

  
**ICE FUTURES U.S.**  
55 East 52<sup>nd</sup> Street  
New York, NY 10055

**BY ELECTRONIC TRANSMISSION**

Submission No. 16-14  
February 10, 2016

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

**Re: Amendments to Rule 6.44 –Anti-Money Laundering and Economic Sanctions  
Compliance--Submission Pursuant to Commission Regulation 40.6(a)**

Dear Mr. Kirkpatrick:

Pursuant to Regulation 40.6(a), ICE Futures U.S., Inc. (“IFUS” or “Exchange”) submits by written certification amendments to Rule 6.44 (set forth in Exhibit A) which will become effective on February 29, 2016.

Currently, Rule 6.44 implements the Commission’s requirement that a designated contract market adopt rules requiring FCMs to maintain anti-money laundering programs. The Exchange is amending the Rule to enhance compliance with applicable economic sanction regulations.<sup>1</sup> The amendments contained in new paragraph (b) will prohibit access to the Exchange, directly or indirectly, by any sanctioned party or party located in a sanctioned jurisdiction. As a corollary, new paragraph (d) requires that Clearing Members may only carry omnibus accounts for persons that have been put on notice and who have agreed that they will not act for any sanctioned party. In keeping with these prohibitions, the amendments to paragraph (c)(ii) prohibit the use of collateral relating to any sanctioned parties or which are

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<sup>1</sup> The Exchange previously filed economic sanction amendments in September 2014, however they were withdrawn before implementation to allow time to coordinate with FIA and CME. The CME group exchanges are implementing rule amendments at the end of the month and the Exchange therefor is implementing these amendments on a similar schedule.

otherwise subject to sectoral sanctions issued by OFAC or other blocking restrictions, from being used as margin by a Clearing Member.

The amendments also specify the obligations of Clearing Members in the event that they are holding accounts for customers who become subject to economic sanctions. New paragraph (c)(i) requires the Clearing Member in such circumstance to immediately cancel all access and authorizations issued and provide notice of such cancellations to the Exchange, or request the Exchange to effectuate such cancellations.

The Exchange certifies that the amendments comply with the Commodity Exchange Act, as amended and the regulations thereunder. There were no substantive opposing views to the amendments. The Exchange further certifies that concurrent with this filing a copy of this submission was posted on the Exchange's website at (<https://www.theice.com/notices/RegulatoryFilings.shtml>).

If you have any questions or need further information, please contact me at (212) 748-4083 or at [Audrey.hirschfeld@theice.com](mailto:Audrey.hirschfeld@theice.com).

Sincerely,

A handwritten signature in blue ink that reads "Audrey R. Hirschfeld". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

Audrey R. Hirschfeld  
SVP and General Counsel

cc: Division of Market Oversight

## EXHIBIT A

### Rule 6.44. Anti-Money Laundering and Economic Sanctions Compliance

(a) Each Member registered with the CFTC as a Futures Commission Merchant shall develop and implement a written anti-money laundering program approved in writing by senior management reasonably designed to achieve and monitor the Member's compliance with the applicable requirements of the Bank Secrecy Act (31 U.S.C. 5311, *et seq.*), and the implementing regulations promulgated thereunder by the Department of the Treasury and, as applicable, the CFTC. Such anti-money laundering program shall, at a minimum:

(i) establish and implement policies, procedures and internal controls reasonably designed to assure compliance with the applicable provisions of the Bank Secrecy Act and the implementing regulations thereunder;

(ii) provide for independent testing for compliance to be conducted by the Member's personnel or by a qualified outside party;

(iii) designate an individual or individuals responsible for implementing and monitoring the day-to-day operations and internal controls of the program; and

(iv) provide ongoing training for appropriate personnel.

Members who are registered Futures Commission Merchants must also supervise and ensure that their guaranteed introducing brokers are in compliance with the anti-money laundering provisions contained in this Rule.

(b) The following Persons ( each, a "Sanctioned Party" or "Sanctioned Parties") are not permitted to access the Exchange, whether directly or indirectly: Persons that are (i) identified on the Specially Designated Nationals and Blocked Persons List of the U.S. Department of the Treasury's Office of Foreign Assets Control ("OFAC") ("Restricted Persons"), (ii) 50% or more owned by Restricted Persons, (iii) located in a country or territory subject to comprehensive economic sanctions administered by OFAC ("Restricted Country or Territory" or "Restricted Countries or Territories"), (iv) owned or controlled by the governments of Restricted Countries or Territories, (v) subject to OFAC restrictions where such restriction prohibits a specific activity which would in turn prohibit the Person from trading on the Exchange or settling a transaction at the Exchange, (vi) subject to restrictions administered or imposed by a state or government authority authorized to issue economic sanctions and blocking measures that has jurisdiction over a Clearing Member (each, a "Sanctioning Body") or (vii) acting on behalf of any of the foregoing.

(c) Unless permitted (either not restricted or specifically authorized) by OFAC and/or any Sanctioning Body, as applicable, a Clearing Member:

(i) that maintains, becomes aware that it maintains, or has documentary information that it maintains, positions or carries an account actively trading on the Exchange for or on behalf of a Person that is, or becomes, a Sanctioned Party, shall immediately take steps to (A) cancel all direct and indirect access and authorizations issued to such Sanctioned Party and provide written notice to the Vice President of Market Regulation of such cancellations, or (B) provide written instructions to the Exchange directing the Exchange to assist and coordinate in the cancellation of all access and authorizations for the Sanctioned Party at the Exchange as may be applicable; and

(ii) may not accept as Margin from its account holders any debt or equity issued by Sanctioned Parties, assets in which Sanctioned Parties have any interest, or any other assets that are or would be subject to blocking restrictions or sectoral sanction restrictions imposed by OFAC or are subject to similar restrictions imposed by another Sanctioning Body.

(d) Clearing Members may only carry omnibus accounts for entities that have received a notice from the Clearing Member (A) expressly prohibiting the omnibus account from acting for customers of the Exchange, directly or indirectly, that are Sanctioned Parties and (B) requiring it to send a similar notice to its omnibus account customers.