



**Olivia Bazor**  
*Staff Attorney*

February 12, 2024

**Re: Updates to ICC Fee Schedules Pursuant to  
Section 5c(c)(1) of the Commodity Exchange  
Act and Commission Regulation 40.6(a)**

**VIA ELECTRONIC PORTAL**

Mr. Christopher Kirkpatrick  
Secretary  
Commodity Futures Trading Commission  
Three Lafayette Centre  
1155 21<sup>st</sup> Street, NW  
Washington, D.C. 20581

Dear Mr. Kirkpatrick:

ICE Clear Credit LLC (“ICC”) hereby submits, pursuant to Section 5c(c)(1) of the Commodity Exchange Act (the “Act”) and Commodity Futures Trading Commission (“Commission”) Regulation 40.6(a), a self-certification of changes to its fee schedules to implement reduced fees for credit default index swaptions (“Index Options”) until further notice. ICC is registered with the Commission as a derivatives clearing organization (“DCO”). ICC intends to implement the changes no sooner than the tenth business day following the filing of this submission with the Commission at its Washington, D.C. headquarters and with its Chicago regional office.

The proposed changes are intended to modify ICE Clear Credit’s fee schedules to implement reduced fees for Index Options<sup>1</sup> until further notice. This submission includes a description of the changes. Certification of the changes to the fee schedules pursuant to Section 5c(c)(1) of the Act and Commission Regulation 40.6(a) is also provided below.

ICE Clear Credit maintains a Clearing Participant (“CP”) fee schedule<sup>2</sup> and client fee schedule<sup>3</sup> (collectively, the “fee schedules”) that are publicly available on its website, which ICE Clear Credit proposes to update. Clearing fees are due by CPs and clients in accordance with the product, amount and currency set out in the fee schedules and subject to any incentive program described in the fee schedules.

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<sup>1</sup> Pursuant to an Index Option, one party (the “Swaption Buyer”) has the right (but not the obligation) to cause the other party (the “Swaption Seller”) to enter into an index credit default swap transaction at a pre-determined strike price on a specified expiration date on specified terms. In the case of Index Options that may be cleared by ICE Clear Credit, the underlying index credit default swap is limited to certain CDX and iTraxx index credit default swaps that are accepted for clearing by ICE Clear Credit, and which would be automatically cleared by ICE Clear Credit upon exercise of the Index Option by the Swaption Buyer in accordance with its terms.

<sup>2</sup> CP fee details available at:  
[https://www.ice.com/publicdocs/clear\\_credit/ICE\\_Clear\\_Credit\\_Fees\\_Clearing\\_Participant.pdf](https://www.ice.com/publicdocs/clear_credit/ICE_Clear_Credit_Fees_Clearing_Participant.pdf).

<sup>3</sup> Client fee details available at:  
[https://www.ice.com/publicdocs/clear\\_credit/ICE\\_Clear\\_Credit\\_Fees.pdf](https://www.ice.com/publicdocs/clear_credit/ICE_Clear_Credit_Fees.pdf). As specified, all fees are charged directly to a client’s CP.



The proposed changes to the fee schedules are set forth in Exhibit A and Exhibit B and described in detail as follows. ICE Clear Credit proposes to make such changes following the completion of the applicable regulatory review process (the “Effective Date”). ICE Clear Credit proposes to maintain the reduced fees for the clearing of Index Options until further action is taken by ICE Clear Credit and the ICE Clear Credit Board of Managers (“Board”) to remove the reduced fees and return the Index Option fees to their regular rates. If and when the Board takes such action to return the Index Option fees to their regular rates, ICE Clear Credit will provide the marketplace 30 calendar days advance notice of the fee change on the fee schedules posted on ICE Clear Credit’s website, which will indicate that the Index Option fees will return to their regular rate and the effective date of such change.

The amended CP fee schedule would reduce Index Option fees to \$1.5/million or €1.5/million until further notice. Under the current CP fee schedule, Index Option fees are \$3/million or €3/million, subject to an incentive program that provides a tiered discount schedule based on U.S. Dollar equivalent, non-discounted Index Option fees billed since the start of the year.<sup>4</sup> ICE Clear Credit also discounted CP Index Option fees for: (i) a portion of 2021, which expired at the end of calendar year 2021;<sup>5</sup> (ii) a portion of 2022, which expired at the end of calendar year 2022;<sup>6</sup> and (iii) a portion of 2023, which expired at the end of calendar year 2023.<sup>7</sup> Under the proposed changes, in addition to updating the fee table, ICE Clear Credit would include a footnote to indicate that the listed fees of \$1.5/million or €1.5/million reflect a discount from ICE Clear Credit’s regular CP Index Options fees of \$3/million or €3/million and that such discounted rates are applicable from the Effective Date until ICE Clear Credit provides 30 calendar days advance notice on the fee schedule posted on ICE Clear Credit’s website indicating that the CP Index Option fees will return to their regular rate and the effective date of such change.

The amended client fee schedule would also reduce Index Option fees to \$2/million or €2/million until further notice. Under the current client fee schedule, Index Option fees are \$4/million or €4/million. ICE Clear Credit also discounted client Index Option fees for: (i) a portion of 2021, which expired at the end of calendar year 2021;<sup>8</sup> a portion of 2022, which expired at the end of calendar year 2022;<sup>9</sup> and a portion of 2023, which expired at the end of calendar year 2023.<sup>10</sup> Under the proposed changes, in addition to

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<sup>4</sup> A description of this incentive program is included in a prior filing. Submission No. 2011-1614-5402-14, dated November 16, 2020.

<sup>5</sup> A description of this incentive program is included in a prior filing. Submission No. 2105-0715-5653-13, dated May 7, 2021.

<sup>6</sup> A description of this incentive program is included in a prior filing. Submission No. 2202-0714-3159-09, dated February 7, 2022.

<sup>7</sup> A description of this incentive program is included in a prior filing. Submission No. 2212-1411-2211-44, dated December 14, 2022.

<sup>8</sup> A description of this incentive program is included in a prior filing. Submission No. 2105-0715-5653-13, dated May 7, 2021.

<sup>9</sup> A description of this incentive program is included in a prior filing. Submission No. 2202-0714-3159-09, dated February 7, 2022.

<sup>10</sup> A description of this incentive program is included in a prior filing. Submission No. 2212-1411-2211-44, dated December 14, 2022.



updating the fee table, ICE Clear Credit would include a footnote to indicate that the listed fees of \$2/million or €2/million reflect a discount from ICE Clear Credit's regular client Index Option fees of \$4/million or €4/million and that such discounted rates are applicable from the Effective Date until ICE Clear Credit provides 30 calendar days advance notice on the fee schedule posted on ICE Clear Credit's website indicating that the client Index Option fees will return to their regular rate and the effective date of such change.

Core Principle Review:

ICC reviewed the DCO core principles ("Core Principles") as set forth in the Act. During this review, ICC identified the following Core Principle as being impacted:

**Public Information:** The changes to the ICC fee schedules are consistent with the public information requirements of Core Principle L. The fee schedules are publicly available on ICC's website. Moreover, such changes to the fee schedules to reduce Index Option fees for CPs and clients would also be publicly available on ICC's website and provide market participants sufficient information to enable them to identify and evaluate accurately the risks and costs associated with using ICC's services.

Amended Rules:

The proposed changes consist of updates to ICC's fee schedules.

Annexed as Exhibits hereto are the following:

- A. Proposed changes to the CP fee schedule
- B. Proposed changes to the client fee schedule

Certifications:

ICC hereby certifies that the fee schedule changes comply with the Act and the regulations thereunder. There were no substantive opposing views to the fee schedule changes.

ICC further certifies that, concurrent with this filing, a copy of the submission was posted on ICC's website and may be accessed at: <https://www.ice.com/clear-credit/regulation>.

ICC would be pleased to respond to any questions the Commission or the staff may have regarding this submission. Please direct any questions or requests for information to the attention of the undersigned at 904-855-5580.

Sincerely,

A handwritten signature in black ink, appearing to read "OB", is positioned above the typed name of the signatory.

Olivia Bazar  
Staff Attorney