SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-106908; File No. SR-ICC-2026-011]

Self-Regulatory Organizations; ICE Clear Credit LLC; Notice of Filing of Proposed Rule Change Relating to the Treasury Rules, Treasury Clearing Service Initial Margin Approach Model Description Document, Treasury Clearing Service Guaranty Fund and Stress Test Approach Model Description Document, and Treasury Clearing Service Risk Parameter Setting and Review Policy

November 16, 2026.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Securities Exchange Act" or the "Act"), 15 U.S.C. 78s(b)(1) and Rule 19b-4 thereunder, 17 CFR 240.19b-4, notice is hereby given that on November 3, 2026, ICE Clear Credit LLC ("ICC" or "ICE Clear Credit") filed with the Securities and Exchange Commission ("SEC" or "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. Clearing Agency's Statement of the Terms of Substance of the Proposed Rule Change

The principal purpose of the proposed rule change is to make revisions to ICC's Treasury Clearing Rules ("Treasury Rules" or "Rules") and certain Treasury Clearing Service policies and procedures ("Treasury Risk Documentation"), including the Treasury Clearing Service Initial Margin Approach Model Description Document ("IM Approach Model Description"), Treasury Clearing Service Guaranty Fund and Stress Test Approach Model Description Document ("GF and Stress Test Approach Model

Description"), and Treasury Clearing Service Risk Parameter Setting and Review Policy ("Risk Parameter Policy").[1]

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 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 Rules and Treasury Risk Documentation. As background, ICC filed an application on Form CA-1 ("Application") under Section 17A of the Securities Exchange Act of 1934 (the "Act")[2] with the Securities and Exchange Commission ("Commission") to register as a clearing agency to provide central counterparty services for transactions involving U.S. Treasury ("Treasury") securities on August 1, 2025. Notice of ICC's Application was published in the Federal Register on August 21, 2025.[3] The Application contained the Treasury Rules and certain

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1 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. Capitalized terms used but not defined herein have the meanings specified in the Treasury Rules.

2 15 U.S.C. 78q–1.

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

other policies and procedures governing the Treasury Clearing Service, including the GF and Stress Test Approach Model Description, IM Approach Model Description, and Risk Parameter Policy. The Commission issued an order granting ICC's Application for registration as a clearing agency to provide central counterparty services for transactions involving Treasury securities on January 30, 2026.[4]

ICC proposes additional changes to the Treasury Rules and Treasury Risk Documentation to facilitate the clearing of Treasury repurchase and reverse repurchase ("repo") contracts and to make additional clarifications. The proposed changes to the Treasury Rules (i) update and clarify the rules for Variation Payments, (ii) introduce a new margin and settlement model for eligible money funds (the "Money Fund Margin Model" or "Fund Model"), (iii) expand the rules governing Treasury physical settlement to include triparty settlement, (iv) expand the contract terms applicable to repo contracts, and (v) make additional clarification or clean-up changes. The proposed changes to the Treasury Risk Documentation provide detail on ICC's risk management approach for repo contracts and make general clarifications throughout the documentation. 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.

Treasury Rulebook Changes

Variation Payments

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

ICC proposes revising Rule 404 to update and clarify the rules for calculating Variation Payments. The proposed amendments expand the definition of Variation Payment in paragraph (a) to include additional payment types and clarify that Variation Payment calculations may differ for contracts subject to the different Treasury physical settlement provisions in Chapters 22 through 24.

ICC proposes to introduce new defined terms and revise certain existing defined terms in Rule 404. A new defined term, Variation Payment Cycle, is introduced in Rule 404(a)(i) referring to each time as of which ICC determines Variation Payment Requirements.[5] The definition of Variation Payment Requirement would be revised in Rule 404(a)(ii) to refer to the Variation Payment Cycle. As amended, a Treasury Participant's Variation Payment Requirement for a margin category ("Variation Payment Category") for a Variation Payment Cycle would be the net sum of applicable components, further described below. The revised definition of Variation Payment Requirement also lists specific components that may be included in the variation calculation, depending on the particular contract and manner of settlement. ICC also proposes to specify in Rule 404(a) which Variation Payment-related amounts are expressed as negative or positive values.

ICC proposes to rename Mark-to-Market Price to Mark-to-Market Amount in Rule 404(b) and provide additional detail on such calculation. Currently, Mark-to-Market Price generally refers to a price determined by ICC pursuant to its procedures. The revised definition provides greater specificity. The Mark-to-Market Amount for an open

[5] ICC would determine and settle Variation Payments as of the start of each ICE Business Day. An ICE Business Day refers to any day (other than Saturdays, Sundays and holidays observed by ICC) on which ICC is open for business for the Treasury Clearing Service pursuant to Rule 101.

position means the difference between the position's current value and the value of the position determined by reference to the price, rate and other economic terms agreed by the original parties to the trade.

Pursuant to Rule 404(b), for a repo contract, Mark-to-Market Amount would consist of three components capturing the change in value of the repo contract attributable to (i) the change in value of the Purchased Securities[6] ("MTM Collateral Component"); (ii) the prevailing spot repo rate applicable to that repo contract and the remaining term thereof ("MTM Spot Repo Rate Component"); and (iii) the forward repo rate specified in the repo contract and the prevailing repo rate determined by ICC for comparable collateral and residual tenor ("MTM Forward Repo Rate Component"). Additional provisions clarify when such components apply. For example, Rule 404(b)(iv) provides that, in respect of a spot contract,[7] only the MTM Collateral Component applies, because a spot contract does not involve a repurchase contract for which repo rates that would be captured in the MTM Spot Repo Rate Component or the MTM Forward Repo Rate Component are relevant.

ICC proposes MTM Change Payments as a new defined term in Rule 404(c) to refer to the net amount of the Mark-to-Market Amount as of the current Variation Payment Cycle less the Mark-to-Market Amount as of the immediately preceding Variation Payment Cycle. Under Rule 404(c)(i), for the first Variation Payment Cycle for a position, the Mark-to-Market Amount as of the immediately preceding Variation

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6 *See infra* note 22.

7 Each spot contract consists of an agreement by one party to purchase from another party a specified principal amount of an identified Treasury security for an agreed purchase price, for settlement on the next ICC Settlement Day.

Payment Cycle will be zero, as no Mark-to-Market Amount has previously been determined for that position (and as a result the first MTM Change Payment for that position will equal the full current Mark-to-Market Amount). Each MTM Change Payment transfer would constitute a settlement of the Mark-to-Market Amount, as further described in Rule 404(c)(ii) and (iii).

Rule 404(d) would introduce Price Alignment Amount Payments, calculated using a Price Alignment Rate that is defined as the overnight interest rate determined by ICC for the relevant currency. The Price Alignment Amount Payment means the amount determined by ICC on each Variation Payment Cycle by applying the Price Alignment Rate to the cumulative MTM Change Payments of that Treasury Participant for that Variation Payment Category, as set out in further detail in Rule 404(d). As specified in Rule 404(d)(iii), Price Alignment Amount Payments are determined and settled to account for the funding effect of settling Mark-to-Market Amounts under Rule 404(c), so that the pricing of contracts cleared by ICC is not distorted by reason of such settlement relative to equivalent transactions that are not cleared.

ICC proposes to define Coupon Adjustment Payments and Redemption Adjustment Payments in Rules 404(e) and (f), respectively. ICC would determine a Coupon Adjustment Payment where a coupon or other periodic distribution is paid in respect of Purchased Securities during the term of a repo contract in an amount equal to that coupon or distribution. ICC would determine a Redemption Adjustment Payment where Purchased Securities are redeemed at maturity during the term of a repo contract in an amount equal to the redemption proceeds of those Purchased Securities. Amended Rule 404(g) would revise the definition of Transaction Adjustment Payment, which

would reflect the difference between the relevant transaction price and the current ICC Settlement Price.[8]

Additional variation payment provisions are added in Rules 404(h) through (l). Where a settlement obligation is not settled on its scheduled settlement date and the related obligations constitute a fail position, ICC would determine a Fail Settlement Adjustment Payment under paragraph (h) in order to preserve the original economic terms of the failed delivery or receipt obligation. A Fail Charge Payment, as specified in paragraph (i), would be determined under existing Treasury Rule 2205, in the case of certain failures in DVP settlement. Miscellaneous Adjustment Payments would be defined in paragraph (j) as any other amount payable by or to a Treasury Participant for contracts settled through Variation Payments. ICC would maintain a record of the Variation Payment balance of each Treasury Participant for each Variation Payment Category, as specified in paragraph (k). In paragraph (l), ICC would clarify that Variation Payments described in Rule 404 constitute final settlements.

Money Fund Margin Model

ICC proposes to amend the Treasury Rules to introduce the Money Fund Margin Model, which is intended to facilitate access for registered funds to participate in the Treasury Clearing Service. ICC proposes to adopt a new Treasury Rule 411 to introduce a new margin model. ICC designed this Money Fund Margin Model to be consistent with applicable regulatory requirements for registered funds under the Investment Company Act of 1940,[9] including the full collateralization requirements for repos by registered

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8 *See* amended Rule 2201. ICC proposes to more generally define ICC Settlement Price as the price for a security as determined by ICC.

9 15 U.S.C. 80a-1.

funds pursuant to Rule 5b-3 and related existing market practices for repos by registered funds.[10] To facilitate participation by registered funds in the Treasury Clearing Service, the Money Fund Margin Model makes certain modifications to the standard margin model applicable to other market participants. Additional details are described below. Under new Treasury Rule 411(a), ICC may, on written request of a Non-Participant Party (i.e., a customer of a Treasury Participant) that is an Eligible Money Fund, permit such Eligible Money Fund to comply with the Money Fund Margin Model with respect to Eligible Money Fund Transactions (such an Eligible Money Fund, a "Covered Money Fund").

New Treasury Rule 411(b) sets out key defined terms applicable to the Money Fund Margin Model. Such terms include Eligible Money Fund, defined as an investment company registered under the Investment Company Act of 1940[11] and such other types of investment funds as ICC may permit; Eligible Money Fund Transactions, which are eligible repo contracts in which the Covered Money Fund is acting as the Repo Buyer[12]; and Money Fund Custodial Account, which is an account in the name of the Covered Money Fund at a triparty bank acceptable to ICC (the "Money Fund Custody Bank"). Rule 411(c) through (l) set out additional legal, risk, operational, and default management provisions for the Money Fund Margin Model, as follows.

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10 17 CFR 270.5b-3.

11 15 U.S.C. 80a-1.

12 Repo Buyer is defined in existing Rule 30B-02(a). Each repo contract consists of (i) an initial obligation (the "Initial Leg") of one party (the "Repo Buyer") to purchase from another party (the "Repo Seller") a specified principal amount of Treasury securities for an agreed purchase price on an initial settlement date and (ii) an obligation on a later settlement date of the Repo Seller to repurchase the same principal amount of Treasury securities for a defined repurchase price.

- Paragraph (c) describes how an Eligible Money Fund may be designated as a Covered Money Fund. Each Covered Money Fund must enter into an agreement with ICC in such form designated by ICC.
- Paragraph (d) requires each Covered Money Fund to establish a Money Fund Custodial Account, subject to an agreement entered into by the Covered Money Fund, the Money Fund Custody Bank, ICC, and such other persons as ICC may designate.
- Paragraph (e) requires each Eligible Money Fund Transaction to specify an initial haircut (the "Initial Haircut") agreed between the Covered Money Fund and its original counterparty (the "Original Counterparty").
- Paragraph (f) describes the settlement of the delivery of the Purchased Securities to and from the Money Fund Custodial Account.
- Paragraph (g) restricts a Covered Money Fund generally from transferring, using, rehypothecating or otherwise disposing of any securities transferred to or credited to the Money Fund Custodial Account.
- Paragraph (h) provides for a first priority lien and security interest granted by each Covered Money Fund to ICC in (i) its Money Fund Custodial Account, (ii) the Purchased Securities transferred to such Covered Money Fund, (iii) all securities, financial assets, cash and other property that may be transferred, credited to, or held in the Money Fund Custodial Account, and (iv) all cash or non-cash proceeds of any of the foregoing (collectively, the "Money Fund Account Collateral"), to secure the obligations in favor of ICC.

- In light of the security interest provided under paragraph (h), paragraph (i) provides generally that neither the Covered Money Fund nor its Treasury Participant is obligated to provide Initial Margin ("IM") or Variation Payments, and ICC is not obligated to provide Variation Payments.
- Paragraph (j) describes how, upon authorization and direction from the Covered Money Fund and its Treasury Participant, ICC effects settlement of the Final Leg of an Eligible Money Fund Transaction by instructing the Money Fund Custody Bank to transfer the relevant securities from the Money Fund Custodial Account against payment of the applicable cash amount.
- Paragraph (k) provides that the Covered Money Fund is obligated as principal for the performance of its settlement obligations to ICC and the Covered Money Fund's Treasury Participant is not obligated to ICC to perform such obligations. For the avoidance of doubt, Eligible Money Fund Transactions of a Covered Money Fund are considered Client-Related Positions of that Covered Money Fund's Treasury Participant (subject to the provisions in Rule 411), and accordingly are taken into account in determining the Treasury Participant's Treasury Guaranty Fund ("GF") requirements.[13] This provision also sets out when ICC's obligations to the Treasury Participant and Covered Money Fund in respect of settlement obligations are discharged.

[13] Since Eligible Money Fund Transactions of a Covered Money Fund are considered Client-Related Positions, the portability rules in Chapter 20A also apply to Covered Money Fund transactions.

- Paragraph (l) sets out default management provisions and corresponding default management actions to be taken by relevant parties, including in the case of a client default with respect to a Covered Money Fund, a default of the Covered Money Fund's Treasury Participant, and a default of the Original Counterparty or its Treasury Participant. In the case of a client default with respect to a Covered Money Fund, ICC manages such default with respect to any Eligible Money Fund Transactions and is entitled to apply the Money Fund Account Collateral to the settlement obligations of the Covered Money Fund (against payment of any amount owed to the Covered Money Fund in respect of such settlement). In the case of a default of the Covered Money Fund's Treasury Participant, ICC may, to the extent it is legally permitted and otherwise feasible to do so on a timely basis, apply the Money Fund Account Collateral to the settlement obligations of the Covered Money Fund in respect of Eligible Money Fund Transactions as and when they become due (against payment of any amount owed by ICC to the Covered Money Fund in respect of such settlement). Otherwise, ICC may terminate the Eligible Money Fund Transactions of the Covered Money Fund in accordance with the Rules applicable to client positions of the defaulting Treasury Participant and determine the net cash amount owed in respect thereof by the Covered Money Fund or ICC. In the case of a default of the Original Counterparty (or its Treasury Participant), upon receiving notice from ICC, the Covered Money Fund may, to the extent permitted by applicable law on a timely

basis, elect to terminate its Eligible Money Fund Transactions, in which case (i) the corresponding transaction between ICC and the Original Counterparty will simultaneously terminate, (ii) the Covered Money Fund will be entitled to withdraw the Money Fund Account Collateral, (iii) ICC will have no further obligation in favor of the Covered Money Fund or its Treasury Participant in respect of the Eligible Money Fund Transactions, and (iv) ICC will have no further obligation to the Original Counterparty (or its Treasury Participant) in respect of the Eligible Money Fund Transactions. If the Covered Money Fund does not timely make such election, ICC may terminate the Eligible Money Fund Transactions of the Covered Money Fund and determine the net cash amount owed by the Covered Money Fund or ICC. In such case, ICC may liquidate the Money Fund Account Collateral of such Covered Money Fund. ICC may apply such collateral or the proceeds thereof to any amount owed in respect of such termination.

Treasury physical settlement

ICC proposes to expand its Treasury physical settlement rules by amending existing Chapter 22 and introducing new Chapters 23 and 24.[14] Amended Chapter 22 would govern DVP physical settlement and would be renamed from "Treasury Physical Settlement" to "Treasury DVP Physical Settlement." In general, DVP physical settlement

[14] ICC determines whether a cleared transaction is subject to Delivery versus Payment ("DVP") physical settlement or triparty settlement based on the instrument transaction type, as set forth in Chapter 30 of the Rules and the terms of the transaction as submitted for clearing.

refers to a settlement mechanism around the delivery of securities against payment. The proposed amendments add a "DVP" prefix to certain terms throughout Chapter 22, including Delivery Failure, Fail Charge, Net Settlement Obligation, Settlement Instructions, and Settlement Payment Failure.

In addition, ICC proposes to revise Rule 2201 by replacing cross-referenced definitions of Delivering Party and Receiving Party with standalone definitions. The definitions of deliver or delivery obligation and receive obligation would also be updated to refer generally to "an account" in Rule 2201. Further revisions include clarifying that a Settling Fail Position[15] is designated by ICC and updating the cross-reference in Rule 2205 to refer generally to the applicable Rules. ICC also proposes amendments to Rules 2202, 2203, and 2204 to clarify that such provisions apply to Settling Open Positions[16] and Settling Fail Positions subject to DVP physical settlement. In addition, the amendments state that determinations under these rules may be made on a same-day settlement basis. These revisions are intended to reflect that for certain transactions, as specified in the relevant terms, the initial leg of the repo may be settled on a same-day basis through ICC. In Chapter 22, ICC proposes updating references to "ICE Business Day" and "ICC Settlement Day", as appropriate,[17] to reflect that an ICC Settlement Day is an ICE Business Day on which ICC is open for settlement of transactions in Treasury

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15 Settling Fail Position refers to an unsettled fail position in a settling security. *See* Treasury Rule 2201.

16 Settling Open Position refers to an open Treasury position that provides for delivery or receipt of a Treasury security on such day. *See* Treasury Rule 2201.

17 For the avoidance of doubt, there may be days on which ICC's Treasury Clearing Service is open (and thus are ICE Business Days), but on which ICC would not settle transactions consistent with market practice (e.g., Veterans Day and Columbus Day).

securities, whereas an ICE Business Day is any day on which ICC is open for business for the Treasury Clearing Service.[18]

ICC proposes new Chapter 23, titled "Treasury Standard Triparty Settlement" which would govern transactions designated under the Rules for standard triparty settlement. While largely mirroring the structure of Chapter 22, Chapter 23 would establish a framework for triparty settlement of cleared repo transactions through a designated Triparty Bank. As noted above, in general, DVP physical settlement refers to a settlement mechanism providing for the delivery of securities to the account of the receiving party at its custodian against payment (without any restriction on the use of such securities by the receiving party). In contrast, triparty settlement is affected through accounts of both relevant parties at a designated Triparty Bank, which facilitates the settlement of deliveries and payments, on terms in which securities are generally not removed from the Triparty Bank absent a default by a relevant party. New Rule 2301 introduces key definitions, including Triparty Bank, the bank ICC designates to establish triparty accounts; Triparty Settlement Accounts, which include any of the CP House, CP Client, or Individual Client Triparty Settlement Accounts[19]; ICC Triparty Settlement Account, which is an account maintained by ICC at the Triparty Bank; and Triparty

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[18] For example, in Rules 2202(d) and 2203(e), ICC proposes to change "preceding ICC Settlement Day" to "preceding ICE Business Day" for purposes of determinations made following the close of business, as such determinations may be made on a day on which ICC is open for business. In Rules 2205(a) and 2206(a), ICC proposes to change "ICE Business Day" to "ICC Settlement Day" in relation to DVP Net Settlement Obligations.

[19] CP House Triparty Settlement Account and CP Client Triparty Settlement Account refer to accounts established by the Treasury Participant with the Triparty Bank for settlement in respect of house positions and client-related positions, respectively. Individual Client Triparty Settlement Account refers to an account established by a Non-Participant Party of a Treasury Participant at the Triparty Bank for direct settlement in respect of client-related positions.

Settlement Obligation, which refers to a gross or net settlement obligation to deliver or receive Eligible Triparty Securities.[20]

Rule 2302 sets out the methodology for calculating Triparty Settlement Obligations for Settling Open Positions subject to net triparty settlement. Based on the Required Securities Value[21] for applicable positions, ICC would calculate deliver and receive obligations, as set out in paragraphs (a)(i) through (v), for applicable triparty accounts on a net basis. In contrast, Rule 2303 governs Triparty Settlement Obligations subject to gross triparty settlement. Rule 2303(c) describes how ICC would calculate Triparty Settlement Obligations with respect to Settling Open Positions subject to gross triparty settlement in paragraphs (c)(i) through (iii). The difference in drafting between Rule 2302(a) and 2303(c) reflects the distinction between net triparty settlement and gross triparty settlement. ICC would determine if a transaction is subject to net or gross triparty settlement based on the instrument transaction type as set out in Chapter 30 of the Rules and the terms submitted for clearing. For open positions subject to gross triparty settlement, ICC maintains a record associating each such position with the offsetting counter position and Original Counterparty. Treasury Participants and Non-Participant Parties, as applicable, would be required to maintain separate Triparty Settlement Accounts for each house origin or Non-Participant Party portfolio for each counterparty pairing (a "Counterparty Relationship") subject to gross triparty settlement. ICC would

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[20] ICC proposes to define Eligible Triparty Securities in proposed Rule 30B-10 as securities that satisfy ICC's eligibility criteria.

[21] The Required Securities Value is defined in proposed Rule 30B-10(e) as an amount determined by ICC based on the Triparty Repo Cash Amount (i.e., the purchase price of the Initial Leg) and the initial haircut for that repo contract.

calculate deliver and receive obligations based on positions subject to gross triparty settlement on a gross basis per Counterparty Relationship. Rule 2303(c)(iii) further clarifies that ICC will not net a deliver obligation for one Counterparty Relationship against a receive obligation for another.

Rule 2304 establishes the mechanics applicable to Triparty Settlement Obligations, which are structured in two "legs", through facilities operated by the Triparty Bank ("Triparty Facilities"). Under Triparty Settlement Leg 1, the Delivering Party delivers securities to the ICC Triparty Settlement Account and receives the applicable repurchase price from ICC. Under Triparty Settlement Leg 2, ICC delivers securities to the Receiving Party and receives the corresponding amount. This Rule also permits, with consent from ICC and the relevant Treasury Participant, the use of Individual Client Triparty Settlement Accounts for Non-Participant Parties for standard triparty settlement, and clarifies that ICC bears no responsibility for any default, failure, delay or unavailability affecting the Triparty Bank or Triparty Facilities.

Rules 2305 and 2306 set out provisions that apply in the case of a failure to perform a Triparty Settlement Leg. Treasury Rule 2305 addresses a Triparty Delivery Deficiency, which occurs when a Delivering Party fails to transfer required securities under Triparty Settlement Leg 1, and sets out the actions that ICC may take in response. These actions are set out in paragraphs (a)(i) through (vi) and include, among other things, directing the Triparty Bank to allocate available Eligible Triparty Securities toward curing the deficiency, imposing a late fee and requiring the failing party to reimburse ICC for any costs or expenses resulting from the failure. Pursuant to Rule 2305(b), ICC generally has no obligation to acquire any security to satisfy any Triparty

Settlement Obligation. Rule 2305(c) also provides that ICC may in its discretion determine to settle the Triparty Settlement Leg 2 notwithstanding the failure by the Delivering Party, in which case the Delivering Party must pay ICC any losses, costs or expenses incurred in such settlement. Pursuant to Rule 2305(c), ICC may acquire or borrow the relevant securities at a price and on such terms as it determines appropriate. Rule 2306 addresses a Triparty Settlement Payment Failure, which occurs when a Receiving Party fails to make the required payment under Triparty Settlement Leg 2, and sets out the actions that ICC may take in response. These actions are set out in further detail in paragraphs (a)(i) and (ii) and include, among other things, determining to settle Triparty Settlement Leg 1 notwithstanding the failure (in which case the Receiving Party must pay ICC any losses, costs or expenses incurred in such settlement) or terminating the Triparty Settlement Obligation (including both settlement legs thereof) and providing for cash settlement in lieu thereof. In case of a failure by a Delivering or Receiving Party, ICC retains the right to determine that the relevant party (or its Treasury Participant) is in Default and exercise its default remedies under the Rules.

ICC proposes new Chapter 24, titled "Fund Model Triparty Settlement," which applies only to transactions involving Covered Money Funds under the Money Fund Margin Model as described above and provides for triparty settlement of relevant delivery and receive obligations through a designated Triparty Bank. Rule 2401 introduces relevant definitions, including Covered Money Fund Settlement Account, which refers to the Money Fund Custodial Account established at the Triparty Bank for direct settlement, and the Fund Model Settlement Account, which includes any of the

Covered Money Fund Settlement Account or the CP House, CP Client, or Individual Client Triparty Settlement Accounts.

Rule 2402 sets out the calculation of Fund Model Settlement Obligations. To facilitate this calculation, ICC would maintain a record associating each open position in an Eligible Money Fund Transaction with its offsetting counter position and Original Counterparty. Further, each Covered Money Fund would maintain a single Covered Money Fund Settlement Account with separate sub-accounts for each Original Counterparty (a "Money Fund Counterparty Relationship"). ICC would calculate Fund Model Settlement Obligations with respect to Settling Open Positions subject to Fund Model triparty settlement for each Money Fund Counterparty Relationship for applicable Eligible Triparty Securities, as detailed in Rule 2402(c). ICC would not net any delivery obligation in respect of a Fund Model Settlement Obligation against any receive obligation. This is consistent with the design of the Fund Model and preserves the association between positions in Eligible Money Fund Transactions, their offsetting counter positions and Original Counterparties, as well as the separate sub-account structure maintained for each Original Counterparty. Unlike Rule 2303(e), Rule 2402(e) provides that ICC makes determinations in Rule 2402 following the close of business on the preceding ICE Business Day and does not provide that determinations may be made on a same-day settlement basis. This is because, under the Fund Model, the initial leg is not settled through ICC.

Rule 2403 governs the settlement of Fund Model Settlement Obligations and generally follows the triparty settlement framework proposed in Chapter 23. A Fund Model Settlement Obligation in securities between two Fund Model Settlement Accounts

would require the Delivering Party to deliver securities to the Receiving Party, and the Receiving Party would pay the applicable repurchase price to the Delivering Party (the "Fund Model Settlement Payment") through the Triparty Facilities. Fund Model Settlement would occur directly between the Delivering Party's and Receiving Party's accounts at the Triparty Bank (and not through an account of ICC). Rule 2403 also specifies the responsibility for settlement obligations among Treasury Participants and Covered Money Funds. Under this Rule, ICC has no responsibility for any default, failure, delay, or unavailability by or affecting the Triparty Bank or Triparty Facilities.

Rule 2405 addresses Triparty Settlement Payment Failure under the Fund Model. Pursuant to paragraph (a), where the Original Counterparty, as Receiving Party, fails to pay the Fund Model Settlement Payment by the deadline (a "Triparty Settlement Payment Failure"), ICC may determine to proceed with settlement notwithstanding the failure, in which case the Receiving Party would be obligated to pay ICC for any resulting losses, costs and expenses. This provision would not apply if ICC had otherwise determined the Receiving Party or its Treasury Participant in default, in which case the default provisions of Rule 411 as described above or other applicable ICC default rules would apply instead.

Repo Contract Terms

ICC proposes amendments to Chapter 30, which describes Treasury contracts that ICC may clear. With respect to spot contracts under Rule 30A-02, ICC proposes to clarify that it may establish and publish on its website categories of spot contracts accepted for clearing. ICC also proposes new Rule 30A-03 to provide that spot contracts are subject to DVP physical settlement. Spot contracts are subject to DVP physical settlement, consistent with market practice, because triparty settlement is designed to

support repo contracts and generally does not support spot contracts. ICC proposes additional revisions in Subchapter 30B governing Treasury repo contracts. ICC proposes to retitle Rule 30B-02 from "Repurchase Contract Terms" to "General Repurchase Contract Terms" to clarify that this Rule sets forth general terms for repo contracts. ICC would introduce and clarify certain defined terms relevant to repo contracts, including Purchased Securities, Initial Settlement Date, Final Leg, and Final Settlement Date.[22] Amended Rule 30B-02 would clarify that the Initial Leg for certain repo contracts may be settled under the Rules, replace a generic reference to "settlement date" with the defined term "Final Settlement Date," and add references to ICC procedures. This Rule would also specify additional types of repo contracts that ICC may choose to clear, including specified term, extendable and evergreen repo contracts.

ICC would also expand Rule 30B-02 to address certain additional features of repo transactions. Paragraph (f) would describe the treatment of coupons, income, or other distributions received with respect to the Purchased Securities, paragraph (g) would establish how repurchase prices are determined (e.g., as a fixed price or through a specified repo pricing rate applied to the purchase price), and paragraph (h) would permit repo contracts to specify an initial haircut with respect to the value of the purchased securities. Amended paragraph (i) provides that ICC would establish and publish on its website the specific categories of repo contracts accepted for clearing.

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22 Each repo contract would consist of (i) an initial obligation (the "Initial Leg") of one party (the "Repo Buyer") to purchase from another party (the "Repo Seller") a specified principal amount or value of Treasury securities (the "Purchased Securities") for an agreed cash purchase price on an initial settlement date (the "Initial Settlement Date"); and (ii) an obligation (the "Final Leg") on a later settlement date (the "Final Settlement Date") of the Repo Seller to repurchase the same principal amount or value of Treasury securities for a defined cash repurchase price (taking into account the initial purchase price and an agreed pricing rate).

Rules 30B-03 through -06 describe the characteristics of particular types of repo contracts that ICC may choose to clear. ICC will not be obligated to accept any particular type of repo contract for clearing unless it has specified such type on its website as described above. Rule 30B-03 would define overnight repo as a repo contract maturing one ICC Settlement Day following the Initial Settlement Date. Rule 30B-04 would define a term repo as a repo contract with a Final Settlement Date more than one ICC Settlement Day following the Initial Settlement Date. Rule 30B-05 would introduce variable maturity repos, including term repos with put/call features, extendable repos, and evergreen repos, each of which permits adjustment or extension of the Final Settlement Date under specified conditions. Rule 30B-06 would define open repos as repo contracts that do not initially specify a Final Settlement Date but for which ICC or the Treasury Participant may designate the Final Settlement Date by notice. Each of these types of repo contracts may involve Specific Collateral or General Collateral, as defined below.

Rule 30B-07 would define Specific Collateral Repos as repo contracts involving Purchased Securities that are designated to be a particular issue of Treasury security with a specific CUSIP, such that only securities of that CUSIP may be delivered. These contracts would be subject to DVP physical settlement.[23] Rule 30B-08 would define General Collateral Repos as repo contracts where the Purchased Securities may consist of any eligible Treasury security within a defined pool of securities associated with a generic CUSIP or other identifier. General Collateral Repos could be settled through DVP physical settlement, standard triparty settlement on either a gross or net basis, or, in

[23] For the avoidance of doubt, because Eligible Money Fund Transactions of a Covered Money Fund are subject to Fund Model triparty settlement (see proposed Rule 30B-08(c)), they cannot be Specific Collateral Repos.

the case of Eligible Money Fund Transactions involving Covered Money Funds, through Fund Model triparty settlement.

ICC additionally proposes Rule 30B-09, which would permit a Repo Seller to substitute eligible Treasury securities for the outstanding Purchased Securities under the repo contract. For DVP-settled repo contracts, substitutions would be permitted for the Repo Seller during a specified period,[24] subject to ICC's consent. For repo contracts subject to standard triparty settlement or Fund Model triparty settlement, substitutions would be permitted as, and to the extent, permitted under the terms of the Triparty Facilities and provided that applicable collateral value requirements are satisfied. Rule 30B-09 would also permit ICC to accelerate the termination of a repo contract if the Purchased Securities are redeemed and not substituted with other eligible securities.

ICC proposes new Rule 30B-10 describing repo contracts subject to standard triparty settlement or Fund Model triparty settlement ("Triparty Settlement Contracts"). This Rule would define key terms, including Eligible Triparty Securities[25]; Triparty Margin Percentage, which is the percentage by which the securities' market value is discounted to determine the Triparty Securities Value; Triparty Securities Value, which is defined as the aggregate value of Eligible Triparty Securities allocated to a Triparty Settlement Contract; and the Triparty Repo Cash Amount and Required Securities Value.[26] Rule 30B-10 would also specify that the amount and identity of the Purchased Securities allocated to a Triparty Settlement Contract may change during its term through

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24 Such period refers to the period commencing with the ICC Settlement Day following the completion of the on-leg settlement or novation to ICC, whichever is later, and ending with the ICC Settlement Day prior to the final settlement date.

25 *See supra* note 20.

26 *See supra* note 21.

the Triparty Facilities. Further, on each ICC Settlement Day, ICC would compare the Triparty Securities Value of the Eligible Triparty Securities in respect of a Triparty Settlement Contract with the Required Securities Value, and Eligible Triparty Securities will be transferred through the Triparty Facilities to eliminate any difference between such amounts. This Rule would provide that coupon payments, income, redemptions, and other distributions paid on Eligible Triparty Securities would be credited through the Triparty Facilities, and would authorize ICC to establish and publish categories of Treasury securities that constitute Eligible Triparty Securities, the applicable Triparty Margin Percentage, as well as concentration limits. In addition, ICC would not transfer, use, rehypothecate, or otherwise dispose of Eligible Triparty Securities credited to an ICC Triparty Settlement Account, except in limited circumstances.

Additional clarification or clean-up changes

ICC proposes additional clarification or clean-up changes throughout the Rules. Such changes are intended for clarity and consistency and include the following:

- Clarifying that "Defaulting Treasury Participant" is synonymous with "Defaulting Participant" in Rules 101 and 20-605;
- Updating defined terms throughout the Rules for consistency, including changing "Mark-to-Market Price" to "Mark-to-Market Amount" and changing "Customer IM Account" to "Client IM Account";
- Clarifying that a reference to a "Participant" refers to "Treasury Participant" throughout the Rules;
- Updating "Risk Committee Reconstruction Date" to refer to "Risk Committee Reconstitution Date" to align with the term in Rule 503;

- Updating cross-references, including in Rules 101 and 316, to reference applicable provisions;
- Replacing "Parts" with "Chapters", and adding references to new Chapters, Rules, or defined terms (e.g., adding and updating references to DVP and triparty terminology) throughout the Rules; and
- Minor grammatical changes, including correcting capitalizations and minor typographical errors.

Treasury Risk Documentation

ICC's risk management practices for the Treasury Clearing Service are documented in various policies and procedures, including the IM Approach Model Description, the GF and Stress Test Approach Model Description, and Risk Parameter Policy. The IM Approach Model Description sets forth the quantitative risk models and associated methods and techniques used to estimate IM requirements for cleared portfolios of Treasury-related instruments. The GF and Stress Test Approach Model Description describes the general stress testing framework for GF computations developed by ICC for the Treasury Clearing Service and used for financial resources modeling and GF design. The Risk Parameter Policy describes the process of setting and reviewing the risk management model core parameters and their underlying assumptions for the Treasury Clearing Service, as described in the IM Approach Model Description and the GF and Stress Test Approach Model Description.[27] ICC proposes changes to the

[27] *See* Securities Exchange Act Release No. 105974 (July 23, 2026), 91 FR 47264 (July 28, 2026) (File No. SR-ICC-2026-005) (containing additional information on ICC's IM approach, GF and stress test approach, and risk parameter setting and review approach).

Treasury Risk Documentation to reflect ICC's risk management approach for repo contracts as well as to make clarifications throughout the documentation.

IM Approach Model Description

As set out in the IM Approach Model Description, ICC's risk management modeling approach features computations of statistical IM risk measures and add-on requirements. The IM Approach Model Description remains substantively the same under the proposed changes. ICC's risk management model for the Treasury Clearing Service continues to include a statistically calibrated U.S. interest rate ("IR") dynamics component and liquidation risk add-ons. The IR dynamics component continues to be the main component of the total portfolio IM requirements, which provides collateralization of potential losses in response to mark-to-market changes. The liquidation risk add-on components continue to capture the losses associated with the liquidation process of cleared portfolios, informed from adverse effects of market frictions encountered during major market events.

The proposed changes further reflect ICC's risk management approach for repo transactions and make certain general clarifications (i.e., not repo-specific) throughout the document. ICC proposes to amend Section I, which describes the IM methodology, to add references to repo contracts and related terminology. The proposed changes add triparty and bilateral repo financing rates to the list of IR term structures considered in ICC's methodology. ICC proposes language describing repo contracts and how such contracts are represented in ICC's risk management approach, including in terms of exposure and key terms and features relevant to the IM methodology. In addition, ICC proposes general clarifications, noting that the risk measure used for establishing certain

IM requirements is augmented with correlation breakdown and anti-procyclicality components and that the liquidation risk add-ons feature liquidity charge and concentration charge components.

ICC proposes additional changes in Section I.1, which introduces the distributions of IR changes used as part of ICC's IM methodology. In Section I.1, ICC proposes general clarifications to revise certain equations and their descriptions. ICC proposes to amend Equation 11 to incorporate a term that was previously defined in Equation 10 and conform the equation to the existing description. ICC proposes explanatory language regarding the analyzed time series for Equation 12, and to replace one symbol with another symbol in Equation 13. ICC further proposes to add new Equation 14 and to revise the accompanying discussion on the construction of the referenced sample. In Section I.1.ii, ICC proposes to provide additional support for the utilized Treasury repo time series based on observed Secured Overnight Financing Rate ("SOFR") and historical proxies as well as revisions to the description of a scale to avoid procyclicality ("APC scale"), including the removal of language on sample size. In Section I.1.iii, ICC proposes explanatory language regarding Equations 22 and 23 to clarify the rationale for certain parameter settings.

ICC proposes additional edits in Section I.2, which describes ICC's approach to the construction, estimation, and simulation of the dependence structure among the distributions introduced in Section I.1. In Sections I.2.ii and I.2.iii, ICC proposes explanatory language regarding Figure 3 to clarify that such figure illustrates the simulated distributions and regarding Figure 4 to specify the relevant implementation for Equation 33. ICC also proposes clarifications to the description of the block simulation

approach to reflect the production implementation. In Section I.2.iv, ICC proposes revisions to the description of the interest rate level floor in the methodology, including updates specifying that, for each tenor, a minimum rate level "can be" rather than "is" considered.

ICC proposes additional revisions in Section I.3, which relates to risk estimations. ICC proposes to add new equations along with explanatory text to describe the methodology for calculating the profit and loss response with respect to repo positions. For example, new Equation 40 would provide the profit and loss response to a repo rate scenario for an in flight repo position and would indicate that the computational approach introduces some conservative bias along with anti-procyclical features. New Equation 41 would provide the profit and loss response to a repo rate scenario for a forward starting repo position. ICC proposes additional explanatory language describing the relevant notations, inputs, and other characteristics of such approach. ICC proposes additional revisions to explain its treatment of constant maturity repo tenors shorter than two weeks and to incorporate repo-rate exposure sub-portfolios in Equation 44. In Section I.3.ii, ICC proposes general clarifications to specify that certain reviews relating to concentration charges will occur at least monthly.

ICC also proposes various non-substantive revisions or clarifications throughout the IM Approach Model Description, including grammatical updates, notation changes in equations for clarity, minor language edits and clarifications, and typographical corrections.

GF and Stress Test Approach

The purpose of the GF and Stress Test Approach Model Description is to describe the general stress testing framework for GF computations used for financial resources modeling and GF design for the Treasury Clearing Service. The GF and Stress Test Approach Model Description remains substantively the same under the proposed changes. ICC continues to establish a separate GF for the Treasury Clearing Service designed to provide mutualization of losses associated with extreme but plausible market scenarios where the considered stress losses exceed the collateralized losses corresponding to the IR dynamics component of the computed IM requirements. ICC continues to utilize statistical stress testing and scenario-based stress loss analysis techniques to estimate potential stress loss over IM for every portfolio.

The proposed changes further reflect ICC's risk management approach for repo transactions and make certain general clarifications (i.e., not repo-specific) throughout the document. ICC proposes to amend Section I, which describes ICC's overall GF and stress test methodology, to add references to repo contracts and related terminology. ICC proposes to clarify that the considered Treasury market term structures include both Treasury cash instruments and repo instruments, including triparty and bilateral repo term structures. Additional language describes the computation of the IR dynamics component in the presence of repo instruments and explains the treatment of repo instruments for risk management purposes based on the underlying security and interest rate payments. Additional revisions amend Equation 1 to specify that the IR dynamics component is defined as a negative quantity. ICC also proposes a new notation for repo-only positions for use in relevant equations, including in Equation 2 where ICC would incorporate such notation. In Section I.1, ICC proposes a terminology update to replace "Participant" with

"Proprietary" in reference to Treasury Participant House portfolios for clarity, and an updated reference to relevant historical stress periods.

ICC proposes additional edits to Sections I.2 through I.4. In Section I.2, ICC proposes to remove explanatory language associated with Equation 4 to streamline the description, while leaving the equation unchanged. ICC proposes clarifications to the description of the tail loss calculation in Equation 5, as well as updates to Equation 6 and related notations throughout the document to maintain consistency. In Section I.3, ICC proposes explanatory language associated with Equations 10 and 11 to clarify that the calculation in Equation 11 reflects the exclusion of certain accounts, as identified by Equations 8 and 9. In Equation 13, ICC proposes to replace one notation with a notation used earlier in the document (see Equation 5) for consistency.

In Section I.4, with respect to Equation 16, ICC proposes to update this same notation for consistency and to clarify the calculation of stress loss over IM. ICC proposes to specify that Equation 17 represents the total stress loss over IM for a Treasury Participant and to identify the notation used to represent this amount. ICC proposes conforming changes to incorporate that notation in the introductory text of Equation 18. In addition, ICC proposes to amend Equation 19 and related text to revise the notation used for Treasury Participant-specific GF contributions, which are expressed as positive quantities, and to conform the notations used in this section (including in Equation 18 and the text following Equation 19). ICC further proposes clarifying that the worst cumulative stress losses over IM are defined as non-positive quantities in the text that follows Equation 19.

ICC also proposes various non-substantive revisions throughout the GF and Stress Test Approach Model Description, including grammatical updates, notation revisions in equations for clarity, equation simplifications, minor language edits and clarifications, and typographical corrections.

Risk Parameter Policy

The Risk Parameter Policy describes the process of setting and reviewing the risk management model core parameters and their underlying assumptions for the Treasury Clearing Service. The Risk Parameter Policy remains substantively the same under the proposed changes. The Risk Parameter Policy continues to describe the tools and methods used to estimate core parameters, determine appropriate parameter settings, and review the IM and GF model assumptions.

The proposed changes further reflect ICC's risk management approach for repo transactions and make certain general clarifications (i.e., not repo-specific). In Section 1.2, which describes liquidity charge parameters, ICC proposes to correct a duplicative notation by revising the affected reference. In Section 1.3, which describes concentration charge parameters, ICC would add that, because repo transactions feature underlying Treasury security instruments as collateral, the same liquidity charge and concentration charge risk management approach applies to outright and repo-related security positions. In Section 1.4, which describes IR dynamics parameters, ICC proposes language describing the analyzed time series for Treasury repo clearing services. In Section 1.4.2 and throughout the document, ICC would incorporate references to ICC's repo clearing services. In Section 1.4.3, which describes the IM anti-procyclicality parameters, ICC

proposes to clarify the treatment of constant maturity Treasury repo tenors shorter than two weeks.

ICC proposes additional changes to the appendices to the document. ICC proposes to incorporate references to repo contracts and related terminology. Revisions in Appendix 2 would also amend the stress scenario sets to add repo-specific risk factors to the current stress scenario sets and to add an additional stress scenario set. ICC's stress scenario sets would continue to be constructed by considering market realizations during stress periods and events, as described in Section 2.6. ICC proposes to amend Appendix 3, which presents exponentially weighted moving average ("EWMA") factors, to incorporate EWMA factors for triparty and bilateral Treasury repo constant maturity tenors. ICC also proposes to amend Appendix 4, which presents minimum rate levels for Treasury constant maturity tenors, to incorporate minimum rate levels for triparty and bilateral Treasury repo constant maturity tenors.

ICC also proposes various non-substantive revisions throughout the Risk Parameter Policy, including grammatical updates, minor language edits and clarifications, and typographical corrections.

(b) Statutory Basis

ICC believes that the proposed rule change is consistent with the requirements of Section 17A of the Act[28] and the regulations thereunder applicable to it, including the applicable standards under Rule 17ad-22.[29] In particular, Section 17A(b)(3)(F) of the Act[30] requires, among other things, that the rules of a clearing agency be designed to

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28 15 U.S.C. 78q-1.

29 17 CFR 240.17ad-22.

30 15 U.S.C. 78q-1(b)(3)(F).

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.

The proposed rule change would facilitate participation in ICC's Treasury Clearing Service by establishing clear and transparent terms for the clearing of contracts, including repo contracts. The proposed changes facilitate the clearing of such contracts by amending the Rules to (i) update and clarify the rules for Variation Payments, (ii) introduce a new margin model for eligible money funds to facilitate participation by such funds in the Treasury Clearing Service, (iii) expand the rules governing Treasury physical settlement to include triparty as well as DVP settlement, (iv) expand the contract terms applicable to repo contracts, and (v) make additional clarification or clean-up changes. The proposed changes to the Treasury Risk Documentation provide further detail on ICC's risk management approach for repo contracts and make clarifications throughout the documentation, thereby extending ICC's risk management documentation to address the risks presented by repo contracts and ensuring that such documentation remains clear and transparent. The proposed rule change would also facilitate access for registered funds to participate in the Treasury Clearing Service by accommodating applicable regulatory requirements for registered funds through the introduction of the Money Fund Margin Model. Taken together, the proposed changes ensure that the Treasury Rules and Treasury Risk Documentation remain effective, 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 and promoting the

prompt and accurate clearance and settlement of securities transactions and protecting investors and the public interest, within the meaning of Section 17A(b)(3)(F) of the Act.[31]

Rule 17ad-22(e)(1)[32] 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. The proposed amendments to Chapter 30, which governs cleared Treasury products, establish clear and comprehensive terms applicable to the various contracts that ICC may clear. Similarly, the proposed amendments to Rule 404 provide for a well-defined and comprehensive rule explaining the calculation and treatment of Variation Payments. The proposed amendments to Chapters 22 through 24 establish a clear and comprehensive settlement framework covering DVP physical settlement, standard triparty settlement, and Fund Model triparty settlement. Such changes ensure that the Treasury Rules provide a well-founded, clear, transparent, and enforceable legal basis for ICC's clearing activities, including ICC's repo clearing activities. As such, the proposed rule change is consistent with Rule 17ad-22(e)(1).[33]

Rule 17ad-22(e)(4)[34] 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

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31 *Id.*

32 17 CFR 240.17ad-22(e)(1).

33 *Id.*

34 17 CFR 240.17ad-22(e)(4).

and those arising from its payment, clearing, and settlement processes by maintaining sufficient financial resources to cover its credit exposure to each participant fully with a high degree of confidence. ICC believes the proposed changes to the Treasury Risk Documentation appropriately extend ICC's existing risk management framework to the Treasury repo market without substantively altering its underlying risk management approach. The proposed changes ensure that ICC continues to effectively identify, measure, monitor, and manage its credit exposures to Treasury Participants across the expanded product set that will include repo contracts. As such, ICC believes the proposed rule change meets the requirements of Rule 17ad-22(e)(4).[35]

Rule 17ad-22(e)(6)[36] requires each covered clearing agency to establish, implement, maintain, and enforce written policies and procedures reasonably designed to cover its credit exposure to its participants by establishing a risk-based margin system that, at a minimum, considers, and produces margin levels commensurate with, the risks and particular attributes of each relevant product, portfolio, and market. ICC proposes to extend its IM methodology to consider repo instruments, as described in the amended Treasury Risk Documentation, including new equations along with explanatory text to describe the methodology for calculating the profit and loss response with respect to repo positions. In addition, the Money Fund Margin Model introduced in proposed Rule 411 establishes a new margin model for eligible money funds, which does not rely on IM or Variation Payments, but instead requires that the fund grant a first priority lien and security interest to ICC, as further described above. ICC believes that this approach

35 *Id.*

36 17 CFR 240.17ad-22(e)(6).

appropriately reflects the regulatory requirements applicable to registered funds, while continuing to ensure that ICC appropriately covers its credit exposure to its participants. Accordingly, ICC believes that it continues to establish a risk-based margin system that, at a minimum, considers, and produces margin levels commensurate with, the risks and particular attributes of each relevant product, portfolio, and market. As such, ICC believes the proposed rule change is consistent with the requirements of Rule 17ad-22(e)(6).[37]

Rule 17ad-22(e)(10)[38] requires each covered clearing agency to establish, implement, maintain, and enforce written policies and procedures reasonably designed to establish and maintain transparent written standards that state its obligations with respect to the delivery of physical instruments, and establish and maintain operational practices that identify, monitor and manage the risks associated with physical deliveries. Proposed New chapters 23 and 24 of the Rules set out procedures for settlement of physical delivery obligations under repo contracts through triparty settlement at a triparty bank, and establish the rights and obligations of participants and ICC in respect of such settlements. The amendments also deal with the procedures for addressing a delivery or payment failure in triparty settlement. As such, ICC believes the proposed rule change is consistent with the requirements of Rule 17ad-22(e)(10).[39]

Rule 17ad-22(e)(13)[40] requires each covered clearing agency to establish, implement, maintain, and enforce written policies and procedures reasonably designed to

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37 *Id.*

38 17 CFR 240.17ad-22(e)(10).

39 *Id.*

40 17 CFR 240.17ad-22(e)(13).

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. Proposed Rule 411(l) sets out default management provisions and corresponding default management actions to be taken by relevant parties, including in the case of a client default with respect to a Covered Money Fund, a default of the Covered Money Fund's Treasury Participant, and a default of the Original Counterparty or its Treasury Participant. Additional provisions in chapters 23 and 24 of the Rules address failures to make required deliveries or payments on settlement. Under the proposed rule change, ICC will continue to have the authority and operational capacity to take timely action to contain losses and liquidity demands arising in connection with repo contracts, consistent with Rule 17ad-22(e)(13).[41]

Rule 17ad-22(e)(18)(iv)(C)[42] requires, in part, that when the covered clearing agency provides central counterparty services for transactions in Treasury securities, it establish objective, risk-based, and publicly disclosed criteria for participation, which ensure that it has appropriate means to facilitate access to clearance and settlement services of all eligible secondary market transactions in Treasury securities, including those of indirect participants. ICC believes that the proposed changes facilitate access to its Treasury Clearing Service by accommodating applicable regulatory requirements for registered funds. ICC designed the Money Fund Margin Model to be consistent with applicable regulatory requirements for registered funds under the Investment Company Act of 1940,[43] including the full collateralization requirements and existing market

41 *Id.*

42 17 CFR 240.17ad-22(e)(18)(iv)(C).

43 15 U.S.C. 80a-1.

practices for repos by registered funds pursuant to Rule 5b-3.[44] As such, ICC believes the proposed rule change is consistent with the requirements of Rule 17ad-22(e)(18)(iv)(C).[45]

Rule 17ad-22(e)(19)[46] under the Act requires that each covered clearing agency establish, implement, maintain and enforce written policies and procedures reasonably designed to identify, monitor, and manage the material risks to the covered clearing agency arising from arrangements in which firms that are indirect participants in the covered clearing agency rely on the services provided by direct participants to access the covered clearing agency's payment, clearing, or settlement facilities. The proposed Money Fund Margin Model in Rule 411 would address the indirect participation of eligible money funds in the Treasury Clearing Service, providing ICC with a clear framework to identify, monitor, and manage any associated risks. In particular, Rule 411(c) through (l) would set out additional legal, risk, operational, and default management provisions applicable to the Money Fund Margin Model, which provide, among other things, a first priority lien and security interest granted by each Covered Money Fund to ICC as well as default management actions to be taken by relevant parties. As such, ICC believes the proposed rule change is consistent with the requirements of Rule 17ad-22(e)(19).[47]

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

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44 17 CFR 270.5b-3.

45 17 CFR 240.17ad-22(e)(18)(iv)(C).

46 17 CFR 240.17ad-22(e)(19).

47 *Id.*

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 Rules and Treasury Risk Documentation will apply uniformly across all market participants. Certain proposed changes, including amendments to establish the Money Fund Margin Model, are intended to facilitate access to clearing by money funds and thus expand access to clearing for a broader range of market participants. ICC does not believe the proposed amendments would adversely 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 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

(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-2026-011 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-2026-011. 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 such filings 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-2026-011 and should be submitted on or before [INSERT DATE 21 DAYS AFTER DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[48]

Sherry R. Haywood,

Assistant Secretary.

[48] 17 CFR 200.30-3(a)(12).