



Submission No. 22-14  
February 3, 2022

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

**Re: Amendment to ICE Futures U.S. Rules 4.26 and 4.09-- Acceptance of Trades by the Exchange - Submission Pursuant to Section 5c(C)(1) of the Act and Regulation 40.6(a)**

Dear Mr. Kirkpatrick:

Pursuant to Section 5c(c)(1) of the Commodity Exchange Act, as amended (the “Act”) and Commodity Futures Trading Commission (“Commission”) Regulation 40.6(a), ICE Futures U.S., Inc. (“IFUS” or “Exchange”) hereby certifies the amendments to Exchange Rules 4.09 and 4.26, which are set forth in Exhibit A. As discussed below, the amendments clarify the time at which a transaction is deemed accepted by the relevant Exchange Clearing Member.

Exchange Rule 4.26 sets forth the responsibility of clearing members for trades which are transacted in the central limit order book (“CLOB”) by market participants that: (i) have been authorized by the Clearing Member to submit orders directly to trading platform; or (ii) route orders to the platform through the Clearing Member’s connectivity. Amendments to the Rule clarify the fact that a trade is deemed submitted to the Exchange, and allocated and accepted by the Clearing Member, upon execution in the trading platform without any further affirmative action on the part of any person.

In addition, Rule 4.26 contain procedures and obligations related to the re-allocation (give-up) of CLOB trades between Clearing Members. The amendments to Rule 4.26 also delete obsolete references to the ACT give-up system in favor of a broad reference to the post-trade position management interface that is made available by the Exchange or Clearing House at any given time. This will avoid the need to continually amend the Rule when such systems or names change.

Because Rule 4.26 only addresses CLOB trades, similar amendments are being made with respect to non-CLOB trades, such as blocks and EFRPs. Amendments to Rule 4.09 establish the point in time at which non-CLOB trades are deemed accepted by the Exchange and by the Clearing Members which authorized their submission to the Exchange. New paragraph (d) of Rule 4.09 provides that when full details for each side of a block or EFRP have been submitted to the Exchange, the trade will be deemed allocated to, and accepted by, the Clearing Members which authorized the respective account(s) and traders (or brokers) to submit their side of the Transaction. Like Rule 4.26 concerning CLOB trades, the proposed rule also establishes the financial liability of Clearing Members for their trade side unless it is accepted by another Clearing Member through a post trade position management system offered by the Exchange or Clearing House. Finally, similar provisions regarding the re-allocation of block trades are also being added to Rule 4.09(d).



The Exchange certifies that the amendments to Rules 4.09 and 4.26, which will become effective on February 18, 2022, comply with the requirements of the Act and the rules and regulations promulgated thereunder. The Exchange has reviewed the designated contract market core principles ("Core Principles") as set forth in the Act and has determined that the amendments comply with the following relevant Core Principles:

**COMPLIANCE WITH RULES**

The amendments to Rules 4.09 and 4.26 will be enforced by the Exchange.

**AVAILABILITY OF INFORMATION**

As required by Core Principle 7, the text of amended Rules 4.09 and 4.26 shall be codified in the Exchange's rules and made available on the Exchange's Website.

**FINANCIAL INTEGRITY OF CONTRACTS**

Consistent with Core Principle 11, the amendments provide for the immediate acceptance of transactions by the Exchange Clearing Member who has authorized such transaction. In addition, all Exchange contracts are cleared a registered derivatives clearing organization subject to Commission regulation, and carried by registered futures commission merchants qualified to handle customer business.

The Exchange is not aware of any opposing views with regard to the amendments and further certifies that, concurrent with this filing, a copy of this submission was posted on the Exchange's website at <https://www.theice.com/futures-us/regulation#rule-filings>

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

Sincerely,

A handwritten signature in black ink, appearing to read "Jason V. Fusco", written in a cursive style.

Jason V. Fusco  
Assistant General Counsel  
Market Regulation

Enc.



## EXHIBIT A

(In the text of the amendments below, additions are shown underscored and deletions are bracketed and lined through.)

### Rule 4.26. Order Execution

\* \* \*

(d) Each ~~executed~~ Trade executed in the ETS shall be ~~transmitted to PTMS, at which time each side of the Trade will be~~ allocated to, and deemed accepted by, the Clearing Member which authorized Direct Access or provided Order Routing access for their Trade side. Each such Clearing Member shall be financially liable for their Trade side in accordance with Rule 4.10 unless it is subsequently accepted, in accordance with Exchange Rules, by another Clearing Member through a post-trade position management interface made available by the Exchange or Clearing House.~~[the ACT System.]~~ The re-allocation of a Trade side to another Clearing Member through a post-trade position management interface ~~[in ACT]~~ shall be made as soon as practicable after the Trade is executed, and the receiving Clearing Member shall become financially liable under Rule 4.10 upon affirmatively accepting the Trade in accordance with the procedures specified by the Exchange from time to time. Acceptance by the receiving Clearing Member shall take place as soon as practicable, but in no event later than the end of the Trading Session in which ~~it~~ the Trade was executed.

### Rule 4.09. Access for Submitting Block Trades and Other Non-Competitive Transactions

\* \* \*

(d) Each Block Trade and each EFRP submitted to the Exchange with complete details for each Trade side will be allocated to, and deemed accepted by, the Clearing Member which authorized the respective account(s) and Authorized Person(s) to submit the Transaction. Each such Clearing Member shall be financially liable for their Trade side in accordance with Rule 4.10 unless it is subsequently accepted, in accordance with Exchange Rules, by another Clearing Member through a post-trade position management interface made available by the Exchange or Clearing House. The re-allocation of a Trade side to another Clearing Member through a post-trade position management interface shall be made as soon as practicable after the Trade is reported, and the receiving Clearing Member shall become financially liable under Rule 4.10 upon affirmatively accepting the Trade in accordance with the procedures specified by the Exchange from time to time. Acceptance by the receiving Clearing Member shall take place as soon as practicable, but in no event later than the end of the first Trading Session after the Trade is reported.