



March 14, 2016

Mr. Christopher Kirkpatrick
Secretary
Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, NW
Washington, DC 20581

RE: ICE Clear Credit Swap Submission Related to Mandatory Clearing Determinations

Dear Mr. Kirkpatrick:

ICE Clear Credit LLC (“ICE Clear Credit”) hereby submits (pursuant to the information requirements of Title 17 of the Code of Federal Regulations, Chapter 1 §39.5) to the U.S. Commodity Futures Trading Commission (“CFTC” or “Commission”) the 5-year tenor in series 24 and 25 of the iTraxx Asia Ex-Japan Investment Grade index, maturing on December 20, 2020 and June 20, 2021, respectively, (the “Indices” or “Submitted Swaps”) for a mandatory clearing determination.

§39.5 Review of swaps for Commission determination on clearing requirement.

(b) Swap submissions.

(2) A derivatives clearing organization shall submit swaps to the Commission, to the extent reasonable and practicable to do so, by group, category, type, or class of swaps.

Table 1 below identifies the characteristics of the Submitted Swaps; specifically its type, region, rating and spread-level, as follows:

Type

The single-name Credit Default Swap (“CDS”) constituents of the Indices reference the debt of corporate, financial corporate and sovereign entities (“Referenced Entities”).

Region

All Referenced Entities are incorporated in Asia.

Rating

All Referenced Entities are considered investment grade by the administrator of the Indices.

Spread Level

Not applicable. Applicable only when the reference entity selection criteria include spread-level.

Table 1

Index Classification				Index Name	Swap			
Type	Region	Rating	Spread Level		Series	Maturity	(Tenor)	Currency
Corporate & Sovereign Debt	Asia	Investment Grade	n/a	iTraxx Asia Ex-Japan Investment Grade	25	6/20/2021	(5Y)	USD
Corporate & Sovereign Debt	Asia	Investment Grade	n/a	iTraxx Asia Ex-Japan Investment Grade	24	12/20/2020	(5Y)	USD

§39.5(b)(3)(i) Statement of Eligibility

“A statement that the derivatives clearing organization is eligible to accept the swap, or group, category, type, or class of swaps for clearing and describes the extent to which, if the Commission were to determine that the swap, or group, category, type, or class of swaps is required to be cleared, the derivatives clearing organization will be able to maintain compliance with section 5b(c)(2) of the Act.”

ICE Clear Credit is a Derivatives Clearing Organization (“DCO”) pursuant to Section 5b of the United States Commodity Exchange Act, as amended (the “CEA”), and as such is supervised by the CFTC. ICE Clear Credit became a DCO on July 16, 2011 pursuant to Section 725 of the Dodd-Frank Act (the “Conversion Date”), and since the Conversion Date, ICE Clear Credit has cleared commodity-based swaps similar to the Indices submitted herein in compliance with section 5b(c)(2) of the CEA.

§39.5(b)(3)(ii) Information Related to the Act’s Swap Submission Review Requirements

“A statement that includes, but is not limited to, information that will assist the Commission in making a quantitative and qualitative assessment of the following factors:”

(A) “The existence of significant outstanding notional exposures, trading liquidity, and adequate pricing data.”

Table 2 below provides data describing the outstanding notional exposures, number of Clearing Participants at ICE Clear Credit and/or Clearing Members of ICE Clear Europe with un-cleared positions and adequacy of end-of-day pricing data for the Submitted Swaps.

Index, Series and Tenor

Three columns identify the Submitted Swaps by index, series and tenor.

Outstanding Positions among 16 ICE Clearing Entities

This column provides the gross notional amount of the positions in the Depository Trust & Clearing Corporation (“DTCC”) Trade Information Warehouse (“TIW”), as-of August 18, 2015, among 16 legal entities that are Clearing Participants of ICE Clear Credit (“CPs” or “Clearing Participants”) and/or Clearing Members of ICE Clear Europe. Please note that this does not include all Clearing Members / Clearing Participants.

EOD Price Collection Summary

ICE Clear Credit’s rules require CPs to submit end-of-day pricing data for any swap for which they have a relevant cleared interest. ICE Clear Credit recently demonstrated the ability of CPs to provide end-of-day price discovery submissions for the Indices. During a two-week price collection period from January 18 through February 1, 2016, ICE Clear Credit asked all 30 of its CPs to provide submissions for all Indices. This Table 2 entry consists of two columns summarizing the results of the two-week price collection period. The first column provides the number of CPs providing submissions. The second column provides the average dispersion of submissions. For the purposes of this analysis, ICE Clear Credit defines dispersion as the difference between the highest and lowest submission mid-level after removing the submissions of the two Affiliate Groups with the highest and lowest mid-levels from the sample. The table expresses dispersion as a percentage of the bid-offer width (“BOW”) established each day for the given swap by ICE Clear Credit.

Table 2

Index	Series	Tenor	Outstanding Positions Among 16 ICE Clearing Legal Entities ¹		ICC EOD Price Collection Summary ²	
			One Sided Gross Notional (USD millions)	Number of Entities with Positions	CPs Providing Submissions	Average Dispersion (% of ICE BOW) ³
iTraxx Asia Ex-Japan Investment Grade	25	5Y	N/A ⁴	N/A ⁴	N/A ⁴	N/A ⁴
iTraxx Asia Ex-Japan Investment Grade	24	5Y	N/A ⁵	N/A ⁵	15	35%
iTraxx Asia Ex-Japan Investment Grade <i>(data provided for reference)</i>	23	5Y	5,449	14	15	72%
iTraxx Asia Ex-Japan Investment Grade <i>(data provided for reference)</i>	22	5Y	4,960	14	15	60%

(B) Clearinghouse Capabilities

“The availability of rule framework, capacity, operational expertise and resources, and credit support infrastructure to clear the contract on terms that are consistent with the material terms and trading conventions on which the contract is then traded.”

Rule Framework – ICE Clear Credit maintains a comprehensive set of rules that are publicly available and may be viewed at https://www.theice.com/publicdocs/clear_credit/ICE_Clear_Credit_Rules.pdf and are listed herein as Exhibit A.

Capacity, Operational Expertise and Resources – ICE Clear Credit is the largest, leading, and most active CDS clearinghouse in the world as measured by (1) number and diversification of cleared CDS contracts, (2) volume,

¹ Source: DTCC data providing positions among 16 unique legal entities that are CPs of ICE Clear Credit and/or Clearing Members of ICE Clear Europe, as-of August 18, 2015

² Price collection period from January 18, 2016 through February 1, 2016

³ Average Dispersion calculated using Affiliate Group submissions

⁴ Series 25 will be available for trading starting March 21, 2016

⁵ Series 24 became available for trading September 21, 2015 and therefore was not captured in the outstanding positions as-of August 18, 2015

(3) open interest, (4) amount of default resources (margin collateral and guaranty fund deposits), and (5) number of active CDS Clearing Participants. Since its launch on March 9, 2009, ICE Clear Credit (f/k/a ICE Trust U.S. LLC) has cleared approximately 1,716,000 CDS transactions valued at approximately \$49 trillion dollars. ICE Clear Credit currently clears 129 CDS indices, 410 CDS corporate single names, and 21 sovereign single names. ICE Clear Credit currently maintains a cleared open interest valued at approximately \$889 billion. (additional ICE Clear Credit's statistics may be viewed at www.theice.com/clear_credit.jhtml.)

The following financial institutions have been approved as ICE Clear Credit Clearing Participants: Bank of America, N.A., Barclays Bank PLC, Barclays Capital Inc., BNP Paribas, BNP Paribas Securities Corp., Citibank N.A., Citigroup Global Markets Inc., Credit Suisse International, Credit Suisse Securities (USA) LLC, Deutsche Bank AG, London Branch, Deutsche Bank Securities Inc., Goldman, Sachs & Co., Goldman Sachs International, HSBC Bank USA, N.A., HSBC Bank plc, HSBC Securities (USA) Inc., J.P. Morgan Chase Bank, National Association, J.P. Morgan Securities LLC, Merrill Lynch International, Merrill Lynch, Pierce, Fenner & Smith, Incorporated, Morgan Stanley Capital Services LLC, Morgan Stanley & Co. LLC, Nomura International PLC, Nomura Securities International, Inc., Société Générale, SG Americas Securities LLC, The Bank of Nova Scotia, UBS AG, London Branch, UBS Securities LLC, and Wells Fargo Securities LLC.

Credit Support Infrastructure – As of March 7, 2016, ICE Clear Credit held approximately \$19.9 billion USD equivalent in margin collateral and approximately \$1.8 billion USD equivalent in guaranty fund deposits. On a daily basis, ICE Clear Credit processes millions of dollars in settlements.

(C) Impact on Systemic Risk

“The effect on the mitigation of systemic risk, taking into account the size of the market for such contract and the resources of the derivatives clearing organization available to clear the contract.”

The effect on mitigation of systemic risk from the clearing of the Submitted Swaps is believed to be material for the following reasons:

- The swap listed for clearing is actively traded with significant pre-clearing outstanding positions.
- ICE Clear Credit's CPs are amongst the most active CDS market participants and continue to clear a significant portion of their clearing-eligible portfolio.
- The multi-lateral netting achieved through the clearing process has been significant historically and has substantially reduced the number and notional amount of outstanding bi-lateral positions.
- ICE Clear Credit has developed a robust risk management framework that has been extensively reviewed by regulators, industry participants and third-party experts.
- ICE Clear Credit's price discovery process is working successfully to provide reliable inputs to its risk models.

(D) Competition

“The effect on competition, including appropriate fees and charges applied to clearing.”

ICE Clear Credit's fee structure is appropriate and its margin and guaranty fund computations suitably account for the risk brought to the clearinghouse.

(E) Insolvency Protection

“The existence of reasonable legal certainty in the event of the insolvency of the relevant derivatives clearing organization or one or more of its clearing members with regard to the treatment of customer and swap counterparty positions, funds, and property.”

ICE Clear Credit believes that there is reasonable legal certainty in the event of the insolvency of ICE Clear Credit or a CP with regard to the treatment of house and customer positions, funds and property in connection with the clearing of the submitted swap.

ICE Clear Credit’s CPs consist of several types of institutions, principally futures commission merchants (“FCMs”) (including FCMs that are also broker-dealers), U.S. banks and non-U.S. banks. In the event of a CP insolvency, ICE Clear Credit is of the view, based on the advice of counsel in the relevant jurisdictions, that ICE Clear Credit would be permitted to exercise its rights to close out house positions and apply margin and other property of the defaulting CP in accordance with its rules. With respect to customer positions, which must be carried through an FCM CP, the submitted swap would constitute “commodity contracts” for purposes of the commodity broker liquidation provisions of the U.S. Bankruptcy Code. Under the Bankruptcy Code and the Commission’s Part 190 regulations, ICE Clear Credit would have the ability to close out customer positions following the insolvency of the CP and/or, in appropriate circumstances, facilitate a transfer of such positions to another, solvent CP. Customer property provided in respect of submitted contracts would be subject to the protections for customer property under the Part 190 regulations for the cleared swaps account class. Under the Commission’s Part 22 regulations for cleared swaps, ICE Clear Credit is required to segregate cleared swap customer property. As such, customer property would be subject to distribution to cleared swap customers of the insolvent FCM in accordance with those regulations.

With respect to an ICE Clear Credit insolvency, ICE Clear Credit would itself be a commodity broker subject to the Bankruptcy Code and Part 190 regulations. ICE Clear Credit believes, based on the advice of counsel, that under the applicable provisions of those laws and regulations, ICE Clear Credit rules providing for the termination of all outstanding contracts and the application and/or return of remaining member and customer property to clearing participants would similarly be enforceable.

§39.5(b)(3)(iii) Product Specifications

“Product specifications, including copies of any standardized legal documentation, generally accepted contract terms, standard practices for managing any life cycle events associated with the swap, and the extent to which the swap is electronically confirmable.”

The submitted swap is electronically confirmable. Lifecycle events are processed by ICE Clear Credit and DTCC subject to determinations committee and industry groups. Product specifications are included below.

26J. iTraxx Asia/Pacific.

The rules in this Subchapter 26J apply to the clearance of iTraxx Asia/Pacific Untranchured Contracts.

26J-102. Definitions.

iTraxx Asia/Pacific Untranchured Contract

A credit default swap in respect of any Eligible iTraxx Asia/Pacific Untranching Index and governed by any iTraxx Asia/Pacific Untranching Terms Supplement. An iTraxx Asia/Pacific Untranching Contract is a CDS Contract for purposes of Chapter 20.

iTraxx Asia/Pacific Untranching Publisher

Markit Group Limited or its successor, or any successor sponsor of the Eligible iTraxx Asia/Pacific Untranching Indexes it publishes.

iTraxx Asia/Pacific Untranching Rules

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

iTraxx Asia/Pacific Untranching Terms Supplement

Any one of the following:

(a) The iTraxx Asia/Pacific Legacy Untranching Standard Terms Supplement as published on September 20, 2014 together with the fourth paragraph of the form of confirmation published on September 20, 2014 with respect to such standard terms supplement (or any relevant electronic equivalent thereof) (the “**Legacy 2014 Supplement**”).

(b) The iTraxx Asia/Pacific Untranching Standard Terms Supplement as published on September 20, 2014 together with the third paragraph of the form of confirmation published on September 20, 2014 with respect to such standard terms supplement (or any relevant electronic equivalent thereof) (the “**New 2014 Supplement**”, and together with the Legacy 2014 Supplement, the “**2014 Supplements**”).

(c) Such other supplement as may be specified in relation to any Eligible iTraxx Asia/Pacific Untranching Index by ICE Clear Credit, including any successor to any of the documents listed in subparagraphs (a) or (b) of this definition.

For purposes of each iTraxx Asia/Pacific Untranching Contract, a reference in the iTraxx Asia/Pacific Untranching Terms Supplement to an “iTraxx Master Transaction” shall be deemed a reference to an iTraxx Asia/Pacific Untranching Contract.

Eligible iTraxx Asia/Pacific Untranching Index

Each particular series and version of an iTraxx Asia ex-Japan or iTraxx Australia index or sub-index, as published by the iTraxx Asia/Pacific Untranching Publisher, determined by ICE Clear Credit to be eligible and included in the List of Eligible iTraxx Asia/Pacific Untranching Indexes.

List of Eligible iTraxx Asia/Pacific Untranching Indexes

The list of Eligible iTraxx Asia/Pacific Untranching Indexes, maintained, updated and published by the Board or its designee on the ICE Clear Credit website, specifying the following information with respect to each index:

- (a) the name (either iTraxx Asia ex-Japan or iTraxx Australia) 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 iTraxx Asia/Pacific Untranching Terms Supplement;
- (e) the versions (and related annex dates) eligible for clearing (and, if applicable for the relevant index, the Applicable Credit Derivatives Definitions for each component); and
- (f) any inactive versions (and related annex dates), i.e., those that have been determined to be fungible with later versions.

Relevant iTraxx Asia/Pacific Untranching Terms Supplement

With respect to an Eligible iTraxx Asia/Pacific Untranching Index, the iTraxx Asia/Pacific Untranching Terms Supplement specified for such Eligible iTraxx Asia/Pacific Untranching Index in the List of Eligible iTraxx Asia/Pacific Untranching Indexes.

26J-309. Acceptance of iTraxx Asia/Pacific Untranching Contracts by ICE Clear Credit.

- (a) A CDS Participant shall make all reasonable efforts to not submit a Trade for clearance as a iTraxx Asia/Pacific 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 iTraxx Asia/Pacific 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 iTraxx Asia/Pacific Untranching Contract;

(such time with respect to any iTraxx Asia/Pacific 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 clause (i) or (ii) above as the Clearance Cut-off Time with respect to any iTraxx Asia/Pacific Untranching Contract. CDS Participants may again submit Trades for clearance as such iTraxx Asia/Pacific 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 26J-316) has occurred with respect to such iTraxx Asia/Pacific 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.

26J-315. Terms of the Cleared iTraxx Asia/Pacific Untranching Contract.

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

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

- (a) Where the iTraxx Asia/Pacific Untranching Publisher of an Eligible iTraxx Asia/Pacific Untranching Index publishes one or more subsequent versions or annexes of the relevant series following a Credit Event or a Succession Event or circumstances giving rise to a Successor and Succession Date with respect to a Reference Entity included in such series, and the Board or its designee determines that iTraxx Asia/Pacific Untranching Contracts referencing the earlier version or annex of such series are fungible with iTraxx Asia/Pacific Untranching Contracts referencing a later version or annex of such series that is an Eligible iTraxx Asia/Pacific Untranching Index and so notifies CDS Participants, iTraxx Asia/Pacific Untranching Contracts referencing the earlier version or annex of such series shall become iTraxx Asia/Pacific 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 iTraxx Asia/Pacific 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 iTraxx Asia/Pacific 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 iTraxx Asia/Pacific 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 iTraxx Asia/Pacific Untranching Terms

Supplement for any iTraxx Asia/Pacific Untranching Contract(s) (the “**Existing Standard Terms**”), and the Board or its designee determines that iTraxx Asia/Pacific Untranching Contracts referencing the Existing Standard Terms are fungible with iTraxx Asia/Pacific Untranching Contracts referencing the New Standard Terms, and so notifies CDS Participants, iTraxx Asia/Pacific Untranching Contracts referencing the Existing Standard Terms shall become iTraxx Asia/Pacific 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 iTraxx Asia/Pacific Untranching Terms Supplement subject to such determination, a “**Superseded Standard Terms**”). Any Trade referencing a Superseded Standard Terms submitted for clearing as a iTraxx Asia/Pacific Untranching Contract shall, upon acceptance for clearing, become a iTraxx Asia/Pacific 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 iTraxx Asia/Pacific Untranching Contracts or groups of iTraxx Asia/Pacific Untranching Contracts or may determine a Fungibility Date or Standard Terms Update Date applicable to all iTraxx Asia/Pacific Untranching Contracts referencing the earlier version or annex of a series described in clauses (a) or (b) of this Rule, as it deems appropriate.

26J-317. Terms of iTraxx Asia/Pacific Untranching Contracts.

With respect to each iTraxx Asia/Pacific Untranching Contract, the following terms will apply:

- (a) The following provisions will apply to each iTraxx Asia/Pacific Untranching Contract or component thereof to which the 2003 Definitions apply under the Relevant iTraxx Asia/Pacific Untranching Terms Supplement:

- (i) Section 3.2(c)(i) of the 2003 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 iTraxx Asia/Pacific Untranching Contracts; or".

- (ii) For the purposes of any determination as to whether a Credit Event has occurred in respect of a Reference Entity or an Obligation thereof:

(A) at any time up to but excluding June 20, 2009; or

(B) if (1) a Credit Event Resolution Request Date occurs or (2) 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.

(iii) For the purposes of any determination as to whether a Succession Event has occurred in respect of a Reference Entity:

(A) at any time up to but excluding June 20, 2009; or

(B) if (1) a Succession Event Resolution Request Date occurs or (2) 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.

(iv) Except for purposes of Rule 26J-317(a)(ii) and Section 1.23 of the 2003 Definitions, a Credit Event Notice and Notice of Publicly Available Information with respect to a iTraxx Asia/Pacific Untranching Contract for a Credit Event other than Restructuring 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 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 iTraxx Asia/Pacific Untranching Contract. Notwithstanding anything to the contrary in the 2003 Definitions or any Relevant iTraxx Asia/Pacific Untranching Terms Supplement, 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 26J-317(a)(iv) or (ii) notices with respect to a Relevant Restructuring Credit Event as provided in the CDS Restructuring Rules) shall not be valid.

(v) Section 1.8(a)(ii)(A)(l)(3)(y) of the 2003 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".

(vi) Section 1.30 of the 2003 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".

(vii) With respect to iTraxx Asia/Pacific Untranching Contracts for which it is Resolved by the 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 2003 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 2003 Definitions.

- (b) The following provisions will apply to each iTraxx Asia/Pacific Untranching Contract or component thereof to which the 2014 Definitions apply under the Relevant iTraxx Asia/Pacific Untranching Terms Supplement:
- (i) Section 8.10(a) of the 2014 Definitions is hereby amended by replacing the "." at the end of subparagraph (B) thereof with "; 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 iTraxx Asia/Pacific Untranching Contracts."
 - (ii) Except for purposes of Section 1.39 of the 2014 Definitions, a Credit Event Notice and Notice of Publicly Available Information with respect to a iTraxx Asia/Pacific Untranching Contract for a Credit Event other than M(M)R Restructuring 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 other than M(M)R Restructuring has occurred for which there is Publicly Available Information, as described in CDS Committee Rule 2101-02(a)(iii), with respect to such iTraxx Asia/Pacific Untranching Contract. Notwithstanding anything to the contrary in the 2014 Definitions or the Relevant iTraxx Asia/Pacific Untranching Terms Supplement, 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 26J-317(b)(ii) or (ii) notices with respect to a Relevant Restructuring Credit Event as provided in the CDS Restructuring Rules) shall not be valid. For the avoidance of doubt, Section C.2 of the Legacy 2014 Supplement and Section 5.7 of the New 2014 Supplement shall not apply.
 - (iii) For the purposes only of Section 1.16(a)(ii)(A)(II) of the 2014 Definitions, Section 1.17 of the 2014 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".

- (iv) With respect to iTraxx Asia/Pacific Untranchured Contracts for which it is Resolved by the 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 6.1 of the 2014 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 10.1 and 10.2 of the 2014 Definitions.
- (c) The Settlement Method for particular iTraxx Asia/Pacific Untranchured Contracts will be Auction Settlement and the Fallback Settlement Method will be Physical Settlement in accordance with the CDS Physical Settlement Rules.
- (d) Notwithstanding anything to the contrary in the Relevant iTraxx Asia/Pacific Untranchured Terms Supplement, the Reference Obligation for purposes of a New Trade (as defined therein) will be the Reference Obligation for the Restructured Entity in question as specified by ICE Clear Credit following consultation with the CDS Risk Committee (which for the avoidance of doubt may be determined by reference to any Standard Reference Obligation).
- (e) The following terms will apply to each iTraxx Asia/Pacific Untranchured Contract:
 - (i) The “Agreement” is the Participant Agreement between the relevant CDS Participant and ICE Clear Credit.
 - (ii) The “Effective Date” is the date specified in the List of Eligible iTraxx Asia/Pacific Indexes for the relevant Index.
 - (iii) The “Calculation Agent” is ICE Clear Credit, except as provided in the CDS Committee Rules.
 - (iv) “De Minimis Cash Settlement” under the Relevant iTraxx Asia/Pacific Untranchured Terms Supplement is not applicable.
 - (v) The “Fixed Rate” is the rate specified in the List of Eligible iTraxx Asia/Pacific Indexes for the relevant Index and Scheduled Termination Date.
 - (vi) The “Initial Payment Date” will be the date that is the first Business Day immediately following the Trade Date; provided that with respect to a iTraxx Asia/Pacific Untranchured Contract that is accepted for clearing pursuant to Rule 309 after the Trade Date thereof, the “Initial Payment Date” will be the date that is the first Business Day following the date as of which such iTraxx Asia/Pacific Untranchured Contract is accepted for clearing pursuant to Rule 309.

- (f) For each iTraxx Asia/Pacific Untranching Contract, the following terms will be determined according to the particular iTraxx Asia/Pacific Untranching Contract submitted for clearing:
- (i) Which of the Eligible iTraxx Asia/Pacific 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 iTraxx Asia/Pacific Untranching Indexes is the “Scheduled Termination Date”.
 - (v) The “Original Notional Amount”.
 - (vi) The “Floating Rate Payer”.
 - (vii) The “Fixed Rate Payer”.
 - (viii) The “Initial Payment Payer”.
 - (ix) The “Initial Payment Amount”.

§39.5(b)(3)(iv) Participant Eligibility

“Participant eligibility standards, if different from the derivatives clearing organization’s general participant eligibility standards.”

The participant eligibility standards related to the Indices are not different from ICE Clear Credit’s general participant eligibility standards.

§39.5(b)(3)(v) Price Discovery

“Pricing sources, models, and procedures, demonstrating an ability to obtain sufficient price data to measure credit exposures in a timely and accurate manner, including any agreements with clearing members to provide price data and copies of executed agreements with third-party price vendors, and information about any price reference index used, such as the name of the index, the source that calculates it, the methodology used to calculate the price reference index and how often it is calculated, and when and where it is published publicly.”

See the ICE Clear Credit End-of-Day Price Discovery Policies and Procedures attached hereto as Confidential Exhibit B.

See Markit Data and Settlement Price Data License Agreement dated March 6, 2009, previously submitted as Confidential Exhibit C on March 27, 2012.

See Amendment to Markit Data and Settlement Price Data License Agreement dated December 17, 2010, previously submitted as Confidential Exhibit D on March 27, 2012.

§39.5(b)(3)(vi) Risk Management

“Risk management procedures, including measurement and monitoring of credit exposures, initial and variation margin methodology, methodologies for stress testing and back testing, settlement procedures, and default management procedures.”

See the ICE Clear Credit Risk Management Framework attached hereto as Confidential Exhibit E. See the ICE Clear Credit Risk Management Model Description document attached hereto as Confidential Exhibit F.

See the ICE Clear Credit Risk Management Backtesting Framework attached hereto as Confidential Exhibit G.

See the ICE Clear Credit Risk Management Stress Testing Framework attached hereto as Confidential Exhibit H.

§39.5(b)(3)(vii) Rules, Policies and Procedures

ICE Clear Credit maintains a comprehensive set of rules that are publicly available and may be viewed at https://www.theice.com/publicdocs/clear_credit/ICE_Clear_Credit_Rules.pdf and are listed herein as Exhibit A.

See the ICE Clear Credit Risk Management Framework attached hereto as Confidential Exhibit E. See the ICE Clear Credit Risk Management Model Description document attached hereto as Confidential Exhibit F.

§39.5(b)(3)(viii) Communication to Members Regarding this Submission

“A description of the manner in which the derivatives clearing organization has provided notice of the submission to its members and a summary of any views on the submission expressed by the members (a copy of the notice to members shall be included with the submission.”

ICE Clear Credit posted a copy of this submission (absent any confidential exhibits) on its public website on March 14, 2016. Written comments relating to the submission have not been solicited or received. ICE Clear Credit will notify the CFTC of any written comments received by ICE Clear Credit.

Pursuant to applicable law, ICE Clear Credit respectfully requests confidential treatment of the confidential exhibits attached as part of this submission and any other information or documents which may at any time be submitted in connection with this submission and which may be marked “Confidential” or for which confidential treatment may be requested.

Confidential treatment of the confidential exhibits attached as part of this submission and any subsequent related documents is justified under the Freedom of Information Act, 5 U.S.C. § 552, *et seq.* and the Rules Regarding

Availability of Information, 12 C.F.R. § 261.15 (2006). The confidential exhibits attached as part of this submission contain confidential business and commercial information regarding (together with confidential intellectual property) related to ICE Clear Credit's clearing facility for credit default swaps and ICE Clear Credit's clearing participants, the disclosure of which could have a material adverse effect on, and cause injury to, the operations and competitive position of ICE Clear Credit and its clearing participants. We believe that the confidential exhibits are entitled to protection pursuant to exemptions (b)(4) and (b)(8) of the Freedom of Information Act. In particular, the confidential exhibits provide information that is useful to potential competitors and would be competitively harmful to ICE Clear Credit and its clearing participants if disclosed to the public.

In the event that a determination is made to release any confidential portion of this submission, we respectfully request an opportunity to discuss or to revise as appropriate prior to such release.

If you should have any questions or comments, please do not hesitate to contact me at 312-836-6742.

Respectfully submitted,



Eric Nield
General Counsel

cc: Peter Kals, U.S. Commodity Futures Trading Commission
Julie Mohr, U.S. Commodity Futures Trading Commission
Tad Polley, U.S. Commodity Futures Trading Commission
Joe Opron, U.S. Commodity Futures Trading Commission
Stan Ivanov, ICE Clear Credit LLC
Donald Sternard, ICE Clear Credit LLC
Ian Springle, ICE Clear Credit LLC
Michelle Weiler, ICE Clear Credit LLC
Sarah Williams, ICE Clear Credit LLC
FOIA Office

Enc: Exhibit A – ICE Clear Credit Rules available at:
https://www.theice.com/publicdocs/clear_credit/ICE_Clear_Credit_Rules.pdf
Confidential Exhibit B – ICE Clear Credit End-of-Day Price Discovery Policies and Procedures
Confidential Exhibit E – ICE Clear Credit Risk Management Framework
Confidential Exhibit F – ICE Clear Credit Risk Management Model Description document
Confidential Exhibit G – ICE Clear Credit Risk Management Backtesting Framework
Confidential Exhibit H – ICE Clear Credit Risk Management Stress Testing Framework