

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-103727; File No. 600-45]

ICE Clear Credit LLC; Notice of Filing of an Application for Registration as a Clearing Agency Under Section 17A of the Securities Exchange Act of 1934

August 18, 2025.

On August 1, 2025, ICE Clear Credit LLC (“ICC”) filed with the Securities and Exchange Commission (“Commission”) an application on Form CA-1 (“Application”) under Section 17A of the Securities Exchange Act of 1934 (“Exchange Act”).¹ ICC filed the Application to register as a clearing agency for the purpose of clearing transactions involving U.S. Treasury securities.² Specifically, the Application states that ICC is seeking to provide central counterparty clearing services to market participants for their secondary cash market transactions in U.S. Treasury securities and transactions in repurchase and reverse repurchase agreements involving U.S. Treasury securities, which ICC refers to as its Treasury Business.³ The Application provides detailed information regarding how ICC proposes to satisfy the requirements of the Exchange Act with respect to its Treasury Business. The proposed Rules of

¹ 15 U.S.C. 78q-1.

² Pursuant to Section 17A(l) of the Exchange Act, in 2011, ICC was deemed registered with the Commission as a clearing agency solely for the purpose of clearing security-based swaps and has been operating an ongoing business related to the clearance of credit-default swaps (“CDS”), which ICC refers to as its CDS Business. *See* 15 U.S.C. 78q-1(l)(1) (“A depository institution or derivative clearing organization registered with the Commodity Futures Trading Commission under the Commodity Exchange Act that is required to be registered as a clearing agency under this section is deemed to be registered under this section solely for the purpose of clearing security-based swaps . . .”). Although the Application pertains to ICC’s request to clear transactions involving U.S. Treasury securities, where necessary and appropriate it includes information relevant to ICC’s existing CDS Business.

³ *See* Exhibit J. As described in the Application, the Treasury Business would be distinct from ICC’s existing CDS Business, including separate membership requirements, financial risk management and default waterfalls, and rulebooks. *See id.*

ICC's Treasury Business are described in Exhibit E and included in Annex E-2 to the Application.

The Commission is publishing this notice to solicit comments on the Application. To grant ICC's request to register as a clearing agency for the purpose of clearing transactions involving U.S. Treasury securities, the Commission must find that it satisfies the requirements of the Exchange Act and the rules and regulations thereunder, including the determinations required under Exchange Act Section 17A(b)(3)(A) through (I).⁴ Pursuant to Section 17A of the Exchange Act, the Commission is directed, having due regard for the public interest, the protection of investors, the safeguarding of securities and funds, and maintenance of fair competition among brokers and dealers, clearing agencies, and transfer agents, to use its authority to: (i) facilitate the establishment of a national system for the prompt and accurate clearance and settlement of transactions in securities (other than exempt securities); and (ii) facilitate the establishment of linked or coordinated facilities for clearance and settlement of transactions in securities in accordance with the findings and to carry out the objectives set forth in Section 17A.⁵ The Commission will consider any comments it receives in making its determination about whether to grant ICC's request to be registered as a clearing agency for the purpose of clearing transactions involving U.S. Treasury securities.

The Application provides a description of ICC's ownership structure and management. The Application states that ICC is wholly owned by its parent company, ICE U.S. Holding Company, L.P.⁶ ICC is a limited liability company registered in the state of Delaware.⁷ ICC has a

⁴ 15 U.S.C. 78q-1(b)(3)(A)-(I).

⁵ 15 U.S.C. 78q-1(a)(2)(A).

⁶ See Exhibit C (narrative description of ownership and diagrams of ownership structure).

⁷ *Id.*

Board of Managers, made up of at least five independent managers and four managers designated by representatives of ICC's clearing members.⁸ ICC's Board of Managers has several committees, including a Nominating Committee, Audit Committee, and Risk Committee.⁹

The Application describes how ICC will clear transactions involving U.S. Treasury securities.¹⁰ The Application states that ICC will offer clearing of transactions involving U.S. Treasury securities to direct members of ICC, which ICC calls "Treasury Participants."¹¹ A Treasury Participant is a person who has: (i) been approved by ICC for the submission of transactions involving U.S. Treasury securities; (ii) entered into an agreement with ICC specifically relating to such transactions; and (iii) agreed to abide by ICC's rules and procedures related to such transactions. Under those rules, a person that is not a Treasury Participant may clear at ICC through a Treasury Participant. However, where a Treasury Participant clears a transaction for a non-participant, the Treasury Participant becomes fully and directly liable as principal and not as guarantor or surety for all obligations to ICC in respect of such transaction.

The Application provides information regarding ICC's risk management.¹² In summary, the Application states that ICC will clear transactions involving U.S. Treasury securities using a "contemporary clearinghouse risk waterfall design"¹³ with client segregation, collateral protection, and a robust default management framework. For example, with respect to counterparty risk management, ICC will impose membership standards on Treasury Participants requiring that Treasury Participants meet certain fitness, financial, and operational standards, and

⁸ See Annex E-1 (ICC Amended and Restated Operating Agreement).

⁹ See Exhibit A; Annex A-3; Annex A-4; Annex A-5.

¹⁰ Exhibit J also describes how ICC clears transactions involving CDS.

¹¹ See Exhibit J.

¹² See Exhibit J. Exhibit J also describes how ICC manages risks associated with its CDS Business.

¹³ See Exhibit J.

have appropriate regulatory registrations. ICC may suspend, revoke, or terminate a Treasury Participant for failing to meet these requirements and may impose additional capital, margin, or other requirements as needed to protect ICC and other Treasury Participants.

With respect to financial risk management, ICC also will require Treasury Participants to provide initial margin for their own transactions and for transactions of non-participants that they clear. In addition, ICC will require Treasury Participants to make variation payments due to the change in market value of their open positions and the open positions of non-participants that they clear. ICC will offer various net or gross margin position accounts that non-participants can use to meet these requirements. Finally, ICC will use its existing direct settlement model to manage the settlement of payments and mitigate risks associated with potential settlement failures.

The Application also states that ICC will establish and maintain a Treasury Guaranty Fund which the Application states “will be sized to provide financial resources based on Cover-2 regulatory standards.”¹⁴ The guaranty fund for clearing transactions involving U.S. Treasury securities will be distinct from ICC’s existing guaranty fund for clearing transactions involving CDS. Treasury Participants will be required to contribute to the Treasury Guaranty Fund, and each Treasury Participant’s required contribution will be risk-based using stress test analyses under extreme but plausible market conditions. The Application states that ICC will calculate the amount of a Treasury Participant’s contribution to the Treasury Guaranty Fund on a net exposure basis taking into account a Treasury Participant’s own transactions and transactions of non-participants that the Treasury Participant clears, subject to a \$20 million minimum contribution.

¹⁴ See Exhibit J.

ICC also will establish and maintain a default management framework for clearing transactions involving U.S. Treasury securities, including a default resource waterfall, distinct from ICC's existing framework and waterfall for clearing transactions involving CDS. In resolving a default of a Treasury Participant, ICC may apply the margin and other property of the defaulting Treasury Participant within ICC's possession or control, as set forth in the default waterfall.

In addition to counterparty and financial risk management, the Application describes ICC's approach to operational resilience, availability and disaster recovery, and data backup.¹⁵

The Application provides information regarding ICC's current and proposed fees.¹⁶ The Application states that ICC's current fees for clearing CDS are available on its website, and ICC's fees for clearing transactions involving U.S. Treasury securities will be published on ICC's website closer to the commencement of operations of that service.

ICC's application on Form CA-1, including each exhibit thereto referenced above, is available online at www.sec.gov/rules/other/shtml. Interested persons are invited to submit written data, views, and arguments concerning the Application, including whether the Application is consistent with the Exchange Act and the rules and regulations thereunder applicable to clearing agencies (*e.g.*, Exchange Act Rules 17Ad-22, 17Ad-25, 17Ad-26, and Regulation Systems Compliance and Integrity, among others).¹⁷

Comments may be submitted by any of the following methods:

Electronic comments:

¹⁵ See Exhibit K; Exhibit M.

¹⁶ See Exhibit E; Annex E-4; Exhibit Q.

¹⁷ See 17 CFR 240.17ad-22 ("Rule 17Ad-22"); 240.17ad-25 ("Rule 17Ad-25"); 240.17ad-26 ("Rule 17Ad-26"); 17 CFR 242.1000 through 242.1007 ("Regulation Systems Compliance and Integrity").

- Use the Commission's Internet comment form

(<http://www.sec.gov/rules/other.shtml>); or

- Send an e-mail to rule-comments@sec.gov. Please include File Number 600-45 on the subject line.

Paper comments:

- Send paper comments to Vanessa A. Countryman, Secretary, Securities and Exchange Commission, 100 F Street NE, Washington, DC 20549-1090. All submissions should refer to File Number 600-45.

To help the Commission process and review your comments more efficiently, please use only one method of submission. The Commission will post all comments on the Commission's Internet website (<http://www.sec.gov/rules/other.shtml>).

Do not include personal identifiable information in submissions; you should submit only information that you wish to make available publicly. We may redact in part or withhold entirely from publication submitted material that is obscene or subject to copyright protection. All submissions should refer to File Number 600-45 and should be submitted on or before [INSERT DATE 45 DAYS FROM THE DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.¹⁸

Vanessa A. Countryman,

Secretary.

¹⁸ 17 CFR 200.30-3(a)(16).