

Sarah Williams
Staff Attorney

July 18, 2016

Re: Revisions to the ICC Treasury Operations 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 Treasury Operations Policies and Procedures to provide for the use of a committed foreign exchange (“FX”) facility, to make changes to the investment guidelines as well as additional clean-up changes, and to provide additional clarification regarding the calculation of collateral haircuts. ICC is registered with the Commission as a derivatives clearing organization (“DCO”). ICC intends to make the Treasury Operations Policies and Procedures 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 Treasury Operations Policies and Procedures do not require any changes to the ICC Clearing Rules. This submission includes a description of the ICC Treasury Operations Policies and Procedures revisions. Certification of the revisions to the ICC Treasury Operations Policies and Procedures pursuant to Section 5c(c)(1) of the Act and Commission Regulation 40.6(a) is also provided below.

ICC has revised its Treasury Operations Policies and Procedures to provide for the use of a committed FX facility. ICC has established a committed FX facility which provides for same day settled spot FX transactions. The facility allows ICC to use available United States Dollars (“USD”) to convert into Euro to meet a Euro liquidity need, for example in the unlikely event of a Clearing Participant default when Euro is needed for liquidity but only USD is available. In addition, the policy has been revised to document that the FX facility will be tested twice a year.

Additionally, ICC has revised its Treasury Operations Policies and Procedures to make changes to the ICC Treasury Department investment guidelines for operating capital and guaranty fund and margin cash. ICC has updated the list of permitted investments to add short term US Treasury securities (with a final maturity of no greater than 98 days) and remove Money Market Mutual Funds. ICC has updated the governance section of the operating capital investment policy to note that the Risk Committee will review any proposed changes to the policy and make recommendations to the Board. Further, ICC has removed reference to an obsolete financial report.

ICC also has made additional clean-up changes throughout the ICC Treasury Operations Policies and Procedures. Specifically, ICC has removed outdated language stating that ICC treasury services are provided by The Clearing Corporation. Further, throughout the document, ICC changed references to the "Director of Operations" to the "Chief Operating Officer," to correctly reflect the officer title. ICC removed reference to specific reverse repo counterparties to reflect the addition of multiple reverse repo counterparties. Further, ICC notes that it has arrangements in place to settle tri-party and bilateral reverse repo transactions, both of which settle delivery vs. payment ("DVP"). As a result, ICC has clarified references throughout the policy from "DVP reverse repo" to more specifically refer to "bilateral reverse repo." ICC removed reference to the titles of specific agreements that it may enter to effect reverse repo transactions and added general language to encompass all agreements that may be required. ICC removed information regarding the monitoring of available liquidity resources and added reference to the ICC Liquidity Risk Management Framework. ICC clarified that its committed repo facility may be used to convert sovereign debt into cash and that the facility will be tested twice per calendar year. ICC removed outdated information under the "ICE Clear Credit Banking Relationships" section of the policy and added language stating that ICC endeavors to maintain banking relationships with highly creditworthy and reliable bank institutions that provide operational and strategic support with respect to holding margin and Guaranty Fund cash and collateral. ICC also removed references to specific banking counterparties, as ICC's banking relationships have expanded to include multiple counterparties. ICC replaced the specific names with a generic reference, to capture all counterparties utilized by ICC. ICC also updated certain SWIFT banking information throughout the policy. Further, ICC updated the list of applications used by the Treasury Department to perform daily operations.

Finally, ICC revised its Treasury Operations Policies and Procedures to provide additional clarification regarding the calculation of collateral haircuts when yield rates are less than or equal to one basis point. This change documents current ICC practices as related to collateral haircut calculation; there is no change to the collateral haircut methodology.

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:

Financial Resources: The revisions to the ICC Treasury Operations Policies and Procedures are consistent with the financial resources requirements of Core Principle B and the requirements of Commission Rule 39.33 thereunder, as the changes to provide for the use of a committed FX facility will enhance ICC's qualifying liquidity resources. As a result, the committed FX facility will enhance ICC's ability to meet its financial obligations to its Clearing Participants ("CPs") notwithstanding a CP default.

Risk Management: The proposed revisions are consistent with the risk management requirements of Core Principle D, as the committed FX facility helps ICC manage the risks associated with discharging its responsibilities.

Treatment of Funds: The revisions to the ICC Treasury Operations Policies and Procedures are consistent with the treatment of funds requirements of Core Principle F, as the changes are designed to ensure the safety of CP funds and assets. Furthermore, such changes are consistent with the requirements of Core Principle F in that the committed FX facility minimizes the risk of loss or delay in access to the assets and funds in the proper currency when needed by ICC to meet its financial obligations.

Amended Rules:

The proposed change consists of revisions to ICC's Treasury Operations Policies and Procedures to provide for the use of a committed FX facility, to make changes to the investment guidelines as well as additional clean-up changes, and to provide additional clarification regarding the calculation of collateral haircuts. ICC has respectfully requested confidential treatment for the ICC Treasury Operations Policies and Procedures which was submitted concurrently with this self-certification submission.

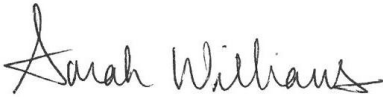
Certifications:

ICC hereby certifies that the revisions to the ICC Treasury Operations Policies and Procedures 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".

Sarah Williams
Staff Attorney