



NEWS RELEASE

# ICE ETF Hub Announces Launch of Innovative Custom Basket Negotiation Technology

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Initiates pilot program for issuers, market makers, and authorized participants to road test new functionality

ATLANTA & NEW YORK--(BUSINESS WIRE)-- Intercontinental Exchange, Inc. (NYSE:ICE), a leading operator of global exchanges and clearing houses and provider of data and listings services, today announced that ICE ETF Hub has launched new automated functionality for exchange traded fund (ETF) primary market participants to assemble custom basket proposals. The passage of the Securities and Exchange Commission's Rule 6c-11 last September will now expand the use of custom baskets to all ETFs in-scope of the Rule. The result of this change offers the potential for offering greater tax efficiency, better liquidity and tighter bid-ask spreads for investors.

ICE ETF Hub is an industry-wide, open architecture, primary market technology solution for primary market ETF activity which enables a more standardized and simplified process for ETF creation and redemption. It currently supports both US-listed domestic equity and fixed income ETFs.

The new functionality allows market participants to screen, communicate and assemble custom baskets with issuers electronically, via Financial Information eXchange (or FIX)-enabled APIs and ICE ETF Hub's front-end user interfaces. The platform gives users a straight through process, allowing them to seamlessly send approved baskets to authorized participants for order placement. This functionality is designed to help fixed income market participants transition away from the many manual, bespoke processes in use today, thereby increasing scale and reducing operational risk through standardization and automation.

"Assembling and placing custom creation and redemption baskets -- all in a systematic way -- has been our vision for the platform since we started exploring ways to automate the ETF primary market," said Peter Borstelmann,



Head of ICE ETF Hub. "With this new functionality, we are introducing an innovative solution that enables market participants to deploy custom basket workflow in a more efficient and expeditious way."

To allow customers to validate the new technology and experience its value first-hand, ICE ETF Hub is launching a pilot program allowing market makers to experience the custom basket negotiation functionality in a live production environment. Several market makers, including Jane Street, Old Mission and CTC, among others, have already enrolled in the program. Additional firms are expected to participate in the pilot program in the coming months.

In addition to these developments, ICE also recently launched connectivity between ICE ETF Hub and **ICE FI Select**. This connectivity allows traders to source bonds in the secondary cash market via ICE Bonds liquidity pools for custom basket negotiation. It also provides traders and market makers integrated access to security pricing and secondary cash bond execution.

Later this year, ICE plans to launch **ICE Chat** functionality to support the custom basket functionality, followed by support for US-listed international equity ETFs.

For more information about ICE ETF Hub, please visit: [www.theice.com/etf-hub](http://www.theice.com/etf-hub).

## About Intercontinental Exchange

**Intercontinental Exchange** (NYSE: ICE) is a Fortune 500 company formed in the year 2000 to modernize markets. ICE serves customers by operating the **exchanges, clearing houses** and information services they rely upon to invest, trade and manage risk across global financial and commodity markets. A leader in market data, **ICE Data Services** serves the information and connectivity needs across virtually all asset classes. As the parent company of the **New York Stock Exchange**, the company is the premier venue for raising capital in the world, driving economic growth and transforming markets.

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Safe Harbor Statement under the Private Securities Litigation Reform Act of 1995 -- Statements in this press release regarding ICE's business that are not historical facts are "forward-looking statements" that involve risks and

uncertainties. For a discussion of additional risks and uncertainties, which could cause actual results to differ from those contained in the forward-looking statements, see ICE's Securities and Exchange Commission (SEC) filings, including, but not limited to, the risk factors in ICE's Annual Report on Form 10-K for the year ended December 31, 2019, as filed with the SEC on February 6, 2020.

## About ICE Bonds

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