

Report would have any adverse impact, or impose any burden, on competition.²⁸ This is because the proposed rule change would enhance NSCC's reporting capabilities in a manner that would enable Members to receive all necessary information to support their ETF trading activities in one single consolidated and standardized file. The proposed rule change would not disproportionately impact any Members.

Moreover, NSCC believes the proposed rule change would have a positive effect on competition among ETF industry participants. This is because the proposed rule change to provide for the publication of ETF portfolio holdings for pricing purposes via the Portfolio Report would provide the ETF industry a more efficient and effective method to disseminate ETF portfolio holdings for pricing purposes and also enable Members to receive all necessary information to support their ETF trading activities in one single consolidated and standardized file. Therefore, NSCC believes the proposed rule change to provide for the publication of ETF portfolio holdings for pricing purposes via the Portfolio Report would enhance competition among ETF industry participants by allowing information to be distributed more quickly and in a more streamlined manner.

NSCC does not believe the proposed rule change to extend ETF creation and redemption settlement dates beyond T+2 would have any adverse impact, or impose any burden, on competition.²⁹ This is because the proposed rule change is designed to meet the requirements of APs and ETF Agents by providing them with more flexibility when selecting settlement dates for ETF creation and redemption orders. The proposed rule change would not disproportionately impact any Members.

NSCC does not believe the proposed rule changes to make technical and clarifying changes would impact competition.³⁰ These changes would apply equally to all Members and would not affect Members' rights and obligations. As such, NSCC believes these proposed rule changes would not have any impact on competition.

(C) Clearing Agency's Statement on Comments on the Proposed Rule Change Received From Members, Participants, or Others

Written comments relating to this proposed rule change have not been

solicited or received. NSCC will notify the Commission of any written comments received by NSCC.

III. Date of Effectiveness of the Proposed Rule Change, and Timing for Commission Action

The foregoing rule change has become effective pursuant to Section 19(b)(3)(A) of the Act³¹ and paragraph (f) of Rule 19b-4 thereunder.³² At any time within 60 days of the filing of the proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Comments may be submitted by any of the following methods:

Electronic Comments

- Use the Commission's internet comment form (<http://www.sec.gov/rules/sro.shtml>); or
- Send an email to rule-comments@sec.gov. Please include File Number SR-NSCC-2020-010 on the subject line.

Paper Comments

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

All submissions should refer to File Number SR-NSCC-2020-010. This file number should be included on the subject line if email is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's internet website (<http://www.sec.gov/rules/sro.shtml>). Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for website viewing and printing in the Commission's Public Reference Room, 100 F Street NE,

Washington, DC 20549 on official business days between the hours of 10:00 a.m. and 3:00 p.m. Copies of the filing also will be available for inspection and copying at the principal office of NSCC and on DTCC's website (<http://dtcc.com/legal/sec-rule-filings.aspx>). All comments received will be posted without change. Persons submitting comments are cautioned that we do not redact or edit personal identifying information from comment submissions. You should submit only information that you wish to make available publicly. All submissions should refer to File Number SR-NSCC-2020-010 and should be submitted on or before July 15, 2020.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.³³

J. Matthew DeLesDernier,

Assistant Secretary.

[FR Doc. 2020-13541 Filed 6-23-20; 8:45 am]

BILLING CODE 8011-01-P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-89090; File No. SR-ICEEU-2020-009]

Self-Regulatory Organizations; ICE Clear Europe Limited; Notice of Filing and Immediate Effectiveness of Proposed Rule Change Relating to Amendments to the ICE Clear Europe Model Risk Governance Framework

June 18, 2020.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act"),¹ and Rule 19b-4 thereunder,² notice is hereby given that on June 12, 2020, ICE Clear Europe Limited ("ICE Clear Europe" or the "Clearing House") filed with the Securities and Exchange Commission ("Commission") the proposed rule changes described in Items I, II, and III below, which Items have been primarily prepared by ICE Clear Europe. ICE Clear Europe filed the proposed rule change pursuant to Section 19(b)(3)(A) of the Act³ and Rule 19b-4(f)(6)⁴ thereunder, such that the proposed rule change was immediately effective upon filing with the Commission. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

³³ 17 CFR 200.30-3(a)(12).

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ 15 U.S.C. 78s(b)(3)(A).

⁴ 17 CFR 240.19b-4(f)(6).

²⁸ 15 U.S.C. 78q-1(b)(3)(I).

²⁹ *Id.*

³⁰ *Id.*

³¹ 15 U.S.C. 78s(b)(3)(A).

³² 17 CFR 240.19b-4(f).

I. Clearing Agency's Statement of the Terms of Substance of the Proposed Rule Change

The principal purpose of the proposed amendments is for ICE Clear Europe to modify its Model Risk Governance Framework (the "Model Risk Governance Framework" or "Framework") to clarify the Clearing House's model risk management processes and to update the Framework's document governance and exception handling processes. The revisions to the Model Risk Governance Framework would not involve any changes to the ICE Clear Europe Clearing Rules or Procedures.⁵

II. Clearing Agency's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, ICE Clear Europe included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. ICE Clear Europe has prepared summaries, set forth in sections (A), (B), and (C) below, of the most significant aspects of such statements.

(A) Clearing Agency's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

(a) Purpose

Following its annual review of the Model Risk Governance Framework, ICE Clear Europe is proposing to amend the Framework as follows: (i) Clarify certain procedures for model risk management, including with respect to new models and reviews of existing models; (ii) to update governance provisions relating to document review, breach management and exception handling; and (iii) to make various drafting clarifications and improvements.

Model Risk Management

The section of the Framework addressing validation and model performance assessment would be renamed to the more general "Model Risk Management" and clarify that the Clearing House will identify, measure, monitor and mitigate model risk in all stages of a model life cycle. Certain general explanatory, non-substantive language (such as language generally explaining stages of new models, referencing the general nature of model changes and explaining the general

importance of model validation and performance assessment) would be removed as unnecessary.

With respect to new models, language would be introduced to clarify that the time elapsed from validation to the production date is not to exceed the validation cycle.

With respect to review of existing models, the Clearing House proposes to add further detail regarding annual validation cycles: The time horizon of the cycles would be measured on a month-to-month basis, and the time the remediation plan was approved would be used as a reference. In addition, it would be clarified that model performance assessments would be conducted on a periodic basis, with cycles no greater than those used for validations (as opposed to no greater than one year). These assessments would, at a minimum, include the review of the testing performance of the models as well as the appropriateness of the parameters and assumptions used in them.

In the section discussing model retirement, language providing that the efficiency of a model may deteriorate over its life cycle for several reasons would be removed as unnecessary. The section would also be updated to provide that the Clearing House's assessment of the risks and consequences of retiring a model would, at a minimum, include a review of the reasons for the retirement, the coverage of risks post-retirement, the existing interdependencies and the regulatory compliance.

Governance

The amendments to the Framework would also update arrangements for breach management, ongoing Framework reviews and exception handling. The amendments are intended to make the Framework consistent in this regard with other ICE Clear Europe policies and governance processes. In particular, the amendments would provide that (i) the document owner, as specified in ICE Clear Europe policies, is responsible for ensuring that documents remain up-to-date and are reviewed in accordance with the Clearing House's governance processes, (ii) the document owner will report material breaches or unapproved deviations from the Framework to their Head of Department, the Chief Risk Officer and the Head of Compliance (or their delegates) who will determine if further escalation will be made to relevant senior executives, the Board and/or competent authorities, and (iii) exceptions to the Model Risk Governance Framework would be

approved in accordance with the Clearing House's governance process for the approval of changes to such document.

General Drafting Clarifications and Improvements

By way of general drafting clarification and improvements, the amendments to the Model Risk Governance Framework would re-word certain sections for improved readability as well as make general grammatical and typographical corrections. Certain terminology would be updated throughout the Framework, including clarifying the use of the term "remediation plan" as opposed to "remediation action". The "Second Line" discussion of Model Risk Governance would be clarified to provide that the Risk Oversight Department is responsible to establish, maintain and observe guidelines for performing independent validation exercises only, and not also for model performance assessments and review of impact assessments (as those are generally "First Line" functions).

(b) Statutory Basis

ICE Clear Europe believes that the proposed amendments to the Model Risk Governance Framework are consistent with the requirements of Section 17A of the Act⁶ and the regulations thereunder applicable to it. In particular, Section 17A(b)(3)(F) of the Act⁷ requires, among other things, that the rules of a clearing agency be designed to promote the prompt and accurate clearance and settlement of securities transactions and, to the extent applicable, derivative agreements, contracts, and transactions, the safeguarding of securities and funds in the custody or control of the clearing agency or for which it is responsible, and the protection of investors and the public interest. The proposed changes to the Model Risk Governance Framework are designed to clarify and strengthen ICE Clear Europe's model risk management framework. The amendments would clarify that model risk management is to be identified, measured, monitored and mitigated in all stages of a model life cycle. The amendments would provide greater detail as to the timing of the Clearing House's assessment of new models and of existing models; specifically, the time elapsed to the production launch date with respect to a new model would not be greater than the validation cycle, and the time horizon of existing models

⁵ Capitalized terms used but not defined herein have the meanings specified in the ICE Clear Europe Clearing Rules.

⁶ 15 U.S.C. 78q-1.

⁷ 15 U.S.C. 78q-1(b)(3)(F).

would be measured on a month-to-month basis, using the time the remediation plan was approved as reference. The amendments would also clarify requirements for ongoing performance assessments, and enhance the governance over the Framework, to be consistent with other ICE Clear Europe policies. ICE Clear Europe believes that the Framework as so amended would enhance the overall risk management of the Clearing House, and thereby promote the prompt and accurate clearance of transactions and further the public interest in sound operation of clearing agencies, within the meaning of Section 17A(b)(3)(F).⁸ The amendments are not intended to affect, and are consistent with, the Clearing House's existing Rules and Procedures relating to the safeguarding of funds and securities in the custody or control of the Clearing House or for which it is responsible, within the meaning of that section.

In addition, ICE Clear Europe believes that the proposed revisions to the Model Risk Governance Framework are consistent with the relevant requirements of Rule 17Ad-22.⁹ Rule 17Ad-22(b)(4)¹⁰ requires clearing agencies to perform an annual model validation, including a performance evaluation, of their margin models and the related parameters and assumptions. Rules 17Ad-22(e)(4)(vii)¹¹ and 17Ad-22(e)(6)(vii),¹² also require clearing

agencies to have policies and procedures in place to ensure the performance of a model validation of their credit risk models, margin system, and related models not less than annually. Pursuant to the amendments, validation would continue to be performed on an annual basis and the additional clarifications minimum standards would further improve the review and validation process, in compliance with these requirements.

Rule 17Ad-22(e)(2)¹³ requires clearing agencies to establish reasonably designed policies and procedures to provide for governance arrangements that are clear and transparent and specify clear and direct lines of responsibility. The proposed amendments to the Framework more clearly define the roles and responsibilities of the document owner, the Head of Department, the senior members of the Risk Oversight Department and the senior members of the Compliance Department, consistent with governance arrangement for other ICE Clear Europe policies and procedures. ICE Clear Europe believes that the amendments to the Framework are therefore consistent with the requirements of Rule 17Ad-22(e)(2).¹⁴

(B) Clearing Agency's Statement on Burden on Competition

ICE Clear Europe does not believe the proposed amendments would have any impact, or impose any burden, on competition not necessary or appropriate in furtherance of the purposes of the Act. The amendments are being adopted to further strengthen the Model Risk Governance Framework by implementing internal procedures intended to strengthen oversight of models. The amendments would apply to all product categories, and are not intended to affect directly Clearing Members or market participants, or the markets for cleared products. As a result, ICE Clear Europe does not otherwise believe the amendments would affect the costs of or access to

to be performed not less than annually, or more frequently as may be contemplated by the covered clearing agency's risk management framework established pursuant to paragraph (e)(3) of this section"

¹³ 17 CFR 240.17 Ad-22(e)(2). The rule states that "[e]ach covered clearing agency shall establish, implement, maintain and enforce written policies and procedures reasonably designed to, as applicable: (2) Provide for governance arrangements that: (i) Are clear and transparent (ii) Clearly prioritize the safety and efficiency of the covered clearing agency; (iii) Support the public interest requirements in Section 17A of the Act (15 U.S.C. 78q-1) applicable to clearing agencies, and the objectives of owners and participants; (iv) Establish that the board of directors and senior management have appropriate experience and skills to discharge their duties and responsibilities; (v) Specify clear and direct lines of responsibility; and (vi) Consider the interests of participants' customers, securities issuers and holders, and other relevant stakeholders of the covered clearing agency."

¹⁴ 17 CFR 240.17 Ad-22(e)(2).

clearing, or the market for clearing services generally. Therefore, ICE Clear Europe does not believe the proposed rule change imposes any burden on competition that is inappropriate in furtherance of the purposes of the Act.

(C) Clearing Agency's Statement on Comments on the Proposed Rule Change Received From Members, Participants or Others

Written comments relating to the proposed amendments have not been solicited or received by ICE Clear Europe. ICE Clear Europe will notify the Commission of any written comments received with respect to the proposed rule change.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

Because the foregoing proposed rule change does not:

- (i) Significantly affect the protection of investors or the public interest;
- (ii) impose any significant burden on competition; and
- (iii) become operative for 30 days from the date on which it was filed, or such shorter time as the Commission may designate, it has become effective pursuant to Section 19(b)(3)(A) of the Act¹⁵ and Rule 19b-4(f)(6)¹⁶ thereunder.

At any time within 60 days of the filing of the proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing, including whether the proposed rule is consistent with the Act. Comments may be submitted by any of the following methods:

Electronic Comments

- Use the Commission's internet comment form (<http://www.sec.gov/rules/sro.shtml>) or
- Send an email to rule-comments@sec.gov. Please include File Number SR-ICEEU-2020-009 on the subject line.

Paper Comments

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

¹⁵ 15 U.S.C. 78s(b)(3)(A).

¹⁶ 17 CFR 240.19b-4(f)(6).

⁸ 15 U.S.C. 78q-1(b)(3)(F).

⁹ 17 CFR 240.17Ad-22.

¹⁰ 17 CFR 240.17Ad-22(b)(4). The rule states that "[a] registered clearing agency that performs central counterparty services shall establish, implement, maintain and enforce written policies and procedures reasonably designed to: (4) Provide for an annual model validation consisting of evaluating the performance of the clearing agency's margin models and the related parameters and assumptions associated with such models by a qualified person who is free from influence from the persons responsible for the development or operation of the models being validated".

¹¹ 17 CFR 240.17Ad-22(e)(4)(vii). The rule states that "[e]ach covered clearing agency shall establish, implement, maintain and enforce written policies and procedures reasonably designed to, as applicable: (4) Effectively identify, measure, monitor, and manage its credit exposures to participants and those arising from its payment, clearing, and settlement processes, including by: (vii) Performing a model validation for its credit risk models not less than annually or more frequently as may be contemplated by the covered clearing agency's risk management framework established pursuant to paragraph (e)(3) of this section"

¹² 17 CFR 240.17Ad-22(e)(6)(vii). The rule states that "[e]ach covered clearing agency shall establish, implement, maintain and enforce written policies and procedures reasonably designed to, as applicable: (6) Cover, if the covered clearing agency provides central counterparty services, its credit exposures to its participants by establishing a risk-based margin system that, at a minimum:

(vii) Requires a model validation for the covered clearing agency's margin system and related models

All submissions should refer to File Number SR–ICEEU–2020–009. This file number should be included on the subject line if email is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission’s internet website (<http://www.sec.gov/rules/sro.shtml>). Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for website viewing and printing in the Commission’s Public Reference Room, 100 F Street NE, Washington, DC 20549, on official business days between the hours of 10:00 a.m. and 3:00 p.m. Copies of such filings will also be available for inspection and copying at the principal office of ICE Clear Europe and on ICE Clear Europe’s website at <https://www.theice.com/notices/Notices.shtml?regulatoryFilings>.

All comments received will be posted without change. Persons submitting comments are cautioned that we do not redact or edit personal identifying information from comment submissions. You should submit only information that you wish to make available publicly. All submissions should refer to File Number SR–ICEEU–2020–009 and should be submitted on or before July 15, 2020.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.¹⁷

J. Matthew DeLesDernier,
Assistant Secretary.

[FR Doc. 2020–13536 Filed 6–23–20; 8:45 am]

BILLING CODE 8011–01–P

SMALL BUSINESS ADMINISTRATION

[Disaster Declaration #16485 and #16486; California Disaster Number CA–00319]

Administrative Declaration of a Disaster for the State of California

AGENCY: U.S. Small Business Administration.

ACTION: Notice.

SUMMARY: This is a notice of an Administrative declaration of a disaster

for the State of California dated 06/17/2020.

Incident: Civil Unrest.

Incident Period: 05/26/2020 and continuing.

DATES: Issued on 06/17/2020.

Physical Loan Application Deadline Date: 08/17/2020.

Economic Injury (EIDL) Loan Application Deadline Date: 03/17/2021.

ADDRESSES: Submit completed loan applications to: U.S. Small Business Administration, Processing and Disbursement Center, 14925 Kingsport Road, Fort Worth, TX 76155.

FOR FURTHER INFORMATION CONTACT: A. Escobar, Office of Disaster Assistance, U.S. Small Business Administration, 409 3rd Street SW, Suite 6050, Washington, DC 20416, (202) 205–6734.

SUPPLEMENTARY INFORMATION: Notice is hereby given that as a result of the Administrator’s EIDL declaration, applications for economic injury disaster loans may be filed at the address listed above or other locally announced locations.

The following areas have been determined to be adversely affected by the disaster:

Primary Counties: Los Angeles.

Contiguous Counties:

California: Kern, Orange, San Bernardino, Ventura.

The Interest Rates are:

	Percent
<i>For Physical Damage:</i>	
Homeowners With Credit Available Elsewhere	2.500
Homeowners Without Credit Available Elsewhere	1.250
Businesses With Credit Available Elsewhere	6.000
Businesses Without Credit Available Elsewhere	3.000
Non-Profit Organizations With Credit Available Elsewhere ...	2.750
Non-Profit Organizations Without Credit Available Elsewhere	2.750
<i>For Economic Injury:</i>	
Businesses & Small Agricultural Cooperatives Without Credit Available Elsewhere	3.000
Non-Profit Organizations Without Credit Available Elsewhere	2.750

The number assigned to this disaster for physical damage is 16485 F and for economic injury is 16486 O.

The State which received an EIDL Declaration # is California.

(Catalog of Federal Domestic Assistance Number 59008)

Jovita Carranza,
Administrator.

[FR Doc. 2020–13514 Filed 6–23–20; 8:45 am]

BILLING CODE 8026–03–P

SMALL BUSINESS ADMINISTRATION

[Disaster Declaration #16484; CALIFORNIA Disaster Number CA–00320 Declaration of Economic Injury]

Administrative Declaration of an Economic Injury Disaster for the State of California

AGENCY: U.S. Small Business Administration.

ACTION: Notice.

SUMMARY: This is a notice of an Economic Injury Disaster Loan (EIDL) declaration for the State of California, dated 06/17/2020.

Incident: Pier 45 Fire.

Incident Period: 05/23/2020.

DATES: Issued on 06/17/2020.

Economic Injury (EIDL) Loan Application Deadline Date: 03/17/2021.

ADDRESSES: Submit completed loan applications to: U.S. Small Business Administration, Processing and Disbursement Center, 14925 Kingsport Road, Fort Worth, TX 76155.

FOR FURTHER INFORMATION CONTACT: A. Escobar, Office of Disaster Assistance, U.S. Small Business Administration, 409 3rd Street SW, Suite 6050, Washington, DC 20416, (202) 205–6734.

SUPPLEMENTARY INFORMATION: Notice is hereby given that as a result of the Administrator’s EIDL declaration, applications for economic injury disaster loans may be filed at the address listed above or other locally announced locations. The following areas have been determined to be adversely affected by the disaster:

Primary Counties: San Francisco.

Contiguous Counties:

California: Alameda, Marin, San Mateo.

The Interest Rates are:

	Percent
Businesses and Small Agricultural Cooperatives Without Credit Available Elsewhere	3.000
Non-Profit Organizations without Credit Available Elsewhere	2.750

The number assigned to this disaster for economic injury is 16484O.

The State which received an EIDL Declaration # is California.

¹⁷ 17 CFR 200.30–3(a)(12).