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BY ELECTRONIC TRANSMISSION

Submission No. 18-25
January 12, 2017

Mr. Christopher J. Kirkpatrick
Secretary of the Commission
Office of the Secretariat
Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, NW
Washington, DC 20581

Re: Weekly Notification of Rule Changes
Submission Pursuant to Section 5c(c)(1) of the Act and Regulation 40.6 (d)

Dear Mr. Kirkpatrick:

Pursuant to Section 5c(c)(1) of the Commodity Exchange Act, as amended, and Commodity Futures Trading Commission (“Commission”) Regulation 40.6(d), ICE Futures U.S., Inc. (“Exchange”) submits notification to the Commission that, during the preceding week, the Exchange amended Cotton Resolution No. 1 to delete provisions which required Exchange licensed cotton warehouse operators to furnish the Exchange with certified financial statements. The provision is no longer necessary as the Exchange eliminated all net worth requirements for licensed cotton warehouse operators on November 8, 2017 (see ICE Futures U.S. Submission No. 17-201).

If you have any questions or need further information, please contact me at 212-748-4021 or at jason.fusco@theice.com.

Sincerely,

A handwritten signature in black ink that reads "Jason V. Fusco".

Jason V. Fusco
Assistant General Counsel
Market Regulation

Enc.

Exhibit A

COTTON RESOLUTION

No. 1. Warehouse Requirements for the Storage of Exchange Cotton

RESOLVED, THAT the following are the minimum acceptable standards and procedures to be followed by Exchange licensed cotton warehouses in connection with the storage of Exchange Cotton.

(I) Location and Physical Structure of Warehouse

- (1) The physical property of the warehouse shall be subject to examination by the Exchange.
- (2) The physical property of the warehouse must be properly safeguarded and patrolled.
- (3) Any cotton subject to weather exposure must be placed on skids and entirely covered with tarpaulins.
- (4) The warehouse shall be equipped to handle cotton submitted for certification without unreasonable delay. Cotton shall be handled in the order in which its instructions are received.

(II) Duties of Warehouse Operators

- (1) The warehouse operator shall not handle certificated cotton at the request of the owner without the surrender of the EWR.

(III) Transfer of Cotton

- (1) Cotton may not be transferred from one licensed warehouse to another licensed warehouse without notification to, and approval by, the Exchange. Such notification shall be furnished to the Exchange at least ten (10) days prior to the transfer. When transferred, the EWR pertaining to the original warehouse shall be cancelled, and a new EWR issued for the new warehouse.

- (2) If the warehouse operator ceases to operate the Licensed Store because of either a voluntary or Exchange mandated cancellation, the warehouse operator shall transfer the certificated cotton and shall be liable for the expenses of such transfer. Said transfer shall take place no later than sixty (60) days after the effective date of the cancellation.

(A) Notice of the transfer stating the warehouse to which the cotton is to be transferred shall be given to the owner and the Exchange. The owner has five (5) Business Days after receipt of the notice to notify the warehouse operator and the Exchange that his cotton should be transferred to a warehouse other than the one (1) selected by the warehouse operator, and the warehouse operator shall be liable only for those expenses that would have been incurred if the cotton had been transferred to the warehouse selected by the warehouse operator.

- (3) The warehouse operator shall cover the cotton with insurance, at his expense, while the cotton is in transit and at the new location until such time as a new EWR is issued showing the new location.

(IV) Tariffs

- (1) At the time the warehouse operator applies for a license and renewal, it shall submit to the Exchange its tariff listing in detail the maximum rates applying to the handling and storage of certificated cotton during the term of the license. Upon approval of the license or renewal application by the Exchange, the tariff shall be posted at the Licensed Store in accordance with USDA requirements and published by the Exchange.

- (2) Storage rates may not be increased during the term of the license except as provided for by the USDA.

(V) Load-Out Obligations

(1) All warehouses are required to load-out cotton within nine (9) weeks from the date of receipts of a valid load-out order. A load-out order will only be considered valid for the purposes of this Resolution when an EWR Decertification record, accompanied by instructions for prompt shipment, has been transmitted to the warehouse and the Exchange. Failure to comply with this provision of the Resolution shall be either reduction of the licensed capacity of the warehouse or cancellation of the warehouse’s Exchange license.

(VI) [Financial Condition

~~The warehouse operator shall furnish to the Exchange its financial statement as of the end of its last fiscal period certified by an independent public accountant and, further, shall furnish to the Exchange within four (4) months after the end of each subsequent fiscal period a similar certified financial statement.]~~

[(VII)]EWR Requirements

1. After cotton has been inspected, sampled, weighed and classed, as provided for in the Rules, an EWR shall be promptly issued for each bale. The EWR number and the number of the bale that it represents shall correspond and no two (2) outstanding EWRs issued by the same warehouse shall have the same number.

2. When an issued EWR is valid for one (1) year, its life shall be extended, and such extension noted on the EWR, simultaneously with the periodical payment of storage as provided Rule 10.21(c) and (d).

3. The warehouse shall input onto each EWR all information including the location of the bale, required by the Exchange and shall certify thereto. Such information shall include the location of the bale, and, for the purposes of this provision, the term “location” shall mean the name of the Licensed Store.

4. The EWR Provider shall not be liable for any Claim, loss, expense (including attorney’s fees) or other liability (collectively a “Loss”) incurred by a Member that arises out of, or relates to, the EWR provider’s performance of administrative services related to determining the Year of Growth of any bales of cotton as to which certification is sought, except for any Loss caused by the gross negligence or willful misconduct of the EWR provider in connection therewith.

5. No warehouse shall claim a lien against a bale of certified cotton for unpaid charges or expenses due on other cotton or like goods as defined by the Uniform Commercial Code. Each EWR shall only contain liens representing the particular bale of certificated cotton represented thereon.

(VII) [(VIII)] Record Retention

The following records relating to Exchange Cotton shall be kept and maintained by the warehouse operator for at least the indicated periods of time after the Cotton has been removed from the warehouse, decertified or otherwise no longer identified as Exchange Cotton:

<i>Category of Document</i>	<i>Time Period</i>
Delivery Orders.....	1 year
Receiving Reports.....	2 years
Stock Record Cards.....	2 years
EWRs	2 years
Storage Report	2 years
Documents reflecting any movement of Exchange Cotton into or from a licensed store.....	2 years
Weight Notes	2 years

(VIII) ~~(IX)~~ Violations

Violations of the standards and procedures set forth in this Resolution shall not be grounds for a Receiver to reject a delivery or to hold a Deliverer in default, provided, however, that nothing in this Resolution shall alter or abridge the rights of a Receiver under any other provision of the Rules to reject a delivery or to hold a Deliverer in default.

Adopted by the Board April 15, 2009; effective April 24, 2009.

Amended by the Board December 2, 2016; effective January 12, 2017 [¶¶ (iv)(2)].