



55 East 52<sup>nd</sup> Street  
New York, NY 10055

**BY ELECTRONIC TRANSMISSION**

Submission No. 16-162  
December 2, 2016

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: Amendments to Rule 21.02(e) - Amendments to Summary Fining Authority  
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, and Commission Regulation 40.6(a), ICE Futures U.S., Inc. ("Exchange") submits an amendment to Disciplinary Rule 21.02(e), which will allow the Vice President of Market Regulation to issue summary fines to Clearing Members, carrying brokers and foreign brokers that fail to submit account Ownership and Control Reporting information required by Exchange Rule 6.15(d), as set forth in Exhibit A.

No opposing views were expressed by members or others with respect to the amendments, which will become effective on December 19, 2016. The Exchange certifies that the rule amendments comply with the requirements of the Commodity Exchange Act and the rules and regulations promulgated thereunder. Specifically, the amendments to Rule 27.09(e) comply with Core Principles 2 (Compliance with Rules) and 13 (Disciplinary Procedures). The amendments allow the Exchange to comply with its obligations to apply appropriate sanctions to participants that violate Exchange rules through the imposition of minor summary penalties. Furthermore, the acceptable practices for Core Principle 13, set forth in Appendix B to Part 38 expressly allow DCMs to issue summary fines for violations of rules relating to the timely submission of accurate records required for clearing or verifying each day's transactions, decorum, attire, or other similar activities.

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](mailto:jason.fusco@theice.com).

Sincerely,

A handwritten signature in black ink, appearing to read "Jason V. Fusco". The signature is written in a cursive style with a large initial "J" and a long horizontal stroke at the end.

Jason V. Fusco  
Assistant General Counsel  
Market Regulation

Enc.  
cc: Division of Market Oversight

## **EXHIBIT A**

(In the text of the amendments below, additions are underlined and deletions are bracketed and lined out.)

### **Rule 21.02. Compliance Staff — Powers and Duties**

\* \* \*

(e) Notwithstanding the provisions of paragraph (d) of this Rule, the Vice President or his designee may issue a warning letter or impose a summary fine of no more than ten thousand dollars (\$10,000) in any case in which it is concluded that there may have been a violation of:

- (i) any record keeping rule;
- (ii) Rule 4.02(g)(2) or (g)(3);
- (iii) Rule 4.02(k)(2)(E)
- (iv) Rule 4.07 (a), (b) or (c);
- (v) Rule 6.15(a)<sub>2</sub> [~~ø~~] (b), (d)(1), (d)(2), (d)(3) or (d)(4);
- (vi) Rule 2.22 or Rule 18.05(a) or (d);
- (vii) Rule 27.05(a)(i);
- (viii) paragraph (a), (b) or (c) of Rule 27.09;
- (ix) Rule 21.04, by failing to produce documents, books or records, within the time period prescribed by the Exchange; or
- (x) 27.12A(a) through (e).