website for each service it offers with respect to the

collection and maintenance of derivatives data.

- 8.1 Any fees or charges imposed by the Applicant in connection with Trade Vault and any other supplemental or ancillary services are equitable and established in a uniform and non-discriminatory manner. The Applicant's fees and charges are designed not to have the effect of creating an artificial barrier to access to Trade Vault. The Applicant does not offer preferential pricing arrangements for Trade Vault to any market participant on any basis, including volume discounts or reductions unless such discounts or reductions apply to all market participants uniformly and are not otherwise established in a manner that would effectively limit the application of such discount or reduction to a select number of market participants. As noted in Section 2.2.1 above, the Applicant's Senior Management has the power and authority to fix, determine and levy all TR fees. The Applicant's fee schedule for Reporting Entities will be publicly available on the Applicant's website.

PART III OTHER MATTERS

1. Submissions

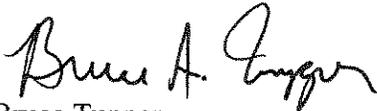
- 1.1 The Applicant satisfies all the criteria for recognition as a TR, as described under Part II of this application. Québec market participants that engage in Derivative transactions would benefit from the ability to report trades to the Applicant's TR, given the Applicant's user-friendly and advanced trade reporting tools and industry experience, particularly in relation to commodity Derivatives. Stringent oversight of the Applicant's TR as well as the sophisticated information systems, regulations and compliance functions that have been adopted by the Applicant will ensure that Québec users of the Applicant's TR are adequately protected in accordance with Applicable Law and consistent with international standards.
- 1.2 Based on the foregoing it would not be prejudicial to the public interest to recognize the Applicant as a TR in Québec.

2. Enclosures

- 2.1 In support of this application, under separate cover, the Applicant delivered to the Authority a completed Form 91-507F1 – Information Statement and exhibits thereto, a completed Form 91-507F2 – Submission to Jurisdiction and financial statements of the Applicant. We have requested confidential treatment of such materials.

If you have any questions or require anything further, please do not hesitate to contact us.

Yours very truly,

A handwritten signature in black ink that reads "Bruce A. Tupper".

Bruce Tupper

BT:

cc: Kara Dutta, *ICE Trade Vault, LLC*
Jake Sadikman, Blair Wiley and Patrick Lupa, *Osler, Hoskin & Harcourt LLP*

Toronto

July 28, 2014

Blair Wiley
Direct Dial: 416.862.5989
bwiley@osler.com
Our Matter Number: 1152820

Montréal

PRIVILEGED & CONFIDENTIAL

Calgary

SENT BY ELECTRONIC MAIL

Ottawa

Autorité des marchés financiers
800 square Victoria, 22e étage
C.P. 246, tour de la Bourse
Montréal, Québec H4Z 1G3

New York

Attention: Claude Gatien

Dear Sir:

ICE Trade Vault, LLC – Application for Exemptive Relief from Requirement to Submit Audited Entity-Level Financial Statements

We act as Canadian legal counsel to ICE Trade Vault, LLC (the “Applicant”) and are filing this application with the Autorité des Marchés Financiers (the “Authority”) on its behalf. In connection with its application to the Authority for recognition as a trade repository in the Province, the Applicant is applying pursuant to section 86 of the *Derivatives Act* (the “Act”) for exemptive relief (the “Requested Relief”) from the requirement to file audited entity-level financial statements (i) upon application for recognition as a trade repository, pursuant to subsection 4(1) of *Regulation 91-507 Respecting Trade Repositories and Derivatives Data Reporting* (the “TR Rule”), and (ii) on an ongoing basis, pursuant to subsection 5(1) of the TR Rule.

1. Facts

The Applicant is a limited liability company organized under the laws of the State of Delaware in the United States that is applying to be recognized as a trade repository in the Province of Quebec. The Applicant is also a provisionally registered swap data repository (“SDR”) regulated by the Commodity Futures Trading Commission (“CFTC”).

The Applicant is a wholly owned subsidiary of Intercontinental Exchange Holdings, Inc. (“ICE Holdings”), which itself is owned by Intercontinental Exchange, Inc. (“ICE”), a public company listed on the New York Stock Exchange. ICE is a leading operator of regulated global markets and clearing houses, including futures exchanges, over-the-counter markets, derivatives clearing houses and post-trade services.

The Applicant currently does not prepare audited entity-level financial statements. Instead, the Application prepares unaudited entity-level financial statements which form part of ICE's audited consolidated financial statements.

ICE has implemented controls and procedures to ensure the accuracy of its affiliates financial statements including those of the Applicant. As part of the controls and procedures, financial statements for all ICE affiliates are reviewed by senior management and are supported by account reconciliations and journal entries that go through a company-wide review and approval process. Month-end review by senior management includes a review of financial statements for each reporting segment, eliminating entries, budget to actual comparisons and consolidated financials. Various system and access controls are in place to prevent any possible data manipulations or unintentional errors in the relevant financial systems. As a part of the SOX 404 certification process, controls around all significant transaction classes are tested annually by the Internal Audit Department of ICE.

In addition, ICE performs periodic internal audits of the Applicant's books and records to ensure adequate capitalization, adequate financial controls and that significant liabilities have not been overlooked or omitted at the entity-level.

2. Submissions

The Applicant is seeking the Requested Relief on the following grounds:

1. The Applicant does not currently audit its financial statements and is not required to do so in connection with its operation as a CFTC regulated SDR.
2. The cost associated of completing ongoing audits of the Applicant financial statements would be substantial.
3. As a result of the Applicant's unaudited entity-level financial statements forming part of ICE's audited consolidated financial statements, ICE has implemented controls and procedures to ensure the accuracy of the Applications financial statements.
4. ICE performs periodic internal audits of the Applicant's books and records to ensure adequate capitalization, adequate financial controls and that significant liabilities have not been overlooked or omitted at the entity-level.
5. The regulatory objectives of subsections 4(1) and 5(1) of the TR Rule would be fulfilled by permitting the Applicant to file (i) unaudited entity-level financial statements; and (ii) ICE's consolidated audited financial statements.

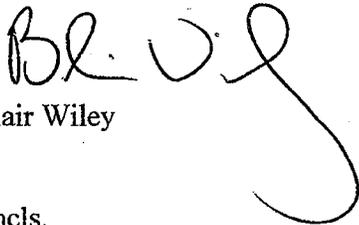
3. Requested Decision Document

We hereby request that the terms and conditions attached to the Applicant's recognition order as a trade repository include the Requested Relief.

In support of this application, we are enclosing a verification statement from the Applicant confirming our authority to prepare and file this application and confirming the truth of the facts contained herein.

If you have any questions or require anything further, please do not hesitate to contact Blair Wiley (416-862-5989 or bwiley@osler.com).

Yours very truly,



Blair Wiley

Encls.

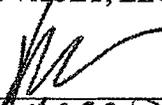
cc: Bruce Tupper and Kara Dutta, *Ice Trade Vault, LLC*
Jake Sadikman and Patrick Lupa, *Osler, Hoskin & Harcourt LLP*

VERIFICATION STATEMENT

The undersigned hereby authorizes Osler, Hoskin & Harcourt LLP to make and file the attached exemptive relief application and confirms the truth of the facts contained in it.

DATED the 21st day of July, 2014

ICE TRADE VAULT, LLC

By: 

Name: KARA DUTTA
Title: General Counsel