

## EXHIBIT L

Attach as Exhibit L a description of the measures or procedures employed by registrant to provide for the safeguarding of securities and funds in its custody or control. Identify any instances within the past year in which the described security measures or safeguards failed to prevent any unauthorized access to securities or funds in possession of registrant and any measures taken to prevent a recurrence of any such incident.

1. As described in *Principle 16: Custody and investment risks* of the ICC Disclosure Framework,<sup>1</sup> ICC safeguards its own and its clearing participant's ("CPs") assets to minimize the risk of loss on and delay in access to these assets. ICC's investments are in instruments with minimal credit, market and liquidity risks.

With respect to the investment of ICC's operating and capital funds, the primary objectives of ICC's investment activities are:

- Safeguard the principal (safety);
- Provide sufficient liquidity to meet all operational requirements (liquidity);
- Obtain a reasonable rate of return (yield); and
- Conform to legal and regulatory requirements (legal).

ICC safeguards its own and its CPs' assets through the use of approved settlement banks, custodians and other financial service providers that were chosen based on their ability to provide the services required by ICC, creditworthiness, relevant experience and operational stability. The financial institutions that ICC uses for settlement and custody are among the largest financial institutions in the world. ICC conducts due diligence reviews to assess whether its settlement banks and custodians employ adequate accounting practices, safekeeping procedures and internal controls that protect deposits, ensure full segregation and protection of financial instruments and allow ICC prompt access to assets when required. In addition, ICC monitors the financial health of the financial institutions in which it holds its settlement and custodial accounts on an on-going basis, with an emphasis on measures related to liquidity and cash management. The legal agreements ICC has in place with its settlement banks and custodians have been reviewed by external legal counsel.

For the CDS Business, CP collateral posted with ICC is limited to U.S. Dollar, Euro or GBP cash and U.S. Treasury securities, all of which has minimal credit, market and liquidity risk. ICC uses mark-to-market valuations and haircuts to minimize the risk of loss or delay in access to these assets.

With respect to U.S. Dollar and U.S. Treasury securities collateral posted by CPs for the CDS Business, to the fullest extent available, ICC holds such cash and U.S. Treasury securities at its accounts with the Federal Reserve Bank of Chicago.

For the CDS Business, Euro collateral posted by CPs with respect to house origin and customer origin cash is either held in a bank deposit at a commercial bank or may be invested pursuant to reverse repurchase agreements backed by certain Euro sovereign debt with low risk of default and high liquidity. To the extent such reverse repurchase agreement transactions become unavailable, ICC may make direct investments in such Euro sovereign debt instruments. Such investment activity may be executed by ICC directly, or through engagement with third party investment managers. ICC's investment of Euro-denominated customer origin cash is executed in compliance with CFTC Regulation 1.25 (*Investment of*

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<sup>1</sup> ICC's Disclosure Framework is publicly available on ICC's website via the following link: [https://www.ice.com/publicdocs/clear\\_credit/ICEClearCredit\\_DisclosureFramework.pdf](https://www.ice.com/publicdocs/clear_credit/ICEClearCredit_DisclosureFramework.pdf)

*Customer Funds*) (17 C.F.R. § 1.25) including any applicable exemptive orders and including, without limitation, the conditions in CFTC Regulation 1.25 related to the investment of client origin cash in foreign sovereign debt. GBP cash collateral posted CPs (customer origin initial margin only) is held in a bank deposit at a commercial bank.

For the Treasury Business, four different accounts are used to legally segregate house collateral, client-related collateral and variation payments. Similar to the CDS Business, the collateral is either held in a bank deposit at a commercial bank or may be invested pursuant to reverse repurchase agreements backed by certain U.S. Treasury securities.

2. There have been no instances of the failing of any such measures or safeguards within the past year.