



## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-102809; File No. SR-ICC-2025-004]

### **Self-Regulatory Organizations; ICE Clear Credit LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change Relating to Modifications to Fee Schedule to Introduce a Client Volume Incentive Program**

April 10, 2025.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”)<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> notice is hereby given that on March 28, 2025, ICE Clear Credit LLC (“ICE Clear Credit” or “ICC”) filed with the Securities and Exchange Commission (the “Commission”) the proposed rule change as described in Items I, II and III below, which Items have been prepared primarily by ICC. ICC has designated this proposal for immediate effectiveness pursuant to Section 19(b)(3)(A) of the Act<sup>3</sup> and Rule 19b-4(f) thereunder.<sup>4</sup> The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

#### *I. Clearing Agency’s Statement of the Terms of Substance of the Proposed Rule Change*

The principal purpose of the proposed rule change is to modify ICC’s fee schedule to introduce a Client Volume Incentive Program. These revisions do not require any changes to the ICC Clearing Rules.

#### *II. Clearing Agency’s Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change*

In its filing with the Commission, ICC included statements concerning the purpose of and basis for the proposed rule change, security-based swap submission, or

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<sup>1</sup> 15 U.S.C. 78s(b)(1).

<sup>2</sup> 17 CFR 240.19b-4.

<sup>3</sup> 15 U.S.C. 78s(b)(3)(A).

<sup>4</sup> 17 CFR 240.19b-4(f).

advance notice and discussed any comments it received on the proposed rule change, security-based swap submission, or advance notice. 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) Clearing Agency's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change*

(a) Purpose

The proposed changes are intended to modify ICC's fee schedule to introduce a Client Volume Incentive Program. ICC maintains a client fee schedule<sup>5</sup> that is publicly available on its website, which ICC proposes to update in connection with the proposed Client Volume Incentive Program. Currently, clearing fees applicable to clients of Clearing Participants are charged in accordance with the product, amount and currency set out in the client fee schedule and subject to any incentive programs or fee discounts described in the fee schedule. The proposed changes to the client fee schedule add a description of the proposed Client Volume Incentive Program, and such proposed changes are set forth in Exhibit 5. ICC proposes to make such changes effective following the applicable regulatory review or approval processes. The proposed changes are described in detail as follows:

Under the amended client fee schedule, the Client Volume Incentive Program will apply automatically to all clients of Clearing Participants, without further action by clients or Clearing Participants, and provide a tiered discount schedule based on client fees billed during the calendar year. Specifically, for any client with annual billed fees across all ICC credit default swap ("CDS") instrument categories (i.e., index CDS, single name CDS, and index option CDS) that exceed U.S. dollar ("USD") equivalent of \$1

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<sup>5</sup> Client fee details available at: [https://www.theice.com/publicdocs/clear\\_credit/ICE\\_Clear\\_Credit\\_Fees.pdf](https://www.theice.com/publicdocs/clear_credit/ICE_Clear_Credit_Fees.pdf). As specified, all fees are charged directly to a client's Clearing Participant.

million, such client will be entitled to a fee discount as follows: (i) for billed annual fees greater than \$1 million USD equivalent and less than or equal to \$6.4 million USD equivalent, a progressive discount from 1% to 90%: the discount percentage increases by 1% for each \$60,000 in billed client fees<sup>6</sup>; and (ii) for billed annual fees greater than \$6.4 million USD equivalent, a 90% discount. For purposes of calculating annual fees to determine the discount level, the fees of affiliated clients managed by one and only one specific asset manager may be aggregated (such that all such clients will be entitled to the same discount percentage). Such discount will be applied in the form of a fee rebate paid by ICC. The Client Volume Incentive Program applies to client clearing activity only, and Clearing Participants are not eligible to participant in the program.

(b) Statutory Basis

ICC believes that the proposed rule change is consistent with the requirements of the Act, including Section 17A of the Act<sup>7</sup> and the regulations thereunder applicable to it. More specifically, the proposed rule change establishes or changes a member due, fee or other charge imposed by ICC under Section 19(b)(3)(A)(ii) of the Act<sup>8</sup> and Rule 19b-4(f)(2)<sup>9</sup> thereunder. ICC believes the proposed rule change is consistent with the requirements of the Act and the rules and regulations thereunder applicable to ICC, in particular, to Section 17A(b)(3)(D),<sup>10</sup> which requires that the rules of the clearing agency provide for the equitable allocation of reasonable dues, fees, and other charges among its participants.

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<sup>6</sup> As an example, a client that is billed a total of \$1,120,000.00 in fees would be entitled to a 1% discount for the first \$60,000 in fees over \$1 million (or \$600) and a 2% discount for the second \$60,000 in fees over \$1 million (or \$1,200), for a total discount of \$1,800.

<sup>7</sup> 15 U.S.C. 78q-1.

<sup>8</sup> 15 U.S.C. 78s(b)(3)(A)(ii).

<sup>9</sup> 17 CFR 240.19b-4(f)(2).

<sup>10</sup> 15 U.S.C. 78q-1(b)(3)(D).

ICC believes that the proposed volume discount in client fees have been set at an appropriate level. In determining the appropriate discount level and program structure, ICC took into account factors such as client clearing volume, related revenue, costs and expenses, and the goal of increasing market participation in the clearing service, including the expected impacts of different fee levels. In ICC's view, its client fees, after taking into account the discount under the proposed incentive program, will be reasonable and appropriate for its business as the discounts take into account anticipated volumes, costs and expenses, and revenues under each contract type, and they consider current and past market activity as well as anticipated market activity with respect to clearing CDS contracts at ICC. The Client Volume Incentive Program is designed to encourage the clearing of contracts at ICC by clients while properly compensating ICC for the risks, costs and expenses of clearing CDS contracts.

Moreover, the proposed discount will be available to all clients clearing contracts at ICC, based on their clearing activity. The Client Volume Incentive Program under the amended client fee schedule automatically, and without further action by clients or Clearing Participants, applies to all clients. ICC's fee schedules, including the proposed incentive program, will continue to be transparent and to apply equally to market participants clearing indexes, single names, and index option CDS contracts at ICC. Therefore, the proposed rule change provides for the equitable allocation of reasonable dues, fees and other charges among participants, within the meaning of Section 17A(b)(3)(D) of the Act.<sup>11</sup> ICC therefore believes that the proposed rule change is consistent with the requirements of Section 17A of the Act<sup>12</sup> and the regulations

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<sup>11</sup> 15 U.S.C. 78q-1(b)(3)(D).

<sup>12</sup> 15 U.S.C. 78q-1.

thereunder applicable to it and is appropriately filed pursuant to Section 19(b)(3)(A) of the Act<sup>13</sup> and paragraph (f)(2) of Rule 19b-4<sup>14</sup> thereunder.

*(B) Clearing Agency's Statement on Burden on Competition*

ICC does not believe the proposed rule change would have any impact, or impose any burden, on competition not necessary or appropriate in furtherance of the purpose of the Act. As discussed above, the proposed changes modify ICC's client fee schedule to introduce a Client Volume Incentive Program for clearing all categories of CDS contracts at ICC and will be available to all clients based on their clearing activity. The implementation of such changes does not preclude other market participants from offering similar incentive programs. Moreover, ICC does not believe that the amendments would adversely affect the cost of clearing for clients, the ability of market participants to access clearing services, or the market for cleared services generally. Accordingly, ICC does not believe the amendments impose any burden on competition not necessary or appropriate in furtherance of the purpose of the Act.

*(C) Clearing Agency's Statement on Comments on the Proposed Rule Change from Members, Participants or Others*

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

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

The foregoing rule change has become effective pursuant to Section 19(b)(3)(A) of the Act<sup>15</sup> and paragraph (f) of Rule 19b-4<sup>16</sup> thereunder. At any time within 60 days of the filing of the proposed rule change, the Commission summarily may temporarily

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<sup>13</sup> 15 U.S.C. 78s(b)(3)(A).

<sup>14</sup> 17 CFR 240.19b-4(f)(2).

<sup>15</sup> 15 U.S.C. 78s(b)(3)(A).

<sup>16</sup> 17 CFR 240.19b-4(f)(2).

suspend such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act.

#### *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  
*(<https://www.sec.gov/rules/regulations/self-regulatory-organization-rulemaking>);*  
or
- Send an e-mail to *rule-comments@sec.gov*. Please include file number SR-ICC-2025-004 on the subject line.

##### Paper Comments:

Send paper comments in triplicate to Vanessa Countryman, Securities and Exchange Commission, 100 F Street NE, Washington, DC 20549.

All submissions should refer to file number SR-ICC-2025-004. This file number should be included on the subject line if email 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 (*<https://www.sec.gov/rules/regulations/self-regulatory-organization-rulemaking>*). 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 Room, 100 F Street NE, Washington, DC 20549, on official business days between the hours of 10 a.m. and 3 p.m. 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.ice.com/clear-credit/regulation>.

Do not include personal identifiable information in submissions; you should submit only information that you wish to make available publicly. We may redact in part or withhold entirely from publication submitted material that is obscene or subject to copyright protection. All submissions should refer to file number SR-ICC-2025-004 and should be submitted on or before [INSERT 21 DAYS AFTER DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>17</sup>

**Sherry R. Haywood,**

*Assistant Secretary.*

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<sup>17</sup> 17 CFR 200.30-3(a)(12).