

SECURITIES AND EXCHANGE COMMISSION
(Release No. 34-77446; File No. SR-ICC-2016-004)

March 25, 2016

Self-Regulatory Organizations; ICE Clear Credit LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change to Extend Single Name Backloading Incentive Program

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 March 21, 2016, 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. ICC filed the proposed rule change pursuant to Section 19(b)(3)(A) of the Act,³ and Rule 19b-4(f)(2)⁴ thereunder, so that the proposal was effective upon filing with the Commission. 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 the proposed rule change is to extend ICC’s single name backloading incentive program for client account clearing of single name credit default swap (“CDS”) contracts.

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.

³ 15 U.S.C. 78s(b)(3)(A).

⁴ 17 CFR 240.19b-4(f)(2).

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 extend a single name backloading incentive program for client account clearing of single name CDS contracts.⁵ The changes are designed to incentivize market participants to submit additional transactions to ICC for clearing. Under the program, clients receive a 50% discount on ICC clearing fees for backloaded single name CDS contracts. The discount is paid back as a rebate directly to the client or through the client's Clearing Participant. ICC plans to extend the existing backloading program, set to expire March 18, 2016, until September 30, 2016. As a result of the extended program, contracts must have an execution date prior to September 1, 2016 to be eligible for the rebate program. This date was chosen to incentivize clients to backload positions which were established after the original program start date. ICC is extending the program to allow market participants the opportunity to backload new single name CDS contracts that ICC has launched since the last program extension date. Additionally, the program extension allows market participants time to prepare and adapt

⁵ On July 30, 2015, ICE Clear Credit initially filed the proposed rule changes to implement a single name backloading incentive program for client account clearing of single name CDS contracts. See Securities Exchange Act Release No. 34-75656 (August 10, 2015), 80 FR 48938 (August 14, 2015) (SR-ICC-2015-014). ICE Clear Credit filed to extend this program on December 14, 2015. See Securities Exchange Act Release No. 34-76786 (December 29, 2015), 81 FR 286 (January 5, 2016) (SR-ICC-2015-019).

to industry changes regarding the reduction of frequency for which single name CDS contracts roll to the new on-the-run contract.

ICC believes the proposed rule changes are consistent with the requirements of the Act including Section 17A of the Act.⁶ More specifically, the proposed rule changes establish or change a member due, fee or other charge imposed by ICC under Section 19(b)(3)(A)(ii)⁷ of the Act and Rule 19b-4(f)(2)⁸ thereunder. ICC believes 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 17A(b)(3)(D),⁹ because the proposed fee changes apply equally to all market participants clearing backloaded single name CDS contracts in client accounts and therefore the proposed changes provide for the equitable allocation of reasonable dues, fees and other charges among its participants. As such, the proposed changes are appropriately filed pursuant to Section 19(b)(3)(A)¹⁰ of the Act and paragraph (f)(2) of Rule 19b-4 thereunder.

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

ICC does not believe the proposed rule change would have any impact, or impose any burden, on competition. The proposed changes modify pricing for client account clearing of single name CDS contracts. There is no limit to the number of client participants that may participate in the backloading incentive program; it will be open to all clients and rebates will be applied to all transaction fees for client accounts clearing

⁶ 15 U.S.C. 78q-1.

⁷ 15 U.S.C. 78s(b)(3)(A)(ii).

⁸ 17 CFR 240.19b-4(f)(2).

⁹ 15 U.S.C. 78q-1(b)(3)(D).

¹⁰ 15 U.S.C. 78s(b)(3)(A).

eligible single name CDS contracts. As such, the proposed changes apply consistently across all eligible market participants and the implementation of such changes does not preclude the implementation of similar incentive programs by other market participants. Therefore, ICC does not believe the 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

The foregoing rule change has become effective upon filing pursuant to Section 19(b)(3)(A)¹¹ of the Act and Rule 19b-4(f)(2)¹² thereunder because the extension of the single name backloading incentive program for client account clearing of single name CDS contracts results in changes which establish or change a due, fee, or other charge applicable ICC's participants. At any time within 60 days of the filing of the proposed rule change, the Commission summarily may temporarily 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

¹¹ 15 U.S.C. 78s(b)(3)(A).

¹² 17 CFR 240.19b-4(f)(2).

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-2016-004 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-2016-004. 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 Room, 100 F Street, NE, Washington, DC 20549, on official business days between the hours of 10:00 a.m. and 3:00 p.m. Copies of the filing also 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.theice.com/clear-credit/regulation>.

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-2016-004 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.¹³

Brent J. Fields
Secretary

¹³ 17 CFR 200.30-3(a)(12).