

EXHIBIT J

Attach as Exhibit J narrative descriptions of each service or function performed by the registrant.

1. **CDS Clearing.** As has been previously disclosed to the SEC, ICC's current clearing activities for its CDS Business include providing central counterparty clearing services to the CDS market and include Euro and USD denominated index instruments and single name instruments traded on the European corporate CDS complex, the North America corporate CDS complex, and the Sovereign, Asia-Pacific and Emerging Markets CDS complex. ICE Clear Credit offers clearing for more than 650 single name and index CDS instruments referencing corporate and sovereign debt, a list of which is available on ICC's website at the following:

https://www.ice.com/publicdocs/clear_credit/ICE_Clear_Credit_Clearing_Eligible_Products.xls.

CDS Clearing Overview

ICC is the world's largest clearing house for CDS. ICC has a robust risk management framework and performs clearing services for clearing participants that include the most active firms in the CDS market. ICC launched in March 2009 as ICE Trust U.S. LLC and on July 16, 2011 converted to a Delaware limited liability company and changed its name to ICE Clear Credit LLC. On July 16, 2011, pursuant to Sections 763 and 725 of the Dodd-Frank Act, ICC was deemed registered with the SEC as a securities clearing agency and with the CFTC as a derivatives clearing organization, respectively. On July 18, 2012, ICC was designated as a systemically important financial market utility under Title VIII of the Dodd-Frank Act by the Financial Stability Oversight Counsel. For more than a decade, ICC has been subject to comprehensive regulation by the SEC, CFTC, and the Federal Reserve Board.

Through a system of financial safeguards ICC maintains market integrity and capital protections by standing in the middle of each trade — the buyer to every seller's clearing member and the seller to every buyer's clearing member. Once a trade has been matched, ICC becomes the central counterparty to the trade, thereby guaranteeing financial performance of the contract. This robust counterparty risk intermediation is critical to supporting the availability of efficient and liquid markets.

ICC legally segregates customer collateral from clearing participant house or proprietary collateral at all times. As a matter of law customer collateral cannot be used for obligations related to a clearing participant's proprietary trading activities

An overview of how clearing works at ICC and the CDS Client Clearing Model are available on ICC's website at the following:

- How Clearing Works: https://www.ice.com/publicdocs/How_Clearing_Works.pdf
- ICE Clear Credit Client Clearing: https://www.ice.com/publicdocs/ICC_CDS_Client_Clearing.pdf

An overview of ICC's Index Option Settlement Payments for ICE Cleared Index Option Instruments is available on ICC's website at:

https://www.ice.com/publicdocs/Index_Option_Settlement_Payments.pdf.

The clearing arrangement for the CDS Business is described in more detail in the CDS Rules (see Item 1 of Exhibit E).

2. **Treasury Clearing.** ICC proposes its Treasury Business to become the provider of central counterparty clearing and settlement services to the U.S. Treasuries cash and repo markets by

clearing and settling spot contracts and repurchase contracts pursuant to the Treasury Rules¹ in compliance with the approved final rule amendments to SEC Rule 17ad-22 under the Exchange Act.² In accordance with SEC Rule 17ad-22, the Treasury Business will cover eligible secondary market transactions involving U.S. Treasury securities including, with limited exceptions, (i) transactions in repurchase and reverse repurchase agreements collateralized by U.S. Treasury securities to which a direct participant of ICC is a counterparty and (ii) purchases and sales of U.S. Treasury securities (a) by a direct participant of ICC resulting from the participant's operation of a trading facility on which it becomes the counterparty to both the buyer and seller on transaction executed on the platform; and (b) between a direct participant of ICC and a registered broker-dealer or a government securities dealer or broker.

Below is an overview of the Treasury Business. The proposed clearing arrangement for the Treasury Business is described in more detail in the Treasury Rules (see Annex E-2).

Types of Treasury Participants

ICC plans to offer its Treasury Business to direct members of ICC, *i.e.*, Treasury Participants, and to Non-Participant Parties (a person that is not an ICE Clear Credit or Treasury Participant) clearing via a Treasury Participant. A Treasury Participant is a person who has been approved by ICC for the submission of Contracts in the Treasury Business and that is party to an agreement with ICC specifically relating to transactions in such Contracts and that has agreed to abide by the Treasury Rules. The relationship between a Non-Participant Party and a Treasury Participant is required, pursuant to Treasury Rule 406, to be documented pursuant to and governed by an account agreement or clearing agreement (or equivalent document) between such parties, referred to as a "Customer Account Agreement," and which are subject to the applicable provisions of the Treasury Rules. Under the Customer Account Agreement, a Non-Participant Party, must also agree to abide by the provisions of the Treasury Rules applicable or referring to Non-Participant Parties including Treasury Rules 312, 316 and 406 relating to limitations of liability, clearing of Client-Related Positions and default.

Treasury Participants may be registered broker-dealers, registered investment companies, banks, insurance companies or such other person or class of persons that the SEC may designate as appropriate. Treasury Participants are "direct participants," Non-Participant Parties are "indirect participants" within the meanings of those terms as used in SEC Rule 17ad-22. Treasury Participants may choose to clear their own proprietary trades, which are recorded and risk managed as "House Positions," whereas Non-Participant Parties must clear trades through a Treasury Participant that offers client services as a clearing broker, with such trades recorded and risk managed as "Client-Related Positions". As such, Treasury Participants are permitted to clear House Positions as well as Client-Related Positions and are required to and are responsible for keeping records and making reports on their own Trades as well as Non-Participant Party Trades. Furthermore, where a Treasury Participant clears a Contract for a Non-Participant Party, such Treasury Participant becomes fully and directly liable as principal and not as guarantor or surety for all obligations to ICC in respect of such Contract.

As set forth in Treasury Rule 201 and described in more detail in Exhibit O, ICC requires that all Treasury Participants meet and maintain such standards of business integrity, financial capacity, creditworthiness, operational capability, experience and competence. Among other things, Treasury Participants must maintain a minimum of \$50 million of Adjusted Net Capital (which may be guaranteed by a Parent pursuant to Treasury Rule 205), be recommended to the Board by ICC senior management that such person seeking to be a Treasury Participant meets the stringent credit criteria established by the

¹ Terms used in this Item 2 of Exhibit J shall have the meaning set out in the Treasury Rules, unless otherwise indicated.

² Release No. 34-99149, *Standards for Covered Clearing Agencies for U.S. Treasury Securities and Application of the Broker-Dealer Customer Protection Rule With Respect to U.S. Treasury Securities*, 89 FR 2714 (Jan. 16, 2024).

Board, demonstrate sufficient financial ability to make its anticipated Treasury Guaranty Fund Contributions and provide Margin as required by the Treasury Rules, demonstrate risk management competence and participate in default management simulations, technology testing and other exercises as notified by ICC from time to time. Additionally, pursuant to Treasury Rule 203, ICC may, suspend or revoke any Treasury Participant's clearing privileges for failure to comply with the Treasury Rules or may impose additional capital, Margin or Trade and Contract restrictions on a Treasury Participant to protect ICC and the other Treasury Participants.

Risk Management Framework

As the central counterparty in offering its Treasury Business, one of ICC's primary functions is to implement capital-efficient and transparent risk management practices to reduce systemic risk. In general, the Treasury Business will operate using a contemporary clearinghouse risk waterfall design with client segregation, collateral protection and a robust default management framework.

Margin

House Initial Margin. Each Treasury Participant is subject to an Initial Margin Requirement related to its House Positions.

Non-Participant Initial Margin. Each Non-Participant Party Portfolio carries an Initial Margin Requirement, which is referred to in the Treasury Rulebook as the Non-Participant Party Portfolio Initial Margin Requirement. Pursuant to Rule 401(b), each Treasury Participant is responsible for transferring to ICC the Non-Participant Party Portfolio Initial Margin Requirement calculated by ICC in respect of each Non-Participant Party Portfolio associated with that Treasury Participant to ensure that Margin is met in respect of Client-Related Positions. Non-Participant Parties may choose between net or gross margin position accounts, as follows:

- With respect to Non-Participant Parties electing net margin, a Treasury Participant must maintain a Net Client IM Account, which is an IM account maintained by or on behalf of ICC with respect to a Treasury Participant for the purposes of holding, on a net omnibus basis, Treasury Participant Initial Margin posted in respect of Client-Related Positions in net margin position accounts. The Initial Margin requirement for the Net Client IM Account is determined by ICC based on the net Initial Margin Requirement for the applicable Initial Margin Category across all Client-Related Positions associated with such Client IM Account (whether in the same or different Non-Participant Party Portfolios).
- With respect to Non-Participant Parties electing gross margin, ICC provides certain flexibility to agree with the Treasury Participant acting as clearing broker regarding the amount of Initial Margin resources contributed by each party. For example, a Non-Participant Party can contribute 100% (*i.e.*, fully "Non-Participant-Funded"), 70% (*i.e.*, "Hybrid") or 0% (*i.e.*, fully "Treasury-Participant Funded") of its gross Non-Participant Party Portfolio Initial Margin Requirement. This mechanism allows for more commercial flexibility for parties to agree on service cost and pricing while maintaining the consistency of the ICC risk management approach.

Calculation of Initial Margin. Following the close of business on each ICE Business Day, ICC determines the Initial Margin Requirement for each Treasury Participant in respect to its House Positions and in respect of any applicable Client-Related Positions. Initial Margin requirements will be based on 99% Value-at-Risk equivalent risk measures with additional liquidity and concentration requirements. The estimated Value-at-Risk measures are based on forward-looking simulated scenarios corresponding to at least a 2-day margin period of risk. Portfolio benefits are provided across cleared spot contracts and repurchase contracts. Appropriate anti-procyclicality techniques are utilized to maintain stability of the computed Initial Margin requirements during different market periods and regimes. ICC will also use state-of-the-art portfolio risk management approach featuring large-scale Monte-Carlo simulations to

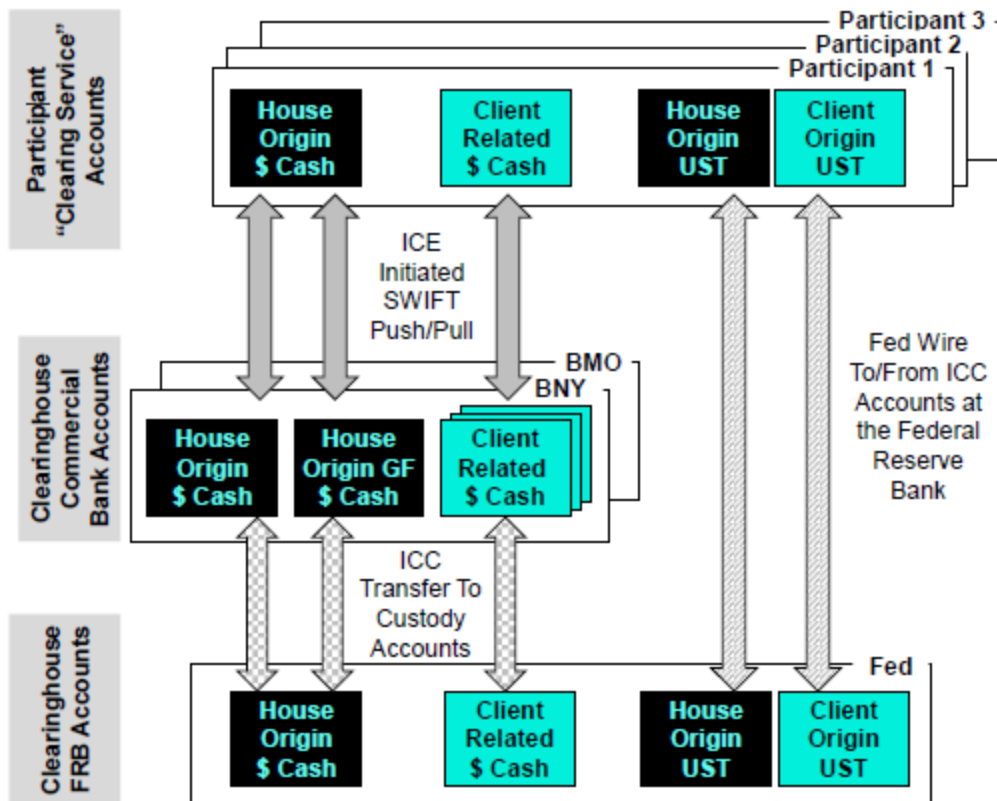
estimate Initial Margin requirements. Furthermore, the Treasury Business will utilize a suite of APIs and web-based analytics tools to (i) provide intuition about portfolio riskiness and model response and (ii) deliver automated and scalable operational and risk management processes.

Variation Payments. A second component of Margin is Variation Payment. The Variation Payment component of a Treasury Participant's Net House Margin Requirement is composed of the Eligible Margin payments required as a result of the market value of a Treasury Participant's Open Positions. Pursuant to Treasury Rule 401(b)(ii), each Treasury Participant's Variation Payments Requirement also includes Variation Payments associated with the Treasury Participant's Non-Participant Party Portfolio, the cash amount of which is equal to the sum of Non-Participant Party-related Variation Payments associated with Treasury-Participant Funded Initial Margin accounts (referred to in the Treasury Rules as "CP-Funded Gross IM Accounts"), Non-Participant Funded Initial Margin accounts (referred to in the Treasury Rules as "Client-Funded Gross IM Accounts") and Hybrid Initial Margin accounts (referred to in the Treasury Rules as "Hybrid Gross IM Accounts").

Payment Management

ICC will use its established direct settlement model to manage the settlement of Variation Payments, Initial Margin payments and Treasury Guaranty Fund and mitigate risks associated with potential settlement failures and maintaining liquidity requirements for Initial Margin and the Treasury Guaranty Fund. Treasury Participants will provide ICC with direct debit authority against their Treasury Business accounts, which are designated accounts that can accommodate SWIFT messages. ICC will move cash between its commercial bank accounts for settlement of Variation, Initial Margin and Treasury Guaranty Fund payments. ICC will also maintain a second set of accounts as a backup facility in the unlikely event that access to the primary bank account is not possible. Treasury Participants will be responsible for ensuring that ICC has timely received any requested payments, or be declared in default. To meet liquidity requirements (as further described below), Treasury Participants may substitute types of collateral subject to constraints on collateral mix and the application of appropriate haircuts. ICC may custody any cash and U.S. Treasury securities collateral in Federal Reserve accounts as they become available, and will manage the cash movement between its commercial accounts and Federal Reserve accounts based on net cash flows. Treasury Participants can manage any deposits or withdrawals of their collateral directly to ICC's Federal Reserve accounts using Fedwire.

A visual representation of ICC's direct settlement model is as follows:



Collateral Segregation

Depending on the agreement between the Treasury Participant and its related Non-Participant parties, margin or collateral associated with the relevant Client-Related Positions may be held in one of four different type of accounts: (i) Client-Funded Gross IM Accounts, (ii) CP-Funded Gross IM Accounts, (iii) Hybrid Gross IM Accounts and (iv) Net Client IM Accounts.

The Client Collateral held in these accounts is legally segregated from the House Margin Account maintained for House Collateral by ICC maintaining and managing Client-funded Client Margin in separate margin accounts from House-funded Client Margin. Client-funded Client Margin includes (i) margin associated with Client-Funded Gross IM Accounts and, (ii) the Client-funded portion of the margin associated with Hybrid Gross IM Accounts. House-funded Client Margin includes (i) margin associated with CP-Funded Gross IM Accounts, (ii) the CP-funded portion of the margin associated with Hybrid Gross IM Accounts, and (iii) the margin associated with Net Client IM Accounts. ICC also ensures Treasury Participant collateral associated with House Margin is held in separate margin accounts from any Client-funded Margin.

All Collateral may be held by ICC in an account (the types of which are further described below) with the Federal Reserve Bank of Chicago or a bank meeting the requirements of SEC Rule 15c3-3a, Note H(b)(2) and shall be received, held and used only as permitted under such SEC Rule.

Treasury Guaranty Fund

ICC will establish and maintain a Treasury Guaranty Fund which will be sized to provide financial resources based on Cover-2 regulatory standards. As further set forth in Rule 801, each Treasury Participant's required contribution to the Treasury Guaranty Fund will be based on the greater of (x) such Treasury Participant's proportionate share of the aggregate Treasury Participant Loss Exposure, which is calculated as the two largest Participant Loss Exposures and (y) \$20 million. Participant Loss Exposure for any Treasury Participant is the amount determined by ICC using its stress test methodology, calculated on a net exposure basis separately within the House Positions and Client-Related Positions of that Treasury Participant. The amount is equal to the expected losses to ICC associated with the default of that Treasury Participant taking into account both (a) the uncollateralized loss (*i.e.*, the loss after application of Initial Margin and after taking into account any Variation Payment transferred in respect of such positions given default and (b) the uncollateralized loss from contracting or widening credit spreads.

The required contribution to the Treasury Guaranty Fund by a Treasury Participant is risk-based using stress test analyses under extreme but plausible market conditions, consistent with the requirements of SEC Rule 17ad-22(e). More specifically, the analysis is based on stress loss over Initial Margin Concepts and uses a set of stress scenarios that includes adverse changes to the underlying U.S. Treasury security-related term structures in response to changes in the U.S. interest rate levels across different tenors and maturities enhanced with changes of associated term structure shapes. For the avoidance of doubt, Non-Participant Parties are not required to make contributions to the Treasury Guaranty Fund.

ICC will also make a contribution into the Treasury Guaranty Fund. As further described in Rule 801(b), ICC's total expected contribution is \$100 million.

Default and Liquidity Management

If any Treasury Participant or guarantor, among other things, (i) fails to meet any membership obligations, (ii) is in breach of the terms of membership or is suspended or (iii) is terminated, suspended or has certain clearing privileges revoked pursuant to Treasury Rule 615(b), ICC may determine that such Treasury Participant is in Default. When a Treasury Participant is in Default, ICC can begin the Closing-out Process with respect to such Defaulting Treasury Participant. This includes the immediate termination of all of such Defaulting Treasury Participant's Open Positions and then the satisfaction of any Reimbursement Obligations by the Defaulting Treasury Participant, for which ICC can apply the Margin and other assets provided by the Defaulting Treasury Participant based on the waterfall set forth in more detail in Treasury Rule 20-605(c).

With respect to the default of a Non-Participant Party, ICC resolves the default, unless the associated Treasury Participant requests to manage the default directly in lieu of ICC management. Based on the election of a Treasury Participant, if ICC resolves a Non-Participant Party Default, ICC will only use the Client-Funded Initial Margin for Client-Related Positions to cover any losses related to the portfolio of the funding Non-Participant. If a Non-Participant's losses are greater than the Client-Funded Initial Margin, then the Participant-Funded portion of the Initial Margin associated with the Non-Participant will be utilized. Because the Treasury Participant is liable for any Non-Participant Party losses in excess of both the Client-Funded and Treasury Participant-Funded Initial Margin, ICC can apply the Treasury Participant's contributions to the Treasury Guaranty Fund in accordance with Treasury Rule 802 or may make special Margin calls to the Treasury Participant. Any Initial Margin with respect to any House Positions of the Treasury Participant will not be applied to any such excess client losses.

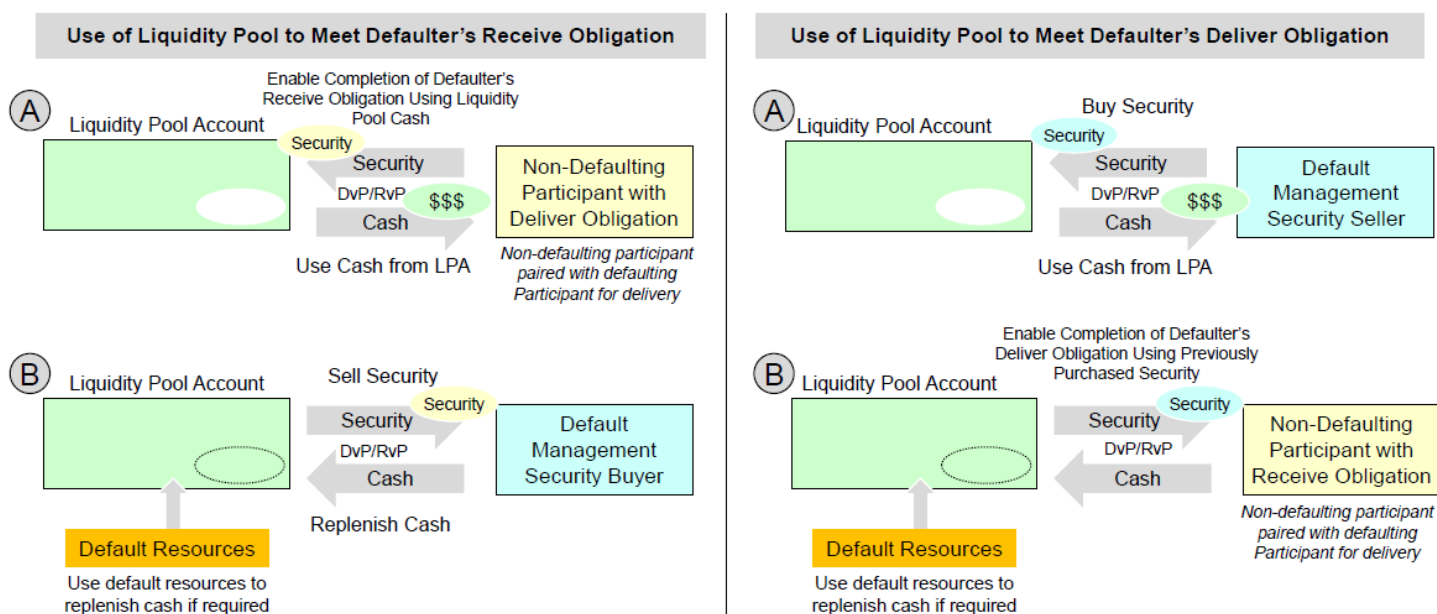
If so requested by a Treasury Participant, the Treasury Participant may directly manage the Non-Participant Party in default. In this case, the Treasury Participant is responsible for managing the closing of Client-Related Positions between the Treasury Participant and defaulting Non-Participant Party. The Treasury Participant remains responsible to ICC for the performance of any such Client-Related Positions

until they are fully closed out. ICC will not be responsible for any losses, costs or expenses under these circumstances.

ICC also employs liquidity risk management mechanisms as set forth in Treasury Rule 812 that are designed to allow ICC to satisfy its liquidity obligations under SEC Rule 17ad-22(e)(7) and allow for ICC to continue to meet its settlement obligations in the case of any Settlement Payment Failures or Delivery Failures due to liquidity or credit events. ICC uses the Liquidity Settlement Account to facilitate the settlement of non-defaulting Treasury Participant obligations in the event of a Treasury Participant's Default. The Liquidity Settlement Account may be established by a combination of funded and unfunded resources.

A visual representation of this liquidity risk management mechanism is set forth below:

Liquidity Pool Account facilitates settlement of non-defaulting Participant obligations in the event of Participant default



As further described in Rule 812(b), if any Treasury Participant fails to meet its settlement obligations (irrespective of whether it is in Default), then it is referred to as a "Failing Party" in the Treasury Rules, and ICC may use various sources of cash liquidity to facilitate physical settlement. ICC will first look to use the portion of the Initial Margin provided by the Failing Party in respect of its House Account or its portion of the Treasury Guaranty Fund contribution that is in the form of cash. ICC will then look to other sources of cash for settlement such as the cash portions of the ICC Initial Contribution, the ICC Continuing Contribution, the Treasury Guaranty Fund contributions of Treasury Participants other than Failings Parties on a pro rata basis and the Initial Margin provided by Treasury Participants other than Failing Parties in respect of their House Accounts on a pro rata basis. Next, ICC may require all Treasury Participants (other than Failing Parties) to substitute cash for the non-cash portions of their existing Initial Margin in respect of the House Account and Treasury Guaranty Fund contributions. Afterwards, ICC may either provide an additional liquidity contribution of its own resources and if, so, may levy a liquidity assessment on Treasury Participants to transfer additional cash in each case in an amount determined by ICC in accordance with Treasury Rule 812(b)(vi). ICC may subsequently also look to liquidity obtained through committed credit facilities or committed repurchase agreement facilities secured by non-cash Initial Margin and Treasury Guaranty Fund contributions provided by Failing

Parties. At a last level of the seven-step waterfall and once all other resources are exhausted, ICC will look to relying on any other available lines of credit, loan agreements, repurchase agreements or similar facilities (including facilities from or made available by its affiliates) on a secured or unsecured basis. ICC will fully use resources at one level of the waterfall before using resources from a subsequent level.

Transaction Submission and Novation

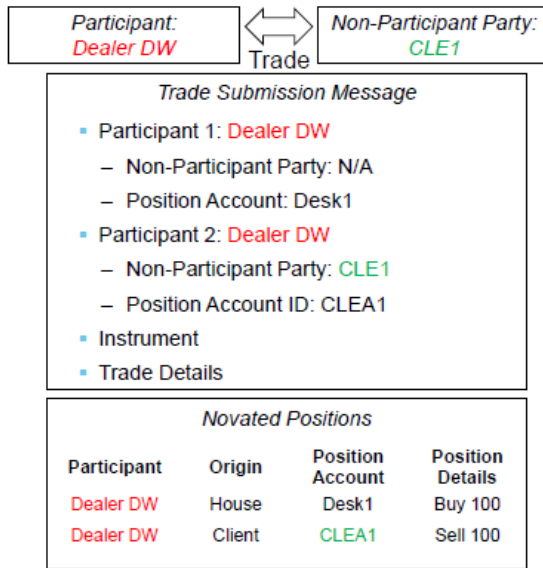
In general, Trades are submitted for clearing by an Authorized Trade Execution/Processing Platform and novated to cleared positions. The Authorized Trade Execution/Processing Platform is expected to match and submit the relevant terms of an agreement equivalent to a Contract on behalf of two Treasury Participants (and, if applicable, any Non-Participant Party for whom either Treasury Participant is acting) to ICC for acceptance pursuant to Treasury Rule 309. By its terms, the Contract is expected to become effective or novated upon its submission and acceptance for clearing under the Treasury Rules. Following acceptance by ICC in accordance with Treasury Rule 309, the existing trade will be extinguished and the two Treasury Participants will be deemed to have each entered into an exactly offsetting Trade with ICC. With respect to each such Treasury Participants, its position in such Trade shall become an Open Position. Trades may also be matched and submitted for the same entity, in which case, such entity will be deemed to have entered into two separate and distinct Trades with ICC.

Trades can be executed on an electronic trading venue and then submitted directly to the clearinghouse from the trading venue (*i.e.* an Authorized Trade Execution/Processing Platform), or trades can be executed by voice or otherwise and then submitted to ICE Link for matching/affirmation and submission to the clearinghouse.³

A firm choosing to offer combined execution and clearing services to its clients can become a Treasury Participant and submit “Done-With” trades for clearing. The trade submission indicates that the participant is an executing party to the trade, resulting in the Treasury Participant’s leg of the Trade being automatically recorded as an Open Position in the Participant’s House portfolio. The Trade submission also implies that the Treasury Participant is acting as the clearing broker for the Trade, and the submitted Non-Participant Party leg is automatically recorded as an Open Position in the Participant’s Client-Related portfolio corresponding to client with which it traded. An illustration of a “Done-With” trade submission is as follows:

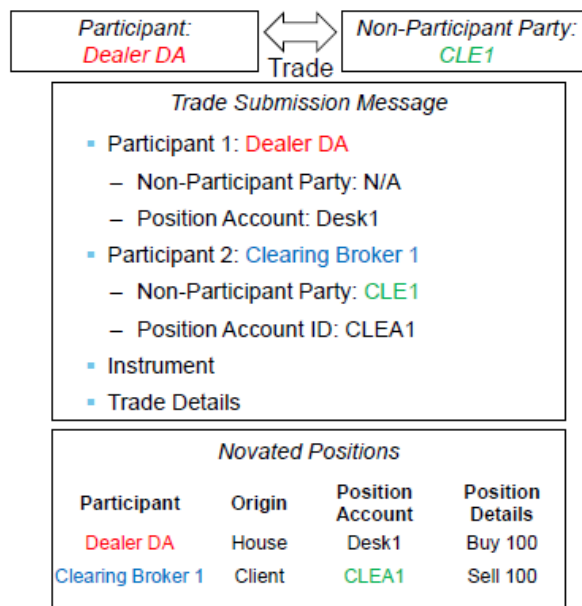
³ ICE Link is ICC’s connectivity network and is a post-trade matching/affirmation platform that is connected to over 1600 market participants, including trade venues, buy-side dealers, clearing brokers, fund administrators and custodians and middleware providers. ICE Link allows for multiple trading modalities that will provide certainty and immediacy of clearing. ICE Link also allows for multiple allocation options, including “bunched” trade workflow where block is immediately cleared prior to allocation. ICE Link has clearing workflows support venue executed trades submitted direct to clearing, voice executed trades submitted to ICE Link for matching and submission to clearing, bunched trades and allocations and customer transfers.

Illustration of “Done-With” Trade Submission



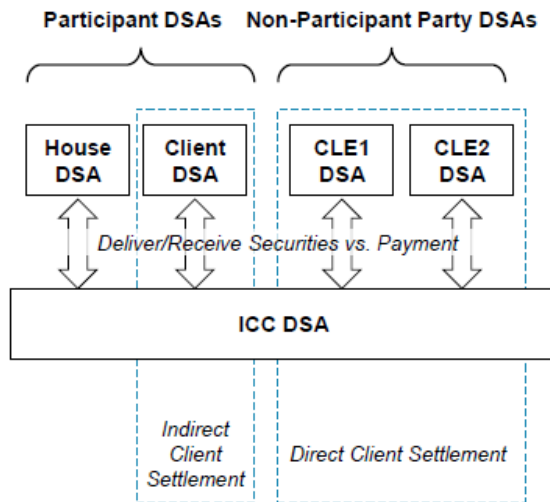
Treasury Participants can also submit “Done-Away” trades for clearance on behalf of a Non-Participant Party. A Treasury Participant offering “stand-alone” clearing services to a Non-Participant Party is added as the clearing broker to the details of the Trade submitted for clearing. The Trade submission identifies the clearing broker for the Non-Participant Party, resulting in the Non-Participant Party leg being automatically recorded as an Open Position in the clearing broker’s Client-Related portfolio corresponding to the Non-Participant Party. The opposite leg is automatically recorded as an Open Position in a different Treasury Participant’s House portfolio (assuming a dealer-to-client trade). An illustration of a “Done-Away” trade submission is as follows:

Illustration of “Done-Away” Trade Submission

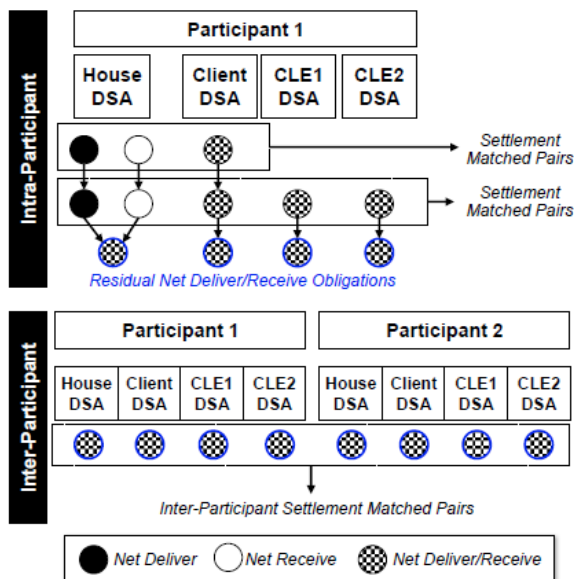


Securities Settlement

Non-Participant Parties may, in coordination with the Participant through which they clear, elect for indirect or direct physical settlement (Delivery Settlement) of U.S. Treasury buy/sell transactions and repo transactions. For each business day, ICC will calculate the Net Settlement Obligations with respect to Settling Open Positions and Settling Fail Positions together for each Settling Security. In case of direct settlement, the Non-Participant Party settles its own net deliver or receive obligation for each financial instrument directly with ICC. Securities and cash are exchanged on a DvP/RvP basis between the Non-Participant Party’s Delivery Settlement Account (“DSA”) and the ICC DSA. All Non-Participant Parties electing for indirect settlement rely on the clearing broker to facilitate Delivery Settlement. The clearing broker settles with ICC for (i) the net deliver/receive obligation resulting from Client-Related Positions across all relevant Non-Participant Parties, and (ii) the net deliver/receive obligation resulting from House Positions. Securities and cash are exchanged on a DvP/RvP basis for net obligations resulting from House Positions; between the Treasury Participant’s House DSA and the ICC DSA, and for net obligations resulting from Client-Related Positions; between the Treasury Participant’s Client DSA and the ICC DSA. A visual representation of direct and indirect settlement is as follows:



ICC also forms Settlement Matched Pairs, ensuring each deliver obligation settles at the same time as a corresponding receive obligation. For each business day, ICC will establish net deliver/receive obligations (per CUSIP, per Treasury Participant) for each direct and indirect DSA. Settlement Matched Pairs may be designated between DSA’s associated with the same Treasury Participant (*i.e.*, “intra-Participant”) or between DSA’s associated with different Treasury Participants (*i.e.*, “inter-Participant”). Settlement Matched Pairs may be designated between different categories of DSA’s (including house and customer accounts). Each Settlement Matched Pair results in two DvP/RvP exchanges with ICC. A visual representation of intra-Participant and inter-Participant Settlement Matched Pairs is as follows:



Obligations settle at the ICC end-of-day price, with a separate Variation Payment to align net cashflows with the trade price. A Settlement Matched Pair that fails to settle on the settlement date is treated as a new buy/sell trade that settles the next business day. Settling Fail Positions are re-submitted as trades, with trade prices equal to the ICC end-of-day price on “T” and with a trade date of “T+1”, when there is actual money movement.

Settlement Failure

If there is a Delivery Failure where the Settling Security is required to be delivered under Settlement Leg 1, ICC does not have an obligation to make a corresponding delivery of the Settling Security under Settlement Leg 2 of the Net Settlement Obligation and there will be no corresponding Settlement Payment Required. The Delivering Party that failed to deliver the applicable principal amount under Settlement Leg 1 will be required to deliver the amount on the next ICC Settlement Day. The Delivering Party will be obligated to pay ICC a Fail Charge in an amount determined by ICC, and ICC will also be obligated to make a corresponding Fail Charge payment to the Receiving Party. If ICC incurs any actual costs or expenses in the settlement process that resulting from the Delivery Failure, then the Delivering Party will also be obligated to reimburse ICC for any of those charges.

If there is a Settlement Payment Failure, *i.e.* if the Receiving Party fails to pay the amount of the Settlement Payment required to be paid under Settlement Leg 2, ICC may determine to perform Settlement Leg 1 with the Delivering Party and then cancel Settlement Leg 2. In this case, the obligation of the Receiving Party to the Delivering Party will be replaced with an obligation of the Receiving Party to pay ICC any losses, costs and expenses, including financing costs, incurred by ICC in performing its obligations under Settlement Leg 1 and liquidating any securities received by ICC under Settlement Leg 1. Alternatively, ICC can also fully terminate the Net Settlement Obligation (including both Settlement Legs thereunder) and replace the Net Settlement Obligation with an obligation to cash settle each Settlement Leg based on the price determined by ICC. Under both of these circumstances, ICC can apply Initial Margin provided by the failing Receiving Party to settle any amounts owed.