



ICAP Global Derivatives Limited
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London
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October 6, 2021

Submitted via CFTC Portal

Mr. Christopher J. Kirkpatrick
Office of the Secretariat
Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, N.W.
Washington, D.C. 20581

Re: ICAP Global Derivatives Limited – Regulation 40.6(a) Rule Certification – Notification of Amendments to IGDL Discount Structure Appendix (IGDL-2021-R-8)

Dear Mr. Kirkpatrick:

Pursuant to Section 5c(c) of the Commodity Exchange Act, as amended (the “Act”), and Section 40.6(a) of the regulations of the Commodity Futures Trading Commission (the “Commission” or “CFTC”), ICAP Global Derivatives Limited (“IGDL”), a registered swap execution facility, hereby notifies the Commission that it wishes to amend the IGDL SEF Discount Structure Appendix to its fee schedule (the “IGDL Discount Structure Appendix”), as described more fully in the Exhibits attached hereto. The amended IGDL Discount Structure Appendix will become effective on October 21, 2021.

Pursuant to Commission Regulation 40.6, this submission includes:

- (i) A concise explanation and analysis of the amended IGDL Discount Structure Appendix and its compliance with applicable provisions of the Act, attached as Exhibit A;
- (ii) A clean copy of the amended IGDL Discount Structure Appendix, attached as Exhibit B; and
- (iii) A copy of the amended IGDL Discount Structure Appendix marked to show changes to the currently effective version, attached as Exhibit C.

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IGDL hereby certifies that the amendments comply with the requirements of the Act and Commission regulations thereunder. IGDL is not aware of any substantive opposing views expressed with respect to this filing and certifies that, concurrent with this filing, a copy of this submission was posted on IGDL's website.

Please contact Brian D. Donnelly, Chief Compliance Officer, at (201) 984-6956 or by email at bddonnelly@tullettprebon.com with any questions regarding this matter.

Very truly yours,

ICAP Global Derivatives Limited


By: _____

Name: Brian D. Donnelly

Title: Chief Compliance Officer

Date: October 6, 2021

Enclosures

cc: CFTC Division of Market Oversight (dmosubmissions@cftc.gov)
Nancy Markowitz, CFTC (nmarkowitz@cftc.gov)

Mr. Christopher J. Kirkpatrick
October 6, 2021

EXHIBIT A

Explanation of Amendments to IGDL Discount Structure Appendix

IGDL has amended the IGDL Discount Structure Appendix to (i) replace the “i-Swap Streaming Program” with the “i-Swap Market Maker Program,” and add new discounts based on a three-tier ranking status; (ii) remove the “eTrading Discounts”; and (iii) clarify that “voice brokerage” is referred to as “voice execution brokerage.”

IGDL has reviewed the swap execution facility core principles (“Core Principles”) as set forth in the Act and has determined that each of the foregoing changes complies with the requirements of impartial access in Core Principle 2 and Commission Regulation 37.202 because all fees will be applied in an impartial, fair and non-discriminatory manner.

Mr. Christopher J. Kirkpatrick
October 6, 2021

EXHIBIT B

IGDL Discount Structure Appendix

(Clean Version)



IGDL SEF Discount Structure Appendix

October 2021

IGDL Discount Structure

Brokerage Discounts for i-Swap	
Brokerage Discounts	<ul style="list-style-type: none"> i-Swap rate is 0.0175 bp Trader-entered and Broker-entered transactions are eligible to offset i-Swap minimum fees

Brokerage Discounts for Voice		
Brokerage Discounts <i>(thresholds based off and discounts applied to gross voice execution brokerage in the current month)¹</i>	Monthly Threshold	Discount
	\$75,000 to \$149,999	5%
	\$150,000 to \$249,999	10%
	\$250,000 to \$399,999	20%
	\$400,000 or Greater	35%

i-Swap Market Maker Program		
Market Maker Discount <i>(applied to current month's gross voice execution brokerage)¹</i>	<ul style="list-style-type: none"> Applies only to i-Swap Market Makers who qualify Market Makers ranked based on Top of Book status 	
	<u>Rank</u>	<u>Discount</u>
	#1	15%
	#2	13%
	#3	10%

Key Notes: IGDL Discount Structure

For Volume Discounts on Voice Brokerage:

- Discounts are determined by combining New York and London gross voice execution brokerage and applied to activity during both London and New York hours as a rebate at the end of the month.
- "Gross voice execution brokerage" means in respect of a Participant (i) brokerage accrued by the participant for all transactions executed using Voice RFQ and (ii) all transaction fees accrued by the participant for all transactions transacted using Broker-entered orders, including

¹ Applies to Fixed/Floating USD LIBOR IRS and SOFR OIS. Excludes FRA, EFR OIS, and Single Clearing House Basis swaps.

brokerage on Clearing House Basis Swaps transacted using Voice RFQ and transaction fees for Clearing House Basis Swaps transacted using Broker-entered orders.

3. Thresholds that determine the amount of the discount are calculated based on, and discounts are applied to, the gross voice execution brokerage accrued by a participant for the current month.

For i-Swap fees (as described on the Trade Execution Fee Card tab of the IGDL SEF Fee Card):

1. Calculation of “Total Monthly Electronic Fees” for i-Swap are the greater of the following:
 - a. “Trader-entered” transaction fees plus “Broker-entered” transaction fees²; or
 - b. Minimum TPH i-Swap Front End User Minimum Fee³
2. The i-Swap invoice will reflect the Total Monthly Electronic Fees (as defined above) less any Broker-entered transaction fees and Market Maker discounts.

For i-Swap Market Maker Discounts on IGDL Voice Brokerage Invoice:

1. Discounts are applied to only to the gross voice execution brokerage accrued in the corresponding Calculation Period – ie, Market Making in NY Hours will count towards discounts on voice trades executed after 7am EST.

i-Swap Market Maker Program

Summary

IGDL offers Market Maker incentives based on a participant’s streaming activity on i-Swap for Medium Term Interest Rate Swap instruments. Market Maker requirements are outlined in the table below, and incentives awarded are based on the participant’s final rank in the League Table. The League Table rankings are computed by IGDL using the below defined League Table Methodology.

Market Makers must provide the Order Book with an Executable Price Stream for at least 60% of the Monitored Trading Day, averaged over each calendar month.

² Trader-entered and Broker-entered are defined on the “Notes” tab of the ICAP Global Derivatives Limited Trade Execution Fee Card. This calculation includes fees for Clearing House Basis Swaps.

³ See Minimum Fees on the Fees tab of the IGDL SEF Fee Card

Market Maker Program Incentives:

Market Makers who qualify for the Market Maker Program discount will be ranked according to the below League Table Methodology.

The **number one** overall ranked Market Maker receives a **15%** discount on their gross voice brokerage for the corresponding Calculation Period.

The **number two** overall ranked Market Maker receives a **13%** discount on their gross voice brokerage for the corresponding Calculation Period.

The **number three** overall ranked Market Maker receives a **10%** discount on their gross voice brokerage for the corresponding Calculation Period.

Market Maker Risk Requirements

Tenor	Minimum Size (mm):	Max B/O: SOFR OIS Outrights	Max B/O: SOFR OIS Spreadovers
2y	200	0.75bp	0.625bp
3y	100	0.75bp	0.625bp
5y	50	0.75bp	0.625bp
7y	30	0.75bp	0.625bp
10y	25	0.75bp	0.625bp
30y	10	0.75bp	0.625bp

Risk Units Required:	8
% of Day Quoted:	60%

Market Maker Risk Units

To qualify for Market Maker status, participant must stream a minimum of 8 Risk Units. A Risk Unit is defined as follows:

- Minimum notional streamed at max bid/offer spread per instrument = 1 Risk Unit. 2x minimum notional = 2 risk units, etc.

Example:

- 10mm 30yr spreadover = 1 Risk Unit

- 100mm 5yr outright = 2 Risk Units
- Limit 3 Risk Units per Instrument
- Participant can choose any 8 Risk Units to stream from Market Maker table above.

League Table Methodology

League Table rank in the Market Maker Program is computed using Top of Book Points on a per instrument basis during the Calculation Period.

The score per instrument is computed as follows:

Market Maker with highest percentage of day spent on Top of Book status awarded one point per bid or offer side, per instrument, per day.

Top of Book Points will be awarded on instruments listed in the above table only.

The Market Maker final score is computed as the sum of their Top of Book Points each day and aggregated on a Month to Date basis. Each Market Maker is ranked on their computed final monthly total score.

Calculation Period

Any discounts achieved will be applied to the rate in effect during the hours set forth in the following table. Market Maker ranking will be calculated independently in each location using the following hours (*i.e.*, IGDL will calculate rankings for the 7:30 am LDN to 7:00 am NY time period and rankings for the 7:00 am NY to 5:00 pm NY time period).

Calculation Day	Calculation Time
London Hours	7:30am LDN to 7:00am NY
New York Hours	7:00am NY to 5:00pm NY

Definitions

League Table	A table that ranks each Participant based on certain performance metrics
% of Day Quoted	Percentage of snapshots taken of streaming activity during the day in which each instrument is streamed within Max Bid/Offer Spread at stated Minimum Size (if applicable).

Mr. Christopher J. Kirkpatrick
October 6, 2021

EXHIBIT C

IGDL Discount Structure Appendix

(Marked Version)

IGDL SEF Discount Structure Appendix

January ~~October~~ 2021

IGDL Discount Structure

Brokerage Discounts for i-Swap	
Brokerage Discounts	<ul style="list-style-type: none"> i-Swap rate is 0.0175 bp Trader-entered and Broker-entered transactions are eligible to offset i-Swap minimum fees

Brokerage Discounts for Voice		
Brokerage Discounts <i>(thresholds based off and discounts applied to gross voice execution brokerage in the current month)¹</i>	<u>Monthly Threshold</u>	<u>Discount</u>
	\$75,000 to \$149,999	5%
	\$150,000 to \$249,999	10%
	\$250,000 to \$399,999	20%
	\$400,000 or Greater	35%

i-Swap Streaming Market Maker Program		
<u>Market Maker Discount Streaming Tiers and Discounts</u> <i>(applied to current month's gross execution voice brokerage in the current month)¹</i>	Premium Tier	
	<ul style="list-style-type: none"> Applies only to i-Swap Market Makers who qualify Market Makers ranked based on Top of Book status 	
	<u>Rank</u>	<u>Discount</u>
	#1	15%
	#2	13%
	#3	10%
	Rest	10%
Base Tier		
5% for Base Tier Qualifying Participants		

eTrading Discounts	
eTrading Discounts <i>(applied to current month's i-Swap brokerage)²</i>	<ul style="list-style-type: none"> Applies to all i-Swap Participants, no monthly fee required Participants ranked based on billable DV01 volume Discounts applied to i-Swap brokerage up to \$25k
<u>Rank</u>	<u>Discount</u>
#1	100%
#2	50%

Key Notes: IGDL Discount Structure

For **Brokerage Volume** Discounts on Voice **Brokerage**:

¹ Applies to Fixed/Floating USD LIBOR IRS and SOFR OIS Interest Rate Swaps. Excludes FRA, EFFR OIS, and Single Clearing House Basis swaps.

² ~~Applies to participants with i-Swap invoice and includes Broker entered trades.~~

1. Discounts are determined by combining New York and London gross voice [execution](#) brokerage and applied to activity during both London and New York hours as a rebate at the end of the month.
2. “Gross voice [execution](#) brokerage” means in respect of a Participant (i) brokerage accrued by the participant for all transactions executed using Voice RFQ and (ii) all transaction fees accrued by the participant for all transactions transacted using Broker-entered orders, including brokerage on Clearing House Basis Swaps transacted using Voice RFQ and transaction fees for Clearing House Basis Swaps transacted using Broker-entered orders.
3. Thresholds that determine the amount of the discount are calculated based on, and discounts are applied to, the gross voice [execution](#) brokerage accrued by a participant for the current month.

For i-Swap fees (as described on the Trade Execution Fee Card tab of the IGDL SEF Fee Card):

1. Calculation of “Total Monthly Electronic Fees” for i-Swap are the greater of the following:
 - a. “Trader-entered” transaction fees plus “Broker-entered” transaction fees²³; or
 - b. Minimum TPH i-Swap Front End User Minimum Fee³⁴
2. The i-Swap invoice will reflect the Total Monthly Electronic Fees (as defined above) less any Broker-entered transaction fees [and Market Maker discounts](#).

For i-Swap streaming discounts and eTrading Discounts:

- ~~1. Participants who qualify for both the Streaming Discount and the eTrading Rebate on any given month will receive the greater of the two.~~

For i-Swap Market Maker Discounts on IGDL Voice Brokerage Invoice:

1. [Discounts are applied to only to the gross voice execution brokerage accrued in the corresponding Calculation Period – ie, Market Making in NY Hours will count towards discounts on voice trades executed after 7am EST.](#)

eTrading Discount Plan

Summary

~~IGDL has introduced an eTrading Rebate Plan to reimburse the most active participant by DV01 to the top 2 ranks.~~

~~Participants will receive periodic updates on their trading activity regarding their rank by DV01. At the end of the month, #1 ranked participant by DV01 will be eligible to receive a full rebate of their electronic brokerage up to \$25,000 and #2 ranked participant by DV01 each month will be eligible for a 50% rebate of their electronic brokerage up to \$25,000.~~

²³ Trader-entered and Broker-entered are defined on the “Notes” tab of the ICAP Global Derivatives Limited Trade Execution Fee Card. This calculation includes fees for Clearing House Basis Swaps.

³⁴ See Minimum Fees on the Fees tab of the IGDL SEF Fee Card

i-Swap ~~Streaming~~ Market Maker Program

Summary

IGDL offers ~~additional discounts that will be applied towards a participant's gross voice brokerage for a particular month~~ Market Maker incentives based on a participant's streaming activity on i-Swap for Medium Term Interest Rate Swap instruments. ~~IGDL offers two streaming tiers: Premium Streaming Tier and Base Streaming Tier. Participants can obtain discounts in the Base Streaming Tier by meeting the streaming requirements for the covered instruments set out below in the relevant table. Additionally, participants are eligible to achieve greater discounts by meeting the requirements in the Premium Streaming Tier. Discount percentage for those that meet the Premium Streaming Tier requirements is~~ Market Maker requirements are outlined in the table below, and incentives awarded are based on the participant's final rank in the League Table. The League Table rankings are computed by IGDL using the below defined League Table Methodology.

~~Discount achieved in any given month in either the Premium Streaming Tier or Base Streaming Tier will be applied to the current month's gross voice brokerage.~~

Market Makers must provide the Order Book with an Executable Price Stream for at least 60% of the Monitored Trading Day, averaged over each calendar month.

Market Maker Program Incentives:

Market Makers who qualify for the Market Maker Program discount will be ranked according to the below League Table Methodology.

The **number one** overall ranked Market Maker receives a **15%** discount on their gross voice brokerage for the corresponding Calculation Period.

The **number two** overall ranked Market Maker receives a **13%** discount on their gross voice brokerage for the corresponding Calculation Period.

The **number three** overall ranked Market Maker receives a **10%** discount on their gross voice brokerage for the corresponding Calculation Period.

Market Maker Risk Requirements ~~Streaming Tiers~~

[DELETED]

Base Streaming Tier		Premium Streaming Tier		
Instruments	Semi-Bonds			
	2y, 3y, 4y, 5y, 6y, 7y, 8y, 9y, 10y, 12y, 15y, 20y, 25y, 30y			
	Spread-Overs			
	2y, 3y, 4y, 5y, 6y, 7y, 8y, 9y, 10y, 12y, 15y, 20y, 30y			
	Semi-Bond Curve			
	2x5, 5x7, 5x10, 7x10, 10x12, 10x15, 10x20, 10x30			
	Semi-Bond Butterflies			
	2x3x4, 4x5x6, 5x6x7, 6x7x8, 7x8x9, 8x9x10			
Total Instruments Required:		12		
Max B/O Spread:		1 bp		
% of Day Quoted:		40%		
		Instruments	Minimum Notional (mm)	Max B/O Spread
		Semi-Bonds		
		2y	150	0.5
		3y	75	0.5
		5y	50	0.5
		10y	25	0.5
		30y	10	0.5
		Spread-Overs		
		3y	75	0.625
		5y	50	0.625
		10y	25	0.625
		30y	10	0.625
		Semi-Bond Curve		
		2 x 5	90	0.625
		5 x 10	50	0.625
		5 x 30	15	0.625
		10 x 30	20	0.625
		Semi-Bond Butterflies		
		2 x 3 x 5	150	0.625
		2 x 5 x 10	100	0.625
		5 x 10 x 30	50	0.625
		3 x 4 x 5	200	0.375
		5 x 7 x 10	120	0.5
		10 x 15 x 30	50	0.5
		10 x 20 x 30	40	0.5
		Risk Units Required:		12
		% of Day Quoted:		60%

[ADDED]

Tenor	Minimum Size (mm):	Max B/O: SOFR OIS Outrights	Max B/O: SOFR OIS Spreadovers
2y	200	0.75bp	0.625bp
3y	100	0.75bp	0.625bp
5y	50	0.75bp	0.625bp
7y	30	0.75bp	0.625bp
10y	25	0.75bp	0.625bp
30y	10	0.75bp	0.625bp
Risk Units Required:		8	
% of Day Quoted:		60%	

~~Premium Streaming~~ Market Maker Risk Units

To qualify for ~~Premium streaming~~ Market Maker status, participant must stream a minimum of ~~128~~ Risk Units. A Risk Unit is defined as follows:

- Minimum notional streamed at max bid/offer spread per instrument = 1 Risk Unit. 2x minimum notional = 2 risk units, etc.
 - Example:
 - 10mm 30yr ~~5b~~ spreadover = 1 Risk Unit
 - ~~20~~ 100mm ~~30~~ 5yr ~~5b~~ outright = 2 Risk Units
- Limit 3 Risk Units per Instrument
- Participant can choose any ~~128~~ Risk Units to stream from ~~Premium~~ Market Maker table above.

~~Base Streaming~~ Risk Units

~~To qualify for Base Streaming status, participant must stream a minimum of 12 Risk Units from the Base table at i-Swap's minimum order entry size and at the max bid/offer spread of 1 bp.~~

League Table Methodology

League Table rank in the ~~Premium Streaming Tier~~ Market Maker Program is computed using Top of Book Points on a per instrument basis during the Calculation ~~Time~~ Period.

The score per instrument is computed as follows:

~~Premium streamer~~ Market Maker with highest percentage of day spent on Top of Book status awarded
one point per bid or offer side, per instrument, per day.

Top of ~~book points~~ Book Points will be awarded on ~~Premium Tier~~ instruments listed in the above table only.

The ~~Participant's~~ Market Maker final score is computed as the sum of their Top of Book Points each day and aggregated on a Month to Date basis. Each ~~Participant~~ Market Maker is ranked on their computed final monthly total score.

~~Discount Tier Hours~~ Calculation Period

Any discounts achieved will be applied to the rate in effect during the hours set forth in the following table. ~~Base and Premium Streaming Tiers~~ Market Maker ranking will be calculated independently in each location using the following hours (*i.e.*, IGDL will calculate rankings for the 7:30 am LDN to 7:00 am NY time period and rankings for the 7:00 am NY to 5:00 pm NY time period).

<u>Calculation Day</u>	<u>Calculation Time</u>
<u>London Hours</u>	<u>7:30am LDN to 7:00am NY</u>
<u>New York Hours</u>	<u>7:00am NY to 5:00pm NY</u>

(Del)

Calculation Time	Applicable Rate Discounted
7:30am LDN to 7:00am NY	Before 12:00pm LDN Rate
7:00am NY to 5:00pm NY	After 12:00pm LDN Rate

Definitions

League Table	A table that ranks each Participant based on certain performance metrics
% of Day Quoted	Percentage of snapshots taken of streaming activity during the day in which each instrument is streamed within Max Bid/Offer Spread at stated Minimum Size (if applicable).