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BY ELECTRONIC TRANSMISSION

Submission No. 18-379
July 5, 2018

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 Trade at Settlement FAQ
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 self-certifies the amendment set forth in Exhibit A to the Exchange’s guidance on trade-at-settlement (“TAS”) transactions. Such guidance is provided in the Trade at Settlement - Frequently asked Questions (“FAQ”) document posted on the IFUS website. The amendment adds Canola futures, which are migrating from ICE Futures Canada (“IFCA”) to IFUS on July 30, 2018, to the list of the Exchange’s TAS eligible contracts. Currently, TAS trades may be executed in Canola futures on IFCA and the amendment is intended provide market participants with continuity as the contract transitions to IFUS.

The Exchange is not aware of any opposing views and certifies that the amendment to the FAQ, which will become effective on July 30, 2018, complies with the requirements of the Act and the rules and regulations promulgated thereunder. In particular, the amendment complies with Core Principles 2 (Compliance with Rules) and 9 (Execution of Transactions). TAS trades are subject to competitive and open execution as required by Core Principle 9; and the amendment to the FAQ sets forth the procedures for executing a TAS trade in Canola futures. The Exchange 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 212-748-4021 or at jason.fusco@theice.com.

Sincerely,

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

Jason V. Fusco
Assistant General Counsel
Market Regulation

Enc.

cc: Division of Market Oversight



TRADE AT SETTLEMENT (TAS)

Frequently Asked Questions

June 2018



ICE Futures U.S. (IFUS) allows Trade At Settlement (TAS) trades for certain futures contracts traded on the ICE electronic trading platform. This document is meant to provide information concerning TAS orders and TAS trading.

What is TAS?

TAS is a capability that allows a trader to enter an order to buy or sell an eligible futures contract during the course of the trading day at a price equal to the settlement price for that contract, or at a price up to five ticks (minimum price fluctuations) above or below the settlement price. (Note that there is an exception for Henry Hub futures only, for which the permitted TAS bid/offer and trading range is up to and including 100 ticks above and below the settlement price.)

Examples:

For Cotton No. 2[®] futures, the minimum price fluctuation is .01 cents per pound. A cotton trader may enter a TAS order at a price of 0, which means the trader wants to trade at the settlement price, or at +.01, +.02 or up to as much as +.05 above the settlement price, or at -.01, -.02, or down to as much as -.05 below the settlement price.

For Frozen Concentrate Orange Juice (FCOJ) futures the minimum price fluctuation is .05 cents per pound. A trader may enter an order for a TAS trade at a price of 0 (which would mean the trader wanted to trade at the settlement price), or at +.05, +.10, or up to as much as +.25 above the settlement price, or at -.05, -.10, or down to as much as -.25 below the settlement price.

TAS buy and sell orders are matched on a first-in, first-out basis. After a TAS trade is matched, each TAS transaction receives a trade price equal to, or up to five ticks above or below, the Exchange's daily settlement price for the respective futures contract month.

When Are Confirmations Received for TAS Trades?

TAS trades are confirmed when TAS bids and offers match. A confirmation of a TAS trade indicates that a trade has been executed at the settlement price (0), or at the agreed tick interval above or below the settlement price.

When Can TAS Orders Be Entered?

TAS buy and sell orders may be entered from the start of the pre-open period for the respective product through the end of the [futures contract settlement window](#) each day. For products that have a settlement price that is determined before the end of the electronic trading day, TAS

orders cannot be entered after the settlement period ends. For example, as the settlement window for Sugar No. 11 futures is from 12:53 to 12:55 p.m. ET, but electronic trading continues until 1:00 p.m. ET; TAS orders for Sugar No. 11 may not be entered after 12:55 p.m.

Are There Any Restrictions On Who Is Eligible To Execute A TAS Trade?

No, any market participant is eligible to enter a TAS order and to execute a TAS trade.

What Contracts Are Eligible For TAS Trading?

The IFUS contracts listed below are eligible for TAS trading.

Physical Delivery Agricultural Contracts

Cocoa (CC)
Coffee “C”[®] (KC)
Cotton No. 2 (CT)
Frozen Concentrated Orange Juice (FCOJ)
Sugar No. 11[®] (SB)
Canola (RS)

Stock Index Contracts

NYSE FANG+[™] Index Futures (FNG)
MSCI EAFE Index Futures (MFS)
MSCI Emerging Markets Index Futures (MME)

Currency Index and Currency Pair Contracts

U.S. Dollar Index[®] (“USD[®]”)
Australian dollar/US Dollar (KAU)
Brazil Real/US Dollar (KBX)
British Pound/US Dollar (MP)
Euro/British Pound (KGB)
Euro/Japanese yen (KEJ)
Euro/Norwegian krone (KOL)
Euro/Swedish krona (KRK)
Euro/Swiss franc (KRZ)
Euro/US Dollar (KEO)
Indian Rupee/US Dollar (KIU)

Metals Contracts:

100 oz. Gold Futures (ZG)
Mini Gold Futures (YG)
5000 oz. Silver Futures (ZI)
Mini Silver Futures (YI)

Energy Contracts:

Henry LD1 Fixed Price Future (H)

What Contract Months Are Eligible For TAS Trading?

For most futures contracts enabled for TAS, the first three listed contract months are eligible for TAS trading on any trading day. Exceptions to this rule of thumb are:

Cotton No. 2 futures, for which the first five contract months are eligible for TAS trading;
Sugar No. 11 futures, for which the first four contract months are eligible for TAS trading;
100 oz. and Mini Gold futures, for which the first three contract months in the February, April, June, August, October and December contracts only are eligible for TAS trading;
5000 oz. and Mini Silver futures, for which the first three contract months in the January, March, May, July, September and December contracts are eligible for TAS trading;
currency pair, MSCI EAFE Index and MSCI Emerging Markets Index futures contracts, for which the front two listed contracts are eligible for TAS trading; and
Henry Hub futures, for which the first ten listed contract months are eligible for TAS trading.

Note that for the physical delivery agricultural contracts and metals contracts shown above, once a futures contract month has gone into its Notice Period the contract is no longer eligible to be traded via TAS (outright or as a spread). For the currency, energy, and MSCI stock index contracts shown above, the front contract month remains eligible to be traded via TAS (outright and spread) through and including its last trading day. For the NYSE FANG+ stock index contracts, the front contract month remains eligible to be traded via TAS (outright and spread) through and including the business day prior to the last trading day of the futures contract month.

What About TAS Spread Trades?

TAS spread trading is enabled for all contracts for which TAS trading is offered.

What Spread Pairs Are Eligible for TAS Trading?

TAS spread trading is enabled for all spread pairs in which outright TAS trading is offered, with the following exceptions:

For USDX and for NYSE FANG+ Index futures contracts, TAS spread trading is enabled for two calendar spread pairs: the front month vs. the second month and the second month vs. the third month.

At What Prices Can TAS Spreads Be Traded?

TAS spread trades can be executed at the spread differential between the daily settlement prices for the respective futures contract months, or up to five ticks above and below that spread

differential. The sole exception to this is Henry Hub futures, for which the maximum spread differential is 100 ticks above and below the respective spread differential.

What Is The Spread Convention For TAS Spreads?

The spread convention for TAS spreads is identical to the regular calendar spread convention for the particular product. That is, if the calendar spread convention for a product on the platform means that the spread buyer is buying the front month/selling the back month, this same convention will apply to TAS spreads for the product.

For ICE Futures US products, two different calendar spread conventions are followed.

For the Physical Delivery Agricultural Contracts, Metal Contracts and Henry Hub Contracts, buying the spread means buying the front month/selling the back month.

For the Currency Index and Currency Pair Contracts and Stock Index Contracts, buying the spread means buying the back month/selling the front month.

How Are TAS Spread Legs Priced?

Like TAS outright trades, the prices of TAS spread legs are set after the daily settlement prices for the respective contracts are determined after the end of the settlement window for the respective product.

For TAS spreads done at a price of zero (“at the settlement difference”), each leg of the TAS is priced at the settlement price of the respective futures contract in the spread.

For TAS Spreads done at one or two or up to five ticks above/below the settlement, the leg prices are set as follows:

Front Month – price is set at the settlement price for the respective contract;

Back Month – price is set at the settlement price for the respective contract plus the TAS spread trade price (which can be a positive number or a negative number).

NOTE: For Cotton No. 2 futures contracts only, on a day on which either or both legs of the TAS spread settles at the contract’s daily trading limit up or down, the leg price of the back month of the TAS spread is determined by the Exchange using the prices of trades done for that Calendar Spread during the settlement period, rather than using the settlement price of that contract month.

What Is the Policy Regarding TAS Trades in Limit Up/Down Markets?

IFUS allows TAS trading in several futures contracts that are subject to daily trading limits: Canola, Cotton No. 2 and FCOJ-A futures. During the course of the TAS trading day for these products, TAS trades may be matched at a range of TAS +5 ticks to TAS -5 ticks, and the specific contract month may settle at limit up or limit down. In such instances, the matched TAS

trades stand, notwithstanding the fact that this futures contract month settles at its limit up or down price.

For example, suppose on Day 1 the May 2013 Cotton No. 2 futures contract has settled at a price of 93.00, and that on Day 2 TAS trades have been matched in the platform at a price of +.05, or five minimum ticks above the settlement price. If on Day 2 the May contract settles at a limit up price of 97.00, the TAS trades at a price of +.05 stands, despite fact that the clearing price of 97.05 exceeds the limit up price of 97.00 on that trading day.

The information herein has been compiled by ICE Futures U.S. for general purposes only and is not intended to serve as investment advice. While every effort has been made to ensure accuracy, ICE Futures U.S. does not guarantee its accuracy or completeness or that any particular trading result can be achieved. ICE Futures U.S. assumes no responsibility and cannot be liable for any errors or omissions. Futures and options trading involves risk and is not suitable for everyone. Trading on ICE Futures U.S. is governed by specific rules set forth by the Exchange and is the authoritative source on all current contract specifications. These rules are subject to change.