

the proposed rule change would help improve the effectiveness of the EOD price discovery process by specifically requiring the clearing risk department to consult the trading advisory committee, which would provide insight into current market dynamics and conditions.

Therefore, for the above reasons the Commission finds that the proposed rule change is consistent with Rule 17Ad-22(e)(2)(i).<sup>41</sup>

#### *C. Consistency With Rule 17Ad-22(e)(6)(ii)*

Rule 17Ad-22(e)(6)(ii) requires that ICE Clear Europe establish, implement, maintain and enforce written policies and procedures reasonably designed to cover its credit exposures to its participants by establishing a risk-based margin system that marks participant positions to market and collects margin, including variation margin or equivalent charges if relevant, at least daily and includes the authority and operational capacity to make intraday margin calls in defined circumstances.<sup>42</sup>

As discussed above, the proposed rule change would enhance ICE Clear Europe's EOD price discovery by amending the Price Discovery Policy to (1) compute a consensus BOW for each benchmark single-name instrument; (2) determine the final EOD BOW as the greater of an instrument's final systematic BOW and a dynamic BOW; and (3) eliminate the use of the ISDA CDS Standard Model from the computation of BOWs for single-name instruments.

The Commission believes that these changes, taken together, would help enhance ICE Clear Europe's ability to determine the EOD BOW for single-name CDS instruments. By eliminating the use of the ISDA CDS Standard Model from the computation of single-name BOWs, accepting submissions only in price terms, and computing a consensus BOW for each benchmark single-name CDS instrument, the Commission believes the proposed rule change would help ICE Clear Europe to determine BOWs more consistently across single-name instruments on all reference entities, including those for which little intraday data is available. In addition, as noted above, the dynamic BOW would widen BOWs in response to the observed dispersion of price-space levels submitted in the EOD price discovery process. Thus, by determining the final EOD BOW as the greater of an instrument's final systematic BOW and a dynamic BOW, the Commission

believes the proposed rule change would help the BOW to better reflect current market conditions.

Consequently, the Commission believes that the proposed rule change would help improve ICE Clear Europe's EOD pricing process by taking into account additional relevant information and considering a wider range of instruments in the pricing process. Because ICE Clear Europe uses EOD prices to mark participant positions to market and establish and collect margin, including variation margin, the Commission believes that improvements to the EOD pricing process would also enhance ICE Clear Europe's covering of credit exposures to its participants and collection of margin. Moreover, the Commission believes the governance enhancements described above would help ensure that ICE Clear Europe's clearing risk department maintains an effective EOD price discovery process and takes into account current market conditions by consulting with the trading advisory committee. The Commission therefore believes that the proposed rule change would help establish and maintain written policies and procedures reasonably designed to cover ICE Clear Europe's credit exposures to its participants by establishing a risk-based margin system that marks participant positions to market and collects margin, including variation margin.

Therefore, for the above reasons the Commission finds that the proposed rule change is consistent with Rule 17Ad-22(e)(6)(ii).<sup>43</sup>

#### *D. Consistency With Rule 17Ad-22(e)(6)(iv)*

Rule 17Ad-22(e)(6)(iv) requires that ICE Clear Europe establish, implement, maintain and enforce written policies and procedures reasonably designed to cover its credit exposures to its participants by establishing a risk-based margin system that uses reliable sources of timely price data and uses procedures and sound valuation models for addressing circumstances in which pricing data are not readily available or reliable.<sup>44</sup>

As discussed above, the proposed rule change would help improve the pricing data that ICE Clear Europe uses in its margin system. Specifically, the proposed rule change would, as discussed above, enhance the computation of BOWs for single-name CDS instruments by amending the Price Discovery Policy to (1) compute a consensus BOW for each benchmark

single-name instrument; (2) determine the final EOD BOW as the greater of an instrument's final systematic BOW and a dynamic BOW; and (3) eliminate the use of the ISDA CDS Standard Model from the computation of BOWs for single-name instruments. Because ICE Clear Europe uses BOWs to determine EOD price levels, the Commission believes that improvements in the collection and calculation of BOWs would improve the accuracy and reliability of ICE Clear Europe's EOD price levels. Finally, because ICE Clear Europe uses its EOD price levels to mark participant positions to market and establish and collect margin, including variation margin, the Commission believes that the proposed rule change would help ensure that the ICE Clear Europe's margin system uses reliable sources of timely price data.

Therefore, for the above reasons the Commission finds that the proposed rule change is consistent with Rule 17Ad-22(e)(6)(iv).<sup>45</sup>

#### **IV. 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(b)(3)(F) of the Act<sup>46</sup> and Rules 17Ad-22(e)(2)(i), (e)(6)(ii), and (e)(6)(iv) thereunder.<sup>47</sup>

*It is therefore ordered* pursuant to Section 19(b)(2) of the Act<sup>48</sup> that the proposed rule change (SR-ICEEU-2018-009) be, and hereby is, approved.<sup>49</sup>

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>50</sup>

**Eduardo A. Aleman,**  
*Assistant Secretary.*

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#### **DEPARTMENT OF STATE**

**[Public Notice: 10538]**

#### **Notice of Determinations; Culturally Significant Objects Imported for Exhibition—Determinations: “Tomma Abts” Exhibition**

**SUMMARY:** Notice is hereby given of the following determinations: I hereby

<sup>45</sup> 17 CFR 240.17Ad-22(e)(6)(iv).

<sup>46</sup> 15 U.S.C. 78q-1.

<sup>47</sup> 17 CFR 240.17Ad-22(e)(2)(i), (e)(6)(ii), and (e)(6)(iv).

<sup>48</sup> 15 U.S.C. 78s(b)(2).

<sup>49</sup> In approving the proposed rule change, the Commission considered the proposal's impact on efficiency, competition, and capital formation. 15 U.S.C. 78c(f).

<sup>50</sup> 17 CFR 200.30-3(a)(12).

<sup>41</sup> 17 CFR 240.17Ad-22(e)(2)(i).

<sup>42</sup> 17 CFR 240.17Ad-22(e)(6)(ii).

<sup>43</sup> 17 CFR 240.17Ad-22(e)(6)(ii).

<sup>44</sup> 17 CFR 240.17Ad-22(e)(6)(iv).

determine that certain objects to be included in the exhibition “Tommas Abts,” imported from abroad for temporary exhibition within the United States, are of cultural significance. The objects are imported pursuant to loan agreements with the foreign owners or custodians. I also determine that the exhibition or display of the exhibit objects at The Art Institute of Chicago, in Chicago, Illinois, from on or about October 18, 2018, until on or about February 17, 2019, and at possible additional exhibitions or venues yet to be determined, is in the national interest. I have ordered that Public Notice of these determinations be published in the **Federal Register**.

**FOR FURTHER INFORMATION CONTACT:** Julie Simpson, Attorney-Adviser, Office of the Legal Adviser, U.S. Department of State (telephone: 202-632-6471; email: [section2459@state.gov](mailto:section2459@state.gov)). The mailing address is U.S. Department of State, L/PA, SA-5, Suite 5H03, Washington, DC 20522-0505.

**SUPPLEMENTARY INFORMATION:** The foregoing determinations were made pursuant to the authority vested in me by the Act of October 19, 1965 (79 Stat. 985; 22 U.S.C. 2459), E.O. 12047 of March 27, 1978, the Foreign Affairs Reform and Restructuring Act of 1998 (112 Stat. 2681, *et seq.*; 22 U.S.C. 6501 note, *et seq.*), Delegation of Authority No. 234 of October 1, 1999, and Delegation of Authority No. 236-3 of August 28, 2000.

**Marie Therese Porter Royce,**

*Assistant Secretary for Educational and Cultural Affairs, Department of State.*

[FR Doc. 2018-19717 Filed 9-10-18; 8:45 am]

**BILLING CODE 4710-05-P**

## DEPARTMENT OF STATE

[Public Notice: 10536]

### Notice of Determinations; Culturally Significant Object Imported for Exhibition—Determinations: “Enrico David: Gradations of Slow Release” Exhibition

**SUMMARY:** Notice is hereby given of the following determinations: I hereby determine that a certain object to be included in the exhibition “Enrico David: Gradations of Slow Release,” imported from abroad for temporary exhibition within the United States, is of cultural significance. The object is imported pursuant to a loan agreement with the foreign owner or custodian. I also determine that the exhibition or display of the exhibit object at the Museum of Contemporary Art, Chicago, Illinois, from on or about September 29,

2018, until on or about March 10, 2019, and at the Hirshhorn Museum and Sculpture Garden, Washington, District of Columbia, from on or about April 18, 2019, until on or about September 2, 2019, and at possible additional exhibitions or venues yet to be determined, is in the national interest. I have ordered that Public Notice of these determinations be published in the **Federal Register**.

**FOR FURTHER INFORMATION CONTACT:** Julie Simpson, Attorney-Adviser, Office of the Legal Adviser, U.S. Department of State (telephone: 202-632-6471; email: [section2459@state.gov](mailto:section2459@state.gov)). The mailing address is U.S. Department of State, L/PA, SA-5, Suite 5H03, Washington, DC 20522-0505.

**SUPPLEMENTARY INFORMATION:** The foregoing determinations were made pursuant to the authority vested in me by the Act of October 19, 1965 (79 Stat. 985; 22 U.S.C. 2459), E.O. 12047 of March 27, 1978, the Foreign Affairs Reform and Restructuring Act of 1998 (112 Stat. 2681, *et seq.*; 22 U.S.C. 6501 note, *et seq.*), Delegation of Authority No. 234 of October 1, 1999, Delegation of Authority No. 236-3 of August 28, 2000.

**Marie Therese Porter Royce,**

*Assistant Secretary for Educational and Cultural Affairs, Department of State.*

[FR Doc. 2018-19715 Filed 9-10-18; 8:45 am]

**BILLING CODE 4710-05-P**

## DEPARTMENT OF STATE

[Public Notice: 10539]

### Notice of Determinations; Culturally Significant Objects Imported for Exhibition—Determinations: “Frans Hals Portraits: A Family Reunion” Exhibition

**SUMMARY:** Notice is hereby given of the following determinations: I hereby determine that certain objects to be included in the exhibition “Frans Hals Portraits: A Family Reunion,” imported from abroad for temporary exhibition within the United States, are of cultural significance. The objects are imported pursuant to loan agreements with the foreign owners or custodians. I also determine that the exhibition or display of the exhibit objects at the Toledo Museum of Art, Toledo, Ohio, from on or about October 13, 2018, until on or about January 6, 2019, and at possible additional exhibitions or venues yet to be determined, is in the national interest. I have ordered that Public Notice of these determinations be published in the **Federal Register**.

**FOR FURTHER INFORMATION CONTACT:** Julie Simpson, Attorney-Adviser, Office of the Legal Adviser, U.S. Department of State (telephone: 202-632-6471; email: [section2459@state.gov](mailto:section2459@state.gov)). The mailing address is U.S. Department of State, L/PA, SA-5, Suite 5H03, Washington, DC 20522-0505.

**SUPPLEMENTARY INFORMATION:** The foregoing determinations were made pursuant to the authority vested in me by the Act of October 19, 1965 (79 Stat. 985; 22 U.S.C. 2459), E.O. 12047 of March 27, 1978, the Foreign Affairs Reform and Restructuring Act of 1998 (112 Stat. 2681, *et seq.*; 22 U.S.C. 6501 note, *et seq.*), Delegation of Authority No. 234 of October 1, 1999, and Delegation of Authority No. 236-3 of August 28, 2000.

**Marie Therese Porter Royce,**

*Assistant Secretary for Educational and Cultural Affairs, Department of State.*

[FR Doc. 2018-19719 Filed 9-10-18; 8:45 am]

**BILLING CODE 4710-05-P**

## DEPARTMENT OF STATE

[Public Notice: 10537]

### Notice of Determinations; Culturally Significant Objects Imported for Exhibition—Determinations: “Günther Förg: A Fragile Beauty” Exhibition

**SUMMARY:** Notice is hereby given of the following determinations: I hereby determine that certain objects to be included in the exhibition “Günther Förg: A Fragile Beauty,” imported from abroad for temporary exhibition within the United States, are of cultural significance. The objects are imported pursuant to loan agreements with the foreign owners or custodians. I also determine that the exhibition or display of the exhibit objects at the Dallas Museum of Art, Dallas, Texas, from on or about October 21, 2018, until on or about January 27, 2019, and at possible additional exhibitions or venues yet to be determined, is in the national interest. I have ordered that Public Notice of these determinations be published in the **Federal Register**.

**FOR FURTHER INFORMATION CONTACT:** Elliot Chiu, Attorney-Adviser, Office of the Legal Adviser, U.S. Department of State (telephone: 202-632-6471; email: [section2459@state.gov](mailto:section2459@state.gov)). The mailing address is U.S. Department of State, L/PA, SA-5, Suite 5H03, Washington, DC 20522-0505.

**SUPPLEMENTARY INFORMATION:** The foregoing determinations were made pursuant to the authority vested in me by the Act of October 19, 1965 (79 Stat. 985; 22 U.S.C. 2459), E.O. 12047 of