NOTICE OF LISTING OF PRODUCTS BY ICAP SEF (US) LLC FOR TRADING BY CERTIFICATION

1. This submission is made pursuant to CFTC Reg. 40.2 by ICAP SEF (US) LLC (the “SEF”).

2. The products certified by this submission are the following: Forward Rate Agreements in CNY (the “Contract”). Renminbi (“RMB”) is the official currency of the Peoples Republic of China (“PRC”) and trades under the currency symbol CNY when traded in the PRC and trades under the currency symbol CNH when traded in off-shore markets.

3. Attached as Attachment A is a copy of the Contract’s rules. The SEF is listing the Contracts by virtue of updating the terms and conditions of the Forward Rate Agreements submitted to the Commission for self-certification pursuant to Commission Regulation 40.2 on September 29, 2013. A copy of the Contract’s rules marked to show changes from the version previously submitted is attached as Attachment B.

4. The SEF intends to make this submission of the certification of the Contract effective on the day following submission pursuant to CFTC Reg. 40.2(a)(2).

5. Attached as Attachment C is a certification from the SEF that the Contract complies with the Commodity Exchange Act and CFTC Regulations, and that the SEF has posted a notice of pending product certification and a copy of this submission on its website concurrent with the filing of this submission with the Commission.

6. As required by Commission Regulation 40.2(a), the following concise explanation and analysis demonstrates that the Contract complies with the core principles of the Commodity Exchange Act for swap execution facilities, and in particular Core Principle 3, which provides that a swap execution facility shall permit trading only in swaps that are not readily susceptible to manipulation, in accordance with the applicable guidelines in Appendix B to Part 37 and Appendix C to Part 38 of the Commission’s Regulations for contracts settled by cash settlement and options thereon.

<u>Appendix B to Part 37—Demonstration of Compliance That a Contract is Not Readily Susceptible to Manipulation</u>

Core Principle 3 of Section 5h of the Act—Swaps Not Readily Susceptible to Manipulation. The swap execution facility shall permit trading only in swaps that are not readily susceptible to manipulation.

(a) Guidance.

(1) In general, a swap contract is an agreement to exchange a series of cash flows over a period of time based on some reference price, which could be a single price, such as an absolute level or a differential, or a price index calculated based on multiple observations. Moreover, such a reference price may be reported by the swap execution facility itself or by an independent third party. When listing a swap for trading, a swap execution facility shall ensure a swap's compliance with Core Principle 3, paying special attention to the reference price used to determine the cash flow exchanges. Specifically, Core Principle 3 requires that the reference price used by a swap not be readily susceptible to manipulation. As a result, when identifying a reference price, a swap execution facility should either: Calculate its own reference price using suitable and well-established acceptable methods or carefully select a reliable third-party index.

- The reference price on which the Contract settles is one of the benchmark interest rates set forth in the Contract's terms and conditions (each, a "Benchmark Rate"). Each new Benchmark Rate that is being added to the Contract's terms and conditions is calculated and published by a reliable independent third party that is either a government agency or a supervised manager of an inter-bank offered rate, as discussed in more detail below.

(2) The importance of the reference price's suitability for a given swap is similar to that of the final settlement price for a cash-settled futures contract. If the final settlement price is manipulated, then the futures contract does not serve its intended price discovery and risk management functions. Similarly, inappropriate reference prices cause the cash flows between the buyer and seller to differ from the proper amounts, thus benefitting one party and disadvantaging the other. Thus, careful consideration should be given to the potential for manipulation or distortion of the reference price.

- Please see below.

(3) For swaps that are settled by physical delivery or by cash settlement refer to the guidance in appendix C to part 38 of this chapter—Demonstration of Compliance That a Contract is not Readily Susceptible to Manipulation, section b(2) and section c(4), respectively.

- Please see below.

<u>Appendix C to Part 38—Demonstration of Compliance That a Contract is Not Readily Susceptible to Manipulation</u>

(c) Futures Contracts Settled by Cash Settlement. (1) Cash settlement is a method of settling certain futures or option contracts whereby, at contract expiration, the contract is settled by cash payment in lieu of physical delivery of the commodity or instrument underlying the contract. An acceptable specification of the cash settlement price for commodity futures and option contracts would include rules that fully describe the essential economic characteristics of the underlying commodity (e.g., grade, quality, weight, class, growth, issuer, maturity, source, rating, description of the underlying index and index's calculation methodology, etc.), as well as how the final settlement price is calculated. In addition, the

rules should clearly specify the trading months and hours of trading, the last trading day, contract size, minimum price change (tick size) and any limitations on price movements (e.g., price limits or trading halts).

- Essential Economic Characteristics of the Contract. The terms and conditions of the Contract matches the terms of forward rate agreements that are commonly offered in the market and are listed in Attachment A. The Contract is a cash-settled forward rate agreement that allows a party to speculate on, or hedge risks associated with, interest rate movements. The Contract is available in multiple currencies. One party to the Contract (the "Buyer") agrees to make a payment at a fixed interest rate on a notional principal amount to the other party (the "Seller") at a future termination date. The Seller agrees to make a payment to the Buyer at a floating interest rate (one of the Benchmark Rates) on the agreed notional principal amount at the termination date. The floating rate is the actual Benchmark Rate on the termination date. Settlement is a single payment of the difference between the amounts calculated using the fixed rate and the floating rate on the notional amount. All of the essential terms of the Contract, other than the contingent Benchmark Rate at the termination date, are agreed at the effective date of the Contract ("Effective Date"). This submission is adding CNY to the available currencies for the Contract and the relevant Benchmark Rates and day count conventions associated with CNY, as discussed below. All the other terms and conditions of the Contract remain as previously certified.

- Calculation of Cash Settlement Price. One leg of the Contract will pay a fixed rate on a notional principal amount established at the Effective Date and which will remain unchanged throughout the life of the Contract. The other leg of the Contract will pay a floating set rate based on a Benchmark Rate established at the termination date of the Contract (*e.g.*, LIBOR on the termination date) on the notional principal amount. The calculation of the relevant Benchmark Rate is governed by a standard set of rules and calculation procedures published by the Benchmark Rate provider, as discussed below.

(2) Cash settled contracts may be susceptible to manipulation or price distortion. In evaluating the susceptibility of a cash-settled contract to manipulation, a designated contract market should consider the size and liquidity of the cash market that underlies the listed contract in a manner that follows the determination of deliverable supply as noted above in (b)(1). In particular, situations susceptible to manipulation include those in which the volume of cash market transactions and/or the number of participants contacted in determining the cash-settlement price are very low. Cash-settled contracts may create an incentive to manipulate or artificially influence the data from which the cash-settlement price is derived or to exert undue influence on the cash-settlement price's computation in order to profit on a futures position in that commodity. The utility of a cash-settled contract for risk management and price discovery would be significantly impaired if the cash settlement price is not a reliable or robust indicator of the value of the underlying commodity or instrument. Accordingly, careful consideration should be given to the potential for manipulation or distortion of the cash settlement price, as well as the reliability of that price as an indicator of cash market values. Appropriate consideration also should be given to the commercial acceptability, public availability, and timeliness of the price series that is used to calculate the cash settlement price. Documentation demonstrating that the settlement price index is a reliable indicator of market values and conditions and is commonly used as a reference index by industry/market agents should be provided. Such documentation may take on various forms, including carefully documented interview results with knowledgeable agents.

- Contract Not Readily Susceptible to Manipulation. The Contract is not readily susceptible to manipulation for a number of reasons. As noted above, all of the essential terms of the Contract, other than the payments contingent on the Benchmark Rates, are agreed at the Effective Date, thereby reducing the impact of potentially unrepresentative data. Forward rate agreements are widely used by corporations, insurance companies, banks and governments to transfer and manage interest rate risk. The size and liquidity of the market in forward rate agreements is well documented and the significant liquidity in forward rate agreements such as the Contract makes the Contract difficult to manipulate. The floating rate of the Contract is the selected Benchmark Rate. Each new Benchmark Rate being added to the Contract's terms and conditions is widely used and is calculated and published by a reliable independent third party that is either a government agency or a supervised manager of an inter-bank offered rate. The new Benchmark Rates are:

1. SAFE Central Parity Rate. The Central Parity Rate is a benchmark interest rate for RMB set by the People's Bank of China ("PBOC"), China's central bank, and the State Administration of Foreign Exchange ("SAFE"), China's regulator of the foreign exchange market, on a daily basis and announced by China Foreign Exchange Trade System ("CFETS"), a subsidiary of PBOC. Thompson Reuters ("Reuters") publishes the SAFE Central Parity Rate as "FX=SAEC," which the SEF has ready access to.[1]

2. PBOC 1 Year Deposit Rates. The PBOC sets deposit rates as a matter of its monetary policy and publishes such rates. Reuters also publishes the PBOC deposit rates as "Reuters PBOC - 1y Depo," which the SEF has ready access to.[2]

3. CFETS Interbank Bond Repo Rate. The CFETS Interbank Bond Repo Rate is derived from trading on the RMB trading system developed and managed by CFETS and is calculated for overnight repo (R001), 7-day repo (R007) and 14-day repo (R014). Reuters publishes the PBOC deposit rates as "CNREPOFIX=CFXS," which the SEF has ready access to.[3]

4. SHIBOR. The Shanghai Interbank Offered Rate is calculated and announced by the National Interbank Funding Center in Shanghai ("NIFC"). The PBOC selects the panel banks that submit prices to the NIFC. Reuters publishes the PBOC deposit rates as "SHIBOR," which the SEF has ready access to.[4]

5. CNH HIBOR. The Hong Kong Inter-bank Offered Rate for CNH ("CNH HIBOR") is managed by the Hong Kong Treasury Markets Association ("TMA") and calculated by Reuters as the official calculation agent appointed by the TMA. The Honk Kong Monetary Authority ("HKMA") selects the panel banks. Reuters publishes the CNH HIBOR, which the SEF has ready access to.[5]

The Central Parity Rate, PBOC Deposit Rate and CFETS Interbank Bond Repo Rate are set or calculated by government agencies making such rates difficult to manipulate. SHIBOR and CNH HIBOR are inter-bank offered rates based on comprehensive, well-established and

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[1] *See* PBOC monetary policy, available at: http://www.pbc.gov.cn/english/130727/index.html ("PBOC Monetary Policy"). *See* CFETS Parity Rate Formation Mechanism, available at http://www.chinamoney.com.cn/english/bmkcpr/. See also: http://www.reuters.net/productinfo/3000xtra/material/Reuters_3000Xtra_SpotlightChina.pdf ("Reuters Publishing").

[2] *See* PBOC Monetary Policy; Reuters Publishing.

[3] *See* CFETS Calculation Method, available at: http://www.chinamoney.com.cn/english/bmkfrr/. *See also* http://www.reuters.net/productinfo/3000xtra/material/Reuters_3000Xtra_SpotlightChina.pdf.

[4] *See* http://www.shibor.org/shibor/web/html/index_e.html. *See also* Shibor Code of Conduct, available at: http://www.shibor.org/shibor/web/html/sszz_e.html.

[5] The CNH HIBOR specifications are published by TMA and are available at: http://www.tma.org.hk/CNH_HIBOR_Fixing_Specifications_(English).pdf. *See also* http://www.reuters.net/productinfo/3000xtra/material/Reuters_3000Xtra_SpotlightChina.pdf.

transparent rules that govern, among other things, the selection of banks which submit prices, the appointment of the relevant calculation agent and the calculation of the offered rate.[6] SHIBOR and CNH HIBOR are widely accepted by market participants as reliable inter-bank offered rates. Furthermore, the development and management of SHIBOR and CNY HIBOR is rules-based, therefore making it difficult for individuals or entities to change calculation of amounts due under the Contract. Additionally, each Benchmark Rate is widely followed by numerous market participants and basing interest rate swaps on the Benchmark Rates has been a longstanding and widely accepted practice. Accordingly, the Contract is not easily susceptible to manipulation or price distortion because the method of determining the cash settlement price is based on terms that are fixed at the Effective Date of the Contract and a reliable Benchmark Rate.

(3) Where an independent, private-sector third party calculates the cash settlement price series, a designated contract market should consider the need for a licensing agreement that will ensure the designated contract market's rights to the use of the price series to settle the listed contract.

(i) Where an independent, private-sector third party calculates the cash settlement price series, the designated contract market should verify that the third party utilizes business practices that minimize the opportunity or incentive to manipulate the cash-settlement price series. Such safeguards may include lock-downs, prohibitions against derivatives trading by employees, or public dissemination of the names of sources and the price quotes they provide. Because a cash-settled contract may create an incentive to manipulate or artificially influence the underlying market from which the cash-settlement price is derived or to exert undue influence on the cash-settlement computation in order to profit on a futures position in that commodity, a designated contract market should, whenever practicable, enter into an information-sharing agreement with the third-party provider which would enable the designated contract market to better detect and prevent manipulative behavior.

- Independent Third-Party Pricing. As described above, the cash settlement price is calculated through a cash settlement method that is not easily susceptible to manipulation. The PBOC, SAFE, CFETS and HKMA are governmental agencies which either publish the relevant Benchmark Rates or supervise the calculation of the Benchmark Rates that are inter-bank offered rates, including in the case of the PBOC and HKMA by selecting the panel banks that submit prices to the calculation agent of the relevant inter-bank offered rate. NIFC, TMA and Reuters manage and/or calculate SHIBOR and HIBOR. The SEF believes that each of the PBOC, SAFE, CFETS, NIFC, HKMA, TMA and Reuters is impartial, employs appropriate safeguards against manipulation to protect the value of the relevant Benchmark Rate, and uses business practices that minimize the opportunity or incentive to manipulate the reference index associated with the Contract's exchange of cash flows. To the extent that the SEF's Market Regulation Department determines that there is reason to suspect manipulation or attempted manipulation with respect to the Contract that involves the one of the Benchmark Rates, it will so inform the government agency or manager of the relevant inter-bank offered rate, as applicable, and will seek to share information as necessary to investigate the potential manipulation or attempted manipulation.

(ii) Where a designated contract market itself generates the cash settlement price series, the designated contract market should establish calculation procedures that safeguard against potential attempts to artificially influence the price. For example, if the cash settlement price is derived by the designated contract market based on a survey of cash

[6] See FN 4 and FN 5 for the Shibor Code of Conduct and the CNY HIBOR specifications.

market sources, the designated contract market should maintain a list of such entities which all should be reputable sources with knowledge of the cash market. In addition, the sample of sources polled should be representative of the cash market, and the poll should be conducted at a time when trading in the cash market is active.

- Please see above.

(iii) The cash-settlement calculation should involve computational procedures that eliminate or reduce the impact of potentially unrepresentative data.

- Please see above.

(iv) The cash settlement price should be an accurate and reliable indicator of prices in the underlying cash market. The cash settlement price also should be acceptable to commercial users of the commodity contract. The registered entity should fully document that the settlement price is accurate, reliable, highly regarded by industry/market agents, and fully reflects the economic and commercial conditions of the relevant designated contract market.

- Please see above.

(v) To the extent possible, the cash settlement price should be based on cash price series that are publicly available and available on a timely basis for purposes of calculating the cash settlement price at the expiration of a commodity contract. A designated contract market should make the final cash settlement price and any other supporting information that is appropriate for release to the public, available to the public when cash settlement is accomplished by the derivatives clearing organization. If the cash settlement price is based on cash prices that are obtained from non-public sources (e.g., cash market surveys conducted by the designated contract market or by third parties on behalf of the designated contract market), a designated contract market should make available to the public as soon as possible after a contract month's expiration the final cash settlement price as well as any other supporting information that is appropriate or feasible to make available to the public.

- The various Benchmark Rates are readily available via a number of sources, including Reuters as noted above.

(4) Contract terms and conditions requirements for futures contracts settled by cash settlement.

(i) An acceptable specification of the terms and conditions of a cash-settled commodity contract will also set forth the trading months, last trading day, contract size, minimum price change (tick size) and daily price limits, if any.

- The essential terms and conditions of the Contract are attached as Attachment A.

(A) Commodity Characteristics: The terms and conditions of a commodity contract should describe the commodity underlying the contract.

- The terms and conditions of the Contract specify that the Contract is based on the Benchmark Rates.

(B) Contract Size and Trading Unit: An acceptable specification of the trading unit would be a contract size that is consistent with customary transactions in the cash

market. A designated contract market may opt to set the contract size smaller than that of standard cash market transactions.

- The size of the Contract is consistent with customary transactions in the market.

(C) Cash Settlement Procedure: The cash settlement price should be reliable, acceptable, publicly available, and reported in a timely manner as described in paragraphs (c)(3)(iv) and (c)(3)(v) of this appendix C.

- The cash settlement procedures and an explanation of how the Contract is not readily susceptible to manipulation are described above.

(D) Pricing Basis and Minimum Price Fluctuation (Minimum Tick): The minimum price increment (tick) should be set a level that is equal to, or less than, the minimum price increment commonly observed in cash market transactions for the underlying commodity. Specifying a futures' minimum tick that is greater than the minimum price increment in the cash market can undermine the risk management utility of the futures contract by preventing hedgers from efficiently establishing and liquidating futures positions that are used to hedge anticipated cash market transactions or cash market positions.

- As agreed to between the parties.

(E) Maximum Price Fluctuation Limits: Designated contract markets may adopt price limits to: (1) Reduce or constrain price movements in a trading day that may not be reflective of true market conditions but might be caused by traders overreacting to news; (2) Allow additional time for the collection of margins in times of large price movements; and (3) Provide a "cooling-off" period for futures market participants to respond to bona fide changes in market supply and demand fundamentals that would lead to large cash and futures price changes. If price-limit provisions are adopted, the limits should be set at levels that are not overly restrictive in relation to price movements in the cash market for the commodity underlying the futures contract. For broad-based stock index futures contracts, rules should be adopted that coordinate with New York Stock Exchange ("NYSE") declared Circuit Breaker Trading Halts (or other market coordinated Circuit Breaker mechanism) and would recommence trading in the futures contract only after trading in the majority of the stocks underlying the index has recommenced.

- The SEF believes price limits are not necessary for the Contract and accordingly has not adopted price limits.

(F) Last Trading Day: Specification of the last trading day for expiring contracts should be established such that it occurs before publication of the underlying third-party price index or determination of the final settlement price. If the designated contract market chooses to allow trading to occur through the determination of the final settlement price, then the designated contract market should show that futures trading would not distort the final settlement price calculation.

- The last trading day for a Contract is the Maturity Date of the Contract, which is set by the counterparties. The Benchmark Rates are published daily.

(G) Trading Months: Trading months should be established based on the risk management needs of commercial entities as well as the availability of price and other

data needed to calculate the cash settlement price in the specified months. Specification of the last trading day should take into consideration whether the volume of transactions underlying the cash settlement price would be unduly limited by occurrence of holidays or traditional holiday periods in the cash market. Moreover, a contract should not be listed past the date for which the designated contract market has access to use a proprietary price index for cash settlement.

- The Maturity Date of the Contract is agreed to between the parties and based on their risk management needs. The Maturity Date may be in any calendar month.

(H) Speculative Limits: Specific rules and policies for speculative position limits are set forth in part 150 and/or part 151, as applicable, of the Commission's regulations.

- None are currently required by the Commission. If and to the extent the Commission imposes speculative limits on the Contract, the limits imposed by the SEF will be the same.

(I) Reportable Levels: Refer to § 15.03 of the Commission's regulations.

- None are currently required by the Commission. If and to the extent the Commission imposes a reporting requirement based on reportable levels of the Contract imposed by the Commission, the reportable levels imposed by the SEF will be the same.

(J) Trading Hours: Should be set by the designated contract market to delineate each trading day.

- Order Book: 24 Hours, beginning at 3:00 p.m. Eastern Time on Sunday and ending at 5:30 p.m. Eastern Time on Friday.
- All Pre-Arranged Crosses: 24 Hours, beginning at 3:00 p.m. Eastern Time on Sunday and ending at 5:30 p.m. Eastern Time on Friday.

* * *

In addition to the foregoing, the SEF has adopted rules in its Rulebook prohibiting any Participant or Customer from engaging in manipulative trading activity and the SEF is required to, and will, monitor all trading on the SEF in order to identify any such manipulative activity. The SEF has authority to impose on its Participants and Customers fines and disciplinary sanctions in the event that such manipulative activity has occurred.

Attachment A

SEF Rule 801 (3)

Product Descriptions – Forward Rate Agreements

Rule 801(3) — Forward Rate Agreement (FRA)

A Forward Rate Agreement is an Interest Rate Swap for which settlement is in the form of one fixed interest payment and one floating interest payment based on an interest rate benchmark to be paid or received on an obligation beginning at a future start date. The interest rate payments are exchanged based on a notional amount.

Currencies	
USD	CZK
EUR	ILS
JPY	AED
GBP	HUF
AUD	RUB
CHF	NZD
SEK	SAR
DKK	CNY
NOK	
ZAR	
PLN	

Specifications

Trading Conventions

- Buyer (Payer) pays fixed interest rate and receives floating interest rate.
- Seller (Receiver) receives fixed interest rate and pays floating interest rate.

Swap Leg Conventions

- The terms of FRAs are based on a number of combinations of the criteria below.
  - Fixed Leg
    - Payment Frequency
      - Once
    - Day Count Convention
      - Money Market Basis (actual/360), or actual/365, 30/360, 30E/360, AFI/360, 360/360, 1/1, 30E/360.ISDA, ACT/365.Fixed, ACT/365L, ACT/ACT.AFB, ACT/ACT.ICMA, ACT/ACT.ISDA, ACT/ACT.ISMA, BUS/252
    - Holiday Calendar
      - Applied in accordance with the country relating to the currency of the instrument
    - Business Day Convention
      - Modified Following with adjustment to period end dates. Business days in this convention must be valid business days on both the holiday calendars of that country. If not, it will be the next day that is a business day on both calendars.
    - Fixed Rate
      - The traded interest rate yield or basis points on Trade Date
  - Floating Leg
    - Reset Frequency
      - Once
    - Day Count Convention
      - Money Market Basis (actual/360), or actual/365, 30/360, 30E/360, AFI/360, 360/360, 1/1, 30E/360.ISDA, ACT/365.Fixed, ACT/365L, ACT/ACT.AFB,

ACT/ACT.ICMA, ACT/ACT.ISDA, ACT/ACT.ISMA, BUS/252

- Holiday Calendar
  - Applied in accordance with the country relating to the currency of the instrument
- Business Day Convention
  - Modified Following with adjustment to period end dates. Business days in this convention must be valid business days on both the calendars for each country. If not, it will be the next day that is a business day on both respective country holiday calendars.
- Interest Rate Benchmark
  - EBOR, BBSW, LIBOR, EURIBOR, CDOR, PRIBOR, CIBOR2, BUBOR, TELBOR, NIBOR, BKBM, WIBOR, STIBOR, JIBAR, SAIBOR, TIBOR, MOSPRIME, Reuters – FX=SAEC, Reuters PBOC - 1y Depo, Reuters – CNREPOFIX=CFXS (R001, R007 and R0014), SHIBOR, CNH HIBOR

Effective Date

- The first date from which fixed and floating interest amounts accrue. It is also referred to as the Start Date or the Value Date. The Effective Date of the Swap must be a business day subject to the appropriate Business Day Convention.

Trade Start Type

Maturity Date

- The final date until which Fixed and Floating amounts accrue. The Maturity Date may also be referred to as the Termination Date or End Date.

Tenor

- The duration of time from the Effective Date to the Maturity Date Tenors will be support for any duration greater than 0 month to 12 months.
- Listed Tenors, also referred to as On-the-Run, means whole year Spot Starting or Same Day Starting Instruments with a Tenor of an integer number of months.
- Other Tenors means any Tenors other than the Listed Tenors.

Floating Reset Dates

- Dates utilized to determine the Floating Rate amount for the interest accrual period during the Tenor of the Instrument. Except in the case of a Stub Period, the Reset Date is adjusted business days dependent on the currency prior to the Roll Date for that interest accrual period.

First Period Fixing Date

- The Fixed Rate for the first interest period is fixed on the Trade Date, and the Floating Rate for the first interest period is fixed 2 business days prior to the Effective Date

Trade Types

- The Platform may support the following trade types:
  - Outrights
    - An Outright swap is where one party is the payer of the fixed rate and receiver of the floating rate and the other party is the receiver of the fixed rate and payer of the floating rate.
  - Switches also known as Spreads
    - These are the simultaneous purchase and sale of two different Tenors of the yield curve (e.g.3x6 by 9x12).

Instrument minimum and incremental Size.

- Minimum notional size is dependent on currency and tenor
- Block Trades. Minimum notional size as stated by the Commission and increments Dependent on currency and tenor

Quoting Convention

Product Descriptions – Forward Rate Agreements

- Outrights are quoted in interest rate yield in minimum of 1/40th of a basis point increments.
- Spreads/Switches will be quoted in basis points dependent in multiples of the increments of the underlying Outrights

Last Trading Day.

- Spot Starting
    - Close of business on Trade Date.
- Forward Starting
    - Close of business three business days prior to the Effective Date of the swap.

Clearing

- FRA traded on ICAP SEF are not cleared.

Block Trades must occur outside the Order Book and in a quantity that meets or exceeds Appropriate Minimum Block Sizes set by the Commission.

Attachment B

Marked SEF Rule 801 (3)

Product Descriptions – Forward Rate Agreements

Rule 801(3) — Forward Rate Agreement (FRA)

A Forward Rate Agreement is an Interest Rate Swap for which settlement is in the form of one fixed interest payment and one floating interest payment based on an interest rate benchmark to be paid or received on an obligation beginning at a future start date. The interest rate payments are exchanged based on a notional amount.

Currencies	
USD	CZK
EUR	ILS
JPY	AED
GBP	HUF
AUD	RUB
CHF	NZD
SEK	SAR
DKK	CNY
NOK	
ZAR	
PLN	

Specifications

Trading Conventions

- Buyer (Payer) pays fixed interest rate and receives floating interest rate.
- Seller (Receiver) receives fixed interest rate and pays floating interest rate.

Swap Leg Conventions

- The terms of FRAs are based on a number of combinations of the criteria below.
    - Fixed Leg
        - Payment Frequency
            - Once
        - Day Count Convention
            - Money Market Basis (actual/360), or actual/365, 30/360, 30E/360, AFI/360, 360/360, 1/1, 30E/360.ISDA, ACT/365.Fixed, ACT/365L, ACT/ACT.AFB, ACT/ACT.ICMA, ACT/ACT.ISDA, ACT/ACT.ISMA, BUS/252
        - Holiday Calendar
            - Applied in accordance with the country relating to the currency of the instrument
        - Business Day Convention
            - Modified Following with adjustment to period end dates. Business days in this convention must be valid business days on both the holiday calendars of that country. If not, it will be the next day that is a business day on both calendars.
        - Fixed Rate
            - The traded interest rate yield or basis points on Trade Date
    - Floating Leg
        - Reset Frequency
            - Once
        - Day Count Convention
            - Money Market Basis (actual/360), or actual/365, 30/360, 30E/360, AFI/360, 360/360, 1/1, 30E/360.ISDA, ACT/365.Fixed, ACT/365L, ACT/ACT.AFB,

ACT/ACT.ICMA, ACT/ACT.ISDA, ACT/ACT.ISMA, BUS/252

- Holiday Calendar
  - Applied in accordance with the country relating to the currency of the instrument
- Business Day Convention
  - Modified Following with adjustment to period end dates. Business days in this convention must be valid business days on both the calendars for each country. If not, it will be the next day that is a business day on both respective country holiday calendars.
- Interest Rate Benchmark
  - EBOR, BBSW, LIBOR, EURIBOR, CDOR, PRIBOR, CIBOR2, BUBOR, TELBOR, NIBOR, BKBM, WIBOR, STIBOR, JIBAR, SAIBOR, TIBOR, MOSPRIME, Reuters – FX=SAEC, Reuters PBOC - 1y Depo, Reuters – CNREPOFIX=CFXS (R001, R007 and R0014), SHIBOR, CNH HIBOR

Effective Date

- The first date from which fixed and floating interest amounts accrue. It is also referred to as the Start Date or the Value Date. The Effective Date of the Swap must be a business day subject to the appropriate Business Day Convention.

Trade Start Type

Maturity Date

- The final date until which Fixed and Floating amounts accrue. The Maturity Date may also be referred to as the Termination Date or End Date.

Tenor

- The duration of time from the Effective Date to the Maturity Date Tenors will be support for any duration greater than 0 month to 12 months.
- Listed Tenors, also referred to as On-the-Run, means whole year Spot Starting or Same Day Starting Instruments with a Tenor of an integer number of months.
- Other Tenors means any Tenors other than the Listed Tenors.

Floating Reset Dates

- Dates utilized to determine the Floating Rate amount for the interest accrual period during the Tenor of the Instrument. Except in the case of a Stub Period, the Reset Date is adjusted business days dependent on the currency prior to the Roll Date for that interest accrual period.

First Period Fixing Date

- The Fixed Rate for the first interest period is fixed on the Trade Date, and the Floating Rate for the first interest period is fixed 2 business days prior to the Effective Date

Trade Types

- The Platform may support the following trade types:
  - Outrights
    - An Outright swap is where one party is the payer of the fixed rate and receiver of the floating rate and the other party is the receiver of the fixed rate and payer of the floating rate.
  - Switches also known as Spreads
    - These are the simultaneous purchase and sale of two different Tenors of the yield curve (e.g.3x6 by 9x12).

Instrument minimum and incremental Size.

- Minimum notional size is dependent on currency and tenor
- Block Trades. Minimum notional size as stated by the Commission and increments Dependent on currency and tenor

Quoting Convention

Product Descriptions – Forward Rate Agreements

- Outrights are quoted in interest rate yield in minimum of 1/40th of a basis point increments.
- Spreads/Switches will be quoted in basis points dependent in multiples of the increments of the underlying Outrights

Last Trading Day.

- Spot Starting
    - Close of business on Trade Date.
- Forward Starting
    - Close of business three business days prior to the Effective Date of the swap.

Clearing

- FRA traded on ICAP SEF are not cleared.

Block Trades must occur outside the Order Book and in a quantity that meets or exceeds Appropriate Minimum Block Sizes set by the Commission.

ATTACHMENT C – CERTIFICATION PURSUANT TO CFTC REGULATION 40.2

The undersigned hereby certifies that each product described in this submission complies with the Commodity Exchange Act and the CFTC Regulations thereunder, and that concurrent with the filing of this submission with the Commission, ICAP SEF (US) LLC will be posting on its website, on January 20, 2017, a copy of this submission and a notice of pending product certification of this product with the Commission.

ICAP SEF (US) LLC

By: Gregory Compa
Title: Chief Compliance Officer
Date: January 20, 2017