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New York, New York 10055

**BY ELECTRONIC TRANSMISSION**

Submission No.18-370  
June 29, 2018

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 Rules 4.17, 4.37 and 21.03 - *Submission Pursuant to Section 5c(c)(1) of the Act and Regulation 40.6.***

Dear Mr. Kirkpatrick:

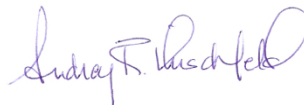
Pursuant to Section 5c(c)(1) of the Commodity Exchange Act, as amended (the "CEA") and Commission Regulation 40.6 ICE Futures U.S., Inc. ("IFUS" or "Exchange") certifies amendments to the above-referenced Rules attached as Exhibit A. The Exchange is listing futures and options involving Canola, as described in Exchange submission 18-369. The rule amendments in this submission are related to canola trading but do not contain contract terms and conditions and therefore are being separately submitted pursuant to Regulation 40.6. All of the amendments are consistent with the pertinent provisions of the ICE Futures Canada Rules and procedures applicable to Canola contracts. Specifically, the amendments add Canola to the list of contracts for which calendar spread orders may be traded ( Rule 4.17); require transfers of Canola contracts to be carried on the transferee's books at the original trade date ( Rule 4.37), permit transfers of up to 20 Canola contracts to be made after the last trading day in the event a position remains open as a result of an error (Rule 4.37), and expand the powers of the Business Conduct Committee to include hearing any matter in which a firm registered with the Exchange to operate a canola elevator has been uncooperative in an audit of its facilities by the Exchange.

The Exchange certifies that the amendments comply with the requirements of the CEA and the rules and regulations promulgated by the Commission thereunder.

The Exchange is not aware of any opposing views expressed regarding the amendments and further certifies that concurrent with this filing, a copy of this submission was posted on the Exchange's website, which may be accessed 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- 4083 ([Audrey.hirschfeld@theice.com](mailto:Audrey.hirschfeld@theice.com)).

Sincerely,

A handwritten signature in purple ink that reads "Audrey R. Hirschfeld". The signature is written in a cursive style with a large, looped initial "A".

Audrey R. Hirschfeld  
Senior Vice President & General Counsel  
ICE Futures U.S, Inc.

cc: Division of Market Oversight  
New York Regional Office

## EXHIBIT A

### **Rule 4.17. Acceptable Orders**

(a) The following order types are supported by the ETS and shall be available in such futures and options contracts as determined by the Exchange from time to time (listed in alphabetical order):

(i) “Calendar Spread orders” – Calendar Spread orders are orders to purchase one (1) or more Exchange Futures Contracts and sell an equal number of Exchange Futures Contracts in the same Commodity at a stated price difference. All Exchange Futures Contracts comprising the Calendar Spread Order must be for the same Person. Calendar Spread orders may either trade against other matching Calendar Spread orders or may be traded against outright contracts. When traded against outright contracts, the outright contract prices are always used for each of the legs of the Calendar Spread order. When traded against another Calendar Spread order, the prices of the legs of such Transactions will be generated by a Calendar Spread algorithm determined by the Exchange and the prices of the legs of such Transactions may exceed the daily price limit for the respective product.

(A) For ETS Calendar Spread orders for Cocoa, Coffee “C”<sup>®</sup>, Cotton No. 2<sup>®</sup>, FCOJ, Sugar No. 11<sup>®</sup>, Sugar No. 16, Canola, Credit Index, Energy and all physically settled Gold and Silver Contracts, a buy order is defined as purchasing the near month and selling the far month, and a sell order is defined as a selling the near month and purchasing the far month.

[Remainder of Rule Unchanged]

### **Rule 4.37. Transfer Transactions Not Required to Be Made Competitively**

(a) The following transfer Transactions need not be made competitively:

(i) transfers of open contracts on the books of a Clearing Member or from one (1) Clearing Member to another Clearing Member:

(A) made at the request of a client where no change in beneficial ownership is involved;

(B) to correct errors made in the clearing of a trade(s) provided that the transfer occurs within three Business Days after the date on which the error occurred and

(ii) transfers of open contracts following the close of trading on the Last Trading Day of a particular delivery month, as provided in paragraph (e) of this Rule.

Transfers referred to in subparagraph (a)(i)(A), which offset existing Positions in the spot month, may not occur on or after the first (1<sup>st</sup>) notice day of the delivery month. Concurrent long and short positions that are held by the same beneficial owner on or after the first (1<sup>st</sup>) notice day of the delivery month must be offset by transactions executed in the market, by allowable privately negotiated transactions, or fulfilled through the normal delivery process, provided however that trades may be transferred for offset if the trade date of the position being transferred is the same as the transfer date. The receiving Firm has the responsibility to assure compliance with this Rule.

(b) Transfers of Futures Contracts made pursuant to subparagraphs (a)(i)(A) may be effected at (i) the prior day's Settlement Price, (ii) the current day's Settlement Price, or (iii) at the original market price. Transfers of Options Contracts made pursuant to subparagraphs (a)(i)(A) may be effected at either the original market Premium or a Premium of zero. For all such transfers, the transferee must carry the transferred contracts on his or its books at either the original dates or the transfer date, with the exception of Canola Futures Contracts, which must be carried on the transferee's books at the original dates.

(c) Notwithstanding the requirements of subparagraph (a)(i)(A), the Vice President of Market Regulation or his designee may approve a transfer that results in a change of beneficial ownership in the following circumstances:

(i) transfers made for the purpose of facilitating a restructuring or consolidation of a partnership, investment fund or commodity pool—so long as the managing partner or pool operator remains the same, the transfers do not result in the liquidation of any open Positions, and the pro rata allocation of positions in the new account do not result in more than a de minimis change in the value of the interest of any participant; and

(ii) transfers made as a result of, a merger, asset purchase, consolidation or similar non-recurring corporate transaction between two (2) or more entities.

For purposes of this Rule, a change in beneficial ownership shall not be deemed to have occurred with respect to (A) transfers between Firms which are 100% owned by the same Person and (B) transfers between any Person and any entity owned 100% by such Person.

(d) Notwithstanding any other provision of this Rule, the President or his designee may, with the consent of the Clearing Member(s), authorize the transfer of existing Positions between accounts or between Clearing Members when the circumstances so require and such transfer is deemed: (i) to be in the best interests of the marketplace; or (ii) to be the most appropriate means to remedy an error that results from the good faith acts or omissions of any party.

(e) After the close of trading on the Last Trading Day of any delivery month in any Cocoa, Coffee "C", Cotton No. 2, Financial, FCOJ, Sugar No. 11, Sugar No. 16, Gold Daily Contract, Silver Daily Contract and Precious Metal Contracts (but not later than 10:30 a.m. of the Last Trading Day for the Gold Daily Contract and the Silver Daily Contract; and not later than 5:00 p.m. of the Last Trading Day for the Financial Contracts, Precious Metals Contracts, Cocoa, Coffee "C", Cotton No. 2, Canola and FCOJ; and not later than 10:00 a.m. for Sugar No. 11 and Sugar No. 16 on the following Business Day), a Clearing Member carrying one (1) or more open contracts for that delivery month for its own account or the account of any other Person as the result of an error may transfer any or all of such contracts to any other account carried by such Clearing Member or to any other Clearing Member (together with any delivery documents evidencing an intention to deliver or receive with respect to such contracts); provided that:

(i) for any delivery month in Cocoa, Coffee “C” and Sugar No. 16, no Clearing Member may so transfer for its own account and/or the account of any other Person, in the aggregate, more than ten (10) contracts in such delivery month;

(ii) for any contract date in Gold Daily and Silver Daily Contracts, and any delivery month in Cotton No. 2, Canola, a Financial Contract, Precious Metals, and FCOJ, no Clearing Member may so transfer for its own account or the account of any other Person, in the aggregate, more than twenty (20) contracts in such delivery month;

(iii) for any delivery month in Sugar No. 11, no Clearing Member may so transfer for its own account and/or the account of another Person, in the aggregate, more than eighty (80) contracts in such delivery month; and

(iv) If a Clearing Member transferring purchase contracts pursuant to this paragraph (e) shall have received a Multiple Delivery Notice with respect to such contracts and:

(A) if the transfer is made to one (1) or more of the Deliverers identified in such Multiple Delivery Notice, then, after the transfer has been effected, such Multiple Delivery Notice shall be deemed amended to reflect the deletion of the contracts so transferred; or

(B) if the transfer is to any other Person, then all of the rights and obligations of the transferor under the Multiple Delivery Notice with respect to the contracts transferred will become the rights and obligations of the transferee, and the transferee will immediately notify the Deliverer of the transfer, specifying the name and address of the transferee and identifying the contracts transferred.

#### **Rule 21.03. The Business Conduct Committee**

(a) The Business Conduct Committee shall have the power to direct that an investigation of any suspected violation of the Rules be conducted by the Compliance staff, pursuant to Rule 21.02, shall have the authority to hear any summary denial of access pursuant to Rule 21.02, any refusal to authorize Direct Access pursuant to Rule 4.08(e); any failure by a Merchant Participant or Elevator Operator to comply with an Exchange audit pursuant to Rule 12.38 and any action to suspend or terminate Clerks pursuant to Rule 4.41.

**[REMAINDER OF RULE UNCHANGED]**