

Sarah Williams
Staff Attorney

March 8, 2017

**Re: Revisions to the ICC End-of-Day Price
Discovery Policies and Procedures Pursuant
to Section 5c(c)(1) of the Commodity
Exchange Act and Commission Regulation
40.6(a)**

VIA E-MAIL

Mr. Christopher Kirkpatrick
Secretary
Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, NW
Washington, D.C. 20581

Dear Mr. Kirkpatrick:

ICE Clear Credit LLC (“ICC”) hereby submits, pursuant to Section 5c(c)(1) of the Commodity Exchange Act and Commodity Futures Trading Commission (“Commission”) Regulation 40.6(a), a self-certification of revisions to the ICC End-of-Day Price Discovery Policies and Procedures (“EOD Pricing Policy”) related to the implementation of ICC’s new Clearing Participant (“CP”) direct price submission process. ICC is registered with the Commission as a derivatives clearing organization (“DCO”). ICC intends to make the EOD Pricing Policy revisions effective no sooner than the tenth business day following the filing of this submission with the Commission at its Washington, D.C. headquarters and with its Chicago regional office.

The proposed revisions to ICC’s EOD Pricing Policy are related to the implementation of ICC’s new CP direct price submission process. These revisions do not require any changes to the ICC Clearing Rules. This submission includes a description of the ICC EOD Pricing Policy revisions. Certification of the revisions to the ICC EOD Pricing Policy pursuant to Section 5c(c)(1) of the Act and Commission Regulation 40.6(a) is also provided below.

ICC proposes revising its EOD Pricing Policy to make changes related to the implementation of ICC’s new CP direct price submission process. Currently, ICC uses an intermediary agent to implement functions of its price discovery process. Specifically, under the current process, CPs submit required prices to the intermediary agent; these prices are then input into ICC’s price settlement methodology to determine settlement prices. ICC proposes to enhance its price discovery process to remove the intermediary agent from the price settlement process. In doing so, ICC will require CPs to submit prices directly to the clearinghouse. The prices will continue to be input into ICC’s price settlement methodology to determine settlement prices. There are no changes to the price settlement methodology as a result of the changes. The proposed revisions to the EOD Pricing Policy are described in detail as follows.

ICC updated the EOD Pricing Policy to note that ICC requires CPs to establish direct connectivity with the clearinghouse and use a FIX API to submit required prices. ICC revised the EOD Pricing Policy to remove references to the intermediary agent and the Valuation Service API (and related message terminology), which will be decommissioned with the launch of the new CP direct price submission process, and to add

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reference to the new FIX API message terminology which will be utilized under the new CP direct price submission process. Such changes are reflected throughout the EOD Pricing Policy. ICC has also updated the EOD Pricing Policy to specify that ICC will send the unsolicited FIX API messages directly to each CP.

Under the new CP direct price submission process, ICC will consolidate the price discovery process across indices and singles names; as such new FIX API messages will include information for both Indices and Single Names. Previously, the price discovery process provided files separately for each product type.

ICC updated the Submission Requirements set forth in the EPD Pricing Policy to include iTraxx Australia and iTraxx Asia Ex-Japan indices. For both indices, prices must be submitted in spread and either midpoint or bid-offer format. Further, ICC updated the Submission Requirements for CDX.NA.HY and CDX.EM indices to note that prices may be submitted in either price or upfront format; previously, only price format was accepted.

ICC has updated the EOD Pricing Policy to reflect the replacement of existing firm trade data files with new FIX API firm trade messages. ICC also made minor changes to the timings of certain steps in the price settlement process; no changes were made to the actual settlement submission windows.

ICC also updated the Distribution of End-of-Day Prices process set forth in the EOD Pricing Policy. Under the new CP direct price submission process, ICC will publish separate messages to CPs, listing end-of-day prices for single names and indices. The end-of-day prices provided will not change and will continue to be based on CPs' cleared positions. ICC will continue to publish end-of-day prices for every listed risk sub-factors' most actively traded instrument, and will distribute daily end-of-day prices for all cleared instruments through Markit.

Core Principle Review:

ICC reviewed the DCO core principles ("Core Principles") as set forth in the Commodity Exchange Act. During this review, ICC identified the following Core Principles as being impacted:

Settlement Procedures: The revisions to the EOD Pricing Policy are consistent with the settlement procedures requirements of Core Principle E, as the proposed revisions simplify and increase the efficiency of ICC's price discovery process, which includes the determination of settlement prices and firm trades.

System Safeguards: The revisions to the ICC EOD Pricing Policy are consistent with the system safeguards requirements of Core Principle I, as the changes will decrease external operational risk, since ICC no longer would rely on the service of an intermediary agent to perform key aspects of its price discovery process.

Amended Rules:

The proposed change consists of revisions to ICC's EOD Pricing Policy related to the implementation of ICC's new CP direct price submission process. ICC has respectfully requested confidential treatment for the ICC EOD Pricing Policy which was submitted concurrently with this self-certification submission.

Certifications:

ICC hereby certifies that the revisions to the ICC EOD Pricing Policy comply with the Act and the regulations thereunder. There were no substantive opposing views to the revisions.

ICC further certifies that, concurrent with this filing, a copy of the submission was posted on ICC's website, and may be accessed at: <https://www.theice.com/clear-credit/regulation>

ICC would be pleased to respond to any questions the Commission or the staff may have regarding this submission. Please direct any questions or requests for information to the attention of the undersigned at (312) 836-6883.

Sincerely,

A handwritten signature in cursive script that reads "Sarah Williams". The signature is written in black ink and is positioned below the word "Sincerely,".

Sarah Williams
Staff Attorney