

**NOTICE  
14-105**

December 17, 2014

**Summary of content**

Change to Fees  
Charged for Clearing  
Member Cash  
Deposits

**For more information  
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Currently, ICE Clear US, Inc. ("ICUS") charges fees to Clearing Members for USD cash deposits and credits a percentage of interest earned (if any) on non-USD cash deposits to Clearing Members. The USD cash deposits are subject to an annualized fee equal to the fees charged by external managers plus additional basis points based on the sliding scale below:

Investment return, net of expenses	0-4	5-10	11-15	16-20	21-25	26-30	31-35	36-40	41-45	46-49	50+
ICUS Portion	0	1	2	3	4	5	6	7	8	9	10

Beginning on February 1, 2015 (and subject to regulatory filings), ICUS will eliminate the sliding scale of fees for USD cash balance and implement the following two changes with respect to USD and non-USD cash deposits held by ICUS.

- 1) For USD deposits, ICUS will implement an ICE Depository Rate ("IDR"). The IDR will be the net interest income earned on USD cash deposits (positive or negative), less external investment management expenses (estimated at approximately 4.5 basis points), less a charge of 5 basis points. The IDR is an annualized fee that will be calculated daily, accrued monthly, and charged (or credited if applicable) on a monthly basis. The IDR will be updated daily in ECS and published on a Daily Interest Rate Report distributed through ICUS MFT.
- 2) ICUS will no longer pay interest on Clearing Member non-USD cash balances. Additionally, with many currencies currently in a zero or negative earning rate environment, ICUS will pass along any charges to Clearing Members for any negative interest that ICUS is charged on these balances.

These modified charges are a result of the growing complexity of cash management and the maintenance of liquidity facilities in order to comply with both domestic and international central counterparty principles and regulations. Firms should be aware that in a low or negative interest rate environment these charges may result in negative return on cash deposits held by ICUS.

**Please ensure that the appropriate members of staff within your organization are advised of the content of this Notice.**