

# CIRCULAR

05 SEPTEMBER 2016

## CIRCULAR 16/129 INTRODUCTION OF ADDITIONAL OWNERSHIP AND CONTROL REPORTING (OCR) REQUIREMENTS FOR ICE FUTURES EUROPE'S REPORTABLE CONTRACTS AND REVISED REPORTABLE THRESHOLDS

### CATEGORY

Regulatory

### ATTACHMENTS

**Attachment 1:** Ownership and Control Document

**Attachment 2:** ICE Futures Europe Guidance on the Thresholds for Reportable Positions to be contained in the Electronic Large Trader File ("LGTR") and Volume Thresholds for account identification

### Introduction

The purpose of this Circular is to advise Members and Market Participants ("collectively Market Participants"), that further to Circulars [14/190](#) and [15/185](#), dated Tuesday 23 December 2014 and Friday 11 September 2015 respectively, ICE Futures Europe ("the Exchange") has completed its consultation on the Exchange's intention to implement additional ownership and control identification requirements ("OCR Information") for its existing reportable contracts. The response to the consultation has not substantially changed the Exchange's proposals. The Exchange now wishes to provide further information regarding its intention to implement the requirements for additional OCR Information.

### Background

In Circular [14/190](#) dated Tuesday 23 December 2014, the Exchange provided Market Participants with the background to OCR and outlined what ICE Futures U.S. Inc. and ICE Swap Trade LLC require to be submitted in this regard. The Exchange noted that it would also be requiring the same information to enhance its current identification process and to be consistent with the other ICE Exchanges.

Following the publication of Circular [14/190](#) dated Tuesday 23 December 2014, the Exchange engaged with the Market to obtain initial feedback on the requirements which informed the proposals made in the market wide consultation conducted by the Exchange in Circular [15/185](#) dated Friday 11 September 2015.

The Exchange thanks its Members for considering the proposals. As no objections to the proposals set out in Circular [15/185](#) were received, the proposals will be adopted. These are outlined again below.

### OCR Requirements

#### **Reportable Accounts**

In addition to this Circular, the Exchange shall publish rules which would require the additional OCR Information for all accounts that:

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1. hold reportable positions at the close of business each day (“Reportable Position Account”); and
2. meet or exceed a minimum specified trading volume for a single product identifier in a single trading day (“Reportable Volume Threshold Account”).

### **Required OCR Information**

The OCR information required in respect of a Reportable Position Account (**equivalent to a US CFTC “Special Account”**) shall be identical to the information contained in a US CFTC Form 102A; and all Reporting Firms shall be required to submit this information to the Exchange. This requirement will apply to all Exchange Contracts currently subject to position reporting requirements (see the Reportable Volume Thresholds).

For Reportable Volume Threshold Accounts, the required OCR information shall be identical to that contained in a US CFTC Form 102B. Only Clearing Members shall be required to identify trading accounts that meet or exceed a minimum volume threshold (“Reportable Volume Threshold Accounts”) for a single product identifier in a single trading day.

The specific detail that the Exchange proposes to require for each account is set out in the CFTC Technical Guidance Document for Ownership and Control Reports which can be found at:  
<http://www.cftc.gov/Forms/OCR/index.htm>

Whilst the OCR requirements relate directly to Reporting Firms (including Clearing Members), Market Participants (including clients of Reporting Firms) should note that they must assist the Member through whom they do business such that they do not cause the Member to be in breach of Exchange Regulations.

### **Ongoing requirements**

The Exchange will also publish Rules requiring the following:

- all OCR Information be submitted within three trading days of the respective account triggering the requirement to report. At a minimum, information regarding the names and addresses of the owner(s) and controller(s), the reporting number, account number and account type for each Reportable Position Account shall be submitted to the Exchange by the close of business on the Business Day following the date on which the Reportable Position Account becomes reportable.
- all OCR Information be submitted within three trading days of any material changes to previously reported OCR information having occurred. The Exchange would consider material changes to include any change of account name, address, owners, controllers, or controlled accounts;
- an annual refresh submission of the OCR information from the first date of that account becoming reportable; and
- previously identified Reportable Position Accounts should be identified in the new OCR format at the earlier of, an update to any of the required OCR information or the annual refresh.

### **Reportable Position and Volume Thresholds**

In conjunction with the introduction of the additional OCR Information, **the Exchange shall introduce revised Reportable Thresholds to apply to reportable products from the Thursday 29 September 2016.**

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These Reportable Volume Thresholds will have staggered volume level changes over time as stated within the attachment to this Circular.

A list of ICE Futures Europe contracts can be found [here](#). Participants can filter for contracts and category of contract by selecting the appropriate option using the product search at the top of the page.

Positions should be included in each Reporting Firm's daily Electronic Large Trader File ("LGTR"). The submission of the electronic LGTR file should be complete by 14:00 UK time.

The Reportable Thresholds document is also available [here](#).

### Voluntary Identification of Volume Threshold Accounts

The Exchange will accept the voluntary submission of identifying information for Volume Threshold Accounts meeting or exceeding the volume threshold of 50 lots per day up to the Thursday 30 August 2018.

### Submission

In line with other ICE Exchanges, Reporting Firms would be required to electronically submit OCR Information to the Exchange. The Exchange will accept the required OCR Information via either:

- secure FTP submission in XML format; or
- manual entry through the ICE OCR web portal.

By accepting the same format as the other ICE Exchanges, the Exchange aims to reduce additional development costs for Reporting Firms and provide consistency with regards to account identification standards.

### Timelines

For consistency, the Exchange will adopt the same specified Reportable Volume Thresholds and effective implementation dates as the CFTC and ICE Futures US. As such, the amended rules requiring the additional OCR information for all accounts shall take effect from **Thursday 29 September 2016**. The Exchange shall provide Reporting Firms with a further six months to comply fully with the requirements from the effective date of the Rules, and shall require that all necessary OCR Information be reported to the Exchange by **Wednesday 29 March 2017**.

During this six month period, Reporting Firms may identify Reportable Position Accounts using legacy identification methods<sup>1</sup>.

The proposed timeline may be reviewed by the Exchange, subject to the outcome of relevant regulatory processes, and in the event that the OCR implementation dates for the rest of the ICE Group change.

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<sup>1</sup> CFTC Form 102 or Exchange account identification sheet

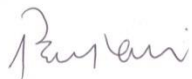
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### Questions

Members and participants with any queries should contact ICE Futures Europe Compliance department +44 (0)20 7065 7797 or by email to [compliance-europe@theice.com](mailto:compliance-europe@theice.com).

Please ensure that the appropriate members of staff within your organisation and customers are advised of the content of this Circular.

Signed:



Patrick Davis  
Company Secretary

### FOR MORE INFORMATION, PLEASE CONTACT:

ICE Futures Europe Compliance Department  
+44 (0)20 7065 7797  
[compliance-europe@theice.com](mailto:compliance-europe@theice.com)

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