



December 23, 2019

VIA CFTC PORTAL

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

Re: Amendment to ICUS, Inc. Rules - Submission Pursuant to Section 5c(c)(1) of the Commodity Exchange Act and Commission Regulation 40.6(a)

Dear Mr. Kirkpatrick:

Pursuant to Section 5c(c)(1) of the Commodity Exchange Act, as amended (“Act”), and Commodity Futures Trading Commission (“Commission”) Regulation 40.6(a), ICE Clear U.S., Inc. (“ICUS”) is submitting this self-certification of changes to the fees charged for cash and non-cash initial margin and Guaranty Fund deposits. ICUS intends to implement this change no sooner than the tenth business day following the filing of this submission with the Commission, or such later date as ICUS may determine.

1. Details of the Changes

ICUS is proposing to increase the fees charged on cash and non-cash initial margin and Guaranty Fund deposits (respectively, “Cash Deposits” and “Non-Cash Deposits”) posted by Clearing Members. These changes will apply to both house and client accounts. The fees for Cash Deposits will be increased by 2.5 basis points and the fees for Non-Cash Deposits will be increased by 0.83 basis points.

Accordingly, ICUS proposes to increase the fee charged for Non-Cash Deposits from 7.5 to 8.33 basis points. Similarly, the calculation of the ICE Depository Rate (“IDR”) paid for USD Cash Deposits will be calculated as follows: the net interest income earned on USD Cash Deposits (positive or negative), less applicable investment management expenses, less a fee of 10 basis points (versus 7.5 basis points currently). Previously, ICUS relied on external investment agents to perform investment functions. The investment agents’ fees were between 4.5 and 5 basis points per annum and it was part of the investment management expenses. ICUS has migrated the function internally and the fee of 4.5 basis points is paid to ICUS

At present, ICUS proposes to make these changes effective on or about January 20th, 2020. ICUS will issue a notice to Clearing Members in advance of the effective date.

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ICE Clear U.S., Inc. is a registered derivatives clearing organization under the U.S. Commodity Exchange Act.



2. Compliance with the Act and Regulations

ICUS reviewed these changes and determined that they comply with the requirements of the Act and the rules and regulations promulgated by the Commission in implementing the Act. In this regard, ICUS reviewed the derivatives clearing organizations core principles (“Core Principles”) and determined that the changes are potentially relevant to the following core principles and the applicable regulations of the Commission thereunder:

Financial Resources (Core Principle B): The fee changes are consistent with the financial resource requirements of Core Principle B and related Commission Regulations 39.11 and 39.33.

Public Information (Core Principle L): Information regarding the fees charged for cash and non-cash initial margin and Guaranty Fund deposits is publicly available to market participants, enabling them to identify and evaluate any risk and costs associated with using ICUS’s services, as such this is consistent with the requirements of Core Principle L and Commission Regulation 39.21.

3. Certifications

ICUS certifies that the amendments comply with the Act and the rules and regulations promulgated by the Commission thereunder. ICUS is not aware of any substantive opposing views expressed regarding the amendments. ICUS further certifies that, concurrent with this filing, a copy of the submission was posted on ICUS’s website, and may be accessed at <https://www.theice.com/clear-us/regulation>.

If you or your staff have any questions or require further information regarding this submission, please do not hesitate to contact the undersigned at (212) 748-3964 or Eamonn.Hahessy@theice.com.

Sincerely,

A handwritten signature in black ink, appearing to read "Eamonn Hahessy", written over a horizontal line.

Eamonn Hahessy
General Counsel and Chief Compliance Officer