



SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-105526; File No. SR-ICC-2026-002]

Self-Regulatory Organizations; ICE Clear Credit LLC; Notice of Filing of Proposed Rule Change Relating to the Treasury Clearing Rules and Treasury Clearing Service Treasury Operations Policies and Liquidity Risk Management Framework

May 20, 2026.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934¹ and Rule 19b-4,² notice is hereby given that on May 7, 2026, ICE Clear Credit LLC (“ICC” or “ICE Clear Credit”) 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 primarily prepared by ICC. 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 revise certain documentation governing ICC’s Treasury clearing service (the “Treasury Clearing Service”), including the Treasury Clearing Rules (“Treasury Rules”),³ Treasury Clearing Service Liquidity Risk Management Framework (“LRMF”), and Treasury Clearing Service Treasury Operations Policies and Procedures (“Treasury Operations Policy”). The Treasury Rules and the aforementioned policies and procedures are collectively referred to as the “Treasury Clearing Service Documentation” herein.

II. Clearing Agency’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.

³ ICC’s Treasury Rules are available on ICC’s public website: https://www.ice.com/publicdocs/clear_credit/ICE_Clear_Credit_Treasury_Clearing_Rules.pdf.

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 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

ICC proposes changes to the Treasury Clearing Service Documentation. As background, ICC filed an application on Form CA-1 (“Application”) under Section 17A of the Securities Exchange Act of 1934 (the “Act”)⁴ with the Commission to register as a clearing agency to provide central counterparty services for transactions involving U.S. Treasury securities on August 1, 2025. Notice of ICC’s Application was published in the Federal Register on August 21, 2025.⁵ The Application contained the Treasury Rules and certain other policies and procedures governing the Treasury Clearing Service, including the LRMF and Treasury Operations Policy. The Commission issued an order granting ICC’s Application for registration as a clearing agency to provide central counterparty services for transactions involving U.S. Treasury securities on January 30, 2026.⁶

ICC proposes to amend the Treasury Rules and make related changes to the LRMF and Treasury Operations Policy. These changes generally respond to industry

⁴ 15 U.S.C. 78q-1.

⁵ See Securities Exchange Act Release No. 103727 (August 18, 2025), 90 FR 40879 (August 21, 2025) (File No. 600-45).

⁶ See Securities Exchange Act Release No. 104762 (January 30, 2026), 91 FR 5528 (February 6, 2026) (File No. 600-45).

feedback received on the Treasury Rules,⁷ include certain clarifying or clean-up amendments, and provide for transitory provisions in connection with the launch of the Treasury Clearing Service. ICC believes that such revisions will facilitate the prompt and accurate clearance and settlement of securities transactions. ICC proposes to make such changes effective following Commission approval of the proposed rule change. The proposed revisions are described in detail as follows.

I. Treasury Rules

ICC proposes changes to its Treasury Rules, as further described below.

Preamble

ICC proposes adding a transitory provision to the Preamble to address the period before the Treasury Risk Committee is established. The proposed amendments provide that, prior to the establishment of the Treasury Risk Committee, the Board may designate another committee to perform the functions assigned to the Treasury Risk Committee under the Treasury Rules.⁸ The proposed language ensures that the functions otherwise assigned to the Treasury Risk Committee may be carried out prior to its formal establishment.⁹

ICC proposes additional clarifying changes to the Preamble. ICC proposes to clarify that the Treasury Rules do not apply to ICC's credit default swap clearing business or operations (the "CDS Clearing Business") or to the rights or obligations of

⁷ See ICC Comment Letter (Dec. 3, 2025), submitted in response to the Notice of Filing of an Application for Registration as a Clearing Agency Under Section 17A of the Securities Exchange Act of 1934 (File No. 600-45), available at: <https://www.sec.gov/comments/600-45/60045-681487-2100274.pdf>.

⁸ At its March 2026 meeting, the Board determined that the ICC Board Risk Committee would perform the functions assigned to the Treasury Risk Committee under the Treasury Rules, subject to the approval and completion of all applicable regulatory processes.

⁹ Pursuant to Chapter 5 of the Treasury Rules, the Treasury Risk Committee includes representatives of Treasury Participants and representatives of Non-Participant Parties (i.e., customers of Treasury Participants). At the time of this filing, no such individuals are available to serve on the Treasury Risk Committee because the Treasury Clearing Service has not yet launched and has no members.

persons with respect thereto, and vice versa. ICC proposes minor edits to replace the “credit default swap clearing business” with the “CDS Clearing Business” in the Preamble and throughout the Treasury Rules.

Chapter 1

ICC proposes amendments to the definitions in Treasury Rule 102. ICC proposes to identify \$20 million as the amount of resources available to be applied to Custodial Losses¹⁰ and \$10 million as the amount of resources available to be applied to Investment Losses¹¹ pursuant to Treasury Rule 811. The determination of these amounts is risk-based in light of ICC’s potential exposure to such losses and is based on ICC’s experience with the CDS Clearing Business.¹² ICC proposes to add defined terms for its Nominating Committee and the Nominating Committee Charter.¹³ ICC proposes to remove defined terms related to a Default Committee, which were initially retained from the CDS Rules, as ICC does not plan to establish a Treasury Default Committee for the Treasury Clearing Service. U.S. Treasury securities are distinct in product type and market structure from credit default swaps and therefore do not require the same default committee framework

¹⁰ Custodial Losses are defined in Treasury Rule 102 with respect to the Treasury Clearing Service and generally refer to losses of margin or Treasury Guaranty Fund assets (including declines in the value thereof) as a result of (i) the insolvency or failure of a custodian or (ii) the embezzlement or theft of such assets by any person (other than ICC or its employees or representatives).

¹¹ Investment Losses are defined in Treasury Rule 102 with respect to the Treasury Clearing Service and generally refer to losses incurred or suffered by ICC in connection with the default of the issuer of any investment of margin or Treasury Guaranty Fund assets by ICC, or the default of the counterparty to any repurchase, reverse repurchase contract, or similar transaction used to invest or reinvest such margin or Treasury Guaranty Fund assets. Investment Losses also includes other losses with respect to such investments, including from a change in value due to market movements.

¹² Under CDS Rule 102, ICC identifies \$32 million as the amount of resources available to be applied to Custodial Losses and \$20 million as the amount of resources available to be applied to Investment Losses pursuant to CDS Rule 811 in respect of the CDS Clearing Business. The CDS Rules for the CDS Clearing Business are publicly available at the following: https://www.ice.com/publicdocs/clear_credit/ICE_Clear_Credit_Rules.pdf.

¹³ ICC previously filed a proposed rule change to establish the Nominating Committee. *See* Securities Exchange Act Release No. 101820 (December 5, 2024), 89 FR 99917 (December 11, 2024) (File No. SR-ICC-2024-010). The Nominating Committee would be defined in Treasury Rule 102 as a committee responsible for evaluating the independence and fitness of the persons proposed to be designated to be Managers. The Nominating Committee Charter would be defined in Treasury Rule 102 as the charter of the Nominating Committee.

that was developed specifically for the credit default swap market. ICC also proposes to remove certain defined terms that are not used anywhere in the Treasury Rules. ICC proposes to define the Treasury Governance Commencement Date, along with related defined terms (including the Treasury Repo Clearing Deadline and Treasury Clearing Market Share)¹⁴ in Treasury Rule 102 to refer to the date of the first annual Board election that occurs after certain thresholds and timelines with respect to Treasury Clearing Service revenue and market share are achieved.¹⁵

Chapter 2

ICC proposes to amend Treasury Rule 201(c), which currently provides a non-exclusive list of the types of entities that may be approved as Treasury Participants (provided that they meet and maintain the participation standards set out in Treasury Rule 201(b)), and includes registered broker-dealers, registered investment companies, banks, insurance companies, or such other person or class of persons that the Commission may designate as appropriate. ICC proposes to clarify that Futures Commission Merchants (“FCMs”) and registered clearing agencies that meet the participation standards in Treasury Rule 201(b) may also be approved as Treasury Participants.

Chapter 3

ICC proposes to amend the definition of Eligible Secondary Market Transaction in Treasury Rule 303(a) and to remove certain related defined terms. Treasury Rule 303(a) requires Treasury Participants to clear Eligible Secondary Market Transactions

¹⁴ Treasury Repo Clearing Deadline would be defined in Treasury Rule 102 as the date adopted by the Commission by which all Eligible Secondary Market Transactions (as defined in Treasury Rule 303) that are repurchase or reverse repurchase agreements must be cleared by a central counterparty. Treasury Clearing Market Share would be defined in Treasury Rule 102 as, for a specified period, a fraction, the numerator of which is the publicly reported aggregate notional value of the Treasury products cleared by ICC in such period, and the denominator of which is the publicly reported aggregate notional value of the Treasury products cleared by all Treasury central counterparties in such period.

¹⁵ Such terms are defined in the ICC Operating Agreement that was included in the Application. *See* Securities Exchange Act Release No. 34-103727 (Aug. 18, 2025), 90 FR 40879 (Aug. 21, 2025) (File No. 600-45) (Notice of Filing of an Application for Registration as a Clearing Agency under Section 17A of the Securities Exchange Act of 1934).

from and after the applicable compliance date. Currently, the definition of Eligible Secondary Market Transaction in Treasury Rule 303(a) mirrors the definition set out in Rule 17Ad-22(a).¹⁶ Treasury Rule 303(a) also includes additional related defined terms from Rule 17Ad-22(a).¹⁷ The proposed amendments would instead provide that the definition of Eligible Secondary Market Transaction has the meaning specified in Rule 17Ad-22(a) (as interpreted by the Commission and its staff) from time to time and would remove terms already defined in Rule 17Ad-22(a).¹⁸

ICC also proposes new Treasury Rule 312(c) to emphasize the separation of the CDS Clearing Business from the Treasury Clearing Service. Treasury Rule 312(c) would clarify that no person has any recourse or claim, in respect of any amount or liability relating to payment or delivery obligations with respect to Contracts or under these Treasury Rules, to any margin, guaranty fund, ICC contribution, or other amount or assets held in connection with the CDS Clearing Business.

ICC proposes additional amendments to Treasury Rule 316 regarding client-related positions. ICC proposes to revise Treasury Rule 316(e) to replace duplicative language describing client defaults with a reference to the defined term “Client Default” in Treasury Rule 316(g). ICC proposes to organize Treasury Rule 316(g) into subparagraphs (i) through (iv) to clarify the treatment of client-related positions under various circumstances. Treasury Rule 316(g) currently provides that ICC will manage the close-out of the defaulting client’s positions, unless the Treasury Participant carrying such positions elects to do so by providing notice to ICC through a Participant Management Election. In response to industry feedback, ICC proposes changes such that the Treasury Participant will manage the close-out of the defaulting client’s positions,

¹⁶ 17 CFR 240.17Ad-22(a).

¹⁷ *Id.*

¹⁸ *Id.*

unless the Treasury Participant elects to have ICC manage the close-out through an ICC Management Election. Additional amendments clarify that an ICC Management Election must be made by providing a written certification to ICC.

ICC proposes additional clarifications or clean-up changes in Treasury Rule 316(g). ICC proposes to relocate provisions addressing the default of a Treasury Participant in Treasury Rule 316(g)(i) to a standalone provision in Treasury Rule 316(g)(iv) for clarity. ICC proposes to state that Treasury Rule 316(g)(ii) applies where a Treasury Participant has not made an ICC Management Election, consistent with amended Treasury Rule 316(g)(i). Currently, Treasury Rule 316(g)(ii) applies where a Treasury Participant makes a Participant Management Election, meaning that the Participant elects to manage the close-out. As amended, this provision applies where a Treasury Participant does not make an ICC Management Election, reflecting a similar outcome that the Treasury Participant will manage the close-out as the Treasury Participant does not elect for ICC to manage. Proposed language in Treasury Rule 316(g)(iii) clarifies that a Treasury Participant may not make an ICC Management Election in the case of a client default relating to client-related positions associated with a Net Client IM Account,¹⁹ consistent with language in currently effective Treasury Rule 316(g).²⁰ ICC proposes deleting language elsewhere in current Treasury Rule 316 duplicative of proposed Treasury Rule 316(g)(iii).

ICC also proposes new Treasury Rule 316(h). For the avoidance of doubt, new Treasury Rule 316 does not preclude a Treasury Participant from settling a client-related

¹⁹ Net Client IM Account is defined in Treasury Rule 102 as any account(s) maintained by or on behalf of ICC with respect to a Treasury Participant for the purposes of holding on a net omnibus basis Initial Margin posted in respect of client-related positions.

²⁰ As noted in Treasury Rule 410(f), ICC has no responsibility, among other things, for any investment decisions by a Treasury Participant with respect to assets in the Net Client IM Account, has no obligation to monitor the value of the assets in the Net Client IM Account, and has no obligation to inquire into any instructions or directions with respect to the Net Client IM Account or the assets therein (including transfers) from a person ICC believes to be authorized to act on behalf of the appropriate Treasury Participant.

position in accordance with the Treasury Rules notwithstanding the occurrence of a client default. New Treasury Rule 316(h) further specifies that, in the case of a client default with respect to a Non-Participant Party that has established an Individual Client Direct Settlement Account,²¹ ICC will direct for settlement to occur to and from the house account of the clearing Treasury Participant (or as otherwise directed by such Treasury Participant). This change responds to industry feedback requesting assurances that cash and securities needed to cover the Non-Participant Party's reimbursement obligations to the Treasury Participant do not dissipate.

Chapter 4

ICC proposes to amend the definition of Eligible Margin in Treasury Rule 401(d). Currently, Treasury Rule 401(d) defines Eligible Margin for purposes of satisfying an Initial Margin requirement to include dollars or other currencies acceptable to ICC, as specified in Schedule 401. As amended, the definition would include dollars, other assets, or other currencies. This clarification aligns with Schedule 401, which allows U.S. Treasuries to be used to satisfy Initial Margin requirements.

ICC also proposes to amend Treasury Rule 401(l). Currently, Treasury Rule 401(l) generally provides that, once settlement of a transfer of variation payment is final, the fair value of the outstanding exposures for the relevant contracts will be reset to zero. Reference to "outstanding exposures" and an associated parenthetical were initially retained from CDS Rule 401(l). ICC proposes revising this provision to generally state that, once settlement of a transfer of variation payment is final, the margin requirement for the relevant contracts is reset to zero, which more accurately reflects the mechanics of the Treasury market.

²¹ The Individual Client Direct Settlement Account is defined in Treasury Rule 2201 as a securities account (and related cash account) established by a Non-Participant Party of a Treasury Participant for the direct settlement of net settlement obligations in respect of client-related positions in its Non-Participant Party portfolio.

ICC proposes additional amendments to Treasury Rule 407, which applies to client-related positions associated with a Client-Funded Gross IM Account.²² Currently, Treasury Rule 407(c) provides notice to Treasury Participants through the Treasury Rules that client-funded gross collateral is held separately by ICC for the exclusive benefit of the customers of Treasury Participants, in compliance with Commission regulations. As amended, Treasury Rule 407(c) would require ICC to “provide written notice” outside of the Treasury Rules. ICC further proposes to amend Treasury Rule 407(g) to reflect additional language consistent with Rule 15c3-3a, Note H(b)(2)(iv).²³

ICC proposes revising Treasury Rule 409 relating to Hybrid Gross IM Accounts.²⁴ Currently, under Treasury Rule 409, a Treasury Participant requires each Non-Participant Party whose client-related positions are associated with a Hybrid Gross IM Account to provide margin or collateral “in an amount no less than the applicable client funded portion determined by [ICC] of the amount of Initial Margin required on a gross basis by [ICC]” with respect to the relevant positions. The remaining portion is provided by the Treasury Participant itself. ICC proposes to clarify the applicable allocations, consistent with disclosures provided in the Application.²⁵ As amended, a Treasury Participant requires such Non-Participant Party to provide margin or collateral in an amount equal to 70% of the Initial Margin required on a gross basis by ICC with respect to the relevant positions. The remaining 30% of such aggregate Initial Margin required on a gross basis will be provided by the Treasury Participant. Such changes are

²² Client-Funded Gross IM Account is defined in Treasury Rule 102 as any account(s) maintained by or on behalf of ICC with respect to a Treasury Participant for the purposes of holding on a gross omnibus basis Initial Margin posted by a Treasury Participant in respect of client-related positions.

²³ 17 CFR 240.15c3-3a.

²⁴ Hybrid Gross IM Account is defined in Treasury Rule 102 as an account maintained by or on behalf of ICC with respect to a Treasury Participant for the purpose of holding on a gross omnibus basis Initial Margin posted by a Treasury Participant in respect of client-related positions.

²⁵ See Exhibit J to the Application, available at: <https://www.sec.gov/files/icc-ca-1-exhibit-j-narrative.pdf> (noting that a Non-Participant Party can contribute 70% (i.e., “Hybrid”) of its gross Non-Participant Party Portfolio Initial Margin Requirement).

intended for transparency in the Treasury Rules. Additionally, ICC proposes to remove Treasury Rule 412, which currently serves as a placeholder.

Chapter 5

ICC proposes amending Chapter 5 of the Treasury Rules pertaining to the Treasury Risk Committee. ICC proposes amending Treasury Rule 501 to capitalize a term to reflect the adoption of a definition for such term. ICC proposes amending Treasury Rule 502, which lists matters that require prior consultation with the Treasury Risk Committee. The proposed revisions add additional matters requiring prior consultation with the Treasury Risk Committee, including determining the standards and requirements for initial and continuing Treasury Participant eligibility and approving or denying Treasury Participant applications.²⁶

ICC proposes to amend Treasury Rule 503 regarding the composition of the Treasury Risk Committee to add transitory provisions to address the period where ICC is building Treasury Clearing Service membership. Accordingly, ICC proposes to amend Treasury Rule 503(a)(i) to provide that the Treasury Risk Committee will consist of up to fourteen members (rather than fourteen members) and to similarly amend Treasury Rule 503(a)(iv) to specify appointment procedures for up to nine members (rather than nine members) consisting of Treasury Participant representatives (the “Participant Appointees”). ICC proposes to amend Treasury Rule 503(a)(iii) to remove unnecessary brackets and replace “Chief Financial Officer” with “Chief Operating Officer”, as ICC does not have a “Chief Financial Officer” position but has a Chief Operating Officer position. ICC proposes to update Treasury Rule 503(a)(iv)(B), which serves as a transitory provision, to specify that the initial composition of the Participant Appointees will be specified by the Board in connection with the launch of the Treasury Clearing

²⁶ Such responsibilities are in line with those assigned to the CDS Risk Committee in CDS Rule 502.

Service, rather than by ICC upon commencement of operations of the Treasury Clearing Service. Such terminology, in ICC's view, is clearer and more precise. ICC further proposes to amend Treasury Rule 503(a)(iv)(C) to remove brackets that served as a placeholder and to specify that the composition of the Participant Appointees will be reconstituted on or before the Treasury Governance Commencement Date.

ICC proposes similar changes to Treasury Rule 503(a)(v) regarding the membership of Non-Participant Party representatives (the "Non-Participant Appointees") on the Treasury Risk Committee. As an additional transitory provision, ICC proposes to specify that up to two members of the Treasury Risk Committee will be representatives of up to two selected Non-Participant Parties. ICC also proposes to note that the initial composition of the Non-Participant Appointees will be specified by the Board in connection with the launch of the Treasury Clearing Service. This change is intended to serve as a transitory provision and to match the language in Treasury Rule 503(a)(iv)(B) with respect to the initial composition of Participant Appointees. ICC proposes to correct a typographical error to reference this Treasury Rule 503(a)(v) in the text. ICC also proposes to remove Treasury Rule 508(d) referencing certain terms defined in the ICC Operating Agreement, which are proposed to be included in Treasury Rule 102, as described above.

Chapter 6

ICC proposes clean-up changes to Treasury Rules 611 and 613. ICC proposes to remove and replace certain terms retained from the CDS Rules, namely replacing "swap agreement" with "securities contract" in Treasury Rule 611(b), as these terms are not applicable to the Treasury Rules. In Treasury Rule 613, ICC also proposes to remove brackets around the rule and a reference to a specific section of the Treasury Participant Agreement, which ICC believes is unnecessary as section numbers may change.

Chapter 8

ICC proposes to amend Treasury Rule 801(a) to change the minimum required Treasury Participant contribution to the Treasury Guaranty Fund from \$20 million to \$10 million (the “minimum contribution”). ICC believes that a lower minimum contribution is appropriate at this stage of the Treasury Clearing Service. Under the proposed amendments, the Treasury Guaranty Fund would continue to provide adequate funds to cover losses in accordance with regulatory requirements. The Treasury Guaranty Fund would also continue to support a significant liquidity pool in case of liquidity events, while potentially facilitating broader participation. For the avoidance of doubt, a Treasury Participant’s required contribution to the Treasury Guaranty Fund would continue to be the greater of the Treasury Participant’s proportionate share of the aggregate Treasury Participant loss exposure (calculated as the two largest participant loss exposures) and the minimum contribution. Moreover, ICC would continue to size the Treasury Guaranty Fund to provide financial resources based on Cover-2 regulatory standards. ICC proposes a related change to Schedule 401 to the Treasury Rules for consistency to update a reference to the minimum contribution to the Treasury Guaranty Fund to \$10 million. Additionally, ICC proposes a clean-up change to Treasury Rule 801(a) to remove reference to credit spreads, which was retained from the CDS Rules and is not applicable to the Treasury Rules. ICC also proposes a clean-up change to Treasury Rule 804 (and throughout the document) to reference the “Treasury Guaranty Fund” in place of the “Guaranty Fund” to avoid any confusion between the Guaranty Fund for the CDS Clearing Business.

ICC proposes to amend Treasury Rule 812. For purposes of Treasury Rule 812, and as necessary to satisfy its liquidity obligations under Rule 17Ad-22(e)(7),²⁷ ICC may designate a “Settlement Liquidity Event” if (i) on any ICE Settlement Day (A) a

²⁷ 17 CFR 240.17Ad-22(e)(7).

settlement payment failure occurs in respect of one or more Receiving Parties or (B) delivery failure occurs in respect of one or more Delivering Parties for which ICC determines to settle the corresponding Settlement Leg 2 under Treasury Rule 2205(c) and (ii) ICC determines that it would have (or may have) insufficient cash liquidity to complete settlement under Treasury Rules 2205 or 2206, as appropriate. ICC proposes to amend the language throughout Treasury Rule 812 to allow ICC to use or borrow non-cash assets to facilitate settlement. Additionally, in Treasury Rule 812(b)(v), ICC proposes to specify that it may accept, in lieu of a substitution of cash, a substitution of securities of a specific CUSIP requested by ICC from one or more Treasury Participants, which securities may be used by ICC to effect settlement. Such changes are generally designed to enhance ICC's ability to meet the requirements of 17Ad-22(e)(7).²⁸

Chapter 20

ICC proposes to amend Treasury Rule 20-605(d) regarding a Treasury Participant default. Under current Treasury Rule 20-605(d)(iii), ICC may cause open Treasury positions of the defaulter or any portion thereof or payments owed in respect thereof to be offset against each other and/or to be settled at the mark-to-market price for such contracts, or at such other price(s) reflecting the current market. ICC proposes a clarification to note that, for this purpose, where the defaulter holds house positions corresponding to and economically offsetting²⁹ the client-related positions in a Non-Participant Party portfolio, ICC may cause such house positions and client-related positions to be offset against each other. Pursuant to this amended Treasury Rule 20-605(d)(iii), such positions would be closed out at market value in lieu of settlement. The proposed language is intended as a clarification of the existing language in Treasury Rule

²⁸ *Id.*

²⁹ E.g., the Treasury Participant has an obligation to deliver and the client to receive the same security or vice versa.

20-605(d)(iii) relating to offsetting positions. For the avoidance of doubt, offsetting such positions is limited to the default management context pursuant to the amended language. ICC also proposes clarifications in Treasury Rule 20-605(d)(vi) to specify that ICC may permit the settlement of open Treasury positions of a defaulter to occur in accordance with their terms and the Treasury Rules notwithstanding the default, and in Treasury Rule 20-605(h) to specifically reference Treasury Rule 20-605(d)(iii).

Chapter 22

ICC proposes additional amendments to Treasury Rules 2204 and 2205. ICC proposes amending Treasury Rule 2204(c) to specify that each Non-Participant Party with an Individual Client Direct Settlement Account shall enter into an agreement with ICC in the form designated by ICC from time to time to provide transparency and confirm that a legally binding agreement with ICC is required in such case. In Treasury Rule 2205(c) and (d), ICC proposes to include references to borrowing, such that ICC may acquire or “borrow” the settling security to reflect an additional tool available to ICC, and to remove text containing brackets as a placeholder. Treasury Rule 2205(d) currently begins by stating that the procedures in Treasury Rule 2205(a) will not apply where ICC has determined that this Treasury Rule 2205(d) should apply following a delivery failure that continued for more than “[]” consecutive ICE Business Days. It is unnecessary to state that the procedures in Treasury Rule 2205(a) will not apply where a different rule (Treasury Rule 2205(d)) applies.

II. Additional Changes to Policies and Procedures

ICC proposes related edits to the Treasury Operations Policy and the LRMF. ICC proposes referencing the Board Risk Committee in Section X and Appendix 1 of the Treasury Operations Policy to specify matters subject to Board Risk Committee review.³⁰

³⁰ ICC previously filed a proposed rule change to establish the Board Risk Committee. *See* Securities Exchange Act Release No. 103161 (May 30, 2025), 90 FR 23970 (June 5, 2025) (File No. SR-ICC-2025-006).

ICC proposes similar revisions in the LRMF to specify matters subject to Board Risk Committee review, including throughout Sections 1 through 4. Additional edits include updating the minimum contribution to the Treasury Guaranty Fund by Treasury Participants to \$10 million from \$20 million in the Treasury Operations Policy and the LRMF, consistent with the changes to Treasury Rule 801(a).

ICC proposes additional clean-up changes to the Treasury Operations Policy. ICC proposes a change in Section II to remove an outdated reference to the Treasury Director reporting to the Chief Operating Officer, as the Treasury Director currently reports to the ICC President. ICC proposes to consistently refer to the “Treasury Risk Committee” instead of the “Risk Committee” or “Treasury Clearing Service Risk Committee” in Section X and Appendix 1. Finally, ICC proposes to replace references to “CP” with “TP” throughout the document, as “CP” refers to Clearing Participants for the CDS Clearing Business and “TP” refers to Treasury Participants for the Treasury Clearing Service.

(b) Statutory Basis

ICC believes that the proposed rule change is consistent with the requirements of Section 17A of the Act³¹ and the regulations thereunder applicable to it, including the applicable standards under Rule 17Ad-22.³² In particular, Section 17A(b)(3)(F) of the Act³³ 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, to assure the safeguarding of securities and funds in the custody or control of the clearing agency or for which it is responsible, and to protect investors and the public interest.

³¹ 15 U.S.C. 78q-1.

³² 17 CFR 240.17Ad-22.

³³ 15 U.S.C. 78q-1(b)(3)(F).

As described above, the proposed changes generally respond to industry feedback received on the Treasury Rules, include certain clarifying or clean-up amendments, and provide for transitory provisions in connection with the launch of the Treasury Clearing Service. For example, the amendments to Treasury Rule 316(g) and (h) are proposed in response to industry feedback and provide that the Treasury Participant will manage the close-out of the defaulting client's positions, unless the Treasury Participant elects to have ICC manage the close-out and, that upon a client default by a Non-Participant Party with an Individual Client Direct Settlement Account, ICC will direct for settlement to occur to and from the house account of the clearing Treasury Participant (or as otherwise directed by such Treasury Participant). Such changes ensure that the rules clearly and comprehensively address the circumstances surrounding a client default, providing additional transparency and certainty to market participants in respect of such context. Such changes ensure that the Treasury Rules remain up-to-date and transparent, thereby supporting ICC's ability to continue to maintain clear and comprehensive rules and procedures that provide sufficient information to market participants. Additionally, ICC proposes certain transitory provisions to the Treasury Rules in connection with the launch of the Treasury Clearing Service, including to address the period before the Treasury Risk Committee is established and during which ICC is building its membership in the Treasury Clearing Service. These transitory provisions ensure that the Treasury Rules are accurate, transparent, and comprehensive during such period by addressing the circumstances that are unique to the launch of a new clearing service. Such changes, along with the proposed clarification and clean-up changes, further ensure that the Treasury Rules, Treasury Operations Policy, and LRMF accurately and clearly describe ICC's Treasury clearing and legal framework and operate as intended at launch. Accordingly, in ICC's view, the proposed rule change is designed to promote the prompt and accurate clearance and settlement of the contracts cleared at ICC, to assure the

safeguarding of securities and funds in the custody or control of ICC or for which it is responsible, and to protect investors and the public interest, within the meaning of Section 17A(b)(3)(F) of the Act.³⁴

Rule 17Ad-22(e)(1)³⁵ requires each covered clearing agency to establish, implement, maintain, and enforce written policies and procedures reasonably designed to provide for a well-founded, clear, transparent, and enforceable legal basis for each aspect of its activities in all relevant jurisdictions. As described above, the proposed revisions ensure that the Treasury Rules, Treasury Operations Policy, and LRMF accurately and clearly describe ICC's Treasury clearing and legal framework and operate as intended at launch. Proposed amendments ensure that the Treasury Rules are up-to-date, clear, transparent, and provide sufficient information to market participants, including by clarifying in Treasury Rule 201(c) the types of entities that may be approved as Treasury Participants and emphasizing in Treasury Rule 312(c) the separation of the CDS Clearing Business from the Treasury Clearing Service. In addition, the amendments to Treasury Rule 303(a) are designed to ensure that relevant terms in the ICC Treasury Rules align with the meanings specified in Rule 17Ad-22(a) (as interpreted by the Commission and its staff) to ensure that ICC's Treasury Rules are consistent with the regulatory framework applicable to ICC as a clearing agency, thereby supporting the transparency and enforceability of ICC's legal framework. Further, under amended Treasury Rule 316(g), the Treasury Participant manages the close-out of the defaulting client's positions, unless the Treasury Participant elects to have ICC manage the close-out through an ICC Management Election, and an ICC Management Election must be made by providing a written certification to ICC. The amended language clearly sets out the respective responsibilities of ICC and a Treasury Participant during a close-out.

³⁴ *Id.*

³⁵ 17 CFR 240.17Ad-22(e)(1).

Moreover, a documented written certification promotes transparency and certainty regarding the default management process. Such changes thus promote ICC's ability to maintain a well-founded, clear, transparent, and enforceable legal framework for each aspect of its default management activities. The Treasury Clearing Service Documentation would continue to provide for a well-founded, clear, transparent, and enforceable legal basis for ICC's Treasury clearing activities, consistent with the requirements of the Rule 17Ad-22(e)(1).³⁶

Rule 17Ad-22(e)(2)(i) and (v)³⁷ requires each covered clearing agency to establish, implement, maintain, and enforce written policies and procedures reasonably designed to provide for governance arrangements that are clear and transparent and specify clear and direct lines of responsibility. The proposed changes to the Treasury Rules provide for transitory provisions in connection with the launch of the Treasury Clearing Service, including addressing the period before the Treasury Risk Committee is established and the period where ICC is building Treasury Clearing Service membership. Proposed amendments to the Preamble provide that, prior to the establishment of the Treasury Risk Committee, the Board may designate another committee to perform the functions assigned to the Treasury Risk Committee under the Treasury Rules. Additional changes to the Treasury Clearing Service Documentation incorporate reference to the Board Risk Committee to specify matters subject to Board Risk Committee review. Further, the changes to Treasury Rule 502 add matters requiring prior consultation with the Treasury Risk Committee, including determining the standards and requirements for initial and continuing Treasury Participant eligibility and approving or denying Treasury Participant applications. The proposed rule change thus ensures that the Treasury Clearing Service Documentation is up-to-date and clearly assigns and documents

³⁶ *Id.*

³⁷ 17 CFR 240.17Ad-22(e)(2)(i) and (v).

responsibility and accountability for relevant items to stakeholders such as the Board Risk Committee and the Treasury Risk Committee. As such, in ICC's view, the proposed rule change continues to ensure that ICC maintains policies and procedures that are reasonably designed to provide for clear and transparent governance arrangements and specify clear and direct lines of responsibility, consistent with Rule 17Ad-22(e)(2)(i) and (v).³⁸

Rule 17Ad-22(e)(4)(iii)³⁹ requires each covered clearing agency to establish, implement, maintain, and enforce written policies and procedures reasonably designed to effectively identify, measure, monitor, and manage its credit exposures to participants and those arising from its payment, clearing, and settlement processes, including by maintaining additional financial resources at the minimum to enable it to cover a wide range of foreseeable stress scenarios that include, but are not limited to, the default of the participant family that would potentially cause the largest aggregate credit exposure for the covered clearing agency in extreme but plausible market conditions. As described, above ICC believes that a minimum contribution of \$10 million to the Treasury Guaranty Fund is appropriate at this stage of the Treasury Clearing Service. ICC believes that the Treasury Guaranty Fund would continue to provide adequate funds to cover losses in accordance with regulatory requirements and that the Treasury Guaranty Fund would continue to support a significant liquidity pool in case of liquidity events. For the avoidance of doubt, ICC will continue to size the Guaranty Fund to provide financial resources based on Cover-2 regulatory standards. In addition, ICC proposes amendments to specify the amounts of ICC resources available to address Custodial Losses and Investment Losses. These revisions enhance ICC's ability to manage the risk of certain non-default losses, which supports ICC's ability to continue to maintain sufficient

³⁸ *Id.*

³⁹ 17 CFR 240.17Ad-22(e)(4)(iii).

financial resources to enable ICC to cover a wide range of foreseeable stress scenarios, including but not limited to, the default of the participant family that would potentially cause the largest aggregate credit exposure for the covered clearing agency in extreme but plausible market conditions. ICC thus believes the proposed rule change meets the requirements of Rule 17Ad-22(e)(4)(iii).⁴⁰

Rule 17Ad-22(e)(7)(i)⁴¹ requires each covered clearing agency to establish, implement, maintain, and enforce written policies and procedures reasonably designed to effectively measure, monitor, and manage the liquidity risk that arises in or is borne by the covered clearing agency, including measuring, monitoring, and managing its settlement and funding flows on an ongoing and timely basis, and its use of intraday liquidity by maintaining sufficient liquid resources at the minimum in all relevant currencies to effect same-day and, where appropriate, intraday and multiday settlement of payment obligations with a high degree of confidence under a wide range of foreseeable stress scenarios that includes, but is not limited to, the default of the participant family that would generate the largest aggregate payment obligation for the covered clearing agency in extreme but plausible market conditions. As noted above, ICC proposes to amend the language throughout Treasury Rule 812 to allow ICC to use or borrow non-cash assets to facilitate settlement. For example, in Treasury Rule 812(b)(v), ICC proposes to specify that it may accept, in lieu of a substitution of cash, a substitution of securities of a specific CUSIP requested by ICC from one or more Treasury Participants, which securities may be used by ICC to effect settlement. Such changes are generally designed to enhance ICC's ability to meet the requirements of 17Ad-22(e)(7)(i) and

⁴⁰ *Id.*

⁴¹ 17 CFR 240.17Ad-22(e)(7)(i).

promote ICC's ability to ensure that it maintains sufficient liquid resources in accordance with the requirements of Rule 17Ad-22(e)(7)(i).⁴²

Rule 17Ad-22(e)(13)⁴³ requires each covered clearing agency to establish, implement, maintain, and enforce written policies and procedures reasonably designed to ensure that it has the authority and operational capacity to take timely action to contain losses and liquidity demands and continue to meet its obligations by, at a minimum, requiring its participants and, when practicable, other stakeholders to participate in the testing and review of its default procedures, including any close-out procedures, at least annually and following material changes thereto. The proposed changes to the Treasury Rules enhance the clarity and transparency of such procedures by providing additional certainty and clarity on ICC's default management rules. For example, ICC proposes clarifications to remove defined terms in Treasury Rule 102 related to a Default Committee, as ICC does not plan to establish a Treasury Default Committee for the Treasury Clearing Service. Additionally, as a default management action, ICC proposes to clarify in Treasury Rule 20-605(d)(iii) that, where the defaulter holds house positions corresponding to and economically offsetting the client-related positions in a Non-Participant Party portfolio, ICC may cause such house positions and client-related positions to be offset against each other. Further changes to Treasury Rule 316(g) state that the Treasury Participant manages the close-out of the defaulting client's positions, unless the Treasury Participant elects to have ICC manage the close-out through an ICC Management Election, and an ICC Management Election must be made by providing a written certification to ICC. Such changes clearly set out the responsibilities or default management actions of ICC during a close-out, thereby ensuring that ICC has the authority and operational capacity to take timely action to contain losses and liquidity

⁴² *Id.*

⁴³ 17 CFR 240.17Ad-22(e)(13).

demands and continue to meet its obligations, consistent with the requirements of Rule 17Ad-22(e)(13).⁴⁴

(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 purposes of the Act. The proposed changes to the Treasury Clearing Service Documentation will apply uniformly across all market participants. Certain proposed changes, including amendments to the minimum contribution to the Treasury Guaranty Fund and to the types of entities that may be approved as Treasury Participants, may expand access to clearing to a broader range of market participants. ICC does not believe these amendments would otherwise affect the costs of clearing or the ability of market participants to access clearing. Therefore, ICC does not believe the proposed rule change would impose any burden on competition that is inappropriate in furtherance of the purposes of the Act.

(C) Clearing Agency'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 up to 90 days (i) as the Commission may designate 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 or disapprove such proposed rule change, or

⁴⁴ *Id.*

(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 (<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-2026-002 on the subject line.

Paper Comments:

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

All submissions should refer to file number SR-ICC-2026-002. 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 of submission. 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 filing will 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-2026-002 and

should be submitted on or before [INSERT DATE 21 DAYS AFTER PUBLICATION
IN THE FEDERAL REGISTER].

For the Commission, by the Division of Trading and Markets, pursuant to
delegated authority.⁴⁵

Sherry R. Haywood,

Assistant Secretary.

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⁴⁵ 17 CFR 200.30-3(a)(12).