SERVICE OVERVIEW
The adoption of the Dodd-Frank Act in the U.S. and the European Market Infrastructure Regulation (EMIR) in the EU require Credit Default Swaps (CDS) to be cleared with a central counterparty on trade date.

ICE Link provides specialized clearing workflows and connectivity to the ICE and CME clearing houses for CDS clearing to meet the requirements of these new regulations. Additionally, ICE Link serves as the portal to the ICE CDS clearing house.

Trade date clearing demands the timely and accurate capture of trade data within minutes of trade execution. Accordingly, this core principle of efficient operational processing is now more important than ever before.

As the most widely adopted post trade affirmation service for CDS, ICE Link’s unparalleled CDS connectivity and workflows allow market participants to electronically agree trade details within moments of having executed a deal, communicate clearing instructions to their Clearing/FCM Broker, and receive the clearing house status.

OPERATIONAL BENEFIT
The mitigation of counterparty risk is not the only benefit to be derived from the adoption of clearing. ICE Link’s trade date clearing services will bring real and demonstrable benefits to Buy Side participants through greatly enhanced operational processing.

REALTIME CLEARING WORKFLOW

1. Trade is executed as Voice Trade or via SEF platform.
2. Executing Broker or SEF alleges block trade details.
4. Clearing Broker/FCM reviews and affirms to consent to clear trade (if rejected, the Buy-side can select another CB/FCM).
5. Affirmed trade is submitted to the Clearing House.
6. The Clearing House clears & confirms the trade.

REDUCED OPERATIONAL COST
Clearing and settling of CDS trades on trade date will significantly reduce the operational costs involved in trading CDS.

REMOVE OPERATIONAL RISK
Economic errors on trades are identified, resolved and corrected at the beginning of the trade life cycle, minimizing economic losses.

SCALABILITY
ICE Link delivers accurate data, automation and STP allowing Buy Side participants to trade more actively while reducing processing costs.
CLIENT CLEARING TOOLS

ICE Link’s complete clearing solution offers uniquely sophisticated features yet remains simple to use and deploy.

Key clearing features include:

- New Trade Clearing Affirmation Workflow
- Clearing Broker/FCM consent and trade allocation processing
- Clearing Status/Audit
- Clearing Back-load, Portability, Fund-to-Fund and FCM Transfer Workflows
- Automated Affirmation Matching service
- Integrated Third Parties (OMS/Trade Capture, IDB/SEF, Fund Administrators and Custodians)
- Daily clearing reports
- Margin Analysis/Pre-Clear ("What-if") Margin Tool

For daily clearing reports:

- Clearing reports available in test and production
- Reports delivered via web based GUI, API system-to-system interface and secure FTP
- Delivery at end of day local time

• Available to all clients through the ICE Link GUI
• Provides full transparency into our ICE CDS initial margin methodology with results broken down by component
• Run what-if scenarios on existing positions or custom portfolios
• Select existing positions in the ICE Link Positions Blotter
• Ability to upload custom portfolios directly into Calculator
• Review Margin Results/Export in CSV format

For more information, please contact:

London +44 (0)20 7429 4500 | New York +1 212 323 6020 | Email ICESales.OTCFinancial@theice.com theice.com

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