



BY ELECTRONIC TRANSMISSION

Submission No. 17-106
June 26, 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: Amendments to Disciplinary Rules 21.14, 21.16 and 21.42
Submission Pursuant to Section 5c(c)(1) of the Act and Regulation 40.6**

Dear Mr. Kirkpatrick:

Pursuant to Section 5c(c)(1) of the Commodity Exchange Act, as amended, and Commission Regulation 40.6(a), ICE Futures U.S., Inc. ("IFUS" or "Exchange") self certifies the amendments to Disciplinary Rules 21.14, 21.16 and 21.42 set forth in Exhibit A.

Disciplinary Rules 21.16 and 21.42 set forth the effective date for penalties resulting from disciplinary actions and provide for the publication of disciplinary notices, respectively. Exchange Rule 21.14 allows a hearing panel to impose on a respondent the costs of prosecuting the case. Amendments to Rule 21.14, 21.1 and 21.42 make these rules applicable to non-member market participants. Currently, as written, the rules only apply to Exchange members. Amendments to Rule 21.16 will also allow the Exchange to suspend a member and to bar members and market participants who fail to pay any disciplinary fines within 30 days of the date on which fine becomes due and payable. Additional amendments delete obsolete references to the former Floor and Appeals committees, which no longer exist, and to disciplinary hearings before the President of the Exchange, which are handled exclusively by the Exchange's Business Conduct Committee.

The Exchange is not aware of any opposing views to the amendments, which will become effective on July 12, 2017. The Exchange certifies that the amendments to Rules 21.14, 21.16 and 21.42 comply with the requirements of the Commodity Exchange Act and the rules and regulations promulgated thereunder. Specifically, the amendments comply with core principle 13 (Disciplinary Procedures) and support the Exchange's obligations to discipline, suspend, or expel members or market participants that violate the rules. The Exchange further certifies that, concurrent with this filing, a copy of this submission was posted on the Exchange's website and may be accessed at (<https://www.theice.com/futures-us/regulation#rule-filings>).

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

Sincerely yours,

A handwritten signature in black ink, appearing to read "Jason V. Fusco". The signature is written in a cursive style with a large, sweeping initial "J".

Jason V. Fusco
Assistant General Counsel
Market Regulation

cc: Division of Market Oversight

Enc.

Exhibit A

Rule 21.16. Effective Date of Penalties

(a) If a Member or non-member market participant enters into a settlement agreement with the Compliance staff, the terms of which have been approved by a subcommittee of the Business Conduct Committee or a Hearing Panel, the settlement agreement, ~~[including any penalty included as a part of such settlement agreement,]~~ shall become final and effective on the date the settlement agreement is executed by the Exchange.

(b) Any decision (including any penalty) by a Hearing Panel shall be the final decision of the Exchange and shall become effective fifteen (15) days, or such longer time as the Hearing Panel may specify, after a copy of the written decision of the Hearing Panel has been served on the Respondent ~~[and delivered to the Commission,]~~ provided, however, that, in any case where the Respondent has consented to the action taken and to the timing of its effectiveness, the Hearing Panel may cause the decision involving any disciplinary action (including any penalty) to become effective prior to the fifteen (15) day period.

(c) Any fine imposed by a Hearing Panel shall be due and payable on the effective date of the decision imposing such fine, or on such later date as the Hearing Panel or, in the case of an appeal of an order of expulsion, the Appeals Committee may specify.

(d) If a Member or non-member market participant fails to pay any fine ~~[imposed by the Hearing Panel on or before]~~ within 30 days of the date on which such fine becomes due and payable, such Member or non-member market participant shall be suspended and barred from directly or indirectly trading automatically without further action by the Exchange and shall remain suspended and barred until such fine is paid in full, however, that on written application received prior to such date, the Exchange ~~[Hearing Panel]~~, in its sole discretion, may postpone the date when payment is due.

~~[(e) If a Member suspended pursuant to paragraph (d) of this Rule shall fail to pay any fine which was the basis for such suspension within thirty (30) days following the effective date of such suspension the Member shall be expelled automatically without further action by the Exchange provided, however, that on written application received prior to the expiration of such thirty (30) day period, the Hearing Panel, in its sole discretion, may extend such period.]~~

Rule 21.42. Publication and Written Notice of Disciplinary Actions

(a) ~~[A brief summary]~~ Records of the disposition of each investigation by ~~[the President or]~~ the Business Conduct Committee, each hearing~~[- each appeal,]~~ and each imposition of any penalty, shall be kept in accordance with CFTC Regulations ~~[permanently in the Member's file.]~~ The record of any hearing, together with all of the papers ~~[- including the final decision on any appeal,]~~ shall be retained for a period of at least five (5) years ~~[and then destroyed].~~

(b) All proceedings conducted by or before the President, ~~the Floor Committee,~~ the Business Conduct Committee~~[- the Appeals Committee]~~ and the Board or a subcommittee of the Board pursuant to this Chapter shall be confidential and shall not be disclosed to any Person except:

- (i) as required by law or by the Rules;
- (ii) in any action or proceeding brought by or against the Exchange;
- (iii) as may be determined from time to time by the Board.

(c) In any case where:

(i) a Member or non-member market participant enters into any settlement agreement with the Business Conduct Committee (or any subcommittee thereof) or with the Vice President of Market Regulation which settlement agreement is approved by the Business Conduct Committee (or any subcommittee thereof); or

(ii) the Business Conduct Committee (or any subcommittee thereof) renders a decision finding a Member or non-member market participant guilty of any Rule violation [~~which is not timely appealed~~]; or

~~(iii) [the Appeals Committee or a subcommittee thereof renders a decision affirming a decision finding a Member guilty of any Rule violation; or]~~

~~{(iv)}~~ the Board, a subcommittee of the Board or the President takes action or renders a decision against a Member pursuant to this Chapter;

the Exchange shall [~~notify the membership and~~] make public its findings and the reason for its action, including any action taken or penalty ordered~~[-, but shall not disclose the evidence thereof, except to the Member in question and to the CFTC. For purposes of this paragraph (c), the term "make public" shall include, in the discretion of the President, disclosure of such findings and the reasons for the action to the news media.]~~

(d) Written notice of any suspension, expulsion, disciplinary action or denial of access shall be given in accordance with CFTC Regulations. [~~to the CFTC and to the Person who is suspended, expelled, disciplined or denied access within thirty (30) days of the date such action becomes final, which notice shall include the reasons for the action in the form and manner the CFTC prescribes.~~]

(e) In any case in which:

(i) a Member or non-member market participant enters into any settlement agreement with the Business Conduct Committee (or any subcommittee thereof) or with the Vice President of Market Regulation [~~President~~] which settlement agreement is approved by the Business Conduct Committee (or any subcommittee thereof); or

(ii) the Business Conduct Committee (or any subcommittee thereof) renders a decision finding a Member or non-member market participant guilty of any Rule violation [~~which is not timely appealed; or~~

~~(iii) the Appeals Committee renders a decision affirming a decision finding a Member guilty of any Rule violation;]~~

for a violation of the Rules involving the execution of, or the failure to execute, a Customer Transaction which results in financial harm to such Customer, the Exchange shall promptly inform the FCM identified on the records of the Exchange or the Clearing Organization as having cleared such Transaction. Upon such notification, the FCM shall promptly inform the Person identified on its records as the owner of the account for which the Transaction was executed of the disciplinary action and the principal facts thereof.

Rule 21.14. Liability for Expenses

Any Member or market participant who or which, after notice and opportunity for hearing, has been found to have violated any Rule or Clearing Organization Rule may, in the discretion of the Hearing Panel appointed in the matter, be required to pay to the Exchange an amount equal to any and all expenses incurred by the Exchange in connection with the prosecution of such violations, in addition to any penalty which may be imposed upon such ~~Member~~ Person by virtue of the violations found by the Hearing Panel.