

SECURITIES AND EXCHANGE COMMISSION  
(Release No. 34-67696; File No. SR-ICC-2012-12)

August 20, 2012

Self-Regulatory Organizations; ICE Clear Credit LLC; Notice of Filing of Proposed Rule Change to Amend Schedule 502 of the ICE Clear Credit Rules to Provide for Clearing of Additional Single Name Investment Grade CDS Contracts

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”)<sup>1</sup> and Rule 19b-4 thereunder<sup>2</sup> notice is hereby given that on August 9, 2012, ICE Clear Credit LLC (“ICC”) filed with the Securities and Exchange Commission (“Commission”) the proposed rule change as described in Items I, II, and III below, which Items have been prepared primarily by ICC. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

I. Self-Regulatory Organization’s Statement of the Terms of Substance of the Proposed Rule Change

The purpose of proposed rule change is to provide for the clearance of the following twenty additional investment grade Standard North American Corporate Single Name CDS contracts: Nucor Corporation; V.F. Corporation; The Procter & Gamble Company; Encana Corporation; Weatherford International Ltd.; Chevron Corporation; Nexen Inc.; Energy Transfer Partners, L.P.; Apache Corporation; Kimco Realty Corporation; Prudential Financial, Inc.; Prologis, L.P.; HCP, Inc.; Lincoln National Corporation; The Travelers Companies, Inc.; Textron Financial Corporation; Textron Inc.; The Williams Companies, Inc.; Pacific Gas and Electric Company; and Starwood Hotels & Resorts Worldwide, Inc. (the “Additional Single Names”).

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

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

II. Self-Regulatory Organization'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 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.<sup>3</sup>

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

As with the Standard North American Corporate Single Names currently cleared, ICC plans to provide for the clearance of contracts with a restructuring type of no restructuring, standardized maturity dates up to the 10-year tenor and both standardized coupons. One of the Additional Single Names (Starwood Hotels & Resorts Worldwide, Inc.) was recently added by Markit as one of the one hundred twenty-five single constituents of its Markit CDX North American Investment Grade Series 18 Index, and is not currently being cleared by ICC. Another of the Additional Single Names (Textron Financial Corporation) is a constituent of the Series 8 through 12 of the Markit CDX North American Investment Grade Index, and has not been cleared previously by ICC. All other Additional Single Names are not constituents of Series 8 through 18 of the Markit CDX North American Investment Grade Index. The Additional Single Names do not require any changes to the body of the ICC Rules. ICC will clear the Additional Single Names pursuant to ICC's existing Rules. The Additional Single Names do not require any changes to the ICC risk management framework including the ICC margin methodology, guaranty fund methodology, pricing parameters, or pricing model. The only change being

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<sup>3</sup> The Commission has modified the text of the summaries prepared by ICC.

submitted is the inclusion of the Additional Single Names to Schedule 502 of the ICC Rules. The Additional Single Names have been reviewed by the ICC Risk Department, the ICC Trading Advisory Committee, and the ICC Risk Committee.

ICC believes that the clearing of the Additional Single Names is consistent with the purposes and requirements of Section 17A of the Act<sup>4</sup> and the rules and regulations thereunder applicable to ICC because it will facilitate the prompt and accurate settlement of security-based swaps and contribute to the safeguarding of securities and funds associated with security-based swap transactions.

(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.

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

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

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

Within 45 days of the date of publication of this notice in the Federal Register or within such longer period 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 the proposed rule change; or

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<sup>4</sup> 15 U.S.C. 78q-1.

(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-2012-12 on the subject line.

Paper Comments:

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

All submissions should refer to File Number SR-ICC-2012-12. This file number should be included on the subject line if e-mail is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's Internet website (<http://www.sec.gov/rules/sro.shtml>). Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for website viewing and printing in the Commission's Public Reference Section, 100 F Street, N.E., Washington, D.C. 20549, on official business days between the hours of 10:00 a.m.

and 3:00 p.m. Copies of such filings will also be available for inspection and copying at the principal office of ICC and on ICC's website at

[https://www.theice.com/publicdocs/regulatory\\_filings/ICEClearCredit\\_080912.pdf](https://www.theice.com/publicdocs/regulatory_filings/ICEClearCredit_080912.pdf)

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-2012-12 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.<sup>5</sup>

Elizabeth M. Murphy  
Secretary

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<sup>5</sup> 17 CFR 200.30-3(a)(12).