

company, except as permitted by the order requested hereby.

4. Notwithstanding sections 17(a) and 17(d) of the Act, an affiliated person (as defined in section 2(a)(3) of the Act) of BHBC may engage in a transaction that otherwise would be prohibited by these sections with BHBC:

(a) If such proposed transaction is first approved by a bankruptcy court on the basis that (i) the terms thereof, including the consideration to be paid or received, are reasonable and fair to BHBC, and (ii) the participation of BHBC in the proposed transaction will not be on a basis less advantageous to BHBC than that of other participants; and

(b) In connection with each such transaction, BHBC shall inform the bankruptcy court of: (i) The identity of all of its affiliated persons who are parties to, or have a direct or indirect financial interest in, the transaction; (ii) the nature of the affiliation; and (iii) the financial interests of such persons in the transaction.

For the Commission, by the Division of Investment Management, pursuant to delegated authority.

Kevin M. O'Neill,
Deputy Secretary.

[FR Doc. 2012-9772 Filed 4-23-12; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

Sunshine Act Meeting; Notice

Notice is hereby given, pursuant to the provisions of the Government in the Sunshine Act, Public Law 94-409, that the Securities and Exchange Commission will hold a Closed Meeting on Thursday, April 26, 2012 at 2 p.m.

Commissioners, Counsel to the Commissioners, the Secretary to the Commission, and recording secretaries will attend the Closed Meeting. Certain staff members who have an interest in the matters also may be present.

The General Counsel of the Commission, or his designee, has certified that, in his opinion, one or more of the exemptions set forth in 5 U.S.C. 552b(c)(3), (5), (7), 9(B) and (10) and 17 CFR 200.402(a)(3), (5), (7), 9(ii) and (10), permit consideration of the scheduled matters at the Closed Meeting.

Commissioner Walter, as duty officer, voted to consider the items listed for the Closed Meeting in a closed session.

The subject matter of the Closed Meeting scheduled for Thursday, April 26, 2012 will be:

Institution and settlement of injunctive actions;

Institution and settlement of administrative proceedings;

Other matters relating to enforcement proceedings; and

An opinion.

At times, changes in Commission priorities require alterations in the scheduling of meeting items.

For further information and to ascertain what, if any, matters have been added, deleted or postponed, please contact: The Office of the Secretary at (202) 551-5400.

Dated: April 19, 2012.

Elizabeth M. Murphy,
Secretary.

[FR Doc. 2012-9933 Filed 4-20-12; 4:15 pm]

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-66825; File No. SR-ICC-2012-01]

Self-Regulatory Organizations; ICE Clear Credit LLC; Order Approving Proposed Rule To Provide That One Hundred Percent (100%) of the Initial Margin Requirement for Client-Related Positions Cleared in a Clearing Participant's Customer Account Origin May Be Satisfied by a Clearing Participant Utilizing US Treasuries

April 18, 2012.

I. Introduction

On February 17, 2012, ICE Clear Credit LLC ("ICC") filed with the Securities and Exchange Commission ("Commission") the proposed rule change SR-ICC-2012-01 pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act").¹ The proposed rule change was published for comment in the **Federal Register** on March 7, 2012.² The Commission received no comment letters. For the reasons discussed below, the Commission is granting approval of the proposed rule change.

II. Description

This rule change will allow clearing participants to satisfy the initial margin-related liquidity requirements for client-related positions cleared in a clearing participant's customer account origin by posting US Treasuries.

The proposed rule changes provide that one hundred percent (100%) of the initial margin requirement for client-related positions cleared in a clearing participant's customer account origin

may be satisfied by the clearing participant utilizing US Treasuries.³

The ICC rules currently provide that for all accounts at least forty-five percent (45%) of initial margin must be posted in US dollar cash. The next twenty percent (20%) must be posted in US dollar cash or US Treasuries. The remaining thirty-five percent (35%) must be posted in US dollar cash or US Treasuries or G7 cash.

The proposed rules provide that at least sixty-five percent (65%) of the initial margin requirement for client-related positions cleared in a clearing participant's customer account origin must be posted in US dollar denominated assets (US dollar cash and/or US Treasuries) and the remaining thirty-five percent (35%) must be posted in US dollar cash, US Treasuries, or G7 cash. The proposed changes will apply only to the initial margin liquidity requirements associated with the initial margin requirement for client-related positions cleared in a clearing participant's customer account origin. The proposed changes will not apply to the ICC liquidity requirements for house initial margin and the guaranty fund.

The proposed rule changes are intended to facilitate client-related clearing. Customers of ICC's clearing participants have indicated that the current US dollar cash liquidity requirement is too restrictive and serves as a barrier to clearing. The proposed rule changes are consistent with the recently promulgated CFTC regulation 39.11(e)(1) that provides that the CFTC's "cash" liquidity requirement includes US Treasury obligations. ICC routinely monitors its potential liquidity needs and reevaluates its liquidity requirements to ensure that it has sufficient intraday liquidity to manage cash payments in the event of a member default.⁴

³ ICC applies haircuts to US Treasuries to mitigate liquidity risk. The haircuts as of April 1, 2012 are: 1.25% for US Treasuries maturing in less than one year, 2.5% for US Treasuries maturing in one to five years, 5.0% for US Treasuries maturing in five to ten years, and 10.0% for US Treasuries maturing in more than ten years (available at: https://www.theice.com/publicdocs/clear_credit/ICE_Clear_Credit_Collateral_Management.pdf).

⁴ Currently at least 45% of house initial margin and the guaranty fund requirements must be posted in US dollar cash and the ICC contribution to the guaranty fund is in US dollar cash. Additionally, ICC requires all members to meet and maintain their minimum guaranty fund requirement deposit of \$20 million in US dollar cash regardless of the amount of each member's total guaranty fund requirement. In addition, in the event of immediate liquidity needs in the event of a member's default, ICC may borrow (through IntercontinentalExchange, Inc.) up to an aggregate principal amount of \$100 million against IntercontinentalExchange, Inc.'s senior unsecured revolving credit facility.

¹ 15 U.S.C. 78s(b)(1).

² Securities Exchange Act Release No. 34-66500 (March 1, 2012), 77 FR 13678 (March 7, 2012).