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**BY ELECTRONIC TRANSMISSION**

**Submission No. 14-141**

December 16, 2014

Mr. Christopher Kirkpatrick  
Secretary of the Commission  
Commodity Futures Trading Commission  
Three Lafayette Centre  
1155 21<sup>st</sup> Street, NW  
Washington, DC 20581

**Re: Amendment to ICE Clear US, Inc. Fees**  
**Submission Pursuant to Section 5c(c)(1) of the Act and Regulation 40.6(a)**

Dear Mr. Kirkpatrick:

Pursuant to Section 5c(c)(1) of the Commodity Exchange Act, as amended (the “Act”) and CFTC Regulation 40.6(a), ICE Clear US, Inc. (“ICUS”) hereby notifies the Commission that it is changing the method by which Clearing Members are charged (or credited) with respect to the deposit of USD and non-USD cash collateral held by ICUS to be effective February 1, 2015.

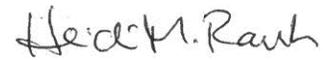
As further detailed in the attached draft Notice to Clearing Members, ICUS intends to implement an ICE Depository Rate (“IDR”) with respect to USD cash deposits. The IDR will be the net interest income earned on USD cash deposits (positive or negative), less external investment management expenses (estimated at approximately 4.5 basis points), less a charge of 5 basis points. The IDR is an annualized fee that will be calculated daily, accrued monthly, and charged (or credited if applicable) on a monthly basis. In addition, ICUS will no longer pay interest on Clearing Member non-USD cash balances. Further, with many non-USD currencies currently in a zero or negative earning rate environment, ICUS will pass along any charges to Clearing Members for any negative interest that ICUS is charged on these balances. The changes related to cash collateral held by ICUS are a result of the growing complexity of cash management and the maintenance of liquidity facilities in order to comply with both domestic and international central counterparty principles and regulations.

Additional details regarding the changes to cash collateral held by ICUS can be found in the attached draft ICUS Notice to Clearing Members. The changes are consistent with DCO Core Principle B (Financial Resources), related Regulation 39.33 (financial resources, liquidity requirements) and Core Principle L (Public Information).

ICUS is not aware of any substantive opposing views to these changes. ICUS certifies that the amendments comply with the requirements of the Act and the rules and regulations promulgated thereunder. ICUS further certifies that this submission has been concurrently posted on the ICUS website at (<https://www.theice.com/clear-us/regulation>).

If you have any questions or need further information, please contact me at 312-836-6716 or [heidi.rauh@theice.com](mailto:heidi.rauh@theice.com).

Sincerely,

A handwritten signature in black ink that reads "Heidi M. Rauh". The signature is written in a cursive style with a large initial 'H'.

Heidi M. Rauh  
General Counsel and Chief Compliance Officer

Cc: Thomas Hammond, ICE Clear US  
Lynn Martin, ICE Clear US  
Brian Sayler, ICE Clear US

# NOTICE

15-xxx

January xx, 2015

## Summary of content

Change to fees charged for Clearing Member cash deposits

## For more information please contact:

ICE Clear US

212-748-4001

312-836-6777

[ICEClearUS@theice.com](mailto:ICEClearUS@theice.com)

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Currently, ICE Clear US, Inc. ("ICUS") charges fees to Clearing Members for USD cash deposits and credits a percentage of interest earned (if any) on non-USD cash deposits to Clearing Members. The USD cash deposits are subject to an annualized fee equal to the fees charged by external managers plus additional basis points based on the sliding scale below:

Investment return, net of expenses	0-4	5-10	11-15	16-20	21-25	26-30	31-35	36-40	41-45	46-49	50+
ICUS Portion	0	1	2	3	4	5	6	7	8	9	10

Beginning on February 1, 2015, ICUS will eliminate the sliding scale of fees for USD cash balance and implement the following two changes with respect to USD and non-USD cash deposits held by ICUS.

- 1) For USD deposits, ICUS will implement an ICE Depository Rate ("IDR"). The IDR will be the net interest income earned on USD cash deposits (positive or negative), less external investment management expenses (estimated at approximately 4.5 basis points), less a charge of 5 basis points. The IDR is an annualized fee that will be calculated daily, accrued monthly, and charged (or credited if applicable) on a monthly basis. The IDR will be updated daily in ECS and published on a Daily Interest Rate Report distributed through ICUS MFT.
- 2) ICUS will no longer pay interest on Clearing Member non-USD cash balances. Additionally, with many currencies currently in a zero or negative earning rate environment, ICUS will pass along any charges to Clearing Members for any negative interest that ICUS is charged on these balances.

These modified charges are a result of the growing complexity of cash management and the maintenance of liquidity facilities in order to comply with both domestic and international central counterparty principles and regulations. Firms should be aware that in a low or negative interest rate environment these charges may result in negative return on cash deposits held by ICUS.

**Please ensure that the appropriate members of staff within your organization are advised of the content of this Notice.**