



Clearing Rules

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Rules of ICE Clear Credit LLC

PREAMBLE

The Board shall have sole responsibility for the control and management of the operations of ICE Clear Credit, subject only to the prior consultation rights of the Risk Committee and the Risk Management Subcommittee as described in Chapter 5 of, and elsewhere in, these Rules.

Participants shall explicitly contract to be bound by these Rules, and ICE Clear Credit will retain the right to modify these Rules and the ICE Clear Credit Procedures (as defined herein) from time to time in its sole discretion, subject to the prior consultation with the Risk Committee and the Risk Management Subcommittee with respect to only those modifications for which such consultation is prescribed in Chapter 5 of, and elsewhere in, these Rules.

Prior to modifying these Rules or materially modifying the ICE Clear Credit Procedures with respect to matters for which prior consultation with the Risk Committee or the Risk Management Subcommittee is not required, ICE Clear Credit will inform and may consult with the Risk Committee or the Risk Management Subcommittee and, taking into account the legal requirements of the Participants, will use good faith efforts to ensure that such modifications would not result in any Participant failing to be in compliance with laws or regulations applicable to such Participant.

1. INTERPRETATION

101. Scope and Interpretation.

- (a) The Rules set forth herein are applicable to Trades and related obligations arising out of Contracts. In the event of a conflict between these Rules generally and the Rules adopted by ICE Clear Credit specifically governing Trades and related obligations made on a particular Market or with respect to particular Contracts, the Rules specifically governing such Market or Contracts will prevail. More particularly:
- (i) The Rules in Chapters 1 – 8 are supplemented for specific Markets and Contracts by the Rules in Chapters 20 *et seq.* (Thus, for example, the definitions in Rule 102 are supplemented, for purposes of Chapter 20, by the additional definitions in Rule 20-102.) The Rules in Chapters 20 *et seq.* shall apply only to the Market or Contracts specified in the caption to such Chapter.
 - (ii) Where the numbering of a Rule in Chapters 20 *et seq.* corresponds to that of a Rule in Chapters 1 – 8, the Rule in Chapters 1 – 8 is superseded to the extent applicable by the correspondingly numbered Rule in Chapter 20 *et seq.* (Thus, for example, references in Chapter 20 to the term “Default” mean a Default established in accordance with Rule 20-605.)
 - (iii) Where a Rule in Chapter 20 *et seq.* is “[Reserved],” the correspondingly numbered Rule in Chapters 1 – 8 is made expressly inapplicable to the Market or Contracts that are the subject of such Chapter.
- (b) In these Rules, unless a clear contrary intention appears, (i) the singular number includes the plural number and vice versa, (ii) reference to the masculine, feminine or neuter gender includes each other gender, (iii) any reference to a number of days shall mean calendar days unless ICE Business Days or other business days are specified, (iv) any reference to a time shall mean the time in New York, New York and (v) any reference to “dollars” or “\$” shall mean U.S. dollars. Except as otherwise specifically provided in these Rules, an act that otherwise would be required or permitted by these Rules to be performed on a day that is not an ICE Business Day may be performed on the next day that is an ICE Business Day.

102. Definitions.

Affiliate

With respect to a particular entity, any entity that directly, or indirectly through one or more intermediaries, Controls, is Controlled by, or is under common Control with, that particular entity.

Authorized Trade Execution/Processing Platform

A designated contract market, swap execution facility, national securities exchange, security-based swap execution facility, trade processing facility or other similar service or platform authorized by ICE Clear Credit in accordance with Rule 314 to submit Trades (whether executed on such an execution facility, market or exchange, executed bilaterally or executed in another manner permitted by law) to ICE Clear Credit for clearing.

Backloaded Client Trade

A Trade submitted pursuant to Rule 301(e) and identified as such in a manner to be specified by ICE Clear Credit that is intended to replace and backload an existing agreement on terms equivalent to a Contract to which a Non-Participant Party is party, where the relevant Participant is acting for such Non-Participant Party.

Board

The Board of Managers of ICE Clear Credit.

Broker-Dealer

A broker or dealer registered with the SEC.

Business Conduct Committee

The Business Conduct Committee of ICE Clear Credit whose composition, rights and responsibilities are described in Chapter 7 of these Rules.

Cash Margin

The meaning specified in Rule 402(a)

CEA

The U.S. Commodity Exchange Act, as amended.

CFTC

The U.S. Commodity Futures Trading Commission.

Chief Executive Officer

The Chief Executive Officer of ICE Clear Credit.

Client-Related Initial Margin

Initial Margin (other than Physical Settlement Margin) with respect to Client-Related Positions.

Client-Related Position

An Open Position identified as such at the time the related Trade is submitted by an FCM Participant (in the case of a swap) or a Broker-Dealer Participant (in the case of a security-based swap) to ICE Clear Credit in accordance with Rules 301 and 302, where such related Trade, at the time established, is entered into by the Participant for a Non-Participant Party. ICE Clear Credit will rely on a Participant's designation of an Open Position as a Client-Related Position for purposes of these Rules. To the extent permitted by law, a Client-Related Position will include such an Open Position entered into by an FCM Participant or a Broker-Dealer Participant for another Person (which Person may, but need not, be an Affiliate of that Participant or of another Participant) that is itself acting for one or more Non-Participant Parties with respect to such Open Position (such Person in such case, a "**Client-Carrying Broker**").

Closing-out Process

In connection with the Default of a Participant, the process of termination of Open Positions, determination of amounts owing with respect thereto, netting of such amounts, liquidation and application of any Margin and/or Collateral and application of Default Portability Rules pursuant to Rule 20A-02, if applicable, in each case as contemplated by these Rules.

Collateral

At any time, such funds or other property Transferred by a Participant to ICE Clear Credit for the General Guaranty Fund pursuant to title transfer or pledge (and not released by ICE Clear Credit), in accordance with these Rules and the ICE Clear Credit Procedures.

Conforming Trade

The meaning specified in Rule 309.

Contracts

An agreement, contract, or transaction that is specifically identified in these Rules as a Contract.

Control

With respect to the relationship between or among two or more Persons, the possession, directly or indirectly or as trustee, personal representative or executor, of the power to direct or cause the direction of the affairs or management of a Person, whether through the ownership of voting securities, as trustee, personal representative or executor, by contract, credit arrangement or otherwise.

Custodial Asset Policies

Policies or procedures adopted from time to time by ICE Clear Credit with respect to the investment of assets in the Custodial Client Omnibus Margin Account and the assets permitted to be transferred to the Custodial Client Omnibus Margin Account.

Custodial Client Omnibus Margin Account

Any account or accounts maintained by or on behalf of ICE Clear Credit with respect to a Participant for the purposes of holding on an omnibus basis margin of Non-Participant Parties posted to that Participant in respect of their respective Minimum ICE Clear Credit Required Initial Margin (as defined in Rule 406, as applicable) and Participant Excess Margin requirements, as applicable, or property of a Participant posted in lieu thereof in accordance with these Rules. For the avoidance of doubt, ICE Clear Credit may establish a separate account or subaccount with respect to a portion of the Custodial Client Omnibus Margin Account corresponding to the Net Client Omnibus Margin Amount.

DCO/SCA Conversion Date

July 16, 2011 or such later date as is announced as such by ICE Clear Credit consistent with applicable legal requirements.

Default

Any event that would constitute a Default under Rule 20-605 or the corresponding Rule in any Market or Contract-specific Chapter of these Rules.

Eligible Custodial Assets

Instruments permitted to be transferred to the Custodial Client Omnibus Margin Account under the Custodial Asset Policies from time to time.

Eligible Margin

The meaning specified in Rule 401(c).

Eligible Officer

Any officer of ICE Clear Credit designated by the Board from time to time for purposes of the applicable determination, decision or other action contemplated by these Rules.

Emergency

The meaning specified in Rule 601.

Excess Margin

With respect to a Non-Participant Party of a Participant, (i) the amount of initial margin held in the Custodial Client Omnibus Margin Account in respect of the Minimum ICE Clear Credit Required Initial Margin for Client-Related Positions of that Participant with respect to that Non-Participant Party, as reduced by the applicable Non-Participant Pro Rata Share of the Net Client Omnibus Margin Amount, plus (ii) the amount of any initial margin held in the Custodial Client Omnibus Margin Account in excess of the current Minimum ICE Clear Credit Required Initial Margin for such Non-Participant Party that has not been withdrawn, plus (iii) (without duplication) the amount of such Participant Excess Margin, if any, collected from such Non-Participant Party as the Participant may Transfer from time to time to the Custodial Client Omnibus Margin Account to be held as Excess Margin.

Excess Net Capital

The meaning specified in Rule 201.

FCM

A futures commission merchant registered with the CFTC.

General Guaranty Fund

At any time, funds or other property set aside and recorded on the books of ICE Clear Credit in support of the Obligations of Participants in respect of all Contracts.

House Margin Account

Any account or accounts maintained by or on behalf of ICE Clear Credit with respect to a Participant for the purposes of holding Margin for House Positions of that Participant.

House Position

An Open Position of a Participant that is not a Client-Related Position. For the avoidance of doubt, Open Positions resulting from Trades submitted for the account of an Affiliate of a Participant shall be House Positions.

ICE Business Day

Any day (other than Saturdays, Sundays and holidays observed by ICE Clear Credit) on which ICE Clear Credit is open for business. References in these Rules to a “day” or “ICE Business Day” shall, unless the context otherwise requires, mean the “ICE Business Day” corresponding to the trading day declared by the relevant Market, if applicable.

ICE Clear Credit

ICE Clear Credit LLC, a Delaware limited liability company (formerly ICE Trust U.S. LLC).

ICE Clear Credit Procedures

The policies, procedures and other provisions established by ICE Clear Credit relating to clearing of Contracts, as amended from time to time.

Initial Payment

The meaning specified in Rule 301(b).

Margin

Initial Margin (including Portfolio Risk Margin, Physical Settlement Margin and Super and Special Margin) and Mark-to-Market Margin (each as defined in Rule 403 or 404) Transferred or Transferable by or to a Participant to or by ICE Clear Credit.

Margin Accounts

Each Participant’s House Margin Account and Custodial Client Omnibus Margin Account.

Margin Category

The meaning specified in Rule 401(a).

Margin Requirement

The meaning specified in Rule 401(a).

Net Margin Requirement

The meaning specified in Rule 401(a).

Markets

A market that is party to an agreement with ICE Clear Credit for the provision of clearing services and that is specifically identified in these Rules as a Market.

Net Client Omnibus Margin Amount

As of any relevant time for a Participant, the aggregate amount of Client-Related Initial Margin with respect to the Client-Related Positions of that Participant (determined on a net basis across all such Client-Related Positions).

Net Margin Requirement

The meaning specified in Rule 401(a).

Non-Participant Party

A Person that is not ICE Clear Credit, a Participant or an Affiliate of a Participant (provided that a Client-Carrying Broker (including a Client Carrying Broker that is an Affiliate of a Participant) acting in its capacity as such will be deemed a Non-Participant Party for purposes of the Rules). Non-Participant Parties include, without limitation, a “customer” as defined in CFTC Rule 1.3 (other than a holder of a proprietary account as defined in such rule).

Non-Participant Pro Rata Share

For each Non-Participant Party of a Participant, a percentage equal to (i) the Minimum ICE Clear Credit Required Initial Margin for such Non-Participant Party with respect to Client-Related Positions with that Participant divided by (ii) the aggregate Minimum ICE Clear Credit Required Initial Margin for all Non-Participant Parties with respect to Client-Related Positions with that Participant.

Novation Time

The meaning specified in Rule 309.

Obligations

All obligations of a Participant arising under these Rules or any agreements between such Participant and ICE Clear Credit, in each case however created, arising or evidenced, whether direct or indirect, absolute or contingent, existing, due or to become due.

OFAC

The meaning specified in Rule 208.

Open Positions

A Participant's open positions in Contracts with ICE Clear Credit created pursuant to Rule 301 or as otherwise provided in these Rules and not offset pursuant to Rule 304 or closed pursuant to the Closing-out Process. Both Client-Related Positions and House Positions shall constitute Open Positions for the purposes of these Rules.

Parent

The meaning specified in Rule 205.

Participant

A person that has been approved by ICE Clear Credit for the submission of Contracts and that is party to an agreement with ICE Clear Credit specifically relating to transactions in Contracts (a "**Participant Agreement**").

Participant Excess Margin

Any initial margin required by a Participant from a Non-Participant Party in respect of a Client-Related Position in excess of the Minimum ICE Clear Credit Required Initial Margin.

Participant's Required Segregated Customer Funds

The meaning specified in Rule 201.

Person

An individual, sole proprietorship, partnership, limited liability company, association, firm, trust, corporation or other entity, as the context may require.

President

The President of ICE Clear Credit.

Retiring Participant

A Participant who has notified ICE Clear Credit pursuant to the terms of its Participant Agreement of its intention to terminate its status as a Participant or who has been notified by ICE Clear Credit pursuant to the terms of its Participant Agreement or these Rules of ICE Clear Credit's intention to terminate its status as a Participant.

Risk Committee

The Risk Committee of ICE Clear Credit whose composition, rights and responsibilities are described in Chapter 5 of these Rules.

Risk Management Subcommittee

The Risk Management Subcommittee of the Risk Committee whose composition, rights and responsibilities are described in Chapter 5 of these Rules.

Rule

References to a "Rule" or "Rules" are references to the Rules of ICE Clear Credit.

SDN List

The meaning specified in Rule 208.

SEC

The U.S. Securities and Exchange Commission.

Securities Exchange Act

The U.S. Securities Exchange Act of 1934, as amended.

Termination Event

The meaning specified in Rule 207.

Trades

Transactions in Contracts.

Trading Activity Limitation

The meaning specified in Rule 203.

Transfer

- (a) With respect to any Margin, Collateral or other assets required to be delivered by a Participant to ICE Clear Credit (i) in the case of cash, payment or delivery by wire transfer into one or more bank accounts specified by ICE Clear Credit (which may be a relevant Margin Account), (ii) in the case of securities or other financial assets that can be paid or delivered by book-entry, the crediting of such securities or other financial assets to a securities account specified by ICE Clear Credit (which may be a Margin Account), and (iii) in the case of neither cash nor securities or other financial assets that can be paid or delivered by book-entry, in accordance with the instructions of ICE Clear Credit; and
- (b) With respect to any Margin, Collateral or other assets required to be delivered by ICE Clear Credit to a Participant, in any manner specified herein including, without limitation, (i) in the case of Mark-to-Market Margin, by crediting such Margin to such Participant's House Margin Account or Custodial Client Omnibus Margin Account, as applicable, deeming such Margin as having been Transferred by such Participant to ICE Clear Credit and making such Margin available for withdrawal by the Participant, in accordance with the ICE Clear Credit Procedures, (ii) in the case of Initial Margin, making such Margin in such Participant's House Margin Account or Custodial Client Omnibus Margin Account, as applicable, at ICE Clear Credit available for withdrawal by the Participant, in accordance with the ICE Clear Credit Procedures, and (iii) in the case of other property to be returned to a Participant from a Custodial Client Omnibus Margin Account in accordance with Rule 406, by making such property available for withdrawal in accordance with the ICE Clear Credit Procedures.

Value

The meaning specified in Rule 401(d).

2. MEMBERSHIP

201. Qualifications of Participants.

- (a) ICE Clear Credit shall determine whether any applicant for status as a Participant, or any existing Participant, satisfies the qualifications established by ICE Clear Credit. Only Persons found by ICE Clear Credit to be so qualified shall be permitted to become or remain, as applicable, Participants. For the purpose of determining whether any applicant or Participant is thus qualified, ICE Clear Credit may establish minimum capital and other financial requirements for Participants, examine the books and records of any applicant or Participant (on the site of such applicant or Participant, during normal business hours, with reasonable advance notice, and, in the case of a Participant, not more frequently than annually unless ICE Clear Credit determines that a more frequent examination of the Participant is appropriate for the protection of the clearing system operated by ICE Clear Credit pursuant to these Rules), and take such other steps as it may deem necessary to ascertain the facts bearing upon the question of qualification. The Risk Management Subcommittee will have certain consultation rights over any Modification (as defined in Rule 502) to the qualifications for Participants contemplated by this Rule 201.
- (b) Participants must meet and maintain such standards of business integrity, financial capacity, creditworthiness, operational capability, experience and competence as may be established by ICE Clear Credit from time to time. Without limitation of the foregoing, no applicant shall be admitted or permitted to remain, as applicable, as a Participant unless, in ICE Clear Credit's sole determination:
- (i) [Intentionally omitted.]
- (ii) (1) if it is an FCM or a Broker-Dealer, (A) it has a minimum of \$100 million of Adjusted Net Capital and (B) it has Excess Net Capital that is greater than 5% of the Participant's Required Segregated Customer Funds; or (2) if it is not an FCM or a Broker Dealer, it has a minimum of \$5 billion in Tangible Net Equity (*provided* that in the case of (1) or (2), this requirement may, at the discretion of ICE Clear Credit, be met by a Parent if such Parent provides a guarantee pursuant to Rule 205);

For purposes of this clause (ii):

“Adjusted Net Capital” for a Participant that is an FCM, shall be as defined in CFTC Rule 1.17 and as reported on its Form 1-FR-FCM or FOCUS Report or as otherwise reported to the CFTC under CFTC Rule 1.12, and for a Participant that is not an FCM but is a Broker-Dealer, shall

be its “net capital” as defined in SEC Rule 15c3-1 and as reported on its FOCUS Report;

“Excess Net Capital” for a Participant that is an FCM or a Broker-Dealer shall equal its “excess net capital” as reported on its Form 1-FR-FCM or FOCUS Report or as otherwise reported to the CFTC under CFTC Rule 1.12;

“Participant’s Required Segregated Customer Funds” shall equal (i) the total amount required to be maintained by such Participant on deposit in segregated accounts for the benefit of customers pursuant to Sections 4d(a) and 4d(f) of the CEA and the regulations thereunder and (without duplication) pursuant to the rules of relevant clearing organizations for positions carried on behalf of customers in the cleared OTC derivative account class plus (ii) the total amount required to be set aside for customers trading on non-United States markets pursuant to CFTC Rule 30.7;

“Tangible Net Equity” shall be computed in accordance with the Federal Reserve Board’s definition of “Tier 1 capital” as contained in Federal Reserve Regulation Y Part 225 Appendix A (or any successor regulation thereto), in the case of a bank or other Participant subject to such regulation, or otherwise shall be the Participant’s equity less goodwill and other intangible assets, as computed under generally accepted accounting principles.

- (iii) At the time of admission, it demonstrates to the Board, upon recommendation by ICE Clear Credit senior management after consultation with the Risk Management Subcommittee, that it (or, if a Parent has provided a guarantee of its obligations pursuant to Rule 205, its Parent) satisfies the internal stringent credit criteria established by the Board in its discretion, such satisfaction to be confirmed by an examination of its books and records;
- (iv) At no time after admission does it (or, if applicable, its Parent) cease to satisfy the internal credit criteria established by the Board under clause (iii) above, after consultation with the Risk Management Subcommittee, upon its admission;
- (v) It demonstrates that it has sufficient financial ability to make its anticipated General Guaranty Fund contributions and provide Margin as required by these Rules, and it makes and maintains, so long as it is a Participant, a deposit or deposits of Collateral in the General Guaranty Fund as required by these Rules;

- (vi) It (on its own or through an arrangement acceptable to ICE Clear Credit) demonstrates operational capacity with respect to agreements (whether or not cleared) substantially similar (as determined by ICE Clear Credit) to Contracts, including (A) having the ability to process the expected volumes and values of Contracts within the required time frames (including at peak times and on peak days), (B) having the ability to submit required pricing data within the required time frames and (C) maintaining back-office facilities (or entering into a facilities management agreement in form and substance acceptable to ICE Clear Credit):
- (1) remote from both the exchange floor and/or trading desks;
 - (2) with adequate systems (including but not limited to computer and communication systems) and records;
 - (3) with adequate number of competent personnel with sufficient operational background and experience with procedures for the management and clearance of business transacted in the Markets and Contracts in which the Participant will participate; and
 - (4) with such equipment (including computer software and hardware) as may be required by ICE Clear Credit.
- (vii) It (on its own or through an arrangement acceptable to ICE Clear Credit) demonstrates risk management competence in such agreements and Contracts;
- (viii) [Intentionally omitted.]
- (ix) It has established relationships with, and has designated to ICE Clear Credit, an approved settlement bank for confirmation and payment or delivery, as applicable, of all Margin and any other payments or deliveries required to be made by it to or from ICE Clear Credit, or has made alternate arrangements to facilitate such payments and deliveries in a timely manner and in accordance with these Rules and the ICE Clear Credit Procedures;
- (x) It has established relationships with one or more swap data repositories and/or security-based swap data repositories as necessary for reporting its cleared Contracts in accordance with applicable law;
- (xi) It provides in a timely manner all reports and information relating to the Participant, Persons controlling the Participant, and related or affiliated organizations as required by these Rules or otherwise required by ICE Clear Credit, and upon becoming aware that any such report or information was at the time provided false or misleading in any material

respect, it promptly provides ICE Clear Credit a correcting amendment of or supplement to such report or information; and

- (xii) It is (and, if its Parent provides a guarantee pursuant to Rule 205, its Parent is) organized in a jurisdiction whose insolvency laws are acceptable to ICE Clear Credit.
 - (xiii) It is not subject to statutory disqualification under Section 8a(2) of the CEA or Section 3(a)(39) of the Securities Exchange Act, or otherwise applicable CFTC or SEC regulations.
- (c) For the avoidance of doubt, and without limiting Section 201(b), the following categories of persons may be approved by ICE Clear Credit as Participants; provided that such applicant meets and maintains the ICE Clear Credit participation standards set forth in Rule 201(b) above:
- (i) registered broker-dealer;
 - (ii) registered investment company;
 - (iii) bank;
 - (iv) insurance company;
 - (v) registered futures commission merchant; or
 - (vi) such other person or class of persons that the SEC may designate as appropriate.

202. Application for Participant Status.

- (a) Persons desiring to clear Trades through ICE Clear Credit shall make application in such form as shall be prescribed by ICE Clear Credit. Each applicant must execute the Participant Agreement and agree to abide by the Rules and related interpretations and the ICE Clear Credit Procedures as in effect from time to time. Decisions with respect to an application to be a Participant shall be made by the Board on the advice of ICE Clear Credit management and the Risk Management Subcommittee. An applicant for Participant status shall be conclusively deemed to have agreed to have no recourse against ICE Clear Credit, the Board or any member of the Risk Management Subcommittee in the event that its application to become a Participant is rejected. In the event that an applicant for Participant status is denied participation in or is granted limited access to ICE Clear Credit, ICE Clear Credit shall provide to such applicant and to the CFTC and SEC a statement setting forth the specific grounds on which the applicant was denied or the Participant's access was limited.

- (b) Notwithstanding the termination of Participant status, a Person admitted as a Participant agrees to be responsible for any Violation (as defined in Rule 701) committed by such Person while a Participant and agrees to have any disputes that arise while a Participant and that relate to or arise out of any transaction with ICE Clear Credit or status of a Participant in ICE Clear Credit resolved in accordance with the Rules.

203. Restriction on Activity.

- (a) In the event a Participant fails to comply with these Rules or the ICE Clear Credit Procedures, ICE Clear Credit may, subject to the requirements of Rule 615(b), suspend or revoke such Participant's clearing privileges. In such case, ICE Clear Credit shall provide to the Participant and to the CFTC and SEC a statement setting forth specific grounds on which the Participant's clearing privileges were suspended or revoked.
- (b) In addition to any other rights granted to ICE Clear Credit under these Rules, for the protection of ICE Clear Credit and the Participants, ICE Clear Credit shall be authorized: (i) to impose such additional capital, Margin or other requirements on a Participant; (ii) to allow such Participant to submit Trades for liquidation only; (iii) to limit or restrict the type of Contracts that may be cleared by such Participant in any of its accounts with ICE Clear Credit; or (iv) to limit or restrict the aggregate notional or other reference amount of positions in Contracts that are permitted to be maintained by such Participant in any of its accounts with ICE Clear Credit (any limitation imposed under clauses (ii) through (iv), a "**Trading Activity Limitation**").

204. Financial Statements of Participants.

Each Participant (and, if a Parent has provided a guarantee of its obligations pursuant to Rule 205, its Parent) shall submit statements of its financial condition at such times and in such manner as shall be prescribed by ICE Clear Credit from time to time. Without limiting the foregoing, each Participant that is an FCM shall provide to ICE Clear Credit a copy of its Forms 1-FR-FCM or FOCUS Reports, as applicable, as and when filed with the National Futures Association or Financial Institution Regulatory Authority, as applicable (and any Participant that is not an FCM or a Broker-Dealer shall provide to ICE Clear Credit a copy of such forms as ICE Clear Credit may determine to be necessary on a comparable schedule to that which an FCM would be required to follow in filing such forms with the National Futures Association).

205. Parent Guarantee.

A Participant shall be approved for the clearing of Contracts only if it meets the capital, regulatory and other requirements as specified by ICE Clear Credit from time to time, or, if it fails to meet such requirements itself, it has a direct or indirect parent that is

acceptable to ICE Clear Credit (a “**Parent**”) that meets such requirements (including without limitation under Rules 201(b)(ii)-(iv) and (xi)) as determined by ICE Clear Credit and that unconditionally guarantees the Participant’s obligations relating to Contracts. The form, substance and amount of any such guarantee must be acceptable to ICE Clear Credit and ICE Clear Credit must be satisfied that the guarantee is enforceable against the Parent under applicable law (including relevant insolvency law), and in connection therewith ICE Clear Credit may require Participant or Parent to procure an opinion of counsel in form and substance acceptable to ICE Clear Credit to such effect. ICE Clear Credit will not accept a Parent guarantee pursuant to this Rule 205 unless ICE Clear Credit is satisfied that the Parent will be able to meet its financial obligations under the guarantee, based upon such financial or other information as is reasonably requested by ICE Clear Credit.

206. Notices Required of Participants.

- (a) Each Participant shall immediately notify ICE Clear Credit, orally and in writing, of:
 - (i) Any material adverse change in the Participant’s financial condition including, but not limited to, a decline in Adjusted Net Capital or Tangible Net Equity, as applicable (each as defined in Rule 201(b)(ii)) equal to 20% or more from such amount determined as of the end of the previous calendar month, or if such Participant knows or has reason to believe that its Adjusted Net Capital or Tangible Net Equity has fallen below ICE Clear Credit’s capital requirement in Rule 201(b)(ii);
 - (ii) Any proposed material reduction (and, in all cases, if the reduction is 30% or more from such amount determined as of the end of the previous calendar month) in the Participant’s operating capital or Adjusted Net Capital or Tangible Net Equity, including the incurrence of a contingent liability that would materially affect the Participant’s capital or other representations contained in the latest financial statement submitted to ICE Clear Credit should such liability become fixed;
 - (iii) With respect to the Participant, any refusal of admission to, withdrawal of any application for membership in, any suspension, expulsion, bar, fine, censure, denial of membership, registration or license, withdrawal of any application for registration, cease and desist order, temporary or permanent injunction, denial of trading privileges, or, to the extent detrimental to the ability of the Participant (or of any Parent that has provided a guarantee for such Participant pursuant to Rule 205) to fulfill its duties and obligations hereunder, any other sanction or discipline through an adverse determination, voluntary settlement or otherwise, by the U.S. Commodity Futures Trading Commission, the U.S. Securities and Exchange Commission, the U.K. Financial Services

Authority, any commodity, securities or swap exchange or trading facility, clearing organization, the National Futures Association, the Financial Industry Regulatory Authority, any other regulatory, self-regulatory or other entity or organization with regulatory authority, whether U.S. or non-U.S. and governmental or otherwise, having jurisdiction over the Participant, or other business or professional association;

- (iv) The imposition of any restriction or limitation on the business conducted by the Participant on or with any securities, futures or swap clearing organization or exchange (including, without limitation, any contract market, securities exchange, swap execution facility, security-based swap execution facility or other trading facility), other than restrictions or limitations imposed generally on all Participants of or participants in such clearing organization or exchange;
- (v) Any failure by the Participant to perform any of its material contracts, obligations or agreements, unless such failure is the result of a good faith dispute by such Participant;
- (vi) Any determination that the Participant will be unable to perform any of its material contracts, obligations or agreements;
- (vii) The Participant becomes insolvent or is unable to pay its debts or fails or admits in writing its inability generally to pay its debts as they become due;
- (viii) The institution of any proceeding by or against the Participant or any Affiliate of the Participant, under any provision of the bankruptcy laws of the United States, Title II of the Dodd-Frank Wall Street Reform and Consumer Protection Act, the Securities Investor Protection Act of 1970, the Federal Deposit Insurance Corporation Improvement Act of 1991, the Federal Deposit Insurance Act or any other statute or equitable power of a court of like nature or purpose, whether domestic or foreign, in which such Participant or Person is designated as the bankrupt, debtor or equivalent, or a receiver, conservator, trustee or similar official is appointed for the Participant, such Affiliate, or its or their property;
- (ix) The receipt by the Participant, or the filing by the Participant with a self-regulatory organization, of a notice of material inadequacy; and
- (x) The receipt by the Participant from its independent auditors of an audit opinion that is not unqualified.

(b) Each Participant shall provide prior written notice to ICE Clear Credit of:

- (i) Any changes in the Participant's name, business address, its telephone or facsimile number, electronic mail address, or any number or access code for any electronic communication device used by it to communicate with ICE Clear Credit; and
- (ii) Any proposed material change in the organizational or ownership structure or senior management of the Participant (and the Participant shall promptly furnish to ICE Clear Credit such documents related to such events as ICE Clear Credit may from time to time request), including:
 - (A) the merger, combination or consolidation between the Participant and another Person;
 - (B) the assumption or guarantee by the Participant of all or substantially all of the liabilities of another Person in connection with the direct or indirect acquisition of all or substantially all of the assets of such Person;
 - (C) the sale of a significant part of the Participant's business or assets to another Person; and
 - (D) a change in the direct or indirect beneficial ownership of 10% or more of the equity of the Participant.
- (c) Each Participant that is an FCM shall notify ICE Clear Credit of any matter required to be notified to the CFTC under CFTC Rule 1.12, within the time and in the manner specified in that rule. Each Participant that is a Broker-Dealer shall notify ICE Clear Credit of any matter required to be notified to the SEC under Rule 17a-11 or to FINRA under FINRA Rule 3070, within the time and in the manner specified in those rules. (Any Participant that is not an FCM or a Broker-Dealer shall provide notices to ICE Clear Credit pursuant to the second preceding sentence as though it were an FCM.)
- (d) Each Participant shall promptly notify ICE Clear Credit in writing if it becomes subject to statutory disqualification under Section 8a(2) of the CEA or Section 3(a)(39) of the Securities Exchange Act, or otherwise applicable CFTC or SEC regulations.

... **Interpretations and Policies:**

- .01 As used in this Rule, the term "Participant" shall be deemed to include any Parent of the Participant providing a guarantee pursuant to Rule 205 and the Participant and such Parent shall be jointly obligated to deliver all notices required by this Rule relating to events occurring with respect to the Participant or such Parent.

207. Termination of Participant Status.

- (a) Upon the occurrence of a Termination Event (as defined herein), ICE Clear Credit may, in its sole discretion, impose limitations, conditions and restrictions upon a Participant or, subject to the requirements of Rule 615(b), terminate the status of the Participant. In such circumstances, ICE Clear Credit may, in its sole discretion, (i) decline to accept new Trades in the case of Termination Events described in subparagraphs (b)(i), (b)(ii) (provided such Retiring Participant has no remaining Open Positions) or (b)(v) of this Rule, (ii) cause Open Positions to be transferred to another clearing organization designated by the Market, if applicable, or that provides clearing services for agreements equivalent to Contracts, with such security against claims and liabilities as ICE Clear Credit shall deem necessary for its protection, (iii) impose a Trading Activity Limitation (as defined in Rule 203), (iv) prior to the occurrence of a Default, require the Participant to cause all Open Positions to be closed out (or, in the case of Client-Related Positions, transferred to another Participant in accordance with Chapter 20A-01 of these Rules by a date specified by ICE Clear Credit (which, in the case of a Retiring Participant, shall be no later than such Retiring Participant's Scheduled Return Date (as defined in Rule 803)), with the failure of the Participant to do so constituting a default under the Participant's Contracts with ICE Clear Credit, and (v) otherwise take or omit to take such actions, or any combination thereof, as it deems necessary or appropriate in the circumstances; *provided* that nothing in this paragraph (a) shall limit the rights granted to ICE Clear Credit upon the Default of a Participant.
- (b) As used herein, "**Termination Event**" shall mean the occurrence of any of the following:
- (i) The expiration or termination of the agreement for clearing services between ICE Clear Credit and the relevant Market;
 - (ii) The Participant becomes a Retiring Participant;
 - (iii) (A) A representation or warranty made by the Participant (or any Parent of Participant providing a guarantee pursuant to Rule 205)

to ICE Clear Credit under or in connection with any agreement between ICE Clear Credit and the Participant (or such Parent) shall be false or misleading in any material respect as of the date on which made;

(B) an Eligible Officer determines that the Participant (or, if applicable, such Parent) has failed to satisfy the ongoing requirements to retain its status as a Participant under Rule 201(b)(i), (ii), (iv), (v), (viii), (ix), (x) or (xi); or

(C) the Board determines, by a two-thirds majority of those voting, in a vote excluding members of the Board who are employees of such Participant or any Affiliate and with a quorum of at least fifty percent of the remaining members of the Board, that (1) the Participant (or, if applicable, such Parent) has failed to satisfy any other ongoing requirements to retain its status as a Participant, including under Rule 201(b)(vi) or (vii), or (2) it appears, in the Board's judgment, that the Participant (or, if applicable, such Parent) is likely to fail to satisfy any ongoing requirements to retain its status as a Participant if any proposed material change in the organizational or ownership structure or senior management of the Participant (or, if applicable, such Parent) referred to in Rule 206(b)(ii) were effected;

(iv) The material breach by the Participant of the Rules or any of the terms or provisions of any agreement between ICE Clear Credit and the Participant which is not remedied promptly after notice from ICE Clear Credit; or

(v) The Participant is in Default.

(vi) The Participant becomes subject to statutory disqualification under Section 8a(2) of the CEA or Section 3(a)(39) of the Securities Exchange Act, or otherwise applicable CFTC or SEC regulations.

(c) A Retiring Participant's status as a Participant hereunder shall be terminated no later than the Retiring Participant's Retirement Date determined pursuant to Rule 803.

208. AML Compliance.

(a) **Anti-Money Laundering and Customer Identification Program.** As of each ICE Business Day, regardless of whether Participant submits Contracts to be cleared by ICE Clear Credit, each Participant that is subject to the Bank Secrecy Act (31 U.S.C. 5311, *et seq.*), the USA PATRIOT Act, and the regulations promulgated thereunder hereby represents and warrants that it has developed and implemented a written anti-money laundering program, which has been

approved in writing by senior management of Participant, and is reasonably designed to promote and monitor Participant's compliance with the applicable requirements of the Bank Secrecy Act (31 U.S.C. 5311, *et seq.*), the USA PATRIOT Act, and the regulations promulgated thereunder. Such anti-money laundering program shall, at a minimum:

- (i) establish and implement policies, procedures and internal controls reasonably designed to promote compliance with the applicable provisions of the Bank Secrecy Act and the implementing regulations thereunder;
 - (ii) establish policies, procedures and internal controls reasonably designed to detect and report circumstances where Participant may be used as a vehicle for money laundering, including the monitoring of Participant's customers for suspicious activity;
 - (iii) require Participant to take appropriate action once suspicious activity is detected and make reports to government authorities in accordance with applicable laws;
 - (iv) require the performance of due diligence on Participant's customers and, where appropriate, performance of enhanced due diligence on customers using a risk-based approach;
 - (v) require screening of customers for compliance with U.S. sanctions administered by the U.S. Treasury's Office of Foreign Assets Control ("**OFAC**"), including screening customer names against OFAC's List of Specially Designated Nationals and Blocked Persons ("**SDN List**");
 - (vi) designate an anti-money-laundering compliance officer;
 - (vii) provide for independent testing for compliance to be conducted by the Participant's personnel or by a qualified outside party; and
 - (viii) provide periodic training for appropriate personnel.
- (b) If Participant becomes aware that Participant's customer and/or the beneficial owner of a Trade, is prohibited pursuant to an economic or trade sanctions program administered and enforced by the Office of Foreign Assets Control of the U.S. Department of the Treasury or is listed on the SDN List, Participant will notify the ICE Clear Credit Legal and/or Compliance Department as soon as is reasonably practicable or as may otherwise be required by law.

209. Capital-Based Additional Margin Requirement.

If at any time a Participant that is an FCM or Broker-Dealer has a Required Contribution to the General Guaranty Fund that exceeds 20% of its Excess Net Capital, ICE Clear

Credit may impose additional Initial Margin requirements for such Participant for risk management purposes pursuant to Chapter 4 of the Rules.

3. CLEARING OF CONTRACTS

301. Effect of Clearance.

- (a) Trades submitted for clearance by or for the account of a Participant shall be submitted to ICE Clear Credit as required by these Rules and the ICE Clear Credit Procedures and the rules of any applicable Market.
- (b) **Weekly Cycle Interdealer Trades.** If, prior to the implementation date permitted under applicable law as may be specified by ICE Clear Credit, (i) two Participants (Participant X and Participant Y) enter into an agreement equivalent to a Contract, (ii) each submits the relevant terms to ICE Clear Credit and (iii) ICE Clear Credit accepts the same in accordance with the requirements in Rule 309, the Trade shall be novated and Participant X shall be deemed to have entered into such Trade with ICE Clear Credit (which shall succeed to the position of Participant Y) and Participant Y shall be deemed to have entered into such Trade with ICE Clear Credit (which shall succeed to the position of Participant X) and, with respect to each Participant, its position in such Trade shall become an Open Position. Upon such novation, such Participants shall be released from their obligations to each other, and ICE Clear Credit shall be deemed to have succeeded to all the rights, and to have assumed all the obligations, of the original parties to such agreement to the extent provided in these Rules, except that the terms of the Trades between ICE Clear Credit and each Participant will be amended and restated into the terms of the Contract equivalent to the original agreement between the Participants and as provided in Rule 303. If any agreement submitted for clearance contains an obligation to make an up-front payment (an “**Initial Payment**”), the obligation to make such Initial Payment shall remain the direct obligation of the relevant Participant to the other Participant and ICE Clear Credit shall have no obligation to make or guarantee such Initial Payment.
- (c) [Intentionally Omitted.]
- (d) **Client-Related Positions.** If (i) an Authorized Trade Execution/Processing Platform submits the relevant terms of an agreement (other than a Backloaded Client Trade) equivalent to a Contract on behalf of two Participants (Participant X and Participant Y), (ii) such Participants (and, if applicable, any Non-Participant Party for whom Participant X or Participant Y is acting) have affirmed or are otherwise bound by such terms through such Authorized Trade Execution/Processing Platform, (iii) by its terms such Contract is to become effective or novated upon its submission and acceptance for clearing under the Rules, and (iv) ICE Clear Credit accepts the Contract in accordance with the requirements of Rule 309, then the existing trade, if any, between Participant X and Participant Y in respect thereof will be extinguished and Participant X will be

deemed to have entered into a Trade on the terms of such Contract with ICE Clear Credit and Participant Y will be deemed to have entered into an exactly offsetting Trade with ICE Clear Credit, and with respect to each such Participant, its position in such Trade shall become an Open Position. Upon the establishment thereof, such positions will have the terms of the equivalent Contract. If Participant X and/or Participant Y is acting for a Non-Participant Party, such position of such Participant shall constitute a Client-Related Position. Notwithstanding anything to the contrary herein (including Section 303), any obligation or right of Participant X or Participant Y to make or receive an Initial Payment with respect to positions established pursuant to this subsection (d) shall be in favor of or due from ICE Clear Credit, as the case may be. The provisions of this Rule 301(d) may also apply where Participant X and Participant Y are the same entity, in which case such entity will be deemed to have entered into two separate and distinct Trades with ICE Clear Credit. For the avoidance of doubt, this subsection (d) shall apply where either or both of the resulting Trades will be Client-Related Positions.

- (e) ***Backloaded Client Trades.*** If (i) an Authorized Trade Execution/Processing Platform submits the relevant terms of a Backloaded Client Trade on behalf of either one Participant or two Participants (Participant X and Participant Y), as applicable, (ii) such Participant or Participants, as applicable (and any Non-Participant Party for whom Participant X or Participant Y is acting) have affirmed or are otherwise bound by such terms through such Authorized Trade Execution/Processing Platform, (iii) by its terms such Contract is to become effective upon its submission and acceptance for clearing under the Rules, and (iv) ICE Clear Credit accepts the Contract in accordance with the requirements of Rule 309, then the existing trade, if any, of the relevant Non-Participant Party shall be extinguished and (A) if such Backloaded Client Trade was submitted on behalf of two Participants, Participant X will be deemed to have entered into a Trade on the terms of such Backloaded Client Trade with ICE Clear Credit and Participant Y will be deemed to have entered into an exactly offsetting Trade with ICE Clear Credit, or (B) if such Backloaded Client Trade was submitted on behalf of a single Participant, such Participant will be deemed to have entered into two separate and distinct Trades, one Trade (“**Trade A**”) on the terms of such Backloaded Client Trade and a second trade (“**Trade B**”) whose terms shall exactly offset the terms of Trade A. Upon the establishment thereof, such positions shall become Open Positions and will have the terms of the equivalent Contract and the terms provided in Rule 303. If a Participant is acting for a Non-Participant Party, upon the establishment of such a position with ICE Clear Credit, such position of such Participant shall constitute a Client-Related Position.
- (f) ***House-to-House Positions.*** If (i) an Authorized Trade Execution/Processing Platform submits the relevant terms of an agreement equivalent to a Contract on behalf of two Participants (Participant X and Participant Y) acting for their own accounts, (ii) such Participants have affirmed or are otherwise bound by such

terms through such Authorized Trade Processing Platform, (iii) by its terms such Contract is to become effective or be novated upon its submission and acceptance for clearing under the Rules, and (iv) ICE Clear Credit accepts the Contract in accordance with the requirements of Rule 309, then the existing trade, if any, between Participant X and Participant Y in respect thereof will be extinguished and Participant X will be deemed to have entered into a Trade on the terms of such Contract with ICE Clear Credit and Participant Y will be deemed to have entered into an exactly offsetting Trade with ICE Clear Credit, and with respect to each such Participant, its position in such Trade shall become an Open Position. Upon the establishment thereof, such positions will have the terms of the equivalent Contract. Notwithstanding anything to the contrary herein, any obligation or right of Participant X or Participant Y to make or receive an Initial Payment with respect to positions established pursuant to this subsection (f) shall be in favor of or due from ICE Clear Credit, as the case may be. For the avoidance of doubt, this subsection (f) shall apply where both resulting Trades will be House Positions.

- (g) Each Participant acknowledges and agrees that ICE Clear Credit may rely, without additional investigation, on the terms of trades submitted by an Authorized Trade Execution/Processing Platform that have been designated by such platform as having been affirmed or confirmed by the relevant parties thereto (including as to the identity of the Participants to be party thereto), and that each Participant shall be obligated under any Open Position established pursuant to subsection (d), (e) or (f) as a result of such submission. A Participant may notify ICE Clear Credit, in a manner to be specified in the ICE Clear Credit Procedures, that it will not accept trades submitted by an Authorized Trading Processing Platform on its behalf, and following receipt by ICE Clear Credit of such notice, ICE Clear Credit will not accept for clearing pursuant to subsection (d), (e) or (f) trades submitted by such Authorized Trade Execution/Processing Platform that identify such Participant (but without limiting the provisions of this paragraph with respect to any trades submitted before ICE Clear Credit's receipt of such notice).

302. Tender of Trades; Client-Related Positions.

- (a) The submission of a Trade confirmation, in the manner designated by ICE Clear Credit or its agents, by or on behalf of a Participant, as hereinafter provided, shall be deemed a tender to ICE Clear Credit for clearance of the Trade listed on such confirmation. These Rules shall constitute part of the terms of each Contract tendered to ICE Clear Credit.
- (b) Each Trade confirmation submitted to ICE Clear Credit by or on behalf of a Participant pursuant to Rule 301(b), (d), (e) or (f) will identify, in the manner specified by ICE Clear Credit, whether such Trade, when cleared, is to be a Client-Related Position or a House Position of the relevant Participant (including,

if applicable, for purposes of Rule 304(c)), and failing such designation, such Trade will be presumed to be a House Position of that Participant.

303. Adjustments.

Upon the clearance of a Trade pursuant to Rule 301(b), (c) or (e), regardless of the terms of the bilateral agreement between the submitting Participants the Trade between ICE Clear Credit and each such Participant shall have an Initial Payment of zero.

304. Offsets.

- (a) Subject to subsection (b) below, where, pursuant to Rule 301, or as otherwise provided in these Rules, a Participant has entered into Trades that are House Positions or Client-Related Positions with ICE Clear Credit that constitute opposite positions which are identical in all material respects (other than notional or other reference amount and the application of Rule 613) in a single Contract, then at the applicable time and in the manner to be specified in the ICE Clear Credit Procedures, the second such Trade shall be deemed pro tanto a settlement or adjustment of the prior transaction and, therefore, a reduction in the relevant Open Position. Thereupon, such Participant shall possess no further rights and be under no further liability with respect thereto only to the extent of such settlement or adjustment.
- (b) In no event shall any Client-Related Position be offset against any House Position or any House Position be offset against any Client-Related Position, in either case pursuant to subsection (a) above, except as provided in subsection (c) below. Client-Related Positions identified by a Participant to ICE Clear Credit as relating to the same Non-Participant Party may be offset against each other pursuant to subsection (a) hereof. Client-Related Positions identified by a Participant to ICE Clear Credit as relating to different Non-Participant Parties may not be offset against each other pursuant to subsection (a) hereof; provided that such Client-Related Positions shall be deemed to be offset against each other for purposes of determining the Participant's net Margin requirements with respect thereto (including the Client-Related Initial Margin requirement) and any obligation of either ICE Clear Credit to the Participant or the Participant to ICE Clear Credit with respect thereto at any time, and in addition such positions may be offset against each other by ICE Clear Credit following a Default as set forth in these Rules.

- (c) Where a Participant wishes to terminate a Client-Related Position because of a default or termination event with respect to the Non-Participant Party thereunder and the relevant Participant has so notified ICE Clear Credit in writing, the Participant may elect, in a manner to be specified by ICE Clear Credit, (i) to offset such Client-Related Position against a House Position entered into by such Participant for the specific purpose of liquidating such Client-Related Position or (ii) to convert such Client-Related Position into a House Position, whereupon it shall be treated as such for all purposes under these Rules (including subsection (a) above). For the avoidance of doubt, upon the offset of such Client-Related Position or its conversion into a House Position, ICE Clear Credit shall recalculate the applicable Margin Requirements and, if applicable, make margin in respect of the Client-Related Position available for withdrawal in accordance with Rule 401.

305. Trade Confirmations.

Each ICE Business Day, the exact hours of which shall, from time to time, be fixed by ICE Clear Credit, Participants shall file with ICE Clear Credit or its agent confirmations, in the manner prescribed by ICE Clear Credit (which, in the case of Authorized Trade Execution/Processing Platforms or other electronic systems that submit matched Trades to ICE Clear Credit, shall be satisfied by confirming reports automatically generated by such system that contain the information set forth herein), covering Trades made during the day showing for each Trade (a) the identity of both Participants (or the relevant Participant, if a single Participant), (b) which side of the Trade each Participant has taken, if applicable, (c) the relevant Contract involved, (d) the quantity or notional and other economic terms involved, (d) whether such Trades are House or Client-Related Positions for the relevant Participant and (e) such other information as may be required by ICE Clear Credit to effect the matching of Trades between the parties.

306. Disagreement in Trade Confirmations.

In the case of a Trade between two Participants submitted for clearing, if a Trade confirmation of either Participant shall not correspond in all material respects with the confirmation of the other party to such Trade, ICE Clear Credit may reject such Trade and notify both Participants, setting forth the basis of such objection.

307. Statement of Open Positions.

ICE Clear Credit shall make available to each Participant a statement of Open Positions (separately for House Positions and Client-Related Positions) for each ICE Business Day on which such Participant has Open Positions. Such statement shall show the following with respect to each Mark-to-Market Margin Category, as described in the Chapter 4 Rules (or any corresponding Rules in any product-specific Chapter):

- (a) The Mark-to-Market Price of each Open Position,
- (b) The Margin Requirement,
- (c) The Margin then on deposit with respect to such Margin Category, and
- (d) The Net Margin Requirement.

... **Interpretations and Policies:**

- .01 For the purposes of this Rule, the term “Open Positions” shall also include Trades that have been accepted by ICE Clear Credit pursuant to Rule 309 but not yet novated or established pursuant to Rule 301 because the Novation Time has not yet occurred.

308. Statement of Initial Margin.

At or around the time a Statement of Open Positions is made available pursuant to Rule 307, ICE Clear Credit shall also make available to each Participant a statement (separately for Client-Related Positions and House Positions) showing the following with respect to each Initial Margin Category, as described in the Chapter 4 Rules (or any corresponding Rules in any product-specific Chapter):

- (a) The Margin Requirement,
- (b) The Margin then on deposit with respect to such Margin Category, and
- (c) The Net Margin Requirement.

309. Acceptance of Trades by ICE Clear Credit.

- (a) ICE Clear Credit shall accept the submission of Trades for clearance hereunder only from or on behalf of Participants (who may be acting for themselves or a Non-Participant Party). A Trade is accepted upon ICE Clear Credit’s notice, in accordance with the ICE Clear Credit Procedures, to the relevant Participant(s) that ICE Clear Credit has accepted a Trade submitted for clearance.
- (b) **Weekly Cycle Interdealer Trades.** The acceptance of a Trade between two Participants that is submitted for clearance pursuant to Rule 301(b) shall not result in the occurrence of a novation pursuant to Rule 301(b) until the novation time for the relevant clearing cycle, as it may be established by ICE Clear Credit from time to time and notified to the Participants (in such case, the “**Novation Time**”). Such acceptance may be revoked only by ICE Clear Credit until the Novation Time.
- (c) Intentionally Omitted.

- (d) **Client-Related and House Trades.** The acceptance of a Trade that is submitted for clearance pursuant to Rule 301(d) or (f) shall result in the establishment of positions pursuant to such subsection as of the time of such acceptance and such acceptance may not be revoked. For purposes of such Trades, references herein to the “Novation Time” shall be to such time of acceptance.
- (e) **Backloaded Client Trades.** The acceptance of a Trade that is submitted for clearance pursuant to Rule 301(e) shall not result in the establishment of positions pursuant to Rule 301(e) until the Novation Time. Such acceptance may be revoked by ICE Clear Credit until the Novation Time, and the Participant or either Participant, as the case may be, that is party to such trade may withdraw such trade from clearing prior to the Novation Time in accordance with the ICE Clear Credit Procedures provided that such Participant so withdraws all other Backloaded Client Trades that are part of the same backloading clearing cycle. For the avoidance of doubt, in the case of a Backloaded Client Trade, ICE Clear Credit may require advance funding of applicable margin prior to the Novation Time.
- (f) Following the novation or establishment of positions as described in clauses (b), (c), (d) or (e), as applicable, above, such positions shall be binding as between ICE Clear Credit and the relevant Participants. Following acceptance of a Trade for clearing by ICE Clear Credit, each Participant that is a party to such Trade (or ICE Clear Credit on its behalf) must resubmit or submit, as the case may be, in accordance with the ICE Clear Credit Procedures, the terms of such Trade to Deriv/SERV or another service specified by ICE Clear Credit with identical terms as the original submission for clearance, adjusted to take into account any offsets under Rule 304 and the substitution of ICE Clear Credit, if applicable, for the other party to such Trade. Failure of a Participant to so resubmit (or submit) any Trade to Deriv/SERV or another service specified by ICE Clear Credit (except where ICE Clear Credit submits on its behalf) will be a violation of these Rules and may subject the Participant to disciplinary action, but shall not affect the validity or binding effect of the cleared Trade as between the relevant Participant(s) and ICE Clear Credit. Prior to such resubmission or submission and (if applicable) confirmation thereof, the cleared Trade shall be governed by the terms of the original submission for clearance, as so adjusted and subject to these Rules.
- (g) ICE Clear Credit shall accept for clearance all Trades that are submitted in accordance with, and meet the requirements established by, these Rules and the ICE Clear Credit Procedures (including implementation of and compliance with applicable risk filters required by ICE Clear Credit) (each, a “**Conforming Trade**”) in the timeframes specified in CFTC Rule 39.12(b)(7) or other applicable law; *provided* that ICE Clear Credit may decline to accept a submitted Conforming Trade if an Eligible Officer determines in good faith that, based on

the exercise of prudent risk management standards, ICE Clear Credit should not accept the Conforming Trade.

- (h) ICE Clear Credit may establish, separately with respect to each Participant in accordance with the ICE Clear Credit Procedures based on risk management considerations, a specified notional or other relevant amount of Conforming Trades of a particular type that ICE will agree to accept on any ICE Business Day and which ICE Clear Credit may not decline pursuant to the preceding sentence, subject to the Participant not being in Default and otherwise being in good standing under the Rules and compliance by the Participant with any conditions imposed by ICE Clear Credit (including, if applicable, advance funding of applicable margin).
- (i) Where a Participant clears a Trade for a Non-Participant Party, such Participant becomes liable to ICE Clear Credit and ICE Clear Credit liable to such Participant on such Trade as if the Trade were for the proprietary account of the Participant, subject in all cases to the provisions of these Rules applicable to Client-Related Positions.

... Interpretations and Policies:

- .01 Solely for purposes of Trades subject to Rule 309(b), initially, the Novation Time shall be 12:01 a.m. on the calendar day following the ICE Business Day on which ICE Clear Credit accepts a submitted Trade for clearance. An acceptance which occurs after 4:00 p.m. on an ICE Business Day or which occurs on a day that is not an ICE Business Day shall, unless otherwise provided in the ICE Clear Credit Procedures, be deemed to have occurred on the following ICE Business Day.
- .02 ICE Clear Credit may accept the submission of Trades for clearance for the account of a Participant from an Affiliate of such Participant; *provided* that such Affiliate has been previously designated for this purpose by such Participant in writing to ICE Clear Credit. Such submission by an Affiliate shall be deemed a submission by the relevant Participant for the purposes of these Rules. For the avoidance of doubt, ICE Clear Credit and such Affiliate shall have no rights, obligations or liability with respect to each other pursuant to such submission or the related novation, irrespective of the relationship between such Participant and its Affiliate.

310. Records.

Participants shall keep permanent records showing, with respect to each Trade, the names of both Participants (if applicable) and any related Non-Participant Party, as the

case may be, the Contract, quantity or notional, other economic terms and such other information as may be required by law, regulation, or by ICE Clear Credit. Such permanent records shall be retained for at least five years, either in original form or in such other form as ICE Clear Credit may from time to time authorize, and shall be deemed the joint property of ICE Clear Credit and the Participant keeping such records. ICE Clear Credit shall be entitled to inspect on the Participant's site during normal business hours or take temporary possession of such records at any time, in each case with reasonable advance notice.

311. Reporting.

Participants shall make reports of their positions at the time and in the manner prescribed by ICE Clear Credit. In all instances, such Participant reports shall specify which positions are Client-Related Positions and which positions are House Positions. In identifying any Client-Related Positions, Participants shall also specify such information as to the Non-Participant Parties as ICE Clear Credit may direct. Without limiting the foregoing, Participants shall identify to ICE Clear Credit those Client-Related Positions carried for the same Non-Participant Party and those Client-Related Positions that are Non-Transfer Positions (as defined in Chapter 20A of these Rules). ICE Clear Credit may require Participants to make reports only to the extent such reports have a reasonable nexus to the operations and regulatory requirements of ICE Clear Credit.

312. Limitation of Liability.

- (a) ICE Clear Credit shall have no liability for any obligations of or to any Person who is not a Participant. ICE Clear Credit makes no representation about the adequacy of the General Guaranty Fund, and the Margin and other amounts provided under these Rules, to cover a Default by any Participant, and ICE Clear Credit is not acting as an adviser or fiduciary with respect to the decision whether to enter any particular Trade or to clear Trades in accordance with these Rules. ICE Clear Credit shall not be responsible for any of the actions or inactions of any of its agents, any Participant, a Market, an Authorized Trade Execution/Processing Platform or any other Person, including, without limitation, the failure of a Participant to perform any of its direct obligations to another Participant, the cessation, suspension or other change in the activities of any of ICE Clear Credit's agents, any Authorized Trade Execution/Processing Platform or any Market, or the failure of linkages or communications between ICE Clear Credit and any other party. Absent bad faith or willful misconduct, or a violation of federal securities laws for which there is a private right of action, ICE Clear Credit shall not be liable to any Participant or other Person for any determination ICE Clear Credit is required or authorized to make under these Rules, or any exercise by ICE Clear Credit of its discretion under these Rules or decision not to exercise any such discretion, including, without limitation, determining Margin requirements, determining the Value of deposited Margin, determining the Mark-to-Market Price of any Contract, and any actions or inactions relating to an emergency or force majeure, the decision that a Participant is in Default or the

Closing-out Process. Without limiting the foregoing, ICE Clear Credit shall have no liability or obligation to any Non-Participant Party in respect of a Client-Related Position or otherwise (without prejudice to ICE Clear Credit's obligation under these Rules to return collateral and distributions thereon to a Participant in accordance with these Rules).

- (b) **In no event shall the amount of ICE Clear Credit's liability arising out of or relating to payment or delivery obligations with respect to Contracts or these Rules (whether direct or indirect, in contract, tort or otherwise) exceed the sum of (A) the amount then on deposit in the General Guaranty Fund (including any additional General Guaranty Fund deposits actually collected from Participants (subject to applicable Additional Assessment Limits, as defined in Rule 802(d)), the ICE Clear Credit Priority Contribution and the ICE Clear Credit Pro Rata Contribution (subject to the ICE Clear Credit Default Maximum as defined in Rule 802(b)(v))), (B) any unpaid ICE Clear Credit Priority Contribution or ICE Clear Credit Pro Rata Contribution (subject to the ICE Clear Credit Default Maximum) that is past due, and (C) any amounts actually collected by ICE Clear Credit (reduced by all costs and expenses of collection) from a Participant or its guarantor in respect of Obligations, as described in Rule 802(a) or Rule 802(c), or from other Participants or their guarantors in respect of Wound-up Contracts, as described in Rule 804; provided that amounts received or collected as Margin in respect of Client-Related Positions may only be applied as set forth in these Rules. In no event shall the amount of ICE Clear Credit's liability to a Participant not arising out of or relating to payment or delivery obligations with respect to Contracts or these Rules (whether direct or indirect, in contract, tort or otherwise) exceed the aggregate amount paid to ICE Clear Credit by such Participant for the Services (as defined in the relevant Participant Agreement) within the twelve-month period preceding any claim therefor.**

313. Non-Acceptance of Trades.

In case of the non-acceptance of the Trades of any Participant, ICE Clear Credit shall incur no obligations with respect to the Trades that are not accepted. It shall be the sole responsibility of the Participants who are parties to any such Trades to take such steps as the Participants may deem necessary or proper for such Participants' own protection.

314. Open Access for Execution Venues and Trade Processing Platforms.

ICE Clear Credit shall ensure that, consistent with the requirements of CEA Section 2(h)(1)(B) and Securities Exchange Act Section 3C(a)(2), there shall be open access to the clearing system operated by ICE Clear Credit pursuant to these Rules for all execution venues (including, without limitation, designated contract markets, national securities exchanges, swap execution facilities and security-based swap execution facilities) and trade processing platforms. ICE Clear Credit may impose (a) reasonable

criteria to determine whether an execution venue has the capability to deliver the necessary quality of service to be granted access to ICE Clear Credit, (b) reasonable criteria to determine whether a trade processing platform has the capability to deliver the necessary quality of service to be granted access to ICE Clear Credit and connected through the ICE Clear Credit application programming interface, (c) reasonable requirements as to risk filters and other credit risk management standards with respect to transactions to be submitted to ICE Clear Credit for clearing, and (d) reasonable costs on such execution venues and trade processing platforms and Participants that use such venues and platforms; *provided* that in each case such criteria or costs shall not unreasonably inhibit such open access and shall comply with applicable law.

4. MARGIN

401. Margin Generally.

- (a) ICE Clear Credit shall, following the close of business on each ICE Business Day, and may, at any other time or times selected by ICE Clear Credit, determine the Margin requirement for a Participant with respect to each category of Initial Margin and of Mark-to-Market Margin (each, a “**Margin Category**”, and the related Margin requirement, a “**Margin Requirement**”). For each Margin Category for a Participant and for a given ICE Business Day, ICE Clear Credit shall calculate a net amount (a “**Net Margin Requirement**”) (i) in the case of an Initial Margin Category, equal to the Participant’s Margin Requirement for such Initial Margin Category as of such ICE Business Day minus the Value of the Participant’s Margin held by ICE Clear Credit as Margin for such Initial Margin Category and (ii) in the case of a Mark-to-Market Margin Category, equal to the Participant’s Margin Requirement for such Mark-to-Market Margin Category (expressed as a positive number if owed by the Participant and a negative number if owed by ICE Clear Credit) minus the Value of the Participant’s Margin held by ICE Clear Credit as Margin for such Mark-to-Market Margin Category or plus the Value of ICE Clear Credit’s Margin held or deemed held by the Participant as Margin for such Mark-to-Market Margin Category, as applicable. With respect to each Margin Category for a Participant:
- (i) if the Net Margin Requirement is negative, ICE Clear Credit shall (unless the Participant is, or a determination by ICE Clear Credit is pending as to whether the Participant is, in Default), with respect to Eligible Margin having a Value as close as reasonably practicable to (but not to exceed) the absolute value of the Net Margin Requirement, (A) in the case of Mark-to-Market Margin, Transfer such Eligible Margin to the Participant, which Eligible Margin would, as applicable, either be applied to a Net Margin Requirement for an Initial Margin Category or be available for withdrawal by the Participant, in accordance with the ICE Clear Credit Procedures, to the extent there is any excess after satisfying the Margin Requirement for each Initial Margin Category or (B) in the case of Initial Margin, Transfer such Eligible Margin to the Participant, in accordance with the ICE Clear Credit Procedures, to the extent there is any excess after satisfying the Margin Requirement for each Initial Margin Category.
 - (ii) if the Net Margin Requirement is positive, the Participant shall Transfer to ICE Clear Credit, in accordance with the ICE Clear Credit Procedures, Eligible Margin having a Value at least equal to the Net Margin Requirement, with such Transfer required to be made prior to the time established by ICE Clear Credit in the ICE Clear Credit Procedures for this purpose on the ICE Business Day next following the ICE Business Day to which the close of business Net Margin Requirement relates (or, if ICE

Clear Credit notifies a Participant, in accordance with the ICE Clear Credit Procedures, of a Net Margin Requirement other than in respect of its close of business determinations, within one ICE Clear Credit business hour of such notice); *provided* that (i) to the extent there is cash in a Participant's House Margin Account in the relevant currency, ICE Clear Credit may withdraw from such account such cash to satisfy a Net Margin Requirement for a Mark-to-Market Margin Category for the relevant House Position(s), and (ii) to the extent there is cash in the Custodial Client Omnibus Margin Account in the relevant currency, ICE Clear Credit may withdraw from such account such cash (up to the amount of the outstanding Net Client Omnibus Margin Amount) to satisfy a Net Margin Requirement for a Mark-to-Market Margin Category for the relevant Client-Related Position(s), as applicable, and in either case adjust the Participant's Net Margin Requirements accordingly; or

- (iii) if the Net Margin Requirement is zero, no Margin shall be required to be Transferred.
- (b) Notwithstanding anything to the contrary herein, in determining each Participant's Margin Requirement as described above, ICE Clear Credit shall make separate Margin Requirement calculations for a Participant's Client-Related Positions and for a Participant's House Positions, notwithstanding that such positions would otherwise be in the same Margin Category. In no event shall the Margin Requirements for a Participant's Client-Related Positions and House Positions be netted or offset against each other (except as specifically provided in these Rules), nor shall any Excess Margin held or released in respect of Client-Related Positions be applied at any time to any Margin Requirement in respect of House Positions.

The Margin Requirement for a Participant's Client-Related Positions shall be calculated on the basis that all Client-Related Positions related to different Non-Participant Parties have not been offset pursuant to Rule 304 (*i.e.*, on a "gross" margin basis), regardless of whether ICE Clear Credit or such Participant otherwise records such Client-Related Positions as being so offset for any other purposes. Participant shall Transfer the appropriate Excess Margin in respect of Client-Related Positions to ICE Clear Credit as provided in Rule 406.

- (c) "**Eligible Margin**" means (i) with respect to Initial Margin, (A) in the case of satisfaction of a Net Margin Requirement, dollars or other currencies acceptable to ICE Clear Credit for this purpose and (B) in the case of substitutions of Initial Margin, assets, in the case of each of clauses (A) and (B), as specified in Schedule 401 as in effect from time to time and (ii) with respect to Mark-to-Market Margin, the currency in which the Contracts for the applicable Mark-to-Market Margin Category are denominated. Currencies must be in immediately available funds to qualify as Eligible Margin.

- (d) **“Value”** means, (i) with respect to Eligible Margin consisting of dollars or another currency that qualifies as Eligible Margin for the applicable Margin Category, the amount thereof converted, if applicable, to the currency of the relevant Net Margin Requirement at such exchange rate as ICE Clear Credit in its discretion may determine from time to time pursuant to the ICE Clear Credit Procedures, (ii) with respect to Eligible Margin consisting of assets, other than currencies, that qualify as Eligible Margin for the applicable Margin Category, the value thereof as determined by ICE Clear Credit (or its agent or custodian) pursuant to a methodology established by ICE Clear Credit from time to time in the ICE Clear Credit Procedures, and (iii) with respect to any currency or asset that does not qualify as Eligible Margin for the applicable Margin Category, zero.
- (e) ICE Clear Credit shall establish and maintain a House Margin Account and a Custodial Client Omnibus Margin Account for each Participant. All Client-Related Initial Margin and Excess Margin required with respect to a Participant’s Client-Related Positions shall be Transferred to such Participant’s Custodial Client Omnibus Margin Account. All Initial Margin required with respect to House Positions of such Participant shall be Transferred to such Participant’s House Margin Account.
- (f) ICE Clear Credit shall charge a Participant interest for any net Mark-to-Market Margin Transferred by ICE Clear Credit to the Participant and shall pay a Participant interest for any net Mark-to-Market Margin Transferred by the Participant to ICE Clear Credit and for any cash Margin in such Participant’s Margin Accounts, in each case at an interest rate and on a frequency determined from time to time by ICE Clear Credit in the ICE Clear Credit Procedures.
- (g) A Participant may substitute, in accordance with the ICE Clear Credit Procedures, Eligible Margin for an amount of Margin in such Participant’s House Margin Account or Custodial Client Omnibus Margin Account, as applicable, having a Value not to exceed such substitute Eligible Margin.
- (h) Margin or Excess Margin required to be provided by a Participant hereunder shall be provided at the time and in the manner specified in the ICE Clear Credit Procedures. Where Margin or Excess Margin is available for withdrawal by a Participant in accordance with these Rules, if such Participant requests such withdrawal on an ICE Business Day by the deadline established in the ICE Clear Credit Procedures, ICE Clear Credit will transfer such margin to the relevant account of the Participant on such ICE Business Day.

... **Interpretations and Policies:**

- .01 Margin required to be Transferred by a Participant shall be considered timely Transferred to ICE Clear Credit if (i) such

Participant's settlement bank guarantees, in a form acceptable to ICE Clear Credit, Transfer of such Margin prior to the time such Margin would be due in accordance with these Rules and (ii) such Margin is actually Transferred to ICE Clear Credit within a time period established by ICE Clear Credit.

- .02 For the purposes of Chapter 4, the term "Open Positions" shall also include Trades that have been accepted by ICE Clear Credit pursuant to Rule 309 but not yet novated or established because the Novation Time has not yet occurred.

402. Transfer of Title; Liens.

- (a) Each Participant (other than a Participant that is an FCM or a Broker-Dealer) agrees that all right, title and interest in and to any cash Transferred by such Participant to ICE Clear Credit under the terms of these Rules as Margin, Excess Margin or Collateral consisting of cash and all cash proceeds of any Margin, Excess Margin or Collateral (collectively, "**Cash Margin**") shall vest in ICE Clear Credit free and clear of any liens, claims charges or encumbrances. Upon the occurrence of a Default, ICE Clear Credit shall be entitled to apply such cash Transferred to ICE Clear Credit by such Defaulting Participant and any cash proceeds of the Margin and Collateral of such Defaulting Participant to the Obligations of such Defaulting Participant to ICE Clear Credit in accordance with the provisions herein; provided that cash Transferred in respect of Client-Related Positions and constituting Margin or Excess Margin and cash proceeds of Margin or Excess Margin provided in respect of Client-Related Positions may only be applied to Obligations in respect of Client-Related Positions as set forth herein and only subject to the limitation set forth in subsection (h) below. Prior to the completion of the requirements under these Rules for the occurrence of a Default, ICE Clear Credit shall also be entitled to apply such cash to the Obligations of a Participant (but subject to the proviso to the preceding sentence) if such Participant has defaulted with respect to making a payment or delivery when due under these Rules or a Contract.
- (b) Each Participant hereby grants to ICE Clear Credit a continuing lien and security interest in and to and right of set-off against all of the Participant's right, title and interest, whether now owned or existing or hereafter acquired or arising, in and to (i) all securities, financial assets and other property (other than cash) Transferred by such Participant to ICE Clear Credit under the terms of these Rules as Margin, Excess Margin or Collateral not constituting cash, (ii) all non-cash proceeds of any of the foregoing and (iii) in the case of a Participant that is an FCM or a Broker-Dealer, any cash Transferred by such Participant to ICE Clear Credit under the terms of these Rules as Margin, Excess Margin or Collateral consisting of cash and all cash proceeds of any Margin, Excess Margin or Collateral, in each case as security for the Obligations of such Participant to ICE Clear Credit (jointly, (i), (ii) and (iii), the "**Pledged Items**"); provided that Pledged

Items Transferred in respect of Client-Related Positions and constituting Margin or Excess Margin shall only secure Obligations of such Participant in respect of Client-Related Positions and shall be subject to the limitation set forth in subsection (h) below. Upon the withdrawal of Pledged Items by a Participant from its House Margin Account or Custodial Client Omnibus Margin Account, as applicable, in accordance with these Rules and the ICE Clear Credit Procedures, the security interest and lien granted hereunder on such Pledged Items will be released immediately without any further action by either party. With respect to Pledged Items in the form of cash credited to the House Account of a Participant and constituting Mark-to-Market Margin, ICE Clear Credit will have the right to sell, pledge, rehypothecate, assign, invest, use or otherwise dispose of or use in its business such Pledged Items, free from any claim or right of any nature whatsoever of the Participant, including any equity or right of redemption by the Participant, subject to any requirements of the Rules, and with respect to other Pledged Items credited to the House Account of a Participant constituting Initial Margin, ICE Clear Credit may use, invest or apply such Pledged Items as permitted by the Rules. With respect to Pledged Items credited to the Custodial Client Omnibus Margin Account of a Participant, the Clearing House will only have the right to use, invest or apply such Pledged Items as permitted by the Rules and applicable law.

- (c) Upon the occurrence of a Default, ICE Clear Credit may exercise all rights of a secured party under applicable law and under these Rules. ICE Clear Credit may, without being required to give any notice, except as may be required by law, sell or otherwise apply any Pledged Items Transferred to, or otherwise under the control of, ICE Clear Credit to satisfy the Participant's Obligations. Notwithstanding the foregoing, ICE Clear Credit may only exercise such rights with respect to, or otherwise dispose of or sell, Pledged Items Transferred in respect of Client-Related Positions and constituting Margin or Excess Margin (including Pledged Items Transferred to the Custodial Client Omnibus Margin Account) for the purposes of satisfying any outstanding Obligations of a Defaulting Participant in respect of Client-Related Positions and subject to the limitation set forth in subsection (h) below. Upon any such sale, ICE Clear Credit shall have the right to deliver, assign and transfer to the purchaser thereof the Pledged Items so sold. Each purchaser at any such sale shall hold the Pledged Items so sold to it absolutely and free from any claim or right of whatsoever kind, including any equity or right of redemption of the Participant which may be waived, and the Participant, to the extent permitted by law, hereby specifically waives all rights of redemption, stay or appraisal which it has or may have under any law now existing or hereafter adopted.
- (d) Each Participant represents that it is the sole owner of or otherwise has the right to Transfer to ICE Clear Credit the Pledged Items subject to the foregoing lien and security interest, free and clear of any security interest, lien, encumbrance or other restrictions in favor of any other person, and agrees not to create or permit to exist any such security interest, lien, encumbrance or other restrictions. The

preceding sentence shall not preclude a Participant from Transferring to ICE Clear Credit Pledged Items that were provided to Participant by a Non-Participant Party and in which the Non-Participant Party has granted the Participant a security interest to secure the Non-Participant Party's obligations to the Participant in respect of Client-Related Positions; provided that Participant agrees that any such security interest in favor of Participant is in all respects subject to the rights of ICE Clear Credit in respect of such Pledged Items hereunder and Participant shall not, and shall not attempt to (i) exercise any rights or remedies or bring any proceeding or action with respect to such Pledged Items until such Pledged Items are released from the lien and security interest of ICE Clear Credit hereunder or (ii) otherwise interfere with, delay the exercise of or take any action to affect ICE Clear Credit's rights hereunder with respect to such Pledged Items. Each Participant agrees to take any action reasonably requested by ICE Clear Credit that may be necessary or desirable for ICE Clear Credit to create, preserve, perfect or validate the foregoing lien and security interest or to enable ICE Clear Credit to exercise or enforce its rights with respect thereto. With respect to any Pledged Items consisting of securities and other financial assets Transferred by ICE Clear Credit under the terms of these Rules, each Participant agrees it will accept securities and financial assets of the same issuer, type, nominal value, description and amount as those securities and financial assets initially Transferred by such Participant to ICE Clear Credit.

- (e) Subject to subsection (f) below, ICE Clear Credit agrees that all right, title and interest in and to any cash Transferred by ICE Clear Credit to a Participant under the terms of these Rules and not used by or on behalf of the Participant to satisfy a Margin Requirement shall vest in such Participant free and clear of any liens, claims, charges or encumbrances.
- (f) With respect to Pledged Items Transferred to the Custodial Client Omnibus Margin Account of a Participant under Rule 406, ICE Clear Credit agrees that such Pledged Items, together with any proceeds thereof, shall constitute customer property held for the benefit of the Non-Participant Parties of Participant in accordance with applicable law and Rule 406, subject to the security interest and lien of ICE Clear Credit pursuant to subsection (b). For the avoidance of doubt, each Participant shall be obligated to Transfer Margin and Excess Margin to ICE Clear Credit in respect of Client-Related Positions in accordance with these Rules notwithstanding any failure of a Non-Participant Party to provide such Participant with related margin in respect of such Client-Related Position.
- (g) Where a Participant makes a partial Transfer of the Margin required to be Transferred on any date to ICE Clear Credit in respect of both Client-Related Positions and House Positions, such Margin shall be applied first to the outstanding Margin Requirement in respect of the Client-Related Positions until satisfied and thereafter to the outstanding Margin Requirement in respect of the

House Positions, notwithstanding any designation made by the Participant as to the application of such Margin.

- (h) Notwithstanding anything to the contrary herein, ICE Clear Credit shall only be permitted to use, apply or otherwise exercise rights pursuant to subsections (a), (b) and (c) above with respect to Cash Margin and Pledged Items (or the proceeds thereof) posted in respect of Client-Related Positions and constituting Initial Margin or Excess Margin in an aggregate amount for any Default not to exceed the most recently calculated Net Client Omnibus Margin Amount as of the relevant time; provided that Excess Margin of a Non-Participant Party may also be used solely as provided in these Rules. For the avoidance of doubt, but subject to the foregoing sentence, ICE Clear Credit shall be permitted to select the specific assets so used or applied.

403. Initial Margin.

“Initial Margin” shall consist of the Margin Categories listed in this Rule (collectively, the **“Initial Margin Categories”**). With respect to each Initial Margin Category, ICE Clear Credit shall determine the Margin Requirement pursuant to one or more methodologies established by ICE Clear Credit from time to time in the ICE Clear Credit Procedures. To protect itself and the other Participants, ICE Clear Credit may deviate from applying the methodologies uniformly to each Participant if ICE Clear Credit determines it appropriate to do so for risk management purposes in accordance with the ICE Clear Credit Procedures. Margin Requirements with respect to an Initial Margin Category shall be expressed as a positive number or as zero, as applicable.

- (a) **“Portfolio Risk Margin”** means the Margin ICE Clear Credit requires related to the size and risk of a Participant’s Open Positions.
- (b) **“Physical Settlement Margin”** means the Margin ICE Clear Credit requires to secure a Participant’s obligations to another Participant pursuant to a bilateral agreement relating to a Contract that has been allocated to a pair of Participants for purposes of effecting physical settlement.
- (c) **“Super or Special Margin”** means additional Margin ICE Clear Credit may require for any purpose at any time and from time to time in its sole discretion.

404. Mark-to-Market Margin.

- (a) **“Mark-to-Market Margin”** means the Margin required as a result of the market value of a Participant’s Open Positions. Each currency in which Contracts are denominated shall be treated as a separate Margin Category (each, a **“Mark-to-Market Margin Category”**). With respect to a Participant, the Margin Requirement for a Mark-to-Market Margin Category shall be the sum of the value of each Open Position in such Margin Category, determined by ICE Clear Credit by the application of the Mark-to-Market Price for the relevant Contract (expressed as a positive number if owed by the Participant and a negative

number if owed by ICE Clear Credit). Margin Requirements with respect to a Mark-to-Market Margin Category shall be expressed as a positive or negative number or as zero, as applicable.

- (b) **“Mark-to-Market Price”** means, for each Contract, the price determined in the manner designated by ICE Clear Credit for such Contract from time to time in the ICE Clear Credit Procedures. Notwithstanding the foregoing, when deemed necessary by ICE Clear Credit in order to protect the respective interests of ICE Clear Credit and Participants, ICE Clear Credit may set the Mark-to-Market Price for any Contract at a price deemed appropriate by ICE Clear Credit under the circumstances. When ICE Clear Credit determines that circumstances necessitate the application of the preceding sentence, the reasons for that determination and the basis for the establishment of the Mark-to-Market Price in such circumstances shall be recorded as provided in the ICE Clear Credit Procedures. To aid in the establishment of Mark-to-Market Prices, Participants are required to submit end of day prices in accordance with the ICE Clear Credit Procedures. The submission of those prices may result in a bilateral transaction which will subsequently be cleared in accordance with the ICE Clear Credit Procedures.

405. Transition Rule for Non-Participant Contracts of Non-FCM Participants and Non-Broker-Dealer Participants.

Effective as of the DCO/SCA Conversion Date, each Participant that had outstanding Client-Related Positions (and related Non-Participant Contracts) under Rule 405 of the ICE Trust Rules as in effect prior to such date shall, to the extent possible after making good faith efforts and acting in a commercially reasonable manner, transfer such positions to FCM Participants or to Broker-Dealer Participants, as the case may be, to be maintained in accordance with Rule 406 (in which case such Non-Participant Contracts will terminate upon such transfer). ICE Clear Credit may adopt additional procedures with respect to such transfer.

406. Certain Requirements with Respect to Client-Related Positions of FCM Participants and Broker-Dealer Participants.

The provisions of this Rule 406 shall apply to Participants that are FCMs and/or Broker-Dealers in respect of Client-Related Positions. Without limiting Rule 312, ICE Clear Credit shall have no obligation or liability to any Non-Participant Party in respect of a Client-Related Position or any transaction, agreement or arrangement between a Participant and any Non-Participant Party. For the avoidance of doubt, Participants carrying Client-Related Positions that are swaps must be FCMs, and Participants carrying Client-Related Positions that are security-based swaps must be Broker-Dealers.

- (a) The relationship between a Non-Participant Party and a Participant in respect of Client-Related Positions for that Non-Participant Party shall be documented

pursuant to and governed by a futures account agreement or clearing agreement (or equivalent document) agreed between such parties (“**Customer Account Agreement**”), subject to the applicable provisions of the Rules.

- (b) A Participant shall require each Non-Participant Party to provide margin or collateral (“**Non-Participant Collateral**”) in an amount no less than the amount of Margin of each applicable Margin Category required on a gross basis by ICE Clear Credit with respect to the relevant Client-Related Position(s); provided that ICE Clear Credit may require additional margin with respect to Non-Participant Parties (or certain categories of Non-Participant Parties) as determined by ICE Clear Credit from time to time as required by applicable law. For this purpose, “gross basis” shall mean that the margin requirement will be determined giving effect to any offset of such Client-Related Positions against Client-Related Positions relating to the same Non-Participant Party, but without any offset of such Client-Related Positions against Client-Related Positions relating to a different Non-Participant Party. With respect to Initial Margin, such minimum amount determined on a gross basis for Client-Related Positions (together with any additional amount required by ICE Clear Credit as provided above) related to a particular Non-Participant Party shall be referred to herein as the “**Minimum ICE Clear Credit Required Initial Margin**” for that Non-Participant Party. The Minimum ICE Clear Credit Required Initial Margin for a Non-Participant Party, together with any Participant Excess Margin for such Non-Participant Party, shall be referred to herein as the “**Non-Participant Initial Margin**” for such party.
- (c) (i) A Participant shall receive, hold and use all Non-Participant Collateral only as permitted under CEA Section 4d(f) and the rules thereunder and Securities Exchange Act Section 3E(b) and the rules thereunder, as applicable, and to the extent not inconsistent with the foregoing, as set forth in these Rules and the ICE Clear Credit Procedures (the “**Swap Customer Segregation Requirements**”). All customer property Transferred to ICE Clear Credit by Participant on behalf of Non-Participant Parties shall be held in the Custodial Client Omnibus Margin Account of such Participant as customer property in accordance with the Swap Customer Segregation Requirements. Pursuant to this Rule, Participant shall satisfy the requirement to obtain any segregation acknowledgement letter from ICE Clear Credit under the Swap Customer Segregation Requirements.
- (ii) Without limiting subsection (c)(i) above, the Client-Related Positions (including, solely to the extent permitted by applicable rules, orders or exemptions of the CFTC and SEC, Client-Related Positions that are security-based swaps) and related Non-Participant Collateral shall be held in the cleared swap account class for purposes of Part 190 of the CFTC regulations. All Non-Participant Collateral Transferred to ICE Clear Credit by Participant on behalf of Non-Participant Parties shall be held in the Custodial Client Omnibus Margin Account as customer property separated from the proprietary positions and margin of such Participant. Such customer property shall be treated by ICE Clear Credit as belonging to the applicable Non-Participant Parties of Participant.

- (d) Prior to the effectiveness of the Swap Customer Segregation Requirements, the Client-Related Positions and related Non-Participant Collateral shall be held in the cleared OTC derivative account class for purposes of Part 190 of the CFTC regulations. All Non-Participant Collateral Transferred to ICE Trust by Participant on behalf of Non-Participant Parties shall be held in the Custodial Client Omnibus Margin Account as customer property separated from the proprietary positions and margin of such Participant. Such customer property shall be treated by ICE Trust as belonging to the Non-Participant Parties of Participant. Subject to the foregoing and to any requirements in respect of the cleared OTC derivative account class that may be adopted by the CFTC, the Participant and ICE Clear Credit shall treat such customer property in the manner required for segregated customer property with respect to futures contracts under CFTC Rules 1.20-1.30; provided that such customer property shall be accounted for and held separately from, and not in any event commingled with, any such segregated customer property for futures contracts; provided, further, that such customer property may be commingled by Participant with customer property segregated or sequestered for purposes of the cleared OTC derivatives account class under the rules of other derivatives clearing organizations to the extent such rules are not inconsistent with the requirements hereof.
- (e) Non-Participant Collateral posted in respect of the ICE Clear Credit Minimum Required Initial Margin may only be applied in respect of Client-Related Positions for purposes of these Rules to the extent of the Net Client Omnibus Margin Amount or as otherwise provided herein. Accordingly, Non-Participant Collateral of Non-Participant Parties, whether or not such parties are themselves in default, is at risk as provided in the preceding sentence if there is a Default by a Participant affecting Client-Related Positions. ICE Clear Credit shall not be entitled to use or apply Excess Margin, to satisfy Obligations of a Participant except as expressly set forth herein; provided that ICE Clear Credit shall be entitled to transfer assets in the Custodial Client Omnibus Margin Account (including Excess Margin) as set forth in Chapter 20A of these Rules.
- (f) ICE Clear Credit shall pass through to the relevant Participant the return on any assets in the Custodial Client Omnibus Margin Account (including any return provided by ICE Clear Credit on Cash therein), less administrative costs as determined by ICE Clear Credit.
- (g) Each Participant will be required to identify in its books and records (i) the aggregate amount of the Minimum ICE Clear Credit Required Initial Margin Transferred that constitutes Excess Margin (the “**Aggregate ICE Clear Credit Excess Margin**”), (ii) the aggregate amount of Participant Excess Margin Transferred to the Custodial Client Omnibus Margin Account and (iii) the amount of assets in the Custodial Client Omnibus Margin Account representing Excess Margin of each applicable Non-Participant Party (for such party, its “**Excess Margin Amount**”), including amounts in respect of both the Minimum ICE Clear Credit Required Initial Margin and any Participant Excess Margin.

- (h) In connection with any Client-Related Position and related Non-Participant Collateral, Participant shall keep and maintain written records required by the Swap Customer Segregation Requirements (or, prior to the effectiveness of such requirements, as required under CFTC regulations for positions subject to segregation under CFTC Rule 1.20). Each Participant shall provide such reports to ICE Clear Credit with respect to Non-Participant Parties and their related Client-Related Positions and Non-Participant Collateral as and when required under the Swap Customer Segregation Requirements and otherwise upon request of ICE Clear Credit and upon such other basis, if any, as is provided in the ICE Clear Credit Procedures.
- (i) Without limiting Rule 312, but subject to any contrary requirements of law: ICE Clear Credit shall not be liable to any Participant, Non-Participant Party or other Person for any losses, claims, liabilities, damages or expenses arising out of or relating to the holding, investment or use of the Custodial Client Omnibus Margin Account or assets credited thereto from time to time (“**Custodial Losses**”), except to the extent such Custodial Losses result from the gross negligence or willful misconduct of ICE Clear Credit. No Participant shall be liable to any Non-Participant Party for any Custodial Losses, except to the extent such Custodial Losses result from the gross negligence or willful misconduct of the Participant. ICE Clear Credit shall have no duties or responsibilities with respect to the Custodial Client Omnibus Margin Accounts except as expressly set forth in these Rules and applicable law. ICE Clear Credit shall have no responsibility for any investment decisions by a Participant (or any other Person) with respect to assets in the Custodial Client Omnibus Margin Account or for the results of any such investments and shall have no obligation to monitor the value of the assets in the Custodial Client Omnibus Margin Account or any requirements set forth in any applicable agreement between Participant and a Non-Participant Party. ICE Clear Credit shall have no responsibility for the compliance by any Participant or Non-Participant Party with its obligations under any such agreement. ICE Clear Credit shall be under no obligation to inquire into, and shall be fully protected in relying on, any instructions or directions with respect to the Custodial Client Omnibus Margin Account or the assets therein or transferred thereto or therefrom under these Rules received from a Person ICE Clear Credit believes to be authorized to act on behalf of the appropriate Participant. In no event shall a Non-Participant Party attempt to interfere with the ability of ICE Clear Credit to exercise its rights as set forth in the Rules.
- (j) Except with respect to Client-Related Positions resulting from transactions entered into on a designated contract market or national securities exchange, each Non-Participant Party for which a Participant clears a Client-Related Position must be an “eligible contract participant” as defined in the CEA.
- (k) Each Non-Participant Party consents to the disclosure by its Participant to ICE Clear Credit of such Non-Participant Party’s identity and information concerning the Client-Related Positions held by such Participant for such Non-Participant Party and related margin as set forth in the Rules.

- (l) Each Non-Participant Party consents and agrees that in the event a Default has occurred with respect to its Participant or in the event of the insolvency of the Participant, (i) the Participant (or its receiver, insolvency trustee or similar official) and/or ICE Clear Credit shall be entitled to attempt to transfer its Client-Related Positions in accordance with Part 190 of the CFTC regulations, other applicable law and the Default Portability Rules, (ii) such Non-Participant Party appoints ICE Clear Credit as its lawful agent and attorney-in-fact to take such actions on behalf of the Non-Participant Party as ICE Clear Credit determines necessary or appropriate in order to effectuate the Default Portability Rules with respect to the Client-Related Positions carried by the Participant for such Non-Participant Party, including executing any document or instrument with respect to the transfer of the Client-Related Positions and/or exercising rights and remedies to transfer such positions; (iii) the Non-Participant Party shall take no action, including but not limited to attempting to obtain a court order, that could interfere with the ability of the Participant, any receiver, insolvency trustee or similar official, or ICE Clear Credit to take action contemplated by its Rules, including, without limitation, the transfer of positions and the transfer of related margin or collateral; (iv) any determination made by ICE Clear Credit with respect to the termination value of a Client-Related Position under the Rules shall be conclusive and binding absent manifest error and (v) any amount payable by such Non-Participant Party in respect of the termination of a Client-Related Position held by the Defaulting Participant for such Non-Participant Party shall not be netted or offset against any amount owed by such Participant to such Non-Participant Party under any other agreement or instrument and shall be paid directly to or as directed by ICE Clear Credit.
- (m) Each Participant shall be required to obtain the agreement of each Non-Participant Party to the provisions of the Rules applicable to or otherwise referring to Non-Participant Parties (including Rule 312 and this Rule 406) and hereby represents and warrants to ICE Clear Credit that it has obtained such agreement.

407. UK and European Issues

- (a) For the purposes of this Rule 407 only:
 - (i) **“Offer to the Public”** in relation to any Securities in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and any Securities to be offered so as to enable an investor to decide to purchase or subscribe for those Securities, as the same may be varied in that Relevant Member State by any measure implementing the Prospectus Directive in that Relevant Member State;
 - (ii) **“PD Contract”** means any contract that is a Security and which is (A) a contract cleared or proposed to be cleared by ICE Clear Credit; or (B) a contract in relation to which ICE Clear Credit provides or proposes to

provide services as collateral agent; or (C) a contract on terms identical or similar to a contract falling under (A) or (B);

- (iii) **“Prospectus Directive”** means Directive 2003/71/EC and includes any relevant implementing measure in each Relevant Member State and any reference to a particular article of the Prospectus Directive shall be deemed to also be a reference to the relevant provision of the relevant implementing measure in each Relevant Member State;
 - (iv) **“Relevant Member State”** means, in relation to paragraph (b) of this Rule or any of the other definitions in this paragraph (a), any member state of the European Economic Area which has implemented the Prospectus Directive or, in relation to paragraphs (i), (j), (k), (l) and (m) of this Rule, means any member state of the European Economic Area which has implemented the Data Protection Directive; and
 - (v) **“Securities”** means ‘securities’ within the meaning of article 2(1)(a) of the Prospectus Directive as the same may be varied in any Relevant Member State by any measure implementing the Prospectus Directive in that Relevant Member State.
- (b) ICE Clear Credit has not authorized, nor does it authorize, the making of any Offer to the Public of any PD Contract in circumstances in which an obligation arises for ICE Clear Credit, a Participant or any other person to publish or supplement a prospectus for any such offer. Accordingly, Participants shall not make any such Offer to the Public in relation to PD Contracts. Without prejudice to the generality of the foregoing, no Participant shall enter into a PD Contract: (i) with ICE Clear Credit; or (ii) with another Participant pursuant to these Rules; or (iii) with any of its customers on a back-to-back basis with a contract falling under (i) or (ii), unless one or more of the following conditions is satisfied:
- (A) in the case of any PD Contract to which ICE Clear Credit is a party, the Participant is a “qualified investor” (as defined article 2(1)(e) of the Prospectus Directive);
 - (B) in the case of any PD Contract to which ICE Clear Credit is not a party, the Participant and its counterparty are both “qualified investors” (as defined in article 2(1)(e) of the Prospectus Directive);
 - (C) the minimum total consideration is at least €50,000; or
 - (D) the requirement to publish or supplement a prospectus under the Prospectus Directive otherwise does not apply.
- (c) Each Participant shall be deemed to represent and warrant to ICE Clear Credit that it has complied and will comply with all applicable provisions of the Financial Services and Markets Act 2000 (as amended, **“FSMA”**) with respect to anything

done by it in connection with the clearing services provided, and contracts offered, by ICE Clear Credit in, from or otherwise involving the United Kingdom.

- (d) Paragraphs (e), (f), (g) and (h) of this Rule shall cease to apply on such date that ICE Clear Credit becomes a recognized overseas clearing house in the United Kingdom.
- (e) Participants and other persons are hereby given notice that ICE Clear Credit is not a recognized clearing house or recognized overseas clearing house (“**ROCH**”) in the United Kingdom.
- (f) These Rules and any other document or material produced by ICE Clear Credit may be distributed only to persons who: (i) are “investment professionals” as defined in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended, the “**Financial Promotion Order**”); (ii) are persons falling within Article 49(2)(a) to (d) (“high net worth companies, unincorporated associations etc”) of the Financial Promotion Order; (iii) are outside the United Kingdom in circumstances in which Article 12 of the Financial Promotion Order (“communications to overseas recipients”) applies; or (iv) are persons to whom an invitation or inducement to engage in investment activity (within the meaning of the FSMA) in connection with the clearing services provided, and contracts offered, by ICE Clear Credit may otherwise lawfully be communicated or caused to be communicated (all such persons together being referred to as “**Relevant Persons**”). These Rules and such other documents and materials are directed only at Relevant Persons and must not be acted on or relied on by persons who are not Relevant Persons. Any investment or investment activity to which these Rules or such other documents or materials relate is available only to Relevant Persons and will be engaged in only with Relevant Persons.
- (g) Each Participant shall be deemed to represent and warrant to ICE Clear Credit that it has only communicated or caused to be communicated, and will only communicate or cause to be communicated, any invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA), received by it in connection with the clearing services provided, or contracts offered, by ICE Clear Credit, in circumstances in which Section 21(1) of the FSMA would not be breached by ICE Clear Credit.
- (h) Without prejudice to the generality of paragraphs (f) and (g) of this Rule, Participants shall not enter into any contract with any person that is not a Relevant Person on a back-to-back basis either: (i) with a contract to which ICE Clear Credit is counterparty; or (ii) with a contract to which another Participant is counterparty in circumstances in which ICE Clear Credit provides services as collateral agent.

- (i) ICE Clear Credit shall be entitled to Process any Personal Data provided to it by Participants for the purpose of exercising any rights ICE Clear Credit has under these Rules or the Participant Agreement, including Processing required to comply with ICE Clear Credit's legal and regulatory obligations as a clearing house or bank.
- (j) ICE Clear Credit agrees that it will:
 - (i) keep all Personal Data confidential only insofar as this is required under the Participant Agreement;
 - (ii) ensure that access to Personal Data shall only be provided to those of its employees or service providers who need access to such data for the performance of their duties for the purposes set out in Rule 407(i). ICE Clear Credit will ensure that any such transfers of Personal Data to third party service providers will be subject to contractual requirements to safeguard Personal Data equivalent to those set out in this Rule 407(j);
 - (iii) take adequate technical and organizational security measures to safeguard Personal Data against unauthorized access, destruction, disclosure, transfer, or other improper use;
 - (iv) provide access to any Participant to the Personal Data which have been provided by that Participant, to enable that Participant to provide relevant Data Subjects with access to such Personal Data. ICE Clear Credit shall refer Data Subjects requesting access to their Personal Data to the relevant Participant and shall also, at the request of any Participant, amend, correct, delete or add to Personal Data that have been supplied by that Participant to ensure that such Personal Data are accurate and complete;
 - (v) as soon as reasonably practical cease processing any Personal Data where it receives notice from any Participant that consent to Processing has been revoked by a Data Subject;
 - (vi) promptly notify any Participant of any accidental or unauthorized access, destruction, disclosure, transfer or other improper use of Personal Data that have been supplied by such Participant, after ICE Clear Credit becomes aware of any such access, destruction, disclosure, transfer or other improper use, or of any complaints by individuals or third parties that involve or pertain to such Personal Data;
 - (vii) co-operate with any Participant in responding to any inquiry, complaint, or claim from a Supervisory Authority or any Data Subject relating to the Processing of Personal Data provided by that Participant;

- (viii) comply with all reasonable instructions of Participants to ensure ICE Clear Credit's compliance with its obligations under this Rule 407(j); and
 - (ix) make reasonable periodic inquiries into its compliance with its obligations under this Rule 407(j).
- (k) To the extent that ICE Clear Credit is a Processor in respect of such Personal Data, ICE Clear Credit shall Process such Personal Data provided to it by any Participant in accordance with any reasonable instructions of the relevant Participant, which instructions shall permit the Processing of such Personal Data for the purposes set out in Rule 407(i).
- (l) Each Participant, in relation to all Personal Data provided by it to ICE Clear Credit, shall ensure that:
- (i) where consent is required, all relevant Data Subjects have consented to their Personal Data being disclosed to ICE Clear Credit for Processing in accordance with these Rules, including any onward transfer to a jurisdiction outside the European Economic Area by either ICE Clear Credit or any relevant third party;
 - (ii) the disclosure of Personal Data by the Participant to ICE Clear Credit will be in each case and in all respects lawful; and
 - (iii) notice of the disclosure of their Personal Data to ICE Clear Credit for Processing in accordance with these Rules will be provided to all relevant Data Subjects prior to any such disclosure.
- (m) For the purposes of Rules 407(i), (j), (k), (l) and (m) only:
- (i) the terms "**Processor**," "**Process(ing)**" and "**Personal Data**" each have the meaning given to such terms in the Data Protection Directive;
 - (ii) the term "**Data Subject(s)**" shall mean an individual who is the subject of Personal Data;
 - (iii) the term "**Supervisory Authority**" shall mean the data protection authority in the applicable European state; and
 - (iv) the term "**Data Protection Directive**" shall mean Directive 95/46 EC and includes any relevant implementing measure in each Relevant Member State.

5. RISK COMMITTEE

501. The Risk Committee.

ICE Clear Credit shall establish a committee that includes representatives of Participants (the “**Risk Committee**”) as provided in Rule 503. Notwithstanding anything to the contrary in these Rules, the Board shall not have any obligation to accept any proposal made by, or take any action proposed by, the Risk Committee, and any deliberation and/or decision by the Board with respect to any such proposal shall be made at the sole discretion of the Board, with no obligation whatsoever to the Risk Committee in respect of such deliberation or decision.

502. Specified Actions.

ICE Clear Credit shall not take nor permit to be taken any of the following actions without prior consultation with the Risk Committee (“**Specified Actions**”):

- (a) accept for clearing any types of transactions other than the credit default swaps specified as Schedule 502 to these Rules (“**Pre-Approved Products**”) and, with respect to new Contracts (including for Pre-Approved Products) or the then-existing Contracts, establish, impose, make any change or addition to or deletion from or otherwise modify, directly or indirectly, (collectively, “**Modify**” and any such action, a “**Modification**”) the Rules, or, to the extent directly and materially relating thereto, the ICE Clear Credit Procedures or any other governing provisions, (the Rules, such ICE Clear Credit Procedures and such other governing provisions, collectively, the “**ICE Provisions**”) relating to the specific characteristics of a Contract or make the determination that a proposed Modification to the ICE Provisions relating to the specific characteristics of a Contract is not a Contract Modification (as defined in Rule 616), it being understood that adding new series or versions of an index to an existing Contract or a new coupon or tenor for an existing Contract as contemplated by the Rules governing such Contract shall not be considered a Modification;
- (b) (i) Modify the ICE Provisions that relate to Margin, including, without limitation, (A) the methodology for calculating any Margin Requirement or the components thereof, (B) the types of currency or assets that qualify as Eligible Margin or the methodology and discounts for calculating the Value thereof, (C) the methodology for determining the interest rate charged or credited for cash Margin, (D) provisions relating to the application, or the use, rehypothecation or investment, of Margin and (E) provisions relating to Buyer Allocated Collateral (as defined in Rule 2204(b)) or (ii) Modify the ICE Provisions to include material obligations relating to, or otherwise materially affecting, the manner in which Participants or their Affiliates interact with their customers and/or conduct their business outside of the Participant’s direct dealings with ICE Clear Credit,

including, without limitation, with respect to margin, collateral or other credit support provided by customers;

- (c) Modify the ICE Provisions that relate to (i) the structure, size or application of the General Guaranty Fund, (ii) the methodology for calculating a Participant's Required Contribution or the components thereof, (iii) the types of currency or assets eligible for, or valuation methodology or discounts applied to, a Participant's Guaranty Fund contribution, (iv) the Additional Assessment Limit, (v) the time period for, or means by which, Collateral is returned to a Participant, (vi) the methodology for determining the interest rate credited for Collateral on deposit in the General Guaranty Fund, (vii) the methodology and procedures for applying amounts on deposit in General Guaranty Fund and recoveries related thereto, (viii) provisions relating to the use, rehypothecation or investment of Collateral on deposit in the General Guaranty Fund or (ix) the size, form, timing, investment guidelines, valuation or priority scheme with respect to the ICE Clear Credit Priority Contribution or the ICE Clear Credit Pro Rata Contribution;
- (d) Modify the ICE Provisions that relate to (i) the Closing-out Process, the CDS Default Committee or the other rights and obligations of ICE Clear Credit upon the Default of a Participant or the occurrence of an ICE Clear Credit Default, (ii) the definition of ICE Clear Credit Default or Default or the process required to determine that a Default has occurred, (iii) the definition of Termination Event, the process required to determine that a Termination Event has occurred, or the rights and obligations of ICE Clear Credit upon the occurrence of a Termination Event with respect to a Participant, (iv) the process for dispute resolution or (v) the process for effecting physical settlement of Contracts or the allocation methodology relating thereto; and
- (e) Modify the ICE Provisions that relate to (i) ICE Clear Credit or any other Person seeking the consent of, or engaging in consultation with, the Risk Committee or any other specified body or other Person, (ii) the delegation of responsibility for an action or determination to a Person other than ICE Clear Credit, (iii) ICE Clear Credit or any other Person applying a particular standard for an action or determination, including, without limitation, Rule 615 (or any successor Rule thereto) or (iv) Chapter 7 of these Rules (or any successor Chapter thereto); and
- (f) Modify the ICE Provisions that relate to open access to the clearing system operated by ICE Trust in accordance with these Rules for all execution venues and all Trade processing platforms, as contemplated by Rule 314 (or any successor Rule thereto); and
- (g) Modify this Chapter of the Rules or Modify any other Risk Committee Provisions (as defined in Rule 504).
- (h) Any action that must be submitted to the Risk Management Subcommittee under Rule 510.

503. Composition of the Risk Committee; Confidentiality.

- (a) The composition of the Risk Committee shall be as follows:
- (i) The Risk Committee shall consist of twelve members.
 - (ii) Each member of the Risk Committee shall have risk management experience and expertise and shall be subject to the approval of the Board, such approval not to be unreasonably withheld, conditioned or delayed.
 - (iii) Three of the members of the Risk Committee shall be comprised of (A) a member of the Board who is independent in accordance with the requirements of each of the New York Stock Exchange listing standards, the U.S. Securities Exchange Act of 1934, as amended, and IntercontinentalExchange, Inc.'s Board of Director Governance Principles (such requirements, the "**Independence Requirements**" and such member, the "**Independent ICE Manager**") and (B) two officers of ICE Clear Credit from among the Chief Executive Officer, President, Chief Financial Officer and Chief Risk Officer, each appointed by ICE US Holding Company L.P. (including any successor, the "**ICE Parent**"), a Cayman Islands exempted limited partnership, by written notice to the Board;
 - (iv) The other nine members of the Risk Committee will be appointed as specified below (the "**Participant Appointees**");
 - (v) The nine Participant Appointees will include one member appointed by each Participant Group that includes or is Affiliated with one of the following: Bank of America, N.A.; Barclays Bank PLC; Citibank, N.A.; Credit Suisse Securities (USA) LLC; Deutsche Bank AG; Goldman Sachs International; JPMorgan Chase Bank, N.A.; Morgan Stanley Capital Services, Inc. and UBS AG. "**Participant Group**" means a Participant and its Affiliates, if any, such that, if two or more Participants are Affiliates, collectively they shall constitute a Participant Group.
 - (vi) The composition of the Participant Appointees shall be reconstituted on March 14, 2012 and each one year anniversary thereafter (or if any such day is not an ICE Business Day, the next ICE Business Day) as follows (each such anniversary, a "**Risk Committee Reconstitution Date**," and the twelve full consecutive calendar months (including March through February) ending at the calendar month-end prior to a Risk Committee Reconstitution Date, an "**Eligibility Determination Period**") (subject to paragraph (ii) above):
 - (A) among those Participant Groups that have an incumbent member on the Risk Committee, those Participant Groups that have the six

highest Participant Activities for the immediately preceding Eligibility Determination Period (each, a “**Top Six Incumbent Participant Group**”) shall have the right to retain such member on the Risk Committee until the next Risk Committee Reconstitution Date;

- (B) among the Participant Groups that are not Top Six Incumbent Participant Groups, the Participant Groups that have the three highest Participant Activities for the immediately preceding Eligibility Determination Period (each, an “**Eligible Participant Group**”) shall have the right to appoint or retain, as applicable, a member on the Risk Committee until the next Risk Committee Reconstitution Date;
- (C) each Participant Group that has an incumbent member on the Risk Committee but is not entitled to retain such member as provided above shall cause its Risk Committee member to resign or otherwise remove such member from the Risk Committee effective as of the applicable Risk Committee Reconstitution Date; and
- (D) each Participant Group that has the right to appoint a member to the Risk Committee as provided above and that does not have an incumbent member on the Risk Committee shall notify the Board in writing on or prior to the applicable Risk Committee Reconstitution Date of the individual appointed by such Participant Group to the Risk Committee; *provided, however*, that the failure to provide such notice shall not result in the loss of the right of such Participant Group to appoint a member to the Risk Committee.
- (E) “**Participant Activity**” means, for a specified Eligibility Determination Period and with respect to a particular Participant Group, the aggregate volume of Trades during such time submitted to, and accepted for clearing by, ICE Clear Credit by members of such Participant Group, which such volume shall be measured in terms of aggregate notional amount of Trades so submitted and accepted. In the event that a Combination of Participants occurs prior to the applicable Risk Committee Reconstitution Date, all Participant Activity of such Participants (and their Affiliates) shall be aggregated together for purposes of determining the Participant Activity of the resulting Participant Group for the corresponding Eligibility Determination Period.
- (F) “**Combination**” means any event in which a Participant (or its Affiliate) obtains Control of another Participant that was previously not an Affiliate of such Participant (or any Person that Controls such other Participant) or a Participant (or any Person that Controls

such Participant) is merged with another Participant that was previously not an Affiliate of such Participant (or any Person that Controls such other Participant).

- (vii) Intentionally omitted.
- (viii) Notwithstanding anything to the contrary herein, if at any time on or after the DCO/SCA Conversion Date but prior to the first Risk Committee Reconstitution Date, there is a Combination involving Participants where more than one of the relevant Participant Groups had the right to appoint a member of the Risk Committee, then, as of the date of consummation of such Combination, (A) such Participant Groups shall, collectively, have the right to appoint only one member of the Risk Committee and the Participant Group resulting from such Combination shall take all actions necessary to remove all but one of their previously appointed members effective as of the date of consummation of the Combination and (B) the vacanc(ies) of the Risk Committee will be filled by the Participant Group(s) that had the highest Participant Activit(ies) (over the 12-month period from and including March 2010 to and including February 2011) among those Participants that, as of the date of consummation of such Combination, did not have the right to appoint a member to the Risk Committee (in order of the level of such Participant Activity, from highest to lowest) effective as of the date of consummation of such Combination.
- (ix) Notwithstanding anything to the contrary herein, if at any time on or after the first Risk Committee Reconstitution Date, there is a Combination involving Participants where more than one of the relevant Participant Groups had the right to appoint a member of the Risk Committee, then, as of the date of consummation of such Combination, (A) such Participant Groups shall, collectively, have the right to appoint only one member of the Risk Committee and the Participant Group resulting from such Combination shall take all actions necessary to remove all but one of their previously appointed members effective as of the date of consummation of the Combination and (B) the vacanc(ies) of the Risk Committee will be filled by Participant Group(s) that had the highest Participant Activit(ies) (over the immediately preceding Eligibility Determination Period) among those Participants that, as of the date of consummation of such Combination, did not have the right to appoint a member to the Risk Committee (in order of the level of such Participant Activity, from highest to lowest) effective as of the date of consummation of such Combination.
- (x) Notwithstanding anything to the contrary herein, if at any time all Participants in a Participant Group with the right to appoint a member of the Risk Committee are in Default or have had their status as Participant terminated as a result of being a Retiring Participant, (A) such Participant Group shall immediately lose the right to appoint a member to the Risk

Committee and (B) at the date of such Default or termination, the Participant Group that had the highest Participant Activity (over the period from and including March 2010 to and including February 2011 or, if on or after the first Risk Committee Reconstitution Date, over the immediately preceding Eligibility Determination Period) among those Participants that, as of the date of such Default or termination, did not have the right to appoint a member to the Risk Committee, shall have the right to appoint a member to the Risk Committee effective as of the date of such Default or termination.

- (xi) A Participant Group may appoint an individual to be a member of the Risk Committee only if such individual is an employee of one of the Participants in such Participant Group or an Affiliate thereof. Any member of the Risk Committee may be removed at any time, with or without cause, by the Participant Group that appointed such member pursuant to this Rule 503. In the event a vacancy occurs on the Risk Committee as a result of the retirement, removal, resignation or death of a member thereof, such vacancy shall be filled by an individual designated by the relevant Participant Group.
- (xii) Within five ICE Business Days of the end of each Eligibility Determination Period, ICE Clear Credit shall, based on its books and records, deliver to each Participant Group a good faith determination of the identity of (A) the Top Six Incumbent Participant Groups and (B) the Eligible Participant Groups, and shall inform each of the Top Six Incumbent Participant Groups and the Eligible Participant Groups of its right to appoint a member to the Risk Committee as of the next Risk Committee Reconstitution Date pursuant to this Rule; *provided, however*, that ICE Clear Credit and its Affiliates, Board and officers shall have no liability with respect to the delivery of such good faith determination. For the sake of clarity, such good faith determination shall identify only the Participant Groups mentioned above, and shall not set forth the Participant Activity levels of such Participant Groups. In the event any Participant Group disputes in good faith ICE Clear Credit's good faith determination of the Top Six Incumbent Participant Groups or the Eligible Participant Groups, the disputing Participant Group and the Risk Committee shall submit such dispute for resolution to PricewaterhouseCoopers LLP (or, if such firm shall decline or is unable to act or is not, at the time of such submission, independent of ICE Clear Credit, the disputing Participant Group or any member of the Risk Committee, to another independent accounting firm of international reputation mutually acceptable to the disputing Participant Group and the Risk Committee) (such firm, the "**Independent Accounting Firm**"), which shall, within 30 ICE Business Days after such submission, determine and report to ICE Clear Credit, the disputing Participant Group and the Risk Committee, and such report shall be final, conclusive and binding on the disputing Participant Group, the Risk

Committee and ICE Clear Credit. The disputing Participant Group shall be solely responsible for the fees and disbursements of the Independent Accounting Firm. ICE Clear Credit and its Affiliates, Board and officers shall have no liability in connection with the determination of the Independent Accounting Firm.

- (xiii) If, by written agreement of the Risk Committee and the Board, ICE Clear Credit is determined to have established multiple risk pools (each, a “**Risk Pool**”), ICE Clear Credit will create a new and separate risk committee for each such Risk Pool. In such event, (A) each such new risk committee will have, with respect to its Risk Pool, the same rights, responsibilities and operational procedures as the Risk Committee has under this Chapter, and (B) to the extent practicable, the composition of such other risk committee will be determined on the same basis as the Risk Committee is determined hereunder (taking into account, instead, the applicable volume or usage metric with respect to such Risk Pool as determined by the Risk Committee), with the rules for such composition being determined by the Board, in consultation with the Risk Committee.
 - (xiv) No member of the Risk Committee may be subject to statutory disqualification under CEA Section 8a(2) or Section 3(a)(39) of the Securities Exchange Act, or other applicable CFTC or SEC regulations.
- (b) Each Participant whose Participant Group appoints a member of the Risk Committee shall, prior to participation in the Risk Committee, execute a confidentiality agreement substantially in the form of the agreement attached as Schedule 503 to these Rules and cause its Risk Committee member to execute an acknowledgement of his or her confidentiality obligations in a form reasonably prescribed by ICE Clear Credit and each such Participant and Risk Committee member shall comply with the confidentiality obligations thereunder.

504. Change of Control of ICE Clear Credit.

No change of control or sale (whether by merger, consolidation, stock sale, membership interest sale or sale, license or other disposition of all or substantially all of the assets or otherwise) of IntercontinentalExchange, Inc., a Delaware corporation, ICE Clear Credit or the ICE Parent, in each case either directly or indirectly, will affect or alter in any manner the responsibilities, rights or operations of the Risk Committee or the manner in which the Risk Committee is constituted as set forth in the Rules (the “**Risk Committee Provisions**”), and the Risk Committee Provisions shall survive any such change in control or sale. The foregoing shall apply, *mutatis mutandis*, to any subsequent change of control or sale of the acquiring or surviving Person resulting from any such previous change of control or sale.

505. Actions by the Risk Committee.

- (a) Except as provided in Rule 508, all decisions and recommendations made by the Risk Committee shall be made at a meeting by majority vote of members. When providing to ICE Clear Credit or the Board a decision or recommendation made by the Risk Committee, the Risk Committee shall identify each member that participated and how such member voted.
- (b) A majority of the Risk Committee, which must include at least half of the Participant Appointees, shall constitute a quorum at a meeting of the Risk Committee. In the event that a member of the Risk Committee is unable to attend or participate in any meeting of the Risk Committee, the Participant that designated such member of the Risk Committee may appoint an alternate to attend such meetings and to participate in the deliberations of such meetings. Such alternate will be permitted to vote on behalf of the absent member of the Risk Committee and will be considered an attendee of any meetings for the purposes of constituting a quorum.
- (c) The Risk Committee will be chaired by the Independent ICE Manager.
- (d) Any action required or permitted to be taken by the Risk Committee, either at a meeting or otherwise, may be taken without a meeting if the members of the Risk Committee, by unanimous action, consent thereto in writing and the writing or writings are filed with the minutes of proceedings of the Risk Committee. Written notice of the action to be taken by written consent shall be given by any member of the Risk Committee who joined in such consent (as determined by the members of the Risk Committee who joined in such consent) to all other members of the Risk Committee and the Board within five ICE Business Days following the taking of any such action.

506. Fiduciary Duties; Limitation of Liability of the Risk Committee.

No member of the Risk Committee and no member of a Participant Group that appoints such a member to the Risk Committee (each, a “**Protected Person**”) shall, to the fullest extent permitted by applicable law, have any fiduciary duties otherwise existing at law or equity to ICE Clear Credit, the ICE Parent, any directors, managers or officers of either, the Participants or any other Person by reason of such service on the Risk Committee or the appointment of a member to the Risk Committee. Notwithstanding anything to the contrary in the Rules, to the extent that, at law or in equity, a Protected Person has duties (including fiduciary duties) and liabilities relating thereto to ICE Clear Credit, the ICE Parent, any directors, managers or officers of either, the Participants or any other Person, such Protected Person acting under the Rules shall not be liable to ICE Clear Credit, the ICE Parent, any directors, managers or officers of either, the Participants or any other Person for breach of fiduciary duty for its good faith reliance on the provisions of the Rules. The Rules, to the extent that they restrict the duties (including fiduciary duties) and liability of a Protected Person otherwise existing at law or in equity, are agreed by ICE Clear Credit and the ICE Parent to replace such other duties and liabilities of such Protected Person.

507. Meetings of the Risk Committee.

- (a) The Board or any two members of the Risk Committee may call for a meeting of the Risk Committee. The Risk Committee shall meet no less frequently than quarterly. Meetings of the Risk Committee shall be at such place and time as shall be determined by the party or parties that called the meeting. Not fewer than five ICE Business Days before each such meeting, the party or parties that called the meeting shall provide to each member of the Risk Committee (i) notice of such meeting, (ii) an agenda specifying in reasonable detail the matters to be discussed at such meeting and (iii) proposals or other written materials providing background in reasonable detail regarding the agenda items. Any member of the Risk Committee that wishes to have any additional matter discussed at any such meeting shall give to the party or parties that called the meeting and each other member of the Risk Committee notice of, and reasonable detail regarding, each matter it so wishes to discuss not fewer than two ICE Business Days prior to any such meeting. Emergency meetings of the Risk Committee may be called by any one or more members of the Risk Committee upon not less than one ICE Business Day's telephonic or electronic notice by such member(s) of the Risk Committee to all other members of the Risk Committee specifying in reasonable detail the nature of such emergency, the business to be transacted at such meeting and the location of such emergency meeting (in the case of telephonic notice, to be confirmed by written facsimile or email notice) by any member of the Risk Committee. Emergency meetings of the Risk Committee may be held at the offices of ICE Clear Credit or such other place as shall be determined by the Independent ICE Manager, as the chair. In the event a quorum of the Risk Committee (as provided in Rule 505) for any meeting other than an emergency meeting is not present, such meeting shall be adjourned and the party or parties that called the meeting shall provide no less than two ICE Business Days' second telephonic or electronic notice to the members of the Risk Committee of the reconvening of such adjourned meeting (in the case of telephonic notice, to be confirmed by written facsimile or email notice). In the event a quorum of the Risk Committee (as provided in Rule 505) for an emergency meeting is not present, such meeting shall be adjourned and the party or parties that called the meeting shall provide no less than twelve hours' second telephonic or electronic notice to the members of the Risk Committee of the reconvening of such adjourned emergency meeting (to be confirmed by written facsimile or email notice). In the event a quorum was not present at the adjourned meeting and is not present for the reconvening of such adjourned meeting, and a particular member of the Risk Committee and/or its alternate was not present at the adjourned meeting and that particular member and/or its alternate is not present for the reconvening of such adjourned meeting, such reconvening of the adjourned meeting of the Risk Committee shall not require the presence of such absent member or its alternate for a quorum. For purposes of the required vote for any action at the reconvening of the adjourned meeting, the size of the Risk Committee shall be deemed to have been reduced by the number of such

member(s) or alternate(s) of the Risk Committee who was/were not present for either the adjourned meeting or the reconvening of such adjourned meeting.

- (b) Members of the Risk Committee may participate in a meeting of the Risk Committee by means of a conference telephone or similar communications equipment through which all persons participating in the meeting can hear each other, and such participation in a meeting shall constitute presence in person at such meeting, except where a member of the Risk Committee participates in the meeting for the express purpose of objecting, at the beginning of such meeting, to any business on the ground that such meeting was called or convened in violation of these Rules or any applicable law. ICE Clear Credit shall make participation by means of a conference telephone or similar communications equipment available to all members of the Risk Committee at all meetings of the Risk Committee; *provided* that all meetings must be held in the United States.
- (c) Any member of the Risk Committee that is entitled to notice of a meeting of the Risk Committee may waive such notice in writing, whether before or after the time of such meeting. Attendance by a member of the Risk Committee at a meeting thereof shall constitute a waiver of notice of such meeting by such member, except when such member attends such meeting for the express purpose of objecting, at the beginning of such meeting, to the transaction of any business at such meeting because such meeting is called or convened in violation of the Rules or any applicable law.
- (d) The decisions, recommendations and resolutions of the Risk Committee shall be reported in minutes, which shall state the date, time and place of the meeting (or the date of the written consent in lieu of meeting), the members of the Risk Committee present at the meeting, the resolutions put to a vote (or the subject of a written consent) and the results of such voting (or written consent). The minutes shall be entered in a minute book kept at the principal office of ICE Clear Credit and a copy of the minutes shall be provided to each member of the Risk Committee and the Board.

508. Risk Committee Board Appointees.

- (a) The Risk Committee shall have the authority to designate to ICE Parent in writing four members for election to the Board (the “**Risk Committee Board Appointees**”), two of whom must satisfy the Independence Requirements (the “**Independent Risk Committee Appointees**”). The Risk Committee shall seek to ensure that the two Risk Committee Board Appointees that do not satisfy the Independence Requirements are senior executives, preferably employed by the ultimate Parent (as defined in Rule 201) of a Participant, that have broad experience in corporate governance, management oversight and financial markets (including with respect to matters other than credit derivatives).

- (b) The Risk Committee Board Appointees shall be selected by majority vote of the Participant Appointees from a slate of individuals nominated by one or more Participant Appointees. Risk Committee Board Appointees shall serve in such capacity for the same term as the other members of the Board. The Risk Committee may instruct ICE Parent in writing to remove a Risk Committee Board Appointee from the Board at any time and for any reason by a majority vote of the Participant Appointees. The Risk Committee shall instruct ICE Parent in writing to remove an Independent Risk Committee Appointee from the Board promptly following the date that the Risk Committee becomes aware that such appointee ceases to satisfy the Independence Requirements during the appointee's membership on the Board. The Risk Committee shall instruct ICE Parent in writing to remove a Risk Committee Board Appointee who is an employee of a Participant or Affiliate of a Participant promptly following the date that the Risk Committee becomes aware that such Participant is in Default or becomes a Retiring Participant. Upon any vacancy in the Risk Committee Board Appointees due to removal pursuant to this subparagraph or the resignation, death or incapacity of a Risk Committee Board Appointee, the Risk Committee shall convene as soon as reasonably practicable to instruct ICE Parent in writing to fill such vacancy in accordance with this Rule.
- (c) The Risk Committee shall be entitled to consult with ICE Parent prior to ICE Parent appointing any member of the Board (other than a Risk Committee Board Appointee) who was not a member of the Board on the date on which ICE Clear Credit (or its predecessor) first accepted Contracts for clearing, with respect to the skills and experience of such proposed member.

509. The Risk Management Subcommittee.

ICE Clear Credit shall establish a subcommittee of the Risk Committee (the "**Risk Management Subcommittee**") composed of members as provided in Rule 511. Notwithstanding anything to the contrary in these Rules, the Board shall not have any obligation to accept any proposal made by, or take any action proposed by, the Risk Management Subcommittee, and any deliberation and/or decision by the Board with respect to any such proposal shall be made at the sole discretion of the Board, with no obligation whatsoever to the Risk Management Subcommittee in respect of such deliberation or decision, subject to any reporting requirements to the CFTC under applicable CFTC rules or to the SEC under applicable SEC rules.

510. Subcommittee Specified Actions.

ICE Clear Credit shall not take nor permit to be taken any of the following actions without prior consultation with the Risk Management Subcommittee ("**Subcommittee Specified Actions**"):

- (a) Determine products eligible for clearing;

- (b) Determine the standards and requirements for initial and continuing Participant eligibility;
- (c) Approve or deny (or review approvals or denials of) Participant applications described in Rule 202 (or any successor Rule thereto) or the other ICE Provisions;
- (d) Modify this Chapter of the Rules or Modify any of the responsibilities, rights or operations of the Risk Management Subcommittee or the manner in which the Risk Management Subcommittee is constituted as set forth in the Rules.

511. Composition of the Risk Management Subcommittee; Confidentiality.

- (a) The composition of the Risk Management Subcommittee shall be as follows:
 - (i) The Risk Management Subcommittee shall consist of five members.
 - (ii) Each member of the Risk Management Subcommittee shall have risk management experience and expertise and shall be subject to the approval of the Board, such approval not to be unreasonably withheld, conditioned or delayed.
 - (iii) Two of the members of the Risk Management Subcommittee shall be public directors as defined in CFTC Rule 1.3(ccc) (“**Independent Public Directors**”) appointed by ICE Clear Credit. The Board must make such finding upon the appointment of the member and as often as necessary in light of all circumstances relevant to such member, but in no case less than annually.
 - (iv) One member of the Risk Management Subcommittee shall be a Non-Participant Party. Such member will be nominated by the buy-side Advisory Committee of ICE Clear Credit.
 - (v) Two of the members of the Risk Management Subcommittee shall be composed of representatives of Participants who are members of the Risk Committee. Such members shall be nominated by the Risk Committee.
 - (vi) No member of the Risk Management Subcommittee may be subject to statutory disqualification under CEA Section 8a(2) or Section 3(a)(39) of the Securities Exchange Act, or other applicable CFTC or SEC regulations.
- (b) Each member of the Risk Management Subcommittee shall, prior to participation in the Risk Management Subcommittee, execute a confidentiality agreement substantially in the form of the agreement attached as Schedule 511 to these Rules.

512. Risk Management Subcommittee Actions; Fiduciary Duties; Limitation of Liability; Meetings.

Rules 504 through 507 hereof shall apply to the Risk Management Subcommittee as though references to the “Risk Committee” are references to the “Risk Management Subcommittee” and references to the “Independent ICE Manager” are references to “Independent Public Director”, except that for purposes of Rule 505(b), a majority of the Risk Management Subcommittee will be a quorum.

6. MISCELLANEOUS

601. Emergencies.

- (a) The Board, upon the affirmative vote of the Managers voting at a meeting where a quorum is present, may adopt a resolution in response to an Emergency (as “**Emergency Resolution**”) which shall supersede and supplant all contrary or inconsistent resolutions or Rules, except for this Rule and the provisions of Chapter 5. Unless multiple conflicts of interest would make it impracticable to assemble a quorum promptly, a Manager who has a conflict of interest with respect to the outcome of such a vote (as determined by ICE Clear Credit) shall abstain from deliberating and voting on the matter in question. In the event that ICE Clear Credit is unable to convene a meeting of the Board reasonably promptly, an Eligible Officer may take action pursuant to this Rule (an “**Officer Emergency Action**”), *provided* that ICE Clear Credit shall convene a meeting of the Board as soon as practicable thereafter to ratify or rescind such Officer Emergency Action. ICE Clear Credit shall notify the CFTC and SEC of any action taken by Emergency Resolution or Officer Emergency Action.
- (b) Notwithstanding paragraph (a) of this Rule, in the event an Emergency Resolution or an Officer Emergency Action constitutes a Specified Action (as defined in Rule 502) or Subcommittee Specified Action (as defined in Rule 510), there shall be no obligation to consult with the Risk Committee or the Risk Management Subcommittee to the extent that the Board or the Eligible Officer, as applicable, determines in good faith that the delay caused by consulting with the Risk Committee or the Risk Management Subcommittee would create significant risks to the clearing system operated by ICE Clear Credit pursuant to these Rules and the Participants generally; *provided, however,* that ICE Clear Credit shall notify the Risk Committee or the Risk Management Subcommittee, as applicable, of such action and the Board shall consult with the Risk Committee or the Risk Management Subcommittee, as applicable, as promptly as practicable, and in any event within three ICE Business Days, after taking such Specified Action to discuss the Specified Action taken and the Board shall take into account such consultation in determining whether to modify or rescind such Specified Action.
- (c) An Emergency Resolution or Officer Emergency Action shall expire upon the happening of either of the following events: (i) the Board shall have voted to rescind the Emergency Resolution or Officer Emergency Action; or (ii) 90 days (in the case of an Emergency Resolution) or three ICE Business Days (in the case of an Officer Emergency Action) shall have elapsed since the emergency resolution was adopted.

- (d) All Trades, accounts and Open Positions with ICE Clear Credit, and all Participants shall be subject to the exercise of these Emergency powers by the Board or an Eligible Officer.
- (e) As used herein, the term “**Emergency**” shall include, without limitation, (i) the occurrence of an event or circumstance in which, as determined by the Board or the Chief Executive Officer or President, market volatility is likely to have an effect on the ability of ICE Clear Credit to arrange for a fair and orderly settlement cycle, and that absent action, the functioning of the clearing system operated by ICE Clear Credit pursuant to these Rules is likely to be impaired, (ii) trading generally on the New York Stock Exchange, the American Stock Exchange, the NASDAQ Global Market or the NASDAQ Global Select Market, the Chicago Mercantile Exchange, the Chicago Board of Trade or any other exchange or market relevant to the pricing or trading of Contracts or similar agreements shall have been suspended or limited or minimum prices shall have been established on any such exchanges or markets, (iii) a banking moratorium shall have been declared by the United States Federal, New York State or any European Union member authorities or (iv) there shall have occurred any outbreak or escalation of hostilities, declaration of a national emergency or war, or other calamity or crisis, national or international, in the case of each of the foregoing clauses, the effect of which on financial markets is such as to make it, in the sole judgment of the Board or an Eligible Officer, as applicable, impractical for ICE Clear Credit to continue operating in accordance with these Rules.
- (f) Except as otherwise stated in an Emergency Resolution adopted hereunder or an Officer Emergency Action, the powers exercised by ICE Clear Credit under this Rule shall be in addition to and not in derogation of authority granted elsewhere in these Rules to a committee or officer of ICE Clear Credit to take action as specified therein.

602. Physical Emergencies.

In the event the physical functions of ICE Clear Credit are, or are threatened to be, severely and adversely affected by a physical emergency such as, but not limited to, fire or other casualty, bomb threats, substantial inclement weather, power failures, communications breakdowns or transportation breakdowns, the Chairman, a Vice Chairman or the Chief Executive Officer or President of ICE Clear Credit or, in their absence, another officer of ICE Clear Credit, is authorized to take such action as he or she shall deem necessary or appropriate to deal with such emergency.

603. Force Majeure.

Notwithstanding any other provision of these Rules, ICE Clear Credit shall not be obligated to perform its obligations under these Rules or any agreement with a Participant relating to Contracts, or to compensate any person for losses occasioned by

any delay or failure of performance, to the extent such delay or failure is the result of acts of God, lightning, earthquake, fire, epidemic, landslide, drought, hurricane, tornado, storm, explosion, flood, nuclear radiation, act of a public enemy or blockade, insurrection, riot or civil disturbance, strike or labor disturbance, or any other cause beyond ICE Clear Credit's reasonable control (whether or not similar to any of the foregoing).

If ICE Clear Credit shall, as a result of any of the above-described events, fail to perform any of its obligations, such failure shall be excused for a period equal to the period of delay caused by such event. In such an event, ICE Clear Credit shall give written notice thereof to the affected Market or such Participant, as the case may be, as soon as it is reasonably practicable and attempt diligently to remove such condition.

604. Suspension of Rules.

Except as otherwise provided in Chapter 5 of these Rules, the time frames fixed by these Rules, interpretations or policies of ICE Clear Credit for the doing of any act or acts may be extended, or the doing of any act or acts required by these Rules or any interpretations or policies of ICE Clear Credit may be waived, and any provision of these Rules or any interpretations or policies of ICE Clear Credit may be suspended by the Board or by any Eligible Officer whenever, in the judgment of the Board or such Eligible Officer, as applicable, such extension, waiver or suspension is necessary or expedient; *provided* that ICE Clear Credit may not take any action pursuant to this Rule that would, as determined by the Board or such Eligible Officer, as applicable, have a material adverse effect on the majority of Participants and; *provided, further*, that in the event of an Emergency, ICE Clear Credit may not take any action under this Rule and any such extension, waiver or suspension may occur only in accordance with the requirements of Rule 601. Any such extension, waiver or suspension under this Rule may continue in effect after the event or events giving rise thereto but shall not continue in effect for more than three ICE Business Days after the date thereof unless it shall be approved by the Board within such period.

605. [Intentionally Omitted].

606. Fees; Fines and Charges.

- (a) Clearing fees and other charges for ICE Clear Credit services shall be as fixed from time to time by ICE Clear Credit with the approval of the Board.
- (b) ICE Clear Credit shall have the power to assess fines and charges against Participants for the failure to comply with these Rules or the ICE Clear Credit Procedures; *provided* that such fines or charges may be assessed only in accordance with the process described in Chapter 7 of these Rules.

607. Trading by Employees Prohibited.

- (a) No employee of ICE Clear Credit shall:
 - (i) trade or participate directly or indirectly in any transaction in any Contract, except to the extent necessary to carry out the provisions of Rule 20-605 or any other Rule that specifies the rights of ICE Clear Credit upon the Default of a Participant, or as otherwise permitted pursuant to an exemption granted in accordance with this Rule; or
 - (ii) disclose any material, non-public information obtained as a result of such Person's employment with ICE Clear Credit where the employee has or should have a reasonable expectation that the information disclosed may assist another Person in trading any Contract or any similar transaction, underlying asset or any other interest in respect thereof; *provided* that an employee is not prohibited from making disclosures in the course of the employee's duties, or to another self-regulatory organization, court of competent jurisdiction or representative of any agency or department of the federal or state government acting in his or her official capacity.
- (b) From time to time, ICE Clear Credit may adopt additional Rules which set forth circumstances under which exemptions from the trading prohibition contained in paragraph (a)(i) will be granted. The effectiveness of such rules and the procedures for administration of such rules shall be governed by applicable law and/or regulations.

608. Forms; Transmission of Data to ICE Clear Credit.

- (a) In connection with any transaction or matter handled through, with or by ICE Clear Credit under or pursuant to the Rules, the form of any required list, notice or other document shall be as from time to time prescribed by ICE Clear Credit, and additions to, changes in and elimination of any such forms may be made by ICE Clear Credit at any time in its discretion.
- (b) A Participant may execute any document to be delivered to ICE Clear Credit or to any other Participant pursuant to these Rules by means of a mechanically or electronically reproduced facsimile signature of a representative of the Participant; *provided* that the Participant shall have complied with such requirements as may be prescribed by ICE Clear Credit in connection with the use of such facsimile signatures.

609. Just and Equitable Principles of Trade; Acts Detrimental to the Interest or Welfare of ICE Clear Credit.

- (a) Subject to the requirements of Rule 615(b), ICE Clear Credit shall have the power to discipline Participants, including by suspension or revocation of clearing privileges, for engaging in conduct inconsistent with just and equitable

principles of trade or for any act or practice, or the omission thereof, that violates ICE Clear Credit's rules or procedures (together, "**Prohibited Conduct**").

- (b) ICE Clear Credit shall have the power to assess fines or charges against a Participant for engaging in Prohibited Conduct; *provided* that such fines or charges may be assessed only in accordance with the process outlined in Chapter 7 of these Rules.

610. Construction in Accordance with New York Law.

These Rules, and all rights and obligations hereunder (including the creation of security interests in the Collateral and Margin), shall be construed in accordance with the internal laws of the State of New York, without giving effect to the conflict of law provisions thereof.

611. Relation to Insolvency Laws.

- (a) ICE Clear Credit and each Participant intend that certain provisions of these Rules be interpreted in relation to certain terms (identified by quotation marks) that are used or defined in the "Clearing organization netting" provisions of the Federal Deposit Insurance Corporation Improvement Act of 1991 ("**FDICIA**"), 12 U.S.C. § 4404, as amended, as follows:
 - (i) ICE Clear Credit is a "clearing organization."
 - (ii) An obligation of a Participant to make a payment to ICE Clear Credit, or of ICE Clear Credit to make a payment to a Participant, subject to a netting agreement, is a "covered clearing obligation" and a "covered contractual payment obligation."
 - (iii) An entitlement of a Participant to receive a payment from ICE Clear Credit, or of ICE Clear Credit to receive a payment from a Participant, subject to a netting contract, is a "covered contractual payment entitlement."
 - (iv) ICE Clear Credit is a "member," and each Participant is a "member."
 - (v) The amount by which the covered contractual payment entitlements of a Participant or ICE Clear Credit exceed the covered contractual payment obligations of such Participant or ICE Clear Credit after netting under a netting contract is its "net entitlement."
 - (vi) The amount by which the covered contractual payment obligations of a Participant or ICE Clear Credit exceed the covered contractual payment entitlements of such Participant or ICE Clear Credit after netting under a netting contract is its "net obligation."

- (vii) These Rules and any other agreement between ICE Clear Credit and a Participant governing Contracts are a “netting contract” and include “security agreements or arrangements or other credit enhancements related to such netting contract.”
 - (viii) The rights granted to ICE Clear Credit herein upon the Default of a Participant are all rights that enable ICE Clear Credit to “terminate, liquidate, accelerate and net” the related Open Positions.
- (b) ICE Clear Credit and each Participant intend that certain provisions of these Rules be interpreted in relation to certain terms (identified by quotation marks) that are used or defined in Section 11(e) of the Federal Deposit Insurance Act (“**FDIA**”), 12 U.S.C. § 1821(e)(8), as amended, as follows:
- (i) Each Open Position is a “swap agreement.”
 - (ii) These Rules and any other agreement between ICE Clear Credit and a Participant governing Contracts constitute a “master agreement” and each security interest granted and each transfer of title provided for herein (including each Participant’s grant of a security interest in Margin and Collateral) constitutes a “security agreement or arrangement or other credit enhancement” in connection with or related to a “swap agreement.”
 - (iii) The rights granted to ICE Clear Credit herein upon the Default of a Participant are rights that enable ICE Clear Credit “to cause the termination, liquidation, or acceleration” of the Defaulting Participant’s Open Positions and “to offset or net out any termination value, payment amount, or other transfer of” any Open Positions.
 - (iv) Each Participant’s Transfer of Collateral to the General Guaranty Fund constitutes a “security arrangement or other credit enhancement” related to a “swap agreement” and therefore is itself a “swap agreement.”
- (c) ICE Clear Credit and each Participant intend that certain provisions of these Rules be interpreted in relation to certain terms (identified by quotation marks) that are used or defined in Section 561 and Section 761 of Title 11 of the United States Code, as amended (the “**Bankruptcy Code**”), as follows:
- (i) Each Open Position is a “commodity contract”.
 - (ii) These Rules and any other agreement between ICE Clear Credit and a Participant governing Contracts constitute a “master agreement” and each security interest granted and each transfer of title provided for herein (including each Participant’s grant of a security interest in Margin and Collateral) constitutes a “security agreement or arrangement or other credit enhancement” related to a “commodity contract.”

- (iii) The rights granted to ICE Clear Credit herein upon the Default of a Participant are rights that enable ICE Clear Credit “to cause the termination, liquidation, or acceleration” of the Defaulting Participant’s Open Positions and “to offset or net out any termination value, payment amount, or other transfer obligation arising under or in connection with” any Open Positions.
 - (iv) Each Participant’s Transfer of Collateral to the General Guaranty Fund constitutes a “security arrangement or other credit enhancement” related to a “commodity contract” and therefore is itself a “commodity contract.”
- (d) ICE Clear Credit and each Participant intend that certain provisions of these Rules be interpreted in relation to certain terms (identified by quotation marks) that are used or defined in Section 561 and Section 741 of Title 11 of the Bankruptcy Code, as follows:
 - (i) Each Open Position is a “securities contract”.
 - (ii) These Rules and any other agreement between ICE Clear Credit and a Participant governing Contracts constitute a “master agreement” and each security interest granted and each transfer of title provided for herein (including each Participant’s grant of a security interest in Margin and Collateral) constitutes a “security agreement or arrangement or other credit enhancement” related to a “securities contract.”
 - (iii) The rights granted to ICE Clear Credit herein upon the Default of a Participant are rights that enable ICE Clear Credit “to cause the termination, liquidation, or acceleration” of the Defaulting Participant’s Open Positions and “to offset or net out any termination value, payment amount, or other transfer obligation arising under or in connection with” any Open Positions.
 - (iv) Each Participant’s Transfer of Collateral to the General Guaranty Fund constitutes a “security arrangement or other credit enhancement” related to a “securities contract” and therefore is itself a “securities contract.”
- (e) ICE Clear Credit and each Participant intend that certain provisions of these Rules be interpreted in relation to certain terms (identified by quotation marks) that are used or defined in Section 210(c) of Title II of the Dodd-Frank Wall Street Reform and Consumer Protection Act, as amended, as follows:
 - (i) Each Open Position is a “swap agreement.”
 - (ii) These Rules and any other agreement between ICE Clear Credit and a Participant governing Contracts constitute a “master agreement” and each security interest granted and each transfer of title provided for herein (including each Participant’s grant of a security interest in Margin and

Collateral) constitutes a “security agreement or arrangement or other credit enhancement” related to a “swap agreement.”

- (iii) The rights granted to ICE Clear Credit herein upon the Default of a Participant are rights that enable ICE Clear Credit “to cause the termination, liquidation, or acceleration” of the Defaulting Participant’s Open Positions and “to offset or net out any termination value, payment amount, or other transfer obligation arising under or in connection with” any Open Positions.
- (iv) Each Participant’s Transfer of Collateral to the General Guaranty Fund constitutes a “security arrangement or other credit enhancement” related to a “swap agreement” and therefore is itself a “swap agreement.”

612. Waiver of Setoff.

Notwithstanding any existing or future agreement, except as expressly provided in these Rules or a Contract, each Participant irrevocably waives any and all rights it may have to set off, net, recoup or otherwise withhold or suspend or condition payment or performance of any obligation between ICE Clear Credit and such Participant under these Rules or any Contract against any obligations between ICE Clear Credit and such Participant or any branch or Affiliate of ICE Clear Credit or of such Participant, under any other agreements or otherwise.

613. Taxes.

- (a) All payments under these Rules or any Contract will be made without any deduction or withholding for or on account of any Tax unless such deduction or withholding is required by any applicable law, as modified by the practice of any relevant governmental revenue authority, then in effect. If ICE Clear Credit or a Participant is so required to deduct or withhold, then ICE Clear Credit or the Participant (“X”) will: —
 - (i) promptly notify the recipient (“Y”) of such requirement;
 - (ii) pay to the relevant authorities the full amount required to be deducted or withheld (in the case of a Participant as X, including the full amount required to be deducted or withheld from any amount paid by the Participant to ICE Clear Credit under Rule 613(b), 613(c) or 613(d)) promptly upon the earlier of determining that such deduction or withholding is required or receiving notice that such amount has been assessed against Y;
 - (iii) promptly forward to Y an official receipt (or a certified copy), or other documentation reasonably acceptable to Y, evidencing such payment to such authorities.

For the purpose of this Rule 613, “**Tax**” shall mean any present or future tax, levy, impost, duty, charge, assessment, or fee of any nature (including interest, penalties, and additions thereto) that is imposed by any government or other taxing authority.

- (b) In the event that any payment made by a Participant to ICE Clear Credit under these Rules or any Contract is subject to deduction or withholding (either at the time of such payment or in the future) for or on account of any Tax (other than a Tax that would not have been imposed in respect of such payment but for a present or former connection between the jurisdiction of the government or taxation authority imposing such Tax and ICE Clear Credit), then the Participant shall pay to ICE Clear Credit an amount (such amount, together with any additional amount paid pursuant to Rule 613(g), the “**Additional Amount**”), in addition to the payment to which ICE Clear Credit is otherwise entitled under these Rules or any Contract, necessary to ensure that the net amount actually received by ICE Clear Credit (free and clear of any such deduction or withholding for or on account of any such Tax, whether assessed against the Participant or ICE Clear Credit), will equal the full amount ICE Clear Credit would have received in the absence of any such deduction or withholding.

However, a Participant will not be required to pay any Additional Amount to ICE Clear Credit under this Rule 613(b) to the extent that it would not be required to be paid but for (i) the failure by ICE Clear Credit to provide to the Participant such forms and documents as required under Rule 613(e), *provided* that this clause (i) shall apply only if (A) the relevant Participant has notified ICE Clear Credit in writing of such failure and (B) ICE Clear Credit has failed to provide such forms or documents within five ICE Business Days after the receipt of such notice; or (ii) the failure of a representation made by ICE Clear Credit pursuant to Section 29.3.2 of the Participant Agreement between ICE Clear Credit and the Participant to be accurate and true (unless the failure under this clause (ii) would not have occurred but for (A) any action taken by a taxing authority, or brought in a court of competent jurisdiction (regardless of whether such action is taken or brought with respect to a party to the relevant Participant Agreement) or (B) a Change in Tax Law, that in each case occurs after ICE Clear Credit and the Participant enter into the relevant Participant Agreement (or, if applicable, the date that ICE Clear Credit and the Participant amend such Participant Agreement to account for such Change in Tax Law)).

In the event that the failure under clause (ii) of the preceding paragraph would not have occurred but for the reasons described under subclause (A) or (B) thereof, ICE Clear Credit shall use commercially reasonable efforts to provide to the Participant a new representation (to the extent that it is appropriate) for the purpose of Section 29.3.2 of the relevant Participant Agreement between ICE Clear Credit and the Participant, promptly after the learning of such failure (so long as the provision of such representation would not, in ICE Clear Credit’s

judgment, materially prejudice the legal or commercial position of ICE Clear Credit).

For the purpose of this Rule 613, “**Change in Tax Law**” means the enactment, promulgation, execution or ratification of, or any change in or amendment to, any law (or in the application or official interpretation of any law).

- (c) If (i) a Participant is required by any applicable law, as modified by the practice of any relevant governmental revenue authority, to make any deduction or withholding from any payment made to ICE Clear Credit under these Rules or any Contract for or on account of any Tax, in respect of which the Participant would be required to pay an Additional Amount to ICE Clear Credit under Rule 613(b); (ii) the Participant does not so deduct or withhold; and (iii) a liability resulting from such Tax is assessed directly against ICE Clear Credit, then, except to the extent the Participant has satisfied or then satisfies the liability resulting from such Tax, the Participant will promptly pay to ICE Clear Credit the amount of such liability (including any related liability for interest, penalties and costs).
- (d) If (i) ICE Clear Credit is required by any applicable law, as modified by the practice of any relevant governmental revenue authority, to make any deduction or withholding from any payment made to a Participant under these Rules or any Contract for or on account of any Tax; (ii) ICE Clear Credit does not so deduct or withhold; and (iii) a liability resulting from such Tax is assessed directly against ICE Clear Credit, then, except to the extent the Participant has satisfied or then satisfies the liability resulting from such Tax, the Participant will promptly pay to ICE Clear Credit the amount of such liability (including any related liability for interest, penalties and costs).
- (e) ICE Clear Credit shall provide to each Participant (i) the tax forms and documents specified in Section 31 of the Participant Agreement between ICE Clear Credit and the Participant and (ii) any other form or document reasonably requested in writing by the Participant in order to allow the Participant to make a payment under these Rules or any Contract without deduction or withholding for or on account of any Tax or with such deduction or withholding at a reduced rate (so long as the completion, execution or submission of such form or document as described in this clause (ii) would not, in ICE Clear Credit’s judgment, materially prejudice the legal or commercial position of ICE Clear Credit).
- (f) Each Participant shall provide to ICE Clear Credit (i) the tax forms and documents specified in Section 31 of the Participant Agreement between ICE Clear Credit and the Participant and (ii) any other form or document reasonably requested in writing by ICE Clear Credit in order to allow ICE Clear Credit to make a payment under these Rules or any Contract without deduction or withholding for or on account of any Tax or with such deduction or withholding at a reduced rate (so long as the completion, execution or submission of such form

or document would not materially prejudice the legal or commercial position of such Participant). For the avoidance of doubt, in the event that any payment made by ICE Clear Credit to a Participant under these Rules or any Contract is subject to deduction or withholding (either at the time of such payment or in the future) for or on account of any Tax, ICE Clear Credit is not required to pay any additional amount in respect of such deduction or withholding. ICE Clear Credit will, at the Participant's expense, use commercially reasonable efforts to cooperate with a Participant to seek any credit or remission or other relief available with respect to any such Tax so deducted or withheld (so long as such cooperation would not, in ICE Clear Credit's judgment, materially prejudice the legal or commercial position of ICE Clear Credit).

- (g) Each Participant will pay any stamp, registration, documentation, excise, sales or value added Tax or any other similar Tax levied or imposed upon it or in respect of its execution or performance of any agreement, contract or transaction in connection with these Rules and will indemnify ICE Clear Credit against any such stamp, registration, documentation, excise, sales or value added Tax (to the extent that ICE Clear Credit is not able, in ICE Clear Credit's commercially reasonable judgment, to reclaim or recover such value added Tax) or any other similar Tax levied or imposed upon ICE Clear Credit or in respect of ICE Clear Credit's execution or performance of any agreement, contract or transaction in connection with these Rules. Any payment required to be made by a Participant to ICE Clear Credit under this Rule 613(g) shall include an additional amount equal to any Tax levied or imposed on ICE Clear Credit as a result of the receipt of any payment under this Rule 613(g) (including this sentence).
- (h) Each Participant shall promptly notify ICE Clear Credit in writing upon learning that any payment made by ICE Clear Credit to the Participant or by the Participant to ICE Clear Credit under these Rules or any Contract is subject to any Tax, other than any Tax imposed or levied based on the net income of the Participant or ICE Clear Credit, as applicable.
- (i) Participants shall not have any termination or other special rights in respect of Contracts or Open Positions as a result of the occurrence of adverse Tax consequences, whether relating to a Change in Tax Law or otherwise, it being understood that Participants may, in accordance with these Rules, submit for clearing Trades with other Participants (including with any Affiliate that is a Participant) that, if accepted, would offset its Open Positions. If so requested by a Participant for the purpose of reducing adverse Tax consequences to such Participant, ICE Clear Credit shall use reasonable efforts to expeditiously review an application for status as a Participant submitted by an Affiliate of such requesting Participant.

614. Audit Rights.

The Participants, acting collectively and not individually, shall have the right, on 30 days' prior written notice, to audit the books and records of ICE Clear Credit on an annual basis; *provided* that the Participants bear their own legal and other expenses with respect to such audits.

615. Determinations by ICE Clear Credit.

- (a) Any determination or action that ICE Clear Credit is required or authorized to make or take pursuant to, and any exercise of judgment or discretion under, these Rules or the ICE Clear Credit Procedures shall be made or taken or exercised (or not) in good faith and in the best interest of the clearing system operated by ICE Clear Credit pursuant to these Rules and taking into account the views of the Participants and the owners of ICE Clear Credit.
- (b) Any determination to suspend or revoke the clearing privileges of a Participant, or to terminate its status as a Participant, granted to ICE Clear Credit pursuant to these Rules or the ICE Clear Credit Procedures, including, without limitation, as provided in Rules 203(a), 207(a) and 609(a), shall be made only with the consent of the Board (in a vote excluding any member who is an employee of such Participant or any Affiliate) after consultation with, and consideration of the views expressed by, the staff of the regulators of ICE Clear Credit and shall not become effective until the ICE Business Day following notice of such suspension, revocation or termination to such Participant. (For the sake of clarity, the determination that a Participant is in Default is distinct from the determination to suspend or revoke the clearing privileges of a Participant, or to terminate its status as a Participant and, accordingly, is not subject to any requirements under these Rules applicable to suspension, revocation or termination.) Prior to such effectiveness, the subject Participant shall, except where such suspension, revocation or termination was recommended by a Hearing Panel or where such termination was based on such Participant being in Default, have the right to deliver notice to ICE Clear Credit contesting such suspension, revocation or termination, in which case such suspension, revocation or termination shall not become effective and the matter shall be deemed to have been referred to a Hearing Panel (as defined in Rule 707) by a Review Subcommittee pursuant to Rule 703(e), whereupon the Hearing Panel shall adjudicate the matter and impose sanctions as provided in Chapter 7 of these Rules (and, for this purpose, the term "Violation" shall be deemed to include the basis for such suspension, revocation or termination and the Hearing Panel may establish a condensed schedule for its adjudication if it determines appropriate under the circumstances). ICE Clear Credit shall provide notice to all Participants as much in advance as reasonably practicable (but in any event at least two hours) prior to any suspension or revocation of clearing privileges or termination of Participant status of a Participant becoming effective, whether by the Board or a Hearing Panel pursuant to Rule 710.

- (c) ICE Clear Credit shall provide notice of the imposition of any Trading Activity Limitation or a limitation described in Rule 207(a)(i) on a Participant to the CFTC and SEC before or, if not reasonably practicable to do so, as promptly as reasonably practicable after such imposition.

616. Contract Modification.

- (a) ICE Clear Credit may not Modify (as defined in Rule 502) the terms and conditions of a Contract if such Modification would, in the determination of ICE Clear Credit, (i) reasonably be expected to have a material effect on the Mark-to-Market Price (as defined in Rule 404) of such Contract or (ii) materially increase the basis risk of such Contract relative to the over-the-counter agreement equivalent to such Contract referred to in Rule 301 (collectively, a “**Contract Modification**”) unless ICE Clear Credit provides all Participants at least ten ICE Business Days’ notice prior to the effective date of such Contract Modification (a “**Contract Modification Effective Date**”). For the sake of clarity, Modifications to provisions of the Rules or the ICE Clear Credit Procedures relating to Margin, the General Guaranty Fund, Default/Closing-out Process and/or Rules 601 through 604 (or any successor Rules) shall not constitute a Contract Modification and Modifications to Rule 613 or Chapter 21 of these Rules, in each case that would otherwise meet the standards in clauses (i) or (ii) above, shall constitute a Contract Modification.
- (b) A Contract Modification shall not apply to Trades or Open Positions in the relevant Contract that have a Novation Time (as defined in Rule 309) on a date prior to the relevant Contract Modification Effective Date and such Trades or Open Positions may not be offset against Trades or Open Positions in the relevant Contract with a Novation Time on or after such Contract Modification Effective Date.

617. Large Trader Reports.

Each Participant shall submit to ICE Credit Clear on a daily basis, and in such manner as shall be prescribed by ICE Clear Credit from time to time, all large trader reports filed with the CFTC by, or on behalf of, Participant pursuant to Part 17 of the CFTC Rules.

618. Notice of Rule Changes.

In the event of any material modification of the Rules, ICE Clear Credit will notify Participants thereof in advance of such proposed modification. This Rule 618 will be without prejudice to Rules 502 and 510.

7. DISCIPLINARY RULES

701. Jurisdiction.

- (a) ICE Clear Credit shall have the authority to initiate and conduct investigations and to prosecute instances of Prohibited Conduct (as defined in Rule 609) and violations of these Rules or the ICE Clear Credit Procedures (such violations, together with instances of Prohibited Conduct, “**Violations**”) allegedly committed by Participants and to impose sanctions for such Violations as provided in these Rules.
- (b) Each Participant, upon becoming a Participant and thereafter upon any change to the relevant office, shall file with ICE Clear Credit a written notice designating an office within the County of New York for receiving service of documents. If a Participant fails to designate such an office, mailing service to its address on file with ICE Clear Credit shall be good service, and delivery thereof shall be deemed to have occurred as of the date of such mailing.

702. ICE Clear Credit Staff — Powers and Duties.

- (a) For purposes of this rule 702, ICE Clear Credit staff shall consist of the ICE Clear Credit chief compliance officer (the “**Chief Compliance Officer**”), other ICE Clear Credit employees, including officers, and such other individuals (who possess the requisite independence) as ICE Clear Credit may hire on a contract basis.
- (b) ICE Clear Credit staff shall conduct investigations of possible Violations, prepare written reports respecting such investigations, furnish such reports to the Chief Compliance Officer and Business Conduct Committee and conduct the prosecution of such Violations; provided that instances of a Participant’s failure to submit end of day prices in accordance with ICE Clear Credit Procedures (“**Missed Submissions**”) are subject to the summary assessment process as outlined in Section 702(e).
- (c) ICE Clear Credit staff shall provide the Participant that is the subject of any investigation with a copy of the written report no less than five ICE Business Days prior to distribution of the report to the applicable Review Subcommittee of the Business Conduct Committee and shall provide an opportunity to submit written comments regarding or evidence relevant to the report. Any written comments received from the Participant shall either accompany distribution of the report to the Review Subcommittee or shall be furnished to the Review Subcommittee at or before the time of its meeting, depending on the date on which the Participant’s comments are received by ICE Clear Credit staff.

- (d) If, in any case, the Chief Executive Officer or President, the Chief Compliance Officer or another ICE Clear Credit employee designated for this purpose by the Board concludes that a Violation may have occurred, he or she may:
- (i) issue a warning letter to the Participant informing it that there may have been a Violation and that such continued activity may result in disciplinary sanctions; *provided* that such warning letter shall indicate that it is neither the finding of a Violation nor a penalty and is subject to the review of the Business Conduct Committee; or
 - (ii) negotiate and enter into a written settlement agreement with the Participant, whereby the Participant, with or without admitting guilt, may agree to:
 - (1) a cease and desist order or a reprimand; and/or
 - (2) a fine of up to ten thousand dollars for each Violation alleged plus the monetary value of any benefit received as a result of the alleged Violation.

Any such written settlement shall be subject to the approval of a Review Subcommittee of the Business Conduct Committee and shall become final and effective pursuant to Rule 714(a).

(e) In the event that ICE Clear Credit staff believes a Missed Submission has occurred, it shall advise the Chief Compliance Officer and commence the following summary assessment process, unless otherwise directed by the Chief Compliance Officer:

- (i) At the end of each calendar month, the staff of ICE Clear Credit shall gather relevant details concerning each Missed Submission that it believes occurred during the past month, and prepare and transmit a Notice of Violation letter addressed to the Chief Compliance Officer for CDS (and such other representatives of the Participant as it deems appropriate) setting forth relevant details of such Violation;
 - (1) Such Notices of Violation shall include information about the date, type, quantity, and assessment amount for the Missed Submission Violation(s) in accordance with the Schedule of Assessments for Missed Price Submissions attached hereto.
 - (2) Participants are required to submit end of day prices for each Contract in which they hold a cleared interest in accordance with the ICE Clear Credit Procedures. Participants that hold a cleared interest in one or more Contracts within a single name family (see footnote above) are required to provide prices for all benchmark tenors within the family at

each coupon cleared by ICE Clear Credit. Each price not submitted as required is a Missed Submission.

- (ii) A Participant will have fifteen (15) days from the date of the Notice of Violation to dispute it or seek to have it waived or rescinded, after which time the Chief Compliance Officer will consider all relevant information and may either request further details or make a final determination.

(1) If the Participant fails to respond to a Notice of Violation within the timeframe set out therein, the Missed Submission and the stated assessment amount shall immediately be deemed finally determined, without further notice.

(2) If the one or more Missed Submissions in the month are the first instance(s) of a Missed Submission for the type of instrument (index or single name) and the Participant provides adequate explanation of the cause and plans for remedial actions, a conditional waiver of the Violation and assessment shall be granted. A conditional waiver shall provide that no assessment amount shall be due, provided the Participant does not have another instance of a Missed Submission of the same type of instrument (index or single name) within ninety (90) days of the Missed Submission for which the conditional waiver was granted. If a second instance of a Missed Submission of the same type (single name or index) occurs within ninety (90) days of one that received a conditional waiver, the conditional waiver shall be rescinded and an amount shall be assessed to the Participant for both the first and second Missed Submission.

(3) A Participant shall receive an unconditional waiver for Missed Submission(s) that are due to extraordinary circumstances outside of the Participant's control. The Chief Compliance Officer of ICE Clear Credit shall determine whether circumstances are extraordinary and outside of a Participant's control giving due weight to circumstances that involved an act of God or market-wide disruption; provided that, for the avoidance of doubt, technical failure, human error, and similar circumstances unique to the relevant Participant are not considered circumstances outside of a Participant's control.

(4) If the Missed Submission is not the first instance of a particular type of Missed Submission (single name or Index) where the Participant has satisfied the requirements of paragraph (e)(ii)(2), and is not due to an extraordinary circumstance outside of a Participant's control, the Chief Compliance Officer shall conclude that the Missed Submission and assessment stated in the Notice of Violation is finally determined.

- (iii) Any assessment amount finally determined as provided by this paragraph (e)(iii) will become immediately due and owing and shall be billed and collected by ICE Clear Credit in accordance with its normal procedures.

703. The Business Conduct Committee.

- (a) The Business Conduct Committee shall have the power to direct that an investigation of any suspected Violation be conducted by ICE Clear Credit, and shall hear any matter referred to it by ICE Clear Credit or the Risk Management Subcommittee regarding a suspected Violation.
- (b) The Business Conduct Committee shall be comprised of the independent managers of the Board. ICE Clear Credit shall appoint from time to time a chairman (the "**BCC Chairman**") and a vice chairman (the "**BCC Vice Chairman**") of the Business Conduct Committee. The Business Conduct Committee shall act through one or more subcommittees as provided in this Chapter 7, with each such subcommittee chaired either by the BCC Chairman or the BCC Vice Chairman. Three subcommittee members shall constitute a quorum for any action of a subcommittee, so long as they are in attendance at the time of the relevant action. No member of the Business Conduct Committee or any subcommittee may be subject to statutory disqualification under CEA Section 8a(2) or Section 3(a)(39) of the Securities Exchange Act, or other applicable CFTC or SEC regulations, or have a significant history of serious disciplinary offenses, including but not limited to those that would result in disqualification under CFTC Rule 1.63.
- (c) The Business Conduct Committee shall, from time to time as it deems appropriate, assign a subcommittee of three members (the "**Review Subcommittee**"), chaired by the BCC Chairman or the BCC Vice Chairman, to periodically receive and review the written investigation reports concerning possible Violations provided by ICE Clear Credit and written settlement agreements negotiated and entered into pursuant to Rule 702(d)(ii). If a member of a Review Subcommittee believes he or she has a direct financial, personal or other interest in the matter under consideration, the member shall notify the Business Conduct Committee, which shall replace such member on the Review Subcommittee for the particular matter. If there are insufficient available members of the Business Conduct Committee to constitute a quorum on a Review Subcommittee, the Board may appoint such other independent individuals as it determines appropriate to such Review Subcommittee.
- (d) If, after initial review of an investigation report, a Review Subcommittee concludes that a Violation may have occurred, it shall allow the Participant a reasonable opportunity to prepare and present whatever evidence the Participant may have. Such a presentation shall be conducted informally with no transcript taken.

- (e) In any case where a Review Subcommittee concludes that a Violation may have occurred, such Review Subcommittee shall advise the Participant of that fact and may:
- (i) refer or return the matter to ICE Clear Credit staff with instructions for further investigation;
 - (ii) approve a settlement agreement negotiated and entered into pursuant to Rule 702(d)(ii) with such Participant which may provide for a penalty other than that recommended by the relevant ICE Clear Credit staff, subject to the limitations set forth in subparagraph (e)(iv) of this Rule;
 - (iii) refer the matter to a formal hearing of a Hearing Panel; or
 - (iv) negotiate and enter into a written settlement agreement with the Participant, whereby the Participant, with or without admitting guilt, may agree to:
 - (1) a cease and desist order or a reprimand; and/or
 - (2) a fine of up to twenty-five thousand dollars for each Violation alleged plus the monetary value of any benefit received as a result of the alleged Violation.

704. Notice of Charges.

In any case in which a Review Subcommittee refers a matter to a formal hearing, ICE Clear Credit staff shall serve a Notice of Charges (a “**Notice**”) on the Participant alleged in such Notice to have been responsible for the alleged Violation (the “**Respondent**”), the BCC Chairman and the President and/or Chief Executive Officer. Such Notice shall state:

- (a) the acts, practices or conduct in which the Respondent is alleged to have engaged;
- (b) how such acts, practices or conduct constitute a Violation, including specific grounds for any denial or prohibition or limitation under consideration;
- (c) that the Respondent is entitled, upon written request filed with ICE Clear Credit pursuant to Section 705, to a formal hearing on the charges; and
- (d) the requirements and timeframes for filing an Answer as set forth in Rule 705.

705. Answer; Request for Hearing; Failure to Answer or Deny Charges.

- (a) The Respondent shall serve on ICE Clear Credit a written answer (an “**Answer**”) to the Notice of Charges, which may include a written request for a hearing on the charges, within twenty days of the date of service of the Notice of Charges.
- (b) The Respondent’s Answer may include any applicable defenses and the Respondent may attach to the Answer any documents that it deems to support its defense.
- (b) The Respondent’s failure to file an Answer within twenty days of service of the Notice shall be deemed an admission of all of the allegations contained in the Notice.
- (c) The Respondent’s failure to expressly deny a particular allegation contained in the Notice within twenty days of service of the Notice shall be deemed an admission of such allegation.
- (d) The Respondent’s failure to request a hearing within such twenty-day period, absent good cause shown, shall be deemed a waiver of Respondent’s right to a hearing.

706. Reply.

ICE Clear Credit staff may serve a reply (a “**Reply**”) to the Respondent’s Answer within five days of the date of service of the Respondent’s Answer. The Reply must be limited to the matters set forth in the Answer.

707. Selection of Hearing Panel.

- (a) Formal hearings on any alleged Violation shall be conducted by a three-member panel selected by the BCC Chairman from members of the Business Conduct Committee who were not on the Review Subcommittee for such alleged Violation (the “**Hearing Panel**”) and are not ineligible pursuant to paragraph (c) of this Rule, and, if there are fewer than three available members of the Business Conduct Committee, from the remaining members of the Board who are not employees of the Respondent or any Affiliate. The BCC Chairman, in his or her sole discretion, shall set a date for the hearing (the “**Hearing Date**”).
- (b) The BCC Chairman shall notify ICE Clear Credit staff and the Respondent of the Hearing Date and the names of the members of the Hearing Panel at least fifteen days prior to the Hearing Date.
- (c) No member of the Hearing Panel shall hear a case in which that member, in the determination of the BCC Chairman, has a direct financial, personal or other interest in the matter under consideration. If there are insufficient available Board members to constitute a Hearing Panel, the Board may appoint such other individuals who do not have such an interest as it determines appropriate, to complete the Hearing Panel.

708. Challenge to Members of the Hearing Panel.

Within ten days after service on the Respondent of notice of the Hearing Date and names of the members of the Hearing Panel, the Respondent may challenge, in writing, the inclusion of any member of the Hearing Panel for cause, including without limitation, if the member has a direct financial, personal or other interest in the matter under consideration. The merits of such challenge shall be finally decided by the BCC Chairman in his or her sole discretion. If said written challenge is not received within such ten-day period, absent good cause shown, any such right to challenge is deemed waived.

709. Hearing on Penalty in the Event of Failure to Deny Charges; Failure to Request Hearing Deemed Acceptance of Penalty.

In the event the Respondent fails to file an Answer or admits the allegations or fails to deny the allegations in support of a charge of a Violation contained in the Notice, the Hearing Panel shall find the Respondent guilty of each such Violation and may impose a penalty for each such Violation subject to the limitations set forth in Rule 712(b)(v). The Hearing Panel shall promptly notify the Respondent of any such penalty and of the Respondent's right to a hearing on the penalty within ten days, or such longer period as the Hearing Panel may determine, after the imposition of such penalty. Failure to request a hearing on the penalty in a timely manner, absent good cause shown, shall be deemed to be acceptance of the penalty.

710. Settlement Prior to Commencement of Hearing.

Prior to the commencement of the hearing, the Hearing Panel may negotiate and enter into a written settlement agreement with the Respondent, whereby the Respondent, with or without admitting guilt, may agree to:

- (a) a cease and desist order or a reprimand;
- (b) a fine of up to twenty-five thousand dollars for each Violation alleged plus the monetary value of any benefit received as a result of the alleged Violation; and/or
- (c) a suspension of clearing privileges of up to one year; *provided* that such one year limit shall not apply in the event that matter was referred to the Hearing Panel pursuant to Rule 615(b), in which case the Respondent may agree to a lengthier suspension, a revocation of clearing privileges or a termination of Participant status.

711. Hearing Procedures.

Each Hearing Panel shall determine the procedures to be followed in any hearing before it, except that the following shall apply in every case:

- (a) The prosecution shall be conducted by ICE Clear Credit staff.

- (b) The Respondent shall be allowed to be represented by legal counsel or any other representative of its choosing and, either personally or through such representative, to present witnesses and documentary evidence and to cross-examine witnesses.
- (c) ICE Clear Credit staff and the Respondent shall deliver to each other a statement listing the witnesses expected to be called and the documents expected to be introduced into evidence, together with copies of such documents, by such date prior to the hearing as the Hearing Panel may reasonably specify. Unless the Hearing Panel, in its discretion, waives compliance with this requirement, no witness may testify and no documentary evidence may be introduced into evidence unless listed in and, in the case of documents, furnished with such statement. On written request, ICE Clear Credit staff shall provide the Respondent with access to all books, documents or other tangible evidence in the possession or under the control of ICE Clear Credit which are to be relied upon by ICE Clear Credit or which are relevant to the allegations contained in the Notice of Charges.
- (d) No formal rules of evidence shall apply, and the Hearing Panel shall be free to accept or reject any and all evidence it considers proper.
- (e) Neither ICE Clear Credit staff, the Respondent, any witnesses testifying before the Hearing Panel nor any other Person within ICE Clear Credit's jurisdiction shall engage in conduct that may impede the progress of a hearing or the fair and just resolution of the subject matter thereof, and any such conduct may itself constitute a Violation.
- (f) *Ex parte* contacts by any of the parties with members of the Hearing Panel shall not be permitted.
- (g) A substantially verbatim record capable of being accurately transcribed shall be made of the proceedings, *provided, however*, that such record need not be transcribed, unless the transcript is requested by the Respondent or an applicable regulator.
- (h) The Notice of Charges, the Answer, the Reply, any stenographic transcript of the hearing, the documentary evidence and any other material presented to the Hearing Panel by either party with notice to the other shall constitute the record of the hearing (the "**Hearing Record**").
- (i) The burden of proof shall be on the prosecution. A finding of a Violation shall be made by majority vote based on the Hearing Panel's good faith judgment as to the weight of the evidence contained in the Hearing Record.

712. Written Decision of Hearing Panel.

- (a) If the Hearing Panel finds that the Respondent has not committed any Violation charged, it shall render a written decision to that effect, and the Respondent shall not be subject to any further proceedings with respect to the Violation charged. The written decision shall include:
- (i) a summary of the allegations contained in the Notice of Charges;
 - (ii) a summary of the Answer;
 - (iii) a brief summary of the evidence produced at the hearing or, where appropriate, incorporation by reference of the investigation report; and
 - (iv) a statement of the findings and conclusions of the Hearing Panel with respect to each charge.
- (b) If the Hearing Panel finds the Respondent has committed the Violation charged, it shall render a written decision to that effect. The written decision shall include:
- (i) a summary of the allegations contained in the Notice of Charges;
 - (ii) a summary of the Answer;
 - (iii) a brief summary of the evidence produced at the hearing or, where appropriate, incorporation by reference of the investigation report; and
 - (iv) a statement of the findings and conclusions of the Hearing Panel with respect to each charge, including how Respondent is found to have committed a Violation, including a statement setting forth the act or practice in which the Participant has been found to have engaged, or which such Participant has been found to have omitted and the specific provisions of the Rules which such act or omission violates; and
 - (v) an order stating any penalty imposed and the effective date of such penalty; the penalty that may be imposed on the Respondent shall be one or more of the following:
 - (A) a cease and desist order or a reprimand;
 - (B) a fine of up to one hundred thousand dollars for each Violation plus the monetary value of any benefit received as a result of the alleged violation; and/or
 - (C) a recommendation to the Board to impose a suspension or revocation of clearing privileges or a termination of Participant status of the Respondent, in accordance with the requirements of Rule 615(b).

- (c) ICE Clear Credit shall notify the CFTC and the SEC of any determination by a Hearing Panel that a Participant has committed a Violation and the penalty imposed, and shall make available to the CFTC and the SEC the written decision of the Hearing Panel and any related materials upon request, subject to applicable law.

713. Liability for Expenses.

Any Respondent that, after notice and opportunity for hearing, has been found to have committed a Violation may, in the discretion of the Hearing Panel appointed in the matter, be required to pay to ICE Clear Credit an amount equal to any and all out-of-pocket expenses incurred by ICE Clear Credit in connection with the prosecution of such Violations, in addition to any penalty which may be imposed upon such Participant by virtue of the Violations found by the Hearing Panel.

714. Effective Date of Penalties.

- (a) If a Participant enters into a settlement agreement with relevant ICE Clear Credit staff, the terms of which have been approved by the relevant Review Subcommittee, or with such Review Subcommittee or Hearing Panel, any penalty included as a part of such settlement agreement shall become final and effective on the date that such Review Subcommittee or Hearing Panel approves or enters into such settlement agreement.
- (b) Any decision (including any penalty) by a Hearing Panel shall be the final decision of ICE Clear Credit and shall become effective fifteen days, or such longer time as the Hearing Panel may specify, after a copy of the written decision of the Hearing Panel has been served on the Respondent; *provided, however*, that in any case where the Respondent has consented to the action taken and to the timing of its effectiveness or the matter was referred to the Hearing Panel pursuant to Rule 615(b), the Hearing Panel may cause the decision involving any disciplinary action (including any penalty) to become effective prior to the fifteen day period.
- (c) Any fine imposed by a Hearing Panel shall be due and payable on the effective date of the decision imposing such fine, or on such later date as the Hearing Panel may specify.

715. Extension of Time Limits.

- (a) Any time limit provided for in Rules 704, 705, 706, 707, 708, 709 or 711 may be extended by mutual consent of the Respondent and ICE Clear Credit, by the BCC Chairman, or, if a Hearing Panel has been appointed, by the majority vote of the Hearing Panel.

8. GENERAL GUARANTY FUND

801. General Guaranty Fund Contribution.

- (a) Each Participant shall Transfer to ICE Clear Credit, and thereafter maintain so long as it is a Participant, Collateral for deposit in the General Guaranty Fund in the form and in such amounts as may be determined by ICE Clear Credit as provided herein and in accordance with the ICE Clear Credit Procedures as in effect from time to time (“**Required Contribution**”); *provided* that, following the determination by ICE Clear Credit that a Participant is in Default (or the automatic occurrence of a Default, as applicable), (i) ICE Clear Credit shall not be entitled to adjust such Defaulting Participant’s Required Contribution and (ii) until such time as ICE Clear Credit has completed the Closing-out Process with respect to such Defaulting Participant, ICE Clear Credit shall not be entitled to adjust any other Participant’s Required Contribution except for periodic adjustments of Participants’ Required Contributions contemplated by the ICE Clear Credit Procedures; *provided, further*, that ICE Clear Credit shall not be entitled to increase a Retiring Participant’s Required Contribution following the first date on which such Retiring Participant no longer has any Open Positions. ICE Clear Credit shall cause appropriate entries to be made in its books and records to reflect the deposit of Collateral, the ICE Clear Credit Priority Contribution and the ICE Clear Credit Pro Rata Contribution into the General Guaranty Fund. ICE Clear Credit shall have the sole right to withdraw cash, securities or other property from, and to authorize the sale or other disposition of any securities or other property held in, the General Guaranty Fund, subject to the limitations imposed in subparagraph (b)(v) of this Rule. A Participant may request, in accordance with the ICE Clear Credit Procedures, that ICE Clear Credit withdraw Collateral from the General Guaranty Fund and return it to the Participant to the extent the Participant’s contributions to the General Guaranty Fund exceed its Required Contribution at that time. A Participant may substitute, in accordance with the ICE Clear Credit Procedures, Collateral for an amount of Collateral currently on deposit in the General Guaranty Fund and credited to such Participant having a value, determined in accordance with the ICE Clear Credit Procedures, not to exceed such substitute Collateral. ICE Clear Credit shall pay a Participant interest for any net cash Collateral of such Participant in the General Guaranty Fund, at an interest rate and on a frequency determined from time to time by ICE Clear Credit in the ICE Clear Credit Procedures. The eligible forms of Collateral will be as set forth in Schedule 401 as in effect from time to time. Collateral provided by Participant may be invested only in accordance with the investment guidelines in the ICE Clear Credit Procedures.

Subject to the foregoing, the Required Contribution for a Participant as of any date of determination shall be the greater of (i) such Participant’s proportionate share of the aggregate Participant Loss Exposure, which will be calculated as the

two largest Participant Loss Exposures; and (ii) \$20,000,000. As used herein, **“Participant Loss Exposure”** means with respect to a Participant, the amount determined by ICE Clear Credit using stress test methodology, calculated on a net exposure basis separately within the House Positions and Client-Related Positions of that Participant, equal to the expected losses to ICE Clear Credit associated with the default of that Participant taking into account both (a) the uncollateralized loss (i.e., the loss after application of Initial Margin and Mark-to-Market Margin) given default and (b) the uncollateralized loss from contracting or widening credit spreads. The Required Contribution will be calculated and set for Participants on a monthly basis. In addition, the Required Contribution for each Participant will be recalculated on each ICE Business Day daily and if such calculation would result in an increase of 5% or more, the Required Contribution for such Participant will be reset to the higher level. For purposes of the monthly calculation, the Participant Loss Exposure used in calculating the Required Contribution for any Participant and any date of determination will be the greater of (i) the level determined as of the next preceding ICE Business Day and (ii) the average of the levels on each ICE Business Day from and including the last Required Contribution determination to but excluding such next preceding ICE Business Day. The determination by ICE Clear Credit of the Required Contribution shall be binding absent manifest error.

- (b) ICE Clear Credit shall contribute and maintain deposit(s) of capital in the General Guaranty Fund in such form and amount(s) and at such time(s) as follows:
 - (i) On or before the first date that Participants are required to Transfer Collateral to ICE Clear Credit for deposit in the General Guaranty Fund pursuant to these Rules or the ICE Clear Credit Procedures, ICE Clear Credit shall contribute to the General Guaranty Fund ten million dollars. Thereafter, ICE Clear Credit may make additional contributions to the General Guaranty Fund from time to time and shall be obligated to have made aggregate contributions (including the initial ten million dollars) to the General Guaranty Fund of twenty-five million dollars on or prior to the first anniversary of the Customer Integration Date (from time to time, the aggregate amount of dollars so contributed by ICE Clear Credit pursuant to this subparagraph, reduced by any charge applied to such amount pursuant to Rule 802(b) and not reimbursed under Rule 802(a) or (c), the **“ICE Clear Credit Priority Contribution”**). ICE Clear Credit may invest the ICE Clear Credit Priority Contribution only in accordance with the investment guidelines in the ICE Clear Credit Procedures. If on or after the first anniversary of the Customer Integration Date, the value, determined in accordance with the ICE Clear Credit Procedures, of the assets constituting the ICE Clear Credit Priority Contribution is below the required amount of the ICE Clear Credit Priority Contribution because of a decrease in the value of such ICE Clear Credit Priority Contribution (including such decreases that occurred prior to such first anniversary or as the result of investments of the ICE Clear Credit Priority Contribution,

but excluding decreases resulting from a charge to such amount pursuant to Rule 802(b)), ICE Clear Credit shall be required, by the open of business on the following ICE Business Day, to contribute an additional amount of assets to the General Guaranty Fund sufficient to cause the assets constituting the ICE Clear Credit Priority Contribution to have a value, determined in accordance with the ICE Clear Credit Procedures, of at least the required amount of the ICE Clear Credit Priority Contribution.

- (ii) Following the aggregate contribution to the General Guaranty Fund by ICE Clear Credit of twenty-five million dollars as described in subparagraph (i), ICE Clear Credit may make additional contributions to the General Guaranty Fund pursuant to this subparagraph (ii) and, by the second anniversary of the Customer Integration Date, shall be obligated to have made an additional contribution to the General Guaranty Fund pursuant to this subparagraph (ii) (net of any charge applied to such amount pursuant to Rule 802(b) on or before such second anniversary and exclusive of the ICE Clear Credit Priority Contribution) of at least twenty-five million dollars (from time to time, the aggregate amount of dollars contributed to the General Guaranty Fund by ICE Clear Credit pursuant to this subparagraph, reduced by any charge applied to such amount pursuant to Rule 802(b), the “**ICE Clear Credit Pro Rata Contribution**”, it being understood that on and after the second anniversary of the Customer Integration Date, the required amount of the ICE Clear Credit Pro Rata Contribution shall be twenty-five million dollars). ICE Clear Credit may invest the ICE Clear Credit Pro Rata Contribution only in accordance with the investment guidelines in the ICE Clear Credit Procedures. If, prior to the second anniversary of the Customer Integration Date, an amount is charged to the ICE Clear Credit Pro Rata Contribution pursuant to Rule 802(b), ICE Clear Credit shall be required, by the open of business on the following ICE Business Day, to contribute an additional amount of dollars to the General Guaranty Fund equal to the amount of such charge and such additional amount shall constitute part of the ICE Clear Credit Pro Rata Contribution. If, on or after the second anniversary of the Customer Integration Date, the value, determined in accordance with the ICE Clear Credit Procedures, of the assets constituting the ICE Clear Credit Pro Rata Contribution is below the required amount of the ICE Clear Credit Pro Rata Contribution because of a decrease in the value of such ICE Clear Credit Pro Rata Contribution, an investment of the ICE Clear Credit Pro Rata Contribution or a charge to such amount pursuant to Rule 802(b), ICE Clear Credit shall be required, by the open of business on the following ICE Business Day, to contribute an additional amount of assets to the General Guaranty Fund sufficient to cause the assets constituting the ICE Clear Credit Pro Rata Contribution to have a value, determined in accordance with the ICE Clear Credit Procedures, of at least the required amount of the ICE Clear Credit Pro Rata Contribution.

- (iii) For the purposes of allocating the application of any charge to the General Guaranty Fund pursuant to Rule 802(b), the amount of the ICE Clear Credit Priority Contribution and the ICE Clear Credit Pro Rata Contribution shall be determined as of the date of such application. Subject to the ICE Clear Credit Default Maximum, any deficiency of the actual ICE Clear Credit Priority Contribution or ICE Clear Credit Pro Rata Contribution relative to the required amount thereof at the time of application shall remain the liability of ICE Clear Credit, notwithstanding anything to the contrary in these Rules.
 - (iv) “**Customer Integration Date**” shall mean December 14, 2009.
 - (v) ICE Clear Credit may make withdrawals from the General Guaranty Fund in respect of the ICE Clear Credit Priority Contribution and the ICE Clear Credit Pro Rata Contribution only to the extent the value of the assets constituting such contribution exceeds the required amount thereof and for purposes of application of any charge to the General Guaranty Fund pursuant to Rule 802(b). ICE Clear Credit may substitute assets constituting the ICE Clear Credit Priority Contribution or the ICE Clear Credit Pro Rata Contribution in accordance with the investment guidelines in the ICE Clear Credit Procedures.
 - (vi) ICE Clear Credit’s obligation under this Rule 801(b) to contribute additional assets to the General Guaranty Fund shall cease upon the occurrence of one of the reasons for commencing the winding up of Open Positions, as described in Rule 804(a), except for any due and unpaid amounts at the time of such occurrence.
- (c) For the purposes of the application of amounts charged to the General Guaranty Fund pursuant to Rule 802(b) and recoveries related thereto pursuant to Rule 802(a) or (c), the General Guaranty Fund (excluding the ICE Clear Credit Priority Contribution and the General Guaranty Fund contribution of the relevant Participant whose Default or Obligation Failure results in such application (such Participant, the “**Excluded Participant**”) shall be separated from time to time into two tranches as follows:
- (i) “**Tranche 1**” shall consist of (A) the ICE Clear Credit Pro Rata Contribution (as adjusted, if applicable, by the proviso below) and (B) a portion of the Required Contribution of each Participant other than the Excluded Participant and any Retiring Participant if the relevant Obligation Failure or Default occurred after such Retiring Participant’s Scheduled Return Date (as defined in Rule 803) (each, a “**Remaining Participant**”) equal to such Remaining Participant’s Required Contribution *divided by* the sum of all Remaining Participants’ Required Contributions *multiplied by* the number of Remaining Participants *multiplied by* the ICE Clear Credit Pro Rata

Contribution (as adjusted, if applicable, by the proviso below); *provided* that if the sum of all Remaining Participants' Required Contributions *divided by* the number of Remaining Participants (the "**Average Contribution**") is less than the ICE Clear Credit Pro Rata Contribution, for the purposes of determining Tranche 1, the ICE Clear Credit Pro Rata Contribution shall be deemed to be the Average Contribution and the remainder of the ICE Clear Credit Pro Rata Contribution shall be applied, if at all, in accordance with Rule 802(b)(iv).

- (ii) "**Tranche 2**" shall consist of the excess of each Remaining Participant's Required Contributions over the amounts thereof included in Tranche 1.

802. General Guaranty Fund Application.

- (a) If a Participant is in Default and, as a result thereof, ICE Clear Credit suffers any loss or expense in effecting the Closing-out Process, or a Participant shall fail to make any other payment or render any other performance required under these Rules or a Contract (such failure, an "**Obligation Failure**"), then ICE Clear Credit shall, after appropriate application of such Participant's Margin and other funds in or payable to the accounts of such Participant and any amounts collected from any guarantor of such Participant (other than Margin provided in respect of Client-Related Positions), or may, prior to such application, charge to and apply against the Participant's contributions to the General Guaranty Fund, in the manner and in the order of priority set forth below:
 - (i) **FIRST:** To the payment of the costs and expenses of any sale, collection or other realization of such Margin or Collateral or amounts deposited by others in the General Guaranty Fund, including, without limitation, fees and expenses of counsel, and all reasonable expenses, liabilities and advances made or incurred by ICE Clear Credit in connection therewith;
 - (ii) **SECOND:** To the payment of any Obligations relating to Open Positions or the Closing-out Process or any obligations of ICE Clear Credit, in either case, arising out of or in any way relating to such Participant's Default or Obligation Failure (such obligations, together with the costs and expenses described in subparagraph (i), the "**Reimbursement Obligations**");
 - (iii) **THIRD:** To the extent any amount has been charged to or applied against the General Guaranty Fund pursuant to subparagraph (b)(iv) of this Rule on account of such Participant's Default or Obligation Failure, to the Participants and ICE Clear Credit whose contribution to the General Guaranty Fund was charged and applied (whether or not such

Participant remains a Participant at the time of the collection), first to the Participants charged to the extent they were charged after the ICE Clear Credit Default Maximum was reached and thereafter to the Participants and ICE Clear Credit, in each case in proportion to the amount each was charged and applied in accordance with subparagraph (b)(iv) of this Rule, up to the amount of such charge and application;

- (iv) FOURTH: To the extent any amount has been charged to or applied against Tranche 2 pursuant to subparagraph (b)(iii) of this Rule on account of such Participant's Default or Obligation Failure, to the Participants whose contribution to Tranche 2 was charged and applied (whether or not such Participant remains a Participant at the time of the collection), in proportion to the amount each was charged and applied in accordance with subparagraph (b)(iii) of this Rule, up to the amount of such charge and application;
- (v) FIFTH: To the extent any amount has been charged to or applied against Tranche 1 pursuant to subparagraph (b)(ii) of this Rule on account of such Participant's Default or Obligation Failure, to the Participants and ICE Clear Credit whose contribution to Tranche 1 was charged and applied (whether or not such Participant remains a Participant at the time of the collection), in proportion to the amount each was charged and applied in accordance with subparagraph (b)(ii) of this Rule, up to the amount of such charge and application;
- (vi) SIXTH: To the extent any amount has been charged to or applied against the ICE Clear Credit Priority Contribution pursuant to subparagraph (b)(i) of this Rule on account of such Participant's Default or Obligation Failure, to ICE Clear Credit up to the amount of such charge and application; *provided* that ICE Clear Credit shall contribute any amount recovered in respect of this subparagraph to the General Guaranty Fund for credit to the ICE Clear Credit Priority Contribution; and
- (vii) SEVENTH: To ICE Clear Credit or to whomsoever may be lawfully entitled to receive any surplus then remaining from such proceeds (including, without limitation, any insurer, surety or guarantor of the obligations of ICE Clear Credit) or as a court of competent jurisdiction may direct, of any such surplus or, if neither ICE Clear Credit nor any other Person is lawfully entitled to receive any such surplus, to or upon the order of the relevant Participant; *provided* that, if such Participant is a Defaulting Participant, then until such Defaulting Participant's Retirement Date determined pursuant to Rule 803, no such surplus shall be available for distribution under this subparagraph (vii) and any such surplus shall remain in the General Guaranty Fund and be subject

to charge and application under paragraph (b) of this Rule.

Reimbursement Obligations shall include obligations in respect of a Defaulting Participant's House Positions and Client-Related Positions. To the extent such Reimbursement Obligations cannot be satisfied in full pursuant to this subsection (a), amounts available pursuant to this subsection (a) shall be applied to Reimbursement Obligations in respect of House Positions and Client-Related Positions in proportion to the respective Initial Margin requirements of the Defaulting Participant in respect of such positions immediately prior to the Default, until the Reimbursement Obligations in respect of House Positions or Client-Related Positions are reduced to zero.

- (b) Following the occurrence of an Obligation Failure, the determination by ICE Clear Credit that a Participant is in Default or the occurrence of an Automatic Default with respect to a Participant, ICE Clear Credit shall be entitled, from time to time, to charge to and apply against the General Guaranty Fund with respect to any of such Participant's Remaining Reimbursement Obligations, in the following order:
- (i) the ICE Clear Credit Priority Contribution;
 - (ii) Tranche 1, pro rata from the contributions thereto of the Remaining Participants and ICE Clear Credit, based on the relative size of such contributions;
 - (iii) Tranche 2, pro rata from the contributions thereto of the Remaining Participants, based on the relative size of such contributions; and
 - (iv) any additional assets deposited in the General Guaranty Fund pursuant to paragraph (d) of this Rule, pro rata from each Remaining Participant's contributions, based on the relative size of such contributions; *provided* that, for the purposes of this subparagraph, if the entire ICE Clear Credit Pro Rata Contribution was not included in Tranche 1 pursuant to the proviso in Rule 801(c)(i), the excess of the ICE Clear Credit Pro Rata Contribution over the amount thereof included in Tranche 1 shall be applied pursuant to this subparagraph (iv), along with additional amounts deposited in the General Guaranty Fund by Participants pursuant to paragraph (d) of this Rule at the same proportionate rate of application as in Tranche 1 until the ICE Clear Credit Default Maximum is reached.

Notwithstanding anything to the contrary in these Rules, in no event shall more than the ICE Clear Credit Default Maximum be applied in the aggregate to the ICE Clear Credit Pro Rata Contribution in the case of a single Participant Default and any Obligation Failure resulting in such Default. "**ICE Clear Credit Default Maximum**" means, at any time of determination, the lesser of (A) (x)

prior to the second anniversary of the Customer Integration Date, the actual amount of the ICE Clear Credit Pro Rata Contribution or (y) on or following the second anniversary of the Customer Integration Date, twenty-five million dollars and (B) the amount of the ICE Clear Credit Pro Rata Contribution that has been applied at the time all additional assets that Remaining Participants may be required to deposit in the General Guaranty Fund pursuant to paragraph (d) of this Rule have been applied.

As used herein, “**Remaining Reimbursement Obligations**” means those Reimbursement Obligations in respect of a Defaulting Participant that remain unsatisfied after application of available amounts pursuant to subsection (a) and, in the case of Reimbursement Obligations in respect of Client-Related Positions only, after application of such Participant’s Margin in respect of Client-Related Positions and any Non-Participant Initial Margin of a defaulting Non-Participant Party in accordance with these Rules. Available amounts pursuant to this subsection must be applied to Remaining Reimbursement Obligations in respect of Client-Related Positions and House Positions in proportion to the respective Initial Margin requirements of the Defaulting Participant in respect of such positions immediately prior to the Default, until the Remaining Reimbursement Obligations in respect of Client-Related Positions or House Positions are reduced to zero.

- (c) Any deficiency in respect of Obligations shall remain a liability of the Participant and any related guarantor to ICE Clear Credit, which ICE Clear Credit may collect from any Margin, Collateral or other assets of such Participant or such guarantor or by legal process. Any such collection by ICE Clear Credit shall be applied in the following order: (i) to the costs and expenses, including, without limitation, fees and expenses of counsel, of obtaining such collection, (ii) to any unreimbursed costs and expenses referred to in subparagraph (a)(i) of this Rule, (iii) to any deficiencies owed to Participants under Wound-up Contracts described in Rule 804, (iv) to the Participants and ICE Clear Credit whose contribution to the General Guaranty Fund was charged and applied for such deficiency pursuant to subparagraph (b)(iv) of this Rule (whether or not such Participant remains a Participant at the time of the collection), first to the Participants charged to the extent they were charged after the ICE Clear Credit Default Maximum was reached and thereafter to the Participants and ICE Clear Credit, in each case in proportion to the amount each was charged and applied in accordance with subparagraph (b)(iv) of this Rule, up to the amount of such charge and application, (v) to the Participants whose contribution to Tranche 2 was charged and applied for such deficiency (whether or not such Participant remains a Participant at the time of the collection), in proportion to the amount each was charged and applied in accordance with subparagraph (b)(iii) of this Rule, up to the amount of such charge and application, (vi) to the Participants and ICE Clear Credit whose contribution to Tranche 1 was charged and applied for such deficiency (whether or not such Participant remains a Participant at the time of the collection), in proportion to the amount each was

charged and applied in accordance with subparagraph (b)(ii) of this Rule, up to the amount of such charge and application, (vii) to ICE Clear Credit in respect of the charge and application against the ICE Clear Credit Priority Contribution, up to the amount of such charge and application; *provided* that ICE Clear Credit shall contribute any amount recovered in respect of this clause to the General Guaranty Fund for credit to the ICE Clear Credit Priority Contribution; (viii) to the Custodial Client Omnibus Margin Account (or to the Participant for distribution to the applicable Non-Participant Parties), to the extent the Participant's Margin in respect of Client-Related Positions was applied to such deficiency; and (ix) to the payment of any other Obligations.

- (d) ***Additional Collateral Deposit.*** ICE Clear Credit shall notify Participants whenever an amount is charged to and applied against the General Guaranty Fund as provided in paragraphs (a) or (b) of this Rule (which notice will state the reason for such charge or application). If Reimbursement Obligations are charged to and applied against Collateral in the General Guaranty Fund pursuant to paragraph (a) or (b) of this Rule and, as a result, the amount of Collateral credited to a Participant is less than the amount it was required to maintain pursuant to Rule 801 immediately prior to such charge and application, the Participant shall Transfer to ICE Clear Credit additional Collateral for deposit into the General Guaranty Fund in an amount at least sufficient to restore that Participant's Required Contribution; *provided* that, if a Participant is a Retiring Participant or provides notice that causes it to become a Retiring Participant prior to the time such deposit is due, the Participant's additional Transfer required pursuant to this sentence shall be limited to the excess, if any, of (i) such Participant's Required Contribution on the date of the most recent application of Collateral from the General Guaranty Fund pursuant to paragraph (b) of this Rule over (ii) the aggregate Transfers of Collateral to ICE Clear Credit for deposit in the General Guaranty Fund made by such Participant after it became a Retiring Participant (other than in respect of increases to its Required Contribution for periodic adjustments permitted under Rule 801) and any contributions of the Participant to the General Guaranty Fund in excess (as determined by ICE Clear Credit) of its Required Contribution (with respect to such Participant, such excess of clause (i) over clause (ii) from time to time, the "**Additional Assessment Limit**"); *provided* that, if a Participant was not obligated to make a Transfer to ICE Clear Credit of additional Collateral for deposit in the General Guaranty Fund because its Additional Assessment Limit was reduced to zero and, thereafter, its Required Contribution increases, the Participant shall Transfer to ICE Clear Credit such additional Collateral for deposit in the General Guaranty Fund to the extent of its Additional Assessment Limit (determined using such increased Required Contribution) on the ICE Business Day following the effectiveness of such increase. All such additional Collateral shall be Transferred to ICE Clear Credit prior to ICE Clear Credit's opening of business on the first ICE Business Day following such notice or such later time as ICE Clear Credit shall determine in its sole discretion. A Participant that fails to Transfer the full amount of such

additional Collateral, shall be in Default, and ICE Clear Credit may, in addition to any other remedies it may have, debit such Participant's House Margin Account for any or all of such unpaid amount and assess fines and charges against such Participant as provided in Rule 606.

- (e) Each Participant agrees that all right, title and interest in and to any cash Collateral Transferred by such Participant to ICE Clear Credit for deposit in the General Guaranty Fund and any cash proceeds of such Participant's Collateral on deposit in the General Guaranty Fund shall vest in ICE Clear Credit free and clear of any liens, claims, charges or encumbrances in accordance with Rule 402(a). Upon the occurrence of a Default or an ICE Clear Credit Default, or as otherwise provided in these Rules, ICE Clear Credit shall be entitled to apply such cash Collateral and cash proceeds in the General Guaranty Fund, regardless of the source, and any interest payable with respect thereto (i) to the Reimbursement Obligations of any Participant or (ii) to the obligations of ICE Clear Credit to any Participant under any Wound-up Contracts.
- (f) (i) Each Participant hereby grants to ICE Clear Credit, acting on behalf of itself and each Participant, a continuing lien and security interest in and to and right of set-off against all of Participant's right, title and interest, whether now owned or existing or hereafter acquired or arising, in and to all Collateral consisting of (A) all securities, financial assets and other property (other than cash) Transferred by such Participant to ICE Clear Credit for credit to the General Guaranty Fund and (B) all non-cash proceeds of any of the foregoing (jointly, (A) and (B), the "**Pledged Guaranty Collateral**") as security for any and all Reimbursement Obligations of any and all Participants to ICE Clear Credit and for ICE Clear Credit's obligations to any and all Participants under Wound-up Contracts in the event of an ICE Clear Credit Default (collectively, the "**Guaranteed Obligations**"). Upon the return of Pledged Guaranty Collateral by ICE Clear Credit to a Participant in accordance with these Rules and the ICE Clear Credit Procedures, the security interest and lien granted hereunder on such Pledged Guaranty Collateral will be released immediately without any further action by either party.
- (ii) Upon the occurrence of a Default or an ICE Clear Credit Default, or as otherwise provided in these Rules, ICE Clear Credit, on behalf of itself or any Participant, may exercise all rights of a secured party under applicable law and all rights under these Rules. ICE Clear Credit may, without being required to give any notice, except as may be required by law, sell or otherwise apply any Pledged Guaranty Collateral Transferred to, or otherwise under the control of, ICE Clear Credit to satisfy the Guaranteed Obligations. Upon any such sale, ICE Clear Credit shall have the right to deliver, assign and transfer to the purchaser thereof the Pledged Guaranty Collateral so sold. Each purchaser at any such sale shall hold the Pledged Guaranty Collateral

so sold to it absolutely and free from any claim or right of whatsoever kind, including any equity or right of redemption of the Participant which may be waived, and the Participant, to the extent permitted by law, hereby specifically waives all rights of redemption, stay or appraisal which it has or may have under any law now existing or hereafter adopted.

(iii) Each Participant represents that it is the sole owner of or otherwise has the right to Transfer to ICE Clear Credit the Pledged Guaranty Collateral subject to the foregoing lien and security interest, free and clear of any other security interest, lien, encumbrance or other restrictions, and agrees not to create or permit to exist any such security interest, lien, encumbrance or other restrictions. Each Participant agrees to take any action reasonably requested by ICE Clear Credit that may be necessary or desirable for ICE Clear Credit to create, preserve, perfect or validate the foregoing lien and security interest or to enable ICE Clear Credit to exercise or enforce its rights with respect thereto. With respect to any Pledged Guaranty Collateral consisting of securities and other financial assets Transferred by ICE Clear Credit in accordance with these Rules, each Participant agrees it will accept securities and financial assets of the same issuer, type, nominal value, description and amount as those securities and financial assets initially Transferred by such Participant to ICE Clear Credit.

(g) A Participant shall take no action, including but not limited to attempting to obtain a court order, that could interfere with the ability of ICE Clear Credit (i) to take any action contemplated by this Rule, including, without limitation, to liquidate, set off and/or apply such Participant's Open Positions, Collateral or other assets, pursuant to these Rules or (ii) to set off amounts owed to such Participant against such Participant's Obligations or any other Participant's Reimbursement Obligations.

803. Return of General Guaranty Fund Contributions.

ICE Clear Credit shall return a Retiring Participant's contributions to the General Guaranty Fund, to the extent not charged to or applied against pursuant to Rule 802 or Rule 804, no later than the later of (i) the Retiring Participant's Scheduled Return Date and (ii) the earlier of (A) the date that ICE Clear Credit determines that any Default that occurred on or prior to such Scheduled Return Date will not result in a charge against such Retiring Participant's contribution to the General Guaranty Fund or that there was no such Default and (B) the date that is 90 calendar days from such Scheduled Return Date (the later of clause (i) and (ii), the "**Retirement Date**"). Upon such return, the Retiring Participant shall have no further obligation to make contributions to the General Guaranty Fund, notwithstanding any remaining Additional Assessment Limit. With respect to a Retiring Participant, the "**Scheduled Return Date**" shall be the last ICE Business Day of the first calendar quarter that has at least sixty calendar days

remaining as of the first date on which such Retiring Participant no longer has any Open Positions.

804. Exhaustion of General Guaranty Fund; Winding Up.

- (a) If (i) the application of the General Guaranty Fund in accordance with Rule 802(b) is insufficient to discharge in full the Remaining Reimbursement Obligations of the relevant Participant, taking into account (subject to the Additional Assessment Limit) additional deposits made in accordance with Rules 801 or 802, (ii) the Board determines, by virtue of the number of Retiring Participants or otherwise, that a winding up of outstanding Contracts is prudent or (iii) an ICE Clear Credit Default occurs pursuant to Rule 805, the Board shall determine close-out values for all Open Positions (the **“Wound-up Contracts”**) on a date and at prices determined by the Board in its discretion, acting in good faith and a commercially reasonable manner, and shall determine a single net amount owed by or owed to each Participant in respect of House Positions and a single net amount owed by or owed to each Participant in respect of Client-Related Positions. In such case, net amounts owed by a Participant with respect to Client-Related Positions may be offset and netted against net amounts owed to a Participant with respect to House Positions; provided that net amounts owed by a Participant with respect to House Positions may not be offset or netted against net amounts owed to a Participant with respect to Client-Related Positions. In that case, ICE Clear Credit shall apply all amounts collected from Participants who owe ICE Clear Credit a net amount under the Wound-up Contracts (directly or through Margin deposited by such Participant and other funds in or payable to the accounts of the Participant or from any applicable guarantor, provided that Margin provided in respect of Client-Related Positions may only be applied to the extent net amounts are owed in respect of Client-Related Positions), plus all available amounts in the General Guaranty Fund, to pay all net amounts owed by ICE Clear Credit to Participants under the Wound-up Contracts, subject to the limitation of liability set forth in Rule 312, and, to the extent the amounts owed by ICE Clear Credit exceed the amounts available for payment, the amounts available for payment shall be prorated based on the relative net amounts owed by ICE Clear Credit to Participants under Wound-up Contracts. To the extent amounts available for payment exceed the amounts owed by ICE Clear Credit, such excess shall be applied in accordance with Rule 802(a)(iii)-(vii).
- (b) For the sake of clarity, if ICE Clear Credit and some or all of the Retiring Participants agree to establish a new General Guaranty Fund (the **“New General Guaranty Fund”**) and to have ICE Clear Credit accept for clearing replacements for some or all of the Wound-up Contracts, the limitation of liability set forth in Rule 312 shall continue to apply to the Wound-up Contracts, ICE Clear Credit shall be liable only to the extent set forth in such Rule 312, and the New General Guaranty Fund shall not be available to satisfy any obligations in respect of the Wound-up Contracts.

805. ICE Clear Credit Default.

If any of the events listed in this Rule occur (an “**ICE Clear Credit Default**”), all Open Positions with all Participants shall be terminated and cash settled in accordance with Rule 804.

- (a) **Failure to Pay or Deliver.** Failure by ICE Clear Credit to (i) make, when due, any payment or delivery with respect to any Participant’s Open Positions required to be made by it (determined without regard to the limitation of liability set forth in Rule 312) or (ii) make, when due, a contribution to the General Guaranty Fund required of it by Rule 801 or 802, in the case of each of clauses (i) and (ii) if such failure is not remedied on or before the third ICE Business Day after notice of such failure is given to ICE Clear Credit by any Participant; or
- (b) **Bankruptcy.** ICE Clear Credit (i) is dissolved (other than pursuant to a consolidation, amalgamation or merger); (ii) institutes a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors’ rights, or presents a petition for its winding-up or liquidation; (iii) has instituted against it a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors’ rights, or a petition is presented for its winding-up or liquidation and, in each case, such proceeding or petition results in a judgment of insolvency or bankruptcy or the entry of an order for relief or the making of an order for its winding-up or liquidation; or (iv) seeks or becomes subject to the appointment of an administrator, provisional liquidator, conservator, receiver, trustee, custodian or other similar official for it or for all or substantially all its assets.

... Interpretations and Policies:

- .01 As used in this Chapter 8, “Participant” includes a Participant that has had its clearing privileges suspended or revoked, or its status as a Participant terminated, by ICE Clear Credit or whose privileges in respect of Trades and Contracts have been restricted pursuant to Rules 203 or 207.

9. ARBITRATION RULES

900. Quorum and Disqualification

- (a) The Arbitration Committee shall consist of such number of Persons as the Board shall determine from time to time. The President shall appoint Public Directors of the Board as the Chairman and Vice Chairman of the Arbitration Committee and shall appoint employees of Participants and Persons who are not Participants to the Arbitration Committee to serve until new committees are appointed. The President may at any time remove any member of the Arbitration Committee, with or without cause, and all vacancies shall be filled as in the case of an original appointment. An individual shall be disqualified from taking any action as a member of the Arbitration Committee or as an arbitrator prescribed in the Arbitration Rules if such individual or an Affiliate has an interest in the Claim or dispute. Any member of the Arbitration Committee may disqualify himself or herself for any reason he or she deems appropriate. Each member of the Arbitration Committee or arbitrator appointed to hear and determine a Claim or grievance shall conduct himself or herself in a manner consistent with the ABA/American Arbitration Association's "Code of Ethics for Arbitrators in Commercial Disputes" and shall disclose to the Chairman of the Arbitration Committee, who shall thereafter advise the parties to the arbitration, at any stage of the arbitration, any past or present, direct or indirect financial, business, professional, family or social relationship which is likely to affect an appearance or which might reasonably create an appearance of partiality or bias.
- (b) If the Chairman of the Arbitration Committee is disqualified or is unavailable, the Vice Chairman of the Arbitration Committee shall act as Chairman. If both the Chairman and the Vice Chairman of the Arbitration Committee are disqualified or are unavailable, the President shall appoint another member of the Arbitration Committee, who is not affiliated with a Participant, to act as Chairman.
- (c) The lesser of a majority or three (3) members of the Arbitration Committee shall constitute a quorum for the transaction of business. Any action taken by a vote of the majority of the Arbitration Committee members present at a meeting at which a quorum is present shall be deemed to be a valid action of the Arbitration Committee.

901 Definitions

Unless otherwise indicated, the following terms shall, for the purposes of Chapter 9 of the Rules (the "**Arbitration Rules**"), have the following meanings:

Claim or grievance

Any dispute which arises out of or relating to the clearing of Contracts subject to the Rules by or through a Participant, which dispute does not require for adjudication the presence of essential witnesses or third (3rd) parties over whom ICE Clear Credit does not have jurisdiction or who are otherwise not available. The term "Claim or grievance" shall not include (i) disputes involving matters subject to resolution under Chapter 21 of the Rules or (ii) any claim or grievance against ICE Clear Credit.

Non-Participant Party

Any Person with a Claim or grievance against a Participant; provided, however, that it shall not include Participants.

Claimant

A Person who asserts a Claim pursuant to these Arbitration Rules.

Respondent

A Person against whom a Claim is asserted pursuant to these Arbitration Rules.

Clearing Organization

A derivatives clearing organization registered with the Commodity Futures Trading Commission or a securities clearing agency registered with the Securities and Exchange Commission.

Allowable Claim

A Claim for losses arising directly from or relating to the clearing of any Contract. An Allowable Claim shall not include legal or other incidental expenses incurred in connection with any such losses or with the events giving rise to any such losses.

902. Jurisdiction

- (a) Any Claim or grievance by a Non-Participant Party against a Participant, shall, if the Non-Participant Party so elects, be settled by arbitration in accordance with these Arbitration Rules unless the Claim or grievance is capable of being settled by arbitration under the rules of a registered futures association, as defined in the Commodity Exchange Act, or a national securities association, as defined in the Securities Exchange Act. If such a Claim or grievance is made in accordance with these Arbitration Rules, any counterclaim permissible under subparagraph (a)(ii) of Rule 903 of these Arbitration Rules shall, if asserted by such Participant, likewise be settled by arbitration in accordance with these Arbitration Rules.

- (b) Any Allowable Claim by a Participant against another Participant, whether originating before or during the period of time that the parties are Participants, shall be settled by arbitration in accordance with these Arbitration Rules unless the claim is capable of being settled by arbitration under the rules of a registered futures association, as defined in the Commodity Exchange Act, or a national securities association, as defined in the Securities Exchange Act. If such an Allowable Claim is made in accordance with these Arbitration Rules, any Allowable Claim which may be asserted as a counter-claim under subparagraph (a)(ii) of Rule 903 shall likewise be settled by arbitration in accordance with these Arbitration Rules. Arbitration proceedings invoked pursuant to this paragraph shall be independent of, and shall not interfere with or delay the resolution of a Non-Participant Party's Claims and grievances submitted for arbitration pursuant to paragraph (a).
- (c) All other disputes or controversies, regardless of their nature, between or among any two (2) or more parties, shall, if agreed to by all parties involved, be settled by arbitration in accordance with these Arbitration Rules. Arbitration proceedings invoked pursuant to this paragraph shall be independent of, and shall not interfere with or delay the resolution of a Non-Participant Party's Claims and grievances submitted for arbitration pursuant to paragraph (a).
- (d) Notwithstanding the foregoing, any Panel or, in the absence of a Panel, any three (3) members of the Arbitration Committee appointed by the Chairman of the Arbitration Committee, in its sole and absolute discretion, may decline to take jurisdiction of, or, having taken jurisdiction may at any time decline to proceed further with, any Claim or grievance or any other dispute, controversy or counterclaim, other than such as may be asserted under paragraph (a) of this Rule.
- (e) The commencement of an arbitration under these Rules by a Non-Participant Party against a Participant will not in itself preclude a Participant from exercising its rights and remedies under its agreements with a Non-Participant Party, nor will these Arbitration Rules be deemed to permit a Non-Participant Party to obtain any stay, injunction or similar relief that would preclude a Participant from exercising such rights and remedies as a result of the commencement of an arbitration under these Rules.

903. Procedure

- (a) Claims Asserted Pursuant to Rules 902(a) and (b).
 - (i) A Person desiring to invoke the provisions of this paragraph (a) shall, within two (2) years from the time the Claim or grievance arose, file with the ICE Clear Credit a Notice of Arbitration. The Notice of Arbitration shall set forth the name and address of the party or parties against whom the Claim or grievance is being asserted, the nature and substance of the Claim or grievance, the relief

requested and the factual and legal bases alleged to underlie such relief. In the event of a Notice of Arbitration submitted by a Non-Participant Party, such Notice of Arbitration shall indicate whether the Non-Participant Party elects to have the Claim or grievance heard and determined by a Mixed Panel, as provided in subparagraph (a)(iii) of this Rule. Failure to so indicate will be deemed a waiver of such election.

The Notice of Arbitration shall be accompanied by the Claimant's non-refundable check payable to ICE Clear Credit in payment of the arbitration fee. The amount of the fee shall be determined by the amount of the relief requested in the Notice of Arbitration, as follows:

<u>Relief Requested</u>	<u>Amount of Fee</u>
Up to \$100,000	\$1000
\$100,001 and above	\$1,000, plus 1/2% of excess over \$100,000

- (ii) Upon receipt, ICE Clear Credit shall promptly deliver a copy of the Notice of Arbitration to each Respondent and to the Chairman of the Arbitration Committee. Each Respondent shall, within twenty (20) days following the delivery of such Notice, file an Answering Statement with the ICE Clear Credit, with a copy to the Claimant, setting forth its position with respect to the Claimant's Claim or grievance. Any allegation in the Notice of Arbitration not denied by a Respondent in its Answering Statement shall be deemed admitted.

The Answering Statement may set forth one (1) or more counterclaims against the Claimant provided that any such counterclaims (A) arise out of the Trade or occurrence that is the subject of the Claimant's claim or grievance and (B) do not require for adjudication the presence of essential witnesses, parties or third (3rd) Persons over which the ICE Clear Credit does not have jurisdiction. Other counterclaims are permissible only if the Claimant agrees to the submission thereof after such counterclaims have arisen.

If an Answering Statement sets forth one (1) or more counterclaims, the Claimant shall reply to such counterclaims within twenty (20) days following delivery of the Respondent's Answering Statement. The Reply shall be filed with ICE Clear Credit, with a copy to the Respondent involved.

- (iii) The Chairman of the Arbitration Committee, promptly after receipt by the ICE Clear Credit LLC of the Answering Statement, shall appoint a Panel of disinterested Persons to hear and determine the Claim or grievance, selecting one (1) as the Chairman of the Panel. If the amount of relief requested is more than or equal to \$100,001, the Panel shall be composed of three (3) or more individuals. If the amount of relief requested is less than \$100,001, a sole arbitrator may be appointed by the Chairman of the Arbitration Committee in accordance with subparagraph (a)(viii) of the Rule. In a case where a Non-Participant Party has, in its Notice of Arbitration, elected a Mixed Panel, at least a

majority of the Persons selected shall not be Participants, clearing participants or clearing members or associated with any Participant, clearing participant or clearing member of a Clearing Organization, or any employee thereof, or otherwise associated with a Clearing Organization. Promptly following such appointment, ICE Clear Credit shall forward copies of the Notice of Arbitration Answering Statement and Reply, if there be one, to the Panel members selected.

- (iv) ICE Clear Credit LLC shall notify the parties of the appointment of the members of the Panel. Any party objecting to all or any members of the Panel shall file such objection with the Chairman of the Arbitration Committee within ten (10) days of the giving of such notice by the ICE Clear Credit LLC. The Chairman of the Arbitration Committee shall then determine whether changes in the composition of the Panel are appropriate, and if so, shall make such changes. Any vacancy occurring on the Panel for any reason shall be filled by an individual appointed by the Chairman of the Arbitration Committee. The parties shall be notified of the filling of such vacancy and may file objections to the new appointee to the Panel in accordance with the procedure set forth above.
- (v)
 - (A) The parties shall, within a time specified by the Chairman of the Panel, furnish each other and the Panel with a statement listing the witnesses expected to be called and the documents expected to be introduced into evidence, together with copies of such documents. Unless the Panel waives compliance with this requirement, no witness may testify and no documentary evidence may be introduced at the hearing unless listed in (and, in the case of documents, furnished with) such statement.
 - (B) After the exchange of documents, any party may notify another party and the Chairman of the Panel of any pertinent documents and information it seeks from such other party that were not provided as part of the document exchange. The other party has five (5) days to provide the requested documents or information or object to their production. Any objection to a request for the production of documents or other information shall be resolved by the Chairman of the Panel, or his or her designee.
- (vi) The Panel shall establish, on not less than ten (10) days' written notice to the parties, the date, time and place of the hearing. Each Panel shall determine the procedures to be followed in any hearing before it, including the use of preliminary hearings to resolve discovery disputes, simplify the issues, and expedite the hearings, except that the following shall apply in every case:
 - (A) Each of the parties shall be entitled to appear personally at the hearing.
 - (B) Each of the parties, at their own expense, shall have the right to be represented by counsel in any aspect of the proceeding.

- (C) Each of the parties shall be entitled to (1) prepare and present all relevant facts in support of the Claims and grievances, defenses or counterclaims, and to present rebuttal evidence to such Claims or grievances, defenses or counterclaims made by the other parties, (2) examine the other parties, (3) examine any witnesses appearing at the hearing, and (4) examine all relevant documents presented in connection with the Claim or grievance, or any defense or counterclaim applicable thereto.
 - (D) The formal rules of evidence shall not apply.
 - (E) No verbatim record shall be made of the proceedings, unless requested by a party who shall bear the cost of such record. If such a request is made, a stenographic transcript shall be taken, but not transcribed unless requested by a party who shall bear the cost of such transcription.
 - (F) Ex parte contacts by any of the parties with members of the Panel shall not be permitted.
 - (G) The Panel shall have the power, on the request of any party or on its own motion, to require any Person to testify and/or to produce documentary evidence in the proceedings as and to the extent provided for in Rule 904.
- (vii) The Panel shall, within sixty (60) days of the termination of the hearing, render its award in writing and deliver a copy thereof either in person or by first-class mail to each of the parties. The Panel, in its award, may grant any remedy or relief which it deems just and equitable, including, without limitation, the awarding of interest and the arbitration fee; provided, however, that any costs incurred as a result of having a Mixed Panel shall be born by the Participant unless the Panel determines that the Non-Participant Party acted in bad faith in initiating or conducting the proceeding. The award of the Panel shall be final and binding upon each of the parties to the arbitration, and judgment upon such award may be entered by any court having jurisdiction. Any Participant who is a Respondent in an arbitration conducted pursuant to the Rules shall notify the Legal Department of ICE Clear Credit of any judicial proceeding based on the award. In addition, any award, if not complied with within the time specified in the award, shall be enforceable by disciplinary proceedings pursuant to Rules.
- (viii) Notwithstanding any other provision of this paragraph (a), including the right of a Non-Participant Party to elect a Mixed Panel pursuant to Rule 903(a)(iii), if a Notice of Arbitration sets forth Claims or grievances aggregating less than \$100,001, and the Answering Statement submitted by the Respondent either does not raise counterclaims or raises one (1) or more counterclaims aggregating less than \$100,001, the Chairman of the Arbitration Committee may, on the request of any party or on his or her own motion, in his or her sole and absolute discretion, decide that there shall not be a hearing, in which case the following procedures shall apply:

- (A) The Chairman of the Arbitration Committee shall notify both parties that neither the Claims or grievances nor the counterclaims, if any, aggregate to \$100,001.
- (B) The Claimant shall, within twenty (20) days of such notification, submit to ICE Clear Credit, with a copy to each of the Respondents, a memorandum (together with such supporting documents, affidavits and other materials as the Claimant deems pertinent) setting forth the bases upon which he or she believes he or she is entitled to the relief requested in the Notice of Arbitration.
- (C) Each Respondent shall, within twenty (20) days of its or his or her receipt of the Claimant's memorandum and supporting documentation, submit to ICE Clear Credit LLC, with a copy to the Claimant, a memorandum (together with such supporting documents, affidavits and other materials as the respondent deems pertinent) setting forth the bases upon which he or she believes that the relief requested by the Claimant should be denied and, if said Respondent has raised counterclaims in his or her Answering Statement, the bases upon which he or she believes he or she is entitled to the relief requested by such counterclaims.
- (D) The Chairman of the Arbitration Committee may, on the request of any party or on his or her own motion, in his or her sole and absolute discretion determine whether to allow or require the submission of reply or additional papers, unless a Respondent has asserted one (1) or more counterclaims, in which case the Claimant shall be entitled to reply to such counterclaims within ten (10) days of delivery of the Respondent's memorandum setting forth the bases thereof.
- (E) The Chairman of the Arbitration Committee or his or her designee, acting as sole arbitrator, shall, within thirty (30) days of his or her receipt of the final papers filed, render an award in writing and deliver a copy thereof either in person or by first-class mail to each of the parties. The sole arbitrator in his or her award may grant any remedy or relief which he or she deems just and equitable, including, without limitation, the awarding of interest and the arbitration fee; provided, however, that any costs incurred as a result of a Non-Participant Party requesting a Mixed Panel shall be borne by the Participant unless the sole arbitrator determines that the Non-Participant Party acted in bad faith in initiating or conducting the proceeding. The decision of the sole arbitrator shall be final and binding upon each of the parties to the arbitration, and judgment upon such award may be entered by any court having jurisdiction. In addition, any award, if not complied with within the time specified in the award, shall be enforceable by disciplinary proceedings pursuant to the Rules.

- (ix) The failure of any party to an arbitration to comply with any of the requirements of this paragraph (a), or with any demand or request of either the Panel, the sole arbitrator or the Chairman of the Arbitration Committee shall be deemed a violation of the Rules and shall, in addition to any other action ICE Clear Credit may take for any such violation, subject such party to such action by the Panel, the sole arbitrator or the Chairman of the Arbitration Committee (including without limitation the entry of an award against such party) as it or he or she shall deem appropriate under the circumstances.
- (x) Notwithstanding the provisions of subparagraph (x) of this paragraph (a), either the Panel, the sole arbitrator or the Chairman of the Arbitration Committee, may for good cause shown extend any time limitation imposed by this paragraph (a) (except the two (2) year and the thirty (30) day limitation periods set forth in subparagraph (a)(i)) or may excuse any neglect to comply therewith or with any other requirement of this paragraph (a) or demand or request of the Panel, the sole arbitrator or the Chairman of the Arbitration Committee.
- (b) Other Claims Asserted Pursuant to Rule 902(c).
 - (i) Any dispute or controversy between or among any two (2) or more parties may, if all of the parties to such dispute or controversy so agree, be settled by arbitration in accordance with this paragraph (b). Such dispute or controversy shall be heard and determined in accordance with the procedures set forth in paragraph (a) of this Rule, except for the following:
 - (A) In lieu of the procedure set forth in the first sentence of subparagraph (i) of paragraph (a), the provisions of this paragraph (b) shall be invoked by the submission by all of the parties concerned of an agreement to submit the dispute or controversy to arbitration in accordance with this paragraph (b) and to be bound by the award of the arbitrators. Following such submission, ICE Clear Credit shall forward to the party requesting relief the information set forth in subparagraph (i) of paragraph (a) of this Rule, whereupon all of the other procedures set forth in said subparagraph (i) of paragraph (a) shall apply.
 - (B) None of the limitations on counterclaims set forth in subparagraph (ii) of paragraph (a) shall apply.

904. Withdrawal of Claims

Any Notice of Arbitration may be withdrawn at any time before an Answering Statement is filed in accordance with these Rules.

If an Answering Statement has been filed, any withdrawal shall require consent of the party against which the Claim or grievance is asserted.

905. Modification of Award

On written application to the Legal Department of ICE Clear Credit by a party to an arbitration, within twenty (20) days after delivery of the award to the applicant, the Panel or sole arbitrator may modify the award if:

- (1) there was a miscalculation of figures or a mistake in the description of any Person, thing, or property referred to in the award; or
- (2) the Panel or sole arbitrator has awarded upon a matter not submitted to it and the award may be corrected without affecting the merits of the decision upon the issues submitted; or
- (3) the award is imperfect in a matter of form, not affecting the merits of the controversy.

Written notice of the application shall be given to the other parties to the arbitration. Written objection to the modification must be served on ICE Clear Credit and the other parties to the arbitration within ten (10) days of receipt of the application. The Panel or sole arbitrator shall dispose of any application made under this Rule in writing, signed and acknowledged by the Panel or sole arbitrator, within thirty (30) days after either written objection to the modification has been served on it or the time for serving said objection has expired, whichever is earlier. The parties may in writing extend the time for such disposition either before or after its expiration.

906. Compensation of Arbitrators

The parties to an arbitration shall pay the arbitrators appointed in each matter compensation in accordance with such fee schedule as the Board may from time to time determine. The arbitrators in each such matters shall determine the proportion in which such compensation shall be paid by each of the parties.

907. Failure to Comply With Award

- (a) Any Participant in whose favor an award has been rendered pursuant to this Chapter shall promptly notify the Legal Department of ICE Clear Credit, in writing, if the award is not complied with. Any Participant, who fails to comply with the terms of an award rendered against such Participant, shall be subject to the procedures set forth in this Rule. Specifically, upon receipt of a notice or information indicating that a Participant has failed to comply with the terms of an award rendered against such Participant, ICE Clear Credit shall notify such Participant against whom or which the award was rendered of ICE Clear Credit's intention to suspend its privileges as a Participant and afford the Participant an opportunity to be heard by a panel of the Arbitration Committee appointed by the Chairman for the sole purpose of proving that the award has been satisfied, provided that the Legal Department of ICE Clear Credit receives a written

request from the Participant for such a hearing within five (5) Business Days after receipt of such notice by the Participant. Failure to so request such a hearing shall be deemed an acknowledgment by the Participant that the award has not been complied with. Any such hearing shall be conducted in accordance with such procedures as the Panel shall determine. The Panel shall consist of no less than three (3) members of the Arbitration Committee. Following any such hearing, the Panel shall determine whether the Participant has failed to timely satisfy the award and shall promptly advise ICE Clear Credit, and all parties in the proceeding, of its determination.

- (b) If the Panel shall find, or if a Participant shall acknowledge that it has failed to comply with any award rendered pursuant to this Chapter when and as provided by such award, the Participant may be suspended, as provided in Rule 615(b) and shall remain suspended until the award is complied with and the suspended Participant is reinstated.

10-19. [RESERVED]

20. CREDIT DEFAULT SWAPS

The rules in this Chapter 20 apply to the clearance of CDS Contracts.

20-102. Definitions.

2005 Matrix Supplement

The “2005 Matrix Supplement to the 2003 ISDA Credit Derivatives Definitions” (published on March 7, 2005), as published by ISDA.

2005 Monoline Supplement

The “Additional Provisions for Physically Settled Default Swaps – Monoline Insurer as Reference Entity” (published on January 21, 2005), as published by ISDA.

CDS Committee Rules

The rules set forth in Chapter 21. Any reference to a particular CDS Committee Rule shall be a reference to the relevant rule in Chapter 21.

CDS Committee-Eligible Participant

Any CDS Participant that has been approved by the Board or its designee, after consultation with the Risk Committee, for participation in one or more Regional CDS Committees under the CDS Committee Rules and in the CDS Default Committee. The Board or its designee, after consultation with the Risk Committee, may revoke (or reinstate) its approval from time to time based on its determination as to whether a particular CDS Participant has been in compliance with these Rules and the ICE Clear Credit Procedures.

CDS Contract

A credit default swap transaction accepted for clearing that meets the criteria established under these Rules. A CDS Contract is a Contract for purposes of Chapter 1 of these Rules.

CDS Participant

A Participant that has been approved by ICE Clear Credit for the submission of CDS Contracts.

CDS Physical Settlement Rules

The rules set forth in Chapter 22 of these Rules. Any reference to a particular CDS Physical Settlement Rule shall be a reference to the relevant rule in Chapter 22 of these Rules.

CDS Region

A region for which CDS Contracts are cleared by ICE Clear Credit, as determined by the Board or its designee, after consultation with the Risk Committee.

CDS Regional Business Day

With respect to a CDS Region, any day determined in accordance with the location and other parameters designated by the Board or its designee as a day on which the business of clearing CDS Contracts may occur in the particular CDS Region.

CDS Restructuring Rules

The rules published and designated as such by ICE Clear Credit that specify the rights and obligations of ICE Clear Credit and the relevant CDS Participants under Restructuring CDS Contracts for which either “Restructuring Maturity Limitation and Fully Transferable Obligation Applicable” or “Modified Restructuring Maturity Limitation and Conditionally Transferable Obligation Applicable” is specified.

DC Rules

The Credit Derivatives Determinations Committees Rules, as defined in Section 1.22 of the July 2009 Supplement as the “Rules”.

ISDA

The International Swaps and Derivatives Association, Inc., or any successor thereto.

July 2009 Supplement

The 2009 ISDA Credit Derivatives Determinations Committees, Auction Settlement and Restructuring Supplement to the 2003 ISDA Credit Derivatives Definitions, as published by ISDA on July 14, 2009.

Matched Restructuring Pair

Following a CDS Contract becoming a Restructuring CDS Contract pursuant to these Rules, a matched pair of a Buyer and a Seller under such Restructuring

CDS Contract with an allocated Floating Rate Payer Calculation Amount, as determined by ICE Clear Credit in accordance with the CDS Restructuring Rules.

Open CDS Positions

A CDS Participant's Open Positions in CDS Contracts.

Regional CDS Committee Restructuring Announcement

The announcement by ICE Clear Credit that a Regional CDS Committee (or Dispute Resolver) has Resolved that an event that constitutes a Restructuring has occurred with respect to one or more CDS Contracts.

Restructuring CDS Contract

A CDS Contract that is subject to a DC Credit Event Announcement in respect of Restructuring Credit Event or a Regional CDS Committee Restructuring Announcement.

Triggered Restructuring CDS Contract

An Open CDS Position (or portion thereof) in a Restructuring CDS Contract that is the subject of an effective Credit Event Notice pursuant to the CDS Restructuring Rules.

20-402. ICE Clear Credit Lien.

In addition to the lien described in Rule 402(b), each CDS Participant hereby grants ICE Clear Credit, acting on behalf of the relevant Buyer, a continuing lien and security interest in and to all of such CDS Participant's right, title and interest, whether now owned or existing or hereafter acquired or arising, in and to all Buyer Allocated Collateral (as defined in Rule 2204(b)) as security for all obligations of such CDS Participant to such Buyer under all Allocated CDS Contracts (as defined in Rule 2203(a)) between such CDS Participant and such Buyer.

20-605. CDS Participant Default.

- (a) ICE Clear Credit may determine, subject to paragraph (g) of this Rule, that a CDS Participant is in "**Default**" if such CDS Participant (i) fails to meet, or appears, in the judgment of ICE Clear Credit, likely to fail to meet, any of the CDS Participant's obligations (other than an obligation to Transfer Margin) with respect to, or is otherwise in default or subject to early termination under, the CDS Participant's Contracts with ICE Clear Credit, (ii) fails to Transfer Margin (whether Initial Margin or Mark-to-Market Margin) by the deadline established under these Rules, (iii) is suspended or expelled or whose privileges are revoked by a Market or by ICE Clear Credit, subject to the requirements of Rule 615(b), or (iv) has a guarantor providing a guarantee pursuant to Rule 205 who fails to

meet, or appears, in the judgment of ICE Clear Credit, likely to fail to meet, any obligations with respect to, or who is otherwise in default under, the guarantee. If “Automatic Early Termination” is specified as applying to a CDS Participant under its Participant Agreement, then all Open CDS Positions of such CDS Participant shall be immediately terminated as follows (or as otherwise specified in its Participant Agreement): (A) as of the time such CDS Participant is (i) is dissolved (other than pursuant to a consolidation, amalgamation or merger); (ii) makes a general assignment, arrangement or composition with or for the benefit of its creditors; (iii) has a resolution passed for its winding-up, official management or liquidation (other than pursuant to a consolidation, amalgamation or merger); (iv) seeks or becomes subject to the appointment of an administrator, provisional liquidator, conservator, receiver, trustee, custodian or other similar official for it or for all or substantially all its assets; or (v) causes or is subject to any event with respect to it which, under the applicable laws of any jurisdiction, has an analogous effect to any of the events specified in clauses (i) to (iv) above; or (B) as of the time immediately preceding the institution of the relevant proceeding or the presentation of the relevant petition if such Participant (i) institutes or has instituted against it, by a regulator, supervisor or any similar official with primary insolvency, rehabilitative or regulatory jurisdiction over it in the jurisdiction of its incorporation or organization or the jurisdiction of its head or home office, a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors’ rights, or a petition is presented for its winding-up or liquidation by it or such regulator, supervisor or similar official, or (ii) has instituted against it a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors’ rights, or a petition is presented for its winding-up or liquidation or (iii) causes or is subject to any event with respect to it which, under the applicable laws of any jurisdiction, has an analogous effect to any of the events specified in clauses (i) or (ii) above, and the occurrence of any such termination of Open CDS Positions shall automatically constitute a Default (an “**Automatic Default**”). Upon a Default, ICE Clear Credit may effect the Closing-out Process with respect to such CDS Participant (the “**Defaulting CDS Participant**”) as provided in these Rules as deemed appropriate by ICE Clear Credit, and any debit balance owing to ICE Clear Credit shall be immediately due and payable. For purposes of clause (a)(i) or (iv), and without limiting the generality thereof, ICE Clear Credit may rely on any of the following to demonstrate that a CDS Participant or a guarantor appears likely to fail to meet its obligations to ICE Clear Credit:

- (A) the CDS Participant or guarantor is in breach of the terms of membership or the rules or regulations of, or is refused an application for or is suspended or expelled from membership of, any Market or any other exchange, market or clearing house;
- (B) the CDS Participant or guarantor is in breach of the terms of membership of, or is refused an application for or is suspended or expelled from

membership of, any regulatory, self-regulatory or other entity or organization with regulatory authority, whether governmental or otherwise (a “**Regulatory Body**”) or is in breach of the rules or regulations of a Regulatory Body to which it is subject or its authorization by a Regulatory Body is suspended or withdrawn;

- (C) a Regulatory Body takes or threatens to take action against or in respect of the CDS Participant or guarantor under any statutory provision or process of law;
- (D) the CDS Participant or guarantor (1) is dissolved (other than pursuant to a consolidation, amalgamation or merger); (2) becomes insolvent or is unable to pay its debts or fails or admits in writing its inability generally to pay its debts as they become due; (3) makes a general assignment, arrangement or composition with or for the benefit of its creditors; (4)(A) institutes or has instituted against it, by a regulator, supervisor or any similar official with primary insolvency, rehabilitative or regulatory jurisdiction over it in the jurisdiction of its incorporation or organization or the jurisdiction of its head or home office, a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors’ rights, or a petition is presented for its winding-up or liquidation by it or such regulator, supervisor or similar official, or (B) has instituted against it a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors’ rights, or a petition is presented for its winding-up or liquidation; (5) has a resolution passed for its winding-up, official management or liquidation (other than pursuant to a consolidation, amalgamation or merger); (6) seeks or becomes subject to the appointment of an administrator, provisional liquidator, conservator, receiver, trustee, custodian or other similar official for it or for all or substantially all its assets; (7) has a secured party take possession of all or substantially all its assets or has a distress, execution, attachment, sequestration or other legal process levied, enforced or sued on or against all or substantially all its assets and such secured party maintains possession; (8) causes or is subject to any event with respect to it which, under the applicable laws of any jurisdiction, has an analogous effect to any of the events specified in clauses (1) to (7) above (inclusive); or (9) takes any action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any of the foregoing acts;
- (E) the CDS Participant or guarantor fails to pay any sum due and payable, or is otherwise in default under the terms of any agreement or threatens to suspend payment or to default under the terms of any agreement, in each case other than (i) where such payment or other relevant obligation is the subject of a good faith dispute by the CDS Participant or guarantor or (ii)

where such failure or default is the result of an administrative or operational error on the part of the CDS Participant or guarantor and the relevant party had the financial ability to make the relevant payment or perform the relevant obligation at the time due;

- (F) any distress, execution or other process is levied or enforced or served upon or against any property of the CDS Participant or guarantor; and
 - (G) any representation made or repeated or deemed to have been made or repeated by the CDS Participant or guarantor hereunder or under its Participant Agreement (other than a representation made under Section 29.3.1 or 29.3.3 of the Participant Agreement) provides to have been incorrect or misleading in any material respect when made or repeated or deemed to have been made or repeated.
- (b) If ICE Clear Credit determines to effect the Closing-out Process, ICE Clear Credit shall (i) convene the CDS Default Committee for purposes of making recommendations as to any Initial Cover Transactions referred to in paragraph (c)(ii) of this Rule and the appropriate auction or other process referred to in paragraph (c)(vi) of this Rule and related Minimum Target Price(s) and (ii) provide notice of such Default, including the identity of the Defaulting CDS Participant, as soon as reasonably practicable (but in any event before ICE Clear Credit executes any transactions described in paragraph (c) of this Rule) to the CDS Participants and to the public generally, through a press release or in another manner determined by ICE Clear Credit.
- (c) In effecting the Closing-out Process as provided in paragraph (a) of this Rule, ICE Clear Credit shall, without limiting the generality of paragraph (a) of this Rule, have the right, in consultation with the CDS Default Committee:
- (i) (A) With respect to the Open CDS Positions that are Client-Related Positions in any account of such Defaulting CDS Participant, to liquidate, set off and/or apply, as applicable, (1) in the following order: (a) any proceeds received by ICE Clear Credit from closing or replacing such Open CDS Positions or any related Initial Cover Transactions, (b) in the following order, without duplication, (i) any Mark-to-Market Margin provided to ICE Clear Credit with respect to such Client-Related Positions, (ii) any Non-Participant Initial Margin (including Excess Margin) of a defaulting Non-Participant Party (to the extent of its obligation to the related Participant) and any proceeds thereof (“**Defaulting Client Margin**”), and (iii) any amounts or proceeds received by ICE Clear Credit from or on behalf of the relevant Non-Participant Party under or in respect of the Client-Related Positions, including margin applied in satisfaction of a Non-Participant Party’s obligations thereunder (“**Non-Participant Party Proceeds**”), (c) any property or proceeds thereof deposited with or held by ICE Clear Credit as Margin for such Defaulting Participant’s House

Positions, (d) the Defaulting Participant's Required Contribution to the General Guaranty Fund as provided in Rule 802, (e) any other property of or delivered by the Defaulting CDS Participant (other than Margin for Client-Related Positions) within the possession or control of ICE Clear Credit (whether or not related to Open CDS Positions), and (f) to the extent permitted by applicable law, any other property or proceeds thereof deposited with or held by ICE Clear Credit as Initial Margin for such Defaulting Participant's Client-Related Positions, subject to the limitation set forth in Rule 402(h), against (2) any amounts paid by ICE Clear Credit in closing or replacing such Client-Related Positions or any related Initial Cover Transactions, including any commissions, losses, costs or expenses incurred in connection therewith or in connection with the liquidation of Margin (whether in the House Margin Account or Custodial Client Omnibus Margin Account) and any other obligations of the Defaulting CDS Participant to ICE Clear Credit in respect of Client-Related Positions, including any obligations arising from any other accounts maintained by the Defaulting CDS Participant with ICE Clear Credit in respect of Client-Related Positions. For purposes of the foregoing, ICE Clear Credit may, in its discretion use assets available pursuant to clause (c)-(f) prior to receipt of proceeds due pursuant to clause (b)(ii) or (iii), provided that any proceeds subsequently received pursuant to clause (b)(ii) or (iii) (to the extent not applied by ICE Clear Credit) will be used to reimburse the sources of such other assets (and, in the event assets were used pursuant to clause (f)), deposited in the Custodial Client Omnibus Margin Account for distribution pursuant to subsection (l) below. For the avoidance of doubt, the provisions of this clause (c)(i)(A) will not apply to Client-Related Positions transferred to or replaced with a Replacement Participant without loss to ICE Clear Credit pursuant to Rule 20A-02;

(B) With respect to the Open CDS Positions that are House Positions in any account of such Defaulting CDS Participant, to liquidate, set off and/or apply, as applicable, (1) in the following order: (a) any proceeds received by ICE Clear Credit from closing or replacing such Open CDS Positions or any related Initial Cover Transactions, (b) any property or proceeds thereof deposited with or held by ICE Clear Credit as Margin for such Defaulting Participant's House Positions, (c) the Defaulting Participant's Required Contribution to the General Guaranty Fund as provided in Rule 802 and (d) any other property of or delivered by the Defaulting CDS Participant within the possession or control of ICE Clear Credit (whether or not related to Open CDS Positions), other than any property or proceeds thereof deposited with or held by ICE Clear Credit as Margin or Excess Margin for such Defaulting Participant's Client-Related Positions (including any amounts in the Custodial Client Omnibus Margin Account), against (2) any amounts paid by ICE Clear Credit in closing or replacing such House Positions or any related Initial Cover Transactions, including any commissions, losses, costs or expenses incurred in connection therewith

or in connection with the liquidation of Margin in the House Margin Account and any other obligations of the Defaulting CDS Participant to ICE Clear Credit, including any obligations arising from any other accounts maintained by the Defaulting CDS Participant with ICE Clear Credit;

(C) Notwithstanding the foregoing, to the extent any (i) property or proceeds thereof deposited with or held by ICE Clear Credit as Margin for such Defaulting Participant's House Positions or (ii) any other property of or delivered by the Defaulting CDS Participant within the possession or control of ICE Clear Credit, whether or not related to Open CDS Positions (other than any property or proceeds thereof deposited with or held by ICE Clear Credit as Margin or Excess Margin for such Defaulting Participant's Client-Related Positions and the Defaulting Participant's Required Contribution to the General Guaranty Fund as provided in Rule 802) is to be applied pursuant to both clauses (A) and (B) above, such property shall be applied first pursuant to clause (B) above in respect of House Positions until the relevant obligations are satisfied and thereafter pursuant to clause (A) above in respect of Client-Related Positions. The Defaulting Participant's Required Contribution to the General Guaranty Fund shall be applied as provided in Rule 802.

- (ii) If ICE Clear Credit determines it is appropriate to an orderly unwind of the Open CDS Positions of the Defaulting CDS Participant or to mitigate damages to ICE Clear Credit and the other CDS Participants caused by the Default, to enter into, as part of the Closing-out Process, transactions with CDS Participants with respect to the Open CDS Positions of the Defaulting CDS Participant that have been determined by the CDS Default Committee, pursuant to the ICE Clear Credit Procedures, as designed to achieve this purpose ("**Initial Cover Transactions**");
- (iii) In exercising any of its rights of setoff or otherwise as necessary hereunder, to designate the currency of payments to be made by or to ICE Clear Credit in effecting the Closing-out Process and to convert payments made by or to ICE Clear Credit into a currency and at a rate of exchange as it shall determine;
- (iv) To cause Open CDS Positions of the Defaulting CDS Participant and, to the extent of any remaining imbalance, of other CDS Participants, or any portion thereof, to be offset against each other and/or to be settled at the Mark-to-Market Price for such Contracts, or at such other price or prices reflecting the current market as ICE Clear Credit, in consultation with the CDS Default Committee in accordance with the ICE Clear Credit Procedures, may deem fair and reasonable in the circumstances;
- (v) To take any action or refrain from taking any action on behalf of the Defaulting CDS Participant with respect to any Open CDS Position of the

Defaulting CDS Participant, which, in the judgment of ICE Clear Credit and subject to the terms of the relevant CDS Contract and applicable law, would be advisable to preserve the value of such Open CDS Position, including, without limitation, exercising any rights or remedies therein; tendering or accepting for tender any securities, loans or other obligations; making or receiving any payments; making or providing any election or notice or otherwise performing any other act or obligation contemplated therein;

- (vi) Subject to Rule 20A-02, if applicable, to enter into Trades with other CDS Participants that replace or mitigate the risk of all or part of the Open CDS Positions of the Defaulting CDS Participant and any Initial Cover Transactions, pursuant to one or more auctions or other process established taking into account recommendations of the CDS Default Committee, but any such Trades shall not be at a price less favorable to ICE Clear Credit than a target price (a “**Minimum Target Price**”) for all or a portion of the Open CDS Positions of the Defaulting CDS Participant and any Initial Cover Transactions with respect thereto, established by ICE Clear Credit in consultation with the CDS Default Committee and taking into account the results of any prior auctions, which shall be the least favorable price that would be, in the judgment of ICE Clear Credit, reasonable to accept for such Trades;

- (vii) To the extent that ICE Clear Credit does not enter into Trades that replace or otherwise close all of the Open CDS Positions of the Defaulting CDS Participant and all Initial Cover Transactions (if any), to enter into Trades with other CDS Participants (who shall be obligated to enter into such Trades in accordance with this subparagraph and to submit, in accordance with the ICE Clear Credit Procedures, the terms of such Trades with ICE Clear Credit to Deriv/SERV or another service specified by ICE Clear Credit) that replace any remaining Open CDS Positions of the Defaulting CDS Participant and any remaining Initial Cover Transactions at a price (the “**Allocation Price**”) reflecting the current market as determined by ICE Clear Credit in consultation with the CDS Default Committee in accordance with the ICE Clear Credit Procedures, taking into account the Minimum Target Price (as adjusted by ICE Clear Credit in consultation with the CDS Default Committee for market changes from the time of the initial determination of the Minimum Target Price to the time such Trades are entered into) on a pro rata basis (or as near as practicable, with odd lots determined by ICE Clear Credit and assigned randomly) in proportion to the size of each CDS Participant’s Required Contribution to the General Guaranty Fund relative to the aggregate of the Required Contributions to the General Guaranty Fund of all CDS Participants other than the Defaulting CDS Participant. For the avoidance of doubt, ICE Clear Credit shall not be permitted to enter into a Trade with a CDS Participant pursuant to this clause (vii), and a CDS Participant will

not be obligated to enter into any such Trade, unless ICE Clear Credit pays to the CDS Participant the applicable Allocation Price, if any, owed to such CDS Participant for entering into such Trade, and accordingly following exhaustion of the General Guaranty Fund (including any additional Collateral deposit pursuant to Rule 802(d)), no Trades will be entered into pursuant to this subclause (vii);

- (viii) To defer the Closing-out Process if, in its discretion, it determines that the Closing-out Process would not be in the best interests of ICE Clear Credit or other CDS Participants, taking into account the size and nature of the positions in question, market conditions prevailing at the time, the potential market effects of such liquidating transactions as might be directed by ICE Clear Credit, and such other circumstances as it deems relevant; and
 - (ix) For the purposes of entering into Initial Cover Transactions or other Trades with CDS Participants pursuant to this Rule, notwithstanding anything to the contrary in Rules 301 or 303, to make and receive “**Initial Payments**” with respect to such Trades; and
 - (x) To take any other action as ICE Clear Credit may deem necessary or appropriate for its protection.
- (d) ICE Clear Credit shall effect the Closing-out Process separately in respect of Open CDS Positions that are Client-Related Positions and House Positions, and notwithstanding anything to the contrary herein but subject to the following sentence, Client-Related Positions and House Positions may not be netted or offset against each other as part of the Closing-out Process. Net amounts owed by a Defaulting Participant with respect to Client-Related Positions may be offset against net amounts owed to a Defaulting Participant with respect to House Positions; provided that net amounts owed by a Defaulting Participant with respect to House Positions may not be offset against net amounts owed to a Defaulting Participant with respect to Client-Related Positions. With respect to Client-Related Positions, the Closing-out Process shall be subject to the Default Portability Rules set forth in Rule 20A-02, if applicable. To the extent the Closing-out Process in respect of Client-Related Positions results in an amount owed by ICE Clear Credit to the Defaulting Participant, such amount (the “**ICE Clear Credit Client Termination Amount**”) will be credited to the Custodial Client Omnibus Margin Account for distribution to Non-Participant Parties as provided in subsection (k) below. Amounts recovered by or on behalf of ICE Clear Credit from a Non-Participant Party of a Defaulting Participant in respect of Client-Related Positions will be similarly be credited to the Custodial Client Omnibus Margin Account for application pursuant to clause (c)(i)(A) above.
- (e) In taking any action hereunder, ICE Clear Credit may cooperate, by sharing information or in any other manner it determines appropriate, with any Regulatory

Body having jurisdiction over ICE Clear Credit or the Defaulting CDS Participant or its guarantor.

- (f) ICE Clear Credit may appoint any person to take or assist it in taking any action that it is allowed to take under this Rule.
- (g) (i) Before making any determination that a CDS Participant is in Default pursuant to paragraph (a) of this Rule, in the case of determinations under clause (i)(B)(z) and subparagraph (i)(C) of this paragraph (g) with respect to a Participant, ICE Clear Credit shall use its best efforts to consult with the Risk Committee, and, in the case of determinations under clauses (i)(B)(x) and (y) of this paragraph (g) with respect to any Participant, shall provide notice to the staff of the CFTC and SEC. A determination by ICE Clear Credit that a CDS Participant is in Default pursuant to paragraph (a) shall require:
 - (A) the decision of an Eligible Officer in the event the relevant Default is that such CDS Participant (1) is dissolved (other than pursuant to a consolidation, amalgamation or merger); (2) institutes or has instituted against it, by a regulator, supervisor or any similar official with primary insolvency, rehabilitative or regulatory jurisdiction over it in the jurisdiction of its incorporation or organization or the jurisdiction of its head or home office, a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding-up or liquidation by it or such regulator, supervisor or similar official; (3) has instituted against it a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding-up or liquidation and, in each case, such proceeding or petition results in a judgment of insolvency or bankruptcy or the entry of an order for relief or the making of an order for its winding-up or liquidation; or (4) seeks or becomes subject to the appointment of an administrator, provisional liquidator, conservator, receiver, trustee, custodian or other similar official for it or for all or substantially all its assets;
 - (B) the decision of an Eligible Officer with the consent of either (1) the Chairman of the Board, if not an employee of such CDS Participant or any Affiliate or (2) any two members of the Board who are not employees of such CDS Participant or any Affiliate (such consent, "**Minimum Manager Approval**") in the event the relevant Default is that such CDS Participant has failed to (x) meet any of such CDS Participant's payment or delivery obligations (including Collateral obligations, but excluding obligations to Transfer Margin) with

respect to such CDS Participant's Contracts with ICE Clear Credit, (y) Transfer Margin (whether Initial Margin or Mark-to-Market Margin) by the deadline established under these Rules or (z) comply with a Trading Activity Limitation (as defined in Rule 203) or a limitation imposed under Rule 207(a)(i); or

- (C) approval of the Board by a two-thirds majority of those voting, in a vote excluding members who are employees of such CDS Participant or any Affiliate and with a quorum of at least fifty percent of the members of the Board, in the event the relevant Default is any other circumstance which may, pursuant to paragraph (a), constitute a Default by such CDS Participant, excluding any Automatic Default.
- (ii) Any right or determination, other than a determination referred to in paragraph (g)(i) of this Rule, that is granted to or required of ICE Clear Credit pursuant to this Rule, shall be exercised or made, as applicable, upon a majority vote of the Board, *provided* that any such right or determination may be exercised or made, as applicable, by (A) any person so authorized by the Board or (B) an Eligible Officer with Minimum Manager Approval if such Eligible Officer believes in good faith that such exercise or determination requires immediate action to avoid a material risk to ICE Clear Credit, the Defaulting CDS Participant or the remaining CDS Participants. In addition, without limiting the foregoing or paragraph (f) of this Rule, ICE Clear Credit may, in a particular case or in general, delegate to the CDS Default Committee the authority to determine the appropriateness of entering into Initial Cover Transactions, to enter into Initial Cover Transactions on behalf of ICE Clear Credit, to determine and thereafter adjust any Minimum Target Prices, and/or to determine how prudently to unwind the Open CDS Positions of a Defaulting CDS Participant and the related Initial Cover Transactions, if any.
- (h) Any obligation of ICE Clear Credit to a Defaulting CDS Participant arising from an Open CDS Position or from any provision of these Rules shall be subject to all the terms of the Rules, including the setoff and other rights set forth herein. The rights of ICE Clear Credit set forth herein shall be in addition to other rights that ICE Clear Credit may have under applicable law and governmental regulations, other provisions of the Rules and additional agreements with the Defaulting CDS Participant, or any other source.
- (i) A Defaulting CDS Participant shall take no action, including but not limited to attempting to obtain a court order, that could interfere with the ability of ICE Clear Credit to take any action contemplated by this Rule, including, without limitation, to liquidate, set off and/or apply such Defaulting CDS Participant's Open CDS Positions, Margin or other property held by ICE Clear Credit, pursuant to these

Rules or (ii) to set off amounts owed to such Defaulting CDS Participant against such Defaulting CDS Participant's Obligations.

- (j) If there is an Automatic Default, then ICE Clear Credit shall exercise its rights under this Rule in a manner consistent with the fact that all Open CDS Positions have automatically terminated in determining a single early termination amount in respect of Client-Related Positions and a single early termination amount in respect of House Positions, in each case payable by either ICE Clear Credit or the Defaulting CDS Participant pursuant to the Closing-out Process.
- (k) Upon the occurrence of a Default with respect to a CDS Participant that is an FCM or a Broker Dealer and completion of the Closing-out Process with respect thereto, ICE Clear Credit will return to the receiver, trustee or other applicable insolvency practitioner for such CDS Participant the amounts remaining in the Custodial Client Omnibus Margin Account (or the proceeds thereof) for distribution or application as provided by law.

20-617. CDS Default Committee.

- (a) ICE Clear Credit shall maintain a committee, governed by these Rules, responsible for taking certain actions provided in Rule 20-605 and Rule 20A-02 and the ICE Clear Credit Procedures upon the Default of a CDS Participant and as otherwise provided pursuant to these Rules (the "**CDS Default Committee**"). The CDS Default Committee shall be comprised of not more than three CDS Committee-Eligible Participants designated in accordance with Rule 20-617(b) (each, a "**CDS Default Committee Participant**"). Each CDS Default Committee Participant shall designate an employee of it or one of its Affiliates with credit default swap trading experience (an "**Eligible Employee**") to serve as its representative on the CDS Default Committee, along with one or more alternates in the event the designated employee is not available on a timely basis (the designated employee or alternate, as applicable, a "**CDS Default Committee Member**"). A CDS Default Committee Participant may replace its designated CDS Default Committee Member or alternate(s) with an Eligible Employee from time to time by notice to ICE Clear Credit.
- (b) ICE Clear Credit shall randomly order all CDS Committee-Eligible Participants into a list (the "**CDS Default Committee Participant List**"). For this purpose, if two or more CDS Committee-Eligible Participants are or become Affiliates, as determined by ICE Clear Credit, they shall be treated as one on the CDS Default Committee Participant List; *provided* that, notwithstanding the foregoing, CDS Committee-Eligible Participants that are Affiliates but that make separate contributions to the General Guaranty Fund shall be treated as separate on the CDS Default Committee Participant List except that no CDS Default Committee Participant shall be an Affiliate of another CDS Default Committee Participant and ICE Clear Credit shall have the discretion to reorder the CDS Default

Committee Participant List and/or remove a CDS Default Committee Participant to effectuate this prohibition.

- (c) The CDS Default Committee for the initial Relevant CDS Default Committee Period shall be comprised of the first three CDS Committee-Eligible Participants on the CDS Default Committee Participant List. For each Relevant CDS Default Committee Period thereafter, the then current CDS Default Committee Participants shall cease to be CDS Default Committee Participants and shall be moved to the end of the CDS Default Committee Participant List, and the next three CDS Committee-Eligible Participants on the CDS Default Committee Participant List shall be CDS Default Committee Participants. If at any time, there are fewer than three CDS Committee-Eligible Participants on the CDS Default Committee Participant List, all such CDS Committee-Eligible Participants shall be CDS Default Committee Participants. The “**Relevant CDS Default Committee Period**” will be six calendar months (i.e., January through June and July through December), unless otherwise specified by the Board or its designee.
- (d) Any CDS Participant that ceases being a CDS Committee-Eligible Participant shall be removed from the CDS Default Committee Participant List and, if such CDS Participant is serving on the CDS Default Committee at the time of removal, shall be replaced on the CDS Default Committee by the next CDS Committee-Eligible Participant on the CDS Default Committee Participant List. Any CDS Participant that becomes (or resumes being) a CDS Committee-Eligible Participant shall be added to the end of the CDS Default Committee Participant List.
- (e) If ICE Clear Credit determines, whether upon the request of such CDS Default Committee Participant or upon ICE Clear Credit’s own initiative, that any CDS Default Committee Participant has a conflict or lacks impartiality with regard to an action to be undertaken by the CDS Default Committee (e.g., it or its Affiliate is the subject of the Default), is not available to participate with regard to such actions in a timely manner, or should for any other reason be removed from or not participate in actions to be undertaken by the CDS Default Committee, ICE Clear Credit shall remove such CDS Default Committee Participant and, as promptly as practicable under the circumstances, replace it with the next CDS Committee-Eligible Participant on the CDS Default Committee Participant List and, pending such replacement, the remaining CDS Default Committee Members shall continue to perform the responsibilities of the CDS Default Committee.
- (f) No CDS Default Committee Member or CDS Default Committee Participant shall be liable to ICE Clear Credit, any Defaulting CDS Participant, any other CDS Participant or any other person for any actions taken or not taken in good faith in its role as CDS Default Committee Member or CDS Default Committee Participant.

- (g) The CDS Default Committee shall assist ICE Clear Credit in determining and executing any Initial Cover Transactions and in determining and thereafter adjusting any Minimum Target Prices and shall provide ICE Clear Credit with recommendations with respect to (i) how prudently to unwind the Open CDS Positions of a Defaulting CDS Participant (both Client-Related Positions and House Positions) and the related Initial Cover Transactions, if any, (ii) how to implement the Default Portability Rules, if applicable and (iii) the particular structure and characteristics of any SR Auction (as defined in Rule 26B-203(a)), in each case in accordance with these Rules and the ICE Clear Credit Procedures.
- (h) Except as may be required by applicable law or court order or by a regulatory, self-regulatory or supervising authority having appropriate jurisdiction, each CDS Default Committee Participant and CDS Default Committee Member (each a **“Covered Party”**) agrees (i) to maintain confidentiality as to all non-public information it obtains in the course of its service including, without limitation, the Open CDS Positions of a Defaulting CDS Participant, Minimum Target Prices (or any adjustments thereto), or any other deliberations or determinations related to the actions of ICE Clear Credit upon the Default of a CDS Participant (the **“Confidential Material”**) and (ii) not to use any Confidential Material for its own benefit or the benefit of any of its Affiliates. In the event that a Covered Party is served with or otherwise subject to legal process (including subpoena or discovery notice) requiring it to testify about, to produce, or otherwise to divulge Confidential Material, to the extent permitted by law the Covered Party subject to such process will as soon as practicable inform ICE Clear Credit so that ICE Clear Credit may seek a protective order or other remedy. In the event that such protective order or other remedy has not been obtained and the Covered Party is advised, in the opinion of counsel, that it is legally compelled to disclose any of the Confidential Material, the Covered Party may disclose only such Confidential Material so advised to be disclosed.
- (i) Each CDS Default Committee Participant and CDS Default Committee Member shall be responsible for its own costs associated with its service in such position.

20A. CDS PORTABILITY RULES

The rules in this Chapter 20A apply to the clearance of CDS Contracts.

20A-01. Portability Rules Where Participant is Not in Default.

- (a) Each Participant (other than a Defaulting Participant) (the “**Transferor Participant**”) that carries Client-Related Positions shall be required, upon request of a Non-Participant Party for whom such positions are carried to transfer such Participant’s rights and obligations with respect thereto to one or more other Participants (the “**Transferee Participants**”) designated by such Non-Participant Party, subject to the provisions of this Rule 20A-01 and, to the extent not inconsistent with this Rule 20A-01, to any terms agreed between such Participant and Non-Participant Party. Such transfer shall be effected as soon as practicable following satisfaction of the conditions set forth in subsection (b).
- (b) A transfer pursuant to subsection (a) shall be subject to the following conditions:
- (i) The Transferor Participant shall have no obligation to locate or obtain a Transferee Participant (which shall be the responsibility of the Non-Participant Party).
 - (ii) The transfer must be in accordance with any applicable legal requirements, including applicable rules of the National Futures Association, and, to the extent permitted thereunder, any applicable agreement between the Transferor Participant and Non-Participant Party.
 - (iii) The Transferor Participant, Transferee Participant and Non-Participant Party shall have agreed and executed and submitted to ICE Clear Credit a transfer confirmation (the “**Transfer Confirmation**”) in a form approved by ICE Clear Credit (which may be written or electronic) specifying the following information:
 - (A) The Client-Related Positions to be transferred (the “**Transferred Transactions**”);
 - (B) The proposed transfer date (the “**Transfer Date**”), which shall be no earlier than the ICE Business Day of submission of the Transfer Confirmation to ICE Clear Credit and shall be an ICE Business Day;
 - (C) Whether relevant margin of the Non-Participant Party held in the Custodial Client Omnibus Margin Account is to be transferred to the Transferee Participant or returned to the Transferor Participant for distribution to the Non-Participant Party;

- (D) The amount of such margin, if any, to be so moved or returned in respect of the transferred or novated contracts; and
 - (E) Such other matters as ICE Clear Credit may specify.
- (iv) Prior to the applicable transfer time determined by ICE Clear Credit on the Transfer Date (the “**Transfer Time**”), if required by ICE Clear Credit, each of the Transferor Participant and the Transferee Participant shall have Transferred additional Margin in the amount specified by ICE Clear Credit to satisfy any additional Margin Requirements as a result of the proposed adjustments in Client-Related Positions pursuant to clause (c) below.
 - (iv) ICE Clear Credit has accepted such Transfer Confirmation, and the Transferor Participant and Transferee Participant have satisfied such other conditions as ICE Clear Credit may have specified.
- (c) If such conditions are satisfied, then as of the Transfer Time, the transfer shall occur as set forth in the Transfer Confirmation and ICE Clear Credit shall (i) adjust the outstanding Client-Related Positions of the Transferor Participant to reflect the transfer of Client-Related Positions related to the Transferred Transactions; (ii) adjust the outstanding Client-Related Positions of the Transferee Participant to reflect the transfer of the Transferred Transactions; (iii) adjust the Margin Requirements of the Transferor Participant and Transferee Participant to reflect such adjustments of outstanding Client-Related Positions; and (iv) transfer the applicable margin from the Custodial Client Omnibus Margin Account of the Transferor Participant to that of the Transferee Participant or return such margin to the Transferor Participant for distribution to the Non-Participant Party, as specified in the Transfer Confirmation.
 - (d) Notwithstanding anything to the contrary herein, no Participant shall be required to accept transfer of any Client-Related Transaction as a Transferee Participant without its consent.
 - (e) Following the Transfer Time, each of the Transferor Participant and Transferee Participant must make appropriate submissions, in accordance with the ICE Clear Credit Procedures, to Deriv/SERV or another service specified by ICE Clear Credit to reflect the adjustments to its outstanding Client-Related Positions. The Non-Participant Party shall be required to make appropriate such submissions to reflect such novation.
 - (f) Notwithstanding anything to the contrary herein or in any Transfer Confirmation, if a Default occurs with respect to a Transferor Participant prior to the Transfer Time for a transfer, such transfer (and any related Transfer Confirmation) will be of no effect and ICE Clear Credit will not adjust the related Client-Related Positions pursuant to this Rule 20A-01.

20A-02. Post-Default Portability Rules.

- (a) If ICE Clear Credit determines to effect the Closing-out Process in respect of Client-Related Positions of a Defaulting Participant, ICE Clear Credit shall determine the loss to it with respect to the Client-Related Positions pursuant to the Closing-out Process and any shortfall in the Custodial Client Omnibus Margin Account (the “**Net Client Omnibus Margin Shortfall**”). The following additional provisions shall apply in respect of Client-Related Positions of such Defaulting Participant determined by ICE Clear Credit and the receiver, trustee or other insolvency practitioner for the Defaulting Participant to be eligible therefor (“**Eligible Transfer Positions**”):
- (i) To the extent permitted by law, ICE Clear Credit may (but will not be obligated to), on its own or in coordination with the receiver, trustee or other insolvency practitioner for such Defaulting Participant, transfer or arrange or facilitate the transfer of such Eligible Transfer Positions to other CDS Participants that will accept such positions. Except as required by law and without limiting the foregoing, ICE Clear Credit will have no obligation to permit any transfer of Eligible Transfer Positions if it would result in ICE Clear Credit being undermargined or undersecured with respect to any remaining Eligible Transfer Positions or would raise other risk management concerns for ICE Clear Credit, in each case as determined by ICE Clear Credit in its sole discretion.
 - (ii) Such transfers of Eligible Transfer Positions may be made with respect to the entire portfolio of Eligible Transfer Positions or any relevant portion thereof (including, if applicable, on a client-by-client basis). Subject to the foregoing, ICE Clear Credit may take into consideration such other factors ICE Clear Credit determines to be relevant in making, arranging or facilitating any such transfer.
 - (iii) Following the transfer of Client-Related Positions related to a Non-Participant Party, ICE Clear Credit shall transfer any related margin of such Non-Participant Party in the Custodial Client Omnibus Margin Account (after deducting the applicable share of any Net Client Omnibus Margin Shortfall) to the applicable such account of the transferee Participant, to serve as margin for the transferred transaction, and Defaulting Participant agrees to such transfer and to take any necessary action to facilitate such transfer. Notwithstanding the foregoing, the transferee Participant shall remain obligated to satisfy any Margin Requirement resulting from its acceptance of the transfer of Client-Related Positions. For the avoidance of doubt, ICE Clear Credit may recalculate the Net Client Omnibus Margin Amount to reflect any increase in the Initial Margin requirement as a result of the transfer of less than all of the Client-Related Positions of a Defaulting Participant. Any such movements of margin shall be determined by ICE Clear Credit on the basis of information most recently provided to ICE Clear Credit by the Defaulting Participant (or any receiver, trustee, insolvency practitioner or similar party therefor).

- (iv) Nothing in these Rules shall require a Participant to accept transfer of Eligible Transfer Positions.
- (b) A Defaulting CDS Participant shall take no action, including but not limited to attempting to obtain a court order, that could interfere with the ability of ICE Clear Credit to take action contemplated by the Default Portability Rules, including, without limitation, the transfer or replacement of positions and the transfer of related margin or collateral.
- (c) Each CDS Participant hereby appoints ICE Clear Credit as its lawful agent and attorney-in-fact, as further security for the Obligations of the CDS Participant, to (i) take such actions on behalf of the CDS Participant in the event it becomes a Defaulting CDS Participant as ICE Clear Credit, in its discretion and in accordance with the Default Portability Rules, determines for the purposes of executing any document or instrument in order to effectuate the Default Portability Rules and/or (ii) exercise rights and remedies under any and all Open CDS Positions in such manner as ICE Clear Credit may, in its discretion and in accordance with the Default Portability Rules, determine. Each Participant hereby ratifies and confirms all acts or things ICE Clear Credit does or purports to do pursuant to this power of attorney.
- (d) Following the transfer or replacement of Eligible Transfer Positions pursuant to this Rule 20A-02, the Replacement Participant and, if applicable, the Non-Participant Party must make appropriate submissions, in accordance with the ICE Clear Credit Procedures, to Deriv/SERV or another service specified by ICE Clear Credit to reflect such transfer or replacement.

21. REGIONAL CDS COMMITTEES AND DISPUTE RESOLUTION PROCEDURES

2101. Composition and Role of the Regional CDS Committees.

2101-01. Composition of the Regional CDS Committees.

- (a) For each CDS Region, there shall be a committee, governed by these CDS Committee Rules, responsible for making determinations and resolving disputes related to cleared CDS Contracts for that CDS Region (each, a **“Regional CDS Committee”**). For each CDS Region, the Board or its designee will also determine the location and parameters for determining whether a day is a CDS Regional Business Day in respect of the relevant CDS Region and the relevant local time.
- (b) Each Regional CDS Committee will consist of one member (each, a **“Committee Member”**) for each Regional CDS Participant. Each Regional CDS Participant shall notify ICE Clear Credit of the identity of its authorized representative who will serve as its Committee Member for a Regional CDS Committee and also of its authorized alternative representative, who may serve as the Regional CDS Participant’s Committee Member in the absence of the Regional CDS Participant’s authorized representative, and any changes to the identity of its representatives from time to time. ICE Clear Credit will maintain a list of all Regional CDS Participants, their authorized representatives, and associated contact information for each Regional CDS Committee and may rely on the identity of a Regional CDS Participant’s authorized representative and authorized alternative representative previously notified to it until ICE Clear Credit receives notice of any changes.
- (c) For a particular CDS Region, a **“Regional CDS Participant”** is CDS Committee-Eligible Participant, as defined in Rule 20-102, that meets the applicable criteria established for the relevant CDS Region by the Board or its designee, in each case at the time of the relevant vote or other activity under these CDS Committee Rules. If any two or more Regional CDS Participants in a particular CDS Region are or become Affiliates, as determined by the Board or its designee, those Regional CDS Participants together are entitled to appoint only a single Committee Member for the relevant Regional CDS Committee. If at any time affiliated Regional CDS Participants in a particular CDS Region have identified more than one Committee Member for the relevant Regional CDS Committee, the affiliated Regional CDS Participants will promptly notify ICE Clear Credit which of the identified authorized representatives and authorized alternative representatives will represent them.
- (d) For each Regional CDS Committee, the Chairman of the Board, with the approval of the Board or its designee, will from time to time appoint a Committee Member from the Regional CDS Committee to serve as chairperson of the

committee for a term of one year (each, a “**Chairperson**”). If a Chairperson ceases to be a Committee Member of the relevant Regional CDS Committee or notifies the Chairman of the Board of his or her resignation, the Chairman of the Board, with the approval of the Board or its designee, will appoint another Committee Member to serve as Chairperson of the relevant Regional CDS Committee for the remainder of the outgoing Chairperson’s term. Prior service as Chairperson does not disqualify a Committee Member from subsequent terms of service as Chairperson.

- (e) Each Regional CDS Participant shall be responsible for its own costs associated with its participation as a Regional CDS Participant or as a Committee Member unless these CDS Committee Rules specifically provide otherwise.

2101-02. Role of the Regional CDS Committees.

- (a) For the relevant CDS Region, the Regional CDS Committee shall, subject to Rule 2101-02(d) and (e), be responsible for:
 - (i) determining whether a Reference Entity under a CDS Contract has been the subject of a Succession Event and, if so, determining the legally effective date of the Succession Event and the identity of the Reference Entity’s Successor(s), if any, *provided* that such determination shall be made only where sufficient information is available to the Regional CDS Committee to make such determination;
 - (ii) where necessary in respect of a CDS Contract, determining whether a Reference Obligation no longer satisfies the applicable requirements under a CDS Contract and, if so, identifying any Substitute Reference Obligation, *provided* that such determination shall be made only where sufficient information is available to the Regional CDS Committee to make such determination;
 - (iii) determining whether a Credit Event for which there is Publicly Available Information has occurred with respect to a CDS Contract on or after the Credit Event Backstop Date (determined by reference to Greenwich Mean Time) and on or prior to the Extension Date (determined by reference to Greenwich Mean Time) and, if so, determining the relevant Event Determination Date, if any, which shall be the first date on which the relevant Regional CDS Committee both has received effective notice prior to the end of the last day of the relevant Notice Delivery Period requesting that the Regional CDS Committee determine the matters described in this clause (iii) and is in possession of Publicly Available Information; *provided, however,* that an Event Determination Date relating to a Restructuring Credit Event shall occur in respect of a Restructuring CDS Contract or part thereof only if a relevant party thereto delivers a Restructuring Credit

Event Notice relating thereto on or before the relevant Exercise Cut-off Date, as provided in the CDS Restructuring Rules;

- (iv) if the applicable method of settlement under a CDS Contract is Physical Settlement (whether initially or due to the fact that the CDS Contract is to be settled in accordance with the Fallback Settlement Method), resolving any questions presented by one or more Committee Members with respect to such CDS Contract regarding (1) whether a particular obligation is a Deliverable Obligation, (2) whether a particular Deliverable Obligation satisfies Section 2.32(a) or 2.33(a) of the Credit Derivatives Definitions, if applicable (a Deliverable Obligation that satisfies the relevant Section, a **“Permissible Deliverable Obligation”**), (3) the length of the Physical Settlement Period, (4) the Accreted Amount of any Accreting Obligation or (5) with respect to a Deliverable Obligation, any specific assignment, novation or other document or any other action that may be necessary, customary or desirable and reasonably requested by either party to an Allocated CDS Contract for the purpose of effecting Physical Settlement and, with respect to a Deliverable Obligation that is a Loan, the documentation customarily used in the relevant market for Delivery of such Loan at that time, including any market advisory, and any amendments to such documentation to the extent necessary in order to preserve the economic equivalent, as closely as practicable, of the delivery and payment obligations of the parties under the Credit Derivatives Definitions; and
 - (v) with respect to a CDS Contract, making any other determination requested of it or resolving any disputes referred to it by ICE Clear Credit or its designee or by any Committee Member, excluding (A) making determinations or resolving disputes relating to withholding, gross-up or reimbursement for or on account of any Tax (as defined in Rule 613) or other Tax matters and (B) resolving disputes that are subject to arbitration pursuant to these Rules.
- (b) Subject to Rule 2101-02(d) and (e), ICE Clear Credit shall be responsible for performing any calculations or other determinations required of the Calculation Agent by a CDS Contract, other than those responsibilities specifically delegated to the Regional CDS Committees as provided in Rule 2101-02(a) or as otherwise delegated to the Regional CDS Committees by the Board or its designee. Any Calculation Agent determination made by ICE Clear Credit under this Rule 2101-02(b) may be disputed by any Committee Member referring the determination to the relevant Regional CDS Committee.
- (c) If there is a question presented to the Regional CDS Committee under Rule 2101-02(a)(iv) with respect to whether a particular obligation is a Deliverable Obligation or a Permissible Deliverable Obligation, as applicable, and the answer to the question may differ based on the date as of which the question is

answered (for example, the “Not Contingent” characteristic is at issue and there is a contingency that might cease to exist as of a particular date), the presenter of the question will identify the relevant date.

- (d) Notwithstanding anything to the contrary in this Rule 2101-02 or elsewhere in these Rules, if the July 2009 Supplement applies to a CDS Contract, the Regional CDS Committee shall not consider a question under these CDS Committee Rules in respect of such CDS Contract (including where new information, relevant to the question to be considered, has become available) unless a request has been previously submitted to ISDA, as DC Secretary, to convene the relevant Credit Derivatives Determinations Committee to resolve the answer to such question for the purposes of the relevant CDS Contract (and, where new information as aforesaid has become available, that information has been made available to the DC Secretary with such request) and ISDA has publicly announced that the relevant Credit Derivatives Determinations Committee has resolved not to determine the answer to such question or will not be deliberating the question.
- (e) For the avoidance of doubt, if the July 2009 Supplement applies to a CDS Contract, any determination by a Credit Derivatives Determinations Committee applicable to such CDS Contract shall be binding on ICE Clear Credit and the relevant CDS Participants and shall supersede a prior determination of the same question by the relevant Regional CDS Committee, Dispute Resolver or ICE Clear Credit, as applicable, as provided in Section 9.1(c)(iii) of the Credit Derivatives Definitions (except as expressly stated otherwise in Section 9.1(c)(iii)(B) thereof, interpreted as if the relevant Regional CDS Committee, Dispute Resolver or ICE Clear Credit, as applicable, were the Calculation Agent). In the event there is a pending question before a Regional CDS Committee or a Dispute Resolver and ISDA publicly announces that the conditions are satisfied to convene a Credit Derivatives Determinations Committee to resolve the same question, such Regional CDS Committee or Dispute Resolver shall cease considering such question and, in the event the question is raised again with such Regional CDS Committee or Dispute Resolver following such Credit Derivatives Determinations Committee’s proceedings, the process of considering such question by such Regional CDS Committee or Dispute Resolver shall start over from the beginning.
- (f) If the July 2009 Supplement applies to a CDS Contract, in each case notwithstanding whether the applicable Regional CDS Committee is entitled to consider the question pursuant to Rule 2101-02(d):
 - (i) a question presented to a Regional CDS Committee concerning whether or not an event constitutes a Credit Event with respect to such CDS Contract which includes a description in reasonable detail of the facts and information required to be included in a Credit Event Notice and a Notice of Publicly Available Information shall be deemed to be delivery by a

Notifying Party to the other party of a Credit Event Notice and Notice of Publicly Available Information under all relevant CDS Contracts only for the purposes of determining the Credit Event Backstop Date pursuant to Section 1.23 of the Credit Derivatives Definitions and as otherwise provided in these Rules; and

- (ii) a question presented to a Regional CDS Committee concerning whether or not an event constitutes a Succession Event with respect to such CDS Contract which includes a description in reasonable detail of the facts required to be included in a Succession Event Notice shall be deemed to be delivery by one party to the other party of a Succession Event Notice under all relevant CDS Contracts only for the purposes of determining the Succession Event Backstop Date pursuant to Section 2.2(i) of the Credit Derivatives Definitions and as otherwise provided in these Rules.

2101-03. Meetings of the Regional CDS Committee.

- (a) ICE Clear Credit or the Chairperson may, and at the request of any two Committee Members the Chairperson will, call a meeting of the Regional CDS Committee on no less than three hours notice. Meetings may commence at any time between 10:00 a.m. and 6:00 p.m. local time on a CDS Regional Business Day. As part of the notice to Committee Members of the meeting, ICE Clear Credit or the Chairperson, as applicable, shall include a brief description of the circumstances, including (if applicable) which category described in Rule 2101-02(a) the Regional CDS Committee is being asked to consider. Meetings may be held in person or by telephone or videoconference.
- (b) There will be no quorum for holding a meeting of a Regional CDS Committee. The quorum for holding a binding or non-binding vote will be a number of Committee Members equal to the Standard Quorum Number, unless otherwise indicated in a CDS Committee Rule. “**Standard Quorum Number**” means the greater of (i) 5 and (ii) 50 percent of the Regional CDS Participants for the relevant Regional CDS Committee (rounded down to the nearest whole number).
- (c) Each Committee Member will have a single vote on all matters before the Regional CDS Committee. In addition, each Regional CDS Participant agrees that it will cause its Committee Member (or any other person voting on such Committee Member's behalf) to, when casting a ballot in a binding vote, vote for the answer that is, in such voter's good faith belief, the proper answer to the question, taking into account any ambiguities in the application of the terms of the CDS Contract to the particular question.
- (d) The voting standards used in these CDS Committee Rules have the following meanings:

- (i) a “**Quorum Majority**” means that there is a quorum for the vote and at least a majority of voting Committee Members have voted for a particular answer to the question posed.
- (ii) a “**Quorum Supermajority**” means that there is a quorum for the vote and at least two-thirds of voting Committee Members have voted for a particular answer to the question posed.
- (iii) a “**Quorum Stage 2 Supermajority**” means that there is a quorum for the vote and at least two-thirds of voting Committee Members have voted for a particular answer to the question posed. For a Quorum Stage 2 Supermajority, the denominator is the greater of (x) the number of Committee Members voting in the vote and (y) the number of Committee Members who voted in the most recent binding vote on the question.
- (iv) an “**Acceleration Supermajority**” means that there is a quorum for the vote of at least two-thirds of Committee Members on a Regional CDS Committee and all voting Committee Members have voted for holding a binding vote on an Issue or any element thereof on a date earlier than the date described in Rule 2103-02(a).
- (v) an “**Effectiveness Supermajority**” means that there is a quorum for the vote of at least two-thirds of Committee Members on a Regional CDS Committee and at least three-quarters of voting Committee Members have voted for a particular Effectiveness Convention.

For purposes of each of these voting standards, (1) Committee Members who are present but abstain from voting are neither counted for purposes of determining whether there is a quorum nor counted in the denominator for purposes of determining whether the requisite threshold is met and (2) Committee Members who are present but vote that they need more time to consider the question are both counted for purposes of determining whether there is a quorum and counted in the denominator for purposes of determining whether the requisite threshold is met.

- (e) A Committee Member may invite one or more employees of the Regional CDS Participant such Committee Member is representing (or of an Affiliate) to participate in a meeting of the Regional CDS Committee relating to an Issue for which the employee(s) have expertise. The Committee Member may, by notice to the Regional CDS Committee, delegate the authority to vote on its behalf on a particular Issue to any such employee.
- (f) A Regional CDS Committee may seek advice or assistance from outside counsel or other outside experts by a Quorum Majority vote of Committee Members in favor. The costs associated with any such advice or assistance may not exceed

\$100,000 per Regional CDS Committee in any one calendar year (or such other amount specified by ICE Clear Credit), without the approval of ICE Clear Credit.

- (g) The decisions of a Regional CDS Committee will be effective at the time of the binding vote, unless the Regional CDS Committee has adopted an applicable Effectiveness Convention, in which case the decision will be effective as provided in the Effectiveness Convention. By an Effectiveness Supermajority vote in favor, a Regional CDS Committee may adopt a convention, or modify an existing convention, for determining when a particular decision is effective in one or more particular contexts or circumstances (an “**Effectiveness Convention**”).
- (h) ICE Clear Credit may make publicly available the answer by which a Regional CDS Committee has Resolved a question with respect to an Issue or any element thereof. A Regional CDS Committee may make publicly available a written summary of the basis for the Resolution of an Issue (whether pursuant to Rule 2103, 2104 or 2105) if such summary is supported by a Quorum Stage 2 Supermajority.
- (i) Any Participant (whether or not a Regional CDS Participant) or Non-Participant Party may submit to the Chairperson a question for consideration by the Regional CDS Committee in accordance with this Chapter 21 of the Rules. The Regional CDS Committee shall determine whether to consider any such question in accordance with this Chapter 21 of the Rules.

2101-04. Regional CDS Committee Mandatory Voting Members.

- (a) ICE Clear Credit shall maintain a list of Regional CDS Participants for purposes of identifying Regional CDS Participants whose Committee Member shall be required to participate in all meetings and votes relating to a matter before the Regional CDS Committee (a “**Mandatory Voting Member**”), absent a written certification to ICE Clear Credit by the relevant Regional CDS Participant that, in its judgment, neither its Committee Member nor anyone else within the Regional CDS Participant’s organization is appropriate to serve in such capacity. A Regional CDS Participant may not provide such a written certification solely on the basis that it does not trade the particular CDS Contract at issue.
- (b) For each CDS Region, ICE Clear Credit shall initially list the Regional CDS Participants in random order. ICE Clear Credit shall remove from the list those that cease to be Regional CDS Participants and add to the list in a random position any new Regional CDS Participants. If a Regional CDS Participant serves as a Mandatory Voting Member, it shall be moved to the bottom of the list. ICE Clear Credit will provide an updated list to the Regional CDS Participants promptly after any update. If requested on a Quorum Majority vote by the relevant Regional CDS Committee, ICE Clear Credit shall randomly re-order the list.

- (c) If a Regional CDS Committee votes, whether binding or non-binding, with respect to:
 - (i) an Issue under one of the subclauses in Rule 2101-02(a), including voting not to determine any such Issue or to dismiss such Issue;
 - (ii) an amendment to these CDS Committee Rules proposed under Rule 2106-02(b); or
 - (iii) an Effectiveness Convention under Rule 2101-03(g);

and fails to achieve a quorum, the Chairperson shall notify ICE Clear Credit, which shall, by proceeding in the order of the list, promptly identify a number of Regional CDS Participants equal to the full quorum required for that vote (e.g., the Standard Quorum Number if the voting standard is a Quorum Majority or a Quorum Supermajority) whose Committee Member shall serve as Mandatory Voting Members for such vote or, in the case of clause (i), until all aspects of the matter requiring the participation of Mandatory Voting Members have been fully Resolved.

2102. The Dispute Resolution Panel and the Dispute Resolver.

2102-01. Role and Composition of the Dispute Resolution Panel.

- (a) For each CDS Region, ICE Clear Credit may, as provided in this Rule 2102-01, maintain a list (each such list, a “**Dispute Resolution Panel**”) of persons eligible to resolve, in accordance with these CDS Committee Rules, disputes that are referred to Stage 2 procedures described in Rule 2104 by the relevant Regional CDS Committee under Rule 2103-03.
- (b) Each Dispute Resolution Panel will consist of between 3 and 5 persons (each, a “**Panel Member**”) selected in accordance with Rule 2102-01(c). If at any time, there are fewer than 3 Panel Members, ICE Clear Credit shall select additional individuals to be added to the Dispute Resolution Panel in accordance with Rule 2102-01(c). The Panel Member charged with resolving a particular dispute (the “**Dispute Resolver**”) will be selected from the relevant Dispute Resolution Panel in accordance with Rule 2102-02.
- (c) ICE Clear Credit shall nominate one or more individuals to be considered for membership on a Dispute Resolution Panel and shall notify the Committee Members for the relevant Regional CDS Committee of each such nomination. ICE Clear Credit may nominate only individuals that it is satisfied are not current employees or directors of a Regional CDS Participant for the relevant CDS Region or an Affiliate thereof. Unless 3 or more Committee Members for the relevant Regional CDS Committee object to the nomination within 30 days of the date ICE Clear Credit notifies Committee Members of the nomination, the individual will become a Panel Member effective on the later of such 30th day and

the date the individual signs an agreement with ICE Clear Credit governing its role as Panel Member for a term specified in the agreement.

- (d) ICE Clear Credit may, and if directed by the relevant Regional CDS Committee as provided in this Rule 2102-01(d) shall, remove a Panel Member by terminating or by not renewing or extending the term of a Panel Member in accordance with the agreement between ICE Clear Credit and the Panel Member; *provided that* a Panel Member who is then serving as Dispute Resolver may be removed only for cause. If a Panel Member is removed for cause while he or she is serving as Dispute Resolver, or withdraws from service as Dispute Resolver, a replacement Dispute Resolver shall be selected as if the dispute being resolved by the removed Panel Member had been newly referred to Stage 2 for resolution on the date of such Panel Member's removal or withdrawal. The Regional CDS Committee shall consider at least annually whether to direct ICE Clear Credit to remove any Panel Members from the Dispute Resolution Panel for the relevant CDS Region. To so direct ICE Clear Credit, (i) a Quorum Supermajority of Committee Members for the relevant Regional CDS Committee must vote in favor of the removal if the Panel Member is being removed in the middle of his or her term and (ii) a Quorum Majority of Committee Members for the relevant Regional CDS Committee must vote in favor of the removal if the Panel Member's term is not being renewed or extended.

2102-02. Selection of the Dispute Resolver.

- (a) When a Regional CDS Committee refers a dispute to the Dispute Resolution Panel, the Dispute Resolver will be selected as follows:
 - (i) The Panel Member at the top of the Panel Member list, ordered as described in Rule 2102-02(b), at the time the Regional CDS Committee refers the dispute to the relevant Dispute Resolution Panel will be charged with resolving the dispute, unless that Panel Member indicates he or she has a conflict of interest or lacks impartiality with regard to resolution of the dispute or is not available to resolve the dispute within the time periods contemplated by the Stage 2 procedures set forth in Rule 2104-03(a) or unless ICE Clear Credit determines there is such a conflict of interest or lack of impartiality (or the appearance of either) or a lack of availability. If more than one question relating to a single Issue is referred to Stage 2 for resolution, then the Panel Member selected under this Rule 2102-02(a) shall be the Dispute Resolver for each such question.
 - (ii) If that Panel Member indicates (or ICE Clear Credit determines) such a conflict of interest or lack of impartiality or availability, the Panel Members on the relevant Dispute Resolution Panel will be charged in the order described in Rule 2102-02(b) to resolve the dispute until a Panel Member is identified without such a conflict of interest or lack of impartiality or availability.

- (iii) If all Panel Members on the relevant Dispute Resolution Panel indicate (or ICE Clear Credit determines) such a conflict of interest or lack of impartiality or availability, or if there are no Panel Members on the relevant Dispute Resolution Panel, the dispute shall be referred back to the Regional CDS Committee to be resolved in accordance with the Stage 3 procedures described in Rule 2105.
- (b) The Panel Members on the Dispute Resolution Panel will be ordered as follows:
- (i) For each CDS Region, ICE Clear Credit shall initially list the Panel Members in random order. At the end of each Relevant Period, ICE Clear Credit shall randomly reorder the Panel Member list for the next Relevant Period. For any Relevant Period, the Panel Member at the top of the initial list for that Relevant Period will be the “**Primary Panel Member**”. A Panel Member is not eligible to be the Primary Panel Member after having been the Primary Panel Member in the prior Relevant Period, unless the individual is the only remaining Panel Member, and ICE Clear Credit shall randomly reorder the Panel Member list for a particular Relevant Period until this requirement is satisfied.
 - (ii) ICE Clear Credit shall remove from the Dispute Resolution Panel those individuals that cease to be Panel Members during the particular Relevant Period and add to the bottom of the list any new Panel Member. If a Panel Member on a list for a particular Relevant Period serves as a Dispute Resolver, the individual shall be moved to the bottom of the list for that Relevant Period.
 - (iii) The “**Relevant Period**” will be six calendar months (i.e., January through June and July through December), unless otherwise specified by the Board or its designee.
 - (iv) ICE Clear Credit will provide an updated list of Panel Members to the Regional CDS Participants promptly after any update to the Dispute Resolution Panel.

2103. Stage 1 – The Regional CDS Committee with Quorum Supermajority Vote.

2103-01. General.

- (a) When a Regional CDS Committee is asked to consider the application of a particular set of circumstances to a category described in Rule 2101-02(a) (an “**Issue**”), one or more meetings shall be held where Committee Members will discuss the Issue and attempt to reach a consensus. To facilitate this process, the Regional CDS Committee may hold one or more non-binding votes to gauge the views of the Committee Members. A non-binding vote shall be held whenever called by the Chairperson or requested by two or more Committee Members.

- (b) The Regional CDS Committee will attempt to reach a consensus on the phrasing of one or more questions the answers to which are necessary to Resolve an Issue. If the Regional CDS Committee cannot reach a consensus on the phrasing of any question, any two Committee Members may pose a question to be voted on by the Regional CDS Committee. To the extent practicable, the Regional CDS Committee should endeavor to Resolve through individual questions particular elements of an Issue even if unable to Resolve all elements of such Issue. For example, the Regional CDS Committee might Resolve the determination that a Reference Obligation no longer satisfies the applicable requirements under a CDS Contract even if unable to Resolve the determination of an appropriate Substitute Reference Obligation (or vice versa).

2103-02. Binding Votes.

- (a) Subject to Rule 2103-02(d), a binding vote on all elements of an Issue shall be held:
- (i) for an Issue described in Rule 2101-02(a)(iii) or Rule 2101-02(a)(iv), on the second CDS Regional Business Day after the CDS Regional Business Day of the initial meeting of the Regional CDS Committee regarding the Issue; and
 - (ii) for any other Issue, on the ninth CDS Regional Business Day after the CDS Regional Business Day of the initial meeting of the Regional CDS Committee regarding the Issue;

unless, in the case of clause (i), the date for a binding vote has been delayed by a vote in favor of such delay by a Quorum Supermajority of the Regional CDS Committee and, in the case of clause (ii), the date for a binding vote has been delayed by a vote in favor of such delay by a Quorum Majority of the Regional CDS Committee for the first delay and a vote in favor of such delay by a Quorum Supermajority of the Regional CDS Committee for any subsequent delay.

- (b) A Regional CDS Committee may hold a binding vote on any element of an Issue on a date earlier than the date described in Rule 2103-02(a), (i) on the CDS Regional Business Day of the initial meeting of the Regional CDS Committee regarding the Issue, if an Acceleration Supermajority vote in favor or (ii) on any subsequent CDS Regional Business Day, if a Quorum Supermajority vote in favor.
- (c) If, in a binding vote, a Quorum Supermajority vote for a particular answer to a question, that question is considered Resolved according to that answer. Once a question has been Resolved, it may not be reconsidered or voted on again by the Regional CDS Committee. For the sake of clarity, if a Regional CDS Committee Resolves that (i) a Credit Event for which there is Publicly Available Information has not occurred with respect to a CDS Contract, but Publicly Available

Information not considered by the Regional CDS Committee becomes available to the Regional CDS Committee or (ii) a particular obligation is or is not a Deliverable Obligation or a Permissible Deliverable Obligation as of a particular date, but the analysis would be different if the Deliverable Obligation Characteristics or Credit Derivatives Definitions Section 2.32(a) or 2.33(a), applicable, were applied on a different date, a subsequent vote on such Issue is considered a new question rather than reconsideration of the prior question.

- (d) A Regional CDS Committee may, in a binding vote, by a Quorum Majority, decide not to determine the relevant Issue or to dismiss the relevant Issue, in which case the Issue shall be treated as though it had never been raised for consideration by such Regional CDS Committee.

2103-03. Referral to Stage 2.

- (a) An Issue presented to the Regional CDS Committee will be referred to Stage 2 if:
 - (i) the Regional CDS Committee holds a binding vote where a Quorum Supermajority are in favor of referring the Issue to Stage 2, in which case all elements of such Issue that have not been Resolved by the Regional CDS Committee through a binding vote will be referred to Stage 2; or
 - (ii) (unless Rule 2103-02(d) applies) the Regional CDS Committee has not fully Resolved all elements of an Issue through a binding vote within the time period described in Rule 2103-02(a), in which case each element not Resolved will be referred to Stage 2.
- (b) If an Issue is referred to Stage 2, the positions to be presented to the Dispute Resolver (each, a “**Presented Position**” and, collectively, the “**Presented Positions**”) in respect of the elements of an Issue not Resolved by the Regional CDS Committee shall be determined as follows:
 - (i) In the case of a question that was phrased to be answered with either “yes” or “no”, the Presented Positions shall be both the “yes” and “no” answers.
 - (ii) In the case of a question that was not phrased to be answered with either “yes” or “no”, the Presented Positions shall include the answer or answers that receive the most votes. If only one answer receives the most votes, the Presented Positions shall also include the answer or answers receiving the next most votes.
- (c) Where the Regional CDS Committee failed to reach a consensus on the phrasing of a question necessary to Resolve one or more elements of an Issue and there was more than one phrasing of a question voted on by the Regional CDS Committee in a binding vote, a Quorum Supermajority may determine the phrasing of the question to be addressed in Stage 2, and in the absence of a

Quorum Supermajority favoring a particular phrasing, the Dispute Resolver shall select the phrasing of the question to be addressed in Stage 2.

2104. Stage 2 – Dispute Resolution.

2104-01. General.

- (a) The Dispute Resolver for a particular dispute will follow the procedures set forth in this Rule 2104 in resolving the dispute. At any time before the Dispute Resolver announces his or her decision with respect to a question, the Regional CDS Committee may withdraw and Resolve the question by holding a vote where a Quorum Stage 2 Supermajority vote for a particular answer to the question. In that case, ICE Clear Credit or the Regional CDS Committee shall notify the Dispute Resolver not to render a decision on the particular question.

2104-02. The Decision.

- (a) The Dispute Resolver must, in his or her decision with respect to a question, select without alteration in any way from one of the Presented Positions.
- (b) The Dispute Resolver will communicate to the Regional CDS Committee and ICE Clear Credit in writing which of the Presented Positions he or she has selected with respect to a question, but shall not issue a written opinion explaining his or her reasoning. The decision of the Dispute Resolver will be effective at the time the decision is communicated, unless the time of effectiveness was specifically included in the Presented Position.
- (c) Unless either the Regional CDS Committee has withdrawn and Resolved a question as described in Rule 2104-01(a) or any of the conditions described in Rule 2104-02(d) are met, the Dispute Resolver's decision with respect to a question will Resolve the question.
- (d) A question necessary to Resolve one or more elements of an Issue referred to Stage 2 shall be referred back to the Regional CDS Committee to be Resolved in accordance with the Stage 3 procedures in Rule 2105 in any of the following circumstances:
 - (i) the Dispute Resolver does not issue his or her decision with respect to the question within the time period described in Rule 2104-03(a);
 - (ii) ICE Clear Credit determines that the Dispute Resolver has deviated from the requirements set forth in Rule 2104-02(a); or
 - (iii) the Dispute Resolver informs the Regional CDS Committee and ICE Clear Credit that he or she is unable to reach a decision with respect to the question.

In the case of clause (iii), the Dispute Resolver shall not explain his or her reasoning for being unable to reach a decision.

- (e) ICE Clear Credit may make publicly available any final decision made by the Dispute Resolver.

2104-03. Dispute Resolution Schedule.

- (a) The following schedule will apply to the dispute resolution procedures unless modified as described below:
 - (i) Within one CDS Regional Business Day of an Issue being referred to Stage 2, the Dispute Resolver shall, if required by Rule 2103-03(c), select the phrasing of any question necessary to Resolve one or more elements of an Issue and communicate the selected phrasing to the Advocates and ICE Clear Credit.
 - (ii) Within two CDS Regional Business Days of an Issue being referred to Stage 2, the Dispute Resolver and the Advocates shall hold an administrative meeting (an "**Administrative Meeting**").
 - (iii) Written Materials shall be submitted to the Dispute Resolver no more than five CDS Regional Business Days after the Issue is referred to Stage 2 (the "**Submission Deadline**").
 - (iv) Initial Oral Argument shall be heard at a time and on a CDS Regional Business Day specified by the Dispute Resolver, but in no event before the CDS Regional Business Day following the Submission Deadline.
 - (v) After the initial Oral Argument and at the option of the Dispute Resolver, additional Oral Argument may be heard at a time and on a CDS Regional Business Day specified by the Dispute Resolver.
 - (vi) The Dispute Resolver shall render his or her decision no later than four CDS Regional Business Days after the Submission Deadline.

The schedule for dispute resolution may be modified either (A) by a Quorum Stage 2 Supermajority vote of the Regional CDS Committee in favor of a modification or (B) by ICE Clear Credit as it determines appropriate in light of extenuating circumstances. The Regional CDS Committee or ICE Clear Credit, as applicable, shall as soon as reasonably practicable notify the other and the Dispute Resolver of any schedule modification.

2104-04. Dispute Resolution Procedures.

- (a) The Regional CDS Participants who support a particular Presented Position shall identify one or more persons to coordinate their activities, present their

arguments to the Dispute Resolver, and participate in Oral Arguments (the “**Advocates**”) and shall notify ICE Clear Credit and the Dispute Resolver of the identity and contact details of their Advocates. Advocates may, but need not, be outside counsel selected by the relevant Regional CDS Participants.

- (b) Any expenses incurred in connection with the support of a Presented Position during the Stage 2 dispute resolution process, up to a maximum of \$50,000 per Presented Position (or such other amount specified by ICE Clear Credit) (the “**Reimbursement Amount**”), will be borne on a pro rata basis by the Regional CDS Participants for the relevant CDS Region. Any expenses in excess of the Reimbursement Amount shall be borne by the Regional CDS Participant incurring such expense unless the Regional CDS Participants supporting the relevant Presented Position agree otherwise.
- (c) In addition to the Administrative Meeting scheduled under Rule 2104-03(a)(ii), the Dispute Resolver may call other Administrative Meetings, in each case on no less than three hours notice. Administrative Meetings may be commenced at any time between 10:00 a.m. and 6:00 p.m. local time on a CDS Regional Business Day, or at any other time agreed to by the Dispute Resolver and all Advocates. All Advocates must be given the opportunity to be present at each Administrative Meeting. Administrative Meetings may be held in person or by telephone or videoconference.
- (d) At an Administrative Meeting or an Oral Argument, the Dispute Resolver may, subject to the schedule for dispute resolution provided in Rule 2104-03(a), do any of the following:
 - (i) schedule the time and CDS Regional Business Day of an Oral Argument;
 - (ii) establish or alter the place, duration, format or means of an Oral Argument;
 - (iii) alter the page limit of the Brief;
 - (iv) request additional Written Materials or Oral Argument on a particular subject or in response to argument previously made in Written Materials or at Oral Argument; or
 - (v) request or allow witness affidavits as Exhibits or witness testimony at Oral Argument.
- (e) The materials that may be submitted to the Dispute Resolver by the Regional CDS Participants in support of a Presented Position include the following (collectively, the “**Written Materials**”):

- (i) a brief addressing the question before the Dispute Resolver consisting of no more than twenty single-sided, double-spaced pages in Times New Roman twelve-point font, with one inch margins (the “**Brief**”); and
 - (ii) any exhibits in support of the Brief (the “**Exhibits**”). Unless requested or allowed by the Dispute Resolver, the Exhibits shall not contain any witness affidavits or additional argument.
- (f) While an Issue is before the Dispute Resolver, no director, officer, employee or agent of a Regional CDS Participant, or others acting on behalf of any such director, officer, employee or agent, may communicate with the Dispute Resolver except for the Advocates. There shall be no communications between the Dispute Resolver and an Advocate unless all other Advocates are given the opportunity to be present during such communication. For the avoidance of doubt, written communication (whether transmitted by email, facsimile, or post) between the Dispute Resolver and an Advocate must also be transmitted contemporaneously to all other Advocates.
- (g) The Dispute Resolver shall hold one or more proceedings where the Advocates may orally present argument in favor of their Presented Position (each such proceeding an “**Oral Argument**”). Unless the Dispute Resolver has altered the duration of Oral Argument under Rule 2104-04(d)(ii), the Advocates for each Presented Position shall be allocated an aggregate of one hour in which to present argument. All Advocates must be given the opportunity to be present for the duration of an Oral Argument. Oral Argument may be held in person or by videoconference, or by other means established by the Dispute Resolver under Rule 2104-04(d)(ii). If requested or allowed by the Dispute Resolver, an Oral Argument may include testimony by witnesses.
- (h) The place of dispute resolution shall be New York, New York. Notwithstanding the foregoing, the Dispute Resolver may, after consultation with the Advocates, conduct an in-person Administrative Meeting or Oral Argument at any location he or she considers appropriate.

2105. Stage 3 – The Regional CDS Committee with Quorum Majority Vote.

2105-01. General.

- (a) Promptly but in any event within one CDS Regional Business Day after a question has been referred back to the Regional CDS Committee for resolution, as provided in Rule 2102-02(a)(iii) or Rule 2104-02(d), ICE Clear Credit will call a meeting of the Regional CDS Committee for purposes of holding a binding vote from among the Presented Positions to Resolve the question. If a Quorum Majority vote for a particular Presented Position, the question is considered Resolved according to that Presented Position.

- (b) If, at the initial Stage 3 vote on a question, a Quorum Majority is not achieved for any Presented Position, ICE Clear Credit will call a meeting of the Regional CDS Committee on each subsequent CDS Regional Business Day for the purpose of holding a binding vote from among the Presented Positions to Resolve the question until such time as a Quorum Majority vote for a particular Presented Position. If a Quorum Majority vote for a particular Presented Position, the question is considered Resolved according to that Presented Position.
- (c) In the case of votes subsequent to the initial vote, all Regional CDS Participants shall be required to participate in the votes absent a written certification to ICE Clear Credit by the relevant Regional CDS Participant that, in its judgment, neither its Committee Member nor anyone else within the Regional CDS Participant's organization is appropriate to serve in such capacity. A Regional CDS Participant may not provide such a written certification solely on the basis that it does not trade the particular CDS Contract at issue.

2106. Additional Provisions.

2106-01. Effect of Resolution of Issues by a Regional CDS Committee or Dispute Resolver.

- (a) Under these CDS Committee Rules, the term "**Resolved**" means, with respect to an Issue or an element thereof, that the answer to the Issue or such element is binding on all members of ICE Clear Credit in respect of the CDS Contracts to which such Issue relates. "**Resolve**" and "**Resolves**" will be construed accordingly.
- (b) Any decision made by a Dispute Resolver in accordance with Rule 2104-02(c) shall be enforceable under the Federal Dispute Resolution Act, Title 9 United States Code.

2106-02. CDS Committee Rule Amendments.

- (a) In addition to any otherwise applicable process to amend rules of ICE Clear Credit, an Eligible Officer may amend these CDS Committee Rules to effect an administrative change or to correct an error by notifying the Board and each Regional CDS Committee of the proposed change. If there are no objections to the amendment within 10 days of such notice that are CDS Regional Business Days for all Regions, the amendment shall become effective. Promptly after an amendment becomes effective, ICE Clear Credit shall distribute to the Board and the Regional CDS Committees an updated copy of the CDS Committee Rules showing the amendment.
- (b) Any Regional CDS Committee may recommend an amendment to these CDS Committee Rules by providing to the Board or its designee the text of the amendment along with detail regarding the vote in favor of the recommendation.

2106-03. Confidentiality.

- (a) Except as (i) expressly contemplated by these CDS Committee Rules or (ii) as may be required by applicable law or court order or by a regulatory, self-regulatory or supervising authority having appropriate jurisdiction, each of the Regional CDS Participants, Committee Members, Advocates, Panel Members and Dispute Resolver (each a “**Covered Party**”) agrees (i) to maintain confidentiality as to all aspects of these procedures, including, without limitation, the presentation of any Issue to a Regional CDS Committee, any discussions, deliberations, proceedings or results of any binding or non-binding vote relating to an Issue, any Written Materials or Oral Arguments, or any determinations produced by these proceedings (the “**Confidential Material**”) and (ii) not to use any Confidential Material for its own benefit or the benefit of any of its Affiliates.
- (b) In the event that a Covered Party is served with or otherwise subject to legal process (including subpoena or discovery notice) requiring it to testify about, to produce, or otherwise to divulge Confidential Material, to the extent permitted by law the Covered Party subject to such process will as soon as practicable inform the provider(s) of such Confidential Material or the Regional CDS Participants to which such Confidential Information relates (each a “**Provider**”) (or, if the Covered Party is unsure of the Provider, will inform all Regional CDS Participants for the relevant CDS Region) so that any Provider may seek a protective order or other remedy. In the event that such protective order or other remedy has not been obtained and the Covered Party is advised, in the opinion of counsel, that it is legally compelled to disclose any of the Confidential Material, the Covered Party may disclose only such Confidential Material so advised to be disclosed.

2106-04. Waivers.

- (a) The provisions of Sections 9.1(c)(i), (c)(ii), (c)(iv) and (c)(v) of the Credit Derivatives Definitions shall be incorporated by reference herein, with (i) references therein to a DC Party deemed to refer to ICE Clear Credit (and its directors, officers, employees and other representatives) and each Committee Member, Regional CDS Participant, Panel Member, or Dispute Resolver and (ii) references therein to the Rules, the Credit Derivatives Determinations Committee, and DC Resolutions deemed to refer to these CDS Committee Rules, the Regional CDS Committee or the Dispute Resolver, and Resolutions by the Regional CDS Committee or the Dispute Resolver, respectively.

22. CDS PHYSICAL SETTLEMENT

The rules in this Chapter 22 apply to each CDS Contract for which the method of settlement is Physical Settlement for a particular Credit Event in accordance with the terms of such CDS Contract. Capitalized terms used but not otherwise defined in this Chapter 22 shall have the meanings assigned to such terms in the relevant CDS Contract.

2201. Notices of Physical Settlement.

- (a) If the method of settlement for a particular Credit Event under a CDS Contract is Physical Settlement (a “**Physically Settled CDS Contract**”), ICE Clear Credit will match Buyers and Sellers under a particular Physically Settled CDS Contract, as provided in the ICE Clear Credit Procedures on the ICE Business Day following the date ICE Clear Credit concludes or otherwise becomes aware that Physical Settlement applies, in a manner that ICE Clear Credit determines is fair and equitable, which may include allocating Floating Rate Payer Calculation Amounts to one or more CDS Participants on the other side of the Physically Settled CDS Contract and, if there is an imbalance between Buyers and Sellers due to a pending Closing-out Process or otherwise, matching with ICE Clear Credit (each particular matched Buyer and Seller, a “**Matched Delivery Pair**”); provided that, if the relevant Credit Event is a Restructuring covered by the CDS Restructuring Rules, the Matched Delivery Pair for a particular Triggered Restructuring CDS Contract that constitutes a Physically Settled CDS Contract shall be the Matched Restructuring Pair for that Triggered Restructuring CDS Contract. Except where the relevant Credit Event is a Restructuring, ICE Clear Credit will notify the relevant Buyer and Seller of the identity of the other and provide details as to the matching.
- (b) A Buyer may not deliver a Notice of Physical Settlement or NOPS Amendment Notice under a Physically Settled CDS Contract except with respect to a Matched Delivery Pair. With respect to a Matched Delivery Pair, delivery of the Notice of Physical Settlement and any changes (including pursuant to a NOPS Amendment Notice) or corrections to the Notice of Physical Settlement, NOPS Amendment Notice or portion thereof shall be made directly between the Buyer and Seller of the Matched Delivery Pair in accordance with the terms of the Physically Settled CDS Contract with copies thereof delivered to ICE Clear Credit in accordance with the ICE Clear Credit Procedures in writing or in another manner permitted by ICE Clear Credit. ICE Clear Credit shall have no responsibility to any CDS Participant to verify in any manner the contents of any Notice of Physical Settlement NOPS Amendment Notice delivered to it.
- (c) In addition to any changes or corrections permitted under the terms of the Physically Settled CDS Contract, if it is Resolved by the applicable Regional CDS Committee (or applicable Dispute Resolver) or resolved by the relevant Credit

Derivatives Determinations Committee that (i) a particular obligation is not a Deliverable Obligation under the terms of the Physically Settled CDS Contract or (ii) a particular Deliverable Obligation is not a Permissible Deliverable Obligation (as defined in Rule 2101-02(a)(iv)), if applicable, a Buyer that has specified such Deliverable Obligation in its Notice of Physical Settlement or NOPS Amendment Notice for such Physically Settled CDS Contract shall have a single opportunity, within three CDS Regional Business Days after the date of the relevant actual decision to Resolve (i.e., determined without regard to any Effectiveness Convention or any time of effectiveness specified in a Presented Position) or the date ISDA publicly announces the resolution by the relevant Credit Derivatives Determinations Committee, as applicable, to replace such Deliverable Obligation to the extent it has not been previously Delivered.

2202. Disputes Relating to Deliverable Obligations.

- (a) Prior to accepting Delivery of a particular obligation, specified in a Notice of Physical Settlement or NOPS Amendment Notice, a Seller in a Matched Delivery Pair may present a dispute to the relevant Credit Derivatives Determinations Committee or, subject to Rule 2101-02(d) and unless the obligation is then listed as a Deliverable Obligation or a Permissible Deliverable Obligation, as applicable, in the relevant Final List, the relevant Regional CDS Committee as to whether the obligation is a Deliverable Obligation or a Permissible Deliverable Obligation, if applicable, under the terms of the Physically Settled CDS Contract.
- (b) Any Seller in a Matched Delivery Pair may refuse to accept Delivery of a particular obligation specified in a Notice of Physical Settlement or NOPS Amendment Notice if any Committee Member has presented a dispute to the relevant Regional CDS Committee (that the Regional CDS Committee is entitled to consider pursuant to Rule 2101-02(d)) or a question is pending before the relevant Credit Derivatives Determinations Committee as to whether the obligation is a Deliverable Obligation or a Permissible Deliverable Obligation, if applicable, under the terms of the Physically Settled CDS Contract, until such time as it is Resolved by the applicable Regional CDS Committee (or applicable Dispute Resolver) or the date ISDA publicly announces the resolution by the relevant Credit Derivatives Determinations Committee, as applicable, that such obligation is a Deliverable Obligation or a Permissible Deliverable Obligation, as applicable, under the terms of the Physically Settled CDS Contract.
- (c) ICE Clear Credit shall notify all CDS Participants of any dispute presented to the relevant Regional CDS Committee as to whether an obligation is a Deliverable Obligation or a Permissible Deliverable Obligation, if applicable, under the terms of a Physically Settled CDS Contract.
- (d) As they relate to an obligation for which a dispute has been presented to the relevant Regional CDS Committee or the relevant Credit Derivatives Determinations Committee as to whether the obligation is a Deliverable

Obligation or a Permissible Deliverable Obligation, if applicable, under the terms of the Physically Settled CDS Contract, time periods and related rights and remedies relating to Physical Settlement, for example, under Sections 9.9 and 9.10 of the Credit Derivatives Definitions and any applicable cap on settlement, shall be tolled for the period commencing on the date the dispute is first presented until the date of the relevant actual decision to Resolve (i.e., determined without regard to any Effectiveness Convention or any time of effectiveness specified in a Presented Position) or the date ISDA publicly announces the resolution by the relevant Credit Derivatives Determinations Committee, as applicable, whether or not such obligation is a Deliverable Obligation or a Permissible Deliverable Obligation, as applicable, under the terms of the Physically Settled CDS Contract.

2203. Effect of Allocation; Notice of Deliveries.

- (a) Upon the allocation by ICE Clear Credit of Buyers and Sellers to create one or more Matched Delivery Pairs, ICE Clear Credit shall have no further rights or obligations as counterparty with respect to either the portion of the Physically Settled CDS Contract with the Buyer in each Matched Delivery Pair or the portion of the Physically Settled CDS Contract with the Seller in each Matched Delivery Pair, in each case to which the allocated Floating Rate Payer Calculation Amount relates. Instead, the Buyer and Seller in the Matched Delivery Pair shall be deemed to have entered directly with each other into a CDS Contract (an **“Allocated CDS Contract”**) having the same terms as the portion of the Physically Settled CDS Contract to which the allocated Floating Rate Payer Calculation Amount relates, but excluding any terms set forth in Chapters of these Rules prior to Chapter 20, with Seller specified as the Calculation Agent and with a form of ISDA 2002 Master Agreement, as published by ISDA, deemed entered into by the Matched Delivery Pair with a Schedule specifying New York law as the governing law, the Margin provisions of these rules as a Credit Support Document, and each party waiving rights to trial by jury. If the Buyer in a Matched Delivery Pair is not permitted to deliver a Deliverable Obligation specified in the relevant Notice of Physical Settlement or NOPS Amendment Notice to the related Seller because (i) the amount of such Deliverable Obligation is less than the relevant minimum denomination of such Deliverable Obligation or (ii) such Seller is not a permitted transferee under such Deliverable Obligation or Buyer does not obtain any requisite consent with respect to delivery of loans, it shall be treated as an illegality or impossibility outside the parties’ control for the purpose of Section 9.3 of the Credit Derivatives Definitions, but in the case of clause (ii), Indicative Quotations shall not be applicable. For the sake of clarity, no assets of ICE Clear Credit, including the General Guaranty Fund, shall be available to satisfy obligations of the Buyer or the Seller in respect of an Allocated CDS Contract.
- (b) The parties to a Matched Delivery Pair shall notify ICE Clear Credit in accordance with the procedures it establishes for this purpose of the completion

of any delivery under an Allocated CDS Contract or if they have otherwise settled all or part of such Allocated CDS Contract, identifying the relevant amount, Deliverable Obligation and Matched Delivery Pair.

2204. Role of ICE Clear Credit in respect of Allocated CDS Contracts.

- (a) ICE Clear Credit shall act as collateral agent for the Buyer in a Matched Delivery Pair, holding the related Buyer Allocated Collateral (as defined below) on Buyer's behalf to secure Seller's obligations under each related Allocated CDS Contract.
- (b) The Physical Settlement Margin held by ICE Clear Credit on behalf of a particular Buyer in respect of all Allocated CDS Contracts with a particular Seller shall be determined from time to time as follows: Each ICE Business Day, ICE Clear Credit shall allocate the Physical Settlement Margin for a particular Seller to particular Buyers in Matched Pairs with the relevant Seller on a proportionate basis, based on the remaining obligations of the relevant Seller to each such Buyer under Allocated CDS Contracts (in respect of a particular Buyer and the relevant Seller, and including all proceeds thereof, the "**Buyer Allocated Collateral**"). ICE Clear Credit shall determine the remaining obligations under Allocated CDS Contracts consistent with its procedures for determining appropriate Physical Settlement Margin, taking into account its determination of the value of any relevant Deliverable Obligation at the relevant time.
- (c) In the event that an Early Termination Date in respect of an Allocated CDS Contract occurs or is designated and the Buyer thereunder determines that the Seller thereunder is obligated to make a payment to the Buyer in respect of such Early Termination Date, the Buyer may provide ICE Clear Credit a certificate (an "**Allocated CDS Default Certificate**") signed by a Managing Director (or other substantively equivalent title) of the Buyer, indicating that an Early Termination Date has occurred, identifying the relevant Seller and Allocated CDS Contract(s), and the amount of the payment the Seller is obligated to make to the Buyer in respect of such Early Termination Date. Upon receipt of such a certificate, ICE Clear Credit, on behalf of Buyer, may exercise any and all rights and remedies of a secured party under applicable law and under these Rules in respect of the Buyer Allocated Collateral and pay any Buyer Allocated Collateral or proceeds thereof, after deduction for any costs or expenses incurred in connection therewith, to the Buyer up to the amount indicated in the Buyer's Allocated CDS Default Certificate. To the extent that the Buyer Allocated Collateral is inadequate to satisfy any amounts owing from the Seller to the Buyer in respect of such Early Termination Date, the Buyer acknowledges and agrees that its sole recourse for any deficiency shall be to the Seller.
- (d) ICE Clear Credit shall be entitled to rely upon any Allocated CDS Default Certificate believed by it in good faith to be genuine and to be signed by an authorized person of the Buyer and shall not be required to investigate the truth or accuracy of any statement contained in any such certificate. In addition, the

Seller, the Buyer and each other CDS Participant waives any and all claims against ICE Clear Credit or any person acting on its behalf arising out of or relating to any Allocated CDS Default Certificate believed in good faith by ICE Clear Credit to be genuine and to be signed by an authorized person of the Buyer. For the sake of clarity, the foregoing shall not limit any claims of the Seller against the Buyer that any Allocated CDS Default Certificate provided or purported to be provided on behalf of the Buyer or any information contained therein was inaccurate, inappropriate or otherwise deficient.

- (e) ICE Clear Credit will exercise reasonable care to assure the safe custody of all Buyer Allocated Collateral to the extent required by applicable law, and in any event ICE Clear Credit will be deemed to have exercised reasonable care if it exercises at least the same degree of care as it would exercise with respect to its own property. Except as specified in the preceding sentence, ICE Clear Credit will have no duty with respect to Buyer Allocated Collateral, including, without limitation, any duty to collect any distributions thereon, or enforce or preserve any rights pertaining thereto. Without limiting the foregoing, ICE Clear Credit will not be liable or responsible for any loss or damage to the Buyer Allocated Collateral, or for any diminution in the value thereof, by reason of any act or omission of any sub-agent or bailee selected by ICE Clear Credit in good faith. In addition and without limiting any other waivers contained in this Chapter 22, the Seller, the Buyer and each other CDS Participant waives any and all claims against ICE Clear Credit or any person acting on its behalf arising out of or relating to (i) any act or omission by ICE Clear Credit pursuant to instructions from the relevant Buyer, (ii) ICE Clear Credit's calculations, determinations and allocations to determine Physical Settlement Margin or Buyer Allocated Collateral and (iii) any other acts or omissions with respect to the Physical Settlement Margin or Buyer Allocated Collateral, in each case except to the extent that such liability arises from ICE Clear Credit's bad faith, gross negligence or willful misconduct.
- (f) Failure by a Seller to perform its obligations under an Allocated CDS Contract may result in the suspension of such Seller's clearing privileges at ICE Clear Credit or such other penalty (including, but not limited to assessment of fines and charges) as ICE Clear Credit may deem appropriate based on the applicable circumstances.

23-25. [RESERVED]

26. CLEARED CDS PRODUCTS

The Subchapters of this Chapter 26 define the particular characteristics of and any additional Rules applicable to the various CDS Contracts cleared by ICE Clear Credit.

26A. CDX Untranching North American IG/HY/XO.

The rules in this Subchapter 26A apply to the clearance of CDX.NA Untranching Contracts.

26A-102. Definitions.

CDX.NA Untranching Contract

A credit default swap in respect of any Eligible CDX.NA Untranching Index and governed by any CDX.NA Untranching Terms Supplement. A CDX.NA Untranching Contract is a CDS Contract for purposes of Chapter 20.

CDX.NA Untranching Publisher

Markit North America, Inc., as successor to CDS IndexCo LLC, or any successor sponsor of the Eligible CDX.NA Untranching Indexes it publishes.

CDX.NA Untranching Rules

The rules set forth in Chapters 1 through 8 and 20 through 22, inclusive, as modified by the provisions of this Subchapter 26A.

CDX.NA Untranching Terms Supplement

Each of the following:

- (a) The “CDX Untranching Transactions Standard Terms Supplement”, as published by CDS IndexCo LLC on March 20, 2008 (the “**March 2008 Supplement**”).
- (b) The “CDX Untranching Transactions Standard Terms Supplement”, as published by Markit North America, Inc. on January 31, 2011 (the “**January 2011 Supplement**”).

Eligible CDX.NA Untranching Index

Each particular series and version of a CDX.NA index or sub-index, as published by the CDX.NA Untranching Publisher, included from time to time in the List of Eligible CDX.NA Untranching Indexes.

List of Eligible CDX.NA Untranching Indexes

The list of Eligible CDX.NA Untranching Indexes, maintained, updated and published from time to time by the Board or its designee, specifying the following information with respect to each index:

- (a) the name and series, including any applicable sub-index designation;
- (b) the "Effective Date";
- (c) one or more eligible "Scheduled Termination Dates" and the applicable "Fixed Rate" for each such date;
- (d) the Relevant CDX.NA Untranching Terms Supplement;
- (e) the versions (and related annex dates) eligible for clearing; and
- (f) any inactive versions (and related annex dates), i.e., those that have been determined to be fungible with later versions.

Relevant CDX.NA Untranching Terms Supplement

With respect to an Eligible CDX.NA Untranching Index, the CDX.NA Untranching Terms Supplement specified for such Eligible CDX.NA Untranching Index in the List of Eligible CDX.NA Untranching Indexes.

26A-309. Acceptance of CDX.NA Untranching Contracts by ICE Clear Credit.

- (a) A CDS Participant shall make all reasonable efforts to not submit a Trade for clearance as a CDX.NA Untranching Contract, and any such Trade shall not be a Conforming Trade, if the Novation Time would be:
 - (i) at a time when the Fallback Settlement Method is applicable to a Credit Event with respect to such CDX.NA Untranching Contract; or
 - (ii) at or after the close of business on the calendar day following the Auction Final Price Determination Date for a Credit Event with respect to such CDX.NA Untranching Contract;

(such time with respect to any CDX.NA Untranching Contract, the "Clearance Cut-off Time"); provided that ICE Clear Credit may, by written notice to all CDS Participants following consultation with the Risk Committee, designate a time other than the time determined pursuant to clauses (i) or (ii) above as the Clearance Cut-off Time with respect to any CDX.NA Untranching Contract. CDS Participants may again submit Trades for clearance as such CDX.NA Untranching Contract, and such Trades shall again be Conforming Trades, following receipt of notice from ICE Clear Credit that a Fungibility Date (as

defined in Rule 26A-316) has occurred with respect to such CDX.NA Untranching Contract.

- (b) A CDS Participant shall as soon as reasonably practicable notify ICE Clear Credit if any Trade it has submitted for clearance was not at the time of submission, or ceases to be prior to the Novation Time, a Conforming Trade.

26A-315. Terms of the Cleared CDX.NA Untranching Contract.

- (a) Any capitalized term used in this Subchapter 26A but not defined in these CDX.NA Untranching Rules shall have the meaning provided in the Relevant CDX.NA Untranching Terms Supplement.
- (b) For purposes of the CDS Committee Rules, the CDS Region for each CDX.NA Untranching Contract is the North American Region.
- (c) Each CDX.NA Untranching Contract will be governed by the Relevant CDX.NA Untranching Terms Supplement, as modified by these CDX.NA Untranching Rules. In the event of any inconsistency between the Relevant CDX.NA Untranching Terms Supplement or the Confirmation (including in electronic form) for a CDX.NA Untranching Contract and these CDX.NA Untranching Rules, these CDX.NA Untranching Rules will govern.

26A-316. Updating Index Version of Fungible Contracts After a Credit Event or a Succession Event; Updating Relevant Untranching Standard Terms Supplement.

- (a) Where the CDX.NA Untranching Publisher of an Eligible CDX.NA Untranching Index publishes one or more subsequent versions or annexes of the relevant series following a Credit Event or a Succession Event with respect to a Reference Entity included in such series, and the Board or its designee determines that CDX.NA Untranching Contracts referencing the earlier version or annex of such series are fungible with CDX.NA Untranching Contracts referencing a later version or annex of such series that is an Eligible CDX.NA Untranching Index and so notifies CDS Participants, CDX.NA Untranching Contracts referencing the earlier version or annex of such series shall become CDX.NA Untranching Contracts referencing such later version or annex of such series on the date determined by the Board or its designee (the “**Fungibility Date**”). Any CDX.NA Untranching Contracts referencing the earlier version or annex of such series submitted for clearing after the related Fungibility Date shall, upon acceptance for clearing, become a CDX.NA Untranching Contract referencing the latest version or annex of such series that the Board or its designee has determined is fungible with such earlier version or annex.
- (b) Where a new version of the CDX.NA Untranching Terms Supplement (a “**New Standard Terms**”) is published as of a date that is subsequent to the date of the version that is specified as the Relevant CDX.NA Untranching Terms Supplement

for any CDX.NA Untranching Contract(s) (the “**Existing Standard Terms**”), and the Board or its designee determines that CDX.NA Untranching Contracts referencing the Existing Standard Terms are fungible with CDX.NA Untranching Contracts referencing the New Standard Terms, and so notifies CDS Participants, CDX.NA Untranching Contracts referencing the Existing Standard Terms shall become CDX.NA Untranching Contracts referencing the New Standard Terms on the date determined by the Board or its designee (the “**Standard Terms Update Date**” and each prior CDX.NA Untranching Terms Supplement subject to such determination, a “**Superseded Standard Terms**”). Any Trade referencing a Superseded Standard Terms submitted for clearing as a CDX.NA Untranching Contract shall, upon acceptance for clearing, become a CDX.NA Untranching Contract referencing the New Standard Terms.

- (c) The Board or its designee may determine a different Fungibility Date or Standard Terms Update Date applicable to individual CDX.NA Untranching Contracts or groups of CDX.NA Untranching Contracts or may determine a Fungibility Date or Standard Terms Update Date applicable to all CDX.NA Untranching Contracts referencing the earlier version or annex of a series described in clauses (a) or (b) of this Rule, as it deems appropriate.

26A-317. Terms of CDX.NA Untranching Contracts.

With respect to each CDX.NA Untranching Contract, the following terms will apply:

- (a) The terms of the CDX.NA Untranching Standard Terms Supplement are hereby amended as follows:
 - (i) in the case of the March 2008 Supplement, deleting the last sentence of the definition of “Reference Entity” beginning “For the avoidance of doubt”; and
 - (ii) in the case of the March 2008 Supplement, in the definition of “Reference Obligation(s)”: deleting the “,” from the fourth line of the first paragraph thereof and replacing it with “and”; deleting the words “and the following paragraph:” from the end of the first paragraph thereof and replacing them with a period; and deleting the second paragraph thereof in its entirety.
- (b) If a Convened DC (as defined in the DC Rules) resolves, pursuant to Section 3.8(a) of the DC Rules, (i) a question of interpretation regarding the provisions of the July 2009 Protocol (as defined in the DC Rules) or (ii) to make any amendments to Schedule 1 of the July 2009 Protocol, in each case that affect a CDX.NA Untranching Contract, ICE Clear Credit shall, as promptly as practicable, make conforming changes to these Rules in order to implement such resolutions. Notwithstanding anything to the contrary in Rule 616, any change made to the Rules in accordance with this paragraph (b) shall not constitute a Contract Modification.

- (c) Section 3.2(c)(i) of the Credit Derivatives Definitions is hereby amended by replacing the "or" at the end of subparagraph (B) thereof with an "and" and adding the following as a new subparagraph (C);

"(C) the tenth calendar day after the date of the actual decision by the relevant Regional CDS Committee (or Dispute Resolver) to Resolve (i.e., determined without regard to any Effectiveness Convention or any time of effectiveness specified in a Presented Position) that a Credit Event has occurred for which there is Publicly Available Information, as described in CDS Committee Rule 2101-02(a)(iii), with respect to such CDX.NA Untranching Contracts; or".

- (d) If the March 2008 Supplement applies, any reference in a CDX.NA Untranching Contract to the 2003 ISDA Credit Derivatives Definitions (including any reference to the 2003 ISDA Credit Derivatives Definitions as supplemented or otherwise modified, including by incorporation of any additional provisions thereto (howsoever described) (the "**Existing Supplements**")) shall be deemed to be a reference to the 2003 ISDA Credit Derivatives Definitions as so supplemented and as further supplemented by the July 2009 Supplement. In the event of any inconsistency between the terms of the July 2009 Supplement and the terms of the 2003 ISDA Credit Derivatives Definitions (including any Existing Supplements), the terms of the July 2009 Supplement shall prevail for the purposes of such CDX.NA Untranching Contract.
- (e) For the purposes of any determination as to whether a Credit Event has occurred in respect of a Reference Entity or an Obligation thereof:
- (i) at any time up to but excluding June 20, 2009; or
 - (ii) if (A) a Credit Event Resolution Request Date occurs or (B) a Credit Event Notice and a Notice of Publicly Available Information are deemed delivered pursuant to Rule 2101-02(f) by a Notifying Party, in either case before June 20, 2009,

the Credit Event Backstop Date with respect to such determination shall be deemed to be the Effective Date.

- (f) If the March 2008 Supplement applies, for the purposes of any determination as to whether a Succession Event has occurred in respect of a Reference Entity:
- (i) at any time up to but excluding June 20, 2009; or
 - (ii) if (A) a Succession Event Resolution Request Date occurs or (B) a Succession Event Notice is deemed delivered pursuant to Rule 2101-02(f), in either case before June 20, 2009,

the Succession Event Backstop Date with respect to such Reference Entity shall be deemed to be the Effective Date.

If the January 2011 Supplement applies, Section 6.7 of the January 2011 Supplement is hereby modified by inserting “or a Succession Event Notice is deemed delivered pursuant to Rule 2101-02(f), in either case” before the words “before June 20, 2009”.

- (g) Except for purposes of Rule 26A-317(e) and Section 1.23 of the Credit Derivatives Definitions, a Credit Event Notice and Notice of Publicly Available Information with respect to a CDX.NA Untranchured Contract will be deemed to have been effectively delivered by the Notifying Party on the relevant Event Determination Date determined under the CDS Committee Rules only when the Resolution is effective, under the CDS Committee Rules, that a Credit Event has occurred for which there is Publicly Available Information, as described in CDS Committee Rule 2101-02(a)(iii), with respect to such CDX.NA Untranchured Contract. Notwithstanding anything to the contrary in the Credit Derivatives Definitions, any delivery of a Credit Event Notice and/or Notice of Publicly Available Information by a CDS Participant (other than the deemed delivery as provided in this Rule 26A-317(g)) shall not be valid. For the avoidance of doubt, Section 6.8 of the January 2011 Supplement shall not apply.
- (h)
 - (i) Section 1.8(a)(ii)(A)(I)(3)(y) of the Credit Derivatives Definitions is hereby modified by replacing the term “Auction Final Price Determination Date” with the phrase “date that is one Relevant City Business Day prior to the Auction Settlement Date”.
 - (ii) Section 1.30 of the Credit Derivatives Definitions is hereby modified by replacing the term “Auction Final Price Determination Date” in clause (ii) of the last sentence thereof with the phrase “date that is one Relevant City Business Day prior to the Auction Settlement Date”.
- (i) The Settlement Method for particular CDX.NA Untranchured Contracts will be Auction Settlement and the Fallback Settlement Method will be Physical Settlement in accordance with the CDS Physical Settlement Rules.
- (j) With respect to CDX.NA Untranchured Contracts for which it is Resolved by the North American Regional CDS Committee (or applicable Dispute Resolver) or Credit Derivatives Determinations Committee that a Credit Event has occurred for which there is Publicly Available Information, as described in CDS Committee Rule 2101-02(a)(iii) or the DC Rules, as applicable, Buyer may not deliver a Notice of Physical Settlement until after it is determined that the method of settlement for a particular Credit Event is the Fallback Settlement Method due to the occurrence of one of the events in Section 12.1 of the Credit Derivatives Definitions and as further provided in the CDS Physical Settlement Rules. For the avoidance of doubt, the effectiveness of any Notice of Physical Settlement and obligations relating thereto are subject to the suspension and finality provisions of Sections 6.5 and 9.1(c)(iii) of the Credit Derivatives Definitions.

- (k) ICE Clear Credit is deemed an Index Party for purposes of Paragraph 6.1(b) of the CDX.NA Untranching Standard Terms Supplement.
- (l) The following terms will apply to each CDX.NA Untranching Contract:
 - (i) The “Agreement” is the CDS Master Agreement between the relevant CDS Participant and ICE Clear Credit.
 - (ii) The “Source of Relevant Annex” is “Publisher”.
 - (iii) The “Effective Date” is the date specified in the List of Eligible CDX.NA Indexes for the relevant Index.
 - (iv) The “Calculation Agent” is ICE Clear Credit, except as provided in the CDS Committee Rules.
 - (v) There are no “Excluded Reference Entities”.
 - (vi) “De Minimis Cash Settlement” is not applicable.
 - (vii) The “Fixed Rate” is the rate specified in the List of Eligible CDX.NA Indexes for the relevant Index and Scheduled Termination Date.
- (m) For each CDX.NA Untranching Contract, the following terms will be determined according to the particular CDX.NA Untranching Contract submitted for clearing:
 - (i) Which of the Eligible CDX.NA Untranching Indexes is the “Index”.
 - (ii) The “Annex Date”.
 - (iii) The “Trade Date”.
 - (iv) Which of the eligible Scheduled Termination Dates specified for the Index in the List of Eligible CDX.NA Untranching Indexes is the “Scheduled Termination Date”.
 - (v) The “Original Notional Amount”.
 - (vi) The “Floating Rate Payer”.
 - (vii) The “Fixed Rate Payer”.

26B. Standard North American Corporate Single Name.

The rules in this Subchapter 26B apply to the clearance of SNAC Contracts.

26B-102. Definitions.

Eligible SNAC Reference Entities

Each particular Reference Entity included from time to time in the List of Eligible SNAC Reference Entities. For the avoidance of doubt, if there are multiple Reference Entity Database codes (as published by Markit Group Limited or any successor thereto, such codes "**RED Codes**") for a particular Reference Entity listed in the List of Eligible SNAC Reference Entities, each such RED Code shall be treated as a separate Eligible SNAC Reference Entity.

Eligible SNAC Reference Obligations

With respect to any SNAC Contract Reference Obligation for any Eligible SNAC Reference Entity, the Reference Obligations listed under the heading "Eligible Reference Obligations" for such SNAC Contract Reference Obligation and Eligible SNAC Reference Entity in the List of Eligible SNAC Reference Entities.

List of Eligible SNAC Reference Entities

The list of Eligible SNAC Reference Entities, maintained, updated and published from time to time by the Board or its designee, specifying the following information with respect to each Eligible SNAC Reference Entity:

- (a) the name of such Eligible SNAC Reference Entity and the RED Code(s) for such Eligible SNAC Reference Entity;
- (b) each Relevant Physical Settlement Matrix;
- (c) each SNAC Contract Reference Obligation and each Eligible SNAC Reference Obligation for each such SNAC Contract Reference Obligation;
- (d) each eligible "Scheduled Termination Date";
- (e) whether "Restructuring" is an eligible "Credit Event";
- (f) whether the 2005 Monoline Supplement is applicable;
- (g) whether the Additional Provisions for a Secured Deliverable Obligation Characteristic, as published by ISDA on June 16, 2006 (the "**Secured Deliverable Obligation Characteristic Supplement**") is applicable; and

- (h) whether the Additional Provisions for Reference Entities with Delivery Restrictions, as published by ISDA on February 1, 2007 (the “**Delivery Restrictions Supplement**”) is applicable.

Permitted SNAC Fixed Rates

The Fixed Rates permitted for a SNAC Contract, as determined from time to time by the Board or its designee and notified to CDS Participants.

Relevant Physical Settlement Matrix

With respect to a SNAC Contract, the “Credit Derivatives Physical Settlement Matrix” applicable to such SNAC Contract, as specified in the combination of characteristics listed as eligible for the relevant Eligible SNAC Reference Entity in, and permitted by, the List of Eligible SNAC Reference Entities.

SNAC Contract

A credit default swap in respect of any Eligible SNAC Reference Entity having a combination of characteristics listed as eligible for such Eligible SNAC Reference Entity in, and permitted by, the List of Eligible SNAC Reference Entities. A SNAC Contract is a CDS Contract for purposes of Chapter 20.

SNAC Contract Reference Obligations

With respect to any Eligible SNAC Reference Entity, the Reference Obligation(s) listed under the heading “SNAC Contract Reference Obligations” for such Eligible SNAC Reference Entity in the List of Eligible SNAC Reference Entities.

SNAC Rules

The rules set forth in Chapters 1 through 8, 20 through 22, inclusive, and the CDS Restructuring Rules, as modified by the provisions of this Subchapter 26B.

26B-203. Restriction on Activity.

- (a) In addition to the other rights granted to ICE Clear Credit in Rule 203, in the event a CDS Participant is subject to an event or agreement described in Rule 26B-206 or in the event such CDS Participant submits a Trade of the type described in Rule 26B-309(c) that is not a Conforming Trade and such Trade is cleared pursuant to these Rules (in each case, an “**SR CDS Participant**”), ICE Clear Credit may conduct an auction process to replace all of the SR CDS Participant’s Open CDS Positions in the affected CDS Contracts (each auction in such process, an “**SR Auction**”). ICE Clear Credit shall have the authority to determine the timing and other particular characteristics of each SR Auction in consultation with the CDS Default Committee and as provided in the ICE Clear Credit Procedures, including determining the size of the bid/offer spread and/or

of the CDS Contracts to be auctioned, whether one or more SR Auctions are to be held and the timing and structure of such auctions and whether CDS Participants other than the SR CDS Participant will be required to submit actionable quotations in an SR Auction.

- (b) ICE Clear Credit shall enter into Trades in one or more CDS Contracts with the CDS Participant(s) and in the amount determined pursuant to the SR Auction, at which time the corresponding Open CDS Positions of the SR CDS Participant shall be reduced or terminated, as applicable. The SR CDS Participant and the other CDS Participants shall be obligated to submit to Deriv/SERV or another service specified by ICE Clear Credit the terms of such reduction, termination or Trade, as applicable. Amounts owed by the SR CDS Participant to (or receivable by the SR CDS Participant from) ICE Clear Credit in connection with any such reduction or termination shall be determined by ICE Clear Credit using the prices determined pursuant to the SR Auctions. In addition, any Initial Payments, Margin, or other payments or deliveries owed (including the dates of settlement with respect thereto) relating to the Open CDS Positions increased, created, reduced or terminated pursuant to this Rule 26B-203(b) shall be as determined by ICE Clear Credit with reference to the SR Auction in accordance with the ICE Clear Credit Procedures and, notwithstanding Rules 301 or 303, Initial Payments may be owed in respect to CDS Contracts entered into by ICE Clear Credit pursuant to an SR Auction.

26B-206. Notices Required of Participants with respect to SNAC Contracts.

In addition to the notice requirements contained in Rule 206, a CDS Participant shall provide notice to ICE Clear Credit in the event that such CDS Participant or an Eligible SNAC Reference Entity consolidates or amalgamates with, or merges into, or transfers all or substantially all of its assets to, the Eligible SNAC Reference Entity or such CDS Participant, as applicable, or such CDS Participant and an Eligible SNAC Reference Entity are the same entity or are or become Affiliates, or, subject to any restrictions on such disclosure imposed by law or regulation, such CDS Participant is subject to an agreement pursuant to which any of the foregoing is reasonably likely to occur.

26B-303. SNAC Contract Adjustments.

In addition to the adjustments described in Rule 303, upon clearance of a Trade otherwise equivalent to a SNAC Contract but that:

- (a) specifies an Eligible SNAC Reference Obligation as the "Reference Obligation", such Trade shall become an Open CDS Position in the SNAC Contract with the SNAC Contract Reference Obligation specified for such Eligible SNAC Reference Obligation in the List of Eligible SNAC Reference Entities;

- (b) an Event Determination Date has occurred with respect to a Restructuring, such Trade shall become an Open CDS Position in the SNAC Contract for which no such Event Determination Date has occurred; and/or
- (c) specifies a Transaction Type other than Standard North American Corporate, such Trade shall become an Open CDS Position in the SNAC Contract otherwise equivalent to such Trade but specifying Standard North American Corporate as the Transaction Type.

26B-309. Acceptance of SNAC Contracts by ICE Clear Credit.

- (a) In addition to the acceptance process described in Rule 309, ICE Clear Credit's notice to the relevant CDS Participants that it has accepted a Trade submitted for clearance shall include any adjustment that will be made by ICE Clear Credit pursuant to Rule 26B-303. Such CDS Participants' resubmission of the terms of such Trade, as provided in Rule 309, shall include the adjustments described by ICE Clear Credit in such notice.
- (b) A CDS Participant shall make all reasonable efforts to not submit a Trade for clearance as a SNAC Contract, and any such Trade shall not be a Conforming Trade, if the Novation Time would be:
 - (i) at a time when the Fallback Settlement Method is applicable to such SNAC Contract;
 - (ii) at or after the close of business on the calendar day following the Auction Final Price Determination Date for such SNAC Contract; or
 - (iii) on or after the calendar day following the day on which the Final List (as defined in the DC Rules) is published for a Restructuring CDS Contract and at or before the close of business on the calendar day following the CDS Regional Business Day following the latest possible Exercise Cut-off Date for the related Restructuring Credit Event under such Restructuring CDS Contract;

(such time with respect to any SNAC Contract, the "**Clearance Cut-off Time**"); *provided* that ICE Clear Credit may, by written notice to all CDS Participants following consultation with the Risk Committee, designate a time other than the time determined pursuant to clauses (i) through (iii) above as the Clearance Cut-off Time with respect to any SNAC Contract.

- (c) A CDS Participant may not submit a Trade for clearance as a SNAC Contract, and any such Trade shall not be a Conforming Trade, if the time of submission of the Trade or the Novation Time would be at a time when the CDS Participant (or any Non-Participant Party for whom such Participant is acting) is, or is an Affiliate of, the Eligible SNAC Reference Entity for such SNAC Contract or is subject to an agreement under which it is reasonably likely that the CDS Participant (or any

such Non-Participant Party) will become, or will become an Affiliate of, the Eligible SNAC Reference Entity for such SNAC Contract.

- (d) A CDS Participant shall as soon as reasonably practicable notify ICE Clear Credit if any Trade it has submitted for clearance was not at the time of submission, or ceases to be prior to the Novation Time, a Conforming Trade.
- (e) If ICE Clear Credit determines that any Trade submitted for clearance would have been subject to a Succession Event but will no longer be subject to such Succession Event upon clearance because of the Trade Date that would be specified with respect to the related Open CDS Position, ICE Clear Credit shall take such action as it deems necessary to ensure that such Succession Event is given effect with respect to such Trade, including, without limitation, declining to accept such Trade for clearance or specifying an alternate Trade Date for purposes of Section 2.1 of the Credit Derivatives Definitions with respect to the relevant portion of the related Open CDS Position.

26B-315. Terms of the Cleared SNAC Contract.

- (a) Any capitalized term used in this Subchapter 26B but not defined in these SNAC Rules shall have the meaning provided in the Credit Derivatives Definitions.
- (b) For purposes of the CDS Committee Rules, the CDS Region for each SNAC Contract is the North American Region.
- (c) The definitions and provisions contained in the 2003 ISDA Credit Derivatives Definitions as supplemented by each of the 2005 Matrix Supplement and the July 2009 Supplement and, if applicable to the relevant SNAC Contract, the 2005 Monoline Supplement, the Secured Deliverable Obligation Characteristic Supplement and/or the Delivery Restrictions Supplement, each as published by ISDA (as so supplemented, for the purposes of the SNAC Rules only, the “**Credit Derivatives Definitions**”), are incorporated into the SNAC Rules. In the event of any inconsistency between the terms of the July 2009 Supplement and the terms of any other portion of the Credit Derivatives Definitions, the terms of the July 2009 Supplement shall prevail for purposes of the relevant SNAC Contract. In the event of any inconsistency between the Credit Derivatives Definitions or the Confirmation (including in electronic form) for a SNAC Contract and these SNAC Rules, these SNAC Rules will govern.
- (d) If a Convened DC (as defined in the DC Rules) resolves, pursuant to Section 3.8(a) of the DC Rules, (i) a question of interpretation regarding the provisions of the July 2009 Protocol (as defined in the DC Rules) or (ii) to make any amendments to Schedule 1 of the July 2009 Protocol, in each case that affect a SNAC Contract, ICE Clear Credit shall, as promptly as practicable, make conforming changes to these Rules in order to implement such resolutions. Notwithstanding anything to the contrary in Rule 616, any change made to the

Rules in accordance with this paragraph (d) shall not constitute a Contract Modification.

- (e) Section 3.2(c)(i) of the Credit Derivatives Definitions is hereby amended by replacing the “or” at the end of subparagraph (B) thereof with an “and” and adding the following as a new subparagraph (C):
 - “(C) the tenth calendar day after the date of the actual decision by the relevant Regional CDS Committee (or Dispute Resolver) to Resolve (i.e., determined without regard to any Effectiveness Convention or any time of effectiveness specified in a Presented Position) that a Credit Event has occurred for which there is Publicly Available Information, as described in CDS Committee Rule 2101-02(a)(iii), with respect to such SNAC Contracts; or”.
- (f) Except for purposes of Section 1.23 of the Credit Derivatives Definitions, a Credit Event Notice and Notice of Publicly Available Information with respect to a SNAC Contract will be deemed to have been effectively delivered by the Notifying Party for a Credit Event other than Restructuring on the relevant Event Determination Date determined under the CDS Committee Rules only when the Resolution is effective, under the CDS Committee Rules, that a Credit Event other than Restructuring has occurred for which there is Publicly Available Information, as described in CDS Committee Rule 2101-02(a)(iii), with respect to such SNAC Contract. Notwithstanding anything to the contrary in the Credit Derivatives Definitions, any delivery of a Credit Event Notice and/or Notice of Publicly Available Information by a CDS Participant (other than (i) the deemed delivery as provided in this Rule 26B-315(f) or (ii) notices with respect to a Restructuring Credit Event as provided in the CDS Restructuring Rules) shall not be valid.
- (g)
 - (i) Section 1.8(a)(ii)(A)(I)(3)(y) of the Credit Derivatives Definitions is hereby modified by replacing the term “Auction Final Price Determination Date” with the phrase “date that is one Relevant City Business Day prior to the Auction Settlement Date”.
 - (ii) Section 1.30 of the Credit Derivatives Definitions is hereby modified by replacing the term “Auction Final Price Determination Date” in clause (ii) of the last sentence thereof with the phrase “date that is one Relevant City Business Day prior to the Auction Settlement Date”.
- (h) The Settlement Method for particular SNAC Contracts will be Auction Settlement and the Fallback Settlement Method will be Physical Settlement in accordance with the CDS Physical Settlement Rules.
- (i) With respect to SNAC Contracts for which it is Resolved by the North American Regional CDS Committee (or applicable Dispute Resolver) or Credit Derivatives Determinations Committee that a Credit Event has occurred for which there is

Publicly Available Information, as described in CDS Committee Rule 2101-02(a)(iii) or the DC Rules, as applicable, Buyer may not deliver a Notice of Physical Settlement until after it is determined that the method of settlement for a particular Credit Event is the Fallback Settlement Method due to the occurrence of one of the events in Section 12.1 of the Credit Derivatives Definitions and as further provided in the CDS Physical Settlement Rules. For the avoidance of doubt, the effectiveness of any Notice of Physical Settlement and obligations relating thereto are subject to the suspension and finality provisions of Sections 6.5 and 9.1(c)(iii) of the Credit Derivatives Definitions.

- (j) Notwithstanding Section 2.9 of the Credit Derivatives Definitions, the initial Fixed Rate Payer Calculation Period shall commence on, and include, the Fixed Rate Payer Payment Date falling on or immediately prior to the calendar day immediately following the Trade Date.

For purposes of this provision, Section 2.10 of the Credit Derivatives Definitions shall be deemed amended by deleting the words “during the term of the transaction”.

- (k) The following terms will apply to each SNAC Contract:
 - (i) The “Agreement” is the Participant Agreement between the relevant CDS Participant and ICE Clear Credit.
 - (ii) The “Calculation Agent” is ICE Clear Credit, except as provided in the CDS Committee Rules.
 - (iii) The “Transaction Type” is Standard North American Corporate.
 - (iv) The “Fixed Rate Payer Payment Dates” will be March 20, June 20, September 20 and December 20.
 - (v) The 2005 Monoline Supplement will apply if specified as applicable in the List of Eligible SNAC Reference Entities for the relevant SNAC Contract.
 - (vi) The Secured Deliverable Obligation Characteristic Supplement will apply if specified as applicable in the List of Eligible SNAC Reference Entities for the relevant SNAC Contract.
 - (vii) The Delivery Restrictions Supplement will apply if specified as applicable in the List of Eligible SNAC Reference Entities for the relevant SNAC Contract.
- (l) For each SNAC Contract, the following terms will be determined according to the particular SNAC Contract submitted for clearing, subject to Rule 26B-303:
 - (i) Which of the Eligible SNAC Reference Entities is the “Reference Entity”.

- (ii) Which of the SNAC Contract Reference Obligations specified for the Reference Entity in the List of Eligible SNAC Reference Entities is the “Reference Obligation”.
- (iii) The “Trade Date”.
- (iv) The “Effective Date”.
- (v) Which of the eligible Scheduled Termination Dates specified for the “Reference Entity” in the List of Eligible SNAC Reference Entities is the “Scheduled Termination Date”.
- (vi) The “Floating Rate Payer Calculation Amount”.
- (vii) The “Floating Rate Payer”.
- (viii) The “Fixed Rate Payer”.
- (ix) The “Fixed Rate”.
- (x) Whether “Restructuring” is an applicable “Credit Event”.
- (xi) If applicable, the Matrix Publication Date for the Relevant Physical Settlement Matrix.

26B-316. Relevant Physical Settlement Matrix Updates.

- (a) Where ISDA publishes a version of the Credit Derivatives Physical Settlement Matrix (a “**New Matrix**”) that is subsequent to the version that is specified as the Relevant Physical Settlement Matrix for any SNAC Contract(s) (the “**Existing Matrix**”), and the Board or its designee determines that updating such SNAC Contract(s) to reference the New Matrix would not constitute a Contract Modification as provided in Rule 616 (the date of such determination, the “**Matrix Update Date**” and each prior Credit Derivatives Physical Settlement Matrix subject to such determination, a “**Superseded Matrix**”) and so notifies CDS Participants, such SNAC Contracts shall, as of the close of business on the Matrix Update Date, become SNAC Contracts referencing the New Matrix as the Relevant Physical Settlement Matrix and the List of Eligible SNAC Reference Entities shall be updated accordingly. Any Trade referencing a Superseded Matrix submitted for clearing as a SNAC Contract shall, upon acceptance for clearing, become a SNAC Contract referencing the New Matrix.
- (b) The Board or its designee may determine a different Matrix Update Date applicable to individual SNAC Contracts or groups of SNAC Contracts or may determine a Matrix Update Date applicable to all SNAC Contracts referencing a Superseded Matrix, as it deems appropriate.

26B-502. Specified Actions.

Notwithstanding anything to the contrary in Rule 502(a) but without limiting the application of Rule 616 to any Modification (including the requirement of consultation with the Risk Committee, as provided in Rule 502(a), prior to determining that a Modification is not a Contract Modification), none of the following shall constitute a Specified Action: (a) adding and/or Modifying Permitted SNAC Fixed Rates, (b) adding new Eligible SNAC Reference Entities, and adding and/or Modifying any other entries in any of the fields in the List of Eligible SNAC Reference Entities or (c) an update to the List of Eligible SNAC Reference Entities, as described in Rules 26B-316 and 26B-616.

26B-616. Contract Modification.

It shall not constitute a Contract Modification if the Board or its designee updates the List of Eligible SNAC Reference Entities (and modifies the terms and conditions of related SNAC Contracts) to give effect to determinations by the North American Regional CDS Committee (or applicable Dispute Resolver) or a Credit Derivatives Determinations Committee, including, without limitation, determinations of Succession Events or Substitute Reference Obligations.

Schedule 401: Initial Margin - Guaranty Fund Eligible Collateral & Thresholds

Asset Type	Minimum Percentage* of Requirement	Comments
US dollar cash	45%	45% is equivalent to the maximum assumed one day movement in IM (assuming a 5-day risk horizon)
US dollar denominated assets (Cash and/or US Treasuries)	+ 20% (for a total 65%)	65% is equivalent to the maximum assumed two day movement in IM (assuming a 5-day risk horizon)
All eligible collateral (Cash, US Treasuries and/or G7 cash)	35%	The remaining percentage can be any form of acceptable collateral

* Subject to GF minimum requirement of \$20 MM being 100% in cash

Schedule 502: List of Pre-Approved Products

Index Credit Default Swaps*:

- 1) CDX.NA.IG.16 – 5 year and 10 year maturities
- 2) CDX.NA.IG.15 – 5 year and 10 year maturities
- 3) CDX.NA.IG.14 – 5 year and 10 year maturities
- 4) CDX.NA.IG.13 – 5 year and 10 year maturities
- 5) CDX.NA.IG.12 – 5 year and 10 year maturities
- 6) CDX.NA.IG.11 – 5 year and 10 year maturities
- 7) CDX.NA.IG.10 – 5 year, 7 year and 10 year maturities
- 8) CDX.NA.IG.9 – 5 year, 7 year and 10 year maturities
- 9) CDX.NA.IG.8 – 5 year, 7 year and 10 year maturities
- 10) CDX.NA.IG.HVOL.16 – 5 year maturity
- 11) CDX.NA.IG.HVOL.15 – 5 year maturity
- 12) CDX. NA.IG.HVOL.14 – 5 year maturity
- 13) CDX.NA.IG.HVOL.13 – 5 year maturity
- 14) CDX. NA.IG.HVOL.12 – 5 year maturity
- 15) CDX. NA.IG.HVOL.11 – 5 year maturity
- 16) CDX. NA.IG.HVOL.10 – 5 year maturity
- 17) CDX. NA.IG.HVOL.9 – 5 year maturity
- 18) CDX. NA.IG.HVOL.8 – 5 year maturity
- 19) CDX.NA.HY.16 – 5 year maturity
- 20) CDX.NA.HY.15 – 5 year maturity
- 21) CDX.NA.HY.14 – 5 year maturity
- 22) CDX.NA.HY.13 – 5 year maturity
- 23) CDX.NA.HY.12 – 5 year maturity
- 24) CDX.NA.HY.11 – 3 year and 5 year maturities
- 25) CDX.NA.HY.10 – 3 year and 5 year maturities
- 26) CDX.NA.HY.9 – 5 year maturity
- 27) CDX.NA.HY.8 – 5 year maturity

* New series are added semiannually quarterly during March and September. IG contracts have five and ten year maturities and HVOL and HY contracts have five year maturities.

Single Name Credit Default Swaps**:

ENTITY NAME	Preferred ISIN
AMERICAN ELECTRIC POWER COMPANY, INC.	US025537AE11
Constellation Energy Group, Inc.	US210371AK69
Dominion Resources, Inc.	US25746UAW99
FirstEnergy Corp.	US337932AC13
Progress Energy, Inc.	US743263AL93
Sempra Energy	US816851AJ81
AT&T Inc.	US78387GAP81
Verizon Communications Inc.	US92344GAW69
Arrow Electronics, Inc.	US042735AL41
Caterpillar Inc.	US149123BM26
CSX Corporation	US126408GF40
Deere & Company	US244199BB01
Goodrich Corporation	US382388AS51
Honeywell International Inc.	US438516AR73
Ingersoll-Rand Company	US456866AG74
Lockheed Martin Corporation	US539830AE98
NORFOLK SOUTHERN CORPORATION	US655844AE88
Northrop Grumman Corporation	US666807AW21
R.R. Donnelley & Sons Company	US257867AM36
Raytheon Company	US755111AF81
The Sherwin-Williams Company	US824348AL09
Union Pacific Corporation	US907818CF33
Altria Group, Inc.	US02209SAD53
Anadarko Petroleum Corporation	US032511AX55
Devon Energy Corporation	US251799AA02
Duke Energy Carolinas, LLC	US26442CAA27
HALLIBURTON COMPANY	US406216AH42
Newell Rubbermaid Inc.	US651229AG15
Toll Brothers, Inc.	US88947EAG52
Valero Energy Corporation	US91913YAB65
Whirlpool Corporation	US963320AH94
AutoZone, Inc.	US053332AF92
CBS Corporation	US925524AU41
Comcast Corporation	US20030NAE13
Cox Communications, Inc.	US224044AN72
Darden Restaurants, Inc.	US237194AE57
News America Incorporated	US652482AM25
Nordstrom, Inc.	US655664AH33

ENTITY NAME	Preferred ISIN
Safeway Inc.	US786514BA67
Southwest Airlines Co.	US844741AW80
Target Corporation	US87612EAP16
The Home Depot, Inc.	US437076AS19
THE KROGER CO.	US501044CH20
The Walt Disney Company	US25468PCE43
Time Warner Inc.	US887317AC95
WAL-MART STORES, INC.	US931142CH46
Alcoa Inc.	US013817AP64
Computer Sciences Corporation	US205363AL84
E. I. du Pont de Nemours and Company	US263534BN84
Eastman Chemical Company	US277432AD23
Hewlett-Packard Company	US428236AM52
International Business Machines Corporation	US459200GJ41
International Paper Company	US460146BU61
MOTOROLA SOLUTIONS	US620076AK59
The Dow Chemical Company	US260543BJ10
Xerox Corporation	US984121BW26
Aetna Inc.	US00817YAF51
American Express Company	US025816BA65
Amgen Inc.	US031162AJ99
Baxter International Inc.	US071813AM10
Boeing Capital Corporation	US09700WEG42
Bristol-Myers Squibb Company	US110122AB49
Capital One Bank (USA), National Association	US14040EHK10
Cardinal Health, Inc.	US14149YAG35
CIGNA Corporation	US125509AZ26
General Electric Capital Corporation	US36962G3H54
MARSH & McLENNAN COMPANIES, INC.	US571748AM43
National Rural Utilities Cooperative Finance Corporation	US637432CT02
Simon Property Group, L.P.	US828807BW67
Burlington Northern Santa Fe, LLC	US12189TBA16
CenturyLink, Inc.	US156700AL08
CAMPBELL SOUP COMPANY	US134429AS81
CONAGRA FOODS, INC.	US205887AR36
FORTUNE BRANDS, INC.	US349631AL52
GENERAL MILLS, INC.	US370334BB91
JOHNSON CONTROLS, INC.	US478366AG24
KRAFT FOODS INC.	US50075NAL82

ENTITY NAME	Preferred ISIN
SARA LEE CORPORATION	US803111AM56
THE BLACK & DECKER CORPORATION	US091797AN09
CANADIAN NATURAL RESOURCES LIMITED	US136385AL51
CONOCOPHILLIPS	US20825CAF14
CVS CAREMARK CORPORATION	US126650AV25
KOHL'S CORPORATION	US500255AP93
LOWE'S COMPANIES, INC.	US548661CK10
MCDONALD'S CORPORATION	US58013MEB63
MCKESSON CORPORATION	US581557AM75
OMNICOM GROUP INC.	US681919AS54
THE TJX COMPANIES, INC.	US872540AM11
VIACOM INC.	US925524AX89
BARRICK GOLD CORPORATION	US067901AA64
CARNIVAL CORPORATION	US143658AH53
Cisco Systems, Inc.	US17275RAC60
Dell Inc.	US247025AE93
Freeport-McMoRan Copper & Gold Inc.	US35671DAS45
M.D.C. Holdings, Inc.	US552676AP38
MARRIOTT INTERNATIONAL, INC.	US571900AZ26
Reynolds American Inc.	US761713AE66
Staples, Inc.	US855030AJ18
YUM! Brands, Inc.	US988498AC50
ACE Limited	US00440EAC12
Boston Properties Limited Partnership	US10112RAQ74
ERP Operating Limited Partnership	US26884AAX19
GATX Corporation	US361448AF09
MetLife, Inc.	US59156RAN89
The Allstate Corporation	US020002AH49
The Chubb Corporation	US171232AD38
The Hartford Financial Services Group, Inc.	US416515AM67
Vornado Realty L.P.	US929043AC13
Loews Corporation	US540424AN89
Avnet, Inc.	US053807AM57
Quest Diagnostics Incorporated	US74834LAN01
Kinder Morgan Energy Partners, L.P.	US494550AS56
Pfizer Inc.	US717081AQ68
Ryder System, Inc.	US783549AZ16
Transocean Inc.	US893830AK59
UnitedHealth Group Incorporated	US91324PAL67
United Parcel Service, Inc.	US911308AB04

ENTITY NAME	Preferred ISIN
American International Group, Inc.	US026874AZ07
Berkshire Hathaway Inc.	US084664BN03
CA, Inc.	US12673PAC95
Capital One Financial Corporation	US14040HAL96
DIRECTV Holdings LLC	US25459HAD70
Expedia, Inc.	US30212PAB13
Pitney Bowes Inc.	US724479AH32
SLM Corporation	US78442FEK03
Tyson Foods, Inc.	US902494AN37
TIME WARNER CABLE INC.	US88732JAH14
XL Group Ltd.	US98372PAF53

** New contracts are added quarterly during March, June, September and December. Contracts have the standard IMM maturity dates from zero month to ten year terms.

Schedule 503: Form of Risk Committee Confidentiality Agreement

Confidentiality Agreement

THIS CONFIDENTIALITY AGREEMENT (this “Agreement”) is made as of this [___] day of [_____], 200[___], by and between ICE Clear Credit LLC (the “Company”) and [CLEARINGHOUSE MEMBER] (the “Clearinghouse Member”).

WHEREAS, the Company and the Clearinghouse Member wish to enter into this Agreement in connection with the Clearinghouse Member’s appointment of a member (the “Committee Member”) of the Risk Committee (as defined in the Rules of ICE Clear Credit LLC (the “Rules”); capitalized terms used but not defined in this Agreement shall have the meanings given to them in the Rules); and

WHEREAS, in connection with the Committee Member’s appointment to the Risk Committee, the Company may furnish, or cause to be furnished, Confidential Information (defined below) to the Clearinghouse Member or the Committee Member;

NOW THEREFORE, the parties agree as follows:

1. The term “Confidential Information” means all confidential information relating to (a) the Company or (b) other Clearinghouse Members made available in connection with (i) such other Clearinghouse Members’ equity interest in the Company or its Affiliates or (ii) such other Clearinghouse Members’ status as a Participant (as defined in the Rules) that is proprietary to the Company or other Clearinghouse Members, as applicable.

2. The term “Representatives” means the Committee Member, the Clearinghouse Member's Affiliates and the respective officers, directors, employees, attorneys, accountants, and auditors of the Clearinghouse Member and its Affiliates, to the extent such Persons have received any Confidential Information.

3. In addition to any other confidentiality obligation to the Company, the Clearinghouse Member, (a) shall, and shall direct its Representatives to, maintain in confidence any and all Confidential Information, except as otherwise permitted in this Agreement, (b) shall not disclose, and shall direct its Representatives not to disclose, Confidential Information to any Person, except as otherwise permitted in this Agreement and (c) shall use the same degree of care in protecting the confidentiality of the Confidential Information as it uses in protecting its own information of a similar type.

4. Notwithstanding the foregoing, the Clearinghouse Member and its Representatives may disclose Confidential Information or portions thereof (i) if, in the case of Confidential Information relating to the Company, the Company gives its prior written consent thereto and if, in the case of Confidential Information relating to another Clearinghouse Member, such other Clearinghouse Member gives its prior written consent thereto, (ii) in the event that the Clearinghouse Member or any of its Representatives becomes legally compelled (by oral questions, interrogatories, requests for information or documents, subpoena, civil investigative demand or similar process, including by any regulator with oversight responsibility for the Clearinghouse or the Clearinghouse Member or its Affiliates) to disclose, or is advised by legal counsel that it is required by applicable law to disclose, any of the Confidential Information, or (iii) if disclosure of such Confidential Information is requested or required by any governmental

authority or self-regulatory agency or organization or by any rule or regulation applicable to the Clearinghouse Member. To the extent reasonably practicable and/or permitted under applicable law, prior to any such disclosure under clause (ii) of this paragraph, the Clearinghouse Member or its Representatives, as applicable, will use commercially reasonable efforts to provide the Company or the applicable other Clearinghouse Member with prompt notice of such requirement so that the Company or the applicable other Clearinghouse Member may seek a protective order or other appropriate remedy and/or waive compliance with the provisions of this paragraph, and, if, in the absence of a protective order or other remedy or the receipt of a waiver by the Company or the applicable Clearinghouse Member, the Clearinghouse Member or its Representatives is or are nonetheless legally compelled to disclose Confidential Information, the Clearinghouse Member or its Representatives may, without liability hereunder, disclose such Confidential Information.

5. At such time as the Clearinghouse Member ceases to be a member of the Clearinghouse or no longer has a right to appoint a member to the Risk Committee, the Clearinghouse Member, at its option, shall return or destroy all Confidential Information in its or its Representatives' possession. Notwithstanding anything to the contrary in this Agreement, the Clearinghouse Member and its Representatives may retain (i) Confidential Information such Person is required to retain to comply with applicable law, (ii) any Confidential Information that is contained in an archived computer system back up in accordance with the security and/or disaster recovery procedures of such Person, and (iii) one copy of Confidential Information for use solely in connection with any litigation, arbitration or like action with respect to any disputes arising out of this Agreement; provided, however, that any such retained Confidential Information shall remain subject to the ongoing obligations to treat and hold the same as confidential in accordance with the terms and conditions of this Agreement.

6. In the event that the Clearinghouse Member shall provide Confidential Information to any Person in violation of this Agreement, the Clearinghouse Member shall be responsible for the breach of this Agreement by such other Person.

7. Notwithstanding Section 3 of this Agreement:

a. The Clearinghouse Member and its Representatives may disclose any Confidential Information for bona fide business purposes on a strict "need to know" basis to the Clearinghouse Member and its Representatives, including the Clearinghouse Member's board of directors (or equivalent governing body); and

b. The provisions of Section 3 of this Agreement shall not apply to, and Confidential Information shall not include:

i. any information that is or has become generally available to the public other than as a result of a disclosure by the Clearinghouse Member or its Representatives in breach of any of the provisions of this Agreement, provided, that information disclosed by a Person to a governmental authority or self-regulatory agency or organization in connection with the formation, ownership and operation of the

Clearinghouse shall not be deemed “generally available to the public” as a result of such disclosure;

ii. any information that has been independently developed by the Clearinghouse Member or its Representatives without violating any of the provisions of this Agreement or any other similar contract to which the Clearinghouse Member or its Representatives is or are bound;

iii. any information that was available to the Clearinghouse Member or its Representatives on a non-confidential basis prior to disclosure; or

iv. any information made available to the Clearinghouse Member or its Representatives on a non-confidential basis by any third party unless the Clearinghouse Member or its Representatives has or have actual knowledge that such third party breached an obligation of confidentiality to the Company or any other Person by making such information available to the Clearinghouse Member or its Representatives.

8. The parties hereto agree that irreparable damage may occur in the event any provision of this Agreement was not performed in accordance with the terms hereof and that the parties hereto shall be entitled to seek equitable relief in addition to any other remedy at law.

9. The obligations of the Clearinghouse Member under this Agreement shall survive until the eighteen (18) month anniversary of the time at which the Clearinghouse Member ceases to be a member of the Clearinghouse.

10. This Agreement shall be governed by, and construed in accordance with, the laws of the State of New York, without giving effect to any choice of law or conflict of law rules or provisions (whether of the State of New York or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than the State of New York. Any claim, action, suit or proceeding seeking to enforce any provision of, or based on any matter arising out of or in connection with, this Agreement or the transactions contemplated hereby shall be heard and determined in any state courts of the State of New York or the United States District Court located in the Southern District of New York, and each of the parties hereto hereby consents to the exclusive jurisdiction of such courts (and of the appropriate appellate courts therefrom) in any such claim, action, suit or proceeding and irrevocably waives, to the fullest extent permitted by law, any objection which it may now or hereafter have to the laying of venue of any such claim, action, suit or proceeding in any such court or that any such claim, action, suit or proceeding which is brought in any such court has been brought in an inconvenient forum.

[SIGNATURE PAGE TO FOLLOW]

ICE Clear Credit LLC

By _____

Name:

Title:

[CLEARINGHOUSE MEMBER]

By _____

Name:

Title:

**Schedule 511: Form of Risk Management Subcommittee
Confidentiality Agreement**

Schedule 702: Schedule of Assessments for Missed Price Submissions

<u>CDS Type</u>	<u>Applicable Conditions</u>	<u>Assessment Amount (per missed price)</u>
Index	Occurred on date other than an announced firm trade date	\$1,000 (no maximum)
Index	Occurred on an announced firm trade date (last day of each calendar quarter)	\$2,000 (no maximum)
Single Name	For each Missed Submissions other than the most actively traded instrument in a family	\$2,000*
Single Name	For each Missed Submission in the most actively traded instrument in a family (e.g., 5Y, 100 bps coupon)	\$4,000*

*The maximum assessment is \$10,000 per single name family per day, and \$100,000 assessment for all single family Missed Submission during one day. A single name family is defined by reference entity, identifier (seniority of debt), currency and restructuring clause.