

Required fields are shown with yellow backgrounds and asterisks.

Page 1 of * 15 SECURITIES AND EXCHANGE COMMISSION File No.* SR - 2014 - * 05
 WASHINGTON, D.C. 20549
 Form 19b-4 Amendment No. (req. for Amendments *)

Filing by ICE Clear Credit LLC.
 Pursuant to Rule 19b-4 under the Securities Exchange Act of 1934

Initial *	Amendment *	Withdrawal	Section 19(b)(2) *	Section 19(b)(3)(A) *	Section 19(b)(3)(B) *
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			Rule		
Pilot	Extension of Time Period for Commission Action *	Date Expires *	<input type="checkbox"/> 19b-4(f)(1)	<input type="checkbox"/> 19b-4(f)(4)	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="text"/>	<input type="checkbox"/> 19b-4(f)(2)	<input type="checkbox"/> 19b-4(f)(5)	
			<input type="checkbox"/> 19b-4(f)(3)	<input type="checkbox"/> 19b-4(f)(6)	

Notice of proposed change pursuant to the Payment, Clearing, and Settlement Act of 2010	Security-Based Swap Submission pursuant to the Securities Exchange Act of 1934
Section 806(e)(1) *	Section 3C(b)(2) *
<input type="checkbox"/>	<input type="checkbox"/>
Section 806(e)(2) *	
<input type="checkbox"/>	

Exhibit 2 Sent As Paper Document	Exhibit 3 Sent As Paper Document
<input type="checkbox"/>	<input type="checkbox"/>

Description

Provide a brief description of the action (limit 250 characters, required when Initial is checked *).

The principal purpose of the proposed changes is to update ICC's policy regarding valuation of maturing U.S. Treasury securities and update ICC's collateral asset haircut methodology.

Contact Information

Provide the name, telephone number, and e-mail address of the person on the staff of the self-regulatory organization prepared to respond to questions and comments on the action.

First Name * Michelle Last Name * Weiler

Title * Assistant General Counsel

E-mail * Michelle.Weiler@theice.com

Telephone * (312) 836-6884 Fax

Signature

Pursuant to the requirements of the Securities Exchange Act of 1934,

has duly caused this filing to be signed on its behalf by the undersigned thereunto duly authorized.

(Title *)

Date 04/21/2014 Staff Attorney

By Sarah Williams

(Name *)

Persona Not Validated - 1384527072735,

NOTE: Clicking the button at right will digitally sign and lock this form. A digital signature is as legally binding as a physical signature, and once signed, this form cannot be changed.

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

For complete Form 19b-4 instructions please refer to the EFFF website.

Form 19b-4 Information *

Add Remove View

The self-regulatory organization must provide all required information, presented in a clear and comprehensible manner, to enable the public to provide meaningful comment on the proposal and for the Commission to determine whether the proposal is consistent with the Act and applicable rules and regulations under the Act.

Exhibit 1 - Notice of Proposed Rule Change *

Add Remove View

The Notice section of this Form 19b-4 must comply with the guidelines for publication in the Federal Register as well as any requirements for electronic filing as published by the Commission (if applicable). The Office of the Federal Register (OFR) offers guidance on Federal Register publication requirements in the Federal Register Document Drafting Handbook, October 1998 Revision. For example, all references to the federal securities laws must include the corresponding cite to the United States Code in a footnote. All references to SEC rules must include the corresponding cite to the Code of Federal Regulations in a footnote. All references to Securities Exchange Act Releases must include the release number, release date, Federal Register cite, Federal Register date, and corresponding file number (e.g., SR-[SRO]-xx-xx). A material failure to comply with these guidelines will result in the proposed rule change being deemed not properly filed. See also Rule 0-3 under the Act (17 CFR 240.0-3)

Exhibit 1A- Notice of Proposed Rule Change, Security-Based Swap Submission, or Advance Notice by Clearing Agencies *

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The Notice section of this Form 19b-4 must comply with the guidelines for publication in the Federal Register as well as any requirements for electronic filing as published by the Commission (if applicable). The Office of the Federal Register (OFR) offers guidance on Federal Register publication requirements in the Federal Register Document Drafting Handbook, October 1998 Revision. For example, all references to the federal securities laws must include the corresponding cite to the United States Code in a footnote. All references to SEC rules must include the corresponding cite to the Code of Federal Regulations in a footnote. All references to Securities Exchange Act Releases must include the release number, release date, Federal Register cite, Federal Register date, and corresponding file number (e.g., SR-[SRO]-xx-xx). A material failure to comply with these guidelines will result in the proposed rule change, security-based swap submission, or advance notice being deemed not properly filed. See also Rule 0-3 under the Act (17 CFR 240.0-3)

Exhibit 2 - Notices, Written Comments, Transcripts, Other Communications

Add Remove View

Exhibit Sent As Paper Document

Copies of notices, written comments, transcripts, other communications. If such documents cannot be filed electronically in accordance with Instruction F, they shall be filed in accordance with Instruction G.

Exhibit 3 - Form, Report, or Questionnaire

Add Remove View

Exhibit Sent As Paper Document

Copies of any form, report, or questionnaire that the self-regulatory organization proposes to use to help implement or operate the proposed rule change, or that is referred to by the proposed rule change.

Exhibit 4 - Marked Copies

Add Remove View

The full text shall be marked, in any convenient manner, to indicate additions to and deletions from the immediately preceding filing. The purpose of Exhibit 4 is to permit the staff to identify immediately the changes made from the text of the rule with which it has been working.

Exhibit 5 - Proposed Rule Text

Add Remove View

The self-regulatory organization may choose to attach as Exhibit 5 proposed changes to rule text in place of providing it in Item I and which may otherwise be more easily readable if provided separately from Form 19b-4. Exhibit 5 shall be considered part of the proposed rule change.

Partial Amendment

Add Remove View

If the self-regulatory organization is amending only part of the text of a lengthy proposed rule change, it may, with the Commission's permission, file only those portions of the text of the proposed rule change in which changes are being made if the filing (i.e. partial amendment) is clearly understandable on its face. Such partial amendment shall be clearly identified and marked to show deletions and additions.

Form 19b-4 Information

1. Text of the Proposed Rule Change

(a) The proposed changes have been annexed as Exhibit 5 and consist of certain rule changes that have been proposed by ICE Clear Credit LLC (“ICC”). The principal purpose of the proposed changes is to update ICC’s policy regarding valuation of maturing U.S. Treasury securities and update ICC’s collateral asset haircut methodology.

(b) Not applicable.

(c) Not applicable.

2. Procedures of the Self-Regulatory Organization

(a) The proposed update to ICC’s policy regarding the valuation of maturing U.S. Treasury securities was recommended by the ICC Risk Committee for approval by the ICC Board of Managers (the “ICC Board”) on February 19, 2014 and approved by the ICC Board on February 27, 2014. The proposed updates to ICC’s collateral asset haircut methodology were recommended by the ICC Risk Committee for approval by the ICC Board on January 15, 2014 and approved by the ICC Board on February 27, 2014.

(b) Please refer questions and comments on the proposed rule change to Michelle Weiler, Assistant General Counsel of ICC, at (312) 836-6884.

3. Self-Regulatory Organization’s Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

The proposed changes are intended to update ICC’s policy regarding valuation of maturing U.S. Treasury securities and update ICC’s collateral asset haircut methodology.

ICC believes such changes will facilitate the prompt and accurate clearance and settlement of securities transactions and derivative agreements, contracts, and transactions for which it is responsible. The proposed changes are described in detail as follows.

ICC is updating its policy regarding the valuation of maturing U.S. Treasury securities deposited to satisfy margin and guaranty fund requirements. ICC will reduce the collateral valuation of maturing securities to \$0 two business days prior to maturity. This timing allows for collection of additional margin or guaranty fund, if required, prior to maturity. Clearing Participants will receive notice the week prior to any collateral maturity dates and will be encouraged to replace maturing securities with other acceptable collateral. If collateral matures while on deposit with ICC, proceeds will be credited to the margin or guaranty fund account, as appropriate, when received by ICC on the maturity day. In the past, ICC and other IntercontinentalExchange, Inc. clearing houses have applied this methodology when nearing the U.S. debt ceiling, and this update will provide consistent collateral valuation certainty at all times. Implementation of this policy will align ICC with other IntercontinentalExchange, Inc. clearing houses. ICC's Treasury Operations Policies and Procedures have been updated to reflect this change, and Clearing Participants will be notified via circular.

In order to provide consistency in the calculation of collateral asset haircuts among the IntercontinentalExchange, Inc. clearing houses, ICC is updating its Risk Management Framework. Currently at ICC, haircuts for relevant assets (e.g. U.S. Treasury securities and currencies) are calculated using a five-day liquidation period and a 99% confidence interval expected shortfall calculation. Under the updated collateral asset haircut methodology, the IntercontinentalExchange, Inc. clearing houses will calculate haircuts for relevant assets using the greater (which may be rounded to the nearest 1%), and hence more conservative, of: (i) the

haircut determined using a five-day liquidation period and a 99% confidence interval expected shortfall calculation (currently used at ICC), and (ii) the haircut determined using a two day holding period and 99.9% confidence interval Value-at-Risk calculation. In practice, the more conservative five-day liquidation period and a 99% confidence interval expected shortfall calculation, currently used at ICC, will continue to be the driver of haircuts. Thus, the updated collateral asset haircut methodology will have no practical impact on ICC's haircut values. Furthermore, as applied to currencies, should ICC choose to use one haircut for a given foreign exchange pair (e.g. USD v. Euro, Euro v. USD), ICC will apply the more conservative haircut. The changes to the methodology for calculation of collateral asset haircuts do not require any operational changes.

Section 17A(b)(3)(F) of the Act¹ requires, among other things, that the rules of a clearing agency be designed to promote the prompt and accurate clearance and settlement of securities transactions and, to the extent applicable, derivative agreements, contracts, and transactions and to comply with the provisions of the Act and the rules and regulations thereunder. ICC believes that the proposed rule changes are consistent with the requirements of the Act and the rules and regulations thereunder applicable to ICC, in particular, to Section 17(A)(b)(3)(F)², because ICC believes that the proposed rule changes will facilitate the prompt and accurate settlement of swaps and contribute to the safeguarding of securities and funds associated with swap transactions which are in the custody or control of ICC or for which it is responsible. The update to ICC's policy regarding valuation of maturing U.S. Treasury securities and the update to ICC's collateral asset haircut methodology provide consistency across the IntercontinentalExchange, Inc. clearing houses. ICC considers the update to its policy regarding valuation of maturing U.S.

¹ 15 U.S.C. 78q-1(b)(3)(F)

² Id.

Treasury securities to be a risk reducing measure, providing consistent collateral valuation certainty at all times. ICC believes the update to its collateral asset haircut methodology assures that ICC will continue to apply the more conservative haircut of the two methodologies included in ICC's policy. As such, the proposed rule changes will facilitate the prompt and accurate settlement of swaps and contribute to the safeguarding of customer funds and securities within the control of ICC within the meaning of Section 17A(b)(3)(F)³ of the Act.

4. Self-Regulatory Organization's Statement on Burden on Competition

ICC does not believe the proposed rule changes would have any impact, or impose any burden, on competition. The update to ICC's policy regarding valuation of maturing U.S. Treasury securities and the update to ICC's collateral asset haircut methodology apply uniformly across all market participants. Therefore, ICC does not believe the proposed rule changes impose any burden on competition that is inappropriate in furtherance of the purposes of the Act.

5. Self-Regulatory Organization's statement on Comments on the Proposed Rule Change Received from Members, Participants, or Others

Written comments relating to the proposed rule changes have not been solicited or received. ICC will notify the Commission of any written comments received by ICC.

6. Extension of Time Period for Commission Action

ICC does not consent to an extension of any time period for Commission action.

7. Basis for Summary Effectiveness Pursuant to Section 19(b)(3) or for Accelerated Effectiveness Pursuant to Section 19(b)(2) or Section 19(b)(7)(D)

³ Id.

- (a) Not applicable.
- (b) Not applicable.
- (c) Not applicable.
- (d) Not applicable.

8. Proposed Rule Change Based on Rules of Another Self-Regulatory Organization or the Commission

The proposed rule changes are not based on the rules of another self-regulatory organization or the Commission.

9. Exhibits

Exhibit 1 – Notice of proposed rule change for publication in the Federal Register.

Exhibit 5 – Text of proposed Circular 2014/00X, “Valuation of Maturing U.S. Treasury Securities”

Exhibit 1

SECURITIES AND EXCHANGE COMMISSION
(Release No. 34- ; File No. SR-ICC-2014-05)

April 21, 2014

Self-Regulatory Organizations; ICE Clear Credit LLC; Notice of Filing of Proposed Rule Change to Update ICC's Policy Regarding Valuation of Maturing U.S. Treasury Securities and Update ICC's Collateral Asset Haircut Methodology

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act")¹ and Rule 19b-4 thereunder² notice is hereby given that on April 21, 2014, ICE Clear Credit LLC ("ICC") filed with the Securities and Exchange Commission ("Commission") the proposed rule change as described in Items I, II, and III below, which Items have been prepared primarily by ICC. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

I. Self-regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

The purpose of proposed rule change is to amend the ICC Clearing Rules (the "Rules") in order to update ICC's policy regarding valuation of maturing U.S. Treasury securities and update ICC's collateral asset haircut methodology.

II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

In its filing with the Commission, ICC included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. ICC has prepared summaries, set forth in sections (A), (B), and (C) below, of the most significant aspects of these statements.

(A) Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

The proposed changes are intended to update ICC's policy regarding valuation of maturing U.S. Treasury securities and update ICC's collateral asset haircut methodology.

ICC believes such changes will facilitate the prompt and accurate clearance and settlement of securities transactions and derivative agreements, contracts, and transactions for which it is responsible. The proposed changes are described in detail as follows.

ICC is updating its policy regarding the valuation of maturing U.S. Treasury securities deposited to satisfy margin and guaranty fund requirements. ICC will reduce the collateral valuation of maturing securities to \$0 two business days prior to maturity. This timing allows for collection of additional margin or guaranty fund, if required, prior to maturity. Clearing Participants will receive notice the week prior to any collateral maturity dates and will be encouraged to replace maturing securities with other acceptable collateral. If collateral matures while on deposit with ICC, proceeds will be credited to the margin or guaranty fund account, as appropriate, when received by ICC on the maturity day. In the past, ICC and other IntercontinentalExchange, Inc. clearing houses have applied this methodology when nearing the U.S. debt ceiling, and this update will provide consistent collateral valuation certainty at all times. Implementation of this

policy will align ICC with other IntercontinentalExchange, Inc. clearing houses. ICC's Treasury Operations Policies and Procedures have been updated to reflect this change, and Clearing Participants will be notified via circular.

In order to provide consistency in the calculation of collateral asset haircuts among the IntercontinentalExchange, Inc. clearing houses, ICC is updating its Risk Management Framework. Currently at ICC, haircuts for relevant assets (e.g. U.S. Treasury securities and currencies) are calculated using a five-day liquidation period and a 99% confidence interval expected shortfall calculation. Under the updated collateral asset haircut methodology, the IntercontinentalExchange, Inc. clearing houses will calculate haircuts for relevant assets using the greater (which may be rounded to the nearest 1%), and hence more conservative, of: (i) the haircut determined using a five-day liquidation period and a 99% confidence interval expected shortfall calculation (currently used at ICC), and (ii) the haircut determined using a two day holding period and 99.9% confidence interval Value-at-Risk calculation. In practice, the more conservative five-day liquidation period and a 99% confidence interval expected shortfall calculation, currently used at ICC, will continue to be the driver of haircuts. Thus, the updated collateral asset haircut methodology will have no practical impact on ICC's haircut values. Furthermore, as applied to currencies, should ICC choose to use one haircut for a given foreign exchange pair (e.g. USD v. Euro, Euro v. USD), ICC will apply the more conservative haircut. The changes to the methodology for calculation of collateral asset haircuts do not require any operational changes.

Section 17A(b)(3)(F) of the Act³ requires, among other things, that the rules of a clearing agency be designed to promote the prompt and accurate clearance and settlement of securities transactions and, to the extent applicable, derivative agreements, contracts, and transactions and to comply with the provisions of the Act and the rules and regulations thereunder. ICC believes that the proposed rule changes are consistent with the requirements of the Act and the rules and regulations thereunder applicable to ICC, in particular, to Section 17(A)(b)(3)(F)⁴, because ICC believes that the proposed rule changes will facilitate the prompt and accurate settlement of swaps and contribute to the safeguarding of securities and funds associated with swap transactions which are in the custody or control of ICC or for which it is responsible. The update to ICC's policy regarding valuation of maturing U.S. Treasury securities and the update to ICC's collateral asset haircut methodology provide consistency across the IntercontinentalExchange, Inc. clearing houses. ICC considers the update to its policy regarding valuation of maturing U.S. Treasury securities to be a risk reducing measure, providing consistent collateral valuation certainty at all times. ICC believes the update to its collateral asset haircut methodology assures that ICC will continue to apply the more conservative haircut of the two methodologies included in ICC's policy. As such, the proposed rule changes will facilitate the prompt and accurate settlement of swaps and contribute to the safeguarding of customer funds and securities within the control of ICC within the meaning of Section 17A(b)(3)(F)⁵ of the Act.

(B) Self-Regulatory Organization's Statement on Burden on Competition

³ 15 U.S.C. 78q-1(b)(3)(F)

⁴ Id.

⁵ Id.

ICC does not believe the proposed rule changes would have any impact, or impose any burden, on competition. The update to ICC's policy regarding valuation of maturing U.S. Treasury securities and the update to ICC's collateral asset haircut methodology apply uniformly across all market participants. Therefore, ICC does not believe the proposed rule changes impose any burden on competition that is inappropriate in furtherance of the purposes of the Act.

(C) Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received from Members, Participants or Others

Written comments relating to the proposed rule change have not been solicited or received. ICC will notify the Commission of any written comments received by ICC.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

Within 45 days of the date of publication of this notice in the Federal Register or within such longer period (i) as the Commission may designate up to 90 days of such date if it finds such longer period to be appropriate and publishes its reasons for so finding or (ii) as to which the self-regulatory organization consents, the Commission will:

(A) by order approve such proposed rule change, or

(B) institute proceedings to determine whether the proposed rule change should be disapproved.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Comments may be submitted by any of the following methods:

Electronic Comments:

- Use the Commission's Internet comment form (<http://www.sec.gov/rules/sro.shtml>); or
- Send an e-mail to rule-comments@sec.gov. Please include File Number SR-ICC-2014-05 on the subject line.

Paper Comments:

Send paper comments in triplicate to Elizabeth M. Murphy, Secretary, Securities and Exchange Commission, 100 F Street, NE, Washington, DC 20549-1090.

All submissions should refer to File Number SR-ICC-2014-05. This file number should be included on the subject line if e-mail is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's Internet website (<http://www.sec.gov/rules/sro.shtml>). Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for website viewing and printing in the Commission's Public Reference Section, 100 F Street, N.E., Washington, D.C. 20549, on official business days between the hours of 10:00 a.m. and 3:00 pm. Copies of such filings will also be available for inspection and

copying at the principal office of ICE Clear Credit and on ICE Clear Credit's website at <https://www.theice.com/notices/Notices.shtml?regulatoryFilings>.

All comments received will be posted without change; the Commission does not edit personal identifying information from submissions. You should submit only information that you wish to make available publicly. All submissions should refer to File Number SR-ICC-2014-05 and should be submitted on or before [insert date 21 days from publication in the Federal Register].

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.⁶

Elizabeth M. Murphy
Secretary

⁶ 17 CFR 200.30-3(a)(12).



CIRCULAR

CIRCULAR
2014/00X

MM DD, 2014

Categories:

Operations
Treasury

Attachments:

None

Summary of content

Valuation of Maturing
U.S. Treasury Securities

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Valuation of Maturing U.S. Treasury Securities

ICE Clear Credit and other IntercontinentalExchange Group, Inc. clearing houses are updating their respective policies regarding maturing U.S. Treasury securities deposited to satisfy margin and guaranty fund requirements. Currently, maturing securities remained part of a Clearing Participant's margin and guaranty fund account through maturity, changing from security to cash in the collateral inventory on maturity day.

Beginning [date pending regulatory approval], ICE Clear Credit will reduce the collateral valuation of maturing securities to \$0 two business days prior to maturity. This timing allows for collection of additional margin or guaranty fund, if required, prior to maturity. Clearing Participants will receive notice the week prior to any collateral maturity dates and are encouraged to replace maturing securities with other acceptable collateral. If collateral matures while on deposit with ICE Clear Credit, proceeds will be credited to the margin or guaranty fund account, as appropriate, when cash is received by ICE Clear Credit on maturity day.

In the past, ICE Clear Credit and the other IntercontinentalExchange Group, Inc. clearing houses have applied this methodology when nearing the U.S. debt ceiling. This update will provide the same collateral valuation certainty at all times.

Should you have any questions in relation to this Circular or require any further information, please contact your CSS representative.

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