



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

Atlanta Calgary Chicago Houston London New York Singapore

**BY ELECTRONIC TRANSMISSION**

Submission No. 20-194  
December 17, 2020

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 MSCI Exchange Member Program - Submission Pursuant to Section 5c(c)(1) of the Act and Regulation 40.6**

Dear Mr. Kirkpatrick:

Pursuant to Commodity Futures Trading Commission (“CFTC”) Regulation 40.6(a), ICE Futures U.S., Inc. (“IFUS” or “Exchange”) hereby submits by written certification, the amendments to the MSCI Exchange Member Program (“Program”) set forth in Exhibit A. The Program currently offers market participants that are members or member firms of ICE Futures US or another qualifying exchange the ability to earn discounted Exchange and Clearing fees on their proprietary trading of MSCI Index Futures and options. Program participants who execute at least 500 lots of NYSE Fang+ Index Futures during a calendar month will earn a discount on Exchange and clearing fees based on the volume of MSCI Index futures contracts they traded during that calendar month. The Program is structured in tiers which offer participants progressive discounts based on their monthly volume. Both screen and non-screen (off-Exchange) volume are included in determining a participant’s monthly volume in the Program and both are eligible for any discounted Exchange and Clearing fee earned.

The Exchange believes that the Program has helped incentivize volume and liquidity in the existing MSCI Index futures complex. In addition, new MSCI Index futures contracts are listed for trading by the Exchange on an ongoing basis. For example, the Exchange listed 10 new futures contracts based on MSCI equity indexes on December 15, 2020 (see ICE Futures U.S Submission Nos. 20-153 to 20-162). We believe this volume-based Program will help attract a participant base to trade new MDCI index futures. As such, the Exchange is extending the Program, which was launched in January 2019 and scheduled to expire on December 31, 2020, for an additional year.

An additional amendment adds the MSCI Japan NTR Index (JPP) to the list of Associated Contracts in the Program. Program participants may earn additional discounts for exceeding monthly volume totals

in certain specified Associated Contracts. The Exchange believes that adding the MSCI Japan NTR Index (JPP) to this list will help increase liquidity and volume in that market.

The Exchange certifies that the Program complies with the requirements of the Commodity Exchange Act and the rules and regulations promulgated thereunder. In particular, the Program complies with Core Principle 4 (Monitoring of Trading), Core Principle 9 (Execution of Transactions) and Core Principle 12 (Protection of Market Participants). The Program does not impact order execution priority or otherwise give participants any execution preference or advantage. In addition, the Exchange's Market Regulation Department actively monitors for trading abuses using electronic exception reports and will take appropriate action against any participants engaging in market abuses.

The Exchange is not aware of any opposing views with regard to the new Program, which will become effective on September 1, 2020, and further certifies that, concurrent with this filing, a redacted copy of this submission was posted on the Exchange's website 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 fluid and cursive, with a long, sweeping underline that extends to the left.

Jason V. Fusco  
Assistant General Counsel  
Market Regulation

Enc.

## EXHIBIT A

### ICE Futures U.S.<sup>®</sup>, Inc. MSCI Contract Exchange Member Fee Program (Pending Regulatory Approval)

The program offers entities that are members of a number of qualifying derivatives exchanges and that execute proprietary trades in MSCI Futures and NYSE FANG+™ Index Futures to earn a discounted Exchange and Clearing fee for their program volume in MSCI contracts each month. Note that investment banks and their affiliates are not eligible for this program.

Only participants who execute at least 500 sides<sup>1</sup> of NYSE FANG+ Index futures screen-traded volume in a calendar month are eligible to earn discounted rates on MSCI contracts in this program. For participants who meet that NYSE FANG+ volume threshold, the amount of the discounted Exchange and Clearing Fee for MSCI contracts earned in a calendar month is based on the participant's MSCI total contract volume in the month, as shown below:

	Sides Traded		\$ per side			
	Lower Tier	Upper Tier	Fees T1 Screen	Fees T1 Block/EFPs	Fees T2 Screen	Fees T2 Block/EFPs
<u>1</u>	0	15,000	1.20	1.75	1.20	1.75
<u>2</u>	15,001	30,000	0.71	0.71	0.66	0.66
<u>3</u>	30,001	60,000	0.65	0.65	0.60	0.60
<u>4</u>	60,001	125,000	0.60	0.60	0.54	0.54
<u>5</u>	125,001	250,000	0.55	0.55	0.48	0.48
<u>6</u>	250,001	500,000	0.49	0.49	0.42	0.42
<u>7</u>	500,001	1,000,000	0.44	0.44	0.36	0.36
<u>8</u>	1,000,001	+	0.38	0.38	0.30	0.30

- T2 fees are achieved if the participant meets for a given month the following volume requirements for the designated "Associated Contracts":

**Associated Contracts:**

MSCI EM Asia NTR (ASN)  
 MSCI World NTR (MWS)  
 MSCI EM NTR (MMN)  
MSCI Japan NTR (JPP)

**Volume requirement (monthly basis):**

Non-Roll months - 250 lots  
 Roll Months (i.e., March, June, September and December) - 1,000 lots

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<sup>1</sup> If the current \$50 times the Index multiplier for the NYSE Fang+ futures contract is revised, the 500 lot Fang volume threshold will automatically adjust to account for the multiplier change.

Volume can be done in one contract or split between all four of the associated contracts  
 All volume in the associated contracts is cumulative and can be done over the course of the month to achieve T2 fees

In addition, Participants are required to trade a minimum of at least 5,000 screen-traded sides of NYSE MICRO FANG+™ futures per month to qualify for rebates.

In calculating the monthly rebate amount for a Participant, the discounted fee rate for each volume Tier will be applied to all volume within that Tier. So for example a Participant that trades 16,000 sides of program volume and meets the Associated Contracts volume requirement in a calendar month will receive the appropriate Tier 2 rates for Screen and Non-Screen volume for the first 15,000 sides, and will receive the appropriate Tier 2 discounted rates for Screen and Non-Screen trades for the next 1,000 sides.

Participant Name \_\_\_\_\_

Type of Membership (check one)

- |  |  |  |
|--|--|--|
| <input type="checkbox"/> <b>CME</b><br>Corporate Member                | <input type="checkbox"/> <b>CBOT</b><br>Corporate Member | <input type="checkbox"/> <b>CBOE</b><br>Corporate Member |
| <input type="checkbox"/> <b>NYMEX</b><br>Corporate Member              | <input type="checkbox"/> <b>ISE</b><br>Corporate Member  | <input type="checkbox"/> <b>IFUS</b><br>Corporate Member |
| <input type="checkbox"/> <b>ICE Futures Europe</b><br>Corporate Member | <input type="checkbox"/> <b>CFE</b><br>Corporate Member  |  |

NFA Registration ID (if applicable): \_\_\_\_\_

Please identify the proprietary account/s you will be using for trading ICE Futures U.S. products.

ICE Futures U.S. Clearing Member	Proprietary Trading Account Number

Clearing Member Contact: \_\_\_\_\_ Phone: \_\_\_\_\_ email: \_\_\_\_\_

Only transactions in MSCI contracts executed by the participant in its proprietary account(s) are eligible for discounted fees in this program; block trades and EFP transactions in these contracts are eligible for discounted fees. The difference between the discounted rate earned by the participant in this

Program and the standard customer fees for the contracts will be rebated to the Program participating firm through the participating firm's clearing member.

The Exchange Member Fee Program continues through trade date December 31, 2020 or until further notice, but in no case for a period to exceed three years. ICE Futures U.S. reserves the right to remove any participant from the Program at its discretion, and to terminate or amend the program terms at any time.

As a qualified representative of the Exchange member applying to participate in the Program, I hereby certify that the information provided above is true and correct. I hereby acknowledge and understand that ICE Futures U.S., including but not limited to the Market Regulation Department, will be reviewing trading in the proprietary account(s) listed above to determine whether the participant continues to meet the requirements of the Program and whether the participant should continue or be renewed as a participant in the Program. I authorize ICE Futures U.S. to contact the clearing member of the participant from time to time to confirm its continued eligibility for the program and authorize its clearing member to release all trading information related to the proprietary account(s) listed above to ICE Futures U.S.

**Signature:** \_\_\_\_\_ **Date:** \_\_\_\_\_

**Printed Name:** \_\_\_\_\_

**Title:** \_\_\_\_\_ **Firm:** \_\_\_\_\_

**Telephone Number:** \_\_\_\_\_

**E-Mail Address:** \_\_\_\_\_

Please call Ted Doukas (312.836.6712) or Laura Brandeis (212.323.8874) with questions about the program. The application should be returned to [ted.doukas@theice.com](mailto:ted.doukas@theice.com) or [laura.brandeis@theice.com](mailto:laura.brandeis@theice.com).