



Submission No. 17-3
 January 10, 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: New MSCI EAFE Mini Index Options and MSCI Emerging Markets Mini Index Options (1 of 2)
Submission Pursuant to Section 5c(c)(1) of the Act and Regulation 40.2 and 40.6(a)

Dear Mr. Kirkpatrick:

Pursuant to Commission Regulations 40.2 and 40.6(a), ICE Futures U.S., Inc. (“Exchange” or “IFUS”) submits, by written certification, new Chapter 62 and amendments to the Exchange’s Block Trade Procedures, which are codified in the Exchange’s Block Trade FAQ, and the no-cancellation rage (“NCR”) table posted on the Reasonability Limits and NCR page on the Exchange’s website . The new rule chapter and amendments, which are attached as Exhibit A, provide for the listing of MSCI EAFE Mini Index Options and MSCI Emerging Markets Mini Index Options.

The Exchange currently lists a number of futures contracts based on various MSCI equity indexes. Beginning on January 30, 2017, IFUS intends to list options contracts on MSCI EAFE Mini Index Futures and MSCI Emerging Markets Mini Index Futures.

Contract Name	Contract Size	Minimum Tick ¹	Position Limit ²	Minimum Block Size
MSCI EAFE Mini Index Options	Exercises into underlying futures contract (\$50.00 x index value)	0.10 (\$5.00)	100,000 futures contract equivalent	50 lots
MSCI Emerging Markets Mini Index Options	Exercises into underlying futures contract (\$50.00 x index value)	0.10 (\$5.00)	200,000 futures contracts equivalent	50 lots

The two new options contracts will exercise into the respective underlying futures contracts. Each will have both a quarterly listing cycle (March, June September and December) and a serial listing cycle (all other months). Quarterly expiration months will be listed 1 day after the listing of corresponding futures contract underlying the option and serial expiration months will be listed

¹ Trades in which both parties are liquidating MSCI Options positions may be executed at 0.02 points or \$1.00 per contract.

² MSCI EAFE Mini Index and MSCI Emerging Markets Mini Index both have position accountability levels set at 50,000 futures contract equivalents.

at the discretion of the President of the Exchange. The underlying futures contract for quarterly months shall be the named futures contract month. For serial months the underlying futures contract shall be the next futures contract month which is listed for trading: as an example, for April and May Options, the underlying futures contract is June.

The options are subject to the position limits and position accountability levels of the respective underlying futures contracts, which are set forth Exchange Rule 6.25(b) (attached hereto as Exhibit B). Options positions will be aggregated with positions in the respective underlying futures contract on a net basis for the purpose of determining compliance with position limits and accountability levels. Furthermore, participants exceeding the accountability level of a MSCI Options Contract: (i) automatically consent not to increase further and automatically consent to decrease those positions when so ordered by the Exchange acting in its own discretion and (ii) shall provide, in a timely manner, information on the nature of that participant's related cash position, Exchange Futures and Options position, trading strategy and/or hedging strategy and such other relevant information as the Exchange may require.

The NCR levels for the new MSCI Options are set forth in Reasonability Limits and NCRs page on the Exchange's website. A copy of the relevant table is attached in Exhibit A.

Certifications

The new chapter and amendments will become effective with the listing of the MSCI Options Contracts on January 30, 2017. The Exchange is not aware of any substantive opposing views to the new contracts. The Exchange certifies that the rule amendments comply with the requirements of the Act and the rules and regulations promulgated thereunder. The Exchange has reviewed the designated contract market core principles ("Core Principles") as set forth in the Act and has determined that the listing of the contract complies with the following relevant Core Principles:

COMPLIANCE WITH RULES

The terms and conditions of the new MSCI Options contracts are set forth in new Chapter 62 and the Exchange's Block Trade Procedures, and will be enforced by the Exchange. In addition, trading of the contracts is subject to all relevant Exchange rules which are enforced by the Market Regulation Department.

CONTRACTS NOT READILY SUBJECT TO MANIPULATION

The new options contracts are not readily subject to manipulation as they exercise into established futures contracts and are based on liquid underlying cash markets. In addition, trading of the new contracts will be monitored by the Exchange's Market Regulation Department.

POSITION LIMITS OR ACCOUNTABILITY

Positions in the new MSCI Options Contracts will be subject to the position limits currently in place for the respective underlying futures contract. Options positions will be aggregated and netted with positions in the respective underlying futures contract for the purpose of determining compliance with position limits.

FINANCIAL INTEGRITY OF CONTRACTS

The new options contracts will be cleared by ICE Clear U.S., a registered derivatives clearing organization subject to Commission regulation, and carried by registered futures commission merchants qualified to handle customer business.

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 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 written in a cursive style with a large, looping initial "J".

Jason V. Fusco
Assistant General Counsel
Market Regulation

Enc.

cc: Division of Market Oversight
New York Regional Office

EXHIBIT A

[Additions are underlined and deletions are struck through]

Rule 27.18. Trading Hours

(a) The ETS trading hours shall be as specified by the Exchange from time to time. All times specified in this Rule for Energy Contracts shall refer to the prevailing time in New York City on the relevant day and shall be referred to as Eastern Prevailing Time or “EPT”.

(b) The time period during which daily Settlement Prices shall be determined is:

(xvi) for all mini MSCI Index Futures and Options Contracts except for mini MSCI USA Index Futures, mini MSCI USA Growth Index Futures and mini MSCI USA Value Futures between 3:59pm and 4pm NY Time

[REMAINDER OF RULE UNCHANGED]

ICE Futures U.S.[®], Inc.

MSCI OPTION CONTRACT RULES

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OPTIONS ON MSCI INDEX FUTURES CONTRACTS

Rule 62.01. Scope

Rules 62.01 through 62.10 shall apply to the trading of Options on the following MSCI Futures Contracts:

MSCI EAFE Mini Index Futures; and

MSCI Emerging Markets Mini Index Futures.

Rule 62.02. Obligations of Option Purchasers

(a) The Purchaser of an Option shall cause such Option to be submitted by a Clearing Member to the Clearing Organization for clearance in accordance with the Clearing Organization Rules.

(b) The Purchaser which clears an Option shall pay in full the Premium to the Clearing Organization in accordance with the Clearing Organization Rules, and shall collect from the Person for whom it clears such Option the full amount of the Premium in accordance with the Rules and the Clearing Organization Rules.

(c) The Purchaser of an Option shall, upon exercising such Option in accordance with the Rules, enter into a long position (in the case of a Call Option) or a short position (in the case of a Put Option) in the Underlying Futures Contract deliverable in the Option Month, at the Strike Price specified in such Option; provided, however, that any such contract entered into upon exercise shall be entered into for the account of the Person having purchased the Option.

Rule 62.03. Obligations of Option Grantors

(a) The Grantor which grants an Option shall cause such Option to be submitted by a Clearing Member to the Clearing Organization for clearance in accordance with Clearing Organization Rules.

(b) The Grantor, which clears an Option, shall make such Margin deposits as the Clearing Organization may require.

(c) The Grantor of an Option shall, upon being assigned an Exercise Notice enter into a short position (in the case of a Call Option) or a long position (in the case of a Put Option) in the Underlying Futures Contract deliverable in the Option Month, at the Strike Price specified in such Option; provided, however, that any such contract entered into upon assignment of an Exercise Notice shall be entered into for the account of the Person having granted the Option.

Rule 62.04. Months Traded

(a) Trading in Options shall be conducted in the Option Months in the following cycle: (i) March, June, September and December (collectively, the "Quarterly Cycle" months); and (ii) each other calendar month not included in the Quarterly Cycle (collectively, the "Serial Cycle" months).

(b) Trading in a new Quarterly Cycle Option Month shall be initiated on the first Business Day following the first trading day of the Underlying Futures Contract. The number of Serial Cycle Months listed for trading at any time shall be as determined by the President.

(c) The Underlying Futures Contract for Quarterly Cycle Option Months shall be the named Futures Contract Month. For Serial Cycle Option Contract Months the Underlying Futures Contract shall be the next futures contract month which is listed for trading: as an example, for April and May Options, the Underlying Futures Contract is June.

Rule 62.05. Last Trading Day

(a) The Last Trading Day for Quarterly Cycle Options on MSCI Mini Index Futures contracts shall be the same as the Last Trading Day for the Underlying Futures Contract; and the Last Trading Day

for Serial Cycle Options shall be the third (3rd) Friday of the expiring month or, if the relevant underlying MSCI Index is not scheduled to be published for that day, on the first (1st) preceding day for which such Index is scheduled to be published.

(b) Trading in an expiring MSCI Index Option Contract Month shall end at 4:15 pm on the Last Trading Day for the contract.

Rule 62.06. Strike Prices

(a) Strike Prices for Options shall be quoted in Index points, and trading shall only be conducted in Options having Strike Prices determined in accordance with this Rule.

(b) Strike Prices shall be integers that are evenly divisible by five (5) and except as the Exchange may from time to time prescribe otherwise shall be established as provided in subparagraphs (b)(i) and (c)(ii) of this Rule.

(i) On the day Options for any Option Month are first listed for trading pursuant to these Rules, the Exchange will establish Strike Prices as follows:

(A) one (1) Strike Price that is an integer that is evenly divisible by five (5) and is closest to the Settlement Price of the Underlying Futures Contract on the previous day; provided that, if two (2) such integers are equally close to the Settlement Price, the smaller number shall be used;

(B) at least ten (10) Strike Prices that are at increments of 500 points above and ten (10) Strike Prices that are at increments of 500 points below the Strike Price established pursuant to subparagraph (i)(A) above.

(ii) additional Strike Prices that are at integers that are divisible by five (5) may be listed at the discretion of the Exchange on any trading day.

Rule 62.07. Premium Quotations

(a) Premiums for Options shall be quoted in points, with each point equal to fifty cents (\$0.50). The minimum price fluctuation in Premiums shall be ten (10) points, except that trades may occur at a price of \$1.00 per contract if such trades result in the liquidation of Positions for both parties to the trade.

Rule 62.08. Exercise of Options

Options on MSCI Futures Contracts are European style options and may only be exercised on the Last Trading Day of the Option Month.

Rule 62.09. Expiration

Options on MSCI Futures Contracts shall expire at 6:00 pm on the Last Trading Day, provided however that any Option which is at least one (1) tick in-the-money at that time shall be automatically exercised by the Clearing Organization.

Rule 62.10. Assignment

(a) The Clearing Organization shall assign Exercise Notices to Clearing Members with open short Option Positions of the same type as the one being exercised.

(b) A Clearing Member who has been assigned an Exercise Notice shall be notified of such assignment by the Clearing Organization as soon as practicable after such notice is assigned.

(c) The Clearing Member receiving an Exercise Notice shall be assigned a short position in the Underlying Futures Contract if a Call is exercised or a long Position in the Underlying Futures Contract if a Put is exercised. The Clearing Member representing the Option buyer shall be assigned a long position in the Underlying Futures Contracts if a Call is exercised or a short position in the Underlying Futures Contract if a Put is exercised.

(d) All MSCI Futures Contract positions shall be assigned at a price equal to the Strike Price of the Option.

ICE FUTURES U.S. BLOCK TRADE – FAQs

2. **What are the eligible contracts and the minimum threshold quantities for a block trade?**

TABLE 2 – Financial Contracts

Product	Contract Type	Minimum Quantity
Russell Complex	Futures	40 lots
	Options	100 lots
mini MSCI Complex:		
mini MSCI EAFE Index	Futures	50 lots
	Options	
mini MSCI Emerging Markets Index	Futures	50 lots
	Options	
mini MSCI USA Index	Futures	100 lots
mini MSCI USA Value Index	Futures	100 lots
mini MSCI USA Growth Index	Futures	100 lots
mini MSCI EAFE NTR Index	Futures	50 lots
mini MSCI Emerging Markets NTR Index	Futures	50 lots
mini MSCI Europe Index	Futures	100 lots
mini MSCI Europe Value Index	Futures	100 lots
mini MSCI Europe Growth Index	Futures	100 lots
mini MSCI Euro Index	Futures	100 lots
mini MSCI Pan-Euro Index	Futures	100 lots
mini MSCI Canada Index	Futures	100 lots
mini MSCI World Index	Futures	100 lots
mini MSCI Emerging Markets Latin America Index	Futures	100 lots
mini MSCI ACWI Index	Futures	50 lots
mini MSCI ACWI Ex-US Index	Futures	50 lots
mini MSCI Emerging Markets Asia (“EM Asia”) Index	Futures	50 lots
mini MSCI ACWI NTR Index	Futures	50 lots
mini MSCI ACWI Ex-US NTR Index	Futures	50 lots
mini MSCI Emerging Markets Asia (“EM Asia”) NTR Index	Futures	50 lots
U.S. Dollar Index	Futures	75 lots
	Options	25 lots
All Currency Pair	Futures	5 lots
Credit Indices	Futures	2 lots
NYSE Arca Gold Miners Index	Futures	25 lots

ICE Futures U.S., Inc. Reasonability Limits and No Cancellation Ranges - As of JANUARY 30, 2017

The ICE Futures U.S. Error Policy includes Reasonability Limit (“RL”), No Cancellation Range (“NCR”) and Calendar Spread Stop Limit Order (“CSLOR”) levels for futures and options contracts. The levels shown below are subject to change without prior notification.

No-Cancellation Ranges for Ag, USDX, MSCI and Russell Option Contracts (based on Theoretical Values shown)								
Theoretical Value*	Cotton	FCOJ	Cocoa	Coffee	Sugar	USDX	Theoretical Value	Russell
.01 - .20	.20 pts	.20 pts	10 pts	.15 pts	.10 pts	.100 pts	.01 - .50	.25 pts
.21 - 2.00	.40 pts	.75 pts	20 pts	.50 pts	.15 pts	.150 pts	.51 - 5.00	.50 pts
2.01 - 5.00	.50 pts	1.00 pts	25 pts	.75 pts	.20 pts	.200 pts	5.01 - 10.00	1.00 pts
5.01 - 10.00	.60 pts	1.50 pts	25 pts	1.00 pts	.25 pts	.250 pts	10.01 - 25.00	1.50 pts
10.01 - above	.80 pts	2.00 pts	25 pts	1.00 pts	.25 pts	.250 pts	25.01 - above	2.00 pts
RL	3 x NCR	3 x NCR	3 x NCR	3 x NCR	3 x NCR	3 x NCR		3 x NCR
For MSCI Options, the NCR shall be 20% of Theoretical Value with a minimum of .50 points and a maximum of 3.00 point, and the RL shall be 3 x NCR								
<i>*Note that for Cocoa options (which do not trade in decimal points) the respective Theoretical Value Ranges are “1 to 20 points, 21 to 200 points, 201 to 500 points, 501 to 1000 points, and 1001 points and above.</i>								
<i>NCR and Reasonability Limits are for both outright options and User Defined Spread trades, including hedged trades; for purposes of NCR and RL levels, UDS and hedged UDS are treated as a package and not by the individual legs of the UDS.</i>								
<i>In the case of price adjustment, Market Supervision will adjust to fair value minus/plus the NCR.</i>								

EXHIBIT B

Rule 6.25. Position Limits for Index Contracts

(a) MSCI Index Contracts.

(i) MSCI EAFE Mini Index Contracts

MSCI EAFE NTR Mini Index Contracts

Subject to the provisions of this chapter of the Rules, no Person shall own or control positions in excess of 100,000 Exchange Futures Contracts and Futures-Equivalent Contracts net long or net short in all contract months combined. Additionally, a person holding or controlling 50,000 Exchange Futures Contracts and Futures-Equivalent Contracts net long or net short in any single contract month, including the spot month, (i) automatically consents not to increase further and automatically consents to decrease those positions when so ordered by the Exchange acting in its own discretion and (ii) shall provide, in a timely manner, information on the nature of that Person's related cash position, Exchange Futures and Options position, trading strategy and/or hedging strategy and such other relevant information as the Exchange may require. For the purposes of determining a Person's position under this rule, the Exchange will combine all long or short positions in MSCI EAFE Mini Index Futures and Options and MSCI EAFE NTR Mini Index Futures and Options.

(ii) Mini MSCI ACWI Index Contracts

Mini MSCI ACWI NTR Index Contracts

Subject to the provisions of this chapter of the Rules, no Person shall own or control positions in excess of 100,000 Exchange Futures Contracts and Futures-Equivalent Contracts net long or net short in all contract months combined. Additionally, a person holding or controlling 50,000 Exchange Futures Contracts and Futures-Equivalent Contracts net long or net short in any single contract month, including the spot month, (i) automatically consents not to increase further and automatically consents to decrease those positions when so ordered by the Exchange acting in its own discretion and (ii) shall provide, in a timely manner, information on the nature of that Person's related cash position, Exchange Futures and Options position, trading strategy and/or hedging strategy and such other relevant information as the Exchange may require. For the purposes of determining a Person's position under this rule, the Exchange will combine all long or short positions in MSCI EAFE Mini Index Futures and Options and MSCI EAFE NTR Mini Index Futures and Options.

(iii) MSCI Emerging Markets Mini Index Contracts

MSCI Emerging Markets NTR Mini index Contracts

Subject to the provisions of this chapter of the Rules, no Person shall own or control positions in excess of 200,000 Futures Contracts and Futures Equivalent Contracts net long or net short in all contract months combined. Additionally, a person holding or controlling 50,000 Exchange Futures Contracts and Futures-Equivalent Contracts net long or net short in any single contract month, including the spot month, (i) automatically consents not to increase further and automatically consents to decrease those positions when so ordered by the Exchange acting in its own discretion and (ii) shall provide, in a timely manner, information on the nature of that Person's related cash position, Exchange Futures and Options position, trading strategy and/or hedging strategy and such other relevant information as the Exchange may require. For the purpose of determining a Person's position under this rule, the Exchange will combine all long or short positions in MSCI Emerging

Markets Mini Index Futures and options and MSCI Emerging Markets NTR Mini Index Futures and options.

(iv) MSCI Europe Mini Index Contracts

Subject to the provisions of this chapter of the Rules, no Person shall own or control positions in excess of 200,000 Futures Contracts and Futures Equivalent Contracts net long or net short in all contract months combined. Additionally, a person holding or controlling 50,000 Exchange Futures Contracts and Futures-Equivalent Contracts net long or net short in any single contract month, including the spot month, (i) automatically consents not to increase further and automatically consents to decrease those positions when so ordered by the Exchange acting in its own discretion and (ii) shall provide, in a timely manner, information on the nature of that Person's related cash position, Exchange Futures and Options position, trading strategy and/or hedging strategy and such other relevant information as the Exchange may require.

(v) MSCI USA Mini Index Contracts
MSCI USA Value Mini Index Contracts
MSCI USA Growth Mini Index Contracts

Subject to the provisions of this chapter of the Rules, no Person shall own or control positions in excess of 20,000 Exchange Futures Contracts and Futures-Equivalent Contracts net long or net short in any single contract month or all contract months combined. For the purpose of determining a person's position under this rule, the Exchange will combine all long or short positions in MSCI USA Index Futures and Options, MSCI USA Value Mini Index Futures, and MSCI USA Growth Mini Index Futures and Options.

(vi) Mini MSCI Emerging Markets Asia Index
Mini MSCI Emerging Markets Asia NTR Index Contracts

Subject to the provisions of this chapter of the Rules, no Person shall own or control positions in excess of 20,000 Exchange Futures Contracts and Futures-Equivalent Contracts net long or net short in any single contract month or all months combined. For the purpose of determining a Person's position under this rule, the Exchange will combine all long and short positions in mini MSCI Emerging Markets Asia Index Futures and options and mini MSCI Emerging Markets Asia NTR Index Futures and options.

(vii) Mini ASCII ACWI Ex-US Index Contracts
Mini ASCII ACWI Ex-US NTR Index Contracts

Subject to the provisions of this chapter of the Rules, no Person shall own or control positions in excess of 50,000 Exchange Futures Contracts and Futures-Equivalent Contracts net long or net short in any single contract month or all months combined. For the purpose of determining a Person's position under this rule, the Exchange will combine all long and short positions in mini MSCI ACWI Ex-US Index Futures and mini MSCI ACWI Ex-US NTR Index Futures.

(viii) MSCI Europe Value Mini Index Contracts
MSCI Europe Growth Mini Index Contracts
MSCI Europe Mini Index Contracts
MSCI Pan-Euro Mini Index Contracts
Mini MSCI World Index Contracts

Separately for each contract listed above and subject to the provisions of this chapter of the Rules, no Person shall own or control positions in excess of 20,000 Exchange Futures Contracts and Futures-Equivalent contracts net long or net short in any single contract month or all months combined.

(ix) Mini MSCI Canada Index Contracts

Mini MSCI Emerging Markets Latin America Index Contracts

Separately for each contract listed above and subject to the provisions of this chapter of the Rules, no Person shall own or control positions in excess of 10,000 Exchange Futures Contracts and Futures-Equivalent Contracts net long or net short in any single contract month or all months combined.